

SERFF Tracking Number: HRMN-127877579 State: Arkansas
First Filing Company: Horace Mann Insurance Company, ... State Tracking Number:
Company Tracking Number: AR A030112
TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Product Name: AR Auto Rate and Rule Filing
Project Name/Number: AR A030112/AR A030112

Filing at a Glance

Companies: Horace Mann Insurance Company, Horace Mann Property and Casualty Insurance Company, Teachers Insurance Company

Product Name: AR Auto Rate and Rule Filing SERFF Tr Num: HRMN-127877579 State: Arkansas

TOI: 19.0 Personal Auto

SERFF Status: Closed-Filed

State Tr Num:

Sub-TOI: 19.0001 Private Passenger Auto
(PPA)

Co Tr Num: AR A030112

State Status:

Filing Type: Rate/Rule

Reviewer(s): Alexa Grissom, Nancy Horton

Author: Mindy Ballard

Disposition Date: 01/05/2012

Date Submitted: 12/08/2011

Disposition Status: Filed

Effective Date Requested (New): 03/01/2012

Effective Date (New): 03/01/2012

Effective Date Requested (Renewal): 03/01/2012

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: AR A030112

Status of Filing in Domicile: Not Filed

Project Number: AR A030112

Domicile Status Comments: N/A

Reference Organization: N/A

Reference Number: N/A

Reference Title: N/A

Advisory Org. Circular: N/A

Filing Status Changed: 01/05/2012

State Status Changed:

Deemer Date:

Created By: Mindy Ballard

Submitted By: Mindy Ballard

Corresponding Filing Tracking Number:

Filing Description:

December 8, 2011

Arkansas Insurance Department

Property & Casualty Division

1200 West Third Street

Little Rock, AR 72201-1904

Attention: Jay Bradford

Commissioner of Insurance

SERFF Tracking Number: HRMN-127877579 State: Arkansas
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Re: Horace Mann Insurance Company NAIC #300-22578 Fein #59-1027412
Teachers Insurance Company NAIC #300-22683 Fein #23-1742051
Horace Mann Property & Casualty Insurance Company NAIC #300-22756 Fein #95-2413390
Private Passenger Automobile Program
Rate and Rule Filing
Company Filing Number: AR A030112

Dear Commissioner Bradford,

Horace Mann Insurance Company, Teachers Insurance Company, and Horace Mann Property & Casualty Insurance Company submit for your review the above noted automobile rate and rule filing. The overall effect of this filing is 0.0%. It is the judgment of the Actuarial Department as well as of management that these rates are neither excessive, inadequate, nor unfairly discriminatory.

The effective date of this filing is March 1, 2012.

If I can be of further service or if additional information is needed, please do not hesitate to call me toll free at 877-272-0040 option 9, option 3. If you prefer e-mail, my address is melinda.ballard@horacemann.com. Thank you for your attention to this matter.

Sincerely,

Melinda Ballard
Implementation Analyst
Property and Casualty Division
Horace Mann Insurance Company
Teachers Insurance Company
Horace Mann Property & Casualty Insurance Company

Company and Contact

Filing Contact Information

Melinda Ballard, Implementation Analyst ballarm1@mail.horacemann.com
1 Horace Mann Plaza 217-789-2500 [Phone] 8505 [Ext]

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Springfield, IL 62715 217-535-7171 [FAX]

Filing Company Information

Horace Mann Insurance Company CoCode: 22578 State of Domicile: Illinois
 1 Horace Mann Plaza Group Code: 300 Company Type: Insurance
 Company
 Springfield, IL 62715 Group Name: State ID Number:
 (217) 789-2500 ext. [Phone] FEIN Number: 59-1027412

 Horace Mann Property and Casualty Insurance CoCode: 22756 State of Domicile: Illinois
 Company Group Code: 300 Company Type: Insurance
 1 Horace Mann Plaza Company
 Springfield, IL 62715 Group Name: State ID Number:
 (217) 789-2500 ext. [Phone] FEIN Number: 95-2413390

 Teachers Insurance Company CoCode: 22683 State of Domicile: Illinois
 1 Horace Mann Plaza Group Code: 300 Company Type: Insurance
 Company
 Springfield, IL 62715 Group Name: State ID Number:
 (217) 789-2500 ext. [Phone] FEIN Number: 23-1742051

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: The filing fee for this submission is \$100.00.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Horace Mann Insurance Company	\$100.00	12/08/2011	54373543
Horace Mann Property and Casualty Insurance Company	\$0.00	12/08/2011	
Teachers Insurance Company	\$0.00	12/08/2011	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	01/05/2012	01/05/2012

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Alexa Grissom	12/13/2011	12/13/2011	Mindy Ballard	12/19/2011	12/19/2011

SERFF Tracking Number: HRMN-127877579
 First Filing Company: Horace Mann Insurance Company, ...
 Company Tracking Number: AR A030112
 TOI: 19.0 Personal Auto
 Product Name: AR Auto Rate and Rule Filing
 Project Name/Number: AR A030112/AR A030112

State: Arkansas
 State Tracking Number:
 Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Disposition

Disposition Date: 01/05/2012
 Effective Date (New): 03/01/2012
 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):
Horace Mann Insurance Company	5.600%	1.000%	\$1,193	197	\$120,811	8.700%	-6.100%
Horace Mann Property and Casualty Insurance Company	5.600%	-1.000%	\$-2,232	277	\$215,501	11.100%	-8.600%
Teachers Insurance Company	5.600%	0.400%	\$1,220	400	\$276,926	9.600%	-7.100%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing 5.600%
 Overall Percentage Rate Impact For This Filing 0.000%

SERFF Tracking Number: HRMN-127877579

State: Arkansas

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State Tracking Number:

Company Tracking Number: AR A030112

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Product Name: AR Auto Rate and Rule Filing

Project Name/Number: AR A030112/AR A030112

Effect of Rate Filing-Written Premium Change For This Program

\$181

Effect of Rate Filing - Number of Policyholders Affected

874

SERFF Tracking Number: HRMN-127877579 State: Arkansas
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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	A-1 Private Passenger Auto Abstract	Filed	Yes
Supporting Document	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document (revised)	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	AR Auto Rate and Rule Filing	Filed	Yes
Supporting Document	Amended Exhibits I, II, VII, and A	Filed	Yes
Rate	Vehicle Rules and Rates Manual	Filed	Yes
Rate	Vehicle Rules and Rates Manual	Filed	Yes
Rate	Vehicle Rules and Rates Manual	Filed	Yes
Rate	Vehicle Rules and Rates Manual	Filed	Yes
Rate	Vehicle Rules and Rates Manual	Filed	Yes

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 12/13/2011

Submitted Date 12/13/2011

Respond By Date

Dear Melinda Ballard,

This will acknowledge receipt of the captioned filing. Ark. Code Ann. 23-79-209 mandates 5 years' experience be included with a rate filing. Please comply with this requirement. Additionally, please advise if no hits and thin files have a neutral factor.

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

NOTICE regarding, corrections to filings and scrivener's Errors:

Effective for all filings made on or after June 1, 2011, Arkansas no longer allows the re-opening of closed filings for corrections, changes in effective dates, scrivener's errors, amendments or substantive changes. Please see the General Instructions for how these events will be handled after the effective date of the change."

Sincerely,

Alexa Grissom

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Project Name/Number: AR A030112/AR A030112

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	12/19/2011
Submitted Date	12/19/2011

Dear Alexa Grissom,

Comments:

Attached please find our response to the objection letter dated 12-13-11.

Response 1

Comments: We have revised our indication to include 5 years of experience. The 5 years were given equal 20% weights. The indication decreased from +5.6% to +4.8%. The revised indication can be found in Amended Exhibit I.

We have revised our factors for No Scores, or "thin files", to be a neutral 1.000 factor. Current and proposed factors can be found in Exhibit A. This revision decreased our overall effective to -0.2%. Revised effects and histograms can be found in Amended Exhibit II and Amended Exhibit VII, respectively.

We have also attached the revised forms for each company with updated indications and effects.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: NAIC loss cost data entry document

Comment: Attached please find our amended NAIC Loss Cost Data Entry documents for HMIC, TIC, and HMPC. This is in response to the objection letter dated 12-13-11.

Satisfied -Name: Amended Exhibits I, II, VII, and A

Comment: Please find our amended Exhibits I, II, VII, and A. This is in response to the objection letter dated 12-13-11.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

If you have any further questions or concerns, please contact me. Thank you.

Mindy Ballard
Implementation Analyst

SERFF Tracking Number: HRMN-127877579 *State:* Arkansas
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Sincerely,
Mindy Ballard

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Post Submission Update Request Submitted On 12/19/2011

Status: Submitted
Created By: Mindy Ballard

General Information:

Field Name	Requested Change	Prior Value
Corresponding Filing Tracking Number		

Company Rate Information:

Company Name:Horace Mann Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	4.800%	5.600%

Company Name:Horace Mann Property and Casualty Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	4.800%	5.600%
Overall % Rate Impact	-1.400%	-1.000%
Written Premium Change for this Program	\$-2967	\$-2232
Maximum %Change (where required)	10.000%	11.100%
Minimum %Change (where required)	-14.400%	-8.600%

Company Name:Teachers Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	4.800%	5.600%
Overall % Rate Impact	0.200%	0.400%
Written Premium Change for this Program	\$425	\$1220
Minimum %Change (where required)	-11.600%	-7.100%

Overall Rate Information:

Field Name	Requested Change	Prior Value
Overall Percentage Rate Indicated For This Filing	4.800%	5.600%

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Product Name: AR Auto Rate and Rule Filing
Project Name/Number: AR A030112/AR A030112
Overall Percentage Rate Impact For This Filing -0.200% 0.000%

SERFF Tracking Number: HRMN-127877579
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 Company Tracking Number: AR A030112
 TOI: 19.0 Personal Auto
 Product Name: AR Auto Rate and Rule Filing
 Project Name/Number: AR A030112/AR A030112

State: Arkansas
 State Tracking Number:
 Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Rate Information

Rate data applies to filing.

Filing Method:	File and Use
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	-0.400%
Effective Date of Last Rate Revision:	04/01/2011
Filing Method of Last Filing:	File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Horace Mann Insurance Company	5.600%	1.000%	\$1,193	197	\$120,811	8.700%	-6.100%

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):
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 Project Name/Number: AR A030112/AR A030112

Horace Mann Property and Casualty Insurance Company 5.600% -1.000% \$-2,232 277 \$215,501 11.100% -8.600%

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):
Teachers Insurance Company	5.600%	0.400%	\$1,220	400	\$276,926	9.600%	-7.100%

Overall Rate Information for Multiple Company Filings

Overall % Rate Indicated: 5.600%
 Overall Percentage Rate Impact For This Filing: 0.000%
 Effect of Rate Filing - Written Premium Change For This Program: \$181
 Effect of Rate Filing - Number of Policyholders Affected: 874

SERFF Tracking Number: HRMN-127877579 State: Arkansas
 First Filing Company: Horace Mann Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR A030112
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 Project Name/Number: AR A030112/AR A030112

Rate/Rule Schedule

Schedule Item Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Number:	Filing Attachments
Filed 01/05/2012	Vehicle Rules and Rates Manual	Pages 1-2, Rule I (page 3 due to shifting)	Replacement	EFT \$100 ~ HRMN-126930483	Page 1-3, Rule I.pdf
Filed 01/05/2012	Vehicle Rules and Rates Manual	Page 7, Rule IV.A.3	Replacement	EFT \$100 ~ HRMN-126930483	Page 7, Rule IV.A.3.pdf
Filed 01/05/2012	Vehicle Rules and Rates Manual	Page 9, Rule IV.A.12 (page 10 due to shifting)	Replacement	EFT \$100 ~ HRMN-126930483	Page 9-10, Rule IV.A.12.pdf
Filed 01/05/2012	Vehicle Rules and Rates Manual	Page 14, Rule V.A.2	Replacement	EFT \$100 ~ HRMN-126930483	Page 14, Rule V.A.2.pdf
Filed 01/05/2012	Vehicle Rules and Rates Manual	Page 18, Rule VI.C	Replacement	EFT \$100 ~ HRMN-126930483	Page 18, Rule VI.C.pdf

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
HORACE MANN PROPERTY AND CASUALTY INSURANCE COMPANY**

VEHICLE RULES & RATES

Arkansas

I. DEFINITIONS

Defined words are underlined throughout these Rules and Rates.

Actual Cash Value means the present-day value measured in cash, arrived at by taking the replacement cost and deducting for depreciation brought about by physical wear and tear and obsolescence.

Affiliated Credit Union means a credit union that has a signed agreement with Horace Mann.

Automobile means a private passenger vehicle.

Business Use means the vehicle is used regularly in the duties of the applicant or any other person regularly operating the vehicle in his occupation, profession, or business other than going to and from his principal place of occupation, profession, or business.

Commercial Use means the vehicle:

- A. has been modified for use in the insured's business;
- B. carries advertising for a business;
- C. is used to pull trailers, utility trailers, or wheeled machinery basic to the insured's occupation;
- D. is used to carry goods for delivery either for a fee or by a contract;
- E. is owned or leased by a company or corporation;
- F. is used to carry persons for a fee in excess of sharing of expenses;
- G. is used for drivers training if not otherwise qualified by Rule IV. B. 2.; or
- H. is commonly driven by an employee of the insured other than a domestic employee.

Cost New means the original cost plus any additional cost related to customizing. In the case of motorcycles, the additional cost of fairings, luggage racks, luggage, saddle bags, stereo and CB equipment, chrome additions, sissy bars, roll bars, side cars, or similar equipment will also be included. In the case of motor homes, the additional cost of awnings, racks and ladders, or similar equipment will also be included. In the case of pickups, the additional cost of a camper shell, topper, blade, or similar equipment will also be included.

Current means:

- A. calendar year if the date is prior to October 1, or
- B. calendar year plus one or more if the date is on or after October 1.

Customized Utility Vehicle means a utility vehicle which has undergone interior or exterior alterations of a non-business nature, designed to give the vehicle unique or personalized characteristics not found in the basic model of the same vehicle. Such alteration shall specifically include, but not be limited to, elaborate interior furnishings, custom exterior paint, glass and body modifications, raised or otherwise altered suspensions, oversized tires, and camper shells designed to fit into the bed of a pickup. The definition includes factory-customized vehicles.

Educator means one of the following conditions is met:

- A. an individual who is currently employed full-time, or part time if a classroom teacher by one of the following entities:
 - 1. a public school district (kindergarten thru 12th grade);
 - 2. a junior college;
 - 3. an academic college;
 - 4. a university;
 - 5. an accredited private school (kindergarten thru 12th grade);
 - 6. a publicly-funded vocational school;
 - 7. an educational service agency;

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- B. or, an individual who was employed by one of the entities noted in condition A above, on a full-time basis, or part time if a classroom teacher, immediately prior to retirement. A retiring individual must meet the following criteria:
1. Employed by one of the entities above for 10 or more years;
 2. Has obtained the age of 55.

Insured means the named insured shown on the declarations page and the named insured's spouse if a resident of the same household.

Member means a household driver who is a member of a sponsoring association.

Model Year means the model year of the vehicle assigned by the manufacturer. If the vehicle has been rebuilt or structurally altered, the model year of the chassis is the model year of the vehicle.

Motor Home means a self-propelled vehicle permanently equipped for use as living quarters.

New Business means risks not previously insured by us for at least 90 days preceding the effective date of coverage.

Number of Drivers in the Household means the number of drivers in the household that are insured by us. This does not include unlicensed drivers, permissive drivers, drivers who are insured by another company or drivers who are temporarily out of the household.

Number of Vehicles in the Household means the number of four-wheel private passenger vehicles, pickup trucks and utility vehicles insured by us. This does not include fleet vehicles, motorcycles, motor homes, snowmobiles, trailers, kit, antique or electric cars.

Occasional Operator means any operator of a vehicle who is a resident of the insured's household who is not the principal operator.

Pickup means a truck with a load capacity of 2,000 pounds or less having an open body manufactured with low sides and tailboard.

Policy Age means the number of years, measured from the original effective date of the policy, that the policy has been in force with us.

Principal Operator means such person who operates the vehicle more of the time or puts more miles on the vehicle than any other operator, or the person designated by our class plan.

Private Passenger Vehicle means a four-wheel land motor vehicle, intended for use mainly on public roads, of the private passenger, station wagon or utility vehicle type, and designed to carry people and their luggage.

Recreational Trailer means a trailer equipped to provide sleeping accommodations and which includes cooking, dining, plumbing or refrigeration facilities. A trailer used as permanent living quarters, secondary dwelling, or a seasonal dwelling is not considered a recreational trailer.

Specified Vehicle means any vehicle included on the Specified Vehicle List and vehicles designated as high or intermediate performance by ISO.

Sponsoring Association means a state education association which has reviewed our program and has notified its members that it is formally recommending our program to them for consideration. Such a recommendation is not the result of the payment of any consideration by us.

Trailer means a trailer or semi-trailer designed for use with a private passenger vehicle or a utility vehicle.

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Utility Trailer means a trailer other than one defined as a recreational trailer.

Utility Vehicle means a pickup, van or jeep-type vehicle with a load capacity of not more than 2000 pounds and not used for commercial purposes. This also includes a detachable living quarter's unit designed for use with a private passenger vehicle, pickup or van.

Van means an enclosed motor vehicle of the panel, delivery, or window passenger type.

Vehicle Type means an antique car, electric car, kit car, fiberglass body vehicle, motor home, private passenger vehicle, pickup, recreational trailer, and utility vehicle.

We, Us and Our mean the Company or Companies listed on the cover of these rules.

Youthful Household means a household with a driver under age 21.

II. POLICY INFORMATION

A. Policy Type

The Readable Car Policy will be issued to insure all vehicles.

B. Coverage

The coverages to which the rates and rules of this manual apply are described in the insuring agreements of the vehicle policy forms we issue, and are subject to the policy exclusions and conditions and to any endorsements which may be attached to the policy.

C. Policy Term

Unless otherwise stated, the policy term shall be six months, extended for successive periods upon payment of the required premium, computed on the basis of rates in effect as of each renewal date. If a payroll policy, the policy term shall be 12 months extended for successive periods upon payment of the required premium, computed on the basis of rates in effect as of each annual renewal date. The 12-month premium is calculated by multiplying the 6-month premium by 2. Exceptions may be made at the written request of the insured.

D. Policy Changes

1. Changes that affect the coverage(s) provided by the policy may require the issuance of a new policy declaration page which will reflect the status of the policy coverages as amended. Examples of such changes would be when an insured moves from one rating territory to another, changes vehicles, or changes coverages. Any additional or return premium will be computed pro rata.
2. An additional vehicle may not be added to an existing policy. Such vehicle must be insured under a separate policy at the rate in effect at the time such additional policy is effective.
3. Changes which result in return or additional premium of less than \$2.00 will not be billed or returned to the insured unless requested in writing. Changes which result in a return premium of \$2.00 or greater but less than \$25.00, will not be automatically refunded but will be applied toward the next policy change endorsement or renewal premium, whichever occurs first. The change must be within 90 days prior to the expiration date of the policy. The insured may request that the premium amount be returned.

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Resident Relative of Member Household includes all resident relatives of the member.

Non-Member includes all policies listed in a non-member's name.

Resident Relative of Non-Member Household includes all resident relatives of a non-member's household.

Non-Educator, Non-Member is an insured that is not employed by a school district, accredited private school, publicly funded vocational school, junior college, college, university and is not a member of an association

IV. RATING FACTORS

A. Policy Rating Factors

1. Model Year of Vehicle

A rating factor will be applied to the Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Uninsured and Underinsured Motor Vehicle, Comprehensive, Collision, Emergency Road Service and Rental Reimbursement coverage premiums based on the model year of the vehicle.

2. Youthful Household

A rating factor will be applied to the Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Comprehensive and Collision coverage premiums when there is a household driver who is under 21 years of age.

3. Insurance Tier

A rating factor will be applied to Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Uninsured and Underinsured Motor Vehicle, Comprehensive, Collision and Rental Reimbursement coverage premiums based on the insurance score of the first (primary) named insured. The insurance score determines the rating tier.

The rating tier for New Business will be based on the insurance score of the first (or second) named insured at the time of application.

<u>Tier</u>	<u>Insurance Score</u>	<u>Tier</u>	<u>Insurance Score</u>
A	781+	N	677 – 687
B	769 – 780	P	666 – 676
C	759 – 768	Q	653 – 665
D	749 – 758	R	638 – 652
E	740 – 748	S	616 – 637
F	727 – 739	T	588 – 615
G	722 – 726	U	550 – 587
H	718 – 721	V	< 550
J	713 – 717	1	NO HIT (Client not found in database)
K	705 – 712	2	NO SCORE (Client found, but insufficient data to develop score)
L	696 – 704	3	NO PERMISSION
M	688 – 695		

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12. Advanced Quote

A rating factor will be applied to the Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Comprehensive, Collision, Uninsured Motor Vehicle, and Underinsured Motor Vehicle coverage premiums for a private passenger vehicle if the following criteria are satisfied:

- a. The application for the Horace Mann Property & Casualty Insurance Company policy is completed 7 days or more before the policy effective date at New Business.
- b. The policyholder has prior insurance with no lapse in coverage at New Business. A policyholder will be considered to have a lapse at New Business if there is a lapse of 1 day or more between the expiration date of the prior policy and the New Business effective date of the Horace Mann Property & Casualty Insurance Company policy.
- c. Existing customers, including rewrites and reinstatements, are ineligible for the discount.

Exception: In the case of a customer moving from another state (i) if the policy was receiving the Advanced Quote Discount in the previous state or (ii) if the policy was not receiving the Advanced Quote Discount in the previous state but criteria (a) and (b) above are satisfied, the discount will also apply to the Arkansas Horace Mann Property & Casualty Insurance Company policy.

B. Driver Rating Factors

1. Defensive Driving

- a. A rating factor will be applied to the Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Comprehensive and Collision coverage premiums that would apply to a private passenger vehicle provided that the principal operator is age 55 or over and has a completion certificate, dated within the most recent 36 months, certifying that he or she has successfully completed a motor vehicle accident prevention course approved by the Arkansas Department of Motor Vehicles (Division of Driver Services).
- b. This discount does not apply if the principal operator is taking the course as punishment, specified by a court or other governmental entity, resulting from a moving traffic violation.
- c. This discount shall apply:
 - i. To new and renewal policies with inception dates within the 36 month period following the course completion date;
 - ii. Only to the auto principally operated by the insured with the course completion certificate;
 - iii. Only once to each such auto regardless of the number of operators with course completion certificates.

2. Driver Training

A rating factor will be applied to the Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Comprehensive and Collision coverage premiums that would apply to a private passenger vehicle classed for a youthful operator shall be subject to a driver training rating factor when satisfactory evidence is presented that each operator under age 21 who is a resident in the same household as the applicant, or who customarily operates the vehicle, has successfully completed an acceptable driver education course conducted by certified instructors.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
HORACE MANN PROPERTY AND CASUALTY INSURANCE COMPANY**

VEHICLE RULES & RATES

Arkansas

3. Good Student

A rating factor will be applied to the Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Comprehensive and Collision coverage premiums that would apply to a private passenger vehicle if:

- a. the vehicle is classed for a single operator under 25 years of age who is a full-time student in high school, or is enrolled as a full-time student in academic courses in an accredited college, university, or vocational technical school (except as noted in item d below); and
- b. the scholastic records for the immediately preceding school semester or quarter (or comparable segment) show that each such student:
 - i. ranks scholastically among the upper 20 percent of his or her class, or
 - ii. in schools where grades are designated by letter (such as A, B, C, D and F), had a grade average of at least B or its equivalent, or
 - iii. in schools where numbers are used to designate grade "points" (such as 4, 3, 2 and 1), had an average of at least 3 points for all subjects combined on a 4 point scale, or its equivalent on any other scale, or
 - iv. if the system of grading by letter is not subject to averaging, had no grade below B or its equivalent.

For each such student, we must be furnished a statement, certified by a responsible official of the school, indicating attainment of at least one of the above scholastic requirements annually; and

- c. The vehicle is a private passenger vehicle or a utility vehicle.
- d. Single owners or operators who qualified for the good student rating factor while insured with us during their senior year at college and who graduated will be able to retain the good student rating factor without requalification until they reach 25 years of age or get married.

4. Inexperienced Operator

A rating factor will be applied to Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Comprehensive and Collision coverage premiums when an operator age 19 or older has been licensed for less than 3 years in the United States or Canada. The rating factor shall apply until the operator has three years of driving experience.

This rating factor shall apply to all private passenger vehicles, motorcycles and motor homes. It shall only apply to one vehicle per inexperienced operator. It shall be applied to the vehicle on which the inexperienced operator is rated; if he/she is not rated on any vehicle, the rating factor shall apply to the vehicle usually operated by the inexperienced operator.

This rating factor may be applied or removed at any time during the policy term, as required.

5. Accident Points

- a. If an accident is the fault of the named insured, a resident in the same household or other customary operator, points will be assigned to the policy covering the vehicle involved in the accident.

The accident must have resulted in Property Damage Liability or Collision or both.

The accident must involve a private passenger vehicle, motor home, or motorcycle. The points will be charged if the accident occurred within 35 months immediately preceding the effective date of the policy or the renewal date.

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
HORACE MANN PROPERTY AND CASUALTY INSURANCE COMPANY**

VEHICLE RULES & RATES

Arkansas

3. Change of Usual Operators

a. Deletion of driver

Effective at the time we are notified, the point(s) of a deleted driver will be eliminated.

b. Addition of driver

The points for an at fault accident or moving violation(s) for a new household operator will be assigned to the vehicle where the new operator is classed as the principal operator, or if not the principal operator, the occasional operator, or if neither principal operator or occasional operator, where the operator is listed.

4. Lapsed Policies

When coverage is reactivated within 10 months of the lapse date, the point(s), if applicable, will be the same as if there had been no lapse in coverage. When coverage is requested to be reactivated after the 10 months from the lapse date, the policy will be written as new business.

V. OPTIONAL COVERAGE

A. Stated Amount Coverage

State Amount Coverage cannot be written for new business through any of the Horace Mann Companies.

Stated Amount Coverage cannot be written through Teachers Insurance Company or Horace Mann Property & Casualty Insurance Company.

1. Applicability and Requirements

Some private passenger vehicles have value significantly greater than the average value of other vehicles of the same make and model year. The Stated Amount Insurance endorsement is available to provide Comprehensive or Comprehensive and Collision coverage on such private passenger vehicles other than utility vehicles. A recent certified appraisal and a current photo are required for this endorsement to be written. The vehicle must be insured 100% to value. A minimum deductible of \$250.00 must apply to Comprehensive and Collision coverages.

2. Symbol Determination

The symbol assigned to a vehicle written subject to the Stated Amount provisions will be determined by the stated amount shown on the application. Refer to the symbol table in this rule for this information.

1989 AND PRIOR SYMBOLS

<u>Stated Amount (\$)</u>	<u>Symbol</u>	<u>Stated Amount (\$)</u>	<u>Symbol</u>
0-2,750	M	20,001-24,000	1
2,751-3,700	N	24,001-28,000	2
3,701-5,000	P	28,001-33,000	3
5,001-6,500	T	33,001-39,000	4
6,501-8,000	U	39,001-46,000	5
8,001-10,000	V	46,001-55,000	6
10,001-12,500	W	55,001 & above	7
12,501-15,000	X		
15,001-17,500	Y		
17,501-20,000	Z		

**HORACE MANN INSURANCE COMPANY
TEACHERS INSURANCE COMPANY
HORACE MANN PROPERTY AND CASUALTY INSURANCE COMPANY**

VEHICLE RULES & RATES

Arkansas

K. Additional Coverage Endorsement

This coverage may be written only when a policy affords Comprehensive coverage. However, if the vehicle is a trailer, snowmobile, or motorcycle, this coverage may not be written.

Rate: \$6.00

VI. MISCELLANEOUS

A. Installment Payment Plans

Installment payment plans are available on all vehicles at the option of the applicant or policyholder.

1. Two-pay Plan

The initial payment shall be a minimum of 50% of the total semi-annual premium, plus an installment fee of \$7.50.

2. Electronic Funds Transfer (EFT)

a. Installment payments by EFT shall be made on a monthly basis.

b. For new business, the initial payment shall be 1/3 of the 6-month premium; the remaining monthly payments shall be of equal amounts.

For renewals, there shall be equal monthly payments.

c. A service fee of \$4.50 per 6-month period will be charged. This fee is earned when written and is not refundable.

B. Rounding of Premiums

The premium developed for each coverage of insurance shall always be rounded to the nearest 10 cents. A premium ending in 5 cents shall be rounded up.

C. Late Pay/Reinstatement Fee

Premiums that are not paid when due will result in a service charge of \$25 per occurrence. The fee will also apply to any policy that has been lapsed and is reinstated. No charge will apply to a policy paid via electronic funds transfer or payroll deduction.

D. Time Out of Force or Vehicles in Storage

This rule can apply only if the insured has other vehicle liability insurance with us.

This rule applies only to those vehicles that are not highway registered vehicles or those that have received a non-highway certificate in return for turning in the vehicle license plates.

1. This rule does not apply to risks for which a certificate has been filed in accordance with a financial responsibility law.

2. We must receive notice of the insured's request for time out of force at least five days prior to the day such time out of force is to become effective.

3. No time out of force will be granted on Comprehensive coverage.

4. The period of time for which the policy is not in force must not be less than 30 days.

5. A policy will be put back in force at the insured's request with no less coverage than previously carried. The original policy period will be retained.

6. If the motor vehicle is disabled, we can require proof of disablement.

SERFF Tracking Number: HRMN-127877579 State: Arkansas
 First Filing Company: Horace Mann Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR A030112
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
 Product Name: AR Auto Rate and Rule Filing
 Project Name/Number: AR A030112/AR A030112

Supporting Document Schedules

		Item Status:	Status Date:
Bypassed - Item:	A-1 Private Passenger Auto Abstract	Filed	01/05/2012
Bypass Reason:	The information contained in our auto abstract has not been altered from our last homeowner rate and rule filing.		

Comments:

		Item Status:	Status Date:
Satisfied - Item:	APCS-Auto Premium Comparison Survey	Filed	01/05/2012

Comments:

Attachments:

AR Comparison Survey-HMIC.pdf
 AR Comparison Survey-HMIC.xls
 AR Comparison Survey-HMPC.pdf
 AR Comparison Survey-HMPC.xls
 AR Comparison Survey-TIC.pdf
 AR Comparison Survey-TIC.xls

		Item Status:	Status Date:
Satisfied - Item:	NAIC loss cost data entry document	Filed	01/05/2012

Comments:

Attached please find our amended NAIC Loss Cost Data Entry documents for HMIC, TIC, and HMPC. This is in response to the objection letter dated 12-13-11.

Attachments:

AR NAIC Loss Cost Data Entry Doc HMIC.pdf
 AR NAIC Loss Cost Data Entry Doc HMPC.pdf
 AR NAIC Loss Cost Data Entry Doc TIC.pdf

SERFF Tracking Number: HRMN-127877579 State: Arkansas
 First Filing Company: Horace Mann Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR A030112
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
 Product Name: AR Auto Rate and Rule Filing
 Project Name/Number: AR A030112/AR A030112

		Item Status:	Status Date:
Bypassed - Item:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	01/05/2012
Bypass Reason:	Not applicable.		
Comments:			

		Item Status:	Status Date:
Satisfied - Item:	AR Auto Rate and Rule Filing	Filed	01/05/2012
Comments:	The manual pages have been attached to the rate and rule filing schedule tab.		
Attachments:	AR Auto Filing Part I.pdf AR Auto Filing Part II.pdf		

		Item Status:	Status Date:
Satisfied - Item:	Amended Exhibits I, II, VII, and A	Filed	01/05/2012
Comments:	Please find our amended Exhibits I, II, VII, and A. This is in response to the objection letter dated 12-13-11.		
Attachment:	Amended Exhibits I, II, VII, and A.pdf		

Private Passenger Auto Premium Comparison Survey Form
FORM APCS - last modified August 2005

NAIC Number: 22578
 Company Name: Horace Mann Insurance Company
 Contact Person: Melinda Ballard
 Telephone No.: 217-789-2500 ext. 8505
 Email Address: melinda.ballard@horacemann.com
 Effective Date: 3/1/2012

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
 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 insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit
 on a compact disk

DISCOUNTS OFFERED:
 PASSIVE RESTRAINT/AIRBAG %
 AUTO/HOMEOWNERS %
 GOOD STUDENT %
 ANTI-THEFT DEVICE %
 Over 55 Defensive Driver Discount %
 \$250/\$500 Deductible Comp./Coll. %

Vehicle	Coverages	Gender	Age	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
				Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female
				18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
1999 Chevrolet Silverado 1500 2WD "LS" regular cab 119" WB	Minimum Liability			\$446	\$489	\$195	\$196	\$578	\$626	\$244	\$244	\$683	\$746	\$283	\$284	\$672	\$729	\$277	\$278	\$629	\$686	\$263	\$263
	Minimum Liability with Comprehensive and Collision			\$948	\$1,063	\$443	\$432	\$1,271	\$1,416	\$593	\$575	\$1,402	\$1,573	\$621	\$608	\$1,564	\$1,736	\$760	\$731	\$1,400	\$1,569	\$641	\$623
	100/300/50 Liability with Comprehensive and Collision			\$1,102	\$1,228	\$561	\$550	\$1,433	\$1,588	\$712	\$694	\$1,580	\$1,765	\$746	\$734	\$1,735	\$1,919	\$880	\$852	\$1,569	\$1,750	\$761	\$744
2003 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability			\$455	\$500	\$199	\$200	\$590	\$639	\$249	\$249	\$697	\$761	\$289	\$290	\$686	\$744	\$283	\$284	\$642	\$701	\$268	\$269
	Minimum Liability with Comprehensive and Collision			\$1,014	\$1,138	\$477	\$464	\$1,363	\$1,518	\$642	\$620	\$1,496	\$1,680	\$667	\$651	\$1,685	\$1,870	\$829	\$795	\$1,500	\$1,682	\$693	\$672
	100/300/50 Liability with Comprehensive and Collision			\$1,172	\$1,306	\$598	\$585	\$1,528	\$1,694	\$763	\$743	\$1,678	\$1,877	\$795	\$780	\$1,859	\$2,057	\$951	\$919	\$1,673	\$1,867	\$815	\$795
2003 Honda Odyssey "EX"	Minimum Liability			\$455	\$500	\$199	\$200	\$590	\$639	\$249	\$249	\$697	\$761	\$289	\$290	\$686	\$744	\$283	\$284	\$642	\$701	\$268	\$269
	Minimum Liability with Comprehensive and Collision			\$1,043	\$1,171	\$495	\$480	\$1,404	\$1,564	\$667	\$643	\$1,535	\$1,724	\$689	\$672	\$1,743	\$1,933	\$867	\$830	\$1,545	\$1,731	\$719	\$696
	100/300/50 Liability with Comprehensive and Collision			\$1,201	\$1,339	\$615	\$601	\$1,569	\$1,740	\$788	\$766	\$1,717	\$1,920	\$816	\$801	\$1,917	\$2,121	\$989	\$954	\$1,717	\$1,916	\$841	\$820
2005 Toyota Camry LE 3.0L 4 door Sedan	Minimum Liability			\$484	\$531	\$212	\$213	\$628	\$680	\$265	\$264	\$741	\$810	\$307	\$308	\$729	\$791	\$301	\$302	\$683	\$745	\$285	\$285
	Minimum Liability with Comprehensive and Collision			\$1,161	\$1,304	\$550	\$533	\$1,564	\$1,745	\$743	\$716	\$1,707	\$1,920	\$766	\$746	\$1,942	\$2,157	\$967	\$926	\$1,722	\$1,932	\$802	\$776
	100/300/50 Liability with Comprehensive and Collision			\$1,329	\$1,483	\$678	\$662	\$1,740	\$1,932	\$872	\$847	\$1,901	\$2,129	\$902	\$884	\$2,127	\$2,356	\$1,097	\$1,057	\$1,905	\$2,129	\$931	\$907
2003 Cadillac Seville "STS" 4 door Sedan	Minimum Liability			\$479	\$526	\$210	\$211	\$621	\$672	\$262	\$262	\$734	\$801	\$304	\$305	\$722	\$783	\$298	\$298	\$676	\$738	\$282	\$283
	Minimum Liability with Comprehensive and Collision			\$1,319	\$1,481	\$641	\$618	\$1,787	\$1,993	\$875	\$839	\$1,920	\$2,160	\$882	\$855	\$2,255	\$2,500	\$1,167	\$1,110	\$1,964	\$2,203	\$940	\$905
	100/300/50 Liability with Comprehensive and Collision			\$1,485	\$1,657	\$768	\$746	\$1,961	\$2,178	\$1,003	\$968	\$2,112	\$2,367	\$1,016	\$991	\$2,438	\$2,697	\$1,296	\$1,241	\$2,145	\$2,397	\$1,069	\$1,035
1998 Chevrolet Cavalier LS 4D Sedan	Minimum Liability			\$466	\$512	\$205	\$205	\$605	\$655	\$255	\$255	\$715	\$781	\$296	\$297	\$703	\$763	\$290	\$291	\$658	\$718	\$275	\$275
	Minimum Liability with Comprehensive and Collision			\$951	\$1,065	\$446	\$434	\$1,274	\$1,417	\$596	\$577	\$1,406	\$1,576	\$624	\$610	\$1,569	\$1,738	\$763	\$734	\$1,401	\$1,568	\$643	\$625
	100/300/50 Liability with Comprehensive and Collision			\$1,112	\$1,237	\$569	\$558	\$1,443	\$1,597	\$720	\$703	\$1,593	\$1,777	\$755	\$742	\$1,747	\$1,930	\$889	\$862	\$1,578	\$1,757	\$768	\$751

SERFF Tracking Number: *HRMN-127877579* *State:* *Arkansas*
First Filing Company: *Horace Mann Insurance Company, ...* *State Tracking Number:*
Company Tracking Number: *AR A030112*
TOI: *19.0 Personal Auto* *Sub-TOI:* *19.0001 Private Passenger Auto (PPA)*
Product Name: *AR Auto Rate and Rule Filing*
Project Name/Number: *AR A030112/AR A030112*

Attachment "AR Comparison Survey-HMIC.xls" is not a PDF document and cannot be reproduced here.

Private Passenger Auto Premium Comparison Survey Form
FORM APCS - last modified August 2005

NAIC Number: 22756
 Company Name: Horace Mann Property & Casualty Ins. Co.
 Contact Person: Melinda Ballard
 Telephone No.: 217-789-2500 ext. 8505
 Email Address: melinda.ballard@horacemann.com
 Effective Date: 3/1/2012

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
 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 insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit on a compact disk

DISCOUNTS OFFERED:
 PASSIVE RESTRAINT/AIRBAG %
 AUTO/HOMEOWNERS %
 GOOD STUDENT %
 ANTI-THEFT DEVICE %
 Over 55 Defensive Driver Discount %
 \$250/\$500 Deductible Comp./Coll. %

Vehicle	Coverages	Gender	Age	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
				Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female
				18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
1999 Chevrolet Silverado 1500 2WD "LS" regular cab 119" WB	Minimum Liability			\$294	\$322	\$126	\$127	\$375	\$404	\$155	\$155	\$415	\$431	\$169	\$169	\$352	\$380	\$150	\$150	\$313	\$340	\$136	\$137
	Minimum Liability with Comprehensive and Collision			\$582	\$648	\$271	\$263	\$751	\$829	\$348	\$336	\$775	\$789	\$339	\$331	\$777	\$857	\$414	\$397	\$593	\$658	\$297	\$289
	100/300/50 Liability with Comprehensive and Collision			\$701	\$773	\$365	\$357	\$874	\$958	\$442	\$431	\$900	\$919	\$431	\$424	\$881	\$968	\$492	\$476	\$700	\$771	\$380	\$372
2003 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability			\$319	\$350	\$137	\$138	\$408	\$439	\$168	\$168	\$451	\$469	\$183	\$184	\$382	\$413	\$163	\$163	\$340	\$369	\$148	\$148
	Minimum Liability with Comprehensive and Collision			\$669	\$747	\$308	\$300	\$863	\$955	\$396	\$383	\$891	\$908	\$388	\$379	\$894	\$989	\$472	\$453	\$681	\$758	\$339	\$329
	100/300/50 Liability with Comprehensive and Collision			\$798	\$883	\$411	\$403	\$996	\$1,095	\$499	\$486	\$1,027	\$1,049	\$488	\$479	\$1,007	\$1,109	\$558	\$539	\$798	\$880	\$429	\$420
2003 Honda Odyssey "EX"	Minimum Liability			\$319	\$350	\$137	\$138	\$408	\$439	\$168	\$168	\$451	\$469	\$183	\$184	\$382	\$413	\$163	\$163	\$340	\$369	\$148	\$148
	Minimum Liability with Comprehensive and Collision			\$688	\$768	\$319	\$310	\$888	\$983	\$411	\$397	\$914	\$929	\$400	\$390	\$924	\$1,022	\$494	\$473	\$699	\$778	\$352	\$341
	100/300/50 Liability with Comprehensive and Collision			\$817	\$904	\$422	\$413	\$1,021	\$1,123	\$514	\$500	\$1,049	\$1,071	\$500	\$490	\$1,037	\$1,142	\$579	\$559	\$816	\$901	\$442	\$432
2005 Toyota Camry LE 3.0L 4 door Sedan	Minimum Liability			\$336	\$368	\$144	\$145	\$429	\$462	\$176	\$177	\$475	\$493	\$193	\$193	\$402	\$435	\$171	\$171	\$358	\$389	\$156	\$156
	Minimum Liability with Comprehensive and Collision			\$770	\$862	\$356	\$345	\$993	\$1,103	\$459	\$443	\$929	\$1,039	\$447	\$435	\$1,036	\$1,149	\$554	\$530	\$781	\$871	\$392	\$380
	100/300/50 Liability with Comprehensive and Collision			\$906	\$1,005	\$464	\$454	\$1,133	\$1,250	\$567	\$551	\$1,068	\$1,187	\$551	\$541	\$1,156	\$1,275	\$643	\$621	\$904	\$1,000	\$487	\$476
2003 Cadillac Seville "STS" 4 door Sedan	Minimum Liability			\$336	\$368	\$144	\$145	\$429	\$462	\$176	\$177	\$453	\$493	\$193	\$193	\$402	\$435	\$171	\$171	\$358	\$389	\$156	\$156
	Minimum Liability with Comprehensive and Collision			\$865	\$966	\$412	\$397	\$1,121	\$1,243	\$536	\$514	\$1,025	\$1,146	\$509	\$493	\$1,189	\$1,315	\$666	\$633	\$873	\$972	\$455	\$438
	100/300/50 Liability with Comprehensive and Collision			\$1,001	\$1,109	\$520	\$506	\$1,260	\$1,390	\$645	\$623	\$1,165	\$1,295	\$613	\$598	\$1,308	\$1,441	\$755	\$724	\$995	\$1,101	\$550	\$533
1998 Chevrolet Cavalier LS 4D Sedan	Minimum Liability			\$303	\$331	\$130	\$131	\$387	\$417	\$159	\$159	\$408	\$444	\$174	\$174	\$362	\$392	\$154	\$155	\$323	\$350	\$140	\$141
	Minimum Liability with Comprehensive and Collision			\$593	\$660	\$276	\$268	\$766	\$845	\$355	\$343	\$723	\$804	\$346	\$338	\$793	\$874	\$423	\$405	\$606	\$671	\$303	\$295
	100/300/50 Liability with Comprehensive and Collision			\$716	\$789	\$373	\$366	\$892	\$978	\$452	\$441	\$849	\$938	\$441	\$433	\$900	\$988	\$504	\$487	\$716	\$787	\$389	\$381

SERFF Tracking Number: *HRMN-127877579* *State:* *Arkansas*
First Filing Company: *Horace Mann Insurance Company, ...* *State Tracking Number:*
Company Tracking Number: *AR A030112*
TOI: *19.0 Personal Auto* *Sub-TOI:* *19.0001 Private Passenger Auto (PPA)*
Product Name: *AR Auto Rate and Rule Filing*
Project Name/Number: *AR A030112/AR A030112*

Attachment "AR Comparison Survey-HMPC.xls" is not a PDF document and cannot be reproduced here.

Private Passenger Auto Premium Comparison Survey Form
FORM APCS - last modified August 2005

NAIC Number: 22683
 Company Name: Teachers Insurance Company
 Contact Person: Melinda Ballard
 Telephone No.: 217-789-2500 ext. 8505
 Email Address: melinda.ballard@horacemann.com
 Effective Date: 3/1/2012

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
 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 insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit
 on a compact disk

DISCOUNTS OFFERED:
 PASSIVE RESTRAINT/AIRBAG %
 AUTO/HOMEOWNERS %
 GOOD STUDENT %
 ANTI-THEFT DEVICE %
 Over 55 Defensive Driver Discount %
 \$250/\$500 Deductible Comp./Coll. %

Vehicle	Coverages	Gender	Age	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
				Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female	Female	Male	Male or Female	Male or Female
				18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66	18	18	40	66
1999 Chevrolet Silverado 1500 2WD "LS" regular cab 119" WB	Minimum Liability			\$378	\$413	\$167	\$167	\$490	\$527	\$208	\$208	\$595	\$648	\$247	\$248	\$587	\$635	\$243	\$243	\$507	\$551	\$214	\$214
	Minimum Liability with Comprehensive and Collision			\$781	\$874	\$366	\$356	\$1,023	\$1,135	\$477	\$463	\$1,180	\$1,321	\$525	\$513	\$1,413	\$1,570	\$680	\$655	\$1,101	\$1,230	\$506	\$492
	100/300/50 Liability with Comprehensive and Collision			\$920	\$1,020	\$474	\$465	\$1,167	\$1,287	\$588	\$574	\$1,342	\$1,494	\$640	\$629	\$1,566	\$1,733	\$790	\$766	\$1,247	\$1,387	\$614	\$601
2003 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability			\$387	\$422	\$170	\$171	\$501	\$539	\$212	\$212	\$608	\$662	\$253	\$253	\$600	\$648	\$248	\$248	\$518	\$563	\$219	\$219
	Minimum Liability with Comprehensive and Collision			\$835	\$934	\$394	\$383	\$1,095	\$1,216	\$516	\$499	\$1,258	\$1,409	\$563	\$549	\$1,523	\$1,692	\$741	\$712	\$1,179	\$1,318	\$547	\$530
	100/300/50 Liability with Comprehensive and Collision			\$977	\$1,084	\$505	\$494	\$1,242	\$1,371	\$628	\$612	\$1,423	\$1,586	\$680	\$668	\$1,679	\$1,859	\$853	\$825	\$1,329	\$1,478	\$656	\$641
2003 Honda Odyssey "EX"	Minimum Liability			\$387	\$422	\$170	\$171	\$501	\$539	\$212	\$212	\$608	\$662	\$253	\$253	\$600	\$648	\$248	\$248	\$518	\$563	\$219	\$219
	Minimum Liability with Comprehensive and Collision			\$858	\$960	\$408	\$396	\$1,127	\$1,251	\$535	\$517	\$1,290	\$1,445	\$581	\$566	\$1,575	\$1,749	\$775	\$743	\$1,213	\$1,356	\$567	\$549
	100/300/50 Liability with Comprehensive and Collision			\$1,000	\$1,110	\$519	\$507	\$1,274	\$1,406	\$647	\$630	\$1,455	\$1,622	\$698	\$685	\$1,731	\$1,916	\$887	\$856	\$1,363	\$1,516	\$677	\$660
2005 Toyota Camry LE 3.0L 4 door Sedan	Minimum Liability			\$411	\$449	\$181	\$181	\$532	\$572	\$225	\$225	\$646	\$704	\$268	\$269	\$638	\$690	\$264	\$264	\$551	\$599	\$232	\$232
	Minimum Liability with Comprehensive and Collision			\$954	\$1,069	\$453	\$439	\$1,252	\$1,392	\$595	\$574	\$1,433	\$1,607	\$645	\$628	\$1,758	\$1,955	\$865	\$829	\$1,351	\$1,512	\$631	\$611
	100/300/50 Liability with Comprehensive and Collision			\$1,104	\$1,228	\$571	\$558	\$1,409	\$1,557	\$714	\$695	\$1,608	\$1,795	\$770	\$755	\$1,924	\$2,132	\$984	\$950	\$1,510	\$1,682	\$748	\$729
2003 Cadillac Seville "STS" 4 door Sedan	Minimum Liability			\$407	\$444	\$179	\$179	\$527	\$567	\$223	\$223	\$640	\$697	\$266	\$266	\$631	\$682	\$261	\$261	\$545	\$593	\$230	\$230
	Minimum Liability with Comprehensive and Collision			\$1,081	\$1,210	\$527	\$508	\$1,425	\$1,584	\$698	\$670	\$1,607	\$1,804	\$741	\$718	\$2,040	\$2,266	\$1,042	\$993	\$1,537	\$1,721	\$739	\$711
	100/300/50 Liability with Comprehensive and Collision			\$1,230	\$1,368	\$643	\$625	\$1,580	\$1,748	\$816	\$789	\$1,781	\$1,990	\$865	\$843	\$2,205	\$2,442	\$1,160	\$1,112	\$1,695	\$1,889	\$854	\$828
1998 Chevrolet Cavalier LS 4D Sedan	Minimum Liability			\$396	\$433	\$175	\$175	\$513	\$552	\$217	\$217	\$623	\$679	\$259	\$260	\$615	\$665	\$254	\$254	\$531	\$577	\$224	\$224
	Minimum Liability with Comprehensive and Collision			\$785	\$876	\$369	\$359	\$1,028	\$1,138	\$480	\$466	\$1,186	\$1,325	\$528	\$516	\$1,414	\$1,569	\$682	\$657	\$1,103	\$1,231	\$508	\$494
	100/300/50 Liability with Comprehensive and Collision			\$930	\$1,029	\$482	\$473	\$1,179	\$1,297	\$595	\$582	\$1,355	\$1,506	\$648	\$638	\$1,575	\$1,740	\$797	\$773	\$1,257	\$1,394	\$621	\$608

SERFF Tracking Number: *HRMN-127877579* *State:* *Arkansas*
First Filing Company: *Horace Mann Insurance Company, ...* *State Tracking Number:*
Company Tracking Number: *AR A030112*
TOI: *19.0 Personal Auto* *Sub-TOI:* *19.0001 Private Passenger Auto (PPA)*
Product Name: *AR Auto Rate and Rule Filing*
Project Name/Number: *AR A030112/AR A030112*

Attachment "AR Comparison Survey-TIC.xls" is not a PDF document and cannot be reproduced here.

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR AUTO 031610
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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	Company Name		Company NAIC Number
3.	A. Horace Mann Insurance Company	B.	300-22578

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A. Personal Auto	B.	Private Passenger Automobile

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Bodily Injury	+14.8%	+4.0%					
Property Damage	+10.7%	+1.1%					
Medical Payments	+13.6%	+2.8%					
Auto, Income and Medical Comprehensive	-7.5%	+0.2%					
Collision	+5.3%	0.0%					
Uninsured Motorist	-2.2%	-1.0%					
Road Service	+2.1%	+1.8%					
Rental Reimbursement	-8.9%	+1.5%					
Underinsured Motorist	+10.2%	-0.1%					
TOTAL OVERALL EFFECT	-15.1%	-3.1%					

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
2007	330	+2.2%	6/16/2007	252	76	30.1%	55.3%
2008	295			217	82	37.5%	57.1%
2009	247	+0.3%	3/16/2009	181	88	48.6%	56.9%
2010	218	+4.9%	3/16/2010	153	111	72.4%	56.2%
2011	197	+0.1%	4/1/2011	137	39	28.3%	53.3%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	+14.9%
B. General Expense	+9.5%
C. Taxes, License & Fees	+3.8%
D. Underwriting Profit & Contingencies	+12.1%
E. Other (explain) Reinsurance Expense	+0.4%
F. TOTAL	+40.7%

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

9. +8.7% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): Territory 85

10. -6.1% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): Territory 85

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR AUTO 031610
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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	Company Name	Company NAIC Number
3.	A. Horace Mann Property and Casualty Insurance Company	B. 300-22756

	Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A. Personal Auto	B. Private Passenger Automobile

5.				FOR LOSS COSTS ONLY				
	(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
	Bodily Injury	+14.8%	+3.3%					
	Property Damage	+10.7%	+0.4%					
	Medical Payments	+13.6%	+3.2%					
	Auto, Income and Medical Comprehensive	-7.5%	+0.1%					
	Collision	+5.3%	-0.2%					
	Uninsured Motorist	-2.2%	-5.2%					
	Road Service	+2.1%	-0.1%					
	Rental Reimbursement	-8.9%	+0.8%					
	Underinsured Motorist	+10.2%	+0.1%					
	Underinsured Motorist	-15.1%	-7.0%					
	TOTAL OVERALL EFFECT	+4.8%	-1.0%					

6.	5 Year History	Rate Change History						
	Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
	2007	105	+4.8%	6/16/2007	55	15	27.1%	64.2%
	2008	103			61	72	119.4%	64.5%
	2009	143	-0.4%	3/16/2009	67	38	57.1%	62.0%
	2010	193	+0.2%	3/16/2010	86	25	29.1%	59.2%
	2011	277	-4.0%	4/1/2011	131	72	54.5%	56.1%

7.		
	Expense Constants	Selected Provisions
	A. Total Production Expense	+14.9%
	B. General Expense	+9.5%
	C. Taxes, License & Fees	+3.8%
	D. Underwriting Profit & Contingencies	+12.1%
	E. Other (explain) Reinsurance Expense	+0.4%
	F. TOTAL	+40.7%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. +10.0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ Territory 84 _____
10. -14.4% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ Territory 84 _____

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR AUTO 031610
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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	Company Name		Company NAIC Number
3.	A.	Teachers Insurance Company	B.
			300-22683

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Personal Auto	B.
			Private Passenger Automobile

5.			FOR LOSS COSTS ONLY					
	(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
	Bodily Injury	+14.8%	+3.4%					
	Property Damage	+10.7%	+0.5%					
	Medical Payments	+13.6%	+3.1%					
	Auto, Income and Medical	-7.5%	-0.9%					
	Comprehensive	+5.3%	-0.2%					
	Collision	-2.2%	-1.2%					
	Uninsured Motorist	+2.1%	-1.7%					
	Road Service	-8.9%	+0.1%					
	Rental Reimbursement	+10.2%	+0.3%					
	Underinsured Motorist	-15.1%	-7.0%					
	TOTAL OVERALL EFFECT	+4.8%	+0.2%					

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
	2007	633	+5.0%	6/16/2007	500	254	50.9%	58.4%
	2008	543			429	217	50.6%	57.2%
	2009	472	+0.3%	3/16/2009	359	204	56.8%	56.6%
	2010	431	+4.4%	3/16/2010	320	177	55.3%	55.1%
	2011	400	+0.9%	4/1/2011	295	158	53.7%	50.1%

7.		
	Expense Constants	Selected Provisions
	A. Total Production Expense	+14.9%
	B. General Expense	+9.5%
	C. Taxes, License & Fees	+3.8%
	D. Underwriting Profit & Contingencies	+12.1%
	E. Other (explain) Reinsurance Expense	+0.4%
	F. TOTAL	+40.7%

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

9. +9.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ Territory 80_____

10. -11.6% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ Territory 83_____

**Horace Mann Insurance Company
Teachers Insurance Company
Horace Mann Property & Casualty Insurance Company
Arkansas
Private Passenger Automobile
Filing Memorandum**

Horace Mann, Teachers and Horace Mann Property & Casualty Insurance Companies submit for your review this Private Passenger Automobile Filing for Arkansas. The effective date of these changes will be 3/1/2012.

The average premium effect of this revision, as shown on Exhibit II, is 0.0%. Exhibit I, pages 1-4 shows our three-years of experience by coverage. For the Liability coverages (BI, PD, MP, AIM, UM and UIM) this experience is based on the three Fiscal/Accident years April 2008 – March 2011, with losses evaluated as of June 2011. For the Physical Damage coverages (CP, CL, RS and RR) this experience is based on the three Fiscal/Accident years July 2008 – June 2011, with losses evaluated as of June 2011. Premiums and losses used are on a total limits basis. The adjusted losses are derived by developing our incurred losses to an ultimate settlement basis and trending them nine months beyond our anticipated effective date. Our loss adjustment expenses are derived by applying a factor to the adjusted losses for each coverage. Our three year loss ratio for each coverage is calculated using a weighting technique for the individual loss ratios for each of the three years that relates the loss ratio weights to the variance of the loss ratios as follows:

	<u>LOSS RATIO VARIANCE</u>				
	<u>0-4</u>	<u>5-9</u>	<u>10-25</u>	<u>26-100</u>	<u>≥100</u>
Second Prior Year	0.05	0.10	0.20	0.25	0.33
First Prior Year	0.15	0.30	0.30	0.35	0.33
Latest Year	0.80	0.60	0.50	0.40	0.34

Each three-year loss ratio is compared to our permissible loss ratio. This indication is then credibility weighted with our trended permissible loss ratio to arrive at our final credibility weighted indications by coverage.

The indication is calculated using the following formula:

$$[(LR/PLR) \times Z] + \{(1-Z) \times ([PLR \times CR COMP] / PLR)\}$$

LR = Loss Ratio

PLR = Permissible Loss Ratio

Z = Credibility Factor

CR COMP = Credibility Complement

Our calculation for premium trend accounts for shifts in the distribution of various rating characteristics such as driver classification, increased limits, model year and price group

symbols. It is shown in Exhibit I, page 5. The on-level factors used in the calculation of our premium trend adjustment factors are calculated in Exhibit I, page 6. The method for our premium trend calculation is taken from the article “An Introduction to Premium Trend”. A copy of this article can be provided upon request.

Exhibit I, page 7, shows the derivation of our loss trend factors. Exhibit I, page 8, shows our loss development factors as used in the indication. Exhibit I, page 9, shows our Expense Exhibit and the derivation of our permissible loss ratio. The calculation of our trend factors and the determination of their projection period, as used in our credibility weighting procedures are shown in Exhibit I, page 10. Our credibility table is displayed in Exhibit I, page 11.

With this filing, we are making the following changes:

- 1) **Base Rate Changes** – Base rates by territory and coverage are being revised to achieve our overall desired effects. Territory definitions and the derivation of base rates can be found in Exhibit III.
- 2) **Model Year Factors** – We are rebasing our model year factors in all companies from model year 2008 to 2010 and adding the 2011 and 2012 model years. Additionally, we are revising model year factors in HMPC. The current and proposed factors can be found in Exhibit IV.
- 3) **Discount Factors** – We are rebasing our Household occupation (Class 3) factors such that educators and educational support personnel will receive a discount. We are also revising our member discount factors to be consistent across coverages. The current and proposed factors can be found in Exhibit V.
- 4) **Introducing Advanced Quote Rating Factor** – We are introducing a new rating factor, Advanced Quote. The rule and rating factors are shown in Exhibit VI.
- 5) **Rule Changes** –
 - a. We are clarifying our educator definition in Rule I.
 - b. We are clarifying our insurance tier rule wording with regards to primary and secondary named insureds, Rule IV.A.3.
 - c. We are cleaning up our manual by removing the stated amount premium determination rule, Rule V.A.2.
 - d. We are revising our reinstatement fee to \$25, as seen in Rule VI.C

Histograms summarizing the impact of these revisions on policyholders can be found in Exhibit VII. Please see the attached Vehicle Rules and Rates pages for the changes outlined in 5) above.

Horace Mann Insurance Company
Teachers Insurance Company
Horace Mann Property & Casualty Insurance Company
Arkansas
Private Passenger Automobile
Filing Table of Contents

Rate Level Indications.....	Exhibit I, pgs. 1 - 4
Premium Trend Calculation.....	Exhibit I, pg. 5
On-level Calculation.....	Exhibit I, pg. 6
Loss Trend Factor Calculation.....	Exhibit I, pg. 7
Loss Development Factors.....	Exhibit I, pg. 8
Expense Exhibit & Permissible Loss Ratio Calculation.....	Exhibit I, pg. 9
Credibility Complement Calculation & Table.....	Exhibit I, pgs. 10 - 11
Summary of Premium Effects.....	Exhibit II
Base Rates	Exhibit III
Model Year Factors.....	Exhibit IV
Discount Factors.....	Exhibit V
Advanced Quote Discount.....	Exhibit VI
Histograms.....	Exhibit VII

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Indication By Coverage**

Bodily Injury

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2009	975	\$131,516	0.958	\$125,992	\$36,947	\$6,718	1.150	1.042	\$52,304	41.5%
31-Mar-2010	866	\$117,688	0.971	\$114,275	\$103,766	\$18,867	1.121	1.136	\$156,104	136.6%
31-Mar-2011	833	\$111,505	0.955	\$106,487	\$59,300	\$10,782	1.092	1.500	\$114,822	107.8%
Totals:	2,674	\$360,709		\$346,755	\$200,013	\$36,366			\$323,230	95.4%

(Weighted 3 year loss ratio of 95.4% is based on weights of 0.33, 0.33, 0.34.)

Indicated rate change: (95.4% / 61.4%) - 1 = 55.4%

Credibility weight: = 0.15

Credibility weighted rate change: (0.15 * 1.554) + (0.85 * 1.078) = 15.0%

Property Damage

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2009	974	\$105,604	1.003	\$105,921	\$68,368	\$12,431	1.032	1.003	\$83,603	78.9%
31-Mar-2010	866	\$93,151	1.024	\$95,387	\$53,806	\$9,783	1.027	1.009	\$65,863	69.0%
31-Mar-2011	833	\$93,674	0.954	\$89,365	\$50,328	\$9,151	1.021	1.082	\$65,737	73.6%
Totals:	2,673	\$292,429		\$290,672	\$172,502	\$31,364			\$215,203	73.3%

(Weighted 3 year loss ratio of 73.3% is based on weights of 0.20, 0.30, 0.50.)

Indicated rate change: (73.3% / 61.4%) - 1 = 19.3%

Credibility weight: = 0.30

Credibility weighted rate change: (0.30 * 1.193) + (0.70 * 1.050) = 9.3%

Medical Payments

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2009	718	\$16,638	0.976	\$16,239	\$8,065	\$1,466	1.174	1.011	\$11,317	69.7%
31-Mar-2010	629	\$14,570	0.990	\$14,424	\$15,612	\$2,839	1.154	1.044	\$22,228	154.1%
31-Mar-2011	597	\$13,883	0.958	\$13,300	\$4,800	\$873	1.134	1.116	\$7,178	54.0%
Totals:	1,944	\$45,091		\$43,963	\$28,477	\$5,178			\$40,723	92.2%

(Weighted 3 year loss ratio of 92.2% is based on weights of 0.33, 0.33, 0.34.)

Indicated rate change: (92.2% / 61.4%) - 1 = 50.1%

Credibility weight: = 0.10

Credibility weighted rate change: (0.10 * 1.501) + (0.90 * 1.100) = 14.0%

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Indication By Coverage**

Auto, Income & Medical

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2009	347	\$8,901	0.860	\$7,655	\$1,000	\$182	1.000	1.104	\$1,305	17.0%
31-Mar-2010	298	\$7,823	0.858	\$6,712	\$0	\$0	1.000	1.139	\$0	0.0%
31-Mar-2011	289	\$7,521	0.862	\$6,483	\$0	\$0	1.000	1.156	\$0	0.0%
Totals:	934	\$24,245		\$20,850	\$1,000	\$182			\$1,305	4.3%

(Weighted 3 year loss ratio of 04.3% is based on weights of 0.25, 0.35, 0.40.)

Indicated rate change: (4.3% / 61.4%) - 1 = -93.1%

Credibility weight: = 0.05

Credibility weighted rate change: (0.05 * 0.069) + (0.95 * 1.014) = - 3.3%

Uninsured Motorist

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2009	875	\$27,544	1.401	\$38,589	\$50,075	\$9,105	1.150	1.125	\$76,535	198.3%
31-Mar-2010	772	\$25,866	1.310	\$33,884	\$4,817	\$876	1.121	1.316	\$8,395	24.8%
31-Mar-2011	744	\$28,370	1.131	\$32,086	\$11,244	\$2,044	1.092	1.974	\$28,651	89.3%
Totals:	2,391	\$81,780		\$104,560	\$66,136	\$12,025			\$113,581	104.0%

(Weighted 3 year loss ratio of 104.0% is based on weights of 0.33, 0.33, 0.34.)

Indicated rate change: (104.0% / 61.4%) - 1 = 69.3%

Credibility weight: = 0.05

Credibility weighted rate change: (0.05 * 1.693) + (0.95 * 0.993) = 2.8%

Collision

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2009	565	\$171,162	1.035	\$177,153	\$97,179	\$15,388	1.009	1.000	\$113,525	64.1%
30-Jun-2010	522	\$161,358	1.020	\$164,585	\$61,602	\$9,754	1.012	1.003	\$72,402	44.0%
30-Jun-2011	529	\$164,550	1.005	\$165,373	\$80,654	\$12,771	1.015	1.038	\$98,404	59.5%
Totals:	1,616	\$497,070		\$507,111	\$239,435	\$37,913			\$284,331	55.2%

(Weighted 3 year loss ratio of 55.2% is based on weights of 0.25, 0.35, 0.40.)

Indicated rate change: (55.2% / 56.6%) - 1 = - 2.4%

Credibility weight: = 0.25

Credibility weighted rate change: (0.25 * 0.976) + (0.75 * 1.003) = - 0.4%

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Indication By Coverage**

Comprehensive

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2009	586	\$124,297	0.994	\$123,551	\$63,916	\$10,121	1.011	1.002	\$75,006	60.7%
30-Jun-2010	540	\$118,509	0.984	\$116,613	\$70,657	\$11,188	1.001	1.006	\$82,413	70.7%
30-Jun-2011	546	\$121,245	0.960	\$116,395	\$59,784	\$9,466	0.991	1.103	\$75,688	65.0%
Totals:	1,672	\$364,051		\$356,559	\$194,357	\$30,775			\$233,107	65.9%

(Weighted 3 year loss ratio of 65.9% is based on weights of 0.20, 0.30, 0.50.)

Indicated rate change: (65.9% / 56.6%) - 1 = 16.4%

Credibility weight: = 0.30

Credibility weighted rate change: (0.30 * 1.164) + (0.70 * 1.018) = 6.2%

Road Service

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2009	258	\$1,486	0.979	\$1,455	\$517	\$82	1.009	1.002	\$605	41.6%
30-Jun-2010	243	\$1,419	0.981	\$1,393	\$594	\$94	1.012	1.006	\$700	50.3%
30-Jun-2011	253	\$1,431	0.996	\$1,425	\$146	\$23	1.015	1.103	\$189	13.3%
Totals:	754	\$4,336		\$4,272	\$1,257	\$199			\$1,495	34.8%

(Weighted 3 year loss ratio of 34.8% is based on weights of 0.33, 0.33, 0.34.)

Indicated rate change: (34.8% / 56.6%) - 1 = -38.4%

Credibility weight: = 0.15

Credibility weighted rate change: (0.15 * 0.616) + (0.85 * 1.003) = - 5.5%

Rental Reimbursement

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2009	123	\$2,520	0.979	\$2,467	\$3,014	\$477	1.009	1.000	\$3,521	142.7%
30-Jun-2010	120	\$2,550	0.980	\$2,499	\$2,370	\$375	1.012	1.003	\$2,786	111.5%
30-Jun-2011	142	\$2,942	0.990	\$2,913	\$1,630	\$258	1.015	1.038	\$1,989	68.3%
Totals:	385	\$8,012		\$7,879	\$7,014	\$1,111			\$8,295	107.1%

(Weighted 3 year loss ratio of 107.1% is based on weights of 0.33, 0.33, 0.34.)

Indicated rate change: (107.1% / 56.6%) - 1 = 89.3%

Credibility weight: = 0.10

Credibility weighted rate change: (0.10 * 1.893) + (0.90 * 1.003) = 9.2%

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Indication By Coverage**

Underinsured Motorist

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2009	575	\$17,115	1.496	\$25,604	\$840	\$153	1.150	1.125	\$1,284	5.0%
31-Mar-2010	517	\$16,942	1.339	\$22,685	\$0	\$0	1.121	1.316	\$0	0.0%
31-Mar-2011	501	\$17,983	1.220	\$21,939	\$750	\$136	1.092	1.974	\$1,911	8.7%
Totals:	1,593	\$52,040		\$70,229	\$1,590	\$289			\$3,195	5.4%

(Weighted 3 year loss ratio of 05.4% is based on weights of 0.20, 0.30, 0.50.)

Indicated rate change: (5.4% / 61.4%) - 1 = -91.3%

Credibility weight: = 0.05

Credibility weighted rate change: (0.05 * 0.087) + (0.95 * 0.938) = -10.4%

Statewide

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Adjusted Losses</u>	<u>Loss Ratio</u>
2009	975	\$606,783	\$624,626	\$329,921	\$419,004	67.1%
2010	866	\$559,876	\$572,458	\$313,224	\$410,891	71.8%
2011	833	\$563,104	\$555,767	\$268,636	\$394,570	71.0%
Totals:	2,674	\$1,729,763	\$1,752,850	\$911,781	\$1,224,464	70.8%

(Weighted 3 year loss ratio of 70.8% is based on weights of 0.10, 0.30, 0.60.)

Indicated rate change: (70.8% / 59.3%) - 1 = 19.4%

Credibility weighted rate change: 5.6%

Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
 ARKANSAS
 Premium Adjustment Factor Calculation

	(1)	(2)	(3)							(4)	(5)	(6)	
	Year Ending	Exposures	Earned Premium	Average Premium @ CRL	Historical Premium Trend	Years of Historical Trend	Projected Premium Trend	Years of Projected Trend	Step1 Trend Factor	Step2 Trend Factor	Total Premium Trend Factor	On level Factor	Total Premium Adjustment Factor
BI	03/31/2009	975	131,516	\$141	-1.5%	2.00	-2.5%	2.17	0.970	0.947	0.918	1.043	0.958
	03/31/2010	866	117,688	\$142	-1.5%	1.00	-2.5%	2.17	0.985	0.947	0.932	1.041	0.971
	03/31/2011	833	111,505	\$135	-1.5%	0.00	-2.5%	2.17	1.000	0.947	0.947	1.008	0.955
PD	03/31/2009	974	105,604	\$122	-2.0%	2.00	-3.2%	2.17	0.960	0.932	0.895	1.121	1.003
	03/31/2010	866	93,151	\$121	-2.0%	1.00	-3.2%	2.17	0.980	0.932	0.913	1.122	1.024
	03/31/2011	833	93,674	\$115	-2.0%	0.00	-3.2%	2.17	1.000	0.932	0.932	1.024	0.954
MP	03/31/2009	718	16,638	\$25	-1.6%	2.00	-2.5%	2.17	0.968	0.947	0.917	1.064	0.976
	03/31/2010	629	14,570	\$25	-1.6%	1.00	-2.5%	2.17	0.984	0.947	0.931	1.064	0.990
	03/31/2011	597	13,883	\$24	-1.6%	0.00	-2.5%	2.17	1.000	0.947	0.947	1.012	0.958
AIM	03/31/2009	347	8,901	\$22	1.2%	2.00	-1.2%	2.17	1.024	0.974	0.998	0.862	0.860
	03/31/2010	298	7,823	\$23	1.2%	1.00	-1.2%	2.17	1.012	0.974	0.986	0.870	0.858
	03/31/2011	289	7,521	\$23	1.2%	0.00	-1.2%	2.17	1.000	0.974	0.974	0.885	0.862
UM	03/31/2009	875	27,544	\$35	7.1%	2.00	4.8%	2.17	1.147	1.107	1.270	1.103	1.401
	03/31/2010	772	25,866	\$37	7.1%	1.00	4.8%	2.17	1.071	1.107	1.186	1.105	1.310
	03/31/2011	744	28,370	\$39	7.1%	0.00	4.8%	2.17	1.000	1.107	1.107	1.022	1.131
CL	06/30/2009	565	171,162	\$301	1.5%	2.00	0.5%	1.92	1.030	1.010	1.040	0.995	1.035
	06/30/2010	522	161,358	\$308	1.5%	1.00	0.5%	1.92	1.015	1.010	1.025	0.995	1.020
	06/30/2011	529	164,550	\$310	1.5%	0.00	0.5%	1.92	1.000	1.010	1.010	0.995	1.005
CP	06/30/2009	586	124,297	\$219	0.0%	2.00	-2.0%	1.92	1.000	0.962	0.962	1.033	0.994
	06/30/2010	540	118,509	\$224	0.0%	1.00	-2.0%	1.92	1.000	0.962	0.962	1.023	0.984
	06/30/2011	546	121,245	\$221	0.0%	0.00	-2.0%	1.92	1.000	0.962	0.962	0.997	0.960
UIM	03/31/2009	575	17,115	\$29	12.0%	2.00	10.1%	2.17	1.254	1.232	1.545	0.968	1.496
	03/31/2010	517	16,942	\$32	12.0%	1.00	10.1%	2.17	1.120	1.232	1.380	0.971	1.339
	03/31/2011	501	17,983	\$36	12.0%	0.00	10.1%	2.17	1.000	1.232	1.232	0.990	1.220

Earned Premiums at current are projected to:
 (6) = (4) * (5)

12/1/2012

Year Ending	BI	PD	MP	UM	COLL	COMP	UIM	AIM
2009	0.958	1.003	0.976	1.401	1.035	0.994	1.496	0.860
2010	0.971	1.024	0.990	1.310	1.020	0.984	1.339	0.858
2011	0.955	0.954	0.958	1.131	1.005	0.960	1.220	0.862

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
On-Level Factors**

Effects by Coverage

Effective Date	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Underinsured Motorist
3/16/2009	0.2%	-0.1%	0.0%	-1.3%	-0.2%	0.0%	0.9%	-0.1%	0.0%	-0.3%
3/16/2010	4.1%	12.2%	6.5%	-1.7%	10.3%	0.0%	2.9%	-1.6%	-1.1%	-2.4%
4/1/2011	0.0%	0.0%	-0.1%	-11.2%	0.2%	-0.5%	-0.4%	-0.4%	-1.0%	-0.5%

Earned Premium On-Level Factors for Fiscal/Accident Year as of:

Coverage	31-Mar-2009	31-Mar-2010	31-Mar-2011
Bodily Injury	1.043	1.041	1.008
Property Damage	1.121	1.122	1.024
Medical Payments	1.064	1.064	1.012
Auto, Income & Medical	0.862	0.870	0.885
Uninsured Motorist	1.103	1.105	1.022
Underinsured Motorist	0.968	0.971	0.990
	30-Jun-2009	30-Jun-2010	30-Jun-2011
Collision	0.995	0.995	0.995
Comprehensive	1.033	1.023	0.997
Road Service	0.979	0.981	0.996
Rental Reimbursement	0.979	0.980	0.990

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Loss Trend Factors**

Pure Premium Trend Calculation

Severity Historical Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Severity Change	Selected Severity Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UIM	8,785	13.5%	-3.1%	-1.0%	502	43.2%	2.5%	1.5%	870	43.2%	2.5%	3.0%	1.8%	1.8%
PD	585	11.9%	-4.8%	-2.0%	43	44.1%	1.2%	1.0%	36	44.1%	2.1%	2.0%	1.1%	1.1%
MP	3,846	19.9%	57.9%	0.0%	86	40.0%	2.0%	4.0%	870	40.0%	2.5%	3.0%	2.8%	2.8%
AIM	10	97.7%	-17.2%	0.0%	412	1.1%	4.9%	1.0%	0	1.1%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	1,779	8.4%	-1.2%	-1.0%	87	45.8%	-1.5%	-1.0%	76	45.8%	0.9%	0.8%	-0.2%	-0.2%
CP	903	24.7%	-5.3%	-2.0%	61	37.6%	-1.1%	-1.0%	236	37.6%	4.8%	3.0%	0.3%	0.3%

Severity Projected Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Severity Change	Selected Severity Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UIM	4,206	33.5%	42.3%	1.0%	746	33.3%	5.3%	1.5%	1,368	33.3%	11.8%	4.0%	2.2%	2.2%
PD	654	6.7%	31.9%	1.5%	29	46.7%	2.8%	1.5%	18	46.7%	0.6%	1.9%	1.7%	1.7%
MP	59,382	2.4%	-24.0%	0.0%	72	48.8%	6.1%	5.0%	1,368	48.8%	11.8%	4.0%	4.4%	4.4%
AIM	0	100.0%	0.0%	0.0%	418	0.0%	-2.4%	-1.5%	0	0.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	3,507	3.4%	137.3%	0.0%	45	48.3%	1.8%	0.0%	79	48.3%	2.1%	1.0%	0.5%	0.5%
CP	1,266	13.7%	-47.7%	-3.0%	32	43.2%	3.4%	-2.5%	168	43.2%	-20.3%	-1.5%	-2.1%	-2.1%

Frequency Historical Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Frequency Change	Selected Frequency Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UIM	0.0212	6.0%	3.2%	1.0%	0.0010	47.0%	2.6%	3.5%	0.0003	47.0%	-3.9%	-2.0%	0.8%	0.8%
PD	0.0169	13.4%	3.3%	0.5%	0.0017	43.3%	-1.0%	0.0%	0.0009	43.3%	-1.7%	-1.5%	-0.6%	-0.6%
MP	0.5841	0.2%	12.8%	0.5%	0.0010	49.9%	-2.5%	0.0%	0.0003	49.9%	-3.9%	-2.0%	-1.0%	-1.0%
AIM	1.4604	0.1%	13.8%	0.0%	0.0012	50.0%	-4.1%	0.0%	0.0000	50.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	0.0222	12.7%	2.1%	0.0%	0.0022	43.7%	0.0%	0.0%	0.0010	43.7%	-0.5%	-0.3%	-0.1%	-0.1%
CP	0.0278	36.4%	2.7%	2.5%	0.0044	31.8%	-0.4%	1.0%	0.0116	31.8%	-2.6%	-1.5%	0.8%	0.8%

Frequency Projected Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Frequency Change	Selected Frequency Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UIM	0.0104	11.0%	28.3%	1.5%	0.0009	44.5%	4.6%	5.0%	0.0004	44.5%	-0.7%	-1.0%	1.9%	1.9%
PD	0.0226	7.8%	0.3%	0.0%	0.0013	46.1%	3.8%	0.0%	0.0007	46.1%	-2.5%	-1.5%	-0.7%	-0.7%
MP	0.5470	0.2%	33.2%	0.0%	0.0005	49.9%	4.4%	4.0%	0.0004	49.9%	-0.7%	-1.0%	1.5%	1.5%
AIM	0.0000	100.0%	0.0%	0.0%	0.0009	0.0%	1.2%	4.0%	0.0000	0.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	0.0296	8.8%	-12.9%	-2.0%	0.0017	45.6%	1.9%	1.0%	0.0012	45.6%	-2.6%	0.0%	0.3%	0.3%
CP	0.0252	29.9%	-8.5%	2.8%	0.0033	35.0%	2.9%	4.5%	0.0075	35.0%	-8.6%	-2.0%	1.7%	1.7%

Trend Summary

Coverage	Selected Historical Change			Selected Projected Change		
	Severity	Frequency	Pure Premium	Severity	Frequency	Pure Premium
BI/UM/UIM	1.8%	0.8%	2.6%	2.2%	1.9%	4.2%
PD	1.1%	-0.6%	0.5%	1.7%	-0.7%	1.0%
MP	2.8%	-1.0%	1.8%	4.4%	1.5%	6.0%
AIM	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	-0.2%	-0.1%	-0.3%	0.5%	0.3%	0.8%
CP	0.3%	0.8%	1.0%	-2.1%	1.7%	-0.5%

Pure Premium Trend Factors

Coverage	Trend Factor 2009	Trend Factor 2010	Trend Factor 2011
BI/UM/UIM	1.150	1.121	1.092
PD	1.032	1.027	1.021
MP	1.174	1.154	1.134
AIM	1.000	1.000	1.000
CL/RR/RS	1.009	1.012	1.015
CP	1.011	1.001	0.991

Length of Pure Premium Trend

	Historical Trend			Projected Trend		
	2009	2010	2011	2009	2010	2011
Liability	2.00	1.00	0.00	2.17	2.17	2.17
PhysDam	2.00	1.00	0.00	1.92	1.92	1.92

Note:

Credibility formula $Z = 1 / (1 + HM\ State\ SE / (HM\ Countrywide\ SE + FT\ State\ SE))$

Credibility Weighted Trend = $Z * (HM\ State\ Trend) + (1 - Z) * (0.5 * HM\ CW\ Trend + 0.5 * Fast\ Track\ State\ Trend)$

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Loss Development Factors**

	39 months to ultimate	27 months to ultimate	15 months to ultimate
Bodily Injury	1.042	1.136	1.500
Property Damage	1.003	1.009	1.082
Medical Payments	1.011	1.044	1.116
Auto, Income & Medical	1.104	1.139	1.156
Uninsured Motorist	1.125	1.316	1.974
Underinsured Motorist	1.125	1.316	1.974
	36 months to ultimate	24 months to ultimate	12 months to ultimate
Collision	1.000	1.003	1.038
Comprehensive	1.002	1.006	1.103
Road Service	1.002	1.006	1.103
Rental Reimbursement	1.000	1.003	1.038

**Horace Mann\Horace Mann P&C\Teachers Insurance Companies Combined
Arkansas
Expense Exhibit**

**Private Passenger Automobile
(\$ x1000)**

	2008		2009		2010	
	\$	%	\$	%	\$	%
Direct Written Premiums	370,173		375,272		374,415	
Direct Earned Premiums	368,003		372,661		373,837	
Direct Commissions (W)	23,740	6.4%	28,914	7.7%	29,085	7.8%
Other Acquisition Expenses (E)	21,910	6.0%	22,290	6.0%	17,747	4.7%
General Expenses (E)	31,974	8.7%	33,238	8.9%	39,199	10.5%
Taxes, Licenses & Fees (W)	10,068	2.7%	9,633	2.6%	9,825	2.6%
		23.8%		25.2%		25.6%

Anticipated 2011 Permissible Loss Ratio

	<u>Total</u>	<u>Liability</u>	<u>Physical Damage</u>
Commissions	9.3%	9.3%	9.3%
Other Acquisition Expenses	5.6%	5.6%	5.5%
General Expenses	9.5%	9.5%	9.4%
Taxes, Licenses & Fees	3.8%	3.8%	3.8%
Reinsurance Expense	0.4%	0.4%	0.4%
Underwriting Profit & Contingencies	12.1%	10.0%	15.0%
Total Expenses & Profit	40.7%	38.6%	43.4%
Permissible Loss Ratio	59.3%	61.4%	56.6%

NOTE: Captions designated by (W) are ratioed to written premiums; those by (E) are ratioed to earned premiums.

Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Credibility Complements

Our credibility complements are calculated by trending the annual pure premium rates of change (in Exhibit I, Page 7) and also trending the annual premium rates of change (in Exhibit I, Page 5). Pure premium rates of change are trended from the date the rate review began (10/10/2011) to a point nine months beyond the anticipated effective date (03/01/2012) of this filing. Premium rates of change are trended from the date the rate review began (10/10/2011) to a point nine months beyond the anticipated effective date (03/01/2012) of this filing. This is done using the exponent shown in the calculation column.

Coverage	Calculation	Complement
BI	$(1.042 \wedge 1.144) / (0.975 \wedge 1.144)$	1.07840
UM	$(1.042 \wedge 1.144) / (1.048 \wedge 1.144)$	0.99293
UIM	$(1.042 \wedge 1.144) / (1.101 \wedge 1.144)$	0.93846
PD	$(1.010 \wedge 1.144) / (0.968 \wedge 1.144)$	1.04958
MP	$(1.060 \wedge 1.144) / (0.975 \wedge 1.144)$	1.09980
AIM	$(1.000 \wedge 1.144) / (0.988 \wedge 1.144)$	1.01390
Coll	$(1.008 \wedge 1.144) / (1.005 \wedge 1.144)$	1.00300
Comp	$(0.995 \wedge 1.144) / (0.980 \wedge 1.144)$	1.01783

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
 ARKANSAS
 Personal Automobile Credibility Table
 (Based on the number of exposures.)***

Credibility	Standard Credibility Table (Based on # of claims)	Bodily Injury (Assuming a frequency of 1.16%)	Property Damage (Assuming a frequency of 4.24%)	Medical Payments (Assuming a frequency of .87%)	AIM (Assuming a frequency of 1.13%)	Collision, Road Service & Rental Reimbursement (Assuming a frequency of 4.67%)	Comprehensive (Assuming a frequency of 6.31%)	Uninsured Motorist & Underinsured Motorist (Assuming a frequency of 0.39%)
0.00	0 - 2	0 - 232	0 - 63	0 - 310	0 - 238	0 - 57	0 - 42	0 - 693
0.05	3 - 10	233 - 932	64 - 254	311 - 1243	239 - 957	58 - 231	43 - 170	694 - 2773
0.10	11 - 23	933 - 2098	255 - 573	1244 - 2797	958 - 2153	232 - 520	171 - 385	2774 - 6241
0.15	24 - 42	2099 - 3730	574 - 1020	2798 - 4974	2154 - 3829	521 - 926	386 - 685	6242 - 11096
0.20	43 - 67	3731 - 5829	1021 - 1594	4975 - 7772	3830 - 5984	927 - 1447	686 - 1071	11097 - 17339
0.25	68 - 96	5830 - 8394	1595 - 2296	7773 - 11192	5985 - 8617	1448 - 2084	1072 - 1542	17340 - 24968
0.30	97 - 132	8395 - 11425	2297 - 3125	11193 - 15234	8618 - 11729	2085 - 2837	1543 - 2100	24969 - 33985
0.35	133 - 172	11426 - 14923	3126 - 4082	15235 - 19898	11730 - 15319	2838 - 3706	2101 - 2743	33986 - 44389
0.40	173 - 218	14924 - 18887	4083 - 5167	19899 - 25183	15320 - 19389	3707 - 4691	2744 - 3471	44390 - 56180
0.45	219 - 270	18888 - 23318	5168 - 6379	25184 - 31091	19390 - 23937	4692 - 5791	3472 - 4286	56181 - 69358
0.50	271 - 326	23319 - 28215	6380 - 7718	31092 - 37620	23938 - 28964	5792 - 7008	4287 - 5186	69359 - 83923
0.55	327 - 389	28216 - 33578	7719 - 9186	37621 - 44771	28965 - 34470	7009 - 8340	5187 - 6172	83924 - 99876
0.60	390 - 456	33579 - 39408	9187 - 10781	44772 - 52544	34471 - 40454	8341 - 9788	6173 - 7244	99877 - 117216
0.65	457 - 529	39409 - 45704	10782 - 12503	52545 - 60939	40455 - 46918	9789 - 11352	7245 - 8401	117217 - 135943
0.70	530 - 608	45705 - 52467	12504 - 14353	60940 - 69956	46919 - 53860	11353 - 13032	8402 - 9644	135944 - 156057
0.75	609 - 691	52468 - 59696	14354 - 16331	69957 - 79594	53861 - 61280	13033 - 14827	9645 - 10973	156058 - 177558
0.80	692 - 781	59697 - 67391	16332 - 18436	79595 - 89855	61281 - 69180	14828 - 16739	10974 - 12388	177559 - 200446
0.85	782 - 875	67392 - 75552	18437 - 20669	89856 - 100737	69181 - 77558	16740 - 18766	12389 - 13888	200447 - 224722
0.90	876 - 976	75553 - 84180	20670 - 23030	100738 - 112241	77559 - 86415	18767 - 20909	13889 - 15475	224723 - 250385
0.95	977 - 1081	84181 - 93275	23031 - 25518	112242 - 124367	86416 - 95751	20910 - 23168	15476 - 17146	250386 - 277435
1.00	1082	93276	25519	124368	95752	23169	17147	277436

*We have derived these tables by coverage in order to relate credibility to earned exposures. The measures for full credibility were calculated by dividing 1082 (the number of claims representing full credibility in the standard credibility table) by our assumed frequencies, which are based on our countrywide incurred claim frequency data from the 1st quarter 2011 report (data through 4th quarter 2010). The lower bound for each level of credibility was determined by multiplying the exposures required for full credibility by the square of the individual credibility percentages, thereby keeping our tables consistent with the standard claim-based table.

Horace Mann Insurance Company - Teachers Insurance Company - Horace Mann Property and Casualty Insurance Company - Arkansas

Proposed Territorial and Coverage Effects

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	2.7%	-0.1%	-0.3%	-0.9%	-0.6%	-7.8%	-4.0%	-0.8%	1.8%	-2.7%	-1.1%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	3.6%	0.6%	2.2%	-1.8%	-1.2%	-7.0%	-1.6%	-0.1%	-0.7%	-2.1%	0.1%
20	2.7%	-0.3%	2.8%	-3.7%	-0.1%	-4.5%	-2.0%	-0.5%	1.4%	1.8%	-0.3%
79	3.5%	0.6%	2.4%	-3.0%	-1.9%	-7.2%	-2.5%	-1.6%	2.0%	-1.2%	-0.5%
80	4.4%	1.5%	4.7%	0.3%	-0.3%	-5.5%	-0.4%	0.5%	-0.9%	1.3%	1.3%
81	4.0%	1.1%	3.3%	-1.2%	-0.8%	-7.1%	-3.6%	-0.1%	0.6%	-0.3%	-0.5%
82	3.8%	0.9%	2.4%	-2.3%	-2.0%	-8.5%	-1.7%	-0.4%	-0.8%	-2.1%	-0.1%
83	4.5%	1.5%	4.5%	1.8%	1.2%	-5.5%	-3.0%	0.0%	1.1%	1.6%	0.3%
84	4.5%	1.4%	4.4%	1.4%	0.9%	-4.9%	-2.3%	0.5%	0.7%	1.2%	0.4%
85	3.5%	0.5%	3.7%	0.9%	0.7%	-5.5%	-3.0%	1.0%	2.3%	0.5%	-0.1%
4.0%	1.0%	3.4%	-0.2%	-0.4%	-6.5%	-2.5%	0.0%	0.6%	0.2%	0.0%	

**Horace Mann Insurance Company
Arkansas
Proposed Territorial and Coverage Effects**

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	3.6%	0.8%	-2.5%	1.8%	1.8%	-6.2%	-1.1%	0.4%	0.0%	-9.5%	0.7%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	5.0%	2.1%	2.1%	-2.3%	-0.8%	-2.9%	2.8%	2.4%	-6.5%	0.0%	2.6%
20	1.8%	-1.0%	0.8%	-4.3%	-0.3%	-4.5%	-4.2%	-1.8%	1.7%	0.0%	-1.6%
79	2.5%	-0.3%	2.3%	-0.2%	0.2%	-4.8%	-5.7%	-3.6%	0.0%	-2.4%	-2.2%
80	4.2%	1.4%	4.3%	0.3%	1.8%	-4.6%	-0.7%	-0.5%	0.0%	0.0%	2.0%
81	4.4%	1.4%	4.1%	0.5%	2.8%	-1.9%	-2.4%	-0.5%	1.8%	4.5%	0.9%
82	4.2%	1.2%	4.8%	3.3%	2.1%	-4.3%	0.7%	2.0%	1.7%	0.0%	2.2%
83	5.3%	2.3%	5.0%	-0.4%	2.7%	-2.9%	0.9%	2.0%	2.2%	4.0%	2.9%
84	2.9%	0.1%	1.0%	-2.3%	1.7%	-2.4%	-1.4%	-0.8%	1.1%	-1.4%	-0.1%
85	3.7%	1.1%	4.8%	2.1%	2.5%	-0.7%	1.3%	1.5%	4.5%	0.6%	1.7%
4.0%	1.1%	2.8%	0.2%	1.8%	-3.1%	-1.0%	0.0%	1.5%	-0.1%	1.0%	

**Teachers Insurance Company
Arkansas
Proposed Territorial and Coverage Effects**

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	2.6%	-0.1%	4.5%	-1.6%	-0.4%	-5.3%	-3.2%	-1.4%	0.6%	0.5%	-0.8%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	3.5%	0.4%	3.0%	-1.1%	-1.0%	-5.3%	-1.5%	0.2%	-0.6%	-2.0%	0.2%
20	4.3%	0.9%	5.9%	-1.9%	0.6%	-4.6%	0.6%	1.0%	1.2%	1.8%	1.5%
79	4.1%	1.2%	3.0%	0.0%	-2.4%	-8.2%	1.3%	1.1%	1.4%	-1.1%	1.5%
80	4.8%	1.8%	5.2%	1.2%	-1.2%	-3.8%	0.1%	1.0%	-1.0%	2.2%	1.5%
81	4.2%	1.3%	3.5%	-1.1%	-2.0%	-6.7%	-1.0%	0.1%	1.1%	2.3%	0.5%
82	3.6%	0.7%	2.1%	-2.1%	-2.6%	-8.5%	-1.0%	-0.4%	-1.1%	-1.6%	0.0%
83	3.7%	0.8%	3.7%	1.7%	-0.6%	-5.9%	-2.4%	-0.8%	0.8%	2.8%	-0.1%
84	3.9%	0.8%	3.5%	-1.4%	-1.3%	-6.7%	-1.4%	-0.4%	0.8%	-0.5%	0.2%
85	4.3%	1.1%	5.1%	1.0%	0.1%	-4.9%	-1.1%	0.1%	0.0%	1.7%	0.5%
3.9%	1.0%	3.5%	-0.9%	-1.7%	-7.0%	-1.0%	0.0%	0.1%	0.3%	0.4%	

**Horace Mann Property and Casualty Insurance Company
Arkansas
Proposed Territorial and Coverage Effects**

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	1.9%	-1.2%	-0.1%	-3.9%	-2.1%	-9.4%	-6.3%	-1.4%	4.6%	-2.5%	-2.7%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	2.7%	-0.3%	0.5%	-2.5%	-1.9%	-9.1%	-5.5%	-3.8%	1.2%	-2.4%	-2.0%
20	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
79	1.1%	-1.7%	-0.3%	-7.2%	-1.9%	-8.2%	-7.8%	-7.3%	6.5%	0.0%	-5.4%
80	0.0%	-2.7%	-1.3%	-4.1%	-4.7%	-14.6%	-7.0%	-5.3%	-1.1%	-8.0%	-4.8%
81	3.6%	0.7%	2.8%	-2.9%	-1.5%	-8.4%	-6.0%	-0.1%	-0.1%	-1.9%	-1.9%
82	4.2%	1.8%	3.2%	-5.0%	-1.4%	-9.3%	-4.8%	-1.0%	-0.4%	-3.1%	-1.7%
83	4.9%	1.8%	5.4%	2.2%	1.8%	-5.5%	-5.2%	0.4%	1.1%	0.3%	-0.6%
84	5.4%	2.3%	5.6%	2.7%	2.0%	-4.5%	-3.1%	1.4%	0.7%	2.0%	0.6%
85	3.2%	0.1%	2.3%	0.3%	0.0%	-7.0%	-6.4%	0.9%	2.0%	0.0%	-1.3%
4.0%	1.1%	3.6%	0.1%	-0.1%	-7.0%	-5.0%	0.0%	0.8%	0.1%	-1.0%	

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Bodily Injury**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect (3)	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect (1)		Distributional Differences (2)
2	Fort Smith	0.093	60.00	1.009	60.56	0.789	1.000	67.30	0.936	62.98	12.2%	4.0%	-0.4%	3.6%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	223.00	1.009	225.08	2.931	0.460	115.00	0.936	107.68	-48.4%	-52.2%	109.0%	0.0%
5	Remainder of Pulaski county	0.049	94.50	1.009	95.38	1.242	1.000	106.00	0.936	99.20	12.2%	4.0%	0.9%	5.0%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.082	57.40	1.009	57.94	0.754	1.000	64.40	0.936	60.25	12.2%	4.0%	-2.1%	1.8%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.027	93.40	1.009	94.27	1.228	1.000	104.70	0.936	98.04	12.1%	4.0%	-1.4%	2.5%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.159	77.70	1.009	78.42	1.021	1.000	87.10	0.936	81.56	12.1%	4.0%	0.2%	4.2%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.220	71.20	1.009	71.86	0.936	1.000	79.80	0.936	74.74	12.1%	4.0%	0.4%	4.4%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.060	81.90	1.009	82.66	1.076	1.000	91.80	0.936	85.97	12.1%	4.0%	0.2%	4.2%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.137	85.00	1.009	85.79	1.117	1.000	95.30	0.936	89.22	12.1%	4.0%	1.2%	5.3%
84	Grant, Jefferson, Lonoke and Saline counties	0.093	93.50	1.009	94.37	1.229	1.000	104.80	0.936	98.15	12.1%	4.0%	-1.1%	2.9%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.077	66.60	1.009	67.22	0.875	1.000	74.70	0.936	69.91	12.2%	4.0%	-0.3%	3.7%
Totals		1.000	76.09	1.009	76.80	1.000	1.000	85.30	0.936	79.87	12.1%	4.0%	0.0%	4.0%

Current Base Coverage: \$100/300 Limit

Proposed Base Coverage: \$100/300 Limit

(1) The Average Effect is equal to the proposed average rate / current average rate. The territorial average rates are calculated using the statewide average rating factors.

(2) This is the additional impact to the territory due to a territory distribution that varies from the average.

(3) This is the actual premium effect for the territory which includes base rate changes and rating factor changes for the territory's distribution of business.

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Bodily Injury**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.040	54.30	1.054	57.25	0.860	1.000	62.10	0.958	59.54	14.4%	4.0%	-1.3%	2.6%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	208.10	1.054	219.42	3.297	0.410	97.60	0.958	93.56	-53.1%	-57.4%	134.5%	0.0%
5	Remainder of Pulaski county	0.060	78.60	1.054	82.88	1.245	1.000	89.90	0.958	86.19	14.4%	4.0%	-0.5%	3.5%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.018	51.90	1.054	54.72	0.822	1.000	59.40	0.958	56.91	14.5%	4.0%	0.3%	4.3%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.058	76.10	1.054	80.24	1.206	1.000	87.10	0.958	83.45	14.5%	4.0%	0.1%	4.1%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.120	59.40	1.054	62.63	0.941	1.000	68.00	0.958	65.14	14.5%	4.0%	0.8%	4.8%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.173	56.00	1.054	59.05	0.887	1.000	64.10	0.958	61.41	14.5%	4.0%	0.2%	4.2%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.248	61.80	1.054	65.16	0.979	1.000	70.70	0.958	67.77	14.4%	4.0%	-0.3%	3.6%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.110	62.70	1.054	66.11	0.993	1.000	71.70	0.958	68.75	14.4%	4.0%	-0.3%	3.7%
84	Grant, Jefferson, Lonoke and Saline counties	0.153	70.50	1.054	74.33	1.117	1.000	80.70	0.958	77.31	14.5%	4.0%	0.0%	3.9%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.023	53.70	1.054	56.62	0.851	1.000	61.40	0.958	58.89	14.3%	4.0%	0.3%	4.3%
Totals		1.000	63.11	1.054	66.54	1.000	1.000	72.20	0.958	69.21	14.4%	4.0%	-0.1%	3.9%

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Bodily Injury**

Current Territory	Territory Definition	PIF Weight	Current				Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity			Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.087	45.30	1.193	54.05	0.830	1.000	51.10	1.100	56.22	12.8%	4.0%	-2.0%	1.9%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	129.80	1.193	154.88	2.379	0.570	83.50	1.100	91.82	-35.7%	-40.7%	68.7%	0.0%	
5	Remainder of Pulaski county	0.044	69.10	1.193	82.45	1.267	1.000	77.90	1.100	85.75	12.7%	4.0%	-1.3%	2.7%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	50.40	1.193	60.14	0.924	1.000	56.80	1.100	62.55	12.7%	4.0%	-3.8%	0.0%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.018	60.10	1.193	71.71	1.102	1.000	67.80	1.100	74.58	12.8%	4.0%	-2.8%	1.1%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.015	57.60	1.193	68.73	1.056	1.000	65.00	1.100	71.48	12.8%	4.0%	-3.8%	0.0%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.233	54.90	1.193	65.51	1.006	1.000	61.90	1.100	68.13	12.8%	4.0%	-0.4%	3.6%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.073	57.30	1.193	68.37	1.050	1.000	64.60	1.100	71.11	12.7%	4.0%	0.2%	4.2%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.102	59.20	1.193	70.64	1.085	1.000	66.80	1.100	73.47	12.8%	4.0%	0.9%	4.9%	
84	Grant, Jefferson, Lonoke and Saline counties	0.276	56.50	1.193	67.42	1.036	1.000	63.70	1.100	70.12	12.7%	4.0%	1.3%	5.4%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.153	46.30	1.193	55.25	0.849	1.000	52.20	1.100	57.46	12.7%	4.0%	-0.8%	3.2%	
Totals		1.000	54.56	1.193	65.10	1.000	1.000	61.50	1.100	67.70	12.7%	4.0%	0.0%	4.0%	

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Property Damage**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.093	43.30	1.155	49.99	0.799	1.000	47.20	1.071	50.49	9.0%	1.0%	-0.2%	0.8%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	107.00	1.155	123.54	1.974	0.690	80.40	1.071	86.10	-24.9%	-30.3%	43.5%	0.0%
5	Remainder of Pulaski county	0.049	63.90	1.155	73.78	1.179	1.000	69.60	1.071	74.52	8.9%	1.0%	1.1%	2.1%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.082	39.50	1.155	45.61	0.729	1.000	43.00	1.071	46.06	8.9%	1.0%	-2.0%	-1.0%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.027	80.80	1.155	93.29	1.491	1.000	88.00	1.071	94.22	8.9%	1.0%	-1.3%	-0.3%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.159	68.30	1.155	78.86	1.260	1.000	74.40	1.071	79.65	8.9%	1.0%	0.4%	1.4%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.220	39.40	1.155	45.49	0.727	1.000	42.90	1.071	45.95	8.9%	1.0%	0.4%	1.4%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.060	43.00	1.155	49.65	0.793	1.000	46.80	1.071	50.14	8.8%	1.0%	0.2%	1.2%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.137	60.30	1.155	69.62	1.113	1.000	65.70	1.071	70.32	9.0%	1.0%	1.3%	2.3%
84	Grant, Jefferson, Lonoke and Saline counties	0.093	68.80	1.155	79.44	1.270	1.000	74.90	1.071	80.23	8.9%	1.0%	-0.9%	0.1%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.077	60.60	1.155	69.97	1.118	1.000	66.00	1.071	70.67	8.9%	1.0%	0.1%	1.1%
Totals		1.000	54.19	1.155	62.57	1.000	1.000	59.00	1.071	63.20	8.9%	1.0%	0.1%	1.1%

Current Base Coverage: 50000
Proposed Base Coverage: 50000

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Property Damage**

Current Territory	Territory Definition	PIF Weight	Current			Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate			Current Territorial Relativity	Average Rating Factor	Proposed Average Rate				
2	Fort Smith	0.040	39.30	1.204	47.30	0.812	1.000	43.60	1.096	47.77	10.9%	1.0%	-1.1%	-0.1%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	102.40	1.204	123.24	2.115	0.640	72.70	1.096	79.66	-29.0%	-35.4%	54.7%	0.0%
5	Remainder of Pulaski county	0.060	53.40	1.204	64.27	1.103	1.000	59.20	1.096	64.91	10.9%	1.0%	-0.6%	0.4%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.018	36.00	1.204	43.33	0.743	1.000	39.90	1.096	43.76	10.8%	1.0%	-0.1%	0.9%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.058	72.70	1.204	87.50	1.501	1.000	80.70	1.096	88.37	11.0%	1.0%	0.2%	1.2%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.120	61.10	1.204	73.53	1.262	1.000	67.80	1.096	74.27	11.0%	1.0%	0.7%	1.8%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.173	35.40	1.204	42.60	0.731	1.000	39.30	1.096	43.03	11.0%	1.0%	0.3%	1.3%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.248	39.80	1.204	47.90	0.822	1.000	44.20	1.096	48.38	11.1%	1.0%	-0.3%	0.7%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.110	52.00	1.204	62.58	1.074	1.000	57.70	1.096	63.21	11.0%	1.0%	-0.2%	0.8%
84	Grant, Jefferson, Lonoke and Saline counties	0.153	56.60	1.204	68.12	1.169	1.000	62.80	1.096	68.80	11.0%	1.0%	-0.2%	0.8%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.023	53.10	1.204	63.91	1.097	1.000	58.90	1.096	64.55	10.9%	1.0%	0.1%	1.1%
Totals		1.000	48.42	1.204	58.28	1.000	1.000	53.70	1.096	58.86	10.9%	1.0%	0.0%	1.0%

Current Base Coverage: 50000
Proposed Base Coverage: 50000

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Property Damage**

Current Territory	Territory Definition	PIF Weight	Current					Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate				
2	Fort Smith	0.087	32.00	1.340	42.88	0.783	1.000	35.40	1.222	43.31	10.6%	1.0%	-2.1%	-1.2%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	61.10	1.340	81.88	1.496	0.910	61.60	1.222	75.26	0.8%	-8.1%	8.8%	0.0%
5	Remainder of Pulaski county	0.044	45.80	1.340	61.38	1.121	1.000	50.70	1.222	61.99	10.7%	1.0%	-1.2%	-0.3%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	34.00	1.340	45.56	0.832	1.000	37.70	1.222	46.02	10.9%	1.0%	-1.0%	0.0%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.018	54.80	1.340	73.44	1.341	1.000	60.70	1.222	74.17	10.8%	1.0%	-2.6%	-1.7%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.015	57.00	1.340	76.39	1.395	1.000	63.10	1.222	77.15	10.7%	1.0%	-3.6%	-2.7%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.233	33.10	1.340	44.36	0.810	1.000	36.70	1.222	44.80	10.9%	1.0%	-0.3%	0.7%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.073	36.00	1.340	48.24	0.881	1.000	39.90	1.222	48.73	10.8%	1.0%	0.8%	1.8%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.102	47.90	1.340	64.19	1.172	1.000	53.10	1.222	64.83	10.9%	1.0%	0.8%	1.8%
84	Grant, Jefferson, Lonoke and Saline counties	0.276	44.30	1.340	59.37	1.084	1.000	49.10	1.222	59.96	10.8%	1.0%	1.2%	2.3%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.153	44.50	1.340	59.63	1.089	1.000	49.30	1.222	60.23	10.8%	1.0%	-0.9%	0.1%
Totals		1.000	40.85	1.340	54.75	1.000	1.000	45.30	1.222	55.30	10.9%	1.0%	0.1%	1.1%

Current Base Coverage: 50000
Proposed Base Coverage: 50000

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Medical Payments**

Current Territory	Territory Definition	PIF Weight	Current				Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity			Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.106	9.70	1.067	10.35	0.746	1.000	10.80	0.983	10.66	11.3%	3.0%	-5.4%	-2.5%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	16.30	1.067	17.39	1.253	1.080	19.70	0.983	19.34	20.9%	11.2%	-10.1%	0.0%	
5	Remainder of Pulaski county	0.057	13.60	1.067	14.51	1.045	1.000	15.20	0.983	14.94	11.8%	3.0%	-0.9%	2.1%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.122	9.50	1.067	10.13	0.730	1.000	10.60	0.983	10.44	11.6%	3.0%	-2.1%	0.8%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.041	14.50	1.067	15.47	1.115	1.000	16.20	0.983	15.93	11.7%	3.0%	-0.6%	2.3%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.171	15.00	1.067	16.00	1.153	1.000	16.80	0.983	16.48	12.0%	3.0%	1.3%	4.3%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.179	13.80	1.067	14.72	1.061	1.000	15.40	0.983	15.16	11.6%	3.0%	1.0%	4.1%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.024	12.20	1.067	13.02	0.938	1.000	13.60	0.983	13.41	11.5%	3.0%	1.7%	4.8%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.146	12.90	1.067	13.76	0.992	1.000	14.40	0.983	14.17	11.6%	3.0%	2.0%	5.0%	
84	Grant, Jefferson, Lonoke and Saline counties	0.073	15.60	1.067	16.64	1.199	1.000	17.40	0.983	17.14	11.5%	3.0%	-1.9%	1.0%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.081	13.60	1.067	14.51	1.045	1.000	15.20	0.983	14.94	11.8%	3.0%	1.7%	4.8%	
Totals		1.000	13.01	1.067	13.88	1.000	1.000	14.50	0.983	14.29	11.5%	3.0%	-0.2%	2.8%	

Current Base Coverage: 5000
Proposed Base Coverage: 5000

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Medical Payments**

Current Territory	Territory Definition	PIF Weight	Current			Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate			Current Territorial Relativity	Average Rating Factor	Proposed Average Rate				
2	Fort Smith	0.044	8.40	1.175	9.87	0.834	1.000	9.80	1.043	10.17	16.7%	3.0%	1.4%	4.5%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	14.90	1.175	17.51	1.480	0.920	15.90	1.043	16.60	6.7%	-5.2%	5.5%	0.0%
5	Remainder of Pulaski county	0.061	10.90	1.175	12.81	1.083	1.000	12.70	1.043	13.20	16.5%	3.0%	0.0%	3.0%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.024	8.30	1.175	9.76	0.824	1.000	9.60	1.043	10.05	15.7%	3.0%	2.8%	5.9%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.061	11.40	1.175	13.40	1.132	1.000	13.20	1.043	13.80	15.8%	3.0%	0.0%	3.0%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.119	11.10	1.175	13.05	1.102	1.000	12.90	1.043	13.44	16.2%	3.0%	2.2%	5.2%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.156	10.40	1.175	12.23	1.033	1.000	12.10	1.043	12.59	16.3%	3.0%	0.5%	3.5%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.265	8.90	1.175	10.46	0.884	1.000	10.30	1.043	10.78	15.7%	3.0%	-0.9%	2.1%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.102	9.30	1.175	10.93	0.924	1.000	10.80	1.043	11.26	16.1%	3.0%	0.7%	3.7%
84	Grant, Jefferson, Lonoke and Saline counties	0.139	11.40	1.175	13.40	1.132	1.000	13.20	1.043	13.80	15.8%	3.0%	0.5%	3.5%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.027	10.50	1.175	12.34	1.043	1.000	12.20	1.043	12.71	16.2%	3.0%	2.0%	5.1%
Totals		1.000	10.07	1.175	11.84	1.000	1.000	11.70	1.043	12.19	16.2%	3.0%	0.5%	3.5%

Current Base Coverage: 5000
Proposed Base Coverage: 5000

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Medical Payments**

Current Territory	Territory Definition	PIF Weight	Current				Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity			Average Rating Factor	Proposed Average Rate	Base Rate Effect				
2	Fort Smith	0.105	6.50	1.316	8.55	0.765	1.000	7.50	1.178	8.81	15.4%	3.0%	-3.0%	-0.1%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	8.80	1.316	11.58	1.036	1.310	13.30	1.178	15.62	51.1%	34.9%	-25.9%	0.0%	
5	Remainder of Pulaski county	0.035	9.00	1.316	11.84	1.060	1.000	10.40	1.178	12.20	15.6%	3.0%	-2.4%	0.5%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	7.60	1.316	10.00	0.895	1.000	8.70	1.178	10.30	14.5%	3.0%	-2.9%	0.0%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.025	8.40	1.316	11.05	0.989	1.000	9.70	1.178	11.38	15.5%	3.0%	-3.2%	-0.3%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.015	10.00	1.316	13.16	1.177	1.000	11.50	1.178	13.55	15.0%	3.0%	-4.2%	-1.3%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.240	9.70	1.316	12.76	1.142	1.000	11.20	1.178	13.15	15.5%	3.0%	-0.2%	2.8%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.070	7.60	1.316	10.00	0.895	1.000	8.70	1.178	10.30	14.5%	3.0%	0.2%	3.2%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.095	8.00	1.316	10.53	0.942	1.000	9.20	1.178	10.84	15.0%	3.0%	2.3%	5.4%	
84	Grant, Jefferson, Lonoke and Saline counties	0.305	8.50	1.316	11.18	1.001	1.000	9.80	1.178	11.52	15.3%	3.0%	2.5%	5.6%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.110	8.40	1.316	11.05	0.989	1.000	9.70	1.178	11.38	15.5%	3.0%	-0.7%	2.3%	
Totals		1.000	8.49	1.316	11.18	1.000	1.000	9.80	1.178	11.51	15.4%	3.0%	0.5%	3.6%	

Current Base Coverage: 5000
Proposed Base Coverage: 5000

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Auto, Income & Medical**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.129	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	1.8%	1.8%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	0.0%	0.0%
5	Remainder of Pulaski county	0.071	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	-2.3%	-2.3%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.100	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	-4.3%	-4.3%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.029	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	-0.2%	-0.2%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.071	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	0.3%	0.3%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.314	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	0.5%	0.5%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.071	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	3.3%	3.3%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.029	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	-0.4%	-0.4%
84	Grant, Jefferson, Lonoke and Saline counties	0.057	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	-2.3%	-2.3%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.129	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	2.1%	2.1%
Totals		1.000	5.60	2.237	12.53	1.000	1.000	6.10	2.057	12.53	8.9%	0.0%	0.2%	0.2%

Current Base Coverage: 5000
Proposed Base Coverage: 5000

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Auto, Income & Medical**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.069	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	-0.6%	-1.6%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	1.0%	0.0%
5	Remainder of Pulaski county	0.084	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	-0.1%	-1.1%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.023	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	-1.0%	-1.9%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.031	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	1.0%	0.0%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.061	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	2.2%	1.2%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.176	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	-0.1%	-1.1%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.252	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	-1.2%	-2.1%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.122	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	2.7%	1.7%
84	Grant, Jefferson, Lonoke and Saline counties	0.153	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	-0.4%	-1.4%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.031	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	2.0%	1.0%
Totals		1.000	4.80	2.297	11.03	1.000	1.000	5.30	2.061	10.92	10.4%	-1.0%	0.1%	-0.9%

Current Base Coverage: 5000
Proposed Base Coverage: 5000

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Auto, Income & Medical**

Current Territory	Territory Definition	PIF Weight	Current				Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity			Average Rating Factor	Proposed Average Rate	Base Rate				
2	Fort Smith	0.032	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	-3.9%	-3.9%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	4.30	2.560	11.01	0.896	1.120	5.30	2.320	12.33	23.3%	12.0%	-10.7%	0.0%	
5	Remainder of Pulaski county	0.039	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	-2.5%	-2.5%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	0.0%	0.0%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.026	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	-7.2%	-7.2%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.013	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	-4.1%	-4.1%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.206	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	-2.9%	-2.9%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.045	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	-5.0%	-5.0%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.116	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	2.2%	2.2%	
84	Grant, Jefferson, Lonoke and Saline counties	0.355	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	2.7%	2.7%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.168	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	0.3%	0.3%	
Totals		1.000	4.80	2.560	12.29	1.000	1.000	5.30	2.320	12.29	10.4%	0.0%	0.1%	0.1%	

Current Base Coverage: 5000
Proposed Base Coverage: 5000

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Comprehensive**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.097	87.70	1.136	99.67	0.798	1.000	101.90	0.978	99.67	16.2%	0.0%	0.4%	0.4%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	203.00	1.136	230.70	1.848	0.450	106.20	0.978	103.81	-47.7%	-55.0%	122.2%	0.0%
5	Remainder of Pulaski county	0.065	91.50	1.136	103.98	0.833	1.000	106.40	0.978	103.98	16.3%	0.0%	2.4%	2.4%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.108	72.50	1.136	82.39	0.660	1.000	84.30	0.978	82.39	16.3%	0.0%	-1.8%	-1.8%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.022	230.50	1.136	261.95	2.098	1.000	267.90	0.978	261.95	16.2%	0.0%	-3.6%	-3.6%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.043	131.50	1.136	149.44	1.197	1.000	152.80	0.978	149.44	16.2%	0.0%	-0.5%	-0.5%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.226	85.40	1.136	97.05	0.777	1.000	99.30	0.978	97.05	16.3%	0.0%	-0.5%	-0.5%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.043	111.30	1.136	126.49	1.013	1.000	129.40	0.978	126.49	16.3%	0.0%	2.0%	2.0%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.118	128.70	1.136	146.26	1.172	1.000	149.60	0.978	146.26	16.2%	0.0%	2.0%	2.0%
84	Grant, Jefferson, Lonoke and Saline counties	0.118	128.10	1.136	145.58	1.166	1.000	148.90	0.978	145.58	16.2%	0.0%	-0.8%	-0.8%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.161	140.20	1.136	159.33	1.276	1.000	163.00	0.978	159.33	16.3%	0.0%	1.5%	1.5%
Totals		1.000	109.86	1.136	124.85	1.000	1.000	127.70	0.978	124.85	16.2%	0.0%	0.0%	0.0%

Current Base Coverage: \$100 / \$250 W&H Deductible, Model Year 2008
Proposed Base Coverage: \$100 / \$250 W&H Deductible, Model Year 2010

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Comprehensive**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Current Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.043	80.70	1.318	106.33	0.887	1.000	95.70	1.111	106.33	18.6%	0.0%	-1.4%	-1.4%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	196.70	1.318	259.17	2.161	0.390	91.00	1.111	101.08	-53.7%	-61.0%	156.4%	0.0%
5	Remainder of Pulaski county	0.071	77.50	1.318	102.11	0.851	1.000	91.90	1.111	102.11	18.6%	0.0%	0.2%	0.2%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.020	66.80	1.318	88.02	0.734	1.000	79.20	1.111	88.02	18.6%	0.0%	1.0%	1.0%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.043	191.40	1.318	252.19	2.103	1.000	226.90	1.111	252.19	18.5%	0.0%	1.1%	1.1%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.126	101.10	1.318	133.21	1.111	1.000	119.90	1.111	133.21	18.6%	0.0%	1.0%	1.0%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.150	68.50	1.318	90.26	0.753	1.000	81.20	1.111	90.26	18.5%	0.0%	0.1%	0.1%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.264	81.20	1.318	106.99	0.892	1.000	96.30	1.111	106.99	18.6%	0.0%	-0.4%	-0.4%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.110	96.60	1.318	127.28	1.061	1.000	114.50	1.111	127.28	18.5%	0.0%	-0.8%	-0.8%
84	Grant, Jefferson, Lonoke and Saline counties	0.150	98.40	1.318	129.65	1.081	1.000	116.70	1.111	129.65	18.6%	0.0%	-0.4%	-0.4%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.024	112.70	1.318	148.49	1.238	1.000	133.60	1.111	148.49	18.5%	0.0%	0.1%	0.1%
Totals		1.000	91.03	1.318	119.94	1.000	1.000	107.90	1.111	119.94	18.5%	0.0%	0.0%	0.0%

Current Base Coverage: \$100 / \$250 W&H Deductible, Model Year 2008
Proposed Base Coverage: \$100 / \$250 W&H Deductible, Model Year 2010

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Comprehensive**

Current Territory	Territory Definition	PIF Weight	Current					Normalized Selected Adjustment	Proposed Base Rate	Proposed			Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Average Rating Factor			Proposed Average Rate	Base Rate Effect	Average Effect		
2	Fort Smith	0.092	52.70	1.579	83.21	0.824	1.000	61.50	1.353	83.21	16.7%	0.0%	-1.4%	-1.4%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	102.20	1.579	161.37	1.599	0.520	62.00	1.353	83.91	-39.3%	-48.0%	92.3%	0.0%
5	Remainder of Pulaski county	0.028	56.00	1.579	88.42	0.876	1.000	65.30	1.353	88.42	16.6%	0.0%	-3.8%	-3.8%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	50.70	1.579	80.05	0.793	1.000	59.20	1.353	80.05	16.8%	0.0%	0.0%	0.0%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.018	124.60	1.579	196.73	1.949	1.000	145.40	1.353	196.73	16.7%	0.0%	-7.3%	-7.3%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.014	79.70	1.579	125.84	1.247	1.000	93.00	1.353	125.84	16.7%	0.0%	-5.3%	-5.3%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.252	55.10	1.579	87.00	0.862	1.000	64.30	1.353	87.00	16.7%	0.0%	-0.1%	-0.1%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.073	65.10	1.579	102.79	1.018	1.000	76.00	1.353	102.79	16.7%	0.0%	-1.0%	-1.0%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.096	74.50	1.579	117.63	1.165	1.000	86.90	1.353	117.63	16.6%	0.0%	0.4%	0.4%
84	Grant, Jefferson, Lonoke and Saline counties	0.284	60.50	1.579	95.53	0.946	1.000	70.60	1.353	95.53	16.7%	0.0%	1.4%	1.4%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.142	78.10	1.579	123.31	1.222	1.000	91.10	1.353	123.31	16.6%	0.0%	0.9%	0.9%
Totals		1.000	63.93	1.579	100.94	1.000	1.000	74.60	1.353	100.94	16.7%	0.0%	0.0%	0.0%

Current Base Coverage: \$100 / \$250 W&H Deductible, Model Year 2008
Proposed Base Coverage: \$100 / \$250 W&H Deductible, Model Year 2010

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Collision**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.102	123.70	1.185	146.58	0.840	1.000	143.30	1.013	145.12	15.8%	-1.0%	-0.1%	-1.1%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	250.70	1.185	297.08	1.703	0.720	209.00	1.013	211.76	-16.6%	-28.7%	40.3%	0.0%
5	Remainder of Pulaski county	0.068	152.20	1.185	180.36	1.034	1.000	176.30	1.013	178.55	15.8%	-1.0%	3.8%	2.8%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.091	127.20	1.185	150.73	0.864	1.000	147.30	1.013	149.22	15.8%	-1.0%	-3.2%	-4.2%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.023	185.50	1.185	219.82	1.260	1.000	214.80	1.013	217.62	15.8%	-1.0%	-4.7%	-5.7%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.045	159.70	1.185	189.24	1.085	1.000	184.90	1.013	187.35	15.8%	-1.0%	0.4%	-0.7%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.216	118.90	1.185	140.90	0.808	1.000	137.70	1.013	139.49	15.8%	-1.0%	-1.4%	-2.4%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.045	145.00	1.185	171.82	0.985	1.000	167.90	1.013	170.11	15.8%	-1.0%	1.7%	0.7%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.125	164.90	1.185	195.41	1.120	1.000	191.00	1.013	193.45	15.8%	-1.0%	2.0%	0.9%
84	Grant, Jefferson, Lonoke and Saline counties	0.114	183.60	1.185	217.57	1.247	1.000	212.60	1.013	215.39	15.8%	-1.0%	-0.4%	-1.4%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.170	160.90	1.185	190.67	1.093	1.000	186.30	1.013	188.76	15.8%	-1.0%	2.3%	1.3%
Totals		1.000	147.23	1.185	174.47	1.000	1.000	170.50	1.013	172.72	15.8%	-1.0%	0.0%	-1.0%

Current Base Coverage: \$500 Deductible, Model Year 2008
Proposed Base Coverage: \$500 Deductible, Model Year 2010

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Collision**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.036	111.30	1.401	155.95	0.957	1.000	131.80	1.171	154.39	18.4%	-1.0%	-2.3%	-3.2%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	237.10	1.401	332.22	2.039	0.600	168.50	1.171	197.34	-28.9%	-40.6%	68.4%	0.0%
5	Remainder of Pulaski county	0.073	125.60	1.401	175.99	1.080	1.000	148.80	1.171	174.23	18.5%	-1.0%	-0.5%	-1.5%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.020	114.10	1.401	159.88	0.981	1.000	135.20	1.171	158.28	18.5%	-1.0%	1.6%	0.6%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.040	173.60	1.401	243.25	1.493	1.000	205.60	1.171	240.82	18.4%	-1.0%	2.4%	1.3%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.125	119.50	1.401	167.44	1.028	1.000	141.50	1.171	165.77	18.4%	-1.0%	1.1%	0.1%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.153	92.80	1.401	130.03	0.798	1.000	109.90	1.171	128.73	18.4%	-1.0%	0.0%	-1.0%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.266	103.10	1.401	144.46	0.887	1.000	122.10	1.171	143.02	18.4%	-1.0%	0.0%	-1.0%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.113	121.10	1.401	169.68	1.041	1.000	143.40	1.171	167.99	18.4%	-1.0%	-1.5%	-2.4%
84	Grant, Jefferson, Lonoke and Saline counties	0.149	137.50	1.401	192.66	1.182	1.000	162.90	1.171	190.74	18.5%	-1.0%	-0.4%	-1.4%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.024	126.40	1.401	177.11	1.087	1.000	149.70	1.171	175.34	18.4%	-1.0%	-0.1%	-1.1%
Totals		1.000	116.30	1.401	162.95	1.000	1.000	137.80	1.171	161.32	18.5%	-1.0%	0.0%	-1.0%

Current Base Coverage: \$500 Deductible, Model Year 2008
Proposed Base Coverage: \$500 Deductible, Model Year 2010

Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Collision

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.093	85.70	1.581	135.47	0.877	1.000	106.10	1.213	128.69	23.8%	-5.0%	-1.4%	-6.3%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	145.20	1.581	229.52	1.485	0.820	147.40	1.213	178.79	1.5%	-22.1%	28.4%	0.0%
5	Remainder of Pulaski county	0.028	107.10	1.581	169.29	1.095	1.000	132.60	1.213	160.83	23.8%	-5.0%	-0.6%	-5.5%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	102.40	1.581	161.86	1.047	1.000	126.70	1.213	153.77	23.7%	-5.0%	5.3%	0.0%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.019	133.40	1.581	210.87	1.364	1.000	165.10	1.213	200.32	23.8%	-5.0%	-2.9%	-7.8%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.014	111.20	1.581	175.77	1.137	1.000	137.60	1.213	166.99	23.7%	-5.0%	-2.1%	-7.0%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.256	88.40	1.581	139.73	0.904	1.000	109.40	1.213	132.75	23.8%	-5.0%	-1.1%	-6.0%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.074	97.60	1.581	154.28	0.998	1.000	120.80	1.213	146.56	23.8%	-5.0%	0.2%	-4.8%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.098	109.90	1.581	173.72	1.124	1.000	136.00	1.213	165.03	23.7%	-5.0%	-0.2%	-5.2%
84	Grant, Jefferson, Lonoke and Saline counties	0.288	99.70	1.581	157.60	1.020	1.000	123.40	1.213	149.72	23.8%	-5.0%	2.0%	-3.1%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.130	103.00	1.581	162.81	1.053	1.000	127.50	1.213	154.67	23.8%	-5.0%	-1.4%	-6.4%
Totals		1.000	97.77	1.581	154.55	1.000	1.000	121.00	1.213	146.82	23.8%	-5.0%	0.0%	-5.0%

Current Base Coverage: \$500 Deductible, Model Year 2008
Proposed Base Coverage: \$500 Deductible, Model Year 2010

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Uninsured Motorist**

Current Territory	Territory Definition	PIF Weight	Current					Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate				
2	Fort Smith	0.074	67.10	0.284	19.06	1.027	1.000	74.20	0.262	19.44	10.6%	2.0%	-0.2%	1.8%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	63.20	0.284	17.95	0.967	1.034	72.20	0.262	18.93	14.2%	5.5%	-5.2%	0.0%
5	Remainder of Pulaski county	0.055	67.10	0.284	19.06	1.027	1.000	74.20	0.262	19.44	10.6%	2.0%	-2.7%	-0.8%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.080	67.10	0.284	19.06	1.027	1.000	74.20	0.262	19.44	10.6%	2.0%	-2.3%	-0.3%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.031	63.20	0.284	17.95	0.967	1.000	69.90	0.262	18.31	10.6%	2.0%	-1.8%	0.2%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.172	65.70	0.284	18.66	1.005	1.000	72.60	0.262	19.03	10.5%	2.0%	-0.2%	1.8%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.221	67.10	0.284	19.06	1.027	1.000	74.20	0.262	19.44	10.6%	2.0%	0.8%	2.8%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.067	63.80	0.284	18.12	0.976	1.000	70.50	0.262	18.48	10.5%	2.0%	0.1%	2.1%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.129	63.20	0.284	17.95	0.967	1.000	69.90	0.262	18.31	10.6%	2.0%	0.6%	2.7%
84	Grant, Jefferson, Lonoke and Saline counties	0.086	63.20	0.284	17.95	0.967	1.000	69.90	0.262	18.31	10.6%	2.0%	-0.3%	1.7%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.086	63.20	0.284	17.95	0.967	1.000	69.90	0.262	18.31	10.6%	2.0%	0.4%	2.5%
Totals		1.000	65.34	0.284	18.56	1.000	1.000	72.20	0.262	18.93	10.5%	2.0%	-0.2%	1.8%

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Uninsured Motorist**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.033	63.40	0.295	18.68	1.024	1.000	69.90	0.262	18.30	10.3%	-2.0%	1.7%	-0.4%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	59.70	0.295	17.59	0.964	1.038	68.30	0.262	17.89	14.4%	1.7%	-1.7%	0.0%
5	Remainder of Pulaski county	0.066	61.50	0.295	18.12	0.993	1.000	67.80	0.262	17.76	10.2%	-2.0%	1.0%	-1.0%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.014	63.40	0.295	18.68	1.024	1.000	69.90	0.262	18.30	10.3%	-2.0%	2.7%	0.6%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.063	59.70	0.295	17.59	0.964	1.000	65.80	0.262	17.24	10.2%	-2.0%	-0.5%	-2.4%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.126	62.90	0.295	18.53	1.015	1.000	69.30	0.262	18.16	10.2%	-2.0%	0.8%	-1.2%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.165	63.40	0.295	18.68	1.024	1.000	69.90	0.262	18.30	10.3%	-2.0%	0.0%	-2.0%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.253	63.40	0.295	18.68	1.024	1.000	69.90	0.262	18.30	10.3%	-2.0%	-0.6%	-2.6%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.099	59.70	0.295	17.59	0.964	1.000	65.80	0.262	17.24	10.2%	-2.0%	1.5%	-0.6%
84	Grant, Jefferson, Lonoke and Saline counties	0.159	59.70	0.295	17.59	0.964	1.000	65.80	0.262	17.24	10.2%	-2.0%	0.7%	-1.3%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.022	59.70	0.295	17.59	0.964	1.000	65.80	0.262	17.24	10.2%	-2.0%	2.2%	0.1%
Totals		1.000	61.94	0.295	18.25	1.000	1.000	68.30	0.262	17.88	10.3%	-2.0%	0.3%	-1.7%

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Uninsured Motorist**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.094	50.50	0.512	25.86	1.029	1.000	56.70	0.456	25.86	12.3%	0.0%	-2.1%	-2.1%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	32.50	0.512	16.64	0.662	1.510	55.10	0.456	25.13	69.5%	51.0%	-33.8%	0.0%
5	Remainder of Pulaski county	0.043	50.50	0.512	25.86	1.029	1.000	56.70	0.456	25.86	12.3%	0.0%	-1.9%	-1.9%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	55.50	0.512	28.42	1.131	1.000	62.30	0.456	28.42	12.3%	0.0%	0.0%	0.0%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.020	41.10	0.512	21.05	0.838	1.000	46.10	0.456	21.05	12.2%	0.0%	-1.9%	-1.9%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.016	53.50	0.512	27.40	1.091	1.000	60.10	0.456	27.40	12.3%	0.0%	-4.7%	-4.7%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.212	54.20	0.512	27.76	1.105	1.000	60.80	0.456	27.76	12.2%	0.0%	-1.5%	-1.5%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.075	52.30	0.512	26.78	1.066	1.000	58.70	0.456	26.78	12.2%	0.0%	-1.4%	-1.4%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.102	50.80	0.512	26.02	1.036	1.000	57.00	0.456	26.02	12.2%	0.0%	1.8%	1.8%
84	Grant, Jefferson, Lonoke and Saline counties	0.290	45.20	0.512	23.15	0.921	1.000	50.70	0.456	23.15	12.2%	0.0%	2.0%	2.0%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.149	45.70	0.512	23.40	0.932	1.000	51.30	0.456	23.40	12.3%	0.0%	0.0%	0.0%
Totals		1.000	49.06	0.512	25.12	1.000	1.000	55.10	0.456	25.12	12.3%	0.0%	-0.1%	-0.1%

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Underinsured Motorist**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.056	64.20	0.241	15.48	1.024	1.000	67.70	0.222	15.02	5.5%	-3.0%	-3.3%	-6.2%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	60.50	0.241	14.59	0.965	1.036	66.10	0.222	14.66	9.3%	0.5%	-0.5%	0.0%
5	Remainder of Pulaski county	0.067	64.10	0.241	15.46	1.022	1.000	67.60	0.222	15.00	5.5%	-3.0%	0.1%	-2.9%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.100	64.20	0.241	15.48	1.024	1.000	67.70	0.222	15.02	5.5%	-3.0%	-1.5%	-4.5%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.044	60.50	0.241	14.59	0.965	1.000	63.80	0.222	14.15	5.5%	-3.0%	-1.8%	-4.8%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.122	62.80	0.241	15.15	1.002	1.000	66.20	0.222	14.69	5.4%	-3.0%	-1.7%	-4.6%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.289	64.20	0.241	15.48	1.024	1.000	67.70	0.222	15.02	5.5%	-3.0%	1.1%	-1.9%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.056	61.00	0.241	14.71	0.973	1.000	64.30	0.222	14.27	5.4%	-3.0%	-1.3%	-4.3%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.089	60.50	0.241	14.59	0.965	1.000	63.80	0.222	14.15	5.5%	-3.0%	0.2%	-2.9%
84	Grant, Jefferson, Lonoke and Saline counties	0.089	60.50	0.241	14.59	0.965	1.000	63.80	0.222	14.15	5.5%	-3.0%	0.6%	-2.4%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.089	60.50	0.241	14.59	0.965	1.000	63.80	0.222	14.15	5.5%	-3.0%	2.3%	-0.7%
Totals		1.000	62.69	0.241	15.12	1.000	1.000	66.10	0.222	14.67	5.4%	-3.0%	-0.1%	-3.1%

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Underinsured Motorist**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.030	60.80	0.252	15.31	1.020	1.000	63.20	0.225	14.24	3.9%	-7.0%	1.8%	-5.3%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	57.30	0.252	14.43	0.962	1.039	61.90	0.225	13.94	8.0%	-3.4%	3.5%	0.0%
5	Remainder of Pulaski county	0.077	59.00	0.252	14.86	0.990	1.000	61.30	0.225	13.82	3.9%	-7.0%	1.8%	-5.3%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.021	60.80	0.252	15.31	1.020	1.000	63.20	0.225	14.24	3.9%	-7.0%	2.6%	-4.6%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.056	57.30	0.252	14.43	0.962	1.000	59.60	0.225	13.42	4.0%	-7.0%	-1.3%	-8.2%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.073	60.40	0.252	15.21	1.014	1.000	62.80	0.225	14.15	4.0%	-7.0%	3.4%	-3.8%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.192	60.80	0.252	15.31	1.020	1.000	63.20	0.225	14.24	3.9%	-7.0%	0.3%	-6.7%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.308	60.80	0.252	15.31	1.020	1.000	63.20	0.225	14.24	3.9%	-7.0%	-1.6%	-8.5%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.081	57.30	0.252	14.43	0.962	1.000	59.60	0.225	13.42	4.0%	-7.0%	1.1%	-5.9%
84	Grant, Jefferson, Lonoke and Saline counties	0.137	57.30	0.252	14.43	0.962	1.000	59.60	0.225	13.42	4.0%	-7.0%	0.3%	-6.7%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.026	57.30	0.252	14.43	0.962	1.000	59.60	0.225	13.42	4.0%	-7.0%	2.3%	-4.9%
Totals		1.000	59.59	0.252	15.00	1.000	1.000	61.90	0.225	13.95	3.9%	-7.0%	0.0%	-7.0%

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Underinsured Motorist**

Current Territory	Territory Definition	PIF Weight	Current					Proposed					Actual Effect	
			Base Rate	Average Rating Factor	Current Average Rate	Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Average Rating Factor	Proposed Average Rate	Base Rate Effect	Average Effect		Distributional Differences
2	Fort Smith	0.090	54.20	0.455	24.68	1.011	1.000	56.40	0.407	22.95	4.1%	-7.0%	-2.5%	-9.4%
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	37.40	0.455	17.03	0.698	1.435	55.80	0.407	22.73	49.2%	33.5%	-25.1%	0.0%
5	Remainder of Pulaski county	0.039	58.20	0.455	26.50	1.086	1.000	60.60	0.407	24.65	4.1%	-7.0%	-2.3%	-9.1%
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	59.50	0.455	27.09	1.110	1.000	61.90	0.407	25.20	4.0%	-7.0%	7.5%	0.0%
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.017	47.40	0.455	21.58	0.884	1.000	49.30	0.407	20.07	4.0%	-7.0%	-1.3%	-8.2%
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.013	57.40	0.455	26.14	1.071	1.000	59.70	0.407	24.31	4.0%	-7.0%	-8.1%	-14.6%
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.223	58.10	0.455	26.46	1.084	1.000	60.50	0.407	24.60	4.1%	-7.0%	-1.5%	-8.4%
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.077	56.10	0.455	25.55	1.047	1.000	58.40	0.407	23.76	4.1%	-7.0%	-2.5%	-9.3%
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.103	54.40	0.455	24.77	1.015	1.000	56.60	0.407	23.04	4.0%	-7.0%	1.6%	-5.5%
84	Grant, Jefferson, Lonoke and Saline counties	0.292	50.90	0.455	23.18	0.950	1.000	53.00	0.407	21.56	4.1%	-7.0%	2.7%	-4.5%
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.146	49.00	0.455	22.31	0.914	1.000	51.00	0.407	20.75	4.1%	-7.0%	0.0%	-7.0%
Totals		1.000	53.59	0.455	24.40	1.000	1.000	55.80	0.407	22.70	4.1%	-7.0%	0.0%	-7.0%

Current Base Coverage: \$100/300 Limit
Proposed Base Coverage: \$100/300 Limit

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Road Service**

Current Territory	Territory Definition	PIF Weight	Current			Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Current Base Rate	Average Rating Factor	Current Average Rate				Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.097	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	0.0%	0.0%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	0.0%	0.0%	
5	Remainder of Pulaski county	0.032	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	-6.5%	-6.5%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.065	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	1.7%	1.7%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.032	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	0.0%	0.0%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.065	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	0.0%	0.0%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.290	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	1.8%	1.8%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.065	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	1.7%	1.7%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.065	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	2.2%	2.2%	
84	Grant, Jefferson, Lonoke and Saline counties	0.097	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	1.1%	1.1%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.194	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	4.5%	4.5%	
Totals		1.000	2.90	0.951	2.76	1.000	1.000	2.90	0.966	2.76	0.0%	0.0%	1.5%	1.5%	

Current Base Coverage: \$60 (\$75 for educators)
Proposed Base Coverage: \$60 (\$75 for educators)

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Road Service**

Current Territory	Territory Definition	PIF Weight	Current			Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Current Base Rate	Average Rating Factor	Current Average Rate				Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.050	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	0.6%	0.6%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	0.0%	0.0%	
5	Remainder of Pulaski county	0.050	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	-0.6%	-0.6%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.025	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	1.2%	1.2%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.058	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	1.4%	1.4%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.133	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	-1.0%	-1.0%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.175	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	1.1%	1.1%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.225	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	-1.1%	-1.1%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.075	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	0.8%	0.8%	
84	Grant, Jefferson, Lonoke and Saline counties	0.183	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	0.8%	0.8%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.025	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	0.0%	0.0%	
Totals		1.000	2.90	1.023	2.97	1.000	1.000	2.90	1.024	2.97	0.0%	0.0%	0.1%	0.1%	

Current Base Coverage: \$60 (\$75 for educators)
Proposed Base Coverage: \$60 (\$75 for educators)

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Road Service**

Current Territory	Territory Definition	PIF Weight	Current			Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Current Base Rate	Average Rating Factor	Current Average Rate				Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.042	2.60	0.968	2.52	0.974	1.000	2.60	0.965	2.52	0.0%	0.0%	4.6%	4.6%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	2.30	0.968	2.23	0.861	1.150	2.70	0.965	2.56	17.4%	15.0%	-13.0%	0.0%	
5	Remainder of Pulaski county	0.021	2.90	0.968	2.81	1.086	1.000	2.90	0.965	2.81	0.0%	0.0%	1.2%	1.2%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	2.90	0.968	2.81	1.086	1.000	2.90	0.965	2.81	0.0%	0.0%	0.0%	0.0%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.014	2.60	0.968	2.52	0.974	1.000	2.60	0.965	2.52	0.0%	0.0%	6.5%	6.5%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.021	2.90	0.968	2.81	1.086	1.000	2.90	0.965	2.81	0.0%	0.0%	-1.1%	-1.1%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.217	2.80	0.968	2.71	1.048	1.000	2.80	0.965	2.71	0.0%	0.0%	-0.1%	-0.1%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.077	2.80	0.968	2.71	1.048	1.000	2.80	0.965	2.71	0.0%	0.0%	-0.4%	-0.4%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.112	2.90	0.968	2.81	1.086	1.000	2.90	0.965	2.81	0.0%	0.0%	1.1%	1.1%	
84	Grant, Jefferson, Lonoke and Saline counties	0.343	2.50	0.968	2.42	0.936	1.000	2.50	0.965	2.42	0.0%	0.0%	0.7%	0.7%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.154	2.60	0.968	2.52	0.974	1.000	2.60	0.965	2.52	0.0%	0.0%	2.0%	2.0%	
Totals		1.000	2.67	0.968	2.58	1.000	1.000	2.70	0.965	2.58	1.1%	0.0%	0.8%	0.8%	

Current Base Coverage: \$60 (\$75 for educators)
Proposed Base Coverage: \$60 (\$75 for educators)

**Horace Mann Insurance Company
Arkansas
Derivation of Base Rates & Effects
Rental Reimbursement**

Current Territory	Territory Definition	PIF Weight	Current			Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Current Base Rate	Average Rating Factor	Current Average Rate				Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.077	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	-9.5%	-9.5%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	0.0%	0.0%	
5	Remainder of Pulaski county	0.000	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	0.0%	0.0%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	0.0%	0.0%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.077	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	-2.4%	-2.4%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.000	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	0.0%	0.0%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.154	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	4.5%	4.5%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.000	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	0.0%	0.0%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.077	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	4.0%	4.0%	
84	Grant, Jefferson, Lonoke and Saline counties	0.231	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	-1.4%	-1.4%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.385	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	0.6%	0.6%	
Totals		1.000	12.80	0.868	11.12	1.000	1.000	14.20	0.782	11.12	10.9%	0.0%	-0.1%	-0.1%	

Current Base Coverage: \$30 per day / \$600 per occurrence
Proposed Base Coverage: \$30 per day / \$600 per occurrence

**Teachers Insurance Company
Arkansas
Derivation of Base Rates & Effects
Rental Reimbursement**

Current Territory	Territory Definition	PIF Weight	Current			Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Current Base Rate	Average Rating Factor	Current Average Rate				Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.027	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	0.5%	0.5%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	0.0%	0.0%	
5	Remainder of Pulaski county	0.107	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	-2.0%	-2.0%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.027	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	1.8%	1.8%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.067	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	-1.1%	-1.1%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.120	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	2.2%	2.2%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.107	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	2.3%	2.3%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.173	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	-1.6%	-1.6%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.120	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	2.8%	2.8%	
84	Grant, Jefferson, Lonoke and Saline counties	0.213	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	-0.5%	-0.5%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.040	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	1.7%	1.7%	
Totals		1.000	11.70	0.890	10.41	1.000	1.000	13.30	0.785	10.41	13.7%	0.0%	0.3%	0.3%	

Current Base Coverage: \$30 per day / \$600 per occurrence
Proposed Base Coverage: \$30 per day / \$600 per occurrence

**Horace Mann Property and Casualty Insurance Company
Arkansas
Derivation of Base Rates & Effects
Rental Reimbursement**

Current Territory	Territory Definition	PIF Weight	Current			Current Territorial Relativity	Normalized Selected Adjustment	Proposed Base Rate	Proposed			Base Rate Effect	Average Effect	Distributional Differences	Actual Effect
			Current Base Rate	Average Rating Factor	Current Average Rate				Average Rating Factor	Proposed Average Rate					
2	Fort Smith	0.065	10.40	0.921	9.58	0.973	1.000	11.80	0.814	9.58	13.5%	0.0%	-2.5%	-2.5%	
4	Little Rock (Zip Codes: 72201-04,06,08,09)	0.000	9.30	0.921	8.57	0.870	1.150	12.10	0.814	9.85	30.1%	15.0%	-13.0%	0.0%	
5	Remainder of Pulaski county	0.028	11.60	0.921	10.69	1.086	1.000	13.10	0.814	10.69	12.9%	0.0%	-2.4%	-2.4%	
20	Franklin, Logan, Scott, and remainder of Crawford & Sebastian counties	0.000	11.60	0.921	10.69	1.086	1.000	13.10	0.814	10.69	12.9%	0.0%	0.0%	0.0%	
79	Chicot, Crittenden, Desha, Lee, Mississippi, Phillips and St. Francis counties	0.009	10.40	0.921	9.58	0.973	1.000	11.80	0.814	9.58	13.5%	0.0%	0.0%	0.0%	
80	Clay, Craighead, Cross, Greene, Jackson, Lawrence, Poinsett, Randolph and Woodruff counties	0.009	11.60	0.921	10.69	1.086	1.000	13.10	0.814	10.69	12.9%	0.0%	-8.0%	-8.0%	
81	Baxter, Benton, Boone, Carroll, Fulton, Izard, Marion, Searcy, Stone and Washington counties	0.178	11.20	0.921	10.32	1.048	1.000	12.70	0.814	10.32	13.4%	0.0%	-1.9%	-1.9%	
82	Cleburne, Garland, Hot Spring, Independence, Johnson, Madison, Newton, Pope, Sharp, Van Buren and Yell counties	0.065	11.40	0.921	10.50	1.067	1.000	12.90	0.814	10.50	13.2%	0.0%	-3.1%	-3.1%	
83	Arkansas, Conway, Faulkner, Monroe, Perry, Prairie and White counties	0.103	11.60	0.921	10.69	1.086	1.000	13.10	0.814	10.69	12.9%	0.0%	0.3%	0.3%	
84	Grant, Jefferson, Lonoke and Saline counties	0.449	10.20	0.921	9.40	0.955	1.000	11.50	0.814	9.40	12.7%	0.0%	2.0%	2.0%	
85	Ashley, Bradley, Calhoun, Clark, Cleveland, Columbia, Dallas, Drew, Hempstead, Howard, Lafayette, Lincoln, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier and Union counties	0.093	10.40	0.921	9.58	0.973	1.000	11.80	0.814	9.58	13.5%	0.0%	0.0%	0.0%	
Totals		1.000	10.69	0.921	9.85	1.000	1.000	12.10	0.814	9.85	13.2%	0.0%	0.1%	0.1%	

Current Base Coverage: \$30 per day / \$600 per occurrence
Proposed Base Coverage: \$30 per day / \$600 per occurrence

Horace Mann Insurance Company
Arkansas
Model Year Factors

Model Year	Bodily Injury				Property Damage				Medical Payments			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.010	1.010	0.0%	0.000	1.010	1.010	0.0%	0.000	1.010	1.010	0.0%
2011	0.010	1.010	1.005	-0.5%	0.010	1.010	1.005	-0.5%	0.000	1.010	1.005	-0.5%
2010	0.025	1.010	1.000	-1.0%	0.024	1.010	1.000	-1.0%	0.016	1.010	1.000	-1.0%
2009	0.008	1.005	0.970	-3.5%	0.008	1.005	0.985	-2.0%	0.011	1.005	0.985	-2.0%
2008	0.027	1.000	0.965	-3.5%	0.030	1.000	0.980	-2.0%	0.035	1.000	0.980	-2.0%
2007	0.055	0.970	0.960	-1.0%	0.055	0.985	0.975	-1.0%	0.063	0.985	0.975	-1.0%
2006	0.020	0.965	0.955	-1.0%	0.017	0.980	0.970	-1.0%	0.029	0.980	0.970	-1.0%
2005	0.045	0.960	0.950	-1.0%	0.042	0.975	0.965	-1.0%	0.045	0.975	0.965	-1.0%
2004	0.029	0.955	0.945	-1.0%	0.030	0.970	0.960	-1.0%	0.043	0.970	0.960	-1.0%
2003	0.036	0.950	0.940	-1.1%	0.032	0.965	0.955	-1.0%	0.045	0.965	0.955	-1.0%
2002	0.079	0.945	0.935	-1.1%	0.082	0.960	0.950	-1.0%	0.085	0.960	0.950	-1.0%
2001	0.079	0.940	0.930	-1.1%	0.079	0.955	0.945	-1.0%	0.074	0.955	0.945	-1.0%
2000	0.034	0.935	0.925	-1.1%	0.039	0.950	0.940	-1.1%	0.037	0.950	0.940	-1.1%
1999	0.040	0.930	0.920	-1.1%	0.037	0.945	0.935	-1.1%	0.038	0.945	0.935	-1.1%
1998	0.095	0.925	0.915	-1.1%	0.099	0.940	0.930	-1.1%	0.102	0.940	0.930	-1.1%
1997	0.018	0.920	0.915	-0.5%	0.017	0.935	0.930	-0.5%	0.018	0.935	0.930	-0.5%
1996 & Prior	0.400	0.915	0.915	0.0%	0.397	0.930	0.930	0.0%	0.360	0.930	0.930	0.0%
	1.000	0.936	0.930	-0.7%	1.000	0.950	0.944	-0.7%	1.000	0.952	0.945	-0.7%

Model Year	Comprehensive				Collision				Uninsured Motorist			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.110	1.110	0.0%	0.000	1.150	1.150	0.0%	0.000	1.010	1.010	0.0%
2011	0.045	1.110	1.074	-3.2%	0.055	1.150	1.115	-3.0%	0.003	1.010	1.005	-0.5%
2010	0.092	1.110	1.000	-9.9%	0.098	1.150	1.000	-13.0%	0.022	1.010	1.000	-1.0%
2009	0.010	1.074	0.935	-12.9%	0.012	1.115	0.940	-15.7%	0.012	1.005	0.995	-1.0%
2008	0.075	1.000	0.883	-11.7%	0.082	1.000	0.888	-11.2%	0.033	1.000	0.990	-1.0%
2007	0.134	0.935	0.837	-10.5%	0.136	0.940	0.840	-10.6%	0.068	0.995	0.985	-1.0%
2006	0.048	0.883	0.800	-9.4%	0.050	0.888	0.805	-9.3%	0.019	0.990	0.980	-1.0%
2005	0.089	0.837	0.775	-7.4%	0.097	0.840	0.770	-8.3%	0.039	0.985	0.975	-1.0%
2004	0.089	0.800	0.750	-6.3%	0.061	0.805	0.735	-8.7%	0.046	0.980	0.970	-1.0%
2003	0.041	0.775	0.725	-6.5%	0.047	0.770	0.700	-9.1%	0.033	0.975	0.965	-1.0%
2002	0.110	0.750	0.700	-6.7%	0.112	0.735	0.680	-7.5%	0.089	0.970	0.960	-1.0%
2001	0.073	0.725	0.675	-6.9%	0.068	0.700	0.675	-3.6%	0.076	0.965	0.955	-1.0%
2000	0.048	0.700	0.650	-7.1%	0.046	0.680	0.650	-4.4%	0.039	0.960	0.950	-1.0%
1999	0.040	0.675	0.625	-7.4%	0.042	0.675	0.635	-5.9%	0.049	0.955	0.945	-1.0%
1998	0.005	0.650	0.600	-7.7%	0.000	0.650	0.575	-11.5%	0.078	0.950	0.940	-1.1%
1997	0.013	0.625	0.600	-4.0%	0.012	0.635	0.575	-9.4%	0.011	0.945	0.940	-0.5%
1996 & Prior	0.090	0.600	0.600	0.0%	0.081	0.575	0.575	0.0%	0.382	0.940	0.940	0.0%
	1.000	0.843	0.778	-7.7%	1.000	0.855	0.783	-8.4%	1.000	0.961	0.955	-0.6%

Model Year	Rental Reimbursement				Road Service				Underinsured Motorist			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.010	1.010	0.0%	0.000	0.900	0.900	0.0%	0.000	1.010	1.010	0.0%
2011	0.000	1.010	1.005	-0.5%	0.009	0.900	0.950	5.6%	0.004	1.010	1.005	-0.5%
2010	0.146	1.010	1.000	-1.0%	0.047	0.900	1.000	11.1%	0.011	1.010	1.000	-1.0%
2009	0.000	1.005	0.990	-1.5%	0.000	0.950	1.020	7.4%	0.000	1.005	0.995	-1.0%
2008	0.233	1.000	0.980	-2.0%	0.068	1.000	1.030	3.0%	0.029	1.000	0.990	-1.0%
2007	0.077	0.990	0.970	-2.0%	0.105	1.020	1.040	2.0%	0.107	0.995	0.985	-1.0%
2006	0.000	0.980	0.960	-2.0%	0.053	1.030	1.050	1.9%	0.026	0.990	0.980	-1.0%
2005	0.078	0.970	0.950	-2.1%	0.089	1.040	1.060	1.9%	0.049	0.985	0.975	-1.0%
2004	0.085	0.960	0.940	-2.1%	0.035	1.050	1.070	1.9%	0.058	0.980	0.970	-1.0%
2003	0.080	0.950	0.930	-2.1%	0.053	1.060	1.080	1.9%	0.079	0.975	0.965	-1.0%
2002	0.157	0.940	0.920	-2.1%	0.213	1.070	1.090	1.9%	0.076	0.970	0.960	-1.0%
2001	0.066	0.930	0.910	-2.2%	0.073	1.080	1.100	1.9%	0.088	0.965	0.955	-1.0%
2000	0.000	0.920	0.900	-2.2%	0.035	1.090	1.110	1.8%	0.049	0.960	0.950	-1.0%
1999	0.000	0.910	0.890	-2.2%	0.037	1.100	1.120	1.8%	0.034	0.955	0.945	-1.0%
1998	0.000	0.900	0.880	-2.2%	0.000	1.110	1.130	1.8%	0.046	0.950	0.940	-1.1%
1997	0.000	0.890	0.880	-1.1%	0.000	1.120	1.130	0.9%	0.010	0.945	0.940	-0.5%
1996 & Prior	0.078	0.880	0.880	0.0%	0.184	1.130	1.130	0.0%	0.335	0.940	0.940	0.0%
	1.000	0.968	0.951	-1.8%	1.000	1.058	1.079	2.0%	1.000	0.964	0.957	-0.7%

Model Year	Auto, Income & Medical			
	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.010	1.010	0.0%
2011	0.000	1.010	1.005	-0.5%
2010	0.057	1.010	1.000	-1.0%
2009	0.022	1.005	0.985	-2.0%
2008	0.032	1.000	0.980	-2.0%
2007	0.094	0.985	0.975	-1.0%
2006	0.029	0.980	0.970	-1.0%
2005	0.111	0.975	0.965	-1.0%
2004	0.000	0.970	0.960	-1.0%
2003	0.056	0.965	0.955	-1.0%
2002	0.098	0.960	0.950	-1.0%
2001	0.105	0.955	0.945	-1.0%
2000	0.017	0.950	0.940	-1.1%
1999	0.018	0.945	0.935	-1.1%
1998	0.067	0.940	0.930	-1.1%
1997	0.007	0.935	0.930	-0.5%
1996 & Prior	0.287	0.930	0.930	0.0%
	1.000	0.959	0.951	-0.8%

Teachers Insurance Company
Arkansas
Model Year Factors

Model Year	Bodily Injury				Property Damage				Medical Payments			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.010	1.010	0.0%	0.000	1.010	1.010	0.0%	0.000	1.010	1.010	0.0%
2011	0.019	1.010	1.005	-0.5%	0.017	1.010	1.005	-0.5%	0.022	1.010	1.005	-0.5%
2010	0.023	1.010	1.000	-1.0%	0.022	1.010	1.000	-1.0%	0.028	1.010	1.000	-1.0%
2009	0.035	1.005	0.970	-3.5%	0.032	1.005	0.985	-2.0%	0.030	1.005	0.985	-2.0%
2008	0.047	1.000	0.965	-3.5%	0.043	1.000	0.980	-2.0%	0.041	1.000	0.980	-2.0%
2007	0.053	0.970	0.960	-1.0%	0.054	0.985	0.975	-1.0%	0.049	0.985	0.975	-1.0%
2006	0.049	0.965	0.955	-1.0%	0.048	0.980	0.970	-1.0%	0.053	0.980	0.970	-1.0%
2005	0.055	0.960	0.950	-1.0%	0.058	0.975	0.965	-1.0%	0.057	0.975	0.965	-1.0%
2004	0.082	0.955	0.945	-1.0%	0.080	0.970	0.960	-1.0%	0.089	0.970	0.960	-1.0%
2003	0.062	0.950	0.940	-1.1%	0.064	0.965	0.955	-1.0%	0.052	0.965	0.955	-1.0%
2002	0.062	0.945	0.935	-1.1%	0.063	0.960	0.950	-1.0%	0.073	0.960	0.950	-1.0%
2001	0.046	0.940	0.930	-1.1%	0.049	0.955	0.945	-1.0%	0.048	0.955	0.945	-1.0%
2000	0.071	0.935	0.925	-1.1%	0.071	0.950	0.940	-1.1%	0.069	0.950	0.940	-1.1%
1999	0.074	0.930	0.920	-1.1%	0.072	0.945	0.935	-1.1%	0.071	0.945	0.935	-1.1%
1998	0.045	0.925	0.915	-1.1%	0.044	0.940	0.930	-1.1%	0.050	0.940	0.930	-1.1%
1997	0.050	0.920	0.915	-0.5%	0.047	0.935	0.930	-0.5%	0.050	0.935	0.930	-0.5%
1996 & Prior	0.228	0.915	0.915	0.0%	0.237	0.930	0.930	0.0%	0.218	0.930	0.930	0.0%
	1.000	0.946	0.936	-1.0%	1.000	0.958	0.950	-0.8%	1.000	0.959	0.951	-0.9%

Model Year	Comprehensive				Collision				Uninsured Motorist			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.110	1.110	0.0%	0.000	1.150	1.150	0.0%	0.000	1.010	1.010	0.0%
2011	0.032	1.110	1.074	-3.2%	0.037	1.150	1.115	-3.0%	0.031	1.010	1.005	-0.5%
2010	0.048	1.110	1.000	-9.9%	0.049	1.150	1.000	-13.0%	0.025	1.010	1.000	-1.0%
2009	0.060	1.074	0.935	-12.9%	0.066	1.115	0.940	-15.7%	0.035	1.005	0.995	-1.0%
2008	0.083	1.000	0.883	-11.7%	0.087	1.000	0.888	-11.2%	0.070	1.000	0.990	-1.0%
2007	0.090	0.935	0.837	-10.5%	0.091	0.940	0.840	-10.6%	0.065	0.995	0.985	-1.0%
2006	0.091	0.883	0.800	-9.4%	0.090	0.888	0.805	-9.3%	0.044	0.990	0.980	-1.0%
2005	0.091	0.837	0.775	-7.4%	0.092	0.840	0.770	-8.3%	0.085	0.985	0.975	-1.0%
2004	0.114	0.800	0.750	-6.3%	0.124	0.805	0.735	-8.7%	0.072	0.980	0.970	-1.0%
2003	0.076	0.775	0.725	-6.5%	0.081	0.770	0.700	-9.1%	0.050	0.975	0.965	-1.0%
2002	0.049	0.750	0.700	-6.7%	0.046	0.735	0.680	-7.5%	0.057	0.970	0.960	-1.0%
2001	0.060	0.725	0.675	-6.9%	0.047	0.700	0.675	-3.6%	0.045	0.965	0.955	-1.0%
2000	0.047	0.700	0.650	-7.1%	0.045	0.680	0.650	-4.4%	0.075	0.960	0.950	-1.0%
1999	0.051	0.675	0.625	-7.4%	0.054	0.675	0.635	-5.9%	0.072	0.955	0.945	-1.0%
1998	0.019	0.650	0.600	-7.7%	0.021	0.650	0.575	-11.5%	0.038	0.950	0.940	-1.1%
1997	0.020	0.625	0.600	-4.0%	0.012	0.635	0.575	-9.4%	0.030	0.945	0.940	-0.5%
1996 & Prior	0.068	0.600	0.600	0.0%	0.059	0.575	0.575	0.0%	0.205	0.940	0.940	0.0%
	1.000	0.841	0.773	-8.1%	1.000	0.853	0.776	-9.0%	1.000	0.971	0.963	-0.8%

Model Year	Rental Reimbursement				Road Service				Underinsured Motorist			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.010	1.010	0.0%	0.000	0.900	0.900	0.0%	0.000	1.010	1.010	0.0%
2011	0.029	1.010	1.005	-0.5%	0.035	0.900	0.950	5.6%	0.035	1.010	1.005	-0.5%
2010	0.059	1.010	1.000	-1.0%	0.029	0.900	1.000	11.1%	0.038	1.010	1.000	-1.0%
2009	0.071	1.005	0.990	-1.5%	0.023	0.950	1.020	7.4%	0.047	1.005	0.995	-1.0%
2008	0.078	1.000	0.980	-2.0%	0.072	1.000	1.030	3.0%	0.087	1.000	0.990	-1.0%
2007	0.068	0.990	0.970	-2.0%	0.066	1.020	1.040	2.0%	0.060	0.995	0.985	-1.0%
2006	0.027	0.980	0.960	-2.0%	0.058	1.030	1.050	1.9%	0.045	0.990	0.980	-1.0%
2005	0.105	0.970	0.950	-2.1%	0.097	1.040	1.060	1.9%	0.100	0.985	0.975	-1.0%
2004	0.134	0.960	0.940	-2.1%	0.132	1.050	1.070	1.9%	0.069	0.980	0.970	-1.0%
2003	0.069	0.950	0.930	-2.1%	0.069	1.060	1.080	1.9%	0.038	0.975	0.965	-1.0%
2002	0.049	0.940	0.920	-2.1%	0.033	1.070	1.090	1.9%	0.043	0.970	0.960	-1.0%
2001	0.067	0.930	0.910	-2.2%	0.052	1.080	1.100	1.9%	0.024	0.965	0.955	-1.0%
2000	0.080	0.920	0.900	-2.2%	0.070	1.090	1.110	1.8%	0.056	0.960	0.950	-1.0%
1999	0.092	0.910	0.890	-2.2%	0.078	1.100	1.120	1.8%	0.099	0.955	0.945	-1.0%
1998	0.010	0.900	0.880	-2.2%	0.044	1.110	1.130	1.8%	0.050	0.950	0.940	-1.1%
1997	0.000	0.890	0.880	-1.1%	0.017	1.120	1.130	0.9%	0.020	0.945	0.940	-0.5%
1996 & Prior	0.061	0.880	0.880	0.0%	0.124	1.130	1.130	0.0%	0.189	0.940	0.940	0.0%
	1.000	0.957	0.940	-1.8%	1.000	1.054	1.076	2.1%	1.000	0.973	0.965	-0.8%

Model Year	Auto, Income & Medical			
	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.010	1.010	0.0%
2011	0.041	1.010	1.005	-0.5%
2010	0.034	1.010	1.000	-1.0%
2009	0.013	1.005	0.985	-2.0%
2008	0.039	1.000	0.980	-2.0%
2007	0.074	0.985	0.975	-1.0%
2006	0.055	0.980	0.970	-1.0%
2005	0.047	0.975	0.965	-1.0%
2004	0.117	0.970	0.960	-1.0%
2003	0.065	0.965	0.955	-1.0%
2002	0.089	0.960	0.950	-1.0%
2001	0.052	0.955	0.945	-1.0%
2000	0.092	0.950	0.940	-1.1%
1999	0.089	0.945	0.935	-1.1%
1998	0.046	0.940	0.930	-1.1%
1997	0.008	0.935	0.930	-0.5%
1996 & Prior	0.138	0.930	0.930	0.0%
	1.000	0.963	0.954	-0.9%

Horace Mann Property & Casualty Insurance Company
Arkansas
Model Year Factors

Model Year	Bodily Injury				Property Damage				Medical Payments			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.004	1.010	1.000	-1.0%	0.004	1.010	1.000	-1.0%	0.006	1.010	1.000	-1.0%
2011	0.053	1.010	1.000	-1.0%	0.054	1.010	1.000	-1.0%	0.056	1.010	1.000	-1.0%
2010	0.060	1.010	1.000	-1.0%	0.063	1.010	1.000	-1.0%	0.058	1.010	1.000	-1.0%
2009	0.066	1.005	1.000	-0.5%	0.062	1.005	1.000	-0.5%	0.067	1.005	1.000	-0.5%
2008	0.070	1.000	1.000	0.0%	0.070	1.000	1.000	0.0%	0.081	1.000	1.000	0.0%
2007	0.067	0.970	1.000	3.1%	0.068	0.985	1.000	1.5%	0.076	0.985	1.000	1.5%
2006	0.094	0.965	1.000	3.6%	0.087	0.980	1.000	2.0%	0.096	0.980	1.000	2.0%
2005	0.051	0.960	1.000	4.2%	0.051	0.975	1.000	2.6%	0.037	0.975	1.000	2.6%
2004	0.085	0.955	1.000	4.7%	0.086	0.970	1.000	3.1%	0.091	0.970	1.000	3.1%
2003	0.080	0.950	1.000	5.3%	0.082	0.965	1.000	3.6%	0.097	0.965	1.000	3.6%
2002	0.056	0.945	0.980	3.7%	0.055	0.960	0.980	2.1%	0.037	0.960	0.980	2.1%
2001	0.047	0.940	0.960	2.1%	0.047	0.955	0.960	0.5%	0.047	0.955	0.960	0.5%
2000	0.061	0.935	0.940	0.5%	0.061	0.950	0.940	-1.1%	0.063	0.950	0.940	-1.1%
1999	0.051	0.930	0.920	-1.1%	0.057	0.945	0.920	-2.6%	0.037	0.945	0.920	-2.6%
1998	0.030	0.925	0.900	-2.7%	0.029	0.940	0.900	-4.3%	0.027	0.940	0.900	-4.3%
1997	0.030	0.920	0.900	-2.2%	0.026	0.935	0.900	-3.7%	0.017	0.935	0.900	-3.7%
1996 & Prior	0.095	0.915	0.900	-1.6%	0.097	0.930	0.900	-3.2%	0.108	0.930	0.900	-3.2%
	1.000	0.960	0.974	1.4%	1.000	0.971	0.974	0.2%	1.000	0.972	0.975	0.3%

Model Year	Comprehensive				Collision				Uninsured Motorist			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.008	1.110	1.052	-5.2%	0.008	1.150	1.049	-8.8%	0.002	1.010	1.000	-1.0%
2011	0.099	1.110	1.000	-9.9%	0.093	1.150	1.000	-13.0%	0.066	1.010	1.000	-1.0%
2010	0.124	1.110	0.948	-14.6%	0.110	1.150	0.951	-17.3%	0.071	1.010	1.000	-1.0%
2009	0.083	1.074	0.922	-14.2%	0.096	1.115	0.902	-19.1%	0.059	1.005	1.000	-0.5%
2008	0.099	1.000	0.896	-10.4%	0.102	1.000	0.861	-13.9%	0.081	1.000	1.000	0.0%
2007	0.093	0.935	0.870	-7.0%	0.091	0.940	0.820	-12.8%	0.073	0.995	1.000	0.5%
2006	0.109	0.883	0.843	-4.5%	0.113	0.888	0.779	-12.3%	0.098	0.990	1.000	1.0%
2005	0.037	0.837	0.817	-2.4%	0.050	0.840	0.738	-12.1%	0.032	0.985	1.000	1.5%
2004	0.101	0.800	0.791	-1.1%	0.098	0.805	0.689	-14.4%	0.093	0.980	1.000	2.0%
2003	0.068	0.775	0.774	-0.1%	0.072	0.770	0.648	-15.8%	0.078	0.975	1.000	2.6%
2002	0.055	0.750	0.757	0.9%	0.052	0.735	0.607	-17.4%	0.056	0.970	0.980	1.0%
2001	0.023	0.725	0.739	1.9%	0.024	0.700	0.566	-19.1%	0.057	0.965	0.960	-0.5%
2000	0.030	0.700	0.722	3.1%	0.028	0.680	0.541	-20.4%	0.055	0.960	0.940	-2.1%
1999	0.031	0.675	0.704	4.3%	0.028	0.675	0.516	-23.6%	0.042	0.955	0.920	-3.7%
1998	0.020	0.650	0.687	5.7%	0.015	0.650	0.492	-24.3%	0.021	0.950	0.900	-5.3%
1997	0.009	0.625	0.687	9.9%	0.011	0.635	0.492	-22.5%	0.023	0.945	0.900	-4.8%
1996 & Prior	0.011	0.600	0.687	14.5%	0.008	0.575	0.492	-14.4%	0.093	0.940	0.900	-4.3%
	1.000	0.917	0.855	-6.7%	1.000	0.929	0.786	-15.4%	1.000	0.980	0.976	-0.4%

Model Year	Rental Reimbursement				Road Service				Underinsured Motorist			
	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.000	1.010	1.010	0.0%	0.006	0.900	0.900	0.0%	0.001	1.010	1.000	-1.0%
2011	0.106	1.010	1.005	-0.5%	0.068	0.900	0.950	5.6%	0.072	1.010	1.000	-1.0%
2010	0.069	1.010	1.000	-1.0%	0.061	0.900	1.000	11.1%	0.069	1.010	1.000	-1.0%
2009	0.048	1.005	0.990	-1.5%	0.055	0.950	1.020	7.4%	0.054	1.005	1.000	-0.5%
2008	0.087	1.000	0.980	-2.0%	0.101	1.000	1.030	3.0%	0.085	1.000	1.000	0.0%
2007	0.123	0.990	0.970	-2.0%	0.106	1.020	1.040	2.0%	0.071	0.995	1.000	0.5%
2006	0.104	0.980	0.960	-2.0%	0.117	1.030	1.050	1.9%	0.098	0.990	1.000	1.0%
2005	0.030	0.970	0.950	-2.1%	0.022	1.040	1.060	1.9%	0.026	0.985	1.000	1.5%
2004	0.124	0.960	0.940	-2.1%	0.104	1.050	1.070	1.9%	0.086	0.980	1.000	2.0%
2003	0.099	0.950	0.930	-2.1%	0.120	1.060	1.080	1.9%	0.081	0.975	1.000	2.6%
2002	0.029	0.940	0.920	-2.1%	0.055	1.070	1.090	1.9%	0.066	0.970	0.980	1.0%
2001	0.027	0.930	0.910	-2.2%	0.038	1.080	1.100	1.9%	0.060	0.965	0.960	-0.5%
2000	0.043	0.920	0.900	-2.2%	0.041	1.090	1.110	1.8%	0.056	0.960	0.940	-2.1%
1999	0.061	0.910	0.890	-2.2%	0.039	1.100	1.120	1.8%	0.043	0.955	0.920	-3.7%
1998	0.026	0.900	0.880	-2.2%	0.013	1.110	1.130	1.8%	0.020	0.950	0.900	-5.3%
1997	0.000	0.890	0.880	-1.1%	0.013	1.120	1.130	0.9%	0.025	0.945	0.900	-4.8%
1996 & Prior	0.025	0.880	0.880	0.0%	0.041	1.130	1.130	0.0%	0.087	0.940	0.900	-4.3%
	1.000	0.970	0.953	-1.8%	1.000	1.025	1.055	2.9%	1.000	0.980	0.976	-0.4%

Model Year	Auto, Income & Medical			
	Distribution Weight	Current Factor	Proposed Factor	Effect
2012	0.010	1.010	1.000	-1.0%
2011	0.063	1.010	1.000	-1.0%
2010	0.057	1.010	1.000	-1.0%
2009	0.049	1.005	1.000	-0.5%
2008	0.082	1.000	1.000	0.0%
2007	0.070	0.985	1.000	1.5%
2006	0.062	0.980	1.000	2.0%
2005	0.033	0.975	1.000	2.6%
2004	0.103	0.970	1.000	3.1%
2003	0.106	0.965	1.000	3.6%
2002	0.047	0.960	0.980	2.1%
2001	0.057	0.955	0.960	0.5%
2000	0.061	0.950	0.940	-1.1%
1999	0.021	0.945	0.920	-2.6%
1998	0.048	0.940	0.900	-4.3%
1997	0.036	0.935	0.900	-3.7%
1996 & Prior	0.096	0.930	0.900	-3.2%
	1.000	0.971	0.973	0.2%

Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies ARKANSAS

Simple Rating Factors	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	BI	BI	BI	BI	BI	BI	BI	BI	BI	PD	PD	PD	PD	PD	PD	PD	PD	PD
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
Class3: Household Type																		
Teacher	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
School Administrator	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
ESP	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%
Educator - retired	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Educator - unknown	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Non-Educator - Professional	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Other	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Retired	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Unemployed or unknown	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Class4: Educator Status of Rated Driver																		
Member (in your name)	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%
Member - unknown	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%
Resident of Member HH	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%
Non- Member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Resident of Non-Member HH	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Non-Educator non-member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%

Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies ARKANSAS

Simple Rating Factors	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	MP	MP	MP	MP	MP	MP	MP	MP	MP	AIM	AIM	AIM	AIM	AIM	AIM	AIM	AIM	AIM
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
Class3: Household Type																		
Teacher	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
School Administrator	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
ESP	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%
Educator - retired	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Educator - unknown	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Non-Educator - Professional	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Other	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Retired	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Unemployed or unknown	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Class4: Educator Status of Rated Driver																		
Member (in your name)	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%
Member - unknown	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%
Resident of Member HH	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%
Non- Member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Resident of Non-Member HH	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Non-Educator non-member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%

**Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies
ARKANSAS**

Simple Rating Factors	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	UM	UM	UM	UM	UM	UM	UM	UM	UM	UIM	UIM	UIM	UIM	UIM	UIM	UIM	UIM	UIM
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
Class3: Household Type																		
Teacher	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
School Administrator	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
ESP	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%
Educator - retired	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Educator - unknown	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Non-Educator - Professional	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Other	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Retired	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Unemployed or unknown	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Class4: Educator Status of Rated Driver																		
Member (in your name)	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%
Member - unknown	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%
Resident of Member HH	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%	0.920	0.920	0.920	1.000	1.000	1.000	-8.0%	-8.0%	-8.0%
Non- Member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Resident of Non-Member HH	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Non-Educator non-member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%

**Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies
ARKANSAS**

Simple Rating Factors	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	CP	CP	CP	CP	CP	CP	CP	CP	CP	CL	CL	CL	CL	CL	CL	CL	CL	CL
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
Class3: Household Type																		
Teacher	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
School Administrator	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
ESP	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%	0.950	0.950	0.950	1.000	1.000	1.000	-5.0%	-5.0%	-5.0%
Educator - retired	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Educator - unknown	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%	0.900	0.900	0.900	1.000	1.000	1.000	-10.0%	-10.0%	-10.0%
Non-Educator - Professional	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Other	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Retired	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Non-Educator - Unemployed or unknown	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%	1.000	1.000	1.000	1.050	1.050	1.050	-4.8%	-4.8%	-4.8%
Class4: Educator Status of Rated Driver																		
Member (in your name)	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%
Member - unknown	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%
Resident of Member HH	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%	0.920	0.920	0.920	0.930	0.900	0.900	-1.1%	2.2%	2.2%
Non- Member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Resident of Non-Member HH	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Non-Educator non-member	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%

**Horace Mann Property & Casualty Company
Arkansas
Private Passenger Automobile
Data & Calculations**

Supporting Logic

At Horace Mann we seek opportunities to offer lower rates to responsible consumers when rating variables can be obtained economically and reliably; the Advanced Quote Discount is one of those instances.

We believe it is plausible that a consumer that shops for auto insurance far in advance of need demonstrates foresight, planning, and attention to their legal responsibility to maintain insurance coverage that is representative of risk-reducing behavior in other aspects of their lives.

The Advanced Quote Discount rewards responsible consumers who respond to this foreseeable event by shopping before their need for replacement coverage is imminent. It is feasible that such planning is a characteristic of the very type of behavior that results in lower losses, and would therefore be supportive of this discount.

It is also feasible that we will learn that this discount encourages shopping in a way that does not correlate with lower losses. Should we learn this in the future, we would propose to remove the discount.

HORACE MANN PROPERTY & CASUALTY INSURANCE COMPANY (HMPC)**VEHICLE RULES & RATES****ARKANSAS****Rule IV.A.12. Advanced Quote**

A rating factor will be applied to the Bodily Injury Liability, Property Damage Liability, Medical Payments, Personal Injury Protection, Comprehensive, Collision, Uninsured Motor Vehicle, and Underinsured Motor Vehicle coverage premiums for a private passenger vehicle if the following criteria are satisfied:

- a. The application for the Horace Mann Property & Casualty Insurance Company policy is completed 7 days or more before the policy effective date at New Business.
- b. The policyholder has prior insurance with no lapse in coverage at New Business. A policyholder will be considered to have a lapse at New Business if there is a lapse of 1 day or more between the expiration date of the prior policy and the New Business effective date of the Horace Mann Property & Casualty Insurance Company policy.
- c. Existing customers, including rewrites and reinstatements, are ineligible for the discount.

Exception: In the case of a customer moving from another state (i) if the policy was receiving the Advanced Quote Discount in the previous state or (ii) if the policy was not receiving the Advanced Quote Discount in the previous state but criteria (a) and (b) above are satisfied, the discount will also apply to the Arkansas Horace Mann Property & Casualty Insurance Company policy.

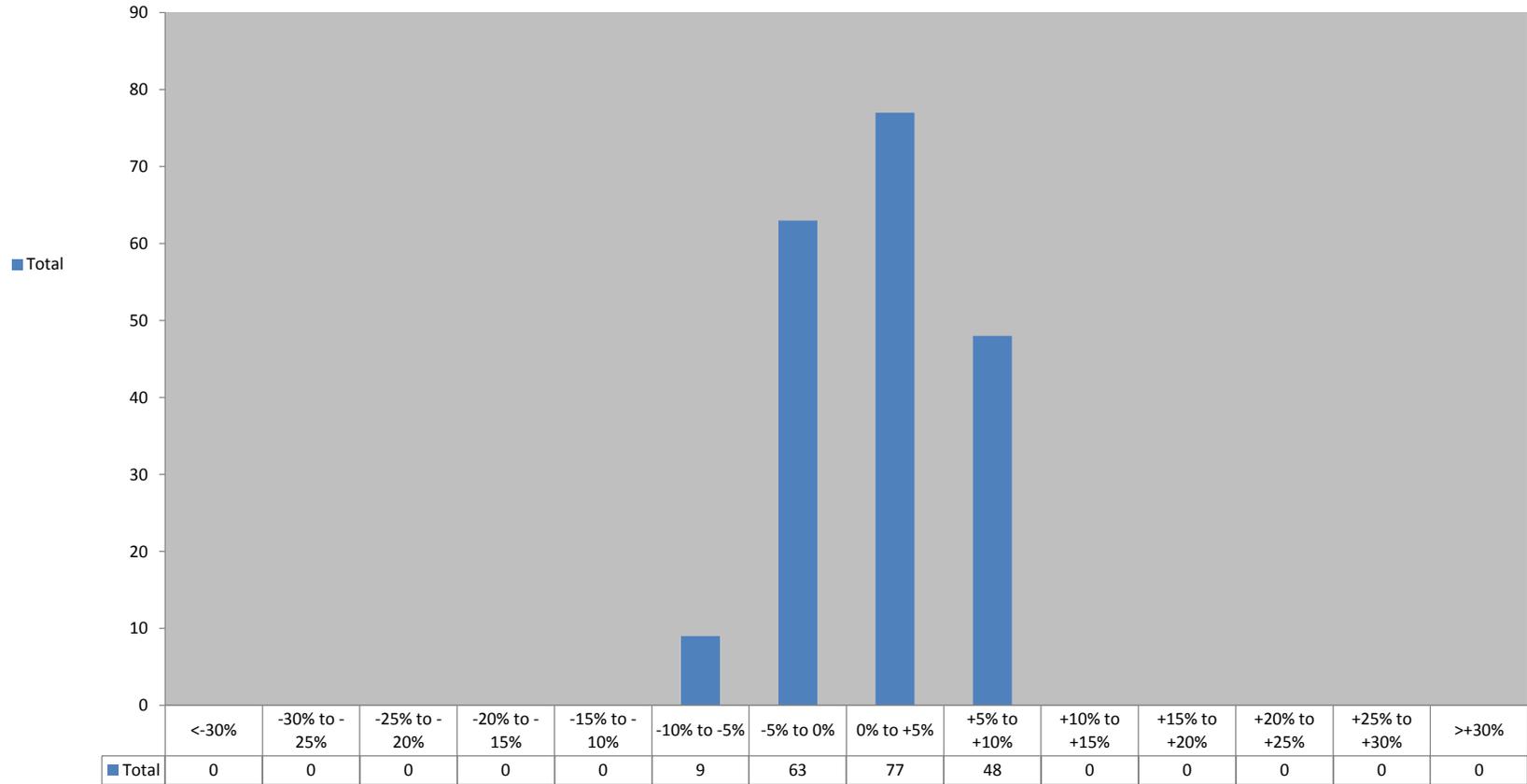
Horace Mann Property & Casualty Insurance Company
Arkansas Auto
Advanced Quote Discount

Policy Age	Proposed Factor
0	0.850
1	0.880
2	0.910
3	0.940
4	0.970
5+	1.000

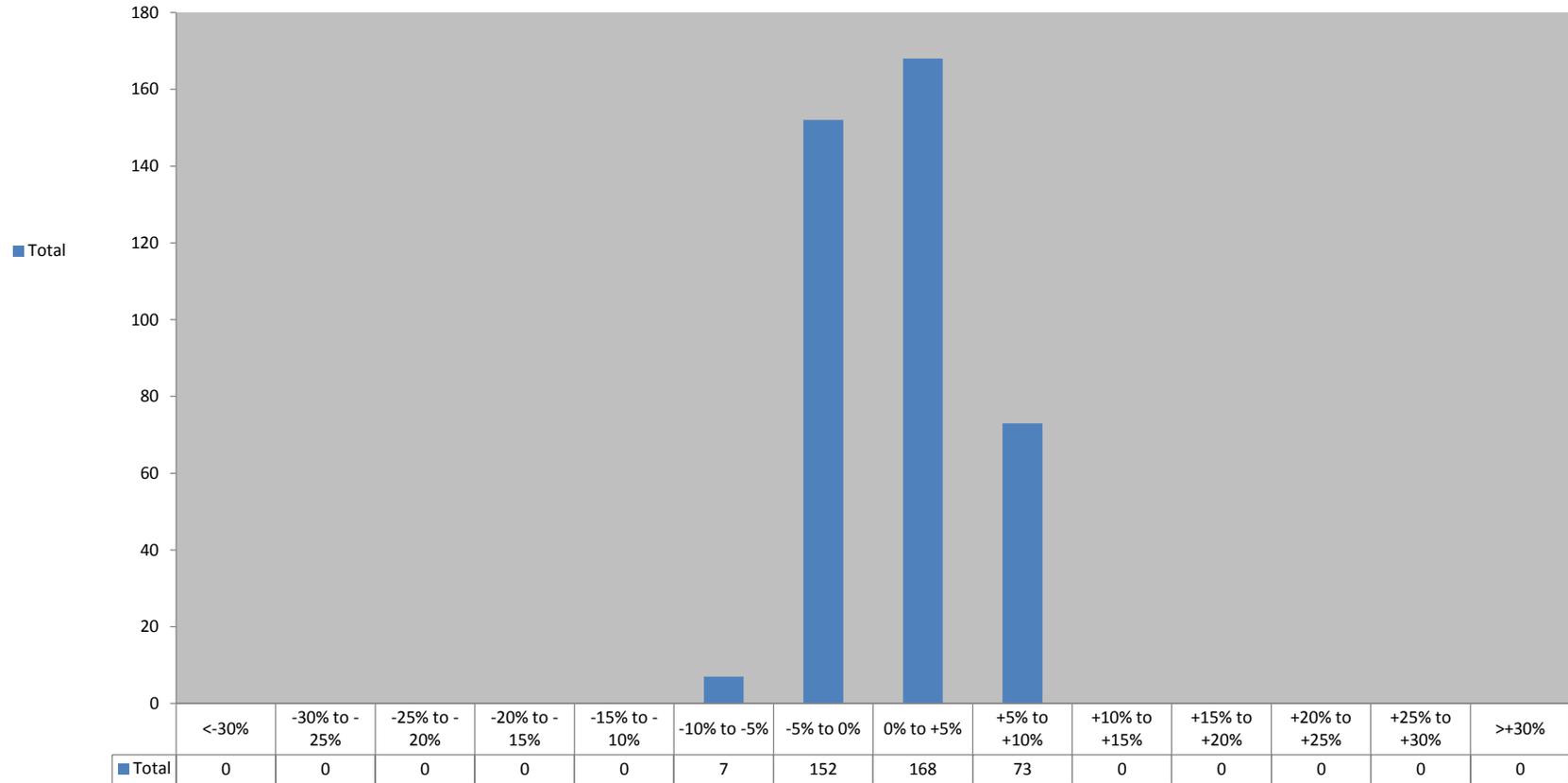
Discount applies to Bodily Injury, Property Damage, Medical Payments, Auto Income & Medical, Comprehensive, Collision, Uninsured Motorist and Underinsured Motorist coverages.

The table above applies only if the Advanced Quote Discount applies.

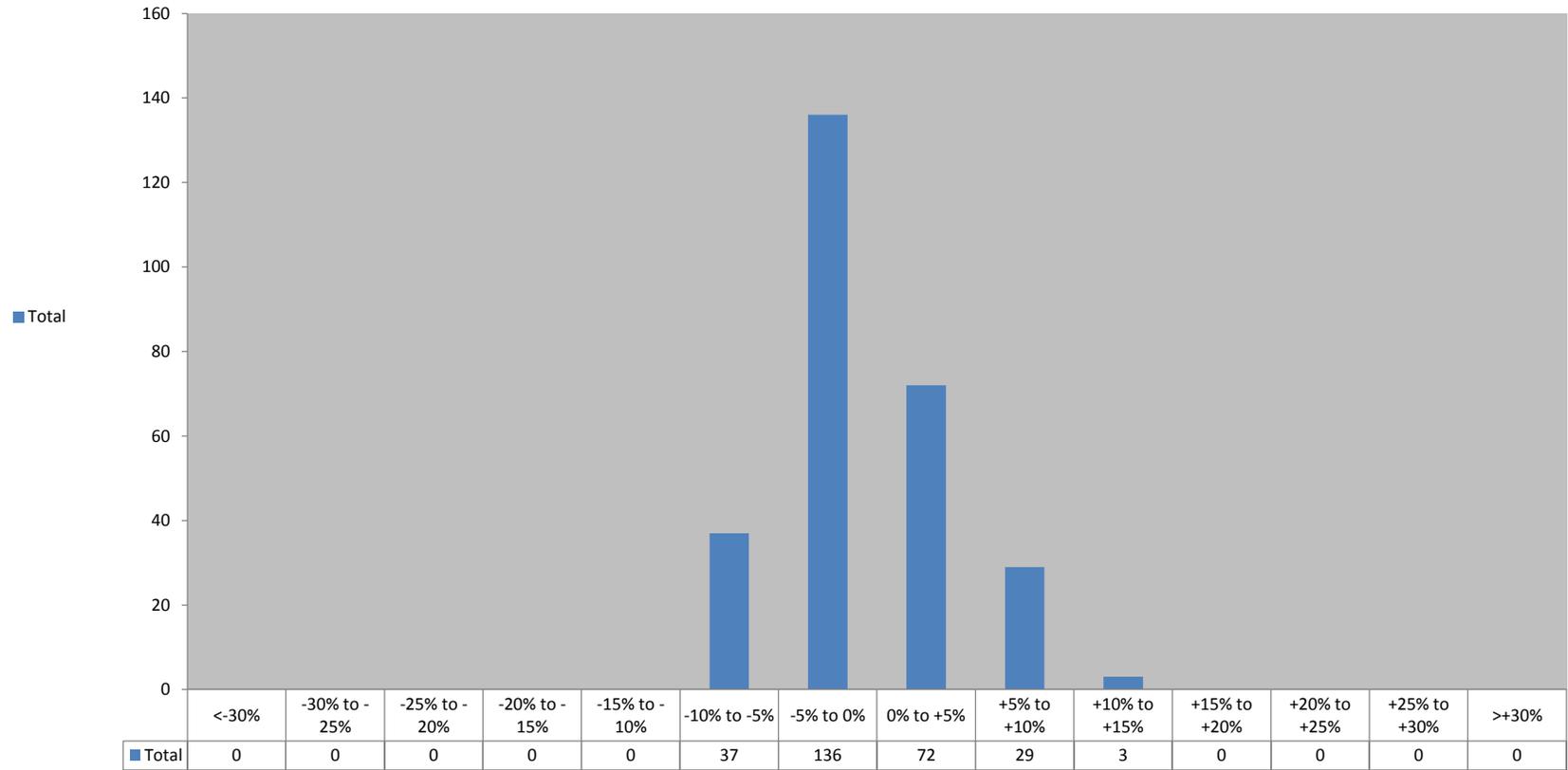
**HMIC
Arkansas
Distribution of Rate Changes**



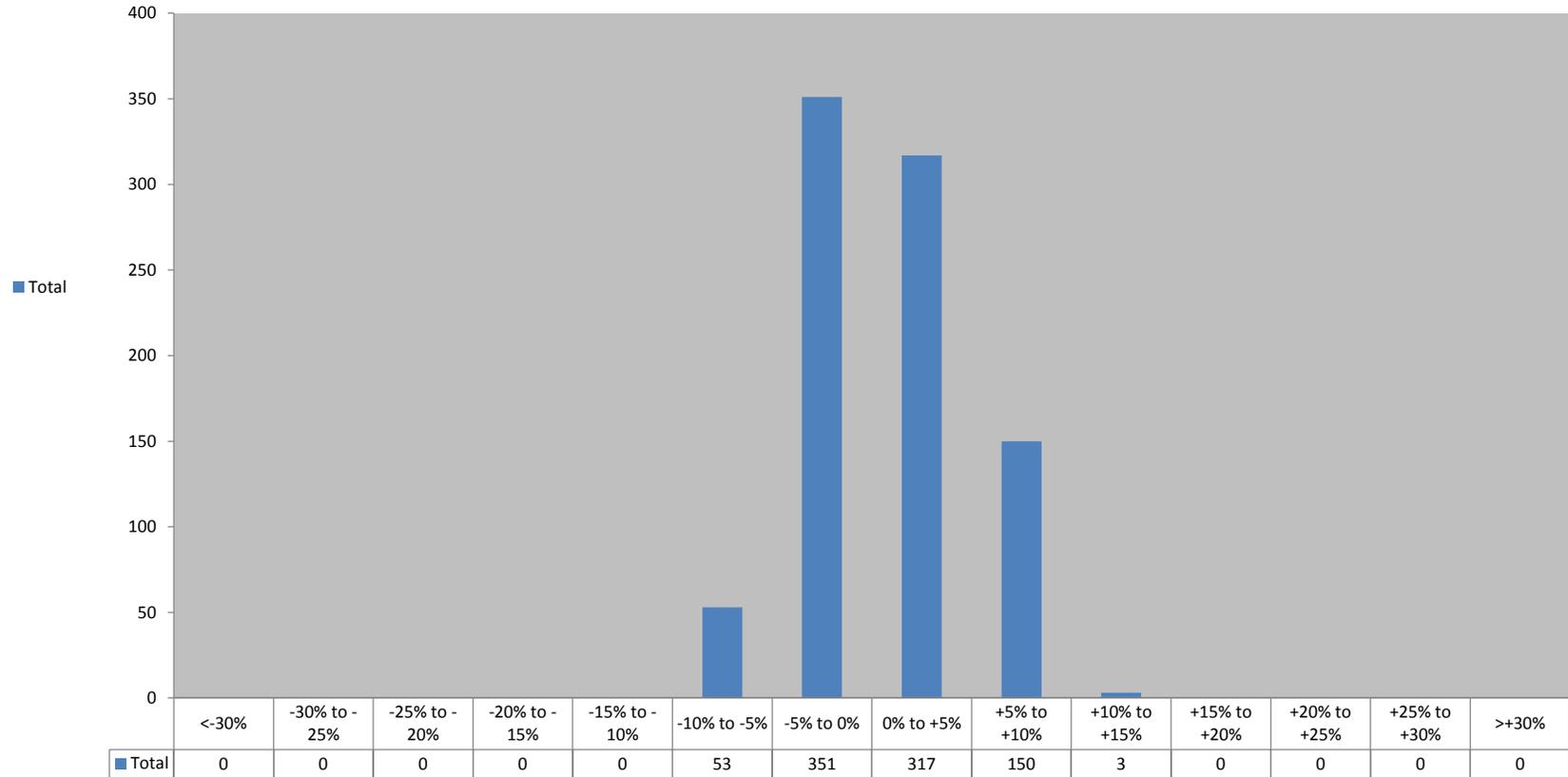
**TIC
Arkansas
Distribution of Rate Changes**



**HMPC
Arkansas
Distribution of Rate Changes**



**Combined Companies
Arkansas
Distribution of Rate Changes**



**Horace Mann Insurance Company
Teachers Insurance Company
Horace Mann Property & Casualty Insurance Company
Arkansas
Private Passenger Automobile
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Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Indication By Coverage

Bodily Injury

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2007	1,241	\$183,687	0.936	\$171,931	\$102,030	\$18,551	1.210	1.005	\$146,617	85.3%
31-Mar-2008	1,114	\$155,905	0.947	\$147,642	\$70,016	\$12,730	1.179	1.012	\$98,757	66.9%
31-Mar-2009	975	\$131,516	0.958	\$125,992	\$36,947	\$6,718	1.150	1.042	\$52,304	41.5%
31-Mar-2010	866	\$117,688	0.971	\$114,275	\$103,766	\$18,867	1.121	1.136	\$156,104	136.6%
31-Mar-2011	833	\$111,505	0.955	\$106,487	\$59,300	\$10,782	1.092	1.500	\$114,822	107.8%
Totals:	5,030	\$700,301		\$666,327	\$372,059	\$67,647			\$568,604	87.6%

(Weighted 5 year loss ratio of 87.6% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: $(87.6\% / 61.4\%) - 1 = 42.7\%$

Credibility weight: = 0.20

Credibility weighted rate change: $(0.20 * 1.427) + (0.80 * 1.078) = 14.8\%$

Property Damage

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2007	1,241	\$125,464	1.148	\$144,033	\$65,744	\$11,953	1.042	1.000	\$80,949	56.2%
31-Mar-2008	1,114	\$116,106	1.064	\$123,537	\$89,370	\$16,249	1.037	1.000	\$109,497	88.6%
31-Mar-2009	974	\$105,604	1.003	\$105,921	\$68,368	\$12,431	1.032	1.003	\$83,603	78.9%
31-Mar-2010	866	\$93,151	1.024	\$95,387	\$53,806	\$9,783	1.027	1.009	\$65,863	69.0%
31-Mar-2011	833	\$93,674	0.954	\$89,365	\$50,328	\$9,151	1.021	1.082	\$65,737	73.6%
Totals:	5,028	\$533,999		\$558,242	\$327,616	\$59,567			\$405,649	73.3%

(Weighted 5 year loss ratio of 73.3% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: $(73.3\% / 61.4\%) - 1 = 19.3\%$

Credibility weight: = 0.40

Credibility weighted rate change: $(0.40 * 1.193) + (0.60 * 1.050) = 10.7\%$

Medical Payments

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2007	955	\$23,086	0.992	\$22,901	\$13,544	\$2,463	1.217	1.000	\$19,474	85.0%
31-Mar-2008	841	\$19,824	0.982	\$19,467	\$6,701	\$1,218	1.195	1.000	\$9,467	48.6%
31-Mar-2009	718	\$16,638	0.976	\$16,239	\$8,065	\$1,466	1.174	1.011	\$11,317	69.7%
31-Mar-2010	629	\$14,570	0.990	\$14,424	\$15,612	\$2,839	1.154	1.044	\$22,228	154.1%
31-Mar-2011	597	\$13,883	0.958	\$13,300	\$4,800	\$873	1.134	1.116	\$7,178	54.0%
Totals:	3,740	\$88,001		\$86,331	\$48,722	\$8,859			\$69,664	82.3%

(Weighted 5 year loss ratio of 82.3% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: $(82.3\% / 61.4\%) - 1 = 34.0\%$

Credibility weight: = 0.15

Credibility weighted rate change: $(0.15 * 1.340) + (0.85 * 1.100) = 13.6\%$

Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Indication By Coverage

Auto, Income & Medical

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2007	412	\$10,653	0.881	\$9,385	\$1,654	\$301	1.000	1.009	\$1,974	21.0%
31-Mar-2008	392	\$9,977	0.870	\$8,680	\$0	\$0	1.000	1.040	\$0	0.0%
31-Mar-2009	347	\$8,901	0.860	\$7,655	\$1,000	\$182	1.000	1.104	\$1,305	17.0%
31-Mar-2010	298	\$7,823	0.858	\$6,712	\$0	\$0	1.000	1.139	\$0	0.0%
31-Mar-2011	289	\$7,521	0.862	\$6,483	\$0	\$0	1.000	1.156	\$0	0.0%
Totals:	1,737	\$44,875		\$38,916	\$2,654	\$483			\$3,279	7.6%

(Weighted 5 year loss ratio of 07.6% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: (7.6% / 61.4%) - 1 = -87.6%

Credibility weight: = 0.10

Credibility weighted rate change: (0.10 * 0.124) + (0.90 * 1.014) = - 7.5%

Uninsured Motorist

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2007	1,120	\$31,695	1.702	\$53,945	\$28,295	\$5,144	1.210	1.034	\$41,833	77.5%
31-Mar-2008	1,002	\$29,604	1.541	\$45,620	\$681	\$124	1.179	1.061	\$1,008	2.2%
31-Mar-2009	875	\$27,544	1.401	\$38,589	\$50,075	\$9,105	1.150	1.125	\$76,535	198.3%
31-Mar-2010	772	\$25,866	1.310	\$33,884	\$4,817	\$876	1.121	1.316	\$8,395	24.8%
31-Mar-2011	744	\$28,370	1.131	\$32,086	\$11,244	\$2,044	1.092	1.974	\$28,651	89.3%
Totals:	4,512	\$143,079		\$204,125	\$95,112	\$17,293			\$156,421	78.4%

(Weighted 5 year loss ratio of 78.4% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: (78.4% / 61.4%) - 1 = 27.7%

Credibility weight: = 0.10

Credibility weighted rate change: (0.10 * 1.277) + (0.90 * 0.993) = 2.1%

Collision

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2007	739	\$238,843	1.050	\$250,785	\$74,444	\$13,535	1.002	1.000	\$88,183	35.2%
30-Jun-2008	668	\$205,285	1.047	\$214,933	\$109,965	\$19,994	1.005	1.000	\$130,662	60.8%
30-Jun-2009	565	\$171,162	1.035	\$177,153	\$97,179	\$15,388	1.009	1.000	\$113,525	64.1%
30-Jun-2010	522	\$161,358	1.020	\$164,585	\$61,602	\$9,754	1.012	1.003	\$72,402	44.0%
30-Jun-2011	529	\$164,550	1.005	\$165,373	\$80,654	\$12,771	1.015	1.038	\$98,404	59.5%
Totals:	3,022	\$941,198		\$972,829	\$423,844	\$71,442			\$503,176	52.7%

(Weighted 5 year loss ratio of 52.7% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: (52.7% / 56.6%) - 1 = - 6.8%

Credibility weight: = 0.35

Credibility weighted rate change: (0.35 * 0.932) + (0.65 * 1.003) = - 2.2%

Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Indication By Coverage

Comprehensive

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2007	763	\$170,191	0.995	\$169,340	\$57,192	\$10,399	1.032	1.000	\$69,730	41.2%
30-Jun-2008	694	\$148,696	0.995	\$147,952	\$91,909	\$16,711	1.021	1.000	\$110,934	75.0%
30-Jun-2009	586	\$124,297	0.994	\$123,551	\$63,916	\$10,121	1.011	1.002	\$75,006	60.7%
30-Jun-2010	540	\$118,509	0.984	\$116,613	\$70,657	\$11,188	1.001	1.006	\$82,413	70.7%
30-Jun-2011	546	\$121,245	0.960	\$116,395	\$59,784	\$9,466	0.991	1.103	\$75,688	65.0%
Totals:	3,129	\$682,937		\$673,851	\$343,458	\$57,885			\$413,772	62.5%

(Weighted 5 year loss ratio of 62.5% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: $(62.5\% / 56.6\%) - 1 = 10.5\%$

Credibility weight: = 0.40

Credibility weighted rate change: $(0.40 * 1.105) + (0.60 * 1.018) = 5.3\%$

Road Service

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2007	318	\$1,865	0.979	\$1,826	\$209	\$38	1.002	1.000	\$248	13.6%
30-Jun-2008	290	\$1,667	0.979	\$1,632	\$474	\$86	1.005	1.000	\$563	34.5%
30-Jun-2009	258	\$1,486	0.979	\$1,455	\$517	\$82	1.009	1.002	\$605	41.6%
30-Jun-2010	243	\$1,419	0.981	\$1,393	\$594	\$94	1.012	1.006	\$700	50.3%
30-Jun-2011	253	\$1,431	0.996	\$1,425	\$146	\$23	1.015	1.103	\$189	13.3%
Totals:	1,362	\$7,868		\$7,730	\$1,940	\$323			\$2,305	30.6%

(Weighted 5 year loss ratio of 30.6% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: $(30.6\% / 56.6\%) - 1 = -45.8\%$

Credibility weight: = 0.20

Credibility weighted rate change: $(0.20 * 0.542) + (0.80 * 1.003) = -8.9\%$

Rental Reimbursement

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
30-Jun-2007	166	\$3,412	0.979	\$3,340	\$1,840	\$335	1.002	1.000	\$2,180	65.2%
30-Jun-2008	142	\$2,854	0.979	\$2,795	\$1,936	\$352	1.005	1.000	\$2,301	82.3%
30-Jun-2009	123	\$2,520	0.979	\$2,467	\$3,014	\$477	1.009	1.000	\$3,521	142.7%
30-Jun-2010	120	\$2,550	0.980	\$2,499	\$2,370	\$375	1.012	1.003	\$2,786	111.5%
30-Jun-2011	142	\$2,942	0.990	\$2,913	\$1,630	\$258	1.015	1.038	\$1,989	68.3%
Totals:	693	\$14,278		\$14,015	\$10,790	\$1,797			\$12,775	94.0%

(Weighted 5 year loss ratio of 94.0% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: $(94.0\% / 56.6\%) - 1 = 66.2\%$

Credibility weight: = 0.15

Credibility weighted rate change: $(0.15 * 1.662) + (0.85 * 1.003) = 10.2\%$

Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies

ARKANSAS

Indication By Coverage

Underinsured Motorist

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Premium Trend Factor</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Loss Adjustment Expenses</u>	<u>Loss Trend Factor</u>	<u>Loss Development Factor</u>	<u>Adjusted Losses and LAE</u>	<u>Loss Ratio</u>
31-Mar-2007	711	\$17,611	1.994	\$35,116	\$0	\$0	1.210	1.034	\$0	0.0%
31-Mar-2008	650	\$16,871	1.723	\$29,069	\$0	\$0	1.179	1.061	\$0	0.0%
31-Mar-2009	575	\$17,115	1.496	\$25,604	\$840	\$153	1.150	1.125	\$1,284	5.0%
31-Mar-2010	517	\$16,942	1.339	\$22,685	\$0	\$0	1.121	1.316	\$0	0.0%
31-Mar-2011	501	\$17,983	1.220	\$21,939	\$750	\$136	1.092	1.974	\$1,911	8.7%
Totals:	2,954	\$86,522		\$134,414	\$1,590	\$289			\$3,195	2.7%

(Weighted 5 year loss ratio of 02.7% is based on weights of 0.20, 0.20, 0.20, 0.20, 0.20.)

Indicated rate change: $(2.7\% / 61.4\%) - 1 = -95.5\%$

Credibility weight: = 0.10

Credibility weighted rate change: $(0.10 * 0.045) + (0.90 * 0.938) = -15.1\%$

Statewide

<u>Year Ending</u>	<u>Exposures</u>	<u>Earned Premium</u>	<u>Adjusted Premium</u>	<u>Incurred Losses</u>	<u>Adjusted Losses</u>	<u>Loss Ratio</u>
2007	1,241	\$806,506	\$862,602	\$344,952	\$451,187	52.3%
2008	1,114	\$706,790	\$741,328	\$371,053	\$463,188	62.5%
2009	975	\$606,783	\$624,626	\$329,921	\$419,004	67.1%
2010	866	\$559,876	\$572,458	\$313,224	\$410,891	71.8%
2011	833	\$563,104	\$555,767	\$268,636	\$394,570	71.0%
Totals:	5,030	\$3,243,059	\$3,356,781	\$1,627,785	\$2,138,840	64.9%

(Weighted 5 year loss ratio of 64.9% is based on weights of 0.20, 0.20, 0.20.)

Indicated rate change: $(64.9\% / 59.3\%) - 1 = 9.4\%$

Credibility weighted rate change: 4.8%

Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
 ARKANSAS
 Premium Adjustment Factor Calculation

	(1)	(2)	(3)							(4)	(5)	(6)	
	Year Ending	Exposures	Earned Premium	Average Premium @ CRL	Historical Premium Trend	Years of Historical Trend	Projected Premium Trend	Years of Projected Trend	Step1 Trend Factor	Step2 Trend Factor	Total Premium Trend Factor	On level Factor	Total Premium Adjustment Factor
BI	03/31/2007	1,241	183,687	\$155	-1.5%	4.00	-2.5%	2.17	0.941	0.947	0.891	1.050	0.936
	03/31/2008	1,114	155,905	\$146	-1.5%	3.00	-2.5%	2.17	0.956	0.947	0.905	1.047	0.947
	03/31/2009	975	131,516	\$141	-1.5%	2.00	-2.5%	2.17	0.970	0.947	0.918	1.043	0.958
	03/31/2010	866	117,688	\$142	-1.5%	1.00	-2.5%	2.17	0.985	0.947	0.932	1.041	0.971
	03/31/2011	833	111,505	\$135	-1.5%	0.00	-2.5%	2.17	1.000	0.947	0.947	1.008	0.955
PD	03/31/2007	1,241	125,464	\$135	-2.0%	4.00	-3.2%	2.17	0.922	0.932	0.860	1.335	1.148
	03/31/2008	1,114	116,106	\$126	-2.0%	3.00	-3.2%	2.17	0.941	0.932	0.877	1.214	1.064
	03/31/2009	974	105,604	\$122	-2.0%	2.00	-3.2%	2.17	0.960	0.932	0.895	1.121	1.003
	03/31/2010	866	93,151	\$121	-2.0%	1.00	-3.2%	2.17	0.980	0.932	0.913	1.122	1.024
	03/31/2011	833	93,674	\$115	-2.0%	0.00	-3.2%	2.17	1.000	0.932	0.932	1.024	0.954
MP	03/31/2007	955	23,086	\$27	-1.6%	4.00	-2.5%	2.17	0.938	0.947	0.887	1.118	0.992
	03/31/2008	841	19,824	\$26	-1.6%	3.00	-2.5%	2.17	0.953	0.947	0.902	1.089	0.982
	03/31/2009	718	16,638	\$25	-1.6%	2.00	-2.5%	2.17	0.968	0.947	0.917	1.064	0.976
	03/31/2010	629	14,570	\$25	-1.6%	1.00	-2.5%	2.17	0.984	0.947	0.931	1.064	0.990
	03/31/2011	597	13,883	\$24	-1.6%	0.00	-2.5%	2.17	1.000	0.947	0.947	1.012	0.958
AIM	03/31/2007	412	10,653	\$22	1.2%	4.00	-1.2%	2.17	1.049	0.974	1.022	0.862	0.881
	03/31/2008	392	9,977	\$22	1.2%	3.00	-1.2%	2.17	1.036	0.974	1.010	0.862	0.870
	03/31/2009	347	8,901	\$22	1.2%	2.00	-1.2%	2.17	1.024	0.974	0.998	0.862	0.860
	03/31/2010	298	7,823	\$23	1.2%	1.00	-1.2%	2.17	1.012	0.974	0.986	0.870	0.858
	03/31/2011	289	7,521	\$23	1.2%	0.00	-1.2%	2.17	1.000	0.974	0.974	0.885	0.862
UM	03/31/2007	1,120	31,695	\$33	7.1%	4.00	4.8%	2.17	1.316	1.107	1.456	1.169	1.702
	03/31/2008	1,002	29,604	\$33	7.1%	3.00	4.8%	2.17	1.228	1.107	1.360	1.133	1.541
	03/31/2009	875	27,544	\$35	7.1%	2.00	4.8%	2.17	1.147	1.107	1.270	1.103	1.401
	03/31/2010	772	25,866	\$37	7.1%	1.00	4.8%	2.17	1.071	1.107	1.186	1.105	1.310
	03/31/2011	744	28,370	\$39	7.1%	0.00	4.8%	2.17	1.000	1.107	1.107	1.022	1.131
CL	06/30/2007	739	238,843	\$317	1.5%	4.00	0.5%	1.92	1.061	1.010	1.072	0.979	1.050
	06/30/2008	668	205,285	\$305	1.5%	3.00	0.5%	1.92	1.046	1.010	1.056	0.991	1.047
	06/30/2009	565	171,162	\$301	1.5%	2.00	0.5%	1.92	1.030	1.010	1.040	0.995	1.035
	06/30/2010	522	161,358	\$308	1.5%	1.00	0.5%	1.92	1.015	1.010	1.025	0.995	1.020
	06/30/2011	529	164,550	\$310	1.5%	0.00	0.5%	1.92	1.000	1.010	1.010	0.995	1.005
CP	06/30/2007	763	170,191	\$231	0.0%	4.00	-2.0%	1.92	1.000	0.962	0.962	1.034	0.995
	06/30/2008	694	148,696	\$222	0.0%	3.00	-2.0%	1.92	1.000	0.962	0.962	1.034	0.995
	06/30/2009	586	124,297	\$219	0.0%	2.00	-2.0%	1.92	1.000	0.962	0.962	1.033	0.994
	06/30/2010	540	118,509	\$224	0.0%	1.00	-2.0%	1.92	1.000	0.962	0.962	1.023	0.984
	06/30/2011	546	121,245	\$221	0.0%	0.00	-2.0%	1.92	1.000	0.962	0.962	0.997	0.960
UIM	03/31/2007	711	17,611	\$25	12.0%	4.00	10.1%	2.17	1.573	1.232	1.939	1.028	1.994
	03/31/2008	650	16,871	\$26	12.0%	3.00	10.1%	2.17	1.405	1.232	1.731	0.995	1.723
	03/31/2009	575	17,115	\$29	12.0%	2.00	10.1%	2.17	1.254	1.232	1.545	0.968	1.496
	03/31/2010	517	16,942	\$32	12.0%	1.00	10.1%	2.17	1.120	1.232	1.380	0.971	1.339
	03/31/2011	501	17,983	\$36	12.0%	0.00	10.1%	2.17	1.000	1.232	1.232	0.990	1.220

Earned Premiums at current are projected to:

12/1/2012

(6) = (4) * (5)

Total Premium Adjusted Factor Table

Year Ending	BI	PD	MP	UM	COLL	COMP	UIM	AIM
2007	0.936	1.148	0.992	1.702	1.050	0.995	1.994	0.881
2008	0.947	1.064	0.982	1.541	1.047	0.995	1.723	0.870
2009	0.958	1.003	0.976	1.401	1.035	0.994	1.496	0.860
2010	0.971	1.024	0.990	1.310	1.020	0.984	1.339	0.858
2011	0.955	0.954	0.958	1.131	1.005	0.960	1.220	0.862

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
On-Level Factors**

Effects by Coverage

Effective Date	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Underinsured Motorist
6/16/2007	0.7%	19.1%	5.1%	0.0%	6.0%	-1.6%	0.0%	0.0%	0.0%	6.2%
3/16/2009	0.2%	-0.1%	0.0%	-1.3%	-0.2%	0.0%	0.9%	-0.1%	0.0%	-0.3%
3/16/2010	4.1%	12.2%	6.5%	-1.7%	10.3%	0.0%	2.9%	-1.6%	-1.1%	-2.4%
4/1/2011	0.0%	0.0%	-0.1%	-11.2%	0.2%	-0.5%	-0.4%	-0.4%	-1.0%	-0.5%

Earned Premium On-Level Factors for Fiscal/Accident Year as of:

Coverage	31-Mar-2007	31-Mar-2008	31-Mar-2009	31-Mar-2010	31-Mar-2011
Bodily Injury	1.050	1.047	1.043	1.041	1.008
Property Damage	1.335	1.214	1.121	1.122	1.024
Medical Payments	1.118	1.089	1.064	1.064	1.012
Auto, Income & Medical	0.862	0.862	0.862	0.870	0.885
Uninsured Motorist	1.169	1.133	1.103	1.105	1.022
Underinsured Motorist	1.028	0.995	0.968	0.971	0.990
	30-Jun-2007	30-Jun-2008	30-Jun-2009	30-Jun-2010	30-Jun-2011
Collision	0.979	0.991	0.995	0.995	0.995
Comprehensive	1.034	1.034	1.033	1.023	0.997
Road Service	0.979	0.979	0.979	0.981	0.996
Rental Reimbursement	0.979	0.979	0.979	0.980	0.990

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Loss Trend Factors**

Pure Premium Trend Calculation

Severity Historical Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Severity Change	Selected Severity Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UM	8,785	13.5%	-3.1%	-1.0%	502	43.2%	2.5%	1.5%	870	43.2%	2.5%	3.0%	1.8%	1.8%
PD	585	11.9%	-4.8%	-2.0%	43	44.1%	1.2%	1.0%	36	44.1%	2.1%	2.0%	1.1%	1.1%
MP	3,846	19.9%	57.9%	0.0%	86	40.0%	2.0%	4.0%	870	40.0%	2.5%	3.0%	2.8%	2.8%
AIM	10	97.7%	-17.2%	0.0%	412	1.1%	4.9%	1.0%	0	1.1%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	1,779	8.4%	-1.2%	-1.0%	87	45.8%	-1.5%	-1.0%	76	45.8%	0.9%	0.8%	-0.2%	-0.2%
CP	903	24.7%	-5.3%	-2.0%	61	37.6%	-1.1%	-1.0%	236	37.6%	4.8%	3.0%	0.3%	0.3%

Severity Projected Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Severity Change	Selected Severity Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UM	4,206	33.5%	42.3%	1.0%	746	33.3%	5.3%	1.5%	1,368	33.3%	11.8%	4.0%	2.2%	2.2%
PD	654	6.7%	31.9%	1.5%	29	46.7%	2.8%	1.5%	18	46.7%	0.6%	1.9%	1.7%	1.7%
MP	59,382	2.4%	-24.0%	0.0%	72	48.8%	6.1%	5.0%	1,368	48.8%	11.8%	4.0%	4.4%	4.4%
AIM	0	100.0%	0.0%	0.0%	418	0.0%	-2.4%	-1.5%	0	0.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	3,507	3.4%	137.3%	0.0%	45	48.3%	1.8%	0.0%	79	48.3%	2.1%	1.0%	0.5%	0.5%
CP	1,266	13.7%	-47.7%	-3.0%	32	43.2%	3.4%	-2.5%	168	43.2%	-20.3%	-1.5%	-2.1%	-2.1%

Frequency Historical Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Frequency Change	Selected Frequency Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UM	0.0212	6.0%	3.2%	1.0%	0.0010	47.0%	2.6%	3.5%	0.0003	47.0%	-3.9%	-2.0%	0.8%	0.8%
PD	0.0169	13.4%	3.3%	0.5%	0.0017	43.3%	-1.0%	0.0%	0.0009	43.3%	-1.7%	-1.5%	-0.6%	-0.6%
MP	0.5841	0.2%	12.8%	0.5%	0.0010	49.9%	-2.5%	0.0%	0.0003	49.9%	-3.9%	-2.0%	-1.0%	-1.0%
AIM	1.4604	0.1%	13.8%	0.0%	0.0012	50.0%	-4.1%	0.0%	0.0000	50.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	0.0222	12.7%	2.1%	0.0%	0.0022	43.7%	0.0%	0.0%	0.0010	43.7%	-0.5%	-0.3%	-0.1%	-0.1%
CP	0.0278	36.4%	2.7%	2.5%	0.0044	31.8%	-0.4%	1.0%	0.0116	31.8%	-2.6%	-1.5%	0.8%	0.8%

Frequency Projected Trend

Coverage	HM State				HM Countrywide				Fast Track State				Credibility Weighted Frequency Change	Selected Frequency Change
	Standard Error	Credibility	Indicated Annual Rate of Change	Selected Rate of Change	Standard Error	Credibility	Indicated Rate of Change	Selected Rate of Change	Standard Error	Credibility	Annual Rate of Change	Selected Rate of Change		
BI/UM/UM	0.0104	11.0%	28.3%	1.5%	0.0009	44.5%	4.6%	5.0%	0.0004	44.5%	-0.7%	-1.0%	1.9%	1.9%
PD	0.0226	7.8%	0.3%	0.0%	0.0013	46.1%	3.8%	0.0%	0.0007	46.1%	-2.5%	-1.5%	-0.7%	-0.7%
MP	0.5470	0.2%	33.2%	0.0%	0.0005	49.9%	4.4%	4.0%	0.0004	49.9%	-0.7%	-1.0%	1.5%	1.5%
AIM	0.0000	100.0%	0.0%	0.0%	0.0009	0.0%	1.2%	4.0%	0.0000	0.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	0.0296	8.8%	-12.9%	-2.0%	0.0017	45.6%	1.9%	1.0%	0.0012	45.6%	-2.6%	0.0%	0.3%	0.3%
CP	0.0252	29.9%	-8.5%	2.8%	0.0033	35.0%	2.9%	4.5%	0.0075	35.0%	-8.6%	-2.0%	1.7%	1.7%

Trend Summary

Coverage	Selected Historical Change			Selected Projected Change		
	Severity	Frequency	Pure Premium	Severity	Frequency	Pure Premium
BI/UM/UM	1.8%	0.8%	2.6%	2.2%	1.9%	4.2%
PD	1.1%	-0.6%	0.5%	1.7%	-0.7%	1.0%
MP	2.8%	-1.0%	1.8%	4.4%	1.5%	6.0%
AIM	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CL/RR/RS	-0.2%	-0.1%	-0.3%	0.5%	0.3%	0.8%
CP	0.3%	0.8%	1.0%	-2.1%	1.7%	-0.5%

Pure Premium Trend Factors

Coverage	Trend Factor 2007	Trend Factor 2008	Trend Factor 2009	Trend Factor 2010	Trend Factor 2011
BI/UM/UM	1.210	1.179	1.150	1.121	1.092
PD	1.042	1.037	1.032	1.027	1.021
MP	1.217	1.195	1.174	1.154	1.134
AIM	1.000	1.000	1.000	1.000	1.000
CL/RR/RS	1.002	1.005	1.009	1.012	1.015
CP	1.032	1.021	1.011	1.001	0.991

Length of Pure Premium Trend

	Historical Trend				
	2007	2008	2009	2010	2011
Liability	4.00	3.00	2.00	1.00	0.00
PhysDam	4.00	3.00	2.00	1.00	0.00
	Projected Trend				
	2007	2008	2009	2010	2011
Liability	2.17	2.17	2.17	2.17	2.17
PhysDam	1.92	1.92	1.92	1.92	1.92

Note:

Credibility formula $Z = 1/[1+HM\ State\ SE+(HM\ Countrywide\ SE+FT\ State\ SE)]$
 Credibility Weighted Trend = $Z*(HM\ State\ Trend)+(1-Z)*(0.5*HM\ CW\ Trend + 0.5*Fast\ Track\ State\ Trend)$

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Loss Development Factors**

	63 months to ultimate	51 months to ultimate	39 months to ultimate	27 months to ultimate	15 months to ultimate
Bodily Injury	1.005	1.012	1.042	1.136	1.500
Property Damage	1.000	1.000	1.003	1.009	1.082
Medical Payments	1.000	1.000	1.011	1.044	1.116
Auto, Income & Medical	1.009	1.040	1.104	1.139	1.156
Uninsured Motorist	1.034	1.061	1.125	1.316	1.974
Underinsured Motorist	1.034	1.061	1.125	1.316	1.974
	60 months to ultimate	48 months to ultimate	36 months to ultimate	24 months to ultimate	12 months to ultimate
Collision	1.000	1.000	1.000	1.003	1.038
Comprehensive	1.000	1.000	1.002	1.006	1.103
Road Service	1.000	1.000	1.002	1.006	1.103
Rental Reimbursement	1.000	1.000	1.000	1.003	1.038

**Horace Mann\Horace Mann P&C\Teachers Insurance Companies Combined
Arkansas
Expense Exhibit**

**Private Passenger Automobile
(\$ x1000)**

	2006		2007		2008		2009		2010	
	\$	%	\$	%	\$	%	\$	%	\$	%
Direct Written Premiums	371,211		367,859		370,173		375,272		374,415	
Direct Earned Premiums	371,197		366,798		368,003		372,661		373,837	
Direct Commissions (W)	27,498	7.4%	26,391	7.2%	23,740	6.4%	28,914	7.7%	29,085	7.8%
Other Acquisition Expenses (E)	19,327	5.2%	19,792	5.4%	21,910	6.0%	22,290	6.0%	17,747	4.7%
General Expenses (E)	36,144	9.7%	33,195	9.0%	31,974	8.7%	33,238	8.9%	39,199	10.5%
Taxes, Licenses & Fees (W)	10,116	2.7%	10,076	2.7%	10,068	2.7%	9,633	2.6%	9,825	2.6%
		25.1%		24.4%		23.8%		25.2%		25.6%

Anticipated 2011 Permissible Loss Ratio

	<u>Total</u>	<u>Liability</u>	<u>Physical Damage</u>
Commissions	9.3%	9.3%	9.3%
Other Acquisition Expenses	5.6%	5.6%	5.5%
General Expenses	9.5%	9.5%	9.4%
Taxes, Licenses & Fees	3.8%	3.8%	3.8%
Reinsurance Expense	0.4%	0.4%	0.4%
Underwriting Profit & Contingencies	<u>12.1%</u>	<u>10.0%</u>	<u>15.0%</u>
Total Expenses & Profit	40.7%	38.6%	43.4%
Permissible Loss Ratio	59.3%	61.4%	56.6%

NOTE: Captions designated by (W) are ratioed to written premiums; those by (E) are ratioed to earned premiums.

Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
ARKANSAS
Credibility Complements

Our credibility complements are calculated by trending the annual pure premium rates of change (in Exhibit I, Page 7) and also trending the annual premium rates of change (in Exhibit I, Page 5). Pure premium rates of change are trended from the date the rate review began (10/10/2011) to a point nine months beyond the anticipated effective date (03/01/2012) of this filing. Premium rates of change are trended from the date the rate review began (10/10/2011) to a point nine months beyond the anticipated effective date (03/01/2012) of this filing. This is done using the exponent shown in the calculation column.

Coverage	Calculation	Complement
BI	$(1.042 \wedge 1.144) / (0.975 \wedge 1.144)$	1.07840
UM	$(1.042 \wedge 1.144) / (1.048 \wedge 1.144)$	0.99293
UIM	$(1.042 \wedge 1.144) / (1.101 \wedge 1.144)$	0.93846
PD	$(1.010 \wedge 1.144) / (0.968 \wedge 1.144)$	1.04958
MP	$(1.060 \wedge 1.144) / (0.975 \wedge 1.144)$	1.09980
AIM	$(1.000 \wedge 1.144) / (0.988 \wedge 1.144)$	1.01390
Coll	$(1.008 \wedge 1.144) / (1.005 \wedge 1.144)$	1.00300
Comp	$(0.995 \wedge 1.144) / (0.980 \wedge 1.144)$	1.01783

**Horace Mann, Teachers and Horace Mann Property and Casualty Insurance Companies
 ARKANSAS
 Personal Automobile Credibility Table
 (Based on the number of exposures.)***

Credibility	Standard Credibility Table (Based on # of claims)	Bodily Injury (Assuming a frequency of 1.16%)	Property Damage (Assuming a frequency of 4.24%)	Medical Payments (Assuming a frequency of .87%)	AIM (Assuming a frequency of 1.13%)	Collision, Road Service & Rental Reimbursement (Assuming a frequency of 4.67%)	Comprehensive (Assuming a frequency of 6.31%)	Uninsured Motorist & Underinsured Motorist (Assuming a frequency of 0.39%)
0.00	0 - 2	0 - 232	0 - 63	0 - 310	0 - 238	0 - 57	0 - 42	0 - 693
0.05	3 - 10	233 - 932	64 - 254	311 - 1243	239 - 957	58 - 231	43 - 170	694 - 2773
0.10	11 - 23	933 - 2098	255 - 573	1244 - 2797	958 - 2153	232 - 520	171 - 385	2774 - 6241
0.15	24 - 42	2099 - 3730	574 - 1020	2798 - 4974	2154 - 3829	521 - 926	386 - 685	6242 - 11096
0.20	43 - 67	3731 - 5829	1021 - 1594	4975 - 7772	3830 - 5984	927 - 1447	686 - 1071	11097 - 17339
0.25	68 - 96	5830 - 8394	1595 - 2296	7773 - 11192	5985 - 8617	1448 - 2084	1072 - 1542	17340 - 24968
0.30	97 - 132	8395 - 11425	2297 - 3125	11193 - 15234	8618 - 11729	2085 - 2837	1543 - 2100	24969 - 33985
0.35	133 - 172	11426 - 14923	3126 - 4082	15235 - 19898	11730 - 15319	2838 - 3706	2101 - 2743	33986 - 44389
0.40	173 - 218	14924 - 18887	4083 - 5167	19899 - 25183	15320 - 19389	3707 - 4691	2744 - 3471	44390 - 56180
0.45	219 - 270	18888 - 23318	5168 - 6379	25184 - 31091	19390 - 23937	4692 - 5791	3472 - 4286	56181 - 69358
0.50	271 - 326	23319 - 28215	6380 - 7718	31092 - 37620	23938 - 28964	5792 - 7008	4287 - 5186	69359 - 83923
0.55	327 - 389	28216 - 33578	7719 - 9186	37621 - 44771	28965 - 34470	7009 - 8340	5187 - 6172	83924 - 99876
0.60	390 - 456	33579 - 39408	9187 - 10781	44772 - 52544	34471 - 40454	8341 - 9788	6173 - 7244	99877 - 117216
0.65	457 - 529	39409 - 45704	10782 - 12503	52545 - 60939	40455 - 46918	9789 - 11352	7245 - 8401	117217 - 135943
0.70	530 - 608	45705 - 52467	12504 - 14353	60940 - 69956	46919 - 53860	11353 - 13032	8402 - 9644	135944 - 156057
0.75	609 - 691	52468 - 59696	14354 - 16331	69957 - 79594	53861 - 61280	13033 - 14827	9645 - 10973	156058 - 177558
0.80	692 - 781	59697 - 67391	16332 - 18436	79595 - 89855	61281 - 69180	14828 - 16739	10974 - 12388	177559 - 200446
0.85	782 - 875	67392 - 75552	18437 - 20669	89856 - 100737	69181 - 77558	16740 - 18766	12389 - 13888	200447 - 224722
0.90	876 - 976	75553 - 84180	20670 - 23030	100738 - 112241	77559 - 86415	18767 - 20909	13889 - 15475	224723 - 250385
0.95	977 - 1081	84181 - 93275	23031 - 25518	112242 - 124367	86416 - 95751	20910 - 23168	15476 - 17146	250386 - 277435
1.00	1082	93276	25519	124368	95752	23169	17147	277436

*We have derived these tables by coverage in order to relate credibility to earned exposures. The measures for full credibility were calculated by dividing 1082 (the number of claims representing full credibility in the standard credibility table) by our assumed frequencies, which are based on our countrywide incurred claim frequency data from the 1st quarter 2011 report (data through 4th quarter 2010). The lower bound for each level of credibility was determined by multiplying the exposures required for full credibility by the square of the individual credibility percentages, thereby keeping our tables consistent with the standard claim-based table.

**Horace Mann Insurance Company - Teachers Insurance Company - Horace Mann Property and Casualty Insurance Company -
Arkansas**

Amended Exhibit II

Proposed Territorial and Coverage Effects

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	2.7%	-0.1%	-0.3%	-0.9%	-0.6%	-7.8%	-4.0%	-0.8%	1.8%	-2.7%	-1.1%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	3.0%	0.0%	1.9%	-1.8%	-1.2%	-7.0%	-1.6%	-0.1%	-0.7%	-2.1%	-0.1%
20	2.7%	-0.3%	2.8%	-3.7%	-0.1%	-4.5%	-2.0%	-0.5%	1.4%	1.8%	-0.3%
79	2.9%	0.0%	2.2%	-3.0%	-1.9%	-7.2%	-2.5%	-1.6%	2.0%	-1.2%	-0.7%
80	4.2%	1.2%	4.4%	0.3%	-0.3%	-5.5%	-0.7%	0.2%	-0.9%	1.3%	1.1%
81	3.5%	0.6%	3.1%	-1.2%	-0.8%	-7.1%	-3.7%	-0.2%	0.6%	-0.3%	-0.7%
82	3.3%	0.5%	1.9%	-2.3%	-2.0%	-8.5%	-1.8%	-0.5%	-0.8%	-2.1%	-0.3%
83	3.9%	0.9%	3.8%	1.8%	1.2%	-5.5%	-3.3%	-0.4%	1.1%	1.6%	-0.1%
84	4.1%	1.0%	4.1%	1.4%	0.9%	-4.9%	-2.5%	0.2%	0.7%	1.2%	0.1%
85	2.9%	0.0%	3.7%	0.9%	0.7%	-5.5%	-3.3%	0.8%	2.3%	0.5%	-0.4%
3.5%	0.6%	3.1%	-0.2%	-0.4%	-6.5%	-2.7%	-0.2%	0.6%	0.2%	-0.2%	

**Horace Mann Insurance Company
Arkansas
Proposed Territorial and Coverage Effects**

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	3.6%	0.8%	-2.5%	1.8%	1.8%	-6.2%	-1.1%	0.4%	0.0%	-9.5%	0.7%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	5.0%	2.1%	2.1%	-2.3%	-0.8%	-2.9%	2.8%	2.4%	-6.5%	0.0%	2.6%
20	1.8%	-1.0%	0.8%	-4.3%	-0.3%	-4.5%	-4.2%	-1.8%	1.7%	0.0%	-1.6%
79	2.5%	-0.3%	2.3%	-0.2%	0.2%	-4.8%	-5.7%	-3.6%	0.0%	-2.4%	-2.2%
80	4.2%	1.4%	4.3%	0.3%	1.8%	-4.6%	-0.7%	-0.5%	0.0%	0.0%	2.0%
81	4.4%	1.4%	4.1%	0.5%	2.8%	-1.9%	-2.4%	-0.5%	1.8%	4.5%	0.9%
82	4.2%	1.2%	4.8%	3.3%	2.1%	-4.3%	0.7%	2.0%	1.7%	0.0%	2.2%
83	5.3%	2.3%	5.0%	-0.4%	2.7%	-2.9%	0.9%	2.0%	2.2%	4.0%	2.9%
84	2.9%	0.1%	1.0%	-2.3%	1.7%	-2.4%	-1.4%	-0.8%	1.1%	-1.4%	-0.1%
85	3.7%	1.1%	4.8%	2.1%	2.5%	-0.7%	1.3%	1.5%	4.5%	0.6%	1.7%
4.0%	1.1%	2.8%	0.2%	1.8%	-3.1%	-1.0%	0.0%	1.5%	-0.1%	1.0%	

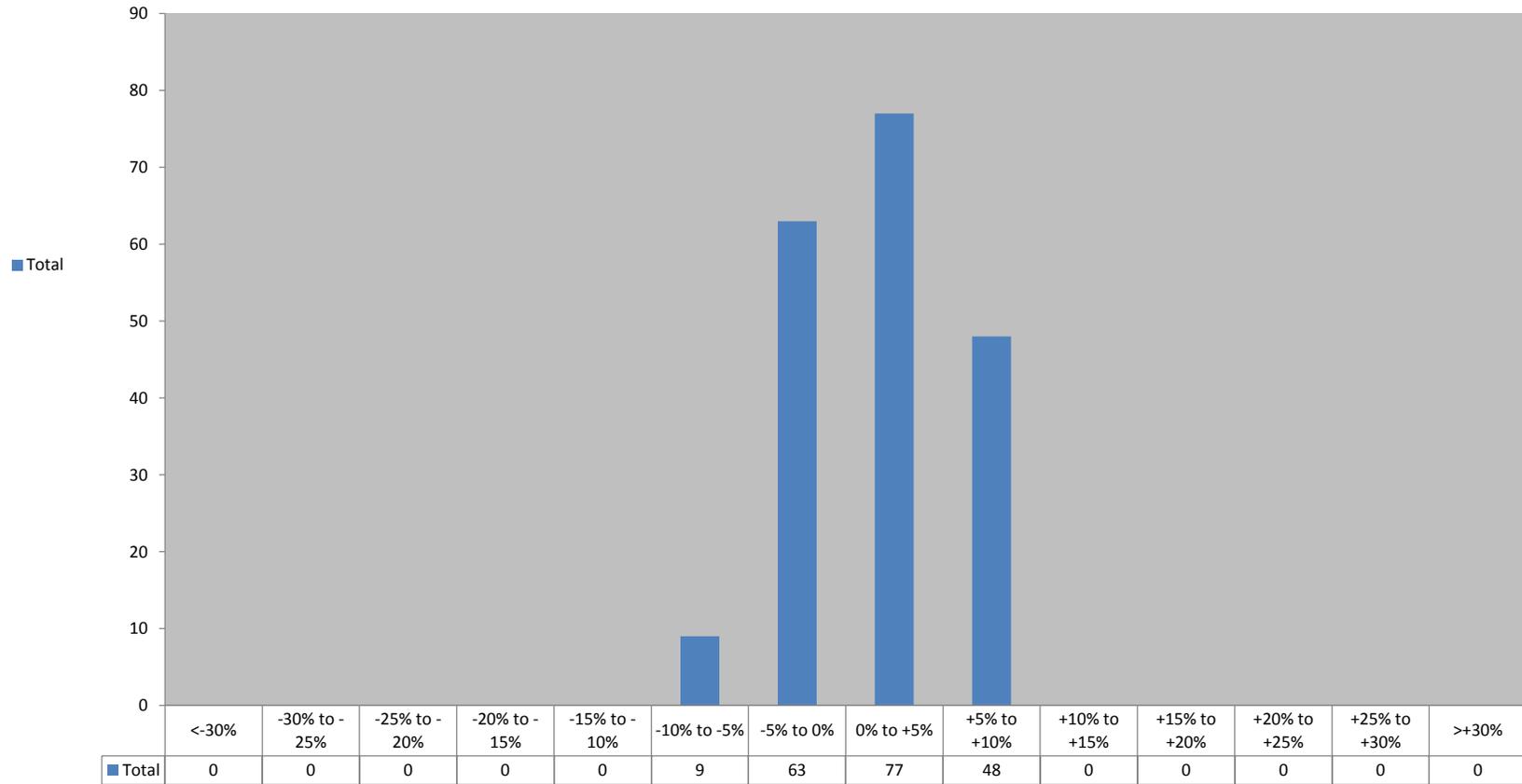
**Teachers Insurance Company
Arkansas
Proposed Territorial and Coverage Effects**

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	2.6%	-0.1%	4.5%	-1.6%	-0.4%	-5.3%	-3.2%	-1.4%	0.6%	0.5%	-0.8%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	2.5%	-0.5%	2.4%	-1.1%	-1.0%	-5.3%	-1.5%	0.2%	-0.6%	-2.0%	-0.2%
20	4.3%	0.9%	5.9%	-1.9%	0.6%	-4.6%	0.6%	1.0%	1.2%	1.8%	1.5%
79	3.3%	0.3%	2.6%	0.0%	-2.4%	-8.2%	1.3%	1.1%	1.4%	-1.1%	1.1%
80	4.4%	1.3%	4.7%	1.2%	-1.2%	-3.8%	-0.3%	0.6%	-1.0%	2.2%	1.1%
81	4.0%	1.1%	3.5%	-1.1%	-2.0%	-6.7%	-1.3%	-0.2%	1.1%	2.3%	0.3%
82	3.2%	0.3%	1.7%	-2.1%	-2.6%	-8.5%	-1.1%	-0.5%	-1.1%	-1.6%	-0.2%
83	3.0%	0.2%	2.6%	1.7%	-0.6%	-5.9%	-3.2%	-1.7%	0.8%	2.8%	-0.8%
84	3.7%	0.6%	3.5%	-1.4%	-1.3%	-6.7%	-1.4%	-0.4%	0.8%	-0.5%	0.1%
85	4.3%	1.1%	5.1%	1.0%	0.1%	-4.9%	-1.1%	0.1%	0.0%	1.7%	0.5%
3.4%	0.5%	3.1%	-0.9%	-1.7%	-7.0%	-1.2%	-0.2%	0.1%	0.3%	0.2%	

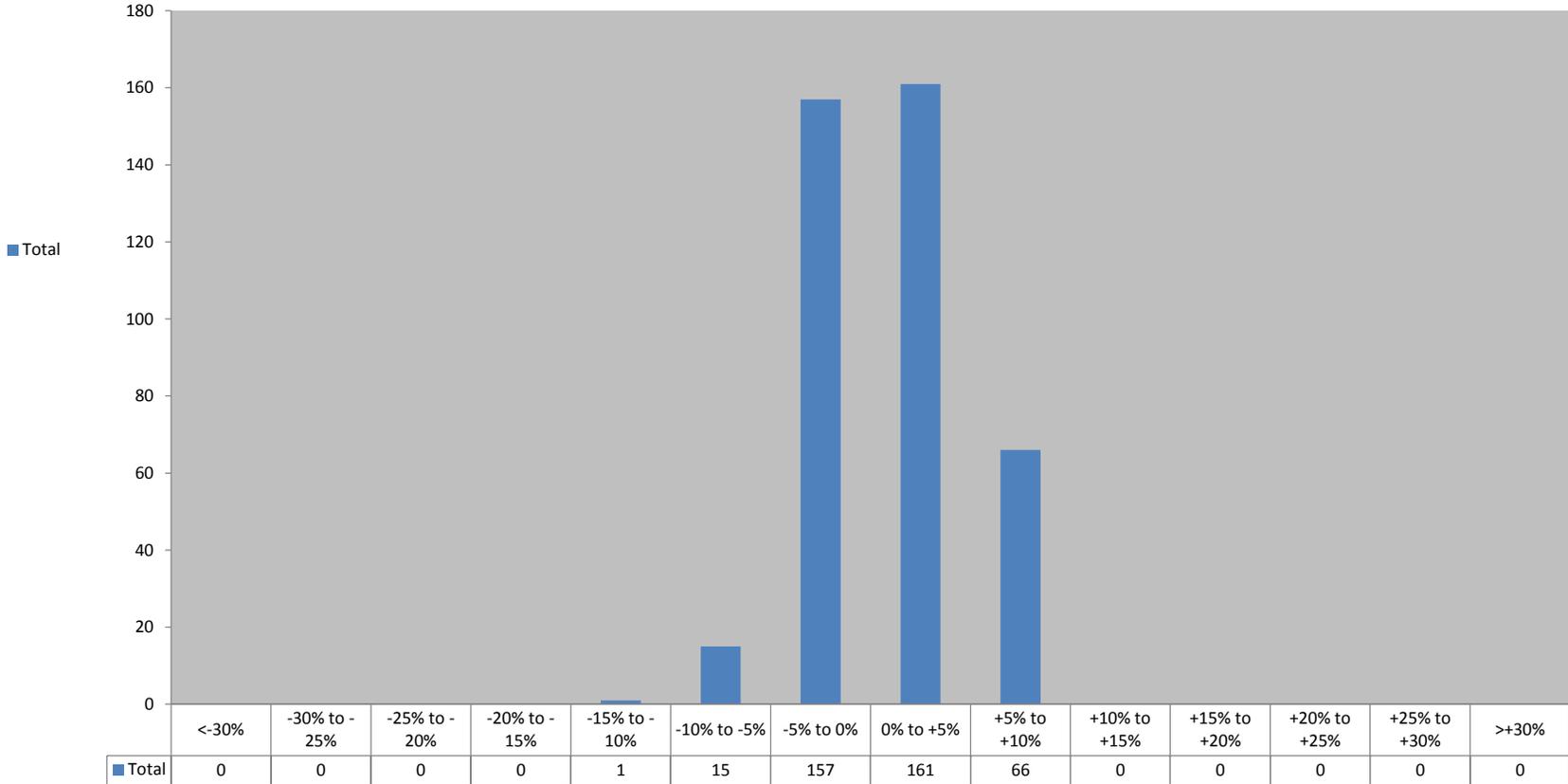
**Horace Mann Property and Casualty Insurance Company
Arkansas
Proposed Territorial and Coverage Effects**

Current Territory	Bodily Injury	Property Damage	Medical Payments	Auto, Income & Medical	Uninsured Motorist	Underinsured Motorist	Collision	Comprehensive	Road Service	Rental Reimbursement	Total
2	1.9%	-1.2%	-0.1%	-3.9%	-2.1%	-9.4%	-6.3%	-1.4%	4.6%	-2.5%	-2.7%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	2.7%	-0.3%	0.5%	-2.5%	-1.9%	-9.1%	-5.5%	-3.8%	1.2%	-2.4%	-2.0%
20	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
79	1.1%	-1.7%	-0.3%	-7.2%	-1.9%	-8.2%	-7.8%	-7.3%	6.5%	0.0%	-5.4%
80	0.0%	-2.7%	-1.3%	-4.1%	-4.7%	-14.6%	-7.0%	-5.3%	-1.1%	-8.0%	-4.8%
81	2.5%	-0.4%	2.3%	-2.9%	-1.5%	-8.4%	-6.0%	-0.1%	-0.1%	-1.9%	-2.2%
82	3.5%	1.1%	2.1%	-5.0%	-1.4%	-9.3%	-4.8%	-1.0%	-0.4%	-3.1%	-1.9%
83	3.9%	0.8%	4.7%	2.2%	1.8%	-5.5%	-5.2%	0.4%	1.1%	0.3%	-0.9%
84	4.7%	1.6%	5.1%	2.7%	2.0%	-4.5%	-3.5%	1.0%	0.7%	2.0%	0.2%
85	2.2%	-0.8%	2.3%	0.3%	0.0%	-7.0%	-6.9%	0.5%	2.0%	0.0%	-1.9%
3.3%	0.4%	3.2%	0.1%	-0.1%	-7.0%	-5.2%	-0.2%	0.8%	0.1%	-1.4%	

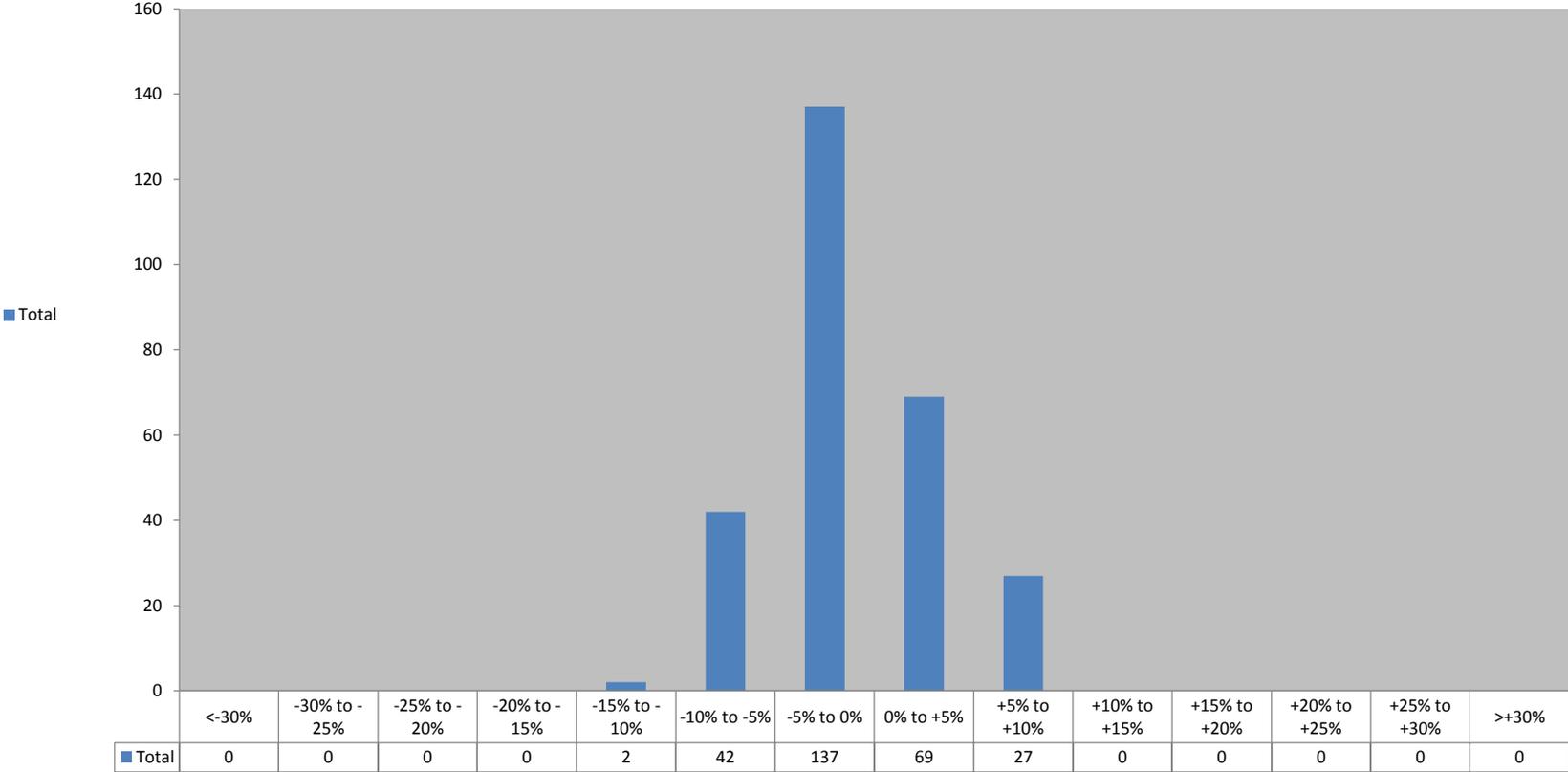
**HMIC
Arkansas
Distribution of Rate Changes**



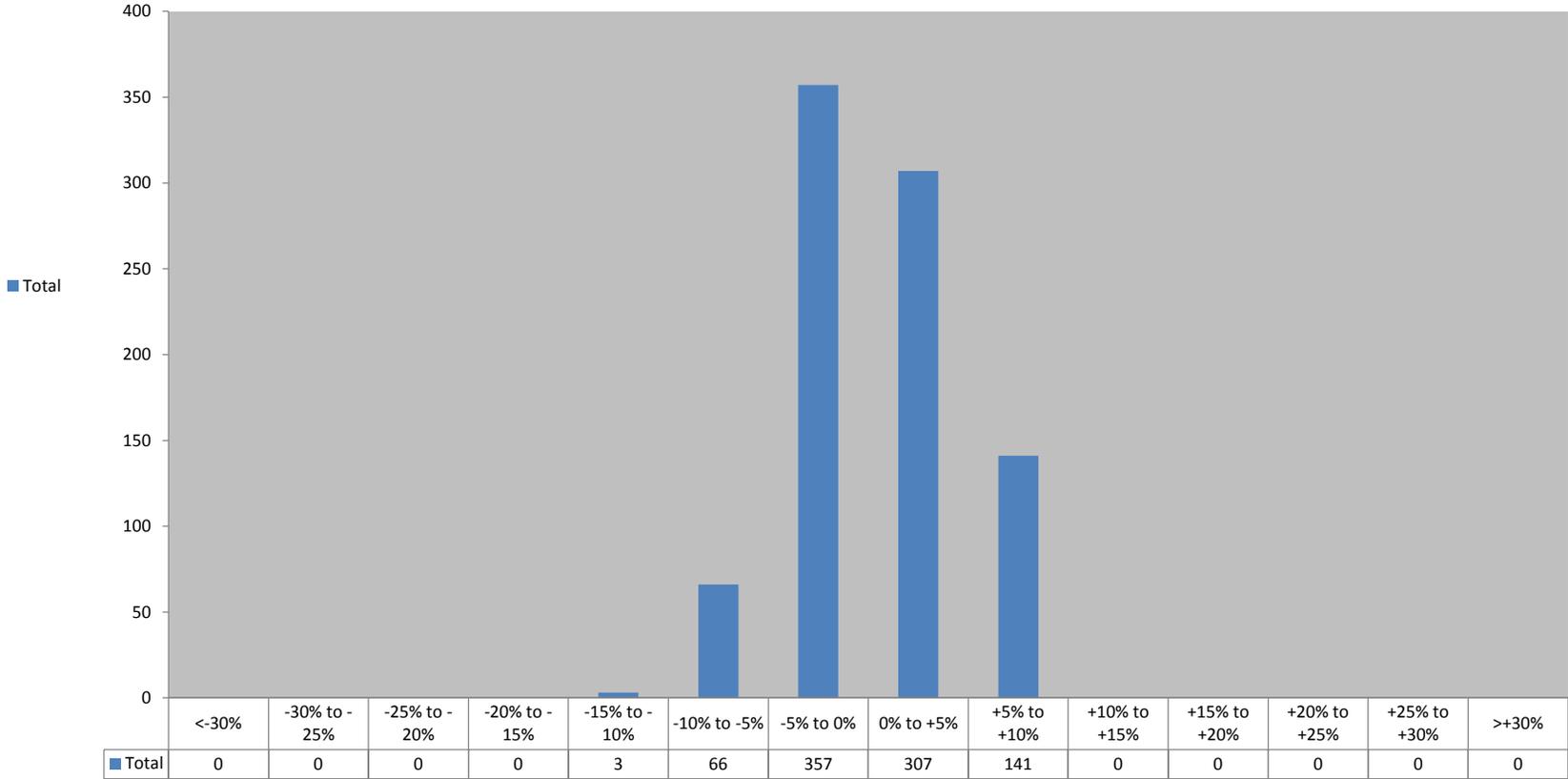
**TIC
Arkansas
Distribution of Rate Changes**



HMPC Arkansas Distribution of Rate Changes



**Combined Companies
Arkansas
Distribution of Rate Changes**



**Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies
ARKANSAS**

Simple Rating Factors Insurance Score	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	BI	BI	BI	BI	BI	BI	BI	BI	BI	PD	PD	PD	PD	PD	PD	PD	PD	PD
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
781+	0.825	0.825	0.825	0.825	0.825	0.825	0.0%	0.0%	0.0%	0.819	0.819	0.819	0.819	0.819	0.819	0.0%	0.0%	0.0%
769-780	0.846	0.846	0.846	0.846	0.846	0.846	0.0%	0.0%	0.0%	0.849	0.849	0.849	0.849	0.849	0.849	0.0%	0.0%	0.0%
759-768	0.868	0.868	0.868	0.868	0.868	0.868	0.0%	0.0%	0.0%	0.877	0.877	0.877	0.877	0.877	0.877	0.0%	0.0%	0.0%
749-758	0.892	0.892	0.892	0.892	0.892	0.892	0.0%	0.0%	0.0%	0.904	0.904	0.904	0.904	0.904	0.904	0.0%	0.0%	0.0%
740-748	0.910	0.917	0.917	0.910	0.917	0.917	0.0%	0.0%	0.0%	0.910	0.910	0.910	0.910	0.910	0.910	0.0%	0.0%	0.0%
727-739	0.910	0.943	0.943	0.910	0.943	0.943	0.0%	0.0%	0.0%	0.910	0.910	0.910	0.910	0.910	0.910	0.0%	0.0%	0.0%
722-726	0.972	0.972	0.972	0.972	0.972	0.972	0.0%	0.0%	0.0%	0.977	0.977	0.977	0.977	0.977	0.977	0.0%	0.0%	0.0%
718-721	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
713-717	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
705-712	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
696-704	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%
688-695	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%
677-687	1.180	1.180	1.180	1.180	1.180	1.180	0.0%	0.0%	0.0%	1.180	1.180	1.180	1.180	1.180	1.180	0.0%	0.0%	0.0%
666-676	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%
653-665	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%
638-652	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%
616-637	1.600	1.600	1.600	1.600	1.600	1.600	0.0%	0.0%	0.0%	1.600	1.600	1.600	1.600	1.600	1.600	0.0%	0.0%	0.0%
588-615	1.625	1.625	1.610	1.625	1.625	1.610	0.0%	0.0%	0.0%	1.625	1.625	1.610	1.625	1.625	1.610	0.0%	0.0%	0.0%
550-587	1.698	1.761	1.615	1.698	1.761	1.615	0.0%	0.0%	0.0%	1.698	1.761	1.615	1.698	1.761	1.615	0.0%	0.0%	0.0%
Below 550	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%
No Hit	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Score	1.000	1.000	1.000	1.163	1.087	1.000	-14.0%	-8.0%	0.0%	1.000	1.000	1.000	1.163	1.087	1.000	-14.0%	-8.0%	0.0%
No Permission	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%

Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies ARKANSAS

Simple Rating Factors Insurance Score	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	MP	MP	MP	MP	MP	MP	MP	MP	MP	AIM	AIM	AIM	AIM	AIM	AIM	AIM	AIM	AIM
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
781+	0.740	0.740	0.740	0.740	0.740	0.740	0.0%	0.0%	0.0%	0.636	0.636	0.636	0.636	0.636	0.636	0.0%	0.0%	0.0%
769-780	0.786	0.786	0.786	0.786	0.786	0.786	0.0%	0.0%	0.0%	0.698	0.698	0.698	0.698	0.698	0.698	0.0%	0.0%	0.0%
759-768	0.830	0.830	0.830	0.830	0.830	0.830	0.0%	0.0%	0.0%	0.748	0.748	0.748	0.748	0.748	0.748	0.0%	0.0%	0.0%
749-758	0.873	0.873	0.873	0.873	0.873	0.873	0.0%	0.0%	0.0%	0.803	0.803	0.803	0.803	0.803	0.803	0.0%	0.0%	0.0%
740-748	0.910	0.908	0.908	0.910	0.908	0.908	0.0%	0.0%	0.0%	0.850	0.850	0.850	0.850	0.850	0.850	0.0%	0.0%	0.0%
727-739	0.910	0.949	0.949	0.910	0.949	0.949	0.0%	0.0%	0.0%	0.892	0.892	0.892	0.892	0.892	0.892	0.0%	0.0%	0.0%
722-726	0.975	0.975	0.975	0.975	0.975	0.975	0.0%	0.0%	0.0%	0.940	0.940	0.940	0.940	0.940	0.940	0.0%	0.0%	0.0%
718-721	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
713-717	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
705-712	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
696-704	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
688-695	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
677-687	1.180	1.180	1.180	1.180	1.180	1.180	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
666-676	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
653-665	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
638-652	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
616-637	1.600	1.600	1.600	1.600	1.600	1.600	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
588-615	1.625	1.625	1.610	1.625	1.625	1.610	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
550-587	1.698	1.761	1.615	1.698	1.761	1.615	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Below 550	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Hit	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Score	1.000	1.000	1.000	1.163	1.087	1.000	-14.0%	-8.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Permission	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%

**Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies
ARKANSAS**

Simple Rating Factors Insurance Score	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	UM	UM	UM	UM	UM	UM	UM	UM	UM	UIM	UIM	UIM	UIM	UIM	UIM	UIM	UIM	UIM
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
781+	0.676	0.676	0.676	0.676	0.676	0.676	0.0%	0.0%	0.0%	0.741	0.741	0.741	0.741	0.741	0.741	0.0%	0.0%	0.0%
769-780	0.715	0.715	0.715	0.715	0.715	0.715	0.0%	0.0%	0.0%	0.774	0.774	0.774	0.774	0.774	0.774	0.0%	0.0%	0.0%
759-768	0.756	0.756	0.756	0.756	0.756	0.756	0.0%	0.0%	0.0%	0.807	0.807	0.807	0.807	0.807	0.807	0.0%	0.0%	0.0%
749-758	0.800	0.800	0.800	0.800	0.800	0.800	0.0%	0.0%	0.0%	0.843	0.843	0.843	0.843	0.843	0.843	0.0%	0.0%	0.0%
740-748	0.845	0.845	0.845	0.845	0.845	0.845	0.0%	0.0%	0.0%	0.880	0.880	0.880	0.880	0.880	0.880	0.0%	0.0%	0.0%
727-739	0.894	0.894	0.894	0.894	0.894	0.894	0.0%	0.0%	0.0%	0.918	0.918	0.918	0.918	0.918	0.918	0.0%	0.0%	0.0%
722-726	0.946	0.946	0.946	0.946	0.946	0.946	0.0%	0.0%	0.0%	0.958	0.958	0.958	0.958	0.958	0.958	0.0%	0.0%	0.0%
718-721	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
713-717	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
705-712	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
696-704	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
688-695	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
677-687	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
666-676	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
653-665	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
638-652	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
616-637	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
588-615	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
550-587	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
Below 550	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Hit	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Score	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Permission	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%

**Horace Mann, Teachers, and Horace Mann Property and Casualty Insurance Companies
ARKANSAS**

Simple Rating Factors Insurance Score	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect	AR	AR	AR	Prior	Prior	Prior	Effect	Effect	Effect
	Selected	Selected	Selected							Selected	Selected	Selected						
	CP	CP	CP	CP	CP	CP	CP	CP	CP	CL	CL	CL	CL	CL	CL	CL	CL	CL
	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC	HMPC	TIC	HMIC
781+	0.867	0.867	0.867	0.867	0.867	0.867	0.0%	0.0%	0.0%	0.761	0.761	0.761	0.761	0.761	0.761	0.0%	0.0%	0.0%
769-780	0.890	0.890	0.890	0.890	0.890	0.890	0.0%	0.0%	0.0%	0.803	0.803	0.803	0.803	0.803	0.803	0.0%	0.0%	0.0%
759-768	0.910	0.916	0.916	0.910	0.916	0.916	0.0%	0.0%	0.0%	0.841	0.841	0.841	0.841	0.841	0.841	0.0%	0.0%	0.0%
749-758	0.910	0.926	0.926	0.910	0.926	0.926	0.0%	0.0%	0.0%	0.877	0.877	0.877	0.877	0.877	0.877	0.0%	0.0%	0.0%
740-748	0.910	0.952	0.952	0.910	0.952	0.952	0.0%	0.0%	0.0%	0.910	0.911	0.911	0.910	0.911	0.911	0.0%	0.0%	0.0%
727-739	0.910	0.968	0.968	0.910	0.968	0.968	0.0%	0.0%	0.0%	0.910	0.942	0.942	0.910	0.942	0.942	0.0%	0.0%	0.0%
722-726	0.987	0.987	0.987	0.987	0.987	0.987	0.0%	0.0%	0.0%	0.972	0.972	0.972	0.972	0.972	0.972	0.0%	0.0%	0.0%
718-721	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
713-717	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
705-712	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
696-704	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%
688-695	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%	1.093	1.043	1.040	1.093	1.043	1.040	0.0%	0.0%	0.0%
677-687	1.180	1.180	1.180	1.180	1.180	1.180	0.0%	0.0%	0.0%	1.180	1.180	1.180	1.180	1.180	1.180	0.0%	0.0%	0.0%
666-676	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%
653-665	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%
638-652	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%	1.256	1.283	1.180	1.256	1.283	1.180	0.0%	0.0%	0.0%
616-637	1.600	1.600	1.600	1.600	1.600	1.600	0.0%	0.0%	0.0%	1.600	1.600	1.600	1.600	1.600	1.600	0.0%	0.0%	0.0%
588-615	1.625	1.625	1.610	1.625	1.625	1.610	0.0%	0.0%	0.0%	1.610	1.610	1.610	1.610	1.610	1.610	0.0%	0.0%	0.0%
550-587	1.698	1.761	1.615	1.698	1.761	1.615	0.0%	0.0%	0.0%	1.698	1.761	1.615	1.698	1.761	1.615	0.0%	0.0%	0.0%
Below 550	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%
No Hit	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	1.000	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%
No Score	1.000	1.000	1.000	1.163	1.087	1.000	-14.0%	-8.0%	0.0%	1.000	1.000	1.000	1.163	1.087	1.000	-14.0%	-8.0%	0.0%
No Permission	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%	2.140	2.087	1.920	2.140	2.087	1.920	0.0%	0.0%	0.0%

SERFF Tracking Number: HRMN-127877579 State: Arkansas
 First Filing Company: Horace Mann Insurance Company, ... State Tracking Number:
 Company Tracking Number: AR A030112
 TOI: 19.0 Personal Auto Sub-TOI: 19.0001 Private Passenger Auto (PPA)
 Product Name: AR Auto Rate and Rule Filing
 Project Name/Number: AR A030112/AR A030112

Superseded Schedule Items

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

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
12/08/2011		Supporting NAIC loss cost data entry document Document	12/19/2011	AR NAIC Loss Cost Data Entry Doc HMIC.pdf (Superseded) AR NAIC Loss Cost Data Entry Doc HMPC.pdf (Superseded) AR NAIC Loss Cost Data Entry Doc TIC.pdf (Superseded)

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR AUTO 031610
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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	Company Name		Company NAIC Number
3.	A.	Horace Mann Insurance Company	B. 300-22578

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Personal Auto	B. Private Passenger Automobile

5.			FOR LOSS COSTS ONLY					
	(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
	Bodily Injury	+15.0%	+4.0%					
	Property Damage	+9.3%	+1.1%					
	Medical Payments	+14.0%	+2.8%					
	Auto, Income and Medical Comprehensive	-3.3%	+0.2%					
	Collision	+6.2%	0.0%					
	Uninsured Motorist	-0.4%	-1.0%					
	Road Service	+2.8%	+1.8%					
	Rental Reimbursement	-5.5%	+1.5%					
	Underinsured Motorist	+9.2%	-0.1%					
	TOTAL OVERALL EFFECT	-10.4%	-3.1%					
		+5.6%	+1.0%					

6.	5 Year History	Rate Change History						
	Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
	2009	247	+0.3%	3/16/2009	181	88	48.6%	56.9%
	2010	218	+4.9%	3/16/2010	153	111	72.4%	56.2%
	2011	197	+0.1%	4/1/2011	137	39	28.3%	53.3%

7.		
	Expense Constants	Selected Provisions
	A. Total Production Expense	+14.9%
	B. General Expense	+9.5%
	C. Taxes, License & Fees	+3.8%
	D. Underwriting Profit & Contingencies	+12.1%
	E. Other (explain) Reinsurance Expense	+0.4%
	F. TOTAL	+40.7%

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

9. +8.7% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): Territory 85

10. -6.1% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): Territory 85

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR AUTO 031610
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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	Company Name	Company NAIC Number
3.	A. Horace Mann Property and Casualty Insurance Company	B. 300-22756

	Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A. Personal Auto	B. Private Passenger Automobile

5.			FOR LOSS COSTS ONLY				
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Bodily Injury	+15.0%	+4.0%					
Property Damage	+9.3%	+1.1%					
Medical Payments	+14.0%	+3.6%					
Auto, Income and Medical Comprehensive	-3.3%	+0.1%					
Collision	+6.2%	0.0%					
Uninsured Motorist	-0.4%	-5.0%					
Road Service	+2.8%	-0.1%					
Rental Reimbursement	-5.5%	+0.8%					
Underinsured Motorist	+9.2%	+0.1%					
Underinsured Motorist	-10.4%	-7.0%					
TOTAL OVERALL EFFECT	+5.6%	-1.0%					

6.		5 Year History Rate Change History					
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2009	143	-0.4%	3/16/2009	67	38	57.1%	62.0%
2010	193	+0.2%	3/16/2010	86	25	29.1%	59.2%
2011	277	-4.0%	4/1/2011	131	72	54.5%	56.1%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	+14.9%
B. General Expense	+9.5%
C. Taxes, License & Fees	+3.8%
D. Underwriting Profit & Contingencies	+12.1%
E. Other (explain) Reinsurance Expense	+0.4%
F. TOTAL	+40.7%

- 8. N Apply Lost Cost Factors to Future filings? (Y or N)
- 9. +11.1% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ Territory 83 _____
- 10. -8.6% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ Territory 80 _____

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR AUTO 031610
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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	Company Name		Company NAIC Number
3.	A.	Teachers Insurance Company	B.
			300-22683

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Personal Auto	B.
			Private Passenger Automobile

5.			FOR LOSS COSTS ONLY					
	(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
	Bodily Injury	+15.0%	+3.9%					
	Property Damage	+9.3%	+1.0%					
	Medical Payments	+14.0%	+3.5%					
	Auto, Income and Medical	-3.3%	-0.9%					
	Comprehensive	+6.2%	0.0%					
	Collision	-0.4%	-1.0%					
	Uninsured Motorist	+2.8%	-1.7%					
	Road Service	-5.5%	+0.1%					
	Rental Reimbursement	+9.2%	+0.3%					
	Underinsured Motorist	-10.4%	-7.0%					
	TOTAL OVERALL EFFECT	+5.6%	+0.4%					

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	472	+0.3%	3/16/2009	359	204	+56.8%	+56.6%
	2010	431	+4.4%	3/16/2010	320	177	+55.3%	+55.1%
	2011	400	+0.9%	4/1/2011	295	158	+53.7%	+50.1%

7.		
	Expense Constants	Selected Provisions
	A. Total Production Expense	+14.9%
	B. General Expense	+9.5%
	C. Taxes, License & Fees	+3.8%
	D. Underwriting Profit & Contingencies	+12.1%
	E. Other (explain) Reinsurance Expense	+0.4%
	F. TOTAL	+40.7%

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

9. +9.6% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ Territory 80_____

10. -7.1% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ Territory 5_____