

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Filing at a Glance

Company: Republic Underwriters Insurance Company
Product Name: Republic RoadMaster(sm) Personal Automobile Program
State: Arkansas
TOI: 19.0 Personal Auto
Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Filing Type: Rate/Rule
Date Submitted: 10/04/2012
SERFF Tr Num: TRGR-128677298
SERFF Status: Closed-Filed
State Tr Num:
State Status:
Co Tr Num: 12-507

Effective Date 02/01/2013
Requested (New):
Effective Date 03/01/2013
Requested (Renewal):
Author(s): William Bradford
Reviewer(s): Alexa Grissom (primary)
Disposition Date: 12/06/2012
Disposition Status: Filed
Effective Date (New): 02/01/2013
Effective Date (Renewal): 03/01/2013

State Filing Description:

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

General Information

Project Name: Rate Revision Status of Filing in Domicile: Not Filed
 Project Number: Domicile Status Comments: Arkansas specific
 Reference Organization: N/A Reference Number: N/A
 Reference Title: N/A Advisory Org. Circular: N/A
 Filing Status Changed: 12/06/2012
 State Status Changed: Deemer Date:
 Created By: William Bradford Submitted By: William Bradford
 Corresponding Filing Tracking Number:

Filing Description:

The Republic Group proposes a +15.0% rate change for our Republic RoadMaster(sm) Auto Program written in Republic Underwriters Insurance Company. Our indicated overall rate change is +15.6%. Our last rate change for the Roadmaster program was on December 15, 2011.

We are making two rule changes. The first is to the accident free discounts for policies that have been accident free for five years. This is the corection of typogrphical errors. Since this program began in 2008 there are no insureds who currently qualify and this change has no effect. The second is to the rule for replacement cost and reflects a revised endorsement approved in TRGR-128673235. This change also repaginates pages 30-36.

Company and Contact

Filing Contact Information

William Bradford, Senior Products Filing Specialist bill.bradford@republicgroup.com
 5525 LBJ Freeway 972-788-6617 [Phone]
 Dallas, TX 75240 972-788-6022 [FAX]

Filing Company Information

Republic Underwriters Insurance Company CoCode: 24538 State of Domicile: Texas
 5525 LBJ Freeway Group Code: 3489 Company Type:
 Dallas, TX 75240-6241 Group Name: The Republic Group State ID Number:
 (972) 788-6001 ext. [Phone] FEIN Number: 75-1221537

Filing Fees

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

Company	Amount	Date Processed	Transaction #
Republic Underwriters Insurance Company	\$100.00	10/04/2012	63416106

SERFF Tracking #:

TRGR-128677298

State Tracking #:**Company Tracking #:**

12-507

State:

Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number:

Rate Revision/

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	12/06/2012	12/06/2012

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Alexa Grissom	11/06/2012	11/06/2012
Pending Industry Response	Alexa Grissom	10/11/2012	10/11/2012
Pending Industry Response	Alexa Grissom	10/09/2012	10/09/2012

Response Letters

Responded By	Created On	Date Submitted
William Bradford	11/19/2012	11/21/2012
William Bradford	11/06/2012	11/06/2012
William Bradford	10/10/2012	10/10/2012

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Checking on status	Note To Reviewer	William Bradford	12/06/2012	12/06/2012

State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
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Filing Company: Republic Underwriters Insurance Company

Disposition

Disposition Date: 12/06/2012

Effective Date (New): 02/01/2013

Effective Date (Renewal): 03/01/2013

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 req'd):	Minimum % Change (where req'd):
Republic Underwriters Insurance Company	15.600%	10.200%	\$420,227	3,400	\$4,119,868	%	%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	A-1 Private Passenger Auto Abstract	Filed	Yes
Supporting Document (revised)	APCS-Auto Premium Comparison Survey	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 data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	Actuarial Memorandum and Support	Filed	Yes
Rate (revised)	Base Rates	Filed	Yes
Rate	Base Rates	Filed	Yes
Rate	Accident Free Factors	Filed	Yes
Rate (revised)	Withdrawn	Filed	Yes

SERFF Tracking #: TRGR-128677298 State Tracking #: Company Tracking #: 12-507

State: Arkansas Filing Company: Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	Replacement Cost	Filed	Yes

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	11/06/2012
Submitted Date	11/06/2012
Respond By Date	

Dear William Bradford,

Introduction:

This will acknowledge receipt of the captioned filing. The Commissioner has agreed to a 10 percent increase. Please amend the filing abstracts (Rf-1 and APCS) accordingly.

Conclusion:

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

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	10/11/2012
Submitted Date	10/11/2012
Respond By Date	

Dear William Bradford,

Introduction:

This will acknowledge receipt of the captioned filing. The Commissioner will allow a 5 percent increase at this time. Please revise the Rf-1 and APCS forms accordingly.

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.

Conclusion:

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

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	10/09/2012
Submitted Date	10/09/2012
Respond By Date	

Dear William Bradford,

Introduction:

This will acknowledge receipt of the captioned filing. Please clarify how the overall proposed increase is 15 percent, yet as stated on the RF-1 the maximum an insured will see is only 12 percent.

Additionally, due to the large increase request, the filing will be reviewed by the Commissioner.

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.

Conclusion:

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

SERFF Tracking #:

TRGR-128677298

State Tracking #:

Company Tracking #:

12-507

State:

Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number:

Rate Revision/

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/19/2012
Submitted Date	11/21/2012

Dear Alexa Grissom,

Introduction:

Thank you for your reply.

Response 1

Comments:

The revised filing forms and revised rates are attached. I have submitted a post-submission update for the new effective dates.

We will refile the change to the replacement cost rule separately, as it will have a different renewal effective date. It has been removed from this filing.

Changed Items:

SERFF Tracking #:

TRGR-128677298

State Tracking #:

Company Tracking #:

12-507

State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Filing Company: Republic Underwriters Insurance Company

Supporting Document Schedule Item Changes

Satisfied - Item: APCS-Auto Premium Comparison Survey

Comments:

Attachment(s):

PPA Survey FORM APCS.pdf

PPA Survey FORM APCS.xls

Previous Version

Satisfied - Item: APCS-Auto Premium Comparison Survey

Comments:

Attachment(s):

PPA Survey FORM APCS.xls

PPA Survey FORM APCS.pdf

Satisfied - Item: NAIC loss cost data entry document

Comments:

Attachment(s):

FORM RF-1 Rate Filing Abstract.pdf

Previous Version

Satisfied - Item: NAIC loss cost data entry document

Comments:

Attachment(s):

FORM RF-1 Rate Filing Abstract.pdf

Previous Version

Satisfied - Item: NAIC loss cost data entry document

Comments:

Attachment(s):

FORM RF-1 Rate Filing Abstract.pdf

SERFF Tracking #:

TRGR-128677298

State Tracking #:

Company Tracking #:

12-507

State: Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number: Rate Revision/

Supporting Document Schedule Item Changes

Satisfied - Item: APCS-Auto Premium Comparison Survey

Comments:

Attachment(s):

PPA Survey FORM APCS.pdf

PPA Survey FORM APCS.xls

Previous Version

Satisfied - Item: APCS-Auto Premium Comparison Survey

Comments:

Attachment(s):

PPA Survey FORM APCS.xls

PPA Survey FORM APCS.pdf

Satisfied - Item: NAIC loss cost data entry document

Comments:

Attachment(s):

FORM RF-1 Rate Filing Abstract.pdf

Previous Version

Satisfied - Item: NAIC loss cost data entry document

Comments:

Attachment(s):

FORM RF-1 Rate Filing Abstract.pdf

Previous Version

Satisfied - Item: NAIC loss cost data entry document

Comments:

Attachment(s):

FORM RF-1 Rate Filing Abstract.pdf

No Form Schedule items changed.

State: Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number: Rate Revision/

Rate/Rule Schedule Item Changes

Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #	Date Submitted
1	Base Rates	R-1	Replacement	TRGR-127657330	11/21/2012 By: William Bradford
<i>Previous Version</i>					
1	Base Rates	R-1	Replacement	TRGR-127657330	10/04/2012 By: William Bradford
2	Withdrawn		Withdrawn		11/21/2012 By: William Bradford
<i>Previous Version</i>					
2	Replacement Cost	G-29 to G-36 (30-36 repagination)	Replacement	TRGR-127657330	10/04/2012 By: William Bradford

Conclusion:

Please let us know if you need anything further.

Sincerely,

William Bradford

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/06/2012
Submitted Date	11/06/2012

Dear Alexa Grissom,

Introduction:

Response 1

Comments:

This is simply to close out this objection letter (2nd of 3). We will be sending the amended rate pages and exhibits shortly in response to the objection from today (3rd of 3).

Changed Items:

- No Supporting Documents changed.*
- No Form Schedule items changed.*
- No Rate/Rule Schedule items changed.*

Conclusion:

Sincerely,
William Bradford

State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Filing Company: Republic Underwriters Insurance Company

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 10/10/2012
 Submitted Date 10/10/2012

Dear Alexa Grissom,

Introduction:

Thank you for your reply.

Response 1

Comments:

We have attached an updated RF-1 form. When this form was prepared there was a typo on the estimated maximum increase. Instead of 12.3% it is supposed to be 22.3%.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	NAIC loss cost data entry document
Comments:	
Attachment(s):	
FORM RF-1 Rate Filing Abstract.pdf	
<i>Previous Version</i>	
Satisfied - Item:	NAIC loss cost data entry document
Comments:	
Attachment(s):	
FORM RF-1 Rate Filing Abstract.pdf	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Please let us know if you need anything additional for the Commissioner's review.

Sincerely,

William Bradford

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Note To Reviewer

Created By:

William Bradford on 12/06/2012 01:32 PM

Last Edited By:

Alexa Grissom

Submitted On:

12/06/2012 04:08 PM

Subject:

Checking on status

Comments:

Ms. Grissom:

I am sure that the revised filing needs to be run through the Commissioner. One of our senior actuaries is asking me to find out who they need to call to discuss the status of this filing.

Should they start with you or do they need to speak with someone else?

Thank you!!

Bill Bradford

State: Arkansas **Filing Company:** Republic Underwriters Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Post Submission Update Request Processed On 12/06/2012

Status: Allowed
Created By: William Bradford
Processed By: Alexa Grissom
Comments:

General Information:

Field Name	Requested Change	Prior Value
Effective Date Requested (New)	02/01/2013	12/15/2012
Effective Date Requested (Renew)	03/01/2013	01/15/2013

Company Rate Information:

Company Name: Republic Underwriters Insurance Company

Field Name	Requested Change	Prior Value
Overall % Rate Impact	10.200%	15.000%
Written Premium Change for this Program	\$420227	\$617980

SERFF Tracking #:

TRGR-128677298

State Tracking #:

Company Tracking #:

12-507

State: Arkansas
 TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
 Product Name: Republic RoadMaster(sm) Personal Automobile Program
 Project Name/Number: Rate Revision/

Filing Company: Republic Underwriters Insurance Company

Rate Information

Rate data applies to filing.

Filing Method: File and Use (20 day period)
 Rate Change Type: Increase
 Overall Percentage of Last Rate Revision: 5.000%
 Effective Date of Last Rate Revision: 12/15/2011
 Filing Method of Last Filing: File and Use (20 day period)

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 req'd):	Minimum % Change (where req'd):
Republic Underwriters Insurance Company	15.600%	10.200%	\$420,227	3,400	\$4,119,868	%	%

SERFF Tracking #:

TRGR-128677298

State Tracking #:**Company Tracking #:**

12-507

State:

Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number:

Rate Revision/

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 12/06/2012	Base Rates	R-1	Replacement	TRGR-127657330	AR PA Class Section 1212 rate rev.pdf
2	Filed 12/06/2012	Accident Free Factors	C-14	Replacement	TRGR-127657330	accident free.pdf
3	Filed 12/06/2012	Withdrawn		Withdrawn		

1. Base Rates

Coverage	Base Limit	Base Rate
BI	25,000/50,000	\$193.44
PD	25,000	\$186.12
MP (MP portion only)	5,000	\$73.06
UMBI	25,000/50,000	\$30.41
UIM	25,000/50,000	\$25.03
UMPD	25,000; 200 deductible	\$22.27
Comprehensive	100 deductible	\$300.53
Collision	250 deductible	\$425.43

Table R.1., Base Rates

2. Territory Factors

Territory	BI	PD	MP	UM-BI/UIM	UMPD	Comp	Coll
1	0.95	1.04	1.01	0.97	1.04	1.07	1.02
2	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3	0.92	0.90	0.98	1.00	1.08	1.32	1.06
4	0.92	0.88	0.99	1.01	1.07	1.39	1.06
5	0.91	0.89	0.99	1.02	1.07	1.43	1.07
6	0.92	0.90	1.01	1.02	1.09	1.47	1.09
7	0.93	0.92	0.99	1.03	1.06	1.37	1.08
8	0.94	0.94	0.99	1.06	1.06	1.39	1.09
9	0.97	0.92	1.03	1.06	1.10	1.54	1.08
10	0.95	0.89	0.97	1.03	1.10	1.46	1.05
11	1.13	1.05	1.01	1.03	1.04	1.18	1.04
12	1.00	0.95	1.01	1.01	1.06	1.42	1.04
13	1.01	0.95	1.07	1.08	1.06	1.51	1.06
14	1.00	0.94	1.01	1.07	0.99	1.32	0.97
15	1.03	0.95	1.03	1.06	1.00	1.44	0.99
16	1.00	0.90	1.02	1.08	1.05	1.49	1.05
17	1.04	0.95	1.01	1.04	1.07	1.40	1.04
18	1.03	0.94	1.00	1.05	1.08	1.47	1.05
19	1.04	0.92	1.05	1.05	1.02	1.57	1.02
20	1.14	1.02	1.02	1.05	1.04	1.16	1.04
21	1.15	0.97	1.12	1.06	1.02	1.26	1.03
22	1.14	1.01	1.03	1.11	1.04	1.22	1.07
23	1.00	0.94	1.00	1.01	1.06	1.46	1.08
24	1.10	1.04	1.02	1.01	1.08	1.37	1.09
25	0.96	0.90	1.03	1.02	1.11	1.72	1.12
26	0.92	0.85	0.99	1.00	1.09	1.55	1.05
27	0.93	0.90	1.04	0.99	1.09	1.69	1.12
28	0.94	0.90	1.04	0.99	1.07	1.69	1.11
29	0.94	0.89	1.03	1.01	1.08	1.72	1.10
30	0.94	0.88	1.01	1.02	1.06	1.79	1.09
31	0.96	0.89	1.02	1.00	1.06	1.70	1.10
32	0.98	0.90	0.99	1.00	1.06	1.50	1.13

4. YOUTHFUL DRIVER DISCOUNTS, (cont'd)

Market Tier	Age	Dr. Trn.	Gd. Std.	Dst. Std.	BI	PD	MP	Comp	Coll
Non-Standard	22	Yes	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	22	Yes	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	22	Yes	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	22	Yes	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	Yes	Yes	1.00	1.00	1.00	1.00	1.00

Table 4.C., Youthful Discount Factors, Non-Standard Tier

5. POLICY ACCIDENT-FREE DISCOUNT

Tenure (Policy Mod)	Market Tier	Named Insured Years Licensed	Years Clean	BI	PD	MP	Comp	Coll
0	Preferred	0-4	any	1.00	1.00	1.00	1.00	1.00
0	Preferred	5+	<3	1.00	1.00	1.00	1.00	1.00
0	Preferred	5+	3	0.97	0.97	0.97	0.98	0.97
0	Preferred	5+	4	0.94	0.94	0.94	0.96	0.94
0	Preferred	5+	5	0.84	0.84	0.84	0.90	0.84
0	Standard	0-4	any	1.00	1.00	1.00	1.00	1.00
0	Standard	5+	<3	1.00	1.00	1.00	1.00	1.00
0	Standard	5+	3	0.96	0.96	0.96	0.98	0.96
0	Standard	5+	4	0.93	0.93	0.93	0.96	0.93
0	Standard	5+	5	0.89	0.89	0.89	0.94	0.89
0	Non-Standard	0-4	any	1.00	1.00	1.00	1.00	1.00
0	Non-Standard	5+	<3	1.00	1.00	1.00	1.00	1.00
0	Non-Standard	5+	3	0.92	0.92	0.92	0.99	0.92

SERFF Tracking #:

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Company Tracking #:

12-507

State: Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name: Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number: Rate Revision/

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	A-1 Private Passenger Auto Abstract	Filed	12/06/2012
Comments:			
Attachment(s):			
Form A-1.pdf			

		Item Status:	Status Date:
Satisfied - Item:	APCS-Auto Premium Comparison Survey	Filed	12/06/2012
Comments:			
Attachment(s):			
PPA Survey FORM APCS.pdf			
PPA Survey FORM APCS.xls			

		Item Status:	Status Date:
Satisfied - Item:	NAIC loss cost data entry document	Filed	12/06/2012
Comments:			
Attachment(s):			
FORM RF-1 Rate Filing Abstract.pdf			

		Item Status:	Status Date:
Bypassed - Item:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	12/06/2012
Bypass Reason:	N/A		

		Item Status:	Status Date:
Satisfied - Item:	Actuarial Memorandum and Support	Filed	12/06/2012
Comments:	Tiering information is in the actuarial exhibits.		
Highlighted changes are attached.			

SERFF Tracking #:

TRGR-128677298

State Tracking #:

Company Tracking #:

12-507

State:

Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number:

Rate Revision/

Attachment(s):

Actuarial Memorandum (eff 2012-12-15).pdf

Filing Exhibits.pdf

comparison 2.pdf

comparison.pdf

comparison 3.pdf

ARKANSAS INSURANCE DEPARTMENT

FORM A-1
Rev. 4/98

PRIVATE PASSENGER AUTOMOBILE ABSTRACT

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

Company Name **Republic Underwriters Insurance Company**

NAIC No. **24538**

Group No. **3489**

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

No

2. Do you furnish a market for young drivers? **yes**

Over age 65 drivers? **yes**

3. Do you require collateral business to support a youthful driver risk? **no**

4. Do you insure driver with an international or foreign driver's license? **yes**

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

- | | | |
|----|-------------------------|------------------|
| a. | Driver Over 55 | 10% |
| b. | Good Student Discount | up to 17% |
| c. | Multi-car Discount | up to 20% |
| d. | Accident Free Discount* | 3 - 19% |

*Please Specify Qualification for Discount **All drivers on the policy must have no at-fault accidents or major violations in the past 3 years. Larger discounts are available if criteria are met for the past 4-5 years.**

- | | | |
|----|---|------------------|
| e. | Anti-theft Discount | 2 - 5% |
| f. | Other (specify) | |
| | Hybrid Auto Discount | up to 10% |
| | New Vehicle Discount | up to 15% |
| | Passive Restraints Discount | 2 - 10% |
| | Corporate Car Discount | 15% |
| | Policy Discount (Advanced Quote, Pay-In-Full, and/or Multi-Policy) | 2 - 22% |
| | Youthful Driver Training Discount | up to 3% |
| | Youthful Distant Student Discount | up to 20% |
| | College Graduate Scholastic Achievement Discount | 5% |

6. Do you have an installment payment plan for automobile insurance? **yes**

If so, what is the fee for installment payments? **\$3-\$5 for mail-in payments, no fee for EFT**

7. Does your company utilize a tiered rating plan? **Yes** If so, list the programs and percentage difference. State the current volume for each program.

Tier	Distribution	Percentage Difference*
1	4.1%	-24%
2	10.1%	-21%
3	8.8%	-18%
4	10.8%	-14%
5	10.1%	-10%
6	10.2%	-4%
7	11.7%	0%
8	16.1%	15%
9	6.2%	22%
10	5.4%	27%
11	2.9%	32%
12	3.0%	40%
13	0.3%	61%
14	0.1%	74%
15	0.1%	89%
16	0.0%	114%
17	0.0%	183%

* Base Tier 7, difference for BI/PD coverages.

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


Signature

SR PRODUCTS FILING SP.
Title

972-788-6617
Telephone Number

Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified May 2012

NAIC Number: 24538
Company Name: Republic Underwriters Insurance Company
Contact Person: Bill Bradford
Telephone No.: 972-788-6617
Email Address: billbradford@republicgroup.com
Effective Date: 3/1/2013

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	2 - 10	%
AUTO/HOMEOWNERS	5 - 15	%
GOOD STUDENT	3 - 17	%
ANTI-THEFT DEVICE	2 - 5	%
Over 55 Defensive Driver Discount	10	%
\$250/\$500 Deductible Comp./Coll.	21-25% / 8-13	%

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
2008 4.8L Chevrolet Silverado 1500 LS 2WD regular cab 119" WB	Minimum Liability			\$1,572	\$1,842	\$623	\$526	\$1,523	\$1,782	\$611	\$517	\$1,935	\$2,274	\$756	\$634	\$1,510	\$1,766	\$605	\$513	\$1,682	\$1,971	\$667	\$562
	Minimum Liability with Comprehensive and Collision			\$2,483	\$3,047	\$1,034	\$793	\$2,575	\$3,153	\$1,104	\$838	\$2,816	\$3,446	\$1,150	\$887	\$2,716	\$3,328	\$1,179	\$887	\$2,631	\$3,220	\$1,103	\$843
	100/300/50 Liability with Comprehensive and Collision			\$2,766	\$3,374	\$1,164	\$909	\$2,869	\$3,494	\$1,241	\$959	\$3,186	\$3,878	\$1,314	\$1,031	\$3,007	\$3,664	\$1,314	\$1,007	\$2,960	\$3,601	\$1,251	\$974
2009 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability			\$1,636	\$1,916	\$646	\$544	\$1,585	\$1,853	\$633	\$536	\$2,011	\$2,363	\$783	\$658	\$1,572	\$1,837	\$627	\$531	\$1,752	\$2,050	\$691	\$582
	Minimum Liability with Comprehensive and Collision			\$2,617	\$3,211	\$1,091	\$833	\$2,718	\$3,329	\$1,165	\$882	\$2,962	\$3,627	\$1,211	\$932	\$2,872	\$3,517	\$1,248	\$936	\$2,775	\$3,396	\$1,164	\$888
	100/300/50 Liability with Comprehensive and Collision			\$2,908	\$3,547	\$1,224	\$951	\$3,020	\$3,680	\$1,305	\$1,006	\$3,344	\$4,071	\$1,378	\$1,078	\$3,170	\$3,864	\$1,387	\$1,058	\$3,112	\$3,789	\$1,314	\$1,020
2010 Honda Odyssey "EX"	Minimum Liability			\$1,233	\$1,436	\$504	\$429	\$1,198	\$1,392	\$496	\$425	\$1,507	\$1,763	\$606	\$513	\$1,188	\$1,381	\$492	\$422	\$1,320	\$1,537	\$538	\$459
	Minimum Liability with Comprehensive and Collision			\$2,286	\$2,819	\$980	\$744	\$2,399	\$2,951	\$1,059	\$796	\$2,547	\$3,134	\$1,072	\$819	\$2,554	\$3,142	\$1,142	\$849	\$2,419	\$2,973	\$1,044	\$790
	100/300/50 Liability with Comprehensive and Collision			\$2,511	\$3,076	\$1,091	\$845	\$2,633	\$3,219	\$1,176	\$902	\$2,838	\$3,470	\$1,210	\$942	\$2,785	\$3,407	\$1,257	\$953	\$2,678	\$3,273	\$1,169	\$903
2011 Toyota Camry 2.5L 4 door Sedan	Minimum Liability			\$1,389	\$1,618	\$559	\$477	\$1,349	\$1,567	\$551	\$471	\$1,693	\$1,978	\$672	\$569	\$1,340	\$1,555	\$546	\$466	\$1,488	\$1,730	\$599	\$509
	Minimum Liability with Comprehensive and Collision			\$2,732	\$3,374	\$1,173	\$883	\$2,884	\$3,550	\$1,277	\$950	\$3,025	\$3,728	\$1,277	\$967	\$3,083	\$3,797	\$1,383	\$1,021	\$2,894	\$3,561	\$1,252	\$939
	100/300/50 Liability with Comprehensive and Collision			\$2,975	\$3,653	\$1,291	\$988	\$3,136	\$3,841	\$1,399	\$1,060	\$3,341	\$4,095	\$1,423	\$1,097	\$3,334	\$4,084	\$1,505	\$1,130	\$3,175	\$3,885	\$1,384	\$1,057
2011 Cadillac Seville CTS AWD WAG 4 door 3.0L	Minimum Liability			\$1,426	\$1,665	\$573	\$485	\$1,384	\$1,611	\$562	\$479	\$1,746	\$2,045	\$690	\$582	\$1,373	\$1,599	\$558	\$475	\$1,526	\$1,781	\$611	\$518
	Minimum Liability with Comprehensive and Collision			\$3,229	\$4,010	\$1,400	\$1,041	\$3,437	\$4,255	\$1,538	\$1,129	\$3,546	\$4,395	\$1,511	\$1,131	\$3,700	\$4,579	\$1,680	\$1,223	\$3,418	\$4,229	\$1,495	\$1,107
	100/300/50 Liability with Comprehensive and Collision			\$3,482	\$4,302	\$1,521	\$1,149	\$3,700	\$4,559	\$1,664	\$1,243	\$3,876	\$4,779	\$1,662	\$1,264	\$3,960	\$4,879	\$1,805	\$1,334	\$3,711	\$4,568	\$1,631	\$1,228
2010 Hyundai Santa Fe SE 4x2	Minimum Liability			\$1,365	\$1,595	\$550	\$467	\$1,325	\$1,544	\$542	\$462	\$1,673	\$1,959	\$665	\$562	\$1,315	\$1,531	\$537	\$458	\$1,461	\$1,706	\$589	\$499
	Minimum Liability with Comprehensive and Collision			\$2,627	\$3,242	\$1,129	\$851	\$2,775	\$3,413	\$1,231	\$916	\$2,920	\$3,594	\$1,233	\$935	\$2,965	\$3,649	\$1,334	\$985	\$2,785	\$3,426	\$1,207	\$907
	100/300/50 Liability with Comprehensive and Collision			\$2,873	\$3,525	\$1,248	\$957	\$3,031	\$3,707	\$1,356	\$1,027	\$3,240	\$3,966	\$1,380	\$1,066	\$3,218	\$3,940	\$1,456	\$1,094	\$3,068	\$3,753	\$1,341	\$1,026

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	12-507
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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	
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Company Name		Company NAIC Number		
3.	A.	Republic Underwriters Insurance Company	B.	24538

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 Auto

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
BI	6.9%	6.9%					
PD	12.4%	12.3%					
PIP	25.9%	25.5%					
UMBI	10.9%	10.7%					
UMPD	28.6%	27.8%					
Comprehensive	36.1%	29.9%					
Collision	13.8%	0.0%					
TOTAL OVERALL EFFECT	15.3%	10.2%					

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
2011	4,161	5.0%	12/15/11	3,353	2,012	60.0%	68.7%
2010	2,519	-		1,794	965	53.8%	68.4%
2009	794	New	1/26/09	390	247	63.3%	69.8%
2008							62.7%
2007							56.0%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	20.5 / 20.2%
B. General Expense	8.2 / 8.2%
C. Taxes, License & Fees	3.6% / 3.6%
D. Underwriting Profit & Contingencies	2.6% / 3.1%
E. Reinsurance (Phys Dmg)	0.1%
F. TOTAL	34.9 / 35.2%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 18.7% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
10. -6.8% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): _____

ACTUARIAL FILING MEMORANDUM
Arkansas Republic Roadmaster Auto Program
Republic Underwriters Insurance Company

The Republic Group proposes a +15.0% rate change for our Roadmaster Auto Program written in Republic Underwriters Insurance Company. Our indicated overall rate change is +15.6%. Proposed effective dates are December 15, 2012 for new business and January 15, 2013 for renewals. Our last rate change for the Roadmaster program was on December 15, 2011.

The overall change includes modifications to the excluded driver tier points and vehicle coverage tier points.

Base rates are offset as necessary to achieve the overall average effect by coverage, as shown below.

Coverage	Effect
Bodily Injury (BI)	6.9%
Property Damage (PD)	12.3%
Personal Injury Protection (PIP)	25.5%
Uninsured Motorist BI (UMBI)	10.7%
Uninsured Motorist PD (UMPD)	27.8%
Comprehensive (CP)	35.9%
Collision (CL)	13.2%
Miscellaneous Coverages*	0.0%
Total	15.0%

* Includes Accidental Death & Disability, Deluxe Package Endorsement, Extended Non-Owned Endorsement, Limited Mexico Endorsement, Rental Reimbursement, and Towing coverage.

The following exhibits provide rate indications and further details on each of the rate changes.

Exhibit 1: Statewide Rate Level Indications Summary

Exhibit provides a summary of rate level indications and selected changes by coverage. Coverage summaries for liability and physical damage are shown, along with the all-coverage total.

Exhibit 2: Statewide Rate Level Indications by Coverage

This is a detailed set of exhibits illustrating the calculation of rate level indications for individual coverages.

Coverage	Exhibits 2-6
Bodily Injury (BI)	Sheet 1
Property Damage (PD)	Sheet 2
Personal Injury Protection (PIP)	Sheet 3
Uninsured Motorist BI (UMBI)	Sheet 4
Uninsured Motorist PD (UMPD)	Sheet 5
Comprehensive (CP)	Sheet 6
Collision (CL)	Sheet 7

ACTUARIAL FILING MEMORANDUM
Arkansas Republic Roadmaster Auto Program
Republic Underwriters Insurance Company

The weighted loss ratio is determined by calculating trended ultimate losses and trended premiums at current rate level for fiscal accident years 3/31/2010, 3/31/2011, and 3/31/2012 and weighting them together. The indicated rate level change is calculated based on information from expense exhibits. Credibility is calculated using incurred claim counts and the 1,082 standard. The complement of credibility is the net trend selection. Indicated statewide rate level changes include credibility considerations.

Exhibit 3: Loss Development

Loss development triangles are provided by coverage based on Republic Group countrywide experience. Evaluations are provided at 12, 24, 36, 48, 60, 72, 84, and 96 month periods for accident year ending 3/31/2012. Selected link ratios are shown at the bottom of the page, along with calculated LDF to ultimate development factors.

Exhibit 4: Loss Trend

Frequency, severity, and pure premium loss trends by coverage are shown for AR Roadmaster experience and industry Fast Track. Trend selections are made for frequency and severity, and pure premium results are calculated using these selections. Industry data is given more consideration in the trend selection process at this point, due to lack of credibility of company data.

Exhibit 5: Premium On Level Factors

This exhibit provides a history of rate changes by coverage and resulting on-level factors for each fiscal year ending 3/31. Premiums are brought to current rate level using the parallelogram method.

Exhibit 6: Premium Trend

Average earned premiums by coverage for Arkansas Roadmaster data are shown for each year-quarter on a rolling four quarter basis. Trend selections are based on the 4-, and 8- point fits.

Exhibit 7: Loss Adjustment Expenses (LAE)

Sheets 1-3 show LAE data for liability coverages and sheets 4-6 for physical damage coverages. Sheets 1 and 4 provide a summary of selected Allocated LAE and Unallocated LAE provisions and the resulting total LAE provision for the line of business. Development of Allocated Loss Adjustment Expenses (ALAE) is shown on an Incurred and Paid Basis on Sheets 2 and 5. Development of Unallocated Loss Adjustment Expense (ULAE) is shown on Sheets 4 and 6.

ACTUARIAL FILING MEMORANDUM
Arkansas Republic Roadmaster Auto Program
Republic Underwriters Insurance Company

Exhibit 8: Expense Provisions

A summary of variable and fixed expense components is provided on Sheet 1, along with calculation of the Permissible Loss, LAE, and Fixed Expense Ratio. Sheet 2 lists the expense component accounting data by calendar year for Liability and Sheet 3 for Physical Damage coverages. Selected expense ratios are shown on the far right side of the page. Sheet 4 provides policy fee data and ratio to written premiums.

Exhibit 9: Profit Provision

The Republic Group targets an after-tax return on equity of 12%. On Sheet 1, the resulting target pre-tax underwriting profit is 2.2% for liability coverages. Sheet 4 shows the resulting 3.1% pre-tax underwriting profit target for physical damage coverages. Sheets 2 and 5 provide the Estimated Investment Earnings on Loss and Loss Adjustment Expense Reserves. Sheets 3 and 6 provide Estimated Investment Earnings on Unearned Premium Reserves. Calculation of the After-Tax Investment Rate of Return is shown on Sheet 7.

Exhibit 10: Catastrophe Load

Historical experience for Arkansas is very limited with 3 years of data. Normally, we consider 10 or more years of catastrophe data in determining the average load. With no other sources of information, the 3-year average is selected. This could change dramatically in the future based on gathering more years experience. This is applied to non-cat comprehensive coverage losses in development of the indication.

Exhibit 11: Underwriting Tier Criteria Changes

The purpose of these tier modifications is to make the renewal and endorsement process more seamless and straight forward for the insured.

Excluded Driver on Policy points are being modified. The revised criterion is assigning equal points to policies with and without excluded drivers. This change will not affect the tier factor relativities or maximum number of tier points possible.

Full vs. Some Coverage on Policy points are being modified. Policies that had multiple vehicles but didn't have full comprehensive and collision coverage on all vehicles are being assigned an equal amount of points as policies that have full coverage on all vehicles.

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Statewide Rate Level Indications
Bodily Injury
Data as of: 3/31/2012

Proposed Effective Dates
New: 12/15/2012
Renewal: 1/15/2013

Losses

Fiscal Year Ending	(1)	(2)	(3)	(4)	(5)	(6)
	Incurred	Development Factor	Ultimate	Trend Factors	Projection Factor 1/15/2014	Trended Ultimate
3/31/2010	29,778	1.017	30,287	1.040	1.070	33,717
3/31/2011	313,881	1.109	347,967	1.020	1.070	379,783
3/31/2012	341,357	1.774	605,484	1.000	1.070	647,888

Premiums & Loss Ratio

Fiscal Year Ending	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	Actual	Onlevel Factor	at Current Rate	Trend Factors	On-Level at Current Amounts	Projection Factor 1/15/2014	Trended at Current Rate Level	Trended Ultimate On-Level Loss Ratio	Weights
3/31/2010	149,069	1.037	154,584	0.968	149,708	1.000	149,708	22.5%	0.10
3/31/2011	492,065	1.037	510,272	1.000	510,287	1.000	510,287	74.4%	0.30
3/31/2012	830,247	1.036	860,208	1.000	860,208	1.000	860,208	75.3%	0.60

Indication

(16) Premium Weighted Loss Ratio	69.8%	(26)	(27)
(17) Loss Adjustment Expense	16.0%	Fiscal Year	Incurred
(18) Loss and LAE Ratio	81.0%	Ending	Car Years
(19) Variable Expenses	23.0%		Claim Counts
(20) Fixed Expenses	11.7%	3/31/2010	3
(21) Indicated Rate Level Change	20.4%	3/31/2011	26
(22) Complement of Credibility	3.0%	3/31/2012	32
(23) Credibility Table Value	0.237		
(24) Indicated Statewide Rate Level Change	7.1%		
(25) Selected Statewide Rate Level Change	6.9%		

Notes:

- | | |
|-------------------------|--|
| (2) is from Exhibit 3. | (14) = (6) / (13). |
| (3) = (1) x (2). | (16) = average of (14) weighted by (15). |
| (4) is from Exhibit 4. | (17) is from Exhibit 7. |
| (5) is from Exhibit 4. | (18) = (16) x [1+ (17)] |
| (6) = (3) x (4) x (5). | (19) is from Exhibit 8. |
| (8) is from Exhibit 5. | (20) is from Exhibit 8. |
| (9) = (7) x (8). | (21) = [((18) + (20)) / (1-(19))]-1. |
| (10) is from Exhibit 6. | (22) is the net trend, trended from the last rate change to 1/15/2013. |
| (11) = (9) x (10). | (23) = SQRT [Sum (27) / 1082] |
| (12) is from Exhibit 6. | (24) = [(21) x (23)] + [(22) x(1-(23))] |
| (13) = (11) x (12). | (25) is selected by Republic. |

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Statewide Rate Level Indications
Property Damage
Data as of: 3/31/2012

Exhibit 2
Sheet 2

Proposed Effective Dates

New: 12/15/2012
Renewal: 1/15/2013

Losses

	(1)	(2)	(3)	(4)	(5)	(6)
Fiscal Year Ending	Incurred	Development Factor	Ultimate	Trend Factors	Projection Factor 1/15/2014	Trended Ultimate
3/31/2010	77,077	1.000	77,077	1.020	1.046	82,274
3/31/2011	267,235	1.005	268,571	1.010	1.046	283,841
3/31/2012	429,831	1.055	453,580	1.000	1.046	474,622

Premiums & Loss Ratio

	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Fiscal Year Ending	Actual	Onlevel Factor	at Current Rate	Trend Factors	On-Level at Current Amounts	Projection Factor 1/15/2014	Trended at Current Rate Level	Trended Ultimate On-Level Loss Ratio	Weights
3/31/2010	120,551	1.039	125,253	0.949	118,809	0.977	116,076	70.9%	0.10
3/31/2011	395,411	1.039	410,832	0.991	407,095	0.977	397,732	71.4%	0.30
3/31/2012	663,781	1.038	689,029	1.000	689,029	0.977	673,181	70.5%	0.60

Indication

(16) Premium Weighted Loss Ratio	70.8%	(26)	(27)
(17) Loss Adjustment Expense	16.0%	Fiscal Year Ending	Earned Car Years
(18) Loss and LAE Ratio	82.1%		Incurred Claim Counts
(19) Variable Expenses	23.0%		
(20) Fixed Expenses	11.7%	3/31/2010	334
(21) Indicated Rate Level Change	21.8%	3/31/2011	1,117
(22) Complement of Credibility	3.0%	3/31/2012	1,891
(23) Credibility Table Value	0.493		155
(24) Indicated Statewide Rate Level Change	12.3%		
(25) Selected Statewide Rate Level Change	12.3%		

Notes:

- (2) is from Exhibit 3.
- (3) = (1) x (2).
- (4) is from Exhibit 4.
- (5) is from Exhibit 4.
- (6) = (3) x (4) x (5).
- (8) is from Exhibit 5.
- (9) = (7) x (8).
- (10) is from Exhibit 6.
- (11) = (9) x (10).
- (12) is from Exhibit 6.
- (13) = (11) x (12).
- (14) = (6) / (13).
- (16) = average of (14) weighted by (15).
- (17) is from Exhibit 7.
- (18) = (16) x [1+ (17)]
- (19) is from Exhibit 8.
- (20) is from Exhibit 8.
- (21) = [((18) + (20)) / (1-(19))]-1.
- (22) is the net trend, trended from the last rate change to 1/15/2013.
- (23) = SQRT [Sum (27) / 1082]
- (24) = [(21) x (23)] + [(22) x(1-(23))]
- (25) is selected by Republic.

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Statewide Rate Level Indications
Personal Injury Protection
Data as of: 3/31/2012

Proposed Effective Dates
New: 12/15/2012
Renewal: 1/15/2013

Losses

Fiscal Year Ending	(1)	(2)	(3)	(4)	(5) Projection Factor 1/15/2014	(6) Trended Ultimate
	Incurred	Development Factor	Ultimate	Trend Factors		
3/31/2010	20,308	1.010	20,511	1.125	1.118	25,810
3/31/2011	69,323	1.050	72,817	1.061	1.118	86,375
3/31/2012	150,372	1.077	161,899	1.000	1.118	181,037

Premiums & Loss Ratio

Fiscal Year Ending	(7) Earned Premiums Actual	(8) Onlevel Factor	(9) at Current Rate	(10) Trend Factors	(11) On-Level at Current Amounts	(12) Projection Factor 1/15/2014	(13) Trended at Current Rate Level	(14) Trended Ultimate On-Level Loss Ratio	(15) Weights
	3/31/2010	20,011	1.213	24,273	1.030	25,010	1.000	25,010	103.2%
3/31/2011	69,181	1.213	83,916	1.001	83,995	1.000	83,995	102.8%	0.30
3/31/2012	116,943	1.208	141,229	1.000	141,229	1.000	141,229	128.2%	0.60

Indication

(16) Premium Weighted Loss Ratio	118.1%	(26)	(27)
(17) Loss Adjustment Expense	16.0%	Fiscal Year	Earned
(18) Loss and LAE Ratio	137.0%	Ending	Car Years
(19) Variable Expenses	23.0%		Claim Counts
(20) Fixed Expenses	11.7%	3/31/2010	257
(21) Indicated Rate Level Change	93.2%	3/31/2011	879
(22) Complement of Credibility	5.0%	3/31/2012	1,489
(23) Credibility Table Value	0.243		
(24) Indicated Statewide Rate Level Change	26.4%		
(25) Selected Statewide Rate Level Change	25.5%		

Notes:

- | | |
|-------------------------|--|
| (2) is from Exhibit 3. | (14) = (6) / (13). |
| (3) = (1) x (2). | (16) = average of (14) weighted by (15). |
| (4) is from Exhibit 4. | (17) is from Exhibit 7. |
| (5) is from Exhibit 4. | (18) = (16) x [1+ (17)] |
| (6) = (3) x (4) x (5). | (19) is from Exhibit 8. |
| (8) is from Exhibit 5. | (20) is from Exhibit 8. |
| (9) = (7) x (8). | (21) = [((18) + (20)) / (1-(19))]-1. |
| (10) is from Exhibit 6. | (22) is the net trend, trended from the last rate change to 1/15/2013. |
| (11) = (9) x (10). | (23) = SQRT [Sum (27) / 1082] |
| (12) is from Exhibit 6. | (24) = [(21) x (23)] + [(22) x(1-(23))] |
| (13) = (11) x (12). | (25) is selected by Republic. |

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Statewide Rate Level Indications
Uninsured Motorist Bodily Injury
Data as of: 3/31/2012

Proposed Effective Dates
New: 12/15/2012
Renewal: 1/15/2013

Losses

Fiscal Year Ending	(1)	(2)	(3)	(4)	(5) Projection	(6)
	Incurred	Development Factor	Ultimate	Trend Factors	Factor 1/15/2014	Trended Ultimate
3/31/2010	13,250	1.124	14,887	1.040	1.083	16,767
3/31/2011	30,781	1.348	41,500	1.020	1.083	45,825
3/31/2012	177,000	2.427	429,546	1.000	1.083	465,011

Premiums & Loss Ratio

Fiscal Year Ending	(7) Earned Premiums	(8)	(9)	(10)	(11)	(12)	(13)	(14) Trended Ultimate On-Level Loss Ratio	(15) Weights
	Actual	Onlevel Factor	at Current Rate	Trend Factors	On-Level at Current Amounts	Projection Factor 1/15/2014	Trended at Current Rate Level		
3/31/2010	51,606	1.000	51,606	1.026	52,935	1.000	52,935	31.7%	0.10
3/31/2011	179,771	1.000	179,771	1.002	180,065	1.000	180,065	25.4%	0.30
3/31/2012	305,498	1.000	305,498	1.000	305,498	1.000	305,498	152.2%	0.60

Indication

(16) Premium Weighted Loss Ratio	102.1%	(26)	(27)
(17) Loss Adjustment Expense	16.0%	Fiscal Year	Earned
(18) Loss and LAE Ratio	118.4%	Ending	Car Years
(19) Variable Expenses	23.0%		Claim Counts
(20) Fixed Expenses	11.7%	3/31/2010	296
(21) Indicated Rate Level Change	69.1%	3/31/2011	1,024
(22) Complement of Credibility	3.5%	3/31/2012	1,749
(23) Credibility Table Value	0.129		
(24) Indicated Statewide Rate Level Change	12.0%		
(25) Selected Statewide Rate Level Change	10.7%		

Notes:

- | | |
|-------------------------|--|
| (2) is from Exhibit 3. | (14) = (6) / (13). |
| (3) = (1) x (2). | (16) = average of (14) weighted by (15). |
| (4) is from Exhibit 4. | (17) is from Exhibit 7. |
| (5) is from Exhibit 4. | (18) = (16) x [1+ (17)] |
| (6) = (3) x (4) x (5). | (19) is from Exhibit 8. |
| (8) is from Exhibit 5. | (20) is from Exhibit 8. |
| (9) = (7) x (8). | (21) = [((18) + (20)) / (1-(19))]-1. |
| (10) is from Exhibit 6. | (22) is the net trend, trended from the last rate change to 1/15/2013. |
| (11) = (9) x (10). | (23) = SQRT [Sum (27) / 1082] |
| (12) is from Exhibit 6. | (24) = [(21) x (23)] + [(22) x(1-(23))] |
| (13) = (11) x (12). | (25) is selected by Republic. |

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Statewide Rate Level Indications
Uninsured Motorist Property Damage
Data as of: 3/31/2012

Proposed Effective Dates
New: 12/15/2012
Renewal: 1/15/2013

Losses

Fiscal Year Ending	(1) Incurred	(2) Development Factor	(3) Ultimate	(4) Trend Factors	(5) Projection Factor 1/15/2014	(6) Trended Ultimate
3/31/2010	7,242	1.000	7,242	1.020	1.023	7,558
3/31/2011	109,917	0.990	108,818	1.010	1.023	112,440
3/31/2012	92,242	1.000	92,232	1.000	1.023	94,358

Premiums & Loss Ratio

Fiscal Year Ending	(7) Earned Premiums Actual	(8) Onlevel Factor	(9) at Current Rate	(10) Trend Factors	(11) On-Level at Current Amounts	(12) Projection Factor 1/15/2014	(13) Trended at Current Rate Level	(14) Trended Ultimate On-Level Loss Ratio	(15) Weights
3/31/2010	12,787	1.192	15,242	1.009	15,382	1.000	15,382	49.1%	0.10
3/31/2011	44,248	1.192	52,743	0.997	52,606	1.000	52,606	213.7%	0.30
3/31/2012	76,066	1.187	90,306	1.000	90,306	1.000	90,306	104.5%	0.60

Indication

(16) Premium Weighted Loss Ratio	131.7%	(26)	(27)
(17) Loss Adjustment Expense	16.0%	Fiscal Year	Earned
(18) Loss and LAE Ratio	152.8%	Ending	Car Years
(19) Variable Expenses	23.0%		Claim Counts
(20) Fixed Expenses	11.7%	3/31/2010	291
(21) Indicated Rate Level Change	113.8%	3/31/2011	1,006
(22) Complement of Credibility	1.0%	3/31/2012	1,723
(23) Credibility Table Value	0.243		
(24) Indicated Statewide Rate Level Change	28.4%		
(25) Selected Statewide Rate Level Change	27.8%		

Notes:

- | | |
|-------------------------|--|
| (2) is from Exhibit 3. | (14) = (6) / (13). |
| (3) = (1) x (2). | (16) = average of (14) weighted by (15). |
| (4) is from Exhibit 4. | (17) is from Exhibit 7. |
| (5) is from Exhibit 4. | (18) = (16) x [1+ (17)] |
| (6) = (3) x (4) x (5). | (19) is from Exhibit 8. |
| (8) is from Exhibit 5. | (20) is from Exhibit 8. |
| (9) = (7) x (8). | (21) = [((18) + (20)) / (1-(19))]-1. |
| (10) is from Exhibit 6. | (22) is the net trend, trended from the last rate change to 1/15/2013. |
| (11) = (9) x (10). | (23) = SQRT [Sum (27) / 1082] |
| (12) is from Exhibit 6. | (24) = [(21) x (23)] + [(22) x(1-(23))] |
| (13) = (11) x (12). | (25) is selected by Republic. |

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Statewide Rate Level Indications
Comprehensive
Data as of: 3/31/2012

Proposed Effective Dates

New: 12/15/2012
Renewal: 1/15/2013

Losses

	(1)	(1a)	(2)	(3)	(4)	(5)	(6)
Fiscal Year Ending	NonCat Incurred	Cat Factor	Development Factor	Ultimate	Trend Factors	Projection Factor 1/15/2014	Trended Ultimate
3/31/2010	66,204	1.20	1.000	79,445	1.082	1.095	94,137
3/31/2011	206,518	1.20	1.000	247,822	1.040	1.095	282,250
3/31/2012	371,273	1.20	1.050	467,804	1.000	1.095	512,103

Premiums & Loss Ratio

	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Fiscal Year Ending	Actual	Onlevel Factor	at Current Rate	Trend Factors	On-Level at Current Amounts	Projection Factor 1/15/2014	Trended at Current Rate Level	Trended Ultimate On-Level Loss Ratio	Weights
3/31/2010	87,539	1.131	99,007	0.990	98,049	1.023	100,304	93.9%	0.10
3/31/2011	288,376	1.131	326,154	1.003	327,237	1.023	334,764	84.3%	0.30
3/31/2012	493,057	1.128	556,034	1.000	556,034	1.023	568,823	90.0%	0.60

Indication

(16) Premium Weighted Loss Ratio	88.7%	(26)	(27)
(17) Loss Adjustment Expense	21.0%	Fiscal Year Ending	Earned Car Years
(18) Loss and LAE Ratio	107.3%		Incurred Claim Counts
(19) Variable Expenses	23.8%	3/31/2010	251
(20) Fixed Expenses	11.7%	3/31/2011	823
(21) Indicated Rate Level Change	56.0%	3/31/2012	1,393
(22) Complement of Credibility	3.0%		235
(23) Credibility Table Value	0.633		
(24) Indicated Statewide Rate Level Change	36.5%		
(25) Selected Statewide Rate Level Change	35.9%		

Notes:

- (1a) is from Exhibit 10.
- (2) is from Exhibit 3.
- (3) = (1) x (1a) x (2).
- (4) is from Exhibit 4.
- (5) is from Exhibit 4.
- (6) = (3) x (4) x (5).
- (8) is from Exhibit 5.
- (9) = (7) x (8).
- (10) is from Exhibit 6.
- (11) = (9) x (10).
- (12) is from Exhibit 6.
- (14) = (6) / (13).
- (16) = average of (14) weighted by (15).
- (17) is from Exhibit 7.
- (18) = (16) x [1+ (17)]
- (19) is from Exhibit 8.
- (20) is from Exhibit 8.
- (21) = [((18) + (20)) / (1-(19))]-1.
- (22) is the net trend, trended from the last rate change to 1/15/2013.
- (23) = SQRT [Sum (27) / 1082]
- (24) = [(21) x (23)] + [(22) x(1-(23))]
- (25) is selected by Republic.

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Statewide Rate Level Indications
Collision
Data as of: 3/31/2012

Proposed Effective Dates
New: 12/15/2012
Renewal: 1/15/2013

Losses

Fiscal Year Ending	(1)	(2)	(3)	(4)	(5) Projection Factor 1/15/2014	(6) Trended Ultimate
	Incurred	Development Factor	Ultimate	Trend Factors		
3/31/2010	153,629	1.000	153,629	1.020	1.070	167,692
3/31/2011	408,454	1.000	408,454	1.010	1.070	441,430
3/31/2012	808,028	0.970	783,787	1.000	1.070	838,678

Premiums & Loss Ratio

Fiscal Year Ending	(7) Earned Premiums Actual	(8) Onlevel Factor	(9) at Current Rate	(10) Trend Factors	(11) On-Level at Current Amounts	(12) Projection Factor 1/15/2014	(13) Trended at Current Rate Level	(14) Trended Ultimate On-Level Loss Ratio	(15) Weights
	3/31/2010	192,745	1.023	197,178	0.995	196,097	1.046	205,117	81.8%
3/31/2011	642,584	1.023	657,364	1.016	668,042	1.046	698,772	63.2%	0.30
3/31/2012	1,113,483	1.022	1,138,454	1.000	1,138,454	1.046	1,190,823	70.4%	0.60

Indication

(16) Premium Weighted Loss Ratio	69.4%	(26)	(27)
(17) Loss Adjustment Expense	21.0%	Fiscal Year	Earned
(18) Loss and LAE Ratio	84.0%	Ending	Car Years
(19) Variable Expenses	23.4%		Claim Counts
(20) Fixed Expenses	11.7%	3/31/2010	246
(21) Indicated Rate Level Change	24.8%	3/31/2011	815
(22) Complement of Credibility	1.0%	3/31/2012	1,380
(23) Credibility Table Value	0.550		
(24) Indicated Statewide Rate Level Change	14.1%		
(25) Selected Statewide Rate Level Change	13.2%		

Notes:

- | | |
|-------------------------|--|
| (2) is from Exhibit 3. | (14) = (6) / (13). |
| (3) = (1) x (2). | (16) = average of (14) weighted by (15). |
| (4) is from Exhibit 4. | (17) is from Exhibit 7. |
| (5) is from Exhibit 4. | (18) = (16) x [1+ (17)] |
| (6) = (3) x (4) x (5). | (19) is from Exhibit 8. |
| (8) is from Exhibit 5. | (20) is from Exhibit 8. |
| (9) = (7) x (8). | (21) = [((18) + (20)) / (1-(19))]-1. |
| (10) is from Exhibit 6. | (22) is the net trend, trended from the last rate change to 1/15/2013. |
| (11) = (9) x (10). | (23) = SQRT [Sum (27) / 1082] |
| (12) is from Exhibit 6. | (24) = [(21) x (23)] + [(22) x(1-(23))] |
| (13) = (11) x (12). | (25) is selected by Republic. |

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Loss Development
Bodily Injury

Rolling Accident Year Selected Loss Development Factors to Ultimate
(Based on Countrywide BI data of the Republic Group through 3/31/12 evaluated as of 3/31/12)

Triangle of Incurred Losses

Accident Year Ending	12	24	36	48	60	72	84	96
March								
2001	2,288,877	3,411,929	3,613,517	3,737,504	3,772,400	3,784,400	3,784,400	3,784,400
2002	2,717,609	3,836,511	4,230,167	4,559,195	4,588,104	4,598,304	4,598,304	4,591,363
2003	3,566,452	4,696,234	4,951,374	5,123,230	5,064,965	5,063,465	5,063,465	5,063,465
2004	3,532,389	4,582,965	5,052,515	5,081,810	5,070,810	5,070,810	5,070,810	5,070,810
2005	3,044,128	4,264,215	4,555,431	4,709,990	4,682,652	4,660,385	4,664,885	4,664,887
2006	2,593,349	3,727,318	4,194,270	4,277,774	4,272,563	4,270,563	4,270,563	
2007	2,205,235	3,372,036	3,572,996	3,633,769	3,649,350	3,651,934		
2008	2,195,519	3,199,776	3,457,845	3,435,457	3,550,112			
2009	3,182,852	5,140,122	5,770,773	5,768,780				
2010	3,471,083	5,876,582	6,396,944					
2011	3,833,393	6,816,521						
2012	3,827,264							

Triangle of Link Ratios:

Accident Year Ending	12:24	24:36	36:48	48:60	60:72	72:84	84:96	
March								
2001	1.491	1.059	1.034	1.009	1.003	1.000	1.000	
2002	1.412	1.103	1.078	1.006	1.002	1.000	0.998	
2003	1.317	1.054	1.035	0.989	1.000	1.000	1.000	
2004	1.297	1.102	1.006	0.998	1.000	1.000	1.000	
2005	1.401	1.068	1.034	0.994	0.995	1.001	1.000	
2006	1.437	1.125	1.020	0.999	1.000	1.000		
2007	1.529	1.060	1.017	1.004	1.001			
2008	1.457	1.081	0.994	1.033				
2009	1.615	1.123	1.000					
2010	1.693	1.089						
2011	1.778							
Averages								
Total	1.493	1.086	1.024	1.004	1.000	1.000	1.000	
Last 3	1.695	1.098	1.004	1.012	0.999	1.000	1.000	
Last 5 xhl	1.612	1.098	1.012	1.000	1.000	1.000	1.000	
Selections	12:24	24:36	36:48	48:60	60:72	72:84	84:96	"Tail"
Link Ratios:	1.600	1.090	1.012	1.005	1.000	1.000	1.000	1.000
LDF's to Ult:	1.774	1.109	1.017	1.005	1.000	1.000	1.000	1.000

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Loss Development
Property Damage

Rolling Accident Year Selected Loss Development Factors to Ultimate
(Based on Countrywide PD data of the Republic Group through 3/31/12 evaluated as of 3/31/12)

Triangle of Incurred Losses

Accident
Year Ending

March	12	24	36	48	60	72	84	96
2001	4,343,606	4,685,070	4,708,724	4,710,025	4,703,958	4,703,958	4,704,697	4,704,697
2002	4,517,148	4,748,877	4,756,753	4,758,752	4,753,252	4,753,252	4,753,252	4,753,252
2003	4,993,593	5,221,259	5,246,685	5,242,330	5,239,077	5,239,077	5,239,077	5,239,077
2004	5,144,483	5,248,602	5,292,358	5,302,626	5,301,349	5,301,349	5,301,349	5,301,349
2005	4,431,964	4,500,216	4,514,642	4,498,703	4,497,203	4,489,712	4,489,712	4,489,662
2006	4,084,185	4,216,421	4,201,360	4,202,532	4,198,908	4,198,908	4,198,908	
2007	4,039,040	4,169,496	4,152,624	4,153,399	4,154,287	4,154,287		
2008	3,990,059	4,143,967	4,163,464	4,163,632	4,158,622			
2009	4,492,701	4,657,298	4,674,611	4,675,065				
2010	5,159,194	5,441,252	5,471,423					
2011	5,914,432	6,236,745						
2012	5,385,183							

Triangle of Link Ratios:

Accident
Year Ending

March	12:24	24:36	36:48	48:60	60:72	72:84	84:96
2001	1.079	1.005	1.000	0.999	1.000	1.000	1.000
2002	1.051	1.002	1.000	0.999	1.000	1.000	1.000
2003	1.046	1.005	0.999	0.999	1.000	1.000	1.000
2004	1.020	1.008	1.002	1.000	1.000	1.000	1.000
2005	1.015	1.003	0.996	1.000	0.998	1.000	1.000
2006	1.032	0.996	1.000	0.999	1.000	1.000	
2007	1.032	0.996	1.000	1.000	1.000		
2008	1.039	1.005	1.000	0.999			
2009	1.037	1.004	1.000				
2010	1.055	1.006					
2011	1.054						

Averages

Total	1.042	1.003	1.000	0.999	1.000	1.000	1.000
Last 3	1.049	1.005	1.000	0.999	0.999	1.000	1.000
Last 5 xhl	1.043	1.002	1.000	1.000	1.000	1.000	1.000

Selections	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96-Ult.
Link Ratios:	1.050	1.005	1.000	1.000	1.000	1.000	1.000	1.000
LDF's to Ult:	1.055	1.005	1.000	1.000	1.000	1.000	1.000	1.000

"Tail"

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Loss Development
Personal Injury Protection

Exhibit 3
 Sheet 3

Rolling Accident Year Selected Loss Development Factors to Ultimate
(Based on Countrywide PI data of the Republic Group through 3/31/12 evaluated as of 3/31/12)

Triangle of Incurred Losses

Accident Year Ending	12	24	36	48	60	72	84	96
March								
2001	711,578	814,280	982,753	959,126	998,951	998,925	998,925	998,925
2002	1,500,776	1,753,870	1,625,850	1,647,645	1,653,636	1,657,096	1,657,096	1,647,145
2003	810,929	701,928	1,034,455	1,039,624	1,042,462	1,042,462	1,039,287	1,039,287
2004	453,118	510,091	512,256	512,256	512,256	513,558	513,558	513,558
2005	358,134	361,878	360,449	360,449	362,949	362,949	362,949	362,949
2006	292,954	293,218	305,769	303,872	303,788	303,788	303,788	
2007	263,215	243,119	240,089	240,089	245,194	245,194		
2008	261,701	240,217	245,361	246,579	242,529			
2009	233,893	242,559	255,418	249,650				
2010	432,455	455,100	463,605					
2011	504,762	506,792						
2012	518,240							

Triangle of Link Ratios:

Accident Year Ending	12:24	24:36	36:48	48:60	60:72	72:84	84:96	
March								
2001	1.144	1.207	0.976	1.042	1.000	1.000	1.000	
2002	1.169	0.927	1.013	1.004	1.002	1.000	0.994	
2003	0.866	1.474	1.005	1.003	1.000	0.997	1.000	
2004	1.126	1.004	1.000	1.000	1.003	1.000	1.000	
2005	1.010	0.996	1.000	1.007	1.000	1.000	1.000	
2006	1.001	1.043	0.994	1.000	1.000	1.000		
2007	0.924	0.988	1.000	1.021	1.000			
2008	0.918	1.021	1.005	0.984				
2009	1.037	1.053	0.977					
2010	1.052	1.019						
2011	1.004							
Averages								
Total	1.023	1.073	0.997	1.008	1.001	1.000	0.999	
Last 3	1.031	1.031	0.994	1.002	1.000	1.000	1.000	
Last 5 xhl	0.988	1.028	0.998	1.002	1.000	1.000	1.000	
Selections	12:24	24:36	36:48	48:60	60:72	72:84	84:96	"Tail"
Link Ratios:	1.025	1.040	1.000	1.010	1.000	1.000	1.000	1.000
LDF's to Ult:	1.077	1.050	1.010	1.010	1.000	1.000	1.000	1.000

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Loss Development
Uninsured Motorist Bodily Injury

Exhibit 3
 Sheet 4

Rolling Accident Year Selected Loss Development Factors to Ultimate
(Based on Countrywide UB data of the Republic Group through 3/31/12 evaluated as of 3/31/12)

Triangle of Incurred Losses

Accident Year Ending	12	24	36	48	60	72	84	96
March								
2001	328,253	670,766	929,201	932,331	943,831	1,143,328	1,147,828	1,090,948
2002	353,356	620,329	887,633	963,804	999,041	1,069,041	1,069,041	1,069,041
2003	805,351	1,066,298	1,261,957	1,338,126	1,363,567	1,383,019	1,382,770	1,382,273
2004	417,779	698,615	931,395	1,093,031	1,132,630	1,122,830	1,122,830	1,122,572
2005	332,821	665,649	903,356	995,365	1,015,005	1,011,505	1,011,505	1,011,505
2006	260,818	409,541	429,747	441,350	447,831	447,831	447,831	
2007	391,740	632,218	726,845	800,145	1,055,888	1,072,888		
2008	362,098	951,183	1,070,468	1,064,727	1,060,782			
2009	264,670	503,924	539,323	626,373				
2010	961,977	1,358,362	1,588,362					
2011	643,758	1,206,655						
2012	711,844							

Triangle of Link Ratios:

Accident Year Ending	12:24	24:36	36:48	48:60	60:72	72:84	84:96	
March								
2001	2.043	1.385	1.003	1.012	1.211	1.004	0.950	
2002	1.756	1.431	1.086	1.037	1.070	1.000	1.000	
2003	1.324	1.183	1.060	1.019	1.014	1.000	1.000	
2004	1.672	1.333	1.174	1.036	0.991	1.000	1.000	
2005	2.000	1.357	1.102	1.020	0.997	1.000	1.000	
2006	1.570	1.049	1.027	1.015	1.000	1.000		
2007	1.614	1.150	1.101	1.320	1.016			
2008	2.627	1.125	0.995	0.996				
2009	1.904	1.070	1.161					
2010	1.412	1.169						
2011	1.874							
Averages								
Total	1.800	1.225	1.079	1.057	1.043	1.001	0.990	
Last 3	1.730	1.121	1.086	1.110	1.004	1.000	1.000	
Last 5 xhl	1.797	1.115	1.077	1.024	1.004	1.000	1.000	
Selections	12:24	24:36	36:48	48:60	60:72	72:84	84:96	"Tail"
Link Ratios:	1.800	1.200	1.080	1.030	1.010	1.000	1.000	1.000
LDF's to Ult:	2.427	1.348	1.124	1.040	1.010	1.000	1.000	1.000

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium On Level Factors
Bodily Injury**

Rate Change History

<u>Date of Change</u>	<u>Rate Change</u>
1/26/2009	New Program Implemented
1/15/2012	5.0%

Premiums are brought to current rate level using parallelogram method.

<u>Fiscal Year Ending</u>	<u>On Level Factor</u>
3/31/2010	1.037
3/31/2011	1.037
3/31/2012	1.036

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium On Level Factors
Property Damage**

Rate Change History

<u>Date of Change</u>	<u>Rate Change</u>
1/26/2009	New Program Implemented
1/15/2012	3.9%

Premiums are brought to current rate level using parallelogram method.

<u>Fiscal Year Ending</u>	<u>On Level Factor</u>
3/31/2010	1.039
3/31/2011	1.039
3/31/2012	1.038

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium On Level Factors
Personal Injury Protection**

Rate Change History

<u>Date of Change</u>	<u>Rate Change</u>
1/26/2009	New Program Implemented
1/15/2012	21.3%

Premiums are brought to current rate level using parallelogram method.

<u>Fiscal Year Ending</u>	<u>On Level Factor</u>
3/31/2010	1.213
3/31/2011	1.213
3/31/2012	1.208

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium On Level Factors
Uninsured Motorist Bodily Injury**

Rate Change History

<u>Date of Change</u>	<u>Rate Change</u>
1/26/2009	New Program Implemented
1/15/2012	0.0%

Premiums are brought to current rate level using parallelogram method.

<u>Fiscal Year Ending</u>	<u>On Level Factor</u>
3/31/2010	1.000
3/31/2011	1.000
3/31/2012	1.000

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium On Level Factors
Uninsured Motorist Property Damage**

Rate Change History

<u>Date of Change</u>	<u>Rate Change</u>
1/26/2009	New Program Implemented
1/15/2012	19.2%

Premiums are brought to current rate level using parallelogram method.

<u>Fiscal Year Ending</u>	<u>On Level Factor</u>
3/31/2010	1.192
3/31/2011	1.192
3/31/2012	1.187

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium On Level Factors
Comprehensive**

Rate Change History

<u>Date of Change</u>	<u>Rate Change</u>
1/26/2009	New Program Implemented
1/15/2012	13.1%

Premiums are brought to current rate level using parallelogram method.

<u>Fiscal Year Ending</u>	<u>On Level Factor</u>
3/31/2010	1.131
3/31/2011	1.131
3/31/2012	1.128

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium On Level Factors
Collision**

Rate Change History

<u>Date of Change</u>	<u>Rate Change</u>
1/26/2009	New Program Implemented
1/15/2012	2.3%

Premiums are brought to current rate level using parallelogram method.

<u>Fiscal Year Ending</u>	<u>On Level Factor</u>
3/31/2010	1.023
3/31/2011	1.023
3/31/2012	1.022

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium Trend
Bodily Injury

<u>Year-Qtr</u>	Rolling 4 qtr	Rolling 4 qtr	Rolling 4 qtr	Change from <u>Prior Yr.</u>
	<u>Earned</u> <u>Exposures</u>	<u>Earned Prem</u> <u>@ Current</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	
2009-1	9	1,404	151	
2009-2	93	14,575	157	
2009-3	271	41,018	151	
2009-4	576	86,866	151	
2010-1	1,002	149,069	149	-1.5%
2010-2	1,512	221,826	147	-6.5%
2010-3	2,091	306,583	147	-3.2%
2010-4	2,727	401,629	147	-2.4%
2011-1	3,353	492,065	147	-1.3%
2011-2	3,962	581,339	147	0.0%
2011-3	4,556	668,065	147	0.0%
2011-4	5,120	748,597	146	-0.7%
2012-1	5,681	830,247	146	-0.4%
<u>Average</u> <u>Earned</u> <u>Date</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	<u>Premium</u> <u>Index</u>	<u>Premium Trend</u>	
			4-point	-0.60%
			8-point	-0.26%
10/1/2009	151	0.968		
10/1/2010	147	1.000		
10/1/2011	147	1.000		
			Future Selected	0.0%
			Years From Midpoint Of Latest Year's Data To 12 Months Past Renewal	2.29
			Premium Projection Factor	1.000

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium Trend
Property Damage

Year-Qtr	Rolling 4 qtr	Rolling 4 qtr	Rolling 4 qtr	Change from Prior Yr.
	Earned Exposures	Earned Prem @ Current	Average Earned Premium	
2009-1	9	1,150	124	
2009-2	93	11,735	126	
2009-3	271	33,103	122	
2009-4	576	70,243	122	
2010-1	1,002	120,551	120	-2.8%
2010-2	1,512	179,557	119	-6.0%
2010-3	2,090	247,655	118	-3.0%
2010-4	2,726	323,535	119	-2.7%
2011-1	3,351	395,411	118	-1.9%
2011-2	3,959	465,937	118	-0.9%
2011-3	4,553	534,487	117	-0.9%
2011-4	5,116	598,526	117	-1.4%
2012-1	5,674	663,781	117	-0.9%
Average Earned Date	Average Earned Premium	Premium Index		Premium Trend
				4-point -0.85%
				8-point -0.97%
10/1/2009	124	0.949		
10/1/2010	118	0.991		
10/1/2011	117	1.000		
			Future Selected	-1.0%
			Years From Midpoint Of Latest Year's Data To 12 Months Past Renewal	2.29
			Premium Projection Factor	0.977

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium Trend
Personal Injury Protection

<u>Year-Qtr</u>	Rolling 4 qtr	Rolling 4 qtr	Rolling 4 qtr	Change from Prior Yr.
	Earned Exposures	Earned Prem @ Current	Average Earned Premium	
2009-1	6	157	25	
2009-2	68	1,759	26	
2009-3	200	5,091	25	
2009-4	434	11,256	26	
2010-1	770	20,011	26	5.4%
2010-2	1,173	30,522	26	0.5%
2010-3	1,637	42,801	26	2.9%
2010-4	2,146	56,492	26	1.4%
2011-1	2,636	69,181	26	0.9%
2011-2	3,112	81,554	26	0.7%
2011-3	3,583	93,770	26	0.1%
2011-4	4,023	104,891	26	-1.0%
2012-1	4,466	116,943	26	-0.3%
<u>Average Earned Date</u>	<u>Average Earned Premium</u>	<u>Premium Index</u>		<u>Premium Trend</u>
				4-point -0.28%
				8-point 0.05%
10/1/2009	25	1.030		
10/1/2010	26	1.001		
10/1/2011	26	1.000		
			Future Selected	0.0%
			Years From Midpoint Of Latest Year's Data To 12 Months Past Renewal	2.29
			Premium Projection Factor	1.000

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium Trend
Uninsured Motorist Bodily Injury

<u>Year-Qtr</u>	Rolling 4 qtr	Rolling 4 qtr	Rolling 4 qtr	Change from <u>Prior Yr.</u>
	<u>Exposed</u>	<u>Earned Prem</u> @ Current	<u>Average</u> <u>Earned</u> <u>Premium</u>	
2009-1	9	446	52	
2009-2	82	4,570	56	
2009-3	237	13,528	57	
2009-4	507	29,619	58	
2010-1	888	51,606	58	10.8%
2010-2	1,348	78,385	58	4.8%
2010-3	1,885	110,233	58	2.4%
2010-4	2,483	145,576	59	0.3%
2011-1	3,071	179,771	59	0.7%
2011-2	3,645	213,517	59	0.7%
2011-3	4,203	246,218	59	0.2%
2011-4	4,727	276,221	58	-0.3%
2012-1	5,246	305,498	58	-0.5%
<u>Average</u> <u>Earned</u> <u>Date</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	<u>Premium</u> <u>Index</u>	<u>Premium Trend</u>	
			4-point	-0.80%
			8-point	0.02%
10/1/2009	57	1.026		
10/1/2010	58	1.002		
10/1/2011	59	1.000		
			Future Selected	0.0%
			Years From Midpoint Of Latest Year's Data To 12 Months Past Renewal	2.29
			Premium Projection Factor	1.000

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium Trend
Uninsured Motorist Property Damage

<u>Year-Qtr</u>	Rolling 4 qtr	Rolling 4 qtr	Rolling 4 qtr	Change from Prior Yr.
	<u>Earned</u> <u>Exposures</u>	<u>Earned Prem</u> <u>@ Current</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	
2009-1	8	115	14	
2009-2	81	1,165	14	
2009-3	234	3,391	15	
2009-4	499	7,358	15	
2010-1	873	12,787	15	6.4%
2010-2	1,325	19,400	15	1.8%
2010-3	1,851	27,192	15	1.2%
2010-4	2,439	35,866	15	-0.3%
2011-1	3,018	44,248	15	0.1%
2011-2	3,585	52,524	15	0.1%
2011-3	4,137	60,606	15	-0.3%
2011-4	4,654	68,142	15	-0.4%
2012-1	5,168	76,066	15	0.4%
<u>Average</u> <u>Earned</u> <u>Date</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	<u>Premium</u> <u>Index</u>	<u>Premium Trend</u>	
			4-point	0.53%
			8-point	0.04%
10/1/2009	15	1.009		
10/1/2010	15	0.997		
10/1/2011	15	1.000		
			Future Selected	0.0%
			Years From Midpoint Of Latest Year's Data To 12 Months Past Renewal	2.29
			Premium Projection Factor	1.000

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium Trend
Comprehensive

<u>Year-Qtr</u>	Rolling 4 qtr	Rolling 4 qtr	Rolling 4 qtr	Change from Prior Yr.
	<u>Earned</u> <u>Exposures</u>	<u>Earned Prem</u> <u>@ Current</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	
2009-1	7	841	117	
2009-2	70	8,498	121	
2009-3	206	24,262	118	
2009-4	435	51,047	117	
2010-1	752	87,539	116	-0.2%
2010-2	1,126	130,723	116	-4.1%
2010-3	1,550	180,654	117	-1.3%
2010-4	2,014	235,647	117	-0.3%
2011-1	2,468	288,376	117	0.4%
2011-2	2,915	340,589	117	0.7%
2011-3	3,351	391,850	117	0.3%
2011-4	3,765	441,404	117	0.2%
2012-1	4,179	493,057	118	1.0%
<u>Average</u> <u>Earned</u> <u>Date</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	<u>Premium</u> <u>Index</u>	<u>Premium Trend</u>	
10/1/2009	118	0.990	4-point	1.28%
10/1/2010	117	1.003	8-point	0.68%
10/1/2011	117	1.000		
			Future Selected	1.0%
			Years From Midpoint Of Latest Year's Data To 12 Months Past Renewal	2.29
			Premium Projection Factor	1.023

Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Premium Trend
Collision

<u>Year-Qtr</u>	Rolling 4 qtr	Rolling 4 qtr	Rolling 4 qtr	Change from <u>Prior Yr.</u>
	<u>Earned</u> <u>Exposures</u>	<u>Earned Prem</u> <u>@ Current</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	
2009-1	7	2,040	288	
2009-2	69	19,025	278	
2009-3	201	53,606	266	
2009-4	427	112,851	264	
2010-1	739	192,745	261	-9.5%
2010-2	1,111	288,154	259	-6.6%
2010-3	1,532	399,462	261	-2.1%
2010-4	1,993	522,617	262	-0.8%
2011-1	2,446	642,584	263	0.8%
2011-2	2,889	761,531	264	1.6%
2011-3	3,323	880,348	265	1.6%
2011-4	3,732	995,655	267	1.7%
2012-1	4,140	1,113,483	269	2.4%
<u>Average</u> <u>Earned</u> <u>Date</u>	<u>Average</u> <u>Earned</u> <u>Premium</u>	<u>Premium</u> <u>Index</u>	<u>Premium Trend</u>	
10/1/2009	266	0.995	4-point	2.70%
10/1/2010	261	1.016	8-point	1.91%
10/1/2011	265	1.000		
			Future Selected	2.0%
			Years From Midpoint Of Latest Year's Data To 12 Months Past Renewal	2.29
			Premium Projection Factor	1.046

Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Liability

Loss Adjustment Expense (LAE) Provision as a Percent of Incurred Losses

Selected Allocated LAE Provision:	5.0%
Selected Unallocated LAE Provision:	11.0%
Total Selected LAE Provision	16.0%

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Liability**

Development of Allocated Loss Adjustment Expense (ALAE) Provision

Incurred ALAE

Calendar Year	(1) Page 15 Incurred Loss*	(2) Page 15 Incurred ALAE*	(3) = (2)/(1) ALAE to Incurred Loss
2007	0	0	0.0%
2008	0	0	0.0%
2009	63,963	3,676	5.7%
2010	515,730	28,570	5.5%
2011	1,427,638	71,835	5.0%
Total	2,007,331	104,081	5.2%
		All Year Avg	5.4%

Paid ALAE

Calendar Year	(1) Page 15 Paid Loss*	(2) Page 15 Paid ALAE*	(3) = (2)/(1) ALAE to Paid Loss
2007	0	0	0.0%
2008	0	0	0.0%
2009	22,808	152	0.7%
2010	287,196	1,018	0.4%
2011	817,343	11,112	1.4%
Total	1,127,347	12,282	1.1%
		All Year Avg	0.8%

Selected ALAE Provision as a Percent of Incurred Losses: 5.0%

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Liability**

Development of Unallocated Loss Adjustment Expense (ULAE) Provision

Calendar Year	(1) Loss Incurred (000's)	(2) ULAE Incurred (000's)	(3) = (2)/(1) ULAE to Incurred Loss
2007	3,764	(134)	-3.6%
2008	13,847	1,257	9.1%
2009	21,547	4,427	20.5%
2010	13,335	57	0.4%
2011	16,485	2,223	13.5%
Total	68,978	7,830	11.4%
	All Year Avg		8.0%
	Latest 3 Yr Avg		11.5%
	Weighted 3 Yr Avg		13.1%
	Selected ULAE Provision as a Percent of Incurred Losses:		11.0%

* Source of Data: Insurance Expense Exhibits;

Combines Republic Fire & Casualty, Republic Vanguard Insurance Companies , Southern Underwriters Insurance Companies,
Republic Underwriters Insurance Companies, Southern Insurance Companies & Southern Vanguard Insurance Companies.

Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Physical Damage

Loss Adjustment Expense (LAE) Provision as a Percent of Incurred Losses

Selected Allocated LAE Provision:	3.0%
Selected Unallocated LAE Provision:	18.0%
Total Selected LAE Provision	21.0%

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Physical Damage**

Development of Allocated Loss Adjustment Expense (ALAE) Provision

Incurred ALAE

Calendar Year	(1) Page 15 Incurred Loss*	(2) Page 15 Incurred ALAE*	(3) = (2)/(1) ALAE to Incurred Loss
2007	0	0	0.0%
2008	0	0	0.0%
2009	166,795	3,569	2.1%
2010	414,936	8,962	2.2%
2011	414,936	27,737	6.7%
Total	996,667	40,268	4.0%
		All Year Avg	3.7%

Paid ALAE

Calendar Year	(1) Page 15 Paid Loss*	(2) Page 15 Paid ALAE*	(3) = (2)/(1) ALAE to Paid Loss
2007	0	0	0.0%
2008	0	0	0.0%
2009	157,599	1,654	1.0%
2010	403,871	6,165	1.5%
2011	1,158,186	16,703	1.4%
Total	1,719,656	24,522	1.4%
		All Year Avg	1.3%

Selected ALAE Provision as a Percent of Incurred Losses: 3.0%

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Physical Damage**

Development of Unallocated Loss Adjustment Expense (ULAE) Provision

Calendar Year	(1) Loss Incurred (000's)	(2) ULAE Incurred (000's)	(3) = (2)/(1) ULAE to Incurred Loss
2007	2,717	548	20.2%
2008	6,907	632	9.2%
2009	6,723	2,609	38.8%
2010	5,289	174	3.3%
2011	5,968	1,088	18.2%
Total	27,604	5,051	18.3%
		All Year Avg	17.9%
		Latest 3 Yr Avg	20.1%
		Weighted 3 Yr Avg	21.5%
		Selected ULAE Provision as a Percent of Incurred Losses:	18.0%

* Source of Data: Insurance Expense Exhibits;

Combines Republic Fire & Casualty, Republic Vanguard Insurance Companies, Southern Underwriters Insurance Companies, Republic Underwriters Insurance Companies, Southern Insurance Companies & Southern Vanguard Insurance Companies.

Expense Provisions

<u>Expense Component</u>	<u>Liability</u>	<u>Physical Damage</u>	
		<u>Collision</u>	<u>Comprehensive</u>
<u>Variable Expenses</u>			
(1) Commission and Brokerage	17.3%	16.7%	16.7%
(2) Taxes, Licenses and Fees	3.6%	3.6%	3.6%
(3) Underwriting Profit & Contingencies	2.2%	3.1%	3.1%
(4) Reinsurance Expense	N/A	N/A	0.4%
(5) Total Variable Expenses	23.0%	23.4%	23.8%
(1) + (2) + (3) + (4)			
<u>Fixed Expenses</u>			
(6) Other Acquisition	4.4%	4.4%	4.4%
(7) Adjusted General Expenses	8.2%	8.2%	8.2%
(8) less Policy Fees	-0.9%	-0.9%	-0.9%
(9) Total Fixed Expenses	11.7%	11.7%	11.7%
(6) + (7) + (8)			
(10) Permissible Loss, LAE and Fixed Expense Ratio	77.0%	76.6%	76.2%
1.000 - (5)			

Expense Analysis

Private Passenger Auto Liability

Expense Component	2008		2009		2010		2011		Selected %
	Amount	%	Amount	%	Amount	%	Amount	%	
Consolidated Premiums Earned	\$19,546,924		\$22,696,554		\$24,756,986		\$24,756,986		
Other Acquisition	\$884,497	4.5%	\$868,198	3.8%	\$1,165,197	4.7%	\$1,165,197	4.7%	4.4%
General Expenses	\$1,642,637	8.4%	\$1,612,368	7.1%	\$2,163,937	8.7%	\$2,163,937	8.7%	8.2%
Premiums Written (Arkansas)	\$0		\$532,351		\$1,534,544		\$2,704,885		
Commission & Brokerage	\$0		\$84,187	15.8%	\$258,480	16.8%	\$518,454	19.2%	17.3%
Taxes, Licenses, & Fees	\$0		\$20,062	3.8%	\$49,699	3.2%	\$104,424	3.9%	3.6%
Total				30.5%		33.5%		36.5%	33.5%

NOTES:

Consolidated Premium Written

Consolidated Premium Earned From RFSI Accounting Reports

Other Acquisition From RFSI Accounting Reports

General Expenses From RFSI Accounting Reports

Premiums Written (Arkansas) Republic Underwriters, Southern Insurance Co., Republic Fire & Casualty A.S. Pg 15
Arkansas; line 19.1,19.2; col. 2

Commission & Brokerage Republic Underwriters, Southern Insurance Co., Republic Fire & Casualty A.S. Pg 15
Arkansas; line 19.1,19.2; col. 12

Taxes, Licenses & Fees Republic Underwriters, Southern Insurance Co., Republic Fire & Casualty A.S. Pg 15
Arkansas; line 19.1,19.2; col. 13

General and Other Acquisition Expenses are computed as a percentage of earned premium
Commission & Brokerage and Taxes, Licenses, & Fees are computed as a percentage of written premium

Expense Analysis

Private Passenger Auto Physical Damage

Expense Component	2008		2009		2010		2011		Selected	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Consolidated Premiums Earned	\$13,584,497		\$16,551,270		\$18,523,903		\$18,359,210			
Other Acquisition	\$623,886	4.6%	\$644,706	3.9%	\$866,505	4.7%	\$846,731	4.6%		4.4%
General Expenses	\$1,158,646	8.5%	\$1,197,311	7.2%	\$1,609,223	8.7%	\$1,572,500	8.6%		8.2%
Premiums Written (Arkansas)	\$0		\$440,979		\$1,186,730		\$1,967,454			
Commission & Brokerage	\$0		\$70,056	15.9%	\$198,275	16.7%	\$341,697	17.4%		16.7%
Taxes, Licenses, & Fees	\$0		\$16,619	3.8%	\$38,461	3.2%	\$75,381	3.8%		3.6%
Total				30.8%		33.3%		34.4%		32.8%

NOTES:

Consolidated Premium Earned	From RFSI Accounting Reports
Other Acquisition	From RFSI Accounting Reports
General Expenses	From RFSI Accounting Reports
Premiums Written (Arkansas)	Republic Underwriters, Southern Insurance Co., Republic Fire & Casualty A.S. Pg 15 Arkansas; line 21.1; col. 2
Commission & Brokerage	Republic Underwriters, Southern Insurance Co., Republic Fire & Casualty A.S. Pg 15 Arkansas; line 21.1; col. 12
Taxes, Licenses & Fees	Republic Underwriters, Southern Insurance Co., Republic Fire & Casualty A.S. Pg 15 Arkansas; line 21.1; col. 13

General and Other Acquisition Expenses are computed as a percentage of earned premium
Commission & Brokerage and Taxes, Licenses, & Fees are computed as a percentage of written premium

Expense Analysis

Private Passenger Auto

Expense Component	2009		2010		2011		Selected %
	Amount	%	Amount	%	Amount	%	
Premiums Earned (Arkansas)	\$373,443		\$1,712,601		\$3,187,278		
Policy Fees	\$2,981		\$12,992		\$32,724		
Total		0.8%		0.8%		1.0%	0.9%

Actuals	\$369,065	\$1,721,194	\$3,233,601
% Difference	1%	0%	-1%
Policy Fee % Using Actuals	0.8%	0.8%	1.0%

Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Liability
Calculation of After-Tax Return on Equity

After-tax Return on Equity = After-tax return on surplus
+ (Premium / Surplus) x After-tax Return on Reserves
+ (1-tax rate) X (Premium / Surplus) X (targeted pre-tax underwriting profit)

(1) After-Tax return on investment earnings	3.4%
(2) Tax rate	35.0%
(3) Premium / surplus ratio	2.6
(4) Return on reserves, after tax	1.9%
(5) Targeted pre-tax underwriting profit	2.2%
(6) After-Tax Return on Equity	12.0%
(1) + (3)x(4) + [(1-(2)) x (3)x(5)]	

- (1) Exhibit 9 Sheet 7
(4) Exhibit 9 Sheets 2-3

Estimated Investment Earnings On Loss & Loss Adjustment Expense Reserves

1. Loss and Loss Adjustment Expense Reserves as of December 31, 2010 (a)	\$17,107,969
2. Loss and Loss Adjustment Expense Reserves as of December 31, 2011 (a)	\$20,092,048
3. Mean Loss and Loss Adjustment Expense Reserves [(1) + (2)] / 2	\$18,600,009
4. Actual Incurred Loss and Loss Adjustment Expenses (b), (d) [1.1600 x 23391502]	\$27,134,142
5. Average period \$1.00 of Loss and LAE remains in reserves (in years) [(3) / (4)]	0.685
6. Average Rate of Return on Invested Assets (c)	3.41%
7. Expected investment earnings on \$1.00 of Loss and LAE while in reserves [(1+(6))^(5) - 1]	\$0.0232
8. Expected Loss and LAE Ratio = (1.000 - Expense Ratio) (e)	67.4%
9. Estimated Investment Earnings as a percentage of Net Earned Premium [(7) * (8)]	1.60%

a. Source: Annual Statement, Part 2a, Column 8 + Column 9, Line 19.1 & 19.2

b. Source: Annual Statement, Part 2, Column 7, Line 19.1 & 19.2

c. Source: Exhibit 9 Sheet 7

d. LAE factor from Exhibit 6, Sheet 1

e. Source: Exhibit 7, Sheet 1

Estimated Investment Earnings On Unearned Premium Reserves

	Installment	Prepaid	Total
1. Personal Auto Liability Unearned Premium Reserve as of December 31, 2010 (a)	12,548,269	1,028,264	13,576,533
2. Personal Auto Liability Unearned Premium Reserve as of December 31, 2011 (a)	10,926,241	2,370,838	13,297,079
3. Mean Personal Auto Liability Unearned Premium Reserve $[\{(1)+(2)\}/2]$	11,737,255	1,699,551	13,436,806
4. Reduction Due to Booking Installment as Full (b)	5,563,459	xxxxxxxx	5,563,459
5. Net Mean Personal Auto Liability Unearned Premium Reserve	6,173,796	1,699,551	7,873,347
6. Percentage of Prepaid Expenses (c)			
(A) Commissions and Brokerages (W.P.)	17.3%		
(B) Taxes, Licenses, & Fees (E.P.)	3.6%		
(C) 50% of Other Acq. & Gen. Expense (E.P.)	5.9%		
(D) Total Prepaid Expenses $[(A)+(B)+(C)]$			26.8%
7. Agents' balances as of December 31, 2011 (d)			81,506,307
8. Agents' balances as of December 31, 2011 (d)			87,779,260
9. Mean Agents' Balances $[\{(7)+(8)\}/2]$			84,642,784
10. All lines Net Earned Premium for 2011 (e)			368,337,940
11. Factor Representing Delayed Remission of Premium $[(9)/(10)]$			0.230
12. Net Mean Personal Auto Liability Unearned Premiums Subject to Investment $[(5)\times\{1.0-(6D)\}\times\{1.0-(11)\}]$			4,440,657
13. Average Rate-of-Return on Investible Assets (f)			3.41%
14. Estimated Investment Earnings on Unearned Premium Reserves $[(12)\times(13)]$			151,238
15. Personal Auto Liability Net Earned Premium for 2011 (g)			51,193,289
16. Estimated Investment Earnings as a Percentage of Personal Auto Liability Net Earned Premiums $[(14)/(15)]$			0.30%

a) A. S., Part 1, Line 19.1 & 19.2, Columns 2 & 3

b) Installment Plan calls for 25% due on Effective Date, payments thereafter in the 3rd, 5th, 7th, & 9th months. By comparison, it can be shown that the average monthly unearned premium reserve on the installment plan is 28.47% of the written, while that on the prepaid basis is 54.17%. Hence, a reduction in the unearned premium reserve of 47.4% is appropriate on installment business $[(54.17-28.47)/54.17]$.

c) See Exhibit 7, Sheet 1

d) A. S., Page 2, Line 12.1 + Line 12.2

e) A. S., Part 1, Column 4, Line 34

f) Source: Exhibit 9 Sheet 7

g) A. S., Part 1, Column 4, Line 19.1 & 19.2

Republic Underwriters Insurance Company
The Republic Group
Arkansas Private Passenger Auto Physical Damage
Calculation of After-Tax Return on Equity

After-tax Return on Equity = After-tax return on surplus
+ (Premium / Surplus) x After-tax Return on Reserves
+ (1-tax rate) X (Premium / Surplus) X (targeted pre-tax underwriting profit)

(1) After-Tax return on investment earnings	3.4%
(2) Tax rate	35.0%
(3) Premium / surplus ratio	3.1
(4) Return on reserves, after tax	0.7%
(5) Targeted Pre-Tax Underwriting Profit	3.1%
(6) After-Tax Return on Equity	12.0%
(1) + (3)x(4) + [(1-(2)) x (3)x(5)]	

- (1) Exhibit 9 Sheet 7
(4) Exhibit 9 Sheets 5-6

Estimated Investment Earnings On Loss & Loss Adjustment Expense Reserves

1. Loss and Loss Adjustment Expense Reserves as of December 31, 2010 (a)	\$1,528,475
2. Loss and Loss Adjustment Expense Reserves as of December 31, 2011 (a)	\$1,256,283
3. Mean Loss and Loss Adjustment Expense Reserves [(1) + (2)] / 2	\$1,392,379
4. Actual Incurred Loss and Loss Adjustment Expenses (b), (d) [1.2100 x 15107421]	\$18,279,979
5. Average period \$1.00 of Loss and LAE remains in reserves (in years) [(3) / (4)]	0.076
6. Average Rate of Return on Invested Assets (c)	3.41%
7. Expected investment earnings on \$1.00 of Loss and LAE while in reserves [(1+(6))^(5) - 1]	\$0.0026
8. Expected Loss and LAE Ratio = (1.000 - Expense Ratio) (e)	68.1%
9. Estimated Investment Earnings as a percentage of Net Earned Premium [(7) * (8)]	0.17%

a. Source: Annual Statement, Part 2a, Column 8 + Column 9, Line 21

b. Source: Annual Statement, Part 2, Column 7, Line 21

c. Source: Exhibit 9 Sheet 7

d. LAE factor from Exhibit 6, Sheet 4

e. Source: Exhibit 7, Sheet 1

Estimated Investment Earnings On Unearned Premium Reserves

	(h)		
	Installment	Prepaid	Total
1. Auto Physical Damage Unearned Premium Reserve as of December 31, 2010 (a)	12,408,043	1,016,773	13,424,816
2. Auto Physical Damage Unearned Premium Reserve as of December 31, 2011 (a)	11,004,797	2,387,884	13,392,681
3. Mean Auto Physical Damage Unearned Premium Reserve $[(1)+(2)]/2$	11,706,420	1,702,329	13,408,749
4. Reduction Due to Booking Installment as Full (b)	5,548,843	xxxxxxxx	5,548,843
5. Net Mean Auto Physical Damage Unearned Premium Reserve	6,157,577	1,702,329	7,859,905
6. Percentage of Prepaid Expenses (c)			
(A) Commissions and Brokerages (W.P.)			16.7%
(B) Taxes, Licenses, & Fees (E.P.)			3.6%
(C) 50% of Other Acq. & Gen. Expense (E.P.)			5.8%
(D) Total Prepaid Expenses $[(A)+(B)+(C)]$			26.1%
7. Agents' balances as of December 31, 2011 (d)			81,506,307
8. Agents' balances as of December 31, 2011 (d)			87,779,260
9. Mean Agents' Balances $[(7)+(8)]/2$			84,642,784
10. All lines Net Earned Premium for 2011 (e)			368,337,940
11. Factor Representing Delayed Remission of Premium $[(9)/(10)]$			0.230
12. Net Mean Auto Physical Damage Unearned Premiums Subject to Investment $[(5)\{1.0-(6D)\}x\{1.0-(11)\}]$			4,472,758
13. Average Rate-of-Return on Investible Assets (f)			3.41%
14. Estimated Investment Earnings on Unearned Premium Reserves $[(12)x(13)]$			152,331
15. Auto Physical Damage Net Earned Premium for 2011 (g)			27,073,648
16. Estimated Investment Earnings as a Percentage of Auto Physical Damage Net Earned Premiums $[(14)/(15)]$			0.56%

a) A. S., Part 1, Line 21, Columns 2 & 3

b) Installment Plan calls for 25% due on Effective Date, payments thereafter in the 3rd, 5th 7th, & 9th months. By comparison, it can be shown that the average monthly unearned premium reserve on the installment plan is 28.47% of the written, while that on the prepaid basis is 54.17%. Hence, a reduction in the unearned premium reserve of 47.4% is appropriate on installment business $[(54.17-28.47)/54.17]$.

c) See Exhibit 7, Sheet 1

d) A. S., Page 2, Line 12.1 + Line 12.2

e) A. S., Part 1, Column 4, Line 34

f) Source: Exhibit 9 Sheet 7

g) A. S., Part 1, Column 4, Line 21

Republic Underwriters Insurance Company
The Republic Group
Calculation of After-Tax Investment Rate of Return

	Southern	Republic- Vanguard	Republic Underwriters	Republic Lloyds	Southern Underwriters	Republic Fire & Cas.	Southern Cnty Mutual	Southern Vanguard	Grand Total
Investment Income Calendar Year 2011 (2011 AS)									
(1) Net Investment Income (Page 12, Line 17)	918,382	561,047	14,730,451	159,161	173,680	228,372	0	207,199	16,978,292
(2) Common stock of affiliates (Page 12, Col. 1, Line 2.21)	0	0	1,570,000	0	0	0	0	0	1,570,000
(3) Net Investment Income after consolidation (1) - (2)	918,382	561,047	13,160,451	159,161	173,680	228,372	0	207,199	15,408,292 (A)
Capital Gains Calendar Year 2007 (2007 AS)									
(4) Net Realized Capital Gains (Page 4, Line 10, Col. 1)	28,376	86,612	10,734,944	0	0	3,559	243,182	13,886	11,110,559
(5) Net Unrealized Capital Gains (Page 4, Line 24, Col. 1)	-1,690	-5,733	2,248,576	0	0	0	-11,700	0	2,229,453
(6) Total Net Capital Gains (7) + (8)	26,686	80,879	12,983,520	0	0	3,559	231,482	13,886	13,340,012 (B)
Capital Gains Calendar Year 2011 (2011 AS)									
(7) Net Realized Capital Gains (Page 4, Line 10, Col. 1)	11,156	78,178	5,450,246	8,186	82,412	18,469	22,950	39,596	5,711,193
(8) Net Unrealized Capital Gains (Page 4, Line 24, Col. 1)	825	0	561,160	0	0	0	1,250	0	563,235
(9) Total Net Capital Gains (7) + (8)	11,981	78,178	6,011,406	8,186	82,412	18,469	24,200	39,596	6,274,428 (C)
Invested Assets as of 12/31/07 (2007 AS)									
(10) Total Invested Assets (Page 2, Line 10)	44,754,815	22,994,113	545,974,774	12,404,799	5,348,166	8,821,210	31,787,953	10,100,240	682,186,070
(11) Value of consolidated affiliates (Sch. D, Col. 2, Line 53)	0	0	91,479,926	0	0	0	0	0	91,479,926
(12) Net invested assets after consolidation (13) - (14)	44,754,815	22,994,113	454,494,848	12,404,799	5,348,166	8,821,210	31,787,953	10,100,240	590,706,144 (D)
Invested Assets as of 12/31/11 (2011 AS)									
(13) Total Invested Assets (Page 2, Line 12)	49,637,752	23,321,076	523,103,885	12,677,213	5,507,508	8,602,313	31,841,867	9,886,127	664,577,741
(14) Value of consolidated affiliates (Sch. D (SI04), Col. 2, Line 53)	0	0	91,216,844	0	0	0	0	0	91,216,844
(15) Net invested assets after consolidation (13) - (14)	49,637,752	23,321,076	431,887,041	12,677,213	5,507,508	8,602,313	31,841,867	9,886,127	573,360,897 (E)
(F) Investment Income Rate of Return (Pre-Tax):		2.65%							(F) = (A) / (Avg.((D) , (E)))
(G) Capital Gains Rate of Return (After-Tax):		1.68%							(G)=((B)+(C)) / ((D)+(E))
(H) Effective Tax-Rate in Investment Earnings:		0.35							(H)
(I) Rate of Return (After-Tax) on Investment Income:		1.72%							(I) = (F) x (1.000 - (H))
(J) Rate of Return (After-Tax) in Invested Assets:		3.41%							(J) = (I) + (G)

Notes:

Item (1) is net of investment expenses.

Items (5) and (8) are valued at Market.

This is appropriate as this is how these items are carried in (4) and (7) respectively.

**Republic Underwriters Insurance Company
The Republic Group
Arkansas Roadmaster Auto Program
Development Of Catastrophe Loading Factor
Comprehensive**

Catastrophe Loss Data Experience is Limited in Arkansas

Fiscal Year Ending March	Ex-Cat Incurred Losses	Cat Incurred Losses	Cat Ratio
2009			
2010	66,190	6,804	0.103
2011	206,485	7,310	0.035
2012	371,240	200,675	0.541
Total	643,915	214,789	0.334
Averages:			
			Avg. Latest 2 Years 0.288
			Avg. Latest 5 Years 0.226
			Selected 0.200
			Selected Cat Factor 1.200

**Tier Assignment - Add together the point values from each category below.
Use the point value table to determine the appropriate tier and market.**

(1) Credit Score

Range	Points
760+	75
747-759	70
729-746	55
711-728	50
688-710	40
658-687	25
609-657	20
0-608	0
No Hit	40

CURRENT

(2) Homeownership

Category	Points
None	0
Manuf/Mobile Home	5
Home/Condo	10

(3) Prior Insurance Days Lapse

Tenure		
(Policy Module)	Days	Points
0-1	0	40
0-1	1-30	20
0-1	31+	0
0-1	No Prior	40
2+	n/a	40

(4) Prior Insurance Type

Tenure		Insurer	Points
(Policy Module)	Type	Type	
0-1	Standard		50
0-1	Non-Standard		30
0-1	Assigned Risk		30
0-1	No Prior		0
2+	n/a		50

(5) Prior Insurance Term Insured With Same Company/Agency

Tenure		Years with Same Prior Company/Agency	Points
(Policy Module)	Agency	Agency	
0-1	0-2		0
0-1	3-4		10
0-1	5+		20
2-3	0-2		5
2-3	3-4		15
2-3	5+		20
4+	n/a		20

(6) Prior Insurance BI Limits

Tenure (Policy Module)	Prior Insurance BI Limits	Current Policy BI Limits	Points
0-1	10/20	n/a	0
0-1	15/30	n/a	0
0-1	20/40	n/a	0
0-1	25/50	n/a	15
0-1	30/60	n/a	15
0-1	50/100	n/a	30
0-1	100/200	n/a	35
0-1	100/300	n/a	35
0-1	300/300	n/a	35
0-1	250/500	n/a	40
0-1	500/500	n/a	40
0-1	500/1000	n/a	40
0-1	1000/1000	n/a	40
0-1	30 CSL	n/a	0
0-1	50 CSL	n/a	15
0-1	60 CSL	n/a	15
0-1	100 CSL	n/a	30
0-1	300 CSL	n/a	35
0-1	500 CSL	n/a	40
0-1	1000 CSL	n/a	40
2+	n/a	25/50	15
2+	n/a	30/60	15
2+	n/a	50/100	30
2+	n/a	100/300	35
2+	n/a	250/500	40
2+	n/a	500/500	40
2+	n/a	500/1000	40
2+	n/a	1000/1000	40

(7) Full Coverage on Policy

Vehicles	Points
All	25
Some	20
None	0

(8) Excluded Driver on Policy

Category	Points
No	15
Yes	0

(9) SR22 Requirement

Category	Points
No	10
Yes	0

POINT CALCULATION TABLE

Low Points	High Points	Tier	Market	BI	PD	PIP	MP	UMBI	UMPD	CP	CL
280	285	1	Preferred	0.76	0.76	0.72		0.72	0.77	0.77	0.77
270	279	2	Preferred	0.79	0.79	0.75		0.75	0.81	0.81	0.81
260	269	3	Preferred	0.82	0.82	0.81		0.79	0.84	0.84	0.84
250	259	4	Preferred	0.86	0.86	0.85		0.83	0.87	0.87	0.87
240	249	5	Preferred	0.90	0.90	0.89		0.89	0.91	0.91	0.91
230	239	6	Preferred	0.96	0.96	0.95		0.95	0.97	0.97	0.97
220	229	7	Preferred	1.00	1.00	1.00		1.00	1.00	1.00	1.00
200	219	8	Standard	1.15	1.15	1.15		1.15	1.14	1.14	1.14
190	199	9	Standard	1.22	1.22	1.24		1.24	1.19	1.19	1.19
180	189	10	Standard	1.27	1.27	1.30		1.30	1.24	1.24	1.24
170	179	11	Standard	1.32	1.32	1.36		1.36	1.28	1.28	1.28
150	169	12	Standard	1.40	1.40	1.47		1.47	1.35	1.35	1.35
140	149	13	Non-Standard	1.61	1.61	1.68		1.68	1.55	1.55	1.55
130	139	14	Non-Standard	1.74	1.74	1.82		1.82	1.67	1.67	1.67
120	129	15	Non-Standard	1.89	1.89	1.98		1.98	1.82	1.82	1.82
110	119	16	Non-Standard	2.14	2.14	2.24		2.24	2.06	2.06	2.06
0	109	17	Non-Standard	2.83	2.83	2.97		2.97	2.73	2.73	2.73

**Tier Assignment - Add together the point values from each category below.
Use the point value table to determine the appropriate tier and market.**

(1) Credit Score

Range	Points
760+	75
747-759	70
729-746	55
711-728	50
688-710	40
658-687	25
609-657	20
0-608	0
No Hit	40

PROPOSED

(2) Homeownership

Category	Points
None	0
Manuf/Mobile Home	5
Home/Condo	10

(3) Prior Insurance Days Lapse

Tenure		
(Policy Module)	Days	Points
0-1	0	40
0-1	1-30	20
0-1	31+	0
0-1	No Prior	40
2+	n/a	40

(4) Prior Insurance Type

Tenure		Insurer	Points
(Policy Module)	Type	Type	
0-1	Standard	50	
0-1	Non-Standard	30	
0-1	Assigned Risk	30	
0-1	No Prior	0	
2+	n/a	50	

(5) Prior Insurance Term Insured With Same Company/Agency

Tenure		Years with Same Prior Company/Agency	Points
(Policy Module)	Agency	Agency	
0-1	0-2	0	
0-1	3-4	10	
0-1	5+	20	
2-3	0-2	5	
2-3	3-4	15	
2-3	5+	20	
4+	n/a	20	

(6) Prior Insurance BI Limits

Tenure (Policy Module)	Prior Insurance BI Limits	Current Policy BI Limits	Points
0-1	10/20	n/a	0
0-1	15/30	n/a	0
0-1	20/40	n/a	0
0-1	25/50	n/a	15
0-1	30/60	n/a	15
0-1	50/100	n/a	30
0-1	100/200	n/a	35
0-1	100/300	n/a	35
0-1	300/300	n/a	35
0-1	250/500	n/a	40
0-1	500/500	n/a	40
0-1	500/1000	n/a	40
0-1	1000/1000	n/a	40
0-1	30 CSL	n/a	0
0-1	50 CSL	n/a	15
0-1	60 CSL	n/a	15
0-1	100 CSL	n/a	30
0-1	300 CSL	n/a	35
0-1	500 CSL	n/a	40
0-1	1000 CSL	n/a	40
2+	n/a	25/50	15
2+	n/a	30/60	15
2+	n/a	50/100	30
2+	n/a	100/300	35
2+	n/a	250/500	40
2+	n/a	500/500	40
2+	n/a	500/1000	40
2+	n/a	1000/1000	40

(7) Full Coverage on Policy

Vehicles	Points
All	25
Some	25
None	0

(8) Excluded Driver on Policy

Category	Points
No	15
Yes	15

(9) SR22 Requirement

Category	Points
No	10
Yes	0

POINT CALCULATION TABLE

Low Points	High Points	Tier	Market	BI	PD	PIP	MP	UMBI	UMPD	CP	CL
280	285	1	Preferred	0.76	0.76	0.72		0.72	0.77	0.77	0.77
270	279	2	Preferred	0.79	0.79	0.75		0.75	0.81	0.81	0.81
260	269	3	Preferred	0.82	0.82	0.81		0.79	0.84	0.84	0.84
250	259	4	Preferred	0.86	0.86	0.85		0.83	0.87	0.87	0.87
240	249	5	Preferred	0.90	0.90	0.89		0.89	0.91	0.91	0.91
230	239	6	Preferred	0.96	0.96	0.95		0.95	0.97	0.97	0.97
220	229	7	Preferred	1.00	1.00	1.00		1.00	1.00	1.00	1.00
200	219	8	Standard	1.15	1.15	1.15		1.15	1.14	1.14	1.14
190	199	9	Standard	1.22	1.22	1.24		1.24	1.19	1.19	1.19
180	189	10	Standard	1.27	1.27	1.30		1.30	1.24	1.24	1.24
170	179	11	Standard	1.32	1.32	1.36		1.36	1.28	1.28	1.28
150	169	12	Standard	1.40	1.40	1.47		1.47	1.35	1.35	1.35
140	149	13	Non-Standard	1.61	1.61	1.68		1.68	1.55	1.55	1.55
130	139	14	Non-Standard	1.74	1.74	1.82		1.82	1.67	1.67	1.67
120	129	15	Non-Standard	1.89	1.89	1.98		1.98	1.82	1.82	1.82
110	119	16	Non-Standard	2.14	2.14	2.24		2.24	2.06	2.06	2.06
0	109	17	Non-Standard	2.83	2.83	2.97		2.97	2.73	2.73	2.73

4. YOUTHFUL DRIVER DISCOUNTS, (cont'd)

Market Tier	Age	Dr. Trn.	Gd. Std.	Dst. Std.	BI	PD	MP	Comp	Coll
Non-Standard	22	Yes	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	22	Yes	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	22	Yes	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	22	Yes	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	No	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	23	Yes	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	No	Yes	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	No	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	Yes	No	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	No	Yes	1.00	1.00	1.00	1.00	1.00
Non-Standard	24	Yes	Yes	Yes	1.00	1.00	1.00	1.00	1.00

Table 4.C., Youthful Discount Factors, Non-Standard Tier

5. POLICY ACCIDENT-FREE DISCOUNT

Tenure (Policy Mod)	Market Tier	Named Insured Years Licensed	Years Clean	BI	PD	MP	Comp	Coll
0	Preferred	0-4	any	1.00	1.00	1.00	1.00	1.00
0	Preferred	5+	<3	1.00	1.00	1.00	1.00	1.00
0	Preferred	5+	3	0.97	0.97	0.97	0.98	0.97
0	Preferred	5+	4	0.94	0.94	0.94	0.96	0.94
0	Preferred	5+	5	0.818 4	0.818 4	0.818 4	0.8790	0.818 4
0	Standard	0-4	any	1.00	1.00	1.00	1.00	1.00
0	Standard	5+	<3	1.00	1.00	1.00	1.00	1.00
0	Standard	5+	3	0.96	0.96	0.96	0.98	0.96
0	Standard	5+	4	0.93	0.93	0.93	0.96	0.93
0	Standard	5+	5	0.89	0.89	0.89	0.94	0.89
0	Non-Standard	0-4	any	1.00	1.00	1.00	1.00	1.00
0	Non-Standard	5+	<3	1.00	1.00	1.00	1.00	1.00
0	Non-Standard	5+	3	0.92	0.92	0.92	0.99	0.92

1. Base Rates

Coverage	Base Limit	Base Rate
BI	25,000/50,000	\$179.44 <u>193.44</u>
PD	25,000	\$163.98 <u>186.12</u>
MP (MP portion only)	5,000	\$57.53 <u>73.06</u>
UMBI	25,000/50,000	\$27.15 <u>30.41</u>
UIM	25,000/50,000	\$22.35 <u>25.03</u>
UMPD	25,000; 200 deductible	\$17.26 <u>22.27</u>
Comprehensive	100 deductible	\$229.42 <u>314.31</u>
Collision	250 deductible	\$422.49 <u>481.64</u>

Table R.1., Base Rates

2. Territory Factors

Territory	BI	PD	MP	UM-BI/UIM	UMPD	Comp	Coll
1	0.95	1.04	1.01	0.97	1.04	1.07	1.02
2	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3	0.92	0.90	0.98	1.00	1.08	1.32	1.06
4	0.92	0.88	0.99	1.01	1.07	1.39	1.06
5	0.91	0.89	0.99	1.02	1.07	1.43	1.07
6	0.92	0.90	1.01	1.02	1.09	1.47	1.09
7	0.93	0.92	0.99	1.03	1.06	1.37	1.08
8	0.94	0.94	0.99	1.06	1.06	1.39	1.09
9	0.97	0.92	1.03	1.06	1.10	1.54	1.08
10	0.95	0.89	0.97	1.03	1.10	1.46	1.05
11	1.13	1.05	1.01	1.03	1.04	1.18	1.04
12	1.00	0.95	1.01	1.01	1.06	1.42	1.04
13	1.01	0.95	1.07	1.08	1.06	1.51	1.06
14	1.00	0.94	1.01	1.07	0.99	1.32	0.97
15	1.03	0.95	1.03	1.06	1.00	1.44	0.99
16	1.00	0.90	1.02	1.08	1.05	1.49	1.05
17	1.04	0.95	1.01	1.04	1.07	1.40	1.04
18	1.03	0.94	1.00	1.05	1.08	1.47	1.05
19	1.04	0.92	1.05	1.05	1.02	1.57	1.02
20	1.14	1.02	1.02	1.05	1.04	1.16	1.04
21	1.15	0.97	1.12	1.06	1.02	1.26	1.03
22	1.14	1.01	1.03	1.11	1.04	1.22	1.07
23	1.00	0.94	1.00	1.01	1.06	1.46	1.08
24	1.10	1.04	1.02	1.01	1.08	1.37	1.09
25	0.96	0.90	1.03	1.02	1.11	1.72	1.12
26	0.92	0.85	0.99	1.00	1.09	1.55	1.05
27	0.93	0.90	1.04	0.99	1.09	1.69	1.12
28	0.94	0.90	1.04	0.99	1.07	1.69	1.11
29	0.94	0.89	1.03	1.01	1.08	1.72	1.10
30	0.94	0.88	1.01	1.02	1.06	1.79	1.09
31	0.96	0.89	1.02	1.00	1.06	1.70	1.10
32	0.98	0.90	0.99	1.00	1.06	1.50	1.13

14. MISCELLANEOUS COVERAGES, (cont.)

b. The insured vehicle must be ~~two-year~~one year old or less.

2. Rates

Charge 20% of the Collision Coverage premium for new auto replacement coverage.

3. Endorsement

Attach RoadMaster New Auto Replacement Coverage **RA 110410** to the policy.

O. Republic RoadMaster Deluxe Package

1. The RoadMaster Deluxe coverage package is a grouping of coverage additions and extensions. These additions and extensions are:

a. Trip Interruption**(1) Definition**

Transportation expenses incurred by an insured and expenses incurred by an insured for lodging and meals in the event of a mechanical or electrical breakdown of a covered vehicle, or loss to the vehicle, under certain conditions.

(2) Limit

\$600 each occurrence.

b. Lock and Key Coverage**(1) Definition**

Services by a locksmith to unlock a covered vehicle and the Repair or replacement of door or window locks.

(2) Limit

\$100 per occurrence.

c. Diminishing Deductible

The Diminishing Deductible applies to loss caused by collision. For new policies, the Diminishing Deductible will equal the original Collision deductible shown in the Declarations. At each renewal, the Diminishing Deductible will decrease by \$100 for a maximum reduction of \$500.

d. Pet Injury Protection**(1) Definition**

This coverage applies to a dog or cat owned by an insured which sustains an injury or death as a result of a collision loss.

(2) Limit

\$500 per occurrence.

e. Coverage For Tapes, Records, Disks And Other Media**(1) Definition**

Under Section D – Coverage For Damage To Your Auto, coverage is not provided for tapes, records, disks or other media. Coverage is added for these.

(2) Limit

The maximum amount is \$200.

2. Eligibility

a. A policy providing both collision and comprehensive coverage may be endorsed to provide the RoadMaster Deluxe package coverage.

b. If this endorsement is added, all vehicles with both collision and comprehensive coverage must have the RoadMaster Deluxe package coverage added.

State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Republic RoadMaster(sm) Personal Automobile Program
Project Name/Number: Rate Revision/

Filing Company: Republic Underwriters Insurance Company

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 Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
10/10/2012	Filed 12/06/2012	Supporting Document	NAIC loss cost data entry document	11/19/2012	FORM RF-1 Rate Filing Abstract.pdf (Superseded)
09/18/2012	Filed 12/06/2012	Rate	Replacement Cost	11/21/2012	AR PA General Rules 1212 rc end.pdf (Superseded)
09/17/2012	Filed 12/06/2012	Rate	Base Rates	11/19/2012	Base rates.pdf (Superseded)
09/07/2012	Filed 12/06/2012	Supporting Document	APCS-Auto Premium Comparison Survey	11/19/2012	PPA Survey FORM APCS.xls (Superseded) PPA Survey FORM APCS.pdf (Superseded)
09/07/2012	Filed 12/06/2012	Supporting Document	NAIC loss cost data entry document	10/10/2012	FORM RF-1 Rate Filing Abstract.pdf (Superseded)

SERFF Tracking #:

TRGR-128677298

State Tracking #:

Company Tracking #:

12-507

State:

Arkansas

Filing Company:

Republic Underwriters Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

Republic RoadMaster(sm) Personal Automobile Program

Project Name/Number:

Rate Revision/

Attachment PPA Survey FORM APCS.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 #	12-507
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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.	Republic Underwriters Insurance Company	B.	24538

	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 Auto

5.			FOR LOSS COSTS ONLY				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
COVERAGE (See Instructions)	Indicated % Rate Level Change	Requested % Rate Level Change	Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier
BI	6.9%	6.9%					
PD	12.4%	12.3%					
PIP	25.9%	25.5%					
UMBI	10.9%	10.7%					
UMPD	28.6%	27.8%					
Comprehensive	36.1%	35.9%					
Collision	13.8%	13.2%					
TOTAL OVERALL EFFECT	15.3%	15.0%					

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
2011	4,161	5.0%	12/15/11	3,353	2,012	60.0%	68.7%
2010	2,519	-		1,794	965	53.8%	68.4%
2009	794	New	1/26/09	390	247	63.3%	69.8%
2008							62.7%
2007							56.0%

7.		
	Expense Constants	Selected Provisions
	A. Total Production Expense	20.5 / 20.2%
	B. General Expense	8.2 / 8.2%
	C. Taxes, License & Fees	3.6% / 3.6%
	D. Underwriting Profit & Contingencies	2.6% / 3.1%
	E. Reinsurance (Phys Dmg)	0.1%
	F. TOTAL	34.9 / 35.2%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 22.3% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
10. - 4.9% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): _____

14. MISCELLANEOUS COVERAGES, (cont.)

b. The insured vehicle must be one year old or less.

2. Rates

Charge 20% of the Collision Coverage premium for new auto replacement coverage.

3. Endorsement

a. Attach RoadMaster New Auto Replacement Coverage **RA 410** to the policy.

b. Any vehicle with RoadMaster New Auto Replacement Coverage prior to January 15, 2013 will continue to have coverage under **RA 110** until the vehicle no longer qualifies for coverage due to the age of the vehicle.

O. Republic RoadMaster Deluxe Package

1. The RoadMaster Deluxe coverage package is a grouping of coverage additions and extensions. These additions and extensions are:

a. Trip Interruption**(1) Definition**

Transportation expenses incurred by an insured and expenses incurred by an insured for lodging and meals in the event of a mechanical or electrical breakdown of a covered vehicle, or loss to the vehicle, under certain conditions.

(2) Limit

\$600 each occurrence.

b. Lock and Key Coverage**(1) Definition**

Services by a locksmith to unlock a covered vehicle and the Repair or replacement of door or window locks.

(2) Limit

\$100 per occurrence.

c. Diminishing Deductible

The Diminishing Deductible applies to loss caused by collision. For new policies, the Diminishing Deductible will equal the original Collision deductible shown in the Declarations. At each renewal, the Diminishing Deductible will decrease by \$100 for a maximum reduction of \$500.

d. Pet Injury Protection**(1) Definition**

This coverage applies to a dog or cat owned by an insured which sustains an injury or death as a result of a collision loss.

(2) Limit

\$500 per occurrence.

e. Coverage For Tapes, Records, Disks And Other Media**(1) Definition**

Under Section D – Coverage For Damage To Your Auto, coverage is not provided for tapes, records, disks or other media. Coverage is added for these.

(2) Limit

The maximum amount is \$200.

14. MISCELLANEOUS COVERAGES, (cont.)

2. Eligibility

- a. A policy providing both collision and comprehensive coverage may be endorsed to provide the RoadMaster Deluxe package coverage.
- b. If this endorsement is added, all vehicles with both collision and comprehensive coverage must have the RoadMaster Deluxe package coverage added.

3. Premium

- a. First Vehicle – charge \$50
- b. Each Additional Vehicle – charge \$35

4. Endorsement

Attach RoadMaster Deluxe Package endorsement **RA 111**.

15. CERTIFIED RISKS – FINANCIAL RESPONSIBILITY LAWS

When an owner is required to file evidence of financial responsibility for owned autos and for the operation of autos which he does not own this shall be reflected in the assignment of the underwriting tier.

16. NAMED NON-OWNER COVERAGE

This coverage is not available in the RoadMaster program.

17. EXTENDED NON-OWNED COVERAGE

A. Eligibility

The Extended Non-Owned Coverage endorsement may be used for an individual who owns an auto but also drives borrowed or rented autos.

Coverage may also be extended to the spouse and resident relatives of that named individual.

B. Coverage

1. The Personal Auto Policy (PAP) may be extended to cover the Vehicles Furnished Or Available For Regular Use Except As Public Or Livery Conveyances

Under the liability coverage section of the PAP, coverage is not provided for non-owned vehicles furnished or available for regular use. By choosing liability coverage under the Extended Non-Owned Coverage – Vehicles Furnished Or Available For Regular Use endorsement, liability coverage afforded under the basic PAP may be extended to cover vehicles furnished or available for regular use except vehicles furnished for use as public or livery conveyances.

2. Coverage for Vehicles Furnished or Available For Use As Public or Livery Conveyances is not available in the RoadMaster program.
3. If liability coverage is extended under the Extended Non-Owned Coverage – Vehicles Furnished Or Available For Regular Use endorsement, Medical payments, Work loss coverage, and Accidental death benefit Coverage may also be similarly extended.

17. EXTENDED NON-OWNED COVERAGE, (cont)**C. Rating – Liability And Medical Payments Coverage**

Sum the premiums for Bodily Injury, Property Damage, and the Medical Payments portion of Personal Injury Protection. Apply the following percentages to the combined total to calculate the additional premium to charge.

Primary Liability Coverage In Effect	Coverage Provided For	Charge
Yes	Named Insured only	12%
Yes	Named Insured & Resident Relatives	13%
No	Named Insured only	90%
No	Named Insured & Resident Relatives	100%

Table 17.C., Extended Non-Owned Factors**D. Endorsement**

Attach the Extended Non-Owned Coverage – Vehicles Furnished or Available For Regular Use endorsement; **PP 03 06**.

18. INCREASED LIMITS

Refer to the rate pages to determine the factors to be applied to the appropriate basic limits rates for Bodily Injury, Property Damage Liability, Medical payments portion of Personal Injury Protection, Uninsured Motorist Bodily Injury, Underinsured Motorist Bodily Injury or Uninsured Motorist Property Damage Liability

19. MISCELLANEOUS TYPES**A. Motor Homes**

A motor home is a self-propelled motor vehicle with a living area that is an integral part of the vehicle chassis. The living area typically consists of cooking, dining, sleeping, plumbing, and refrigeration facilities.

Attach the miscellaneous type vehicle endorsement **PP 03 23** and the miscellaneous type vehicle amendment (motor homes) endorsement **PP 03 28** to the policy.

1. LIABILITY, MEDICAL PAYMENTS, WORK LOSS COVERAGE, AND ACCIDENTAL DEATH BENEFIT, UNINSURED AND UNDERINSURED MOTORISTS COVERAGES**a. Motor Homes Used in Driving to or from Work or Used in Business**

Classify and rate as private passenger autos.

b. Pleasure Use Motor Homes

Charge 50% of the otherwise applicable base class rate (Use 1.00 for the driver class) for private passenger autos. (The Merit Rating Plan does **not** apply.)

2. PHYSICAL DAMAGE

a. Determine the value, including the value of any additional facilities or equipment. Additional facilities or equipment may include cooking, dining, sleeping, plumbing or refrigeration facilities, rooftop air conditioners, awnings, cabanas, or other equipment designed to be used with the motor home.

(1) Assign a symbol based on the amount determined in **Paragraph a.** above using the Price/Symbol Charts in the Symbol and Identification Manual corresponding to the model year of the motor home. Refer to the rate pages to determine base rates for the appropriate symbol and model year of the motor home and its facilities and equipment.

19. MISCELLANEOUS TYPES (Cont'd)

- (2) To determine the base rates for symbols not displayed on rate pages, determine rates in accordance with **Rule 12.**, depending on the model year of the motor home.

Exception

For 1989 and Prior Model Year motor homes with stated value of \$65,001 and over, increase the Symbol 20 base rate as follows:

(a) Comprehensive

1.7% for each \$1,000 or part of \$1,000 in excess of \$65,000.

(b) Collision

1.4% for each \$1,000 or part of \$1,000 in excess of \$65,000.

b. Motor Homes Used in Driving to or from Work or Used in Business

Classify and rate as private passenger autos, using the base rates calculated in **a.**

c. Pleasure Use Motor Homes

Charge 35% of the base rates calculated in **a.** (The Merit Rating Plan does not apply.)

d. For custom built Motor Homes, the model year of the chassis determines the model year of the motor home.**3. RENTAL COVERAGE**

This coverage is not available in the Arkansas RoadMaster program.

B. Trailers and Camper Bodies Designed for Use with Private Passenger Autos and Pickups**1. LIABILITY**

A Personal Auto Policy affording liability coverage covers trailers designed for use with a private passenger auto, pickup or van, and camper bodies designed for use with a pickup, without additional premium charge and without specific description of the trailer or camper body.

Exceptions

Coverage is not provided for a trailer or camper body:

- a.** Used for business purposes with other than a private passenger auto or owned pickup or van, or
- b.** When no auto is owned by the insured.

2. MEDICAL PAYMENTS, WORK LOSS COVERAGE, AND ACCIDENTAL DEATH BENEFIT

A Personal Auto Policy affording Medical payments, Work loss coverage, and Accidental death benefit coverage covers trailers designed for use with private passenger auto, pickup or van, and camper bodies designed for use with a pickup, without additional premium charge and without specific description of the trailer or camper body.

Exceptions

Coverage is not provided for a trailer or camper body:

- a.** Used for business purposes with other than a private passenger auto or owned pickup or van,
- b.** When no auto is owned by the insured, or
- c.** Located for use as a residence or premises.

3. LIABILITY AND MEDICAL PAYMENTS – FARM WAGONS

Liability and Medical payments, Work loss coverage, and Accidental death benefit Coverage is afforded without additional premium charge for farm wagons and farm implements when attached to a private passenger auto, pickup or van.

19. MISCELLANEOUS TYPES (Cont'd)

4. PHYSICAL DAMAGE

Trailers and camper bodies are to be insured as separate items with separate premiums shown for each unit. The deductible applies separately to each unit. Attach the trailer/camper body coverage (maximum limit of liability) endorsement **PP 03 07**.

Note: Coverage is not provided on an "agreed value" basis.

a. Recreational Trailers and Camper Bodies

- (1) A recreational trailer is a non-self-propelled recreational unit equipped as living quarters, including cooking, dining, sleeping, plumbing or refrigeration facilities.
- (2) A camper body is a non-self-propelled unit designed to be transported by a pickup, with or without cooking, dining, sleeping, plumbing or refrigeration facilities.

To be eligible for coverage, the insured must maintain a separate and permanent residence other than the recreational trailer or camper body.

(3) Comprehensive and Collision

Use Motor Home rates.

b. All Other Trailers

- (1) Comprehensive rate per \$100 is \$1.58
- (2) Collision rate per \$100 is \$.93.

C. Motorcycles, Mopeds, Motorscooters, Motorbikes, Go-Carts And Any Other Similar Motor Vehicles Not Used For Business Purposes; Snowmobiles and All-Terrain Vehicles; Dune Buggies; and Golf Carts

Coverage for these vehicles is not available in the RoadMaster program.

20. RATING TERRITORIES

A. The Rate Pages display rates by territory.

B. The Territory Pages contain the definition for each rating territory.

1. Each territory includes a specific area for rating purposes. Therefore, the following provisions apply:
 - a. Any city, town, borough or village not mentioned within a defined territory, but falling within its boundaries, shall take the rate for that territory.
 - b. If a street or other public way serves as a dividing line between two territories, except when the public way serves as a boundary line of any political subdivision such as a state, county, city, town, etc., the rates applicable to the lower rated of the two territories shall apply to autos principally garaged on either side of the street.
2. When territories are defined by Zip Code, the following applies:
 - a. Determine the applicable rating territory based on the ZIP code of the **location of principal garaging** of the vehicle. If the ZIP code of the mailing address differs from the ZIP code of the location of principal garaging, use the ZIP code of the garaging location to assign the rating territory.
 - b. As ZIP code boundaries are changed by the USPS, a new ZIP code may be created. If this new ZIP code is not yet listed in the Territory Definitions, use the ZIP code that formerly applied to the risk before the ZIP code boundaries were changed in order to determine the rating territory for a risk located in the new ZIP code.
 - c. Manual pages will be updated on a regular basis to reflect future ZIP code changes.

20. RATING TERRITORIES, (Cont'd)

C. Out of State

When an insured moves out of the state of Arkansas during the policy period, use territory 999 as the rating territory until the policy is terminated.

21. REQUIRED ENDORSEMENTS AND NOTICES

Attach the following endorsements and notices to all policies:

- A.** Amendment of Policy Provisions - Arkansas **PP 01 77**
- B.** Arkansas Fraud Statement **IL N 01 16**
- C.** Arkansas Notice **PP 13 85**
- D.** Coverage For Damage To Your Auto Exclusion Endorsement **PP 13 01**
- E.** Custom Equipment Exclusion Endorsement **PP 13 06**

22. BILLING PLANS

A. Payment Plans

- 1.** Annual Payment Plan (New and Renewal)
 - a.** No service fees.
 - b.** Policy is required to be paid in full either with application or annual billing statement.
- 2.** Two Payment Plan (New and Renewal)
 - a.** 50% down payment plus one installment payment
 - b.** Installment: due 150 days from effective date
 - c.** Service fee is \$5.00 per installment.
- 3.** Four Payment Plan (New and Renewal)
 - a.** 25% down payment plus three installment payments
 - b.** Installments
 - (1)** First installment due 90 days from effective date
 - (2)** Remaining installments due every 90 days
 - c.** Service fee is \$5.00 per installment.
- 4.** Ten Payment Plan (New and Renewal)
 - a.** 16.67% down payment for new business
 - b.** Installments
 - (1)** Renewal Installments will be 10% each
 - (2)** Installments are due on the effective day each month (example - if policy is effective 1/15, each installment will be due on the 15th)
 - c.** Service fee is \$5.00 per installment.
- 5.** Eleven Payment Plan (New Business)
 - a.** 16.67% down payment due on effective date
 - b.** Remaining Installments due on the effective day of each following month
 - c.** Service fee is \$5.00 per installment.
- 6.** Eleven Payment Plan (Renewals)
 - a.** 9.1% down payment due on effective date
 - b.** Remaining installments due on the effective day of each following month
 - c.** Service fee is \$5.00 per installment.

22. BILLING PLANS, (cont.)

7. Electronic Fund Transfer (New and Renewal)
 - a. 8.34% down payment
 - b. Installments - Monthly withdrawal from the 1st-28th
 - c. No service fees.
8. A service fee is not applied to a down payment.
9. **Unscheduled Billing**
 - a. A bill that is generated outside of the normal installment schedule may be charged a service fee.
 - b. This applies only to the bill plans above that have service fees.

B. Other Billing Information**1. Non-Sufficient Funds Charges**

When a check is returned to the company marked as "Non-Sufficient Funds" or "Insufficient Funds", a \$25 charge will be applied to the next bill for the returned check.

2. Web and IVR Payments

- a. Payments under all billing plans may be paid by using Internet or IVR (Interactive Voice Recording) systems
- b. There is no service charge added for using these options; however, the third party vendors that provide these services may charge a convenience fee for these transactions. Republic does not set these fees nor receive any portion of the fee.

3. Late Fees

- a. A late fee may be assessed if the minimum due payment is not received before the fifth day following the due date.
- b. The late fee is \$10.

4. Payments will apply first to any fees, with the remainder applied to policy premium.
-

23. LIABILITY & PIP/MEDICAL PAYMENTS VEHICLE RATING PLAN

A. About The Liability & PIP/Medical Payments Vehicle Rating Plan

This section contains the rules and rating provisions governing the Liability and PIP/Medical Payments (LPMP) Vehicle Rating Plan. The rules, rates, forms and endorsements of the company shall govern in all cases not specifically provided for in these rules.

B. LPMP Symbols Pages

1. The LPMP Symbols Pages (hereinafter, the Symbols Pages) contain the rating symbols for the LPMP Vehicle Rating Plan.

The Symbols Pages display LPMP symbols for all vehicles to which this Rating Plan applies. A supplementary section of the multistate Symbols Pages, titled the Symbols Update Pages, contains LPMP symbols for new vehicles.

Refer to the Premium Determination rule for the rating factors and premium determination rules associated with the LPMP symbols.

2. Details About LPMP Symbols

For each vehicle listed on the Symbols Pages, two LPMP rating symbols are provided: one symbol applicable to BI and PD Liability Coverages, and a second symbol applicable to PIP or Medical Payments Coverage. The symbols are displayed on a vehicle series basis, and apply to all vehicles (all VINs) in a vehicle series. The LPMP symbols do not vary by model year of vehicle unless otherwise noted.

3. Model Years

All vehicles produced as of model year 1998 and later are shown on the LPMP Symbols pages.

23. LIABILITY & PIP/MEDICAL PAYMENTS VEHICLE RATING PLAN, (cont)

4 References To PIP/Medical Payments Coverages

The multistate symbol pages contain references to both PIP and Medical Payments coverages. For Arkansas, the PIP/Medical Payments rating factors and symbols are applicable to the Medical Payments portion of Personal Injury Protection Coverage. All LPMP Manual page references to PIP/Medical Payments shall be interpreted as referring to the Medical Payments portion of Personal Injury Protection Coverage.

C. PROCEDURAL RULES

Instructions for use of the LPMP multistate Symbols Pages and the Symbols Update Pages.

1. If a vehicle is shown on the LPMP multistate Symbols Pages, use those symbols in rating the vehicle unless the provisions of **Rule 2.** are applicable.
2. Refer to the LPMP Symbols Update Pages, where LPMP symbols for new vehicles are displayed. If the vehicle is listed on the Symbols Update Pages, use those symbols in rating the vehicle instead of the symbols determined in **Rule 1.**
3. If a symbol for the vehicle can not be determined in accordance with the procedures in **Rules 1. or 2.,** use an LPMP rating factor of 1.00 for both Liability and PIP/Medical Payments Coverages until ISO publishes LPMP symbols information for that vehicle.

- D.** Refer to the rate pages for the appropriate rating factors.

1. Base Rates

Coverage	Base Limit	Base Rate
BI	25,000/50,000	\$193.44
PD	25,000	\$186.12
MP (MP portion only)	5,000	\$73.06
UMBI	25,000/50,000	\$30.41
UIM	25,000/50,000	\$25.03
UMPD	25,000; 200 deductible	\$22.27
Comprehensive	100 deductible	\$314.31
Collision	250 deductible	\$481.64

Table R.1., Base Rates

2. Territory Factors

Territory	BI	PD	MP	UM-BI/UIM	UMPD	Comp	Coll
1	0.95	1.04	1.01	0.97	1.04	1.07	1.02
2	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3	0.92	0.90	0.98	1.00	1.08	1.32	1.06
4	0.92	0.88	0.99	1.01	1.07	1.39	1.06
5	0.91	0.89	0.99	1.02	1.07	1.43	1.07
6	0.92	0.90	1.01	1.02	1.09	1.47	1.09
7	0.93	0.92	0.99	1.03	1.06	1.37	1.08
8	0.94	0.94	0.99	1.06	1.06	1.39	1.09
9	0.97	0.92	1.03	1.06	1.10	1.54	1.08
10	0.95	0.89	0.97	1.03	1.10	1.46	1.05
11	1.13	1.05	1.01	1.03	1.04	1.18	1.04
12	1.00	0.95	1.01	1.01	1.06	1.42	1.04
13	1.01	0.95	1.07	1.08	1.06	1.51	1.06
14	1.00	0.94	1.01	1.07	0.99	1.32	0.97
15	1.03	0.95	1.03	1.06	1.00	1.44	0.99
16	1.00	0.90	1.02	1.08	1.05	1.49	1.05
17	1.04	0.95	1.01	1.04	1.07	1.40	1.04
18	1.03	0.94	1.00	1.05	1.08	1.47	1.05
19	1.04	0.92	1.05	1.05	1.02	1.57	1.02
20	1.14	1.02	1.02	1.05	1.04	1.16	1.04
21	1.15	0.97	1.12	1.06	1.02	1.26	1.03
22	1.14	1.01	1.03	1.11	1.04	1.22	1.07
23	1.00	0.94	1.00	1.01	1.06	1.46	1.08
24	1.10	1.04	1.02	1.01	1.08	1.37	1.09
25	0.96	0.90	1.03	1.02	1.11	1.72	1.12
26	0.92	0.85	0.99	1.00	1.09	1.55	1.05
27	0.93	0.90	1.04	0.99	1.09	1.69	1.12
28	0.94	0.90	1.04	0.99	1.07	1.69	1.11
29	0.94	0.89	1.03	1.01	1.08	1.72	1.10
30	0.94	0.88	1.01	1.02	1.06	1.79	1.09
31	0.96	0.89	1.02	1.00	1.06	1.70	1.10
32	0.98	0.90	0.99	1.00	1.06	1.50	1.13

Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified May 2012

NAIC Number: 24538
Company Name: Republic Underwriters Insurance Company
Contact Person: Bill Bradford
Telephone No.: 972-788-6617
Email Address: billbradford@republicgroup.com
Effective Date: 12/15/2012

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	2 - 10	%
AUTO/HOMEOWNERS	5 - 15	%
GOOD STUDENT	3 - 17	%
ANTI-THEFT DEVICE	2 - 5	%
Over 55 Defensive Driver Discount	10	%
\$250/\$500 Deductible Comp./Coll.	21-25% / 8-13	%

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
2008 4.8L Chevrolet Silverado 1500 "LS" regular cab 119" WB	Minimum Liability			\$1,572	\$1,842	\$623	\$526	\$1,523	\$1,782	\$611	\$517	\$1,935	\$2,274	\$756	\$634	\$1,510	\$1,766	\$605	\$513	\$1,682	\$1,971	\$667	\$562
	Minimum Liability with Comprehensive and Collision			\$2,708	\$3,328	\$1,150	\$871	\$2,846	\$3,486	\$1,249	\$934	\$3,043	\$3,732	\$1,267	\$965	\$3,027	\$3,711	\$1,347	\$999	\$2,876	\$3,525	\$1,232	\$929
	100/300/50 Liability with Comprehensive and Collision			\$2,991	\$3,655	\$1,280	\$987	\$3,140	\$3,827	\$1,386	\$1,055	\$3,413	\$4,164	\$1,431	\$1,109	\$3,318	\$4,047	\$1,482	\$1,119	\$3,205	\$3,906	\$1,380	\$1,060
2009 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability			\$1,636	\$1,916	\$646	\$544	\$1,585	\$1,853	\$633	\$536	\$2,011	\$2,363	\$783	\$658	\$1,572	\$1,837	\$627	\$531	\$1,752	\$2,050	\$691	\$582
	Minimum Liability with Comprehensive and Collision			\$2,860	\$3,512	\$1,216	\$917	\$3,010	\$3,688	\$1,321	\$985	\$3,206	\$3,934	\$1,337	\$1,016	\$3,207	\$3,930	\$1,430	\$1,056	\$3,038	\$3,722	\$1,303	\$980
	100/300/50 Liability with Comprehensive and Collision			\$3,151	\$3,848	\$1,349	\$1,035	\$3,312	\$4,039	\$1,461	\$1,109	\$3,588	\$4,378	\$1,504	\$1,162	\$3,505	\$4,277	\$1,569	\$1,178	\$3,375	\$4,115	\$1,453	\$1,112
2010 Honda Odyssey "EX"	Minimum Liability			\$1,233	\$1,436	\$504	\$429	\$1,198	\$1,392	\$496	\$425	\$1,507	\$1,763	\$606	\$513	\$1,188	\$1,381	\$492	\$422	\$1,320	\$1,537	\$538	\$459
	Minimum Liability with Comprehensive and Collision			\$2,527	\$3,119	\$1,105	\$827	\$2,688	\$3,309	\$1,214	\$898	\$2,792	\$3,440	\$1,197	\$903	\$2,888	\$3,553	\$1,322	\$968	\$2,682	\$3,300	\$1,182	\$882
	100/300/50 Liability with Comprehensive and Collision			\$2,752	\$3,376	\$1,216	\$928	\$2,922	\$3,577	\$1,331	\$1,004	\$3,083	\$3,776	\$1,335	\$1,026	\$3,119	\$3,818	\$1,437	\$1,072	\$2,941	\$3,600	\$1,307	\$995
2011 Toyota Camry 2.5L 4 door Sedan	Minimum Liability			\$1,389	\$1,618	\$559	\$477	\$1,349	\$1,567	\$551	\$471	\$1,693	\$1,978	\$672	\$569	\$1,340	\$1,555	\$546	\$466	\$1,488	\$1,730	\$599	\$509
	Minimum Liability with Comprehensive and Collision			\$3,040	\$3,756	\$1,331	\$989	\$3,255	\$4,006	\$1,475	\$1,082	\$3,336	\$4,115	\$1,437	\$1,074	\$3,510	\$4,321	\$1,615	\$1,174	\$3,229	\$3,976	\$1,429	\$1,057
	100/300/50 Liability with Comprehensive and Collision			\$3,283	\$4,035	\$1,449	\$1,094	\$3,507	\$4,297	\$1,597	\$1,192	\$3,652	\$4,482	\$1,583	\$1,204	\$3,761	\$4,608	\$1,737	\$1,283	\$3,510	\$4,300	\$1,561	\$1,175
2011 Cadillac Seville "CTS" AWD WAG 4 door 3.0L	Minimum Liability			\$1,426	\$1,665	\$573	\$485	\$1,384	\$1,611	\$562	\$479	\$1,746	\$2,045	\$690	\$582	\$1,373	\$1,599	\$558	\$475	\$1,526	\$1,781	\$611	\$518
	Minimum Liability with Comprehensive and Collision			\$3,612	\$4,489	\$1,598	\$1,173	\$3,897	\$4,823	\$1,783	\$1,291	\$3,933	\$4,880	\$1,710	\$1,264	\$4,230	\$5,230	\$1,966	\$1,412	\$3,834	\$4,747	\$1,714	\$1,253
	100/300/50 Liability with Comprehensive and Collision			\$3,865	\$4,781	\$1,719	\$1,281	\$4,160	\$5,127	\$1,909	\$1,405	\$4,263	\$5,264	\$1,861	\$1,397	\$4,490	\$5,530	\$2,091	\$1,523	\$4,127	\$5,086	\$1,850	\$1,374
2010 Hyundai Santa Fe SE 4X2	Minimum Liability			\$1,365	\$1,595	\$550	\$467	\$1,325	\$1,544	\$542	\$462	\$1,673	\$1,959	\$665	\$562	\$1,315	\$1,531	\$537	\$458	\$1,461	\$1,706	\$589	\$499
	Minimum Liability with Comprehensive and Collision			\$2,922	\$3,608	\$1,284	\$954	\$3,132	\$3,852	\$1,424	\$1,044	\$3,217	\$3,965	\$1,388	\$1,037	\$3,378	\$4,154	\$1,560	\$1,133	\$3,107	\$3,825	\$1,378	\$1,021
	100/300/50 Liability with Comprehensive and Collision			\$3,168	\$3,891	\$1,403	\$1,060	\$3,388	\$4,146	\$1,549	\$1,155	\$3,537	\$4,337	\$1,535	\$1,168	\$3,631	\$4,445	\$1,682	\$1,242	\$3,390	\$4,152	\$1,512	\$1,140

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	12-507
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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	
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Company Name		Company NAIC Number		
3.	A.	Republic Underwriters Insurance Company	B.	24538

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 Auto

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
BI	6.9%	6.9%					
PD	12.4%	12.3%					
PIP	25.9%	25.5%					
UMBI	10.9%	10.7%					
UMPD	28.6%	27.8%					
Comprehensive	36.1%	35.9%					
Collision	13.8%	13.2%					
TOTAL OVERALL EFFECT	15.3%	15.0%					

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
2011	4,161	5.0%	12/15/11	3,353	2,012	60.0%	68.7%
2010	2,519	-		1,794	965	53.8%	68.4%
2009	794	New	1/26/09	390	247	63.3%	69.8%
2008							62.7%
2007							56.0%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	20.5 / 20.2%
B. General Expense	8.2 / 8.2%
C. Taxes, License & Fees	3.6% / 3.6%
D. Underwriting Profit & Contingencies	2.6% / 3.1%
E. Reinsurance (Phys Dmg)	0.1%
F. TOTAL	34.9 / 35.2%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 12.3% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
10. -4.9% Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): _____