

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
Company Tracking Number: AR_AUTO_2012_RATE_1
TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Filing at a Glance

Company: Trinity Universal Insurance Company

Product Name: AR_Auto_2012_Rate_1 SERFF Tr Num: KEMP-127946438 State: Arkansas

TOI: 19.0 Personal Auto SERFF Status: Closed-Filed State Tr Num:

Sub-TOI: 19.0000 Personal Auto Combinations Co Tr Num: State Status:

AR_AUTO_2012_RATE_1

Filing Type: Rate

Reviewer(s): Alexa Grissom

Author: William Nibbelin

Disposition Date: 02/16/2012

Date Submitted: 01/03/2012

Disposition Status: Filed

Effective Date Requested (New): 04/01/2012

Effective Date (New): 04/01/2012

Effective Date Requested (Renewal): 04/01/2012

Effective Date (Renewal):

04/01/2012

State Filing Description:

General Information

Project Name: AR_Auto_2012_Rate_1

Status of Filing in Domicile: Authorized

Project Number: AR_Auto_2012_Rate_1

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 02/16/2012

State Status Changed:

Deemer Date:

Created By: William Nibbelin

Submitted By: William Nibbelin

Corresponding Filing Tracking Number:

Filing Description:

The above captioned company, member of the Kemper group of companies, proposes a revision to its rates for use with its Arkansas Personal Auto program. This revision includes changes to our base rates only. This revision will impact new and renewal business. An all-coverage state-wide premium level change of +3.0% is estimated to result from this change.

Company and Contact

Filing Contact Information

William Nibbelin, Product Manager

wnibbelin@eKemper.com

12926 Gran Bay Pkwy. West

904-596-8427 [Phone]

SERFF Tracking Number: KEMP-127946438 State: Arkansas
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 Product Name: AR_Auto_2012_Rate_1
 Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1
 Jacksonville, FL 32258 904-245-5601 [FAX]

Filing Company Information

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

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: The fee is \$100 for a rate change filing.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Trinity Universal Insurance Company	\$100.00	01/03/2012	54972642

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	02/16/2012	02/16/2012

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Alexa Grissom	02/02/2012	02/02/2012	William Nibbelin	02/02/2012	02/02/2012
Pending Industry Response	Alexa Grissom	01/17/2012	01/17/2012	William Nibbelin	01/18/2012	01/18/2012

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Change to requested effective date, again	Note To Reviewer	William Nibbelin	02/15/2012	02/15/2012
Change to requested effective date	Note To Reviewer	William Nibbelin	02/09/2012	02/09/2012

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Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Disposition

Disposition Date: 02/16/2012
Effective Date (New): 04/01/2012
Effective Date (Renewal): 04/01/2012
Status: Filed
Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: KEMP-127946438 State: Arkansas
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 Company Tracking Number: AR_AUTO_2012_RATE_1
 TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
 Product Name: AR_Auto_2012_Rate_1
 Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

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	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	Filing Information Including Cover Letter	Filed	Yes

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Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 02/02/2012

Submitted Date 02/02/2012

Respond By Date

Dear William Nibbelin,

This will acknowledge receipt of the captioned filing. Please amend the effective date on the APCS to 2012 in lieu of 2011.

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 Number: KEMP-127946438 State: Arkansas
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TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Response Letter

Response Letter Status Submitted to State
Response Letter Date 02/02/2012
Submitted Date 02/02/2012

Dear Alexa Grissom,

Comments:

Please see response to objection below.

Response 1

Comments: The effective date on the APCS form has been revised to 2012 per direction.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: APCS-Auto Premium Comparison Survey

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Please let me know if there are any questions. Thank you.

William Nibbelin | Product Manager | Kemper Preferred
(904) 596-8427 | wnibbelin@kemper.com

Sincerely,
William Nibbelin

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
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Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 01/17/2012

Submitted Date 01/17/2012

Respond By Date

Dear William Nibbelin,

This will acknowledge receipt of the captioned filing. The APCS must be submitted in Excel as well. Please review Ark. Code Ann. 23-79-152 and make any necessary amendments for compliance. Falling asleep at the wheel is new to "at-fault" surcharges; please advise what prompted the company to add this to the manual.

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

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

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

Sincerely,

Alexa Grissom

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
Company Tracking Number: AR_AUTO_2012_RATE_1
TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Response Letter

Response Letter Status Submitted to State
Response Letter Date 01/18/2012
Submitted Date 01/18/2012

Dear Alexa Grissom,

Comments:

Please see responses to objections below.

Response 1

Comments: The APCS is now submitted in an Excel format. Ark.Code Ann. 23-79-152 has been reviewed and no necessary amendments are needed for compliance.

Additionally, we are not proposing any change to falling asleep at the wheel in terms of its "at-fault" status. Our previously approved filings already had the violation listed as such.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: APCS-Auto Premium Comparison Survey

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
William Nibbelin

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
Company Tracking Number: AR_AUTO_2012_RATE_1
TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Note To Reviewer

Created By:

William Nibbelin on 02/15/2012 12:47 PM

Last Edited By:

Alexa Grissom

Submitted On:

02/16/2012 09:30 AM

Subject:

Change to requested effective date, again

Comments:

Please disregard the previous requested change to the effective date.

The requested effective date of this filing is 4/1/2012 for new and renewal business.

My apologies for the confusion. Please let me know if there are any questions. Thanks.

William Nibbelin | Product Manager | Kemper Preferred
(904) 596-8427 | wnibbelin@kemper.com

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
Company Tracking Number: AR_AUTO_2012_RATE_1
TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Note To Reviewer

Created By:

William Nibbelin on 02/09/2012 09:09 AM

Last Edited By:

Alexa Grissom

Submitted On:

02/16/2012 09:30 AM

Subject:

Change to requested effective date

Comments:

The requested effective date of 4/1/2012 for new and renewal business is now 4/2/2012 for new and renewal business.
Thank you.

Please let me know if there are any questions.

William Nibbelin | Product Manager | Kemper Preferred
(904) 596-8427 | wnibbelin@kemper.com

SERFF Tracking Number: KEMP-127946438 State: Arkansas
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 Product Name: AR_Auto_2012_Rate_1
 Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	A-1 Private Passenger Auto Abstract	Filed	02/16/2012

Comments:

Attachment:

AR Auto Filing Form PPA Form A-1 - 01.pdf

		Item Status:	Status Date:
Satisfied - Item:	APCS-Auto Premium Comparison Survey	Filed	02/16/2012

Comments:

Attachment:

AR Auto Filing Form PPA Survey Form APCS (Excel) - 02.xls

		Item Status:	Status Date:
Bypassed - Item:	NAIC loss cost data entry document	Filed	02/16/2012
Bypass Reason:	This is not Workers' Compensation		
Comments:			

		Item Status:	Status Date:
Satisfied - Item:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	02/16/2012

Comments:

Attachment:

AR Auto Filing Form - Industry_rates_loss_cost_data_entry - 01.pdf

		Item Status:	Status Date:

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
Company Tracking Number: AR_AUTO_2012_RATE_1
TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1
Satisfied - Item: Filing Information Including Cover Letter Filed 02/16/2012

Comments:

Attachments:

- AR Auto Filing Cover Letter - 01.pdf
- AR Auto Filing Memorandum - 01.pdf
- AR Auto Filing Actuarial Support - 01.pdf
- AR Auto Filing Rate Workbook - 01.pdf
- AR Auto Filing Manual - 01.pdf

ARKANSAS INSURANCE DEPARTMENT

FORM A-1 PRIVATE PASSENGER AUTOMOBILE ABSTRACT

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

Company Name Trinity Universal Insurance Company
 NAIC # (including group #) 215-19887

1. Are there any areas in the State of Arkansas in which your company will not write automobile insurance? Yes No
 If yes, list the areas: _____

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

3. Do require collateral business to support a youthful driver? Yes No
 Requirements for youthful drivers – 5 years driving experience is required for all operators that are not part of a family account. Any operator with less than 3 years driving experience must submit a signed "Youthful Driver Questionnaire"

4. Do you insure drivers with an international or foreign driver's license? Yes No
 Licensing Requirements – Any driver who does not have a valid, verifiable driver's license or does not secure, as required, a driver's license within 30 days of becoming a state resident, is unacceptable.

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

- | | | |
|----------------------------|--------|---|
| a. Driver over 55 | Varies | % |
| b. Good Student Discount | 15 | % |
| c. Multi-car Discount | Varies | % |
| d. Accident Free Discount* | Varies | % |

Please Specify Qualification for Discount:

- | | | |
|---|------|---|
| e. Anti-Theft Discount | 5-15 | % |
| f. Other (specify) | | % |
| Anti-lock Brakes (5%), Accident Prevention Course (Varies), | | % |
| Driver Training (5%), Network Discount (5%), | | |
| Package PLUS Discount (Varies), Passive Restraint Airbags | | |
| (20%-40%) | | % |
| | | % |

6. Do you have an installment payment plan for automobile insurance? Yes No
 If so, what is the fee for installment payments?
Please refer to SERFF Filing KEMP-126061761

7. Does your company utilize a tiered rating plan? Yes No
 If so, list the programs and percentage difference and current volume for each plan:

Program	Percentage Difference	Volume
24 Tier Program	Factor Range: 0.65 to 3.25	1,037,670 (2009 Written Premium)

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

William Nibbelin
Signature

William Nibbelin
Printed Name

Product Manager
Title

(904) 596-8427
Telephone Number

wnibbelin@ekemper.com
Email address

AID PC A-1 (1/06)

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
Company Tracking Number: AR_AUTO_2012_RATE_1
TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Attachment "AR Auto Filing Form PPA Survey Form APCS (Excel) - 02.xls" is not a PDF document and cannot be reproduced here.

NAIC LOSS COST DATA ENTRY DOCUMENT (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	AR_Auto_2012_Rate_1
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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
----	--	-----

Company Name		Company NAIC Number	
3.	A. Trinity Universal Insurance Company	B.	19887

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A. 19.0 Personal Auto	B.	19.0001 Private Passenger Auto (PPA)

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
Liability	+13.9%	+6.6%	86.9%				
Med Pay / PIP	-1.2%	0.0%	25.0%				
UM / UIM	+2.9%	0.0%	70.8%				
Collision	-6.1%	0.0%	44.4%				
Comprehensive	+6.4%	0.05%	75.7%				
TOTAL OVERALL EFFECT	+5.5%	+3.0%					

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
2006	793	-27.0%	11/1/2006	730	249	34.1%	58.7%
2007	755	-5.0%	7/1/2007	670	405	60.4%	62.7%
2008	891	-0.8%	2/1/2008	795	759	95.4%	58.8%
2009	704	+3.1%	8/1/2009	1,038	606	58.4%	72.2%
2010	644	+4.8%	8/11/2011	961	465	48.4%	66.8%

7.	Expense Constants Selected Provisions	
A.	Total Production Expense	20.6%
B.	General Expense	4.3%
C.	Taxes, License & Fees	3.4%
D.	Underwriting Profit & Contingencies	1.3%
E.	Other (explain)	0.2% (reinsurance)
F.	TOTAL	34.5%

8. N/A Apply Lost Cost Factors to Future filings? (Y or N)
9. +6.9% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____ N/A
10. 0.0% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____ N/A



Headquarters
12926 Gran Bay Parkway West
Jacksonville FL 32258
eKemper.com

January 3, 2012

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

RE: ARKANSAS PRIVATE PASSENGER AUTOMOBILE FILING
Trinity Universal Insurance Company (NAIC 19887 FEIN 75-0620550)
SERF Filing Number: KEMP-127946438
Company Tracking No.: AR_Auto_2012_Rate_1

To whom it may concern:

The above captioned company, member of the Kemper group of companies, proposes a revision to its rates for use with its Arkansas Personal Auto program. This revision includes changes to our base rates only. This revision will impact new and renewal business. An all-coverage state-wide premium level change of +3.0% is estimated to result from this change.

Please feel free to call me at (904) 596-8427 or email wnibbelin@Kemper.com if you have any questions.

Sincerely,

William J. Nibbelin
Product Manager
Kemper Preferred
12926 Gran Bay Parkway West
Jacksonville, Florida 32258
904-596-8427 (direct line)
904-245-5601 (fax)
wnibbelin@Kemper.com
www.Kemper.com



Headquarters
12926 Gran Bay Parkway West
Jacksonville FL 32258
eKemper.com

**ARKANSAS PERSONAL AUTO
FILING MEMORANDUM
TRINITY UNIVERSAL INSURANCE COMPANY**
(NAIC 19887 FEIN 75-0620550)
SERF FILING #: KEMP-127946438
COMPANY TRACKING #: AR_Auto_2012_Rate_1

Effective April 1, 2012 for new business, Trinity Universal Insurance Company will be revising its Personal Auto rates and rules in Arkansas. A description in detail of all changes being proposed in this filing is provided below.

- **Territory Base Rates**

We are revising our base rates in the direction of coverage indications statewide to reposition ourselves competitively to ensure competitive and adequate pricing levels.

SUMMARY

These proposed changes are necessary for Trinity Universal Insurance Company to better position themselves in the Arkansas market and to be a viable new business option.

UNDERLYING DATA SUPPORTING THE PROPOSED PREMIUM LEVEL REVISIONS

Exhibit [1-1] displays our Arkansas Auto indicated rate level change. Total limits experience is used for bodily injury, property damage, medical payments and uninsured/underinsured motorist coverages. All deductibles combined experience is used for collision and comprehensive coverages. The experience period includes the 3.75 accident years beginning January 1, 2008 and ending September 30, 2011 valued as of September 30, 2011.

The indicated change was calculated using the loss ratio method and the underlying ratemaking formulas described below:

INDICATED RATE CHANGES

Indications were calculated separately for bodily injury, property damage, medical payments uninsured/underinsured motorists combined, collision and comprehensive coverages. The indicated changes are displayed below and Exhibit Summary.

Coverage	2010 Earned Premium at Present Rates	Indicated Change
Bodily Injury	256,945	23.0%
Property Damage	191,059	1.6%
Total BI and PD	448,004	13.9%
Uninsured/Underinsured Motorists	98,809	2.9%
Medical Payments	31,646	-1.2%
Total Liability	578,459	11.2%
Collision	296,068	-6.1%
Comprehensive	126,770	6.4%
Total Physical Damage	422,838	-2.3%
Total	1,001,297	5.5%

The sum of the projected loss ratio and the fixed expense ratio is divided by the permissible loss to determine the indicated rate level changes by coverage based on experience as displayed on Exhibit [2].

PREMIUMS AT PRESENT RATE LEVEL

The collected earned premiums are shown on Exhibit [2], line 1.

The premiums at present rates on Exhibit [3-1], line 4 are adjusted to present rate levels by determining the proportion of each previous rate change not reflected in each years' earned premiums and multiplying those ratios on a cumulative basis to determine the present rate factor; also known as the parallelogram method.

Indication Memo

The following table shows the present rate factors by coverage by accident year.

Coverage	2008	2009	2010	2011
Bodily Injury	1.0624	1.0569	1.0430	
Property Damage	1.2233	1.2132	1.1841	
Uninsured Motorists	1.1268	1.1271	1.1035	
Medical Payments	1.0169	1.0384	1.0087	
Collision	0.9844	0.9998	0.9930	
Comprehensive	1.0784	1.0864	1.0018	

PREMIUM TRENDS

A historical and prospective annual trend in average premium is estimated by fitting an exponential curve to the rolling four quarter average on-level premium. The historical and prospective trends in average premium are used to calculate a premium projection factor from the average written date of each year to March 07, 2013, the approximate average written date during the prospective effective period. The premium projection factors are shown in line 4 of Exhibit [4].

The following table shows the selected historical and prospective premium trends by coverage.

Trend	SLL	BI	PD	Single UM	Split UM	Med Pay	Coll	Comp
Historical	-2.5%	-3.0%	-3.5%	-1.0%	1.0%	1.0%	1.0%	-2.0%
Prospective	-2.0%	-4.0%	-4.0%	-2.0%	1.0%	2.5%	0.0%	-2.5%

COMPREHENSIVE COVERAGE WIND AND WATER PROCEDURE

A Wind and Water Procedure similar to ISO's was used to determine Kemper's Wind/Water load for comprehensive coverage. This procedure is shown in Exhibit [5-1]. The latest 10 years of comprehensive losses were segregated into Wind/Water and non-Wind/Water components. A "normal" Wind/Water to non-Wind/Water ratio was calculated and used to determine an Excess Wind/Water load. Actual excess Wind/Water losses are subtracted from the experience and the Excess Wind/Water load is added.

INCURRED LOSS & DCC DEVELOPMENT FACTORS

The incurred losses & DCC expenses were developed to an ultimate settlement basis by applying the development factors shown below by coverage by accident year.

Coverage	2008	2009	2010	2011
Bodily Injury	1.0000	1.0000	1.0231	1.6296
Property Damage	1.0000	1.0000	1.0000	1.0511
Uninsured Motorists	1.0078	1.0320	1.1086	1.6632
Medical Payments	1.0005	1.0045	0.9969	0.9165
Collision	1.0000	1.0000	0.9990	0.9531
Comprehensive	1.0000	1.0000	1.0003	1.0197

The selected development factors are based on Arkansas experience. The incurred loss & DCC triangles and selected factors are displayed in Exhibit [6].

LOSS ADJUSTMENT EXPENSE

Incurred losses have been combined with Defense and Cost Containment (DCC) expense. Adjusting & Other (A&O) expense have been included by applying the following factors to the incurred losses and DCC:

Type of Coverage	A&O Factor
Liability	1.1634
Physical Damage	1.1539

These factors were derived from the Companies' countrywide Adjusting & Other expense experience from the Insurance Expense Exhibits for calendar years 2008 - 2010. The calculation of the Adjusting & Other expense factors is shown on Exhibit [7].

INCURRED LOSS & DCC TRENDS

We have employed a two-step incurred loss & DCC trend procedure. First, historical losses & DCC expense are trended to July 1, 2011, the approximate average accident date. The selected trends are based primarily on ISO Fast Track data for Arkansas, as well as Kemper's own experience in Arkansas. The incurred losses & DCC expense were then trended to March 07, 2013. This is the expected average date of loss for claims incurred during the first year after the proposed effective date. To reduce the variability of actual quarterly experience to the exponentially fitted curve, and the volatility which can result from limited experience in smaller coverages, we have combined the bodily injury, uninsured/underinsured motorists, and medical payments coverages and list it as bodily injury.

The following table shows the selected historical and prospective incurred loss & DCC trends by coverage.

Trend	BI	PD	COLL	COMP
Historical	6.0%	-0.5%	2.0%	-3.0%
Prospective	6.0%	-0.5%	5.0%	3.0%

These results are shown in Exhibit [8].

EXPENSE ELEMENTS UNDERLYING THE PERMISSIBLE LOSS

Fixed Expense

General Expenses and Other Acquisition Expenses are based upon countrywide data from the 2008-2010 Insurance Expense Exhibits. These components have been multiplied by factors of 0.65 and 0.35 to obtain the fixed and variable portion of the expense elements. The fixed portion has been separately trended to reflect changes in salaries and the overall Consumer Price Index. The adjusted fixed General and Other Acquisition expense for liability and physical damage are shown on line 11 of Exhibit [9].

Variable Expense

State specific Commissions and Brokerage Expense along with Taxes, Licenses, and Fees are pulled directly from the 2008-2010 Annual Statements. A selection based on the average of these two years is used as the projection for commissions and brokerage expense as well as taxes, licenses, and fees. These are included in line 12 of Exhibit 9. The other 35% of General and Other Acquisition Expenses as listed above are also included in the variable expense calculation. The last variable expense piece comes from the state, line, specific allocation of our cost of reinsurance. Total Variable Expense is listed in line 12 of Exhibit [9].

Indication Memo

Investment Income, Profit, and Return on Equity

The calculation of a profit provision reflecting investment income for the companies is shown in Exhibits [9]. The cash flows for one policy are projected for 40 quarters and discounted after tax investment income. The profit provision required to achieve a target Return On Equity (ROE) of 9.8% is calculated based on the projected cash flows.

Permissible Loss, LAE, and Fixed Expense Ratio

The calculation of the Permissible Loss, the denominator of the loss ratio method, is shown on line 13 of Exhibit [9]. Each expense component and the resulting Permissible Loss, LAE, and Fixed Expense Ratio is listed below:

Fixed Expenses	Liability	Physical Damage
Total	7.71%	7.14%

Variable Expenses	Liability	Physical Damage
General & Other Acquisition	3.83%	3.54%
Commissions and Brokerage	13.42%	15.26%
Cost of Reinsurance	0.29%	0.02%
State Taxes, Licenses & Fees	3.31%	3.42%
Total	20.85%	22.24%

Underwriting Profit Provision	Liability	Physical Damage
Total	-0.05%	3.01%

Permissible Loss, LAE, & Fixed Expense Ratio	Liability	Physical Damage
Total	79.19%	74.75%

CREDIBILITY

The credibility standard is calculated using the Limited Fluctuation Method for Full Credibility. This methodology applies a severity adjustment to the frequency credibility standard. The calculation is as follows,

$$\text{Full Credibility} = \text{Frequency Credibility Standard} * (1 + (s/m)^2),$$

where s is the standard deviation of the severity distribution curve and m is the mean of the severity distribution curve. This calculation with a p value of 95% and a k value of 10% resulted in the full credibility standard displayed on Exhibit [10-1].

COMPLEMENT OF CREDIBILITY

The complement of credibility is calculated on Exhibit [11-1]. by coverage, using the net trend of the prospective premium and loss trends compounded by the time between the current effective date and the proposed effective date.

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Auto Indication Table of Contents

<u>Exhibit</u>	<u>Contents</u>
[Memo]	Indication Memo
[1]	Summary of Indicated Rate Change
[2]	Indicated Rate Change
[3]	History of Rate Changes and Present Rate Factors
[4]	Premium Trend Selections and Calculation of Premium Trend Factors
[5]	Excess Wind & Water Procedure
[6]	Incurred Loss & DCC Development Triangles
[7]	Adjusting & Other Expense
[8]	Pure Premium Trend Selections and Calculation of Pure Premium Trend Factors
[9]	Fixed Expense, Variable Expense, and Permissible Loss Ratio
[10]	Credibility
[11]	Complement of Credibility

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Summary of Indicated Rate Change

Proposed Effective Date April 1, 2012
 Accident Years evaluated as of September 30, 2011

Coverage	[1] 2010 Earned Premiums At Present Rates	[2] Selected Loss Ratio	[3] Indicated Change
BI	256,945	154.8%	23.0%
PD	191,059	72.1%	1.6%
UM / UIM	98,809	70.8%	2.9%
MED PAY	31,646	25.0%	-1.2%
<i>Liability Total</i>	578,459	106.0%	11.2%
COLL	296,068	44.4%	-6.1%
COMP	126,770	75.7%	6.4%
<i>Physical Damage Total</i>	422,838	53.8%	-2.3%
TOTAL	1,001,297	84.0%	5.5%

Kemper, A Unitrin Business

Arkansas Auto Experience Projection Indicated Rate Change

Accident Years evaluated as of 9/2011

	<u>Accident Years</u>	<u>Total Bodily Injury</u>	<u>Total Property Damage</u>	<u>Total UM/UIM</u>	<u>Medical Payments</u>	<u>Collision</u>	<u>Comprehensive</u>	<u>All Coverages</u>
[1] Earned Premium at Collected Levels:	2008	211,696	136,911	71,584	25,373	243,227	99,815	788,606
	2009	276,596	179,563	92,364	33,378	317,665	128,956	1,028,522
	2010	246,349	161,356	89,539	31,373	298,155	126,542	953,315
	2011	177,294	116,538	67,634	24,620	223,993	94,054	704,132
[2] Present Rate Factors, [Exhibit 2-1]:	2008	1.0624	1.2233	1.1268	1.0169	0.9844	1.0784	
	2009	1.0569	1.2132	1.1271	1.0384	0.9998	1.0864	
	2010	1.0430	1.1841	1.1035	1.0087	0.9930	1.0018	
	2011	1.0364	1.1604	1.0896	1.0036	0.9928	0.9910	
[3] Premium Trend/Symbol Drift, [Exhibit 4-]:	2008	0.8551	0.8429	1.0378	1.0741	1.0303	0.9019	
	2009	0.8808	0.8723	1.0305	1.0635	1.0201	0.9203	
	2010	0.9077	0.9033	1.0220	1.0529	1.0100	0.9390	
	2011	0.9352	0.9352	1.0138	1.0425	1.0000	0.9582	
[4] Trended Earned Premium at Present Rates: [4] = [1] * [2] * [3]	2008	192,314	141,180	83,710	27,714	246,687	97,077	788,682
	2009	257,491	190,042	107,272	36,859	323,986	128,927	1,044,576
	2010	233,217	172,577	100,979	33,322	299,029	119,042	958,165
	2011	171,832	126,465	74,710	25,759	222,380	89,312	710,457
[5] Incurred Loss&DCC, (COMP loss&DCC are adjusted for: Excess Wind/Water loss&DCC, [Exhibit 5-]:	2008	125,184	102,877	14,340	0	61,686	140,614	765,713
	2009	104,619	187,410	67,946	0	105,158	43,569	543,956
	2010	266,703	91,012	50,959	15,371	79,906	64,221	541,158
	2011	174,878	63,088	20,158	0	109,868	71,319	427,912
[5a] Excess Large Loss&DCC, [Exhibit 6-]:	2008	0	0	0	0	0	0	0
	2009	0	0	0	0	0	0	0
	2010	5,731	158	0	0	191	0	6,079
	2011	0	0	0	0	0	0	0
[5b] Large Loss&DCC Load, [Exhibit 6-]:	2008	1,402	39	0	0	47	0	1,488
	2009	1,597	44	0	0	53	0	1,694
	2010	1,466	40	0	0	49	0	1,556
	2011	1,265	35	0	0	41	0	1,341
[6] Loss&DCC Development Factors, [Exhibit 7 & 8]:	2008	1.0000	1.0000	1.0078	1.0005	1.0000	1.0000	
	2009	1.0000	1.0000	1.0320	1.0045	1.0000	1.0000	
	2010	1.0231	1.0000	1.1086	0.9969	0.9990	1.0003	
	2011	1.6296	1.0511	1.6632	0.9165	0.9531	1.0197	
[7] A&O Factor, [Exhibit 9]:	Selected	1.1634	1.1634	1.1634	1.1634	1.1539	1.1539	

Kemper, A Unitrin Business

Arkansas Auto Experience Projection Indicated Rate Change

Accident Years evaluated as of 9/2011

	Accident Years	Total Bodily Injury	Total Property Damage	Total UM/UIM	Medical Payments	Collision	Comprehensive	All Coverages
[8] Loss&DCC Trend Factors, [Exhibit 10]:	2008	1.3138	0.9768	1.3138	1.3138	1.1520	0.9592	
	2009	1.2394	0.9817	1.2394	1.2394	1.1295	0.9889	
	2010	1.1692	0.9866	1.1692	1.1692	1.1073	1.0195	
	2011	1.1031	0.9916	1.1031	1.1031	1.0856	1.0510	
[9] Developed, Trended Loss and LAE Incurred: [9] = [5] * [6] * [7] * [8]	2008	191,334	116,910	22,088	0	82,001	155,640	567,972
	2009	150,851	214,044	101,104	0	137,050	49,716	652,765
	2010	371,162	104,469	76,847	20,845	101,995	75,570	750,887
	2011	365,714	76,496	43,024	0	131,168	88,198	704,600
[10] Developed, Trended Loss and LAE Ratio: [10] = [9] / [4]	2008	99.5%	82.8%	26.4%	0.0%	33.2%	160.3%	
	2009	58.6%	112.6%	94.3%	0.0%	42.3%	38.6%	
	2010	159.1%	60.5%	76.1%	62.6%	34.1%	63.5%	
	2011	212.8%	60.5%	57.6%	0.0%	59.0%	98.8%	
	Selected	154.8%	72.1%	70.8%	25.0%	44.4%	75.7%	
[11] Fixed Expense, Exhibit [12]:		7.7%	7.7%	7.7%	7.7%	7.1%	7.1%	
[12] Developed, Trended Loss, LAE, and Fixed Expense Ratio, ([10] + [11]):		162.5%	79.8%	78.5%	32.7%	51.6%	82.8%	
[13] Permissible Loss, LAE, and Fixed Expense Ratio, [Exhibit 12]:		79.2%	79.2%	79.2%	79.2%	74.7%	74.7%	
[14] Indicated Rate Level Change ([14] = ([12] / [13]) - 1.00):		105.3%	0.7%	-0.9%	-58.7%	-31.0%	10.8%	17.4%
[15] Credibility, [Exhibit 13]:		16.8%	42.0%	10.0%	5.5%	27.0%	39.2%	
[16] Complement of Credibility, [Exhibit 14]:		6.5%	2.3%	3.3%	2.2%	3.2%	3.6%	
[17] Credibility Weighted Rate Change, ([17] = ([14] * [15]) + ((1 - [15]) * [16])		23.0%	1.6%	2.9%	-1.2%	-6.1%	6.4%	5.5%

Kemper, A Unitrin Business

Arkansas Auto Experience Projection

History of Rate Changes

TUIC	Rate Change				Single	Split				
	<u>Date</u>	<u>SLL</u>	<u>Split BI</u>	<u>Split PD</u>	<u>UM/UIM</u>	<u>UM/UIM</u>	<u>Med Pay</u>	<u>PIP</u>	<u>Coll</u>	<u>Comp</u>
	2/1/2004	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	0.0%	5.3%	5.3%
	3/1/2004	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	0.0%	-5.9%	-5.9%
	9/1/2004	2.8%	-0.7%	-0.8%	-0.8%	-0.8%	-0.5%	0.0%	-1.4%	-1.4%
	11/1/2006	-27.0%	-27.0%	-27.0%	-25.0%	-25.0%	-27.0%	0.0%	-27.0%	-27.0%
	7/1/2007	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%
	2/1/2008	2.4%	1.2%	1.9%	0.0%	0.0%	-4.3%	0.0%	-2.7%	-3.5%
	8/1/2009	1.9%	1.7%	3.4%	2.8%	2.8%	3.9%	0.0%	0.9%	11.2%
	8/11/2011	10.5%	3.7%	18.7%	10.0%	10.0%	0.4%	0.0%	-0.8%	-1.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Present Rate Factors

All Companies Combined

[1] Earned Present Rate Factors

<u>Year</u>	<u>SLL</u>	<u>Split BI</u>	<u>Split PD</u>	<u>Single UM/UIM</u>	<u>Split UM/UIM</u>	<u>Med Pay</u>	<u>PIP</u>	<u>Coll</u>	<u>Comp</u>
2008	1.1347	1.0568	1.2339	1.1282	1.1267	1.0169	1.0000	0.9844	1.0784
2009	1.1232	1.0525	1.2224	1.1266	1.1271	1.0384	1.0000	0.9998	1.0864
2010	1.1068	1.0390	1.1915	1.1026	1.1036	1.0087	1.0000	0.9930	1.0018
2011	1.0919	1.0333	1.1661	1.0879	1.0897	1.0036	1.0000	0.9928	0.9910

[2] Total Earned Premiums

<u>Year</u>	<u>SLL</u>	<u>Split BI</u>	<u>Split PD</u>	<u>Single UM/UIM</u>	<u>Split UM/UIM</u>	<u>Med Pay</u>	<u>PIP</u>	<u>Coll</u>	<u>Comp</u>
2008	24,972	196,530	127,105	6,491	65,093	25,373	0	243,227	99,815
2009	28,299	259,436	168,424	7,070	85,295	33,378	0	317,665	128,956
2010	24,112	231,781	151,813	6,544	82,995	31,373	0	298,155	126,542
2011	15,301	168,061	110,470	4,191	63,442	24,620	0	223,993	94,054

[3] Combined Coverage Earned Present Rate Factors

<u>Year</u>	<u>Bodily Injury</u>	<u>Property Damage</u>	<u>Total UM/UIM</u>
2008	1.0624	1.2233	1.1268
2009	1.0569	1.2132	1.1271
2010	1.0430	1.1841	1.1035
2011	1.0364	1.1604	1.0896

[4] Earned Premiums at Present Rates

<u>Year</u>	<u>Split BI</u>	<u>Split PD</u>	<u>Total UM/UIM</u>	<u>Med Pay</u>	<u>PIP</u>	<u>Coll</u>	<u>Comp</u>
2008	224,901	167,487	80,664	25,802	0	239,432	107,641
2009	292,331	217,850	104,100	34,660	0	317,602	140,098
2010	256,945	191,059	98,809	31,646	0	296,068	126,770
2011	183,739	135,228	73,693	24,708	0	222,380	93,208

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Present Rate Factors
Effective Date April 1, 2012

Determination of Trend Dates:

	[1]		[2]		[3]		
	Premium Distribution		All Coverages Premium Distribution		Average Earned Dates		
	12-month Policies	6-month Policies	12-month Policies	6-month Policies	12-month Policies	6-month Policies	Average
2008	432,567	356,039	54.9%	45.1%	7/1/2008	7/1/2008	7/1/2008
2009	639,344	389,179	62.2%	37.8%	7/1/2009	7/1/2009	7/1/2009
2010	638,635	314,680	67.0%	33.0%	7/1/2010	7/1/2010	7/1/2010
2011	512,394	191,738	72.8%	27.2%	7/1/2011	7/1/2011	7/1/2011
Prospective Period:			72.8%	27.2%	4/1/2013	1/1/2013	3/7/2013

Premium Trend Factors:

	[4]								
	Single Limit Liability	Split Bodily Injury	Split Property Damage	Single Limit UM/UIM	Split Limit UM/UIM	Medical Payments	Collision	Comprehensive	
	Historical Trend	Prospective Trend							
	-2.50%	-3.00%	-3.50%	-1.00%	1.00%	1.00%	1.00%	-2.00%	
	-2.00%	-4.00%	-4.00%	-2.00%	1.00%	2.50%	0.00%	-2.50%	
2008	0.8958	0.8520	0.8389	0.9378	1.0477	1.0741	1.0303	0.9019	
2009	0.9188	0.8783	0.8693	0.9473	1.0374	1.0635	1.0201	0.9203	
2010	0.9423	0.9055	0.9008	0.9568	1.0271	1.0529	1.0100	0.9390	
2011	0.9665	0.9335	0.9335	0.9665	1.0169	1.0425	1.0000	0.9582	

	Total Bodily Injury	Total Property Damage	Total UM/UIM
2008	0.8551	0.8429	1.0378
2009	0.8808	0.8723	1.0305
2010	0.9077	0.9033	1.0220
2011	0.9352	0.9352	1.0138

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Single Limit Liability

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		<u>Rolling 4 quarter data</u>									
Accident		Written	Written	Average	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual
<u>Year</u>	<u>Qtr</u>	<u>Exposures</u>	<u>Premium</u>	<u>[2] / [1]</u>	<u>Factor</u>	<u>[3] x [4]</u>	<u>[2] x [4]</u>	<u>sum([1])</u>	<u>sum([6])</u>	<u>[8] / [7]</u>	<u>Change in</u>
											<u>Avg Prem</u>
2006	12	3	2,097	599	0.9728	583	2,040	3	2,040	583	
2007	3	21	7,652	360	1.0954	394	8,382	25	10,422	421	
2007	6	20	7,541	372	1.0954	408	8,260	45	18,682	415	
2007	9	16	5,340	330	1.1530	381	6,157	61	24,839	406	
2007	12	20	7,690	375	1.1530	433	8,867	78	31,666	405	-30.5%
2008	3	14	4,643	338	1.1352	383	5,271	71	28,555	404	-4.0%
2008	6	17	6,803	398	1.1260	448	7,660	67	27,955	414	-0.2%
2008	9	25	9,330	373	1.1260	420	10,505	76	32,303	423	4.2%
2008	12	18	6,686	370	1.1260	416	7,528	74	30,965	419	3.4%
2009	3	18	6,443	363	1.1260	409	7,254	78	32,948	423	4.6%
2009	6	14	6,029	426	1.1260	479	6,789	75	32,077	428	3.3%
2009	9	26	9,251	362	1.1121	402	10,287	76	31,858	422	-0.4%
2009	12	16	6,137	380	1.1050	419	6,782	74	31,112	422	0.8%
2010	3	13	4,116	313	1.1050	345	4,548	69	28,406	411	-2.8%
2010	6	15	6,361	415	1.1050	458	7,029	70	28,646	408	-4.7%
2010	9	20	5,483	280	1.1050	309	6,059	64	24,417	380	-9.8%
2010	12	14	6,110	426	1.1050	471	6,751	62	24,387	391	-7.5%
2011	3	11	3,506	307	1.1050	339	3,874	61	23,712	391	-4.9%
2011	6	9	4,418	486	1.1050	537	4,882	54	21,566	396	-2.8%
2011	9	25	7,009	283	1.0447	296	7,323	60	22,830	383	0.8%

Single Limit Liability

	<u>Premium</u>
16-point trend	-2.0%
12-point trend	-4.0%
8-point trend	-4.5%
4-point trend	-1.8%

Selected Historical Premium Trend	-2.5%
Selected Prospective Premium Trend	-2.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Split Limit Bodily Injury

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		Rolling 4 quarter data									
Accident	Written	Written	Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual	
Year	Qtr	Exposures	Premium	[2] / [1]	Factor	[3] x [4]	[2] x [4]	sum([1])	sum([6])	[8] / [7]	Change in Avg Prem
2006	12	26	4,683	180	0.9005	162	4,217	26	4,217	162	
2007	3	277	50,130	181	1.0139	184	50,827	303	55,044	182	
2007	6	210	40,339	192	1.0139	194	40,900	513	95,944	187	
2007	9	291	54,322	187	1.0673	199	57,977	804	153,922	191	
2007	12	179	31,678	177	1.0673	189	33,809	957	183,514	192	18.2%
2008	3	285	53,250	187	1.0590	198	56,389	965	189,076	196	7.8%
2008	6	273	51,821	190	1.0546	200	54,652	1,028	202,828	197	5.6%
2008	9	392	76,330	194	1.0546	205	80,500	1,129	225,350	200	4.2%
2008	12	272	47,530	174	1.0546	184	50,127	1,223	241,668	198	3.1%
2009	3	478	87,559	183	1.0546	193	92,343	1,416	277,621	196	0.1%
2009	6	301	58,060	193	1.0546	204	61,232	1,444	284,201	197	-0.3%
2009	9	345	66,888	194	1.0429	202	69,760	1,397	273,461	196	-1.9%
2009	12	279	47,852	172	1.0370	178	49,622	1,403	272,956	195	-1.6%
2010	3	375	66,375	177	1.0370	183	68,831	1,301	249,445	192	-2.2%
2010	6	298	50,664	170	1.0370	177	52,539	1,297	240,752	186	-5.7%
2010	9	354	65,680	186	1.0370	192	68,110	1,306	239,102	183	-6.5%
2010	12	255	43,898	172	1.0370	179	45,522	1,282	235,002	183	-5.8%
2011	3	388	65,083	168	1.0370	174	67,491	1,295	233,662	180	-5.9%
2011	6	335	55,194	165	1.0370	171	57,237	1,332	238,360	179	-3.6%
2011	9	372	66,932	180	1.0163	183	68,026	1,351	238,275	176	-3.7%

Split Limit Bodily Injury

	Premium
16-point trend	-2.9%
12-point trend	-4.4%
8-point trend	-5.2%
4-point trend	-4.9%

Selected Historical Premium Trend	-3.0%
Selected Prospective Premium Trend	-4.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Split Limit Property Damage

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		Rolling 4 quarter data									
Accident	Written	Written	Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual	
Year	Qtr	Exposures	Premium	[2] / [1]	Factor	[3] x [4]	[2] x [4]	sum([1])	sum([6])	[8] / [7]	Change in Avg Prem
2006	12	26	3,031	117	1.0552	123	3,198	26	3,198	123	
2007	3	277	32,149	116	1.1881	138	38,198	303	41,396	137	
2007	6	210	26,125	124	1.1881	148	31,041	513	72,437	141	
2007	9	291	35,012	120	1.2507	151	43,788	804	116,225	145	
2007	12	179	20,151	112	1.2507	141	25,203	957	138,230	144	17.4%
2008	3	285	34,299	120	1.2353	149	42,370	965	142,402	148	7.9%
2008	6	273	34,041	125	1.2274	153	41,781	1,028	153,142	149	5.6%
2008	9	392	49,105	125	1.2274	154	60,269	1,129	169,623	150	3.9%
2008	12	272	30,830	113	1.2274	139	37,839	1,223	182,259	149	3.2%
2009	3	478	56,714	119	1.2274	146	69,608	1,416	209,497	148	0.3%
2009	6	301	38,017	126	1.2274	155	46,660	1,444	214,376	148	-0.4%
2009	9	345	43,473	126	1.2004	151	52,187	1,397	206,294	148	-1.6%
2009	12	279	31,118	112	1.1870	132	36,936	1,403	205,391	146	-1.8%
2010	3	375	43,519	116	1.1870	138	51,658	1,301	187,441	144	-2.6%
2010	6	298	33,770	113	1.1870	135	40,085	1,297	180,866	139	-6.1%
2010	9	354	43,001	122	1.1870	144	51,042	1,306	179,721	138	-6.8%
2010	12	255	28,313	111	1.1870	132	33,607	1,282	176,392	138	-6.0%
2011	3	388	42,607	110	1.1870	130	50,574	1,295	175,308	135	-6.1%
2011	6	335	36,665	109	1.1870	130	43,521	1,332	178,744	134	-3.8%
2011	9	372	47,406	127	1.0764	137	51,028	1,351	178,730	132	-3.9%

Split Limit Property Damage

	Premium
16-point trend	-3.1%
12-point trend	-4.7%
8-point trend	-5.3%
4-point trend	-4.9%

Selected Historical Premium Trend	-3.5%
Selected Prospective Premium Trend	-4.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Single Limit UM/UIM

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		Rolling 4 quarter data									
Accident	Written	Written	Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual	
Year	Qtr	Exposures	Premium	Factor	Avg Prem	Premium	sum([1])	sum([6])	Avg Prem	Change in	
			[2] / [1]		[3] x [4]	[2] x [4]			[8] / [7]	Avg Prem	
2006	12	3	336	96	0.9647	93	324	324	93		
2007	3	21	2,177	102	1.0743	110	2,339	2,663	108		
2007	6	19	1,859	99	1.0743	107	1,997	4,660	107		
2007	9	16	1,281	79	1.1308	90	1,449	6,109	102		
2007	12	19	1,866	98	1.1308	111	2,110	7,895	105	13.4%	
2008	3	14	1,285	93	1.1308	106	1,453	7,009	104	-3.7%	
2008	6	16	1,697	106	1.1308	119	1,919	6,931	107	-0.5%	
2008	9	25	2,214	89	1.1308	100	2,503	7,985	108	5.6%	
2008	12	18	1,898	105	1.1308	119	2,147	8,022	110	4.7%	
2009	3	17	1,508	90	1.1308	102	1,705	8,274	109	5.2%	
2009	6	14	1,530	108	1.1308	122	1,730	8,085	109	2.5%	
2009	9	26	2,237	87	1.1103	97	2,484	8,065	108	0.0%	
2009	12	16	1,675	104	1.1000	114	1,843	7,762	107	-2.9%	
2010	3	13	1,294	98	1.1000	108	1,423	7,480	108	-0.6%	
2010	6	15	1,674	109	1.1000	120	1,841	7,591	108	-1.1%	
2010	9	20	1,698	87	1.1000	95	1,868	6,975	109	0.4%	
2010	12	14	1,502	105	1.1000	115	1,652	6,784	109	1.8%	
2011	3	11	1,113	97	1.1000	107	1,224	6,585	109	0.2%	
2011	6	9	934	103	1.1000	113	1,027	5,771	106	-1.9%	
2011	9	25	2,294	93	1.0427	97	2,392	6,296	106	-2.7%	

Single Limit UM/UIM

	<u>Premium</u>
16-point trend	0.3%
12-point trend	-0.9%
8-point trend	-0.8%
4-point trend	-4.2%

Selected Historical Premium Trend	-1.0%
Selected Prospective Premium Trend	-2.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Split Limit UM/UIM

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		Rolling 4 quarter data									
		Written		Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual
Year	Qtr	Exposures	Premium	[2] / [1]	Factor	Avg Prem	Premium	sum([1])	sum([6])	Avg Prem	Change in
						[3] x [4]	[2] x [4]			[8] / [7]	Avg Prem
2006	12	26	1,337	51	0.9647	50	1,290	26	1,290	50	
2007	3	275	15,849	58	1.0743	62	17,026	301	18,315	61	
2007	6	208	12,883	62	1.0743	67	13,839	509	32,155	63	
2007	9	289	17,988	62	1.1308	70	20,341	797	52,496	66	
2007	12	177	11,588	65	1.1308	74	13,104	949	64,309	68	36.6%
2008	3	284	17,888	63	1.1308	71	20,228	958	67,512	70	15.7%
2008	6	269	16,560	62	1.1308	70	18,726	1,019	72,399	71	12.4%
2008	9	386	24,099	62	1.1308	71	27,251	1,117	79,308	71	7.9%
2008	12	265	17,148	65	1.1308	73	19,391	1,205	85,596	71	4.9%
2009	3	472	28,802	61	1.1308	69	32,569	1,393	97,937	70	-0.2%
2009	6	299	18,429	62	1.1308	70	20,840	1,422	100,051	70	-1.0%
2009	9	340	21,890	64	1.1103	71	24,304	1,377	97,104	71	-0.7%
2009	12	273	18,370	67	1.1000	74	20,207	1,384	97,920	71	-0.4%
2010	3	374	24,155	65	1.1000	71	26,570	1,286	91,921	71	1.6%
2010	6	295	18,616	63	1.1000	70	20,477	1,282	91,558	71	1.6%
2010	9	351	23,110	66	1.1000	72	25,421	1,292	92,675	72	1.7%
2010	12	256	17,425	68	1.1000	75	19,167	1,275	91,636	72	1.6%
2011	3	388	25,195	65	1.1000	71	27,714	1,289	92,779	72	0.7%
2011	6	332	21,272	64	1.1000	70	23,399	1,327	95,701	72	1.0%
2011	9	375	26,430	71	1.0427	74	27,559	1,351	97,839	72	1.0%

<u>Split Limit UM/UIM</u>	<u>Premium</u>
16-point trend	1.0%
12-point trend	1.0%
8-point trend	1.1%
4-point trend	1.0%

Selected Historical Premium Trend	1.0%
Selected Prospective Premium Trend	1.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Medical Payments

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		<u>Rolling 4 quarter data</u>									
<u>Accident</u>		<u>Written</u>	<u>Written</u>	<u>Avg Prem</u>	<u>Onlevel</u>	<u>Onlevel</u>	<u>Onlevel</u>	<u>Exposures</u>	<u>Premium</u>	<u>Onlevel</u>	<u>Annual</u>
<u>Year</u>	<u>Qtr</u>	<u>Exposures</u>	<u>Premium</u>	<u>[2] / [1]</u>	<u>Factor</u>	<u>[3] x [4]</u>	<u>[2] x [4]</u>	<u>sum([1])</u>	<u>sum([6])</u>	<u>[8] / [7]</u>	<u>Change in</u>
											<u>Avg Prem</u>
2006	12	29	1,032	35	0.8423	29	869	29	869	29	
2007	3	298	6,881	23	0.9484	22	6,526	328	7,395	23	
2007	6	231	5,841	25	0.9484	24	5,540	558	12,934	23	
2007	9	307	7,235	24	0.9983	24	7,223	865	20,157	23	
2007	12	200	4,492	22	0.9983	22	4,485	1,035	23,773	23	-22.0%
2008	3	299	7,099	24	1.0273	24	7,293	1,036	24,540	24	4.9%
2008	6	290	6,725	23	1.0432	24	7,015	1,095	26,016	24	2.5%
2008	9	417	9,332	22	1.0432	23	9,735	1,206	28,527	24	1.5%
2008	12	291	5,836	20	1.0432	21	6,087	1,296	30,130	23	1.2%
2009	3	496	11,093	22	1.0432	23	11,572	1,494	34,409	23	-2.7%
2009	6	315	7,751	25	1.0432	26	8,086	1,519	35,480	23	-1.7%
2009	9	371	8,977	24	1.0170	25	9,130	1,472	34,875	24	0.1%
2009	12	295	6,028	20	1.0040	21	6,052	1,477	34,840	24	1.5%
2010	3	389	8,705	22	1.0040	22	8,740	1,370	32,007	23	1.4%
2010	6	313	7,409	24	1.0040	24	7,439	1,368	31,361	23	-1.8%
2010	9	373	9,400	25	1.0040	25	9,438	1,370	31,668	23	-2.4%
2010	12	269	6,374	24	1.0040	24	6,400	1,344	32,016	24	0.9%
2011	3	400	9,440	24	1.0040	24	9,478	1,356	32,754	24	3.4%
2011	6	344	8,363	24	1.0040	24	8,397	1,387	33,712	24	6.0%
2011	9	397	9,983	25	1.0018	25	10,001	1,410	34,275	24	5.1%

<u>Medical Payments</u>	<u>Premium</u>
16-point trend	0.8%
12-point trend	1.6%
8-point trend	2.9%
4-point trend	2.7%

Selected Historical Premium Trend	1.0%
Selected Prospective Premium Trend	2.5%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Collision

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		Rolling 4 quarter data									
Accident	Written	Written	Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual	
Year	Qtr	Exposures	Premium	[2] / [1]	Factor	[3] x [4]	[2] x [4]	sum([1])	sum([6])	[8] / [7]	Change in Avg Prem
2006	12	25	7,010	280	0.8217	230	5,760	25	5,760	230	
2007	3	224	62,967	281	0.9252	260	58,257	249	64,017	257	
2007	6	194	55,421	285	0.9252	264	51,276	443	115,293	260	
2007	9	233	65,876	282	0.9739	275	64,157	677	179,450	265	
2007	12	153	39,149	256	0.9739	249	38,127	805	211,817	263	14.3%
2008	3	232	67,469	291	0.9915	289	66,892	812	220,452	271	5.5%
2008	6	213	60,338	283	1.0009	283	60,394	831	229,570	276	6.2%
2008	9	327	101,885	311	1.0009	312	101,979	925	267,392	289	9.0%
2008	12	200	52,956	264	1.0009	265	53,006	972	282,271	290	10.3%
2009	3	353	105,760	299	1.0009	299	105,858	1,094	321,236	294	8.2%
2009	6	251	70,963	283	1.0009	283	71,029	1,132	331,872	293	6.2%
2009	9	281	88,091	314	0.9950	312	87,653	1,086	317,545	293	1.2%
2009	12	212	55,092	260	0.9920	258	54,651	1,097	319,191	291	0.2%
2010	3	272	81,192	298	0.9920	296	80,542	1,016	293,875	289	-1.4%
2010	6	253	74,337	294	0.9920	292	73,742	1,018	296,588	291	-0.6%
2010	9	277	84,297	304	0.9920	301	83,623	1,014	292,558	288	-1.4%
2010	12	209	59,231	284	0.9920	281	58,757	1,012	296,664	293	0.8%
2011	3	287	84,076	293	0.9920	290	83,403	1,026	299,525	292	0.9%
2011	6	262	76,891	294	0.9920	291	76,276	1,035	302,059	292	0.1%
2011	9	296	89,986	304	0.9964	303	89,661	1,054	308,098	292	1.4%

<u>Collision</u>	<u>Premium</u>
16-point trend	1.9%
12-point trend	0.0%
8-point trend	0.5%
4-point trend	-0.4%

Selected Historical Premium Trend	1.0%
Selected Prospective Premium Trend	0.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Premium Trend
Kemper Experience through September 30, 2011

Comprehensive

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		Rolling 4 quarter data									
Accident	Written	Written	Avg Prem	Onlevel	Onlevel	Onlevel	Exposures	Premium	Onlevel	Annual	
Year	Qtr	Exposures	Premium	[2] / [1]	Factor	[3] x [4]	[2] x [4]	sum([1])	sum([6])	[8] / [7]	Change in Avg Prem
2006	12	25	2,690	105	0.8963	95	2,411	25	2,411	95	
2007	3	229	28,079	122	1.0092	124	28,338	255	30,749	121	
2007	6	197	21,758	111	1.0092	112	21,959	451	52,708	117	
2007	9	240	28,015	117	1.0623	124	29,761	692	82,469	119	
2007	12	157	16,441	105	1.0623	111	17,466	824	97,525	118	25.2%
2008	3	237	27,956	118	1.0873	128	30,396	832	99,583	120	-0.8%
2008	6	215	24,280	113	1.1009	125	26,729	850	104,353	123	5.2%
2008	9	332	41,229	124	1.1009	137	45,389	941	119,981	127	6.9%
2008	12	202	20,929	104	1.1009	114	23,041	986	125,555	127	7.6%
2009	3	357	43,582	122	1.1009	134	47,979	1,105	143,137	130	8.2%
2009	6	252	27,703	110	1.1009	121	30,497	1,142	146,905	129	4.7%
2009	9	284	36,522	128	1.0252	132	37,441	1,095	138,957	127	-0.4%
2009	12	213	24,129	113	0.9900	112	23,888	1,106	139,805	126	-0.8%
2010	3	276	35,512	129	0.9900	127	35,157	1,025	126,982	124	-4.4%
2010	6	254	30,630	121	0.9900	119	30,324	1,027	126,809	123	-4.0%
2010	9	281	36,287	129	0.9900	128	35,924	1,023	125,292	122	-3.5%
2010	12	210	24,418	116	0.9900	115	24,173	1,021	125,578	123	-2.7%
2011	3	291	36,516	126	0.9900	124	36,151	1,035	126,572	122	-1.3%
2011	6	263	30,955	118	0.9900	117	30,646	1,044	126,894	122	-1.6%
2011	9	300	37,183	124	0.9955	123	37,014	1,064	127,984	120	-1.7%

<u>Comprehensive</u>	<u>Premium</u>
16-point trend	-0.3%
12-point trend	-2.5%
8-point trend	-2.2%
4-point trend	-2.9%

Selected Historical Premium Trend	-2.0%
Selected Prospective Premium Trend	-2.5%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Excess Wind & Water Procedure

Accident Years evaluated as of September 30, 2011

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Accident Year	Wind/Water Incurred Loss&DCC	Total Incurred Loss&DCC	Total - Wind/Water Loss&DCC [3] = [2] - [1]	Wind/Water to Non-Wind/Water Ratio [4] = [1] / [3]	Capped Wind/Water Ratio < (5 x Median)	Capped Excess Wind/Water Ratio [6] = [5] - Avg([5])	Capped Excess Wind/Water Loss&DCC [7] = [3] x [6]	Excess Wind/Water Ratio Above the Cap [8] = [4] - [5]	Excess Wind/Water Loss&DCC Above the Cap [9] = [3] x [8]	Total Excess Wind/Water Loss&DCC [10] = [7] + [9]
2002	2,835	61,388	58,553	0.048	0.048	0.003	158	0.000	0	158
2003	0	6,837	6,837	0.000	0.000	0.000	0	0.000	0	0
2004	0	0	0	0.000	0.000	0.000	0	0.000	0	0
2005	0	0	0	0.000	0.000	0.000	0	0.000	0	0
2006	0	0	0	0.000	0.000	0.000	0	0.000	0	0
2007	0	8,260	8,260	0.000	0.000	0.000	0	0.000	0	0
2008	389,330	461,628	72,297	5.385	0.121	0.075	5,446	5.264	380,578	386,024
2009	56,423	78,824	22,401	2.519	0.121	0.075	1,687	2.398	53,712	55,399
2010	4,187	37,207	33,020	0.127	0.121	0.075	2,487	0.006	190	2,677
2011	23,250	59,919	36,669	0.634	0.121	0.075	2,762	0.513	18,811	21,573
2002-2010 Average				0.898	0.046	0.025		0.852		

[11] Normal Wind/Water to Non-Wind/Water Ratio, [11] = Average ([5]) = 0.046
[12] 5 x Median Wind/Water to Non-Wind/Water = 0.121
[13] Excess Wind/Water Factor, [13] = 1 + [(Avg ([6]) + Avg ([8])) / (1 + (Avg ([5]) - Avg ([6])))] = 1.860

Accident Years	[14] Incurring Loss&DCC Adjusted for Excess Wind / Water Loss&DCC	[15] Incurring Loss&DCC Adjusted for Excess Wind / Water Loss&DCC
	[14] = [14] - [10] * [13]	[15] = ([14] - [10]) * [13]
2008	461,628	140,614
2009	78,824	43,569
2010	37,207	64,221
2011	59,919	71,319

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Years 2008 - 2010

Bodily Injury

	Incurred Loss&DCC									
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>	<u>129</u>
2001	228,543	287,851	298,251	307,889	304,856	304,856	304,856	304,856	304,856	304,856
2002	145,437	193,026	183,734	181,918	184,171	184,171	184,171	184,171	184,171	
2003	9,000	9,000	9,030	5,667	5,667	5,667	5,667	5,667		
2004	5,347	5,347	5,347	5,347	5,347	5,347	5,347			
2005										
2006										
2007	41,537	50,782	48,411	48,411						
2008	128,838	125,184	125,184							
2009	111,608	104,619								
2010	266,703									
	Age-To-Age									
	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	<u>117-129</u>	
2001	1.260	1.036	1.032	0.990	1.000	1.000	1.000	1.000	1.000	
2002	1.327	0.952	0.990	1.012	1.000	1.000	1.000	1.000		
2003	1.000	1.003	0.628	1.000	1.000	1.000	1.000			
2004	1.000	1.000	1.000	1.000	1.000	1.000				
2005	1.000	1.000	1.000	1.000	1.000					
2006	1.000	1.000	1.000	1.000						
2007	1.223	0.953	1.000							
2008	0.972	1.000								
2009	0.937									
	Selections									
3-Yr Average	1.044	0.984	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	0.995	0.987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	1.026	0.991	0.926	1.002	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	0.995	0.987	0.946	1.012	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	1.080	0.993	0.950	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.065	0.993	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	1.103	0.991	0.930	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Years 2008 - 2010

Property Damage

	Incurred Loss&DCC									
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>	<u>129</u>
2001	115,986	115,613	115,613	115,613	115,613	115,613	115,613	115,613	115,613	115,613
2002	73,870	74,360	74,360	74,360	74,360	74,360	74,360	74,360	74,360	74,360
2003	10,681	10,681	10,681	10,681	10,681	10,681	10,681	10,681	10,681	
2004										
2005										
2006										
2007	56,587	57,305	57,305	57,305						
2008	102,877	102,877	102,877							
2009	183,069	187,410								
2010	91,012									
	Age-To-Age									
	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	<u>117-129</u>	
2001	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004	1.000	1.000	1.000	1.000	1.000	1.000				
2005	1.000	1.000	1.000	1.000	1.000					
2006	1.000	1.000	1.000	1.000						
2007	1.013	1.000	1.000							
2008	1.000	1.000								
2009	1.024									
	Selections									
3-Yr Average	1.012	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Years 2008 - 2010

Medical

	Incurred Loss&DCC									
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>	<u>129</u>
2001	11,034	4,956	4,956	4,956	4,956	4,956	4,956	4,956	4,956	4,956
2002	800	800	800							
2003										
2004										
2005										
2006										
2007	17,081	17,081	17,081	17,081						
2008										
2009										
2010	15,371									
	Age-To-Age									
	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	<u>117-129</u>	
2001	0.449	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.000	1.000		1.000	1.000	1.000	1.000	1.000	1.000	
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004	1.000	1.000	1.000	1.000	1.000	1.000				
2005	1.000	1.000	1.000	1.000	1.000					
2006	1.000	1.000	1.000	1.000						
2007	1.000	1.000	1.000							
2008	1.000	1.000								
2009	1.000									
	Selections									
3-Yr Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	0.939	1.000	0.857	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	0.816	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	0.992	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	0.997	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Years 2008 - 2010

Uninsured Motorist

	Incurred Loss&DCC									
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>	<u>129</u>
2001	7,331	12,736	12,736	12,736	12,736	12,736	12,736	12,736	12,736	12,736
2002										
2003										
2004	13,500	13,500	13,500	13,500	13,500	13,500	13,500			
2005										
2006										
2007	47,958	100,113	99,663	74,438						
2008	14,340	14,340	14,340							
2009	68,228	67,946								
2010	50,959									
	Age-To-Age									
	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	<u>117-129</u>	
2001	1.737	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2005	1.000	1.000	1.000	1.000	1.000	1.000				
2006	1.000	1.000	1.000	1.000	1.000					
2007	2.088	0.996	0.747							
2008	1.000	1.000								
2009	0.996									
	Selections									
3-Yr Average	1.361	0.999	0.916	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	1.397	0.996	0.747	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	1.217	0.999	0.949	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	1.397	0.996	0.777	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	1.202	0.999	0.964	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.105	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	1.364	0.999	0.916	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.074	1.024	1.007	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.109	1.032	1.008	1.001	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Years 2008 - 2010

Collision

	Incurred Loss&DCC									
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>	<u>129</u>
2001	213,038	213,038	213,113	213,113	213,113	213,113	213,113	213,113	213,113	213,113
2002	159,384	159,238	159,212	159,182	159,182	159,182	159,182	159,182	159,182	159,182
2003	8,778	8,778	8,778	8,778	8,778	8,778	8,778	8,778	8,778	
2004										
2005										
2006										
2007	70,144	67,807	67,807	67,807						
2008	61,686	61,686	61,686							
2009	109,431	105,158								
2010	79,906									
	Age-To-Age									
	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	<u>117-129</u>	
2001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2005	1.000	1.000	1.000	1.000	1.000	1.000				
2006	1.000	1.000	1.000	1.000	1.000					
2007	0.967	1.000	1.000							
2008	1.000	1.000								
2009	0.961									
	Selections									
3-Yr Average	0.976	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	0.973	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	0.973	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

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Arkansas - All Companies Combined

Used for Accident Years 2008 - 2010

Comprehensive

	Incurred Loss&DCC									
	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>	<u>129</u>
2001	63,876	63,876	63,876	63,876	63,876	63,876	63,876	63,876	63,876	63,876
2002	61,388	61,388	61,388	61,388	61,388	61,388	61,388	61,388	61,388	61,388
2003	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837	
2004										
2005										
2006										
2007	8,041	8,260	8,260	8,260						
2008	461,628	461,628	461,628							
2009	78,824	78,824								
2010	37,207									
	Age-To-Age									
	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	<u>117-129</u>	
2001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004	1.000	1.000	1.000	1.000	1.000	1.000				
2005	1.000	1.000	1.000	1.000	1.000					
2006	1.000	1.000	1.000	1.000						
2007	1.027	1.000	1.000							
2008	1.000	1.000								
2009	1.000									
	Selections									
3-Yr Average	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Year 2011

Bodily Injury

	Incurred Loss&DCC									
	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2002	70,827	141,737	189,516	180,224	178,408	180,661	180,661	180,661	180,661	180,661
2003	4,000	9,000	9,000	9,030	5,667	5,667	5,667	5,667	5,667	5,667
2004	0	5,347	5,347	5,347	5,347	5,347	5,347	5,347	5,347	
2005	0	0	0	0	0	0	0	0		
2006	0	0	0	0	0	0				
2007	15,500	33,688	44,562	42,190	42,190					
2008	51,000	52,895	52,895	52,895						
2009	54,642	57,064	52,064							
2010	100,531	166,203								
2011	174,878									
	Age-To-Age									
	<u>9-21</u>	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	
2002	2.001	1.337	0.951	0.990	1.013	1.000	1.000	1.000	1.000	
2003	2.250	1.000	1.003	0.628	1.000	1.000	1.000	1.000		
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2005	1.000	1.000	1.000	1.000	1.000	1.000				
2006	1.000	1.000	1.000	1.000	1.000					
2007	2.173	1.323	0.947	1.000						
2008	1.037	1.000	1.000							
2009	1.044	0.912								
2010	1.653									
	Selections									
3-Yr Average	1.245	1.078	0.982	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	1.339	1.041	0.976	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	1.382	1.047	0.989	0.926	1.003	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	1.398	1.041	0.977	0.941	1.012	1.000	1.000	1.000	1.000	1.000
Total Average	1.462	1.072	0.986	0.936	1.003	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.416	1.054	0.990	0.997	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	1.693	1.095	0.980	0.904	1.004	1.000	1.000	1.000	1.000	1.000
Selected	1.606	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.630	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

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Arkansas - All Companies Combined

Used for Accident Year 2011

Property Damage

	Incurred Loss&DCC									
	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2002	77,560	70,415	70,415	70,415	70,415	70,415	70,415	70,415	70,415	70,415
2003	10,781	10,681	10,681	10,681	10,681	10,681	10,681	10,681	10,681	70,415
2004	0	0	0	0	0	0	0	0		
2005	0	0	0	0	0	0	0	0		
2006	0	0	0	0	0	0	0	0		
2007	48,123	38,220	38,220	38,220	38,220					
2008	57,859	79,114	79,114	79,114						
2009	163,728	144,568	148,909							
2010	77,370	73,034								
2011	63,088									
	Age-To-Age									
	<u>9-21</u>	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	
2002	0.908	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2005	1.000	1.000	1.000	1.000	1.000	1.000				
2006	1.000	1.000	1.000	1.000	1.000					
2007	0.794	1.000	1.000	1.000						
2008	1.367	1.000	1.000							
2009	0.883	1.030								
2010	0.944									
	Selections									
3-Yr Average	1.065	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	0.993	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	0.998	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	0.965	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	0.987	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	0.961	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	0.981	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.051	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.051	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Year 2011

Medical

	Incurred Loss&DCC									
	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2002	800	800	800	800	0	0	0	0	0	0
2003	0	0	0	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0	0	0	0
2006	0	0	0	0	0	0	0	0	0	0
2007	5,892	6,422	6,422	6,422	6,422	6,422	6,422	6,422	6,422	6,422
2008	5,942	0	0	0	0	0	0	0	0	0
2009	0	0	0	0	0	0	0	0	0	0
2010	17,000	15,371	15,371	15,371	15,371	15,371	15,371	15,371	15,371	15,371
2011	0	0	0	0	0	0	0	0	0	0
	Age-To-Age									
	<u>9-21</u>	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	
2002	1.000	1.000	1.000	0.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007	1.090	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010	0.904	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
	Selections									
3-Yr Average	0.635	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	0.670	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	0.799	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	0.756	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	0.888	1.000	1.000	0.833	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	0.915	0.998	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	0.916	1.002	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Year 2011

Uninsured Motorist

	Incurred Loss&DCC									
	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2002	0	0	0	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0	0	0	0
2004	0	13,500	13,500	13,500	13,500	13,500	13,500	13,500		
2005	0	0	0	0	0	0	0			
2006	0	0	0	0	0	0				
2007	25,846	46,185	98,340	97,890	72,665					
2008	8,714	8,714	8,714	8,714						
2009	23,894	50,306	50,156							
2010	44,835	50,959								
2011	20,158									
	Age-To-Age									
	<u>9-21</u>	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	
2002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2005	1.000	1.000	1.000	1.000	1.000	1.000				
2006	1.000	1.000	1.000	1.000	1.000					
2007	1.787	2.129	0.995	0.742						
2008	1.000	1.000	1.000							
2009	2.105	0.997								
2010	1.137									
	Selections									
3-Yr Average	1.414	1.375	0.998	0.914	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	1.420	1.494	0.996	0.742	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	1.406	1.225	0.999	0.948	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	1.512	1.494	0.996	0.774	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	1.225	1.141	0.999	0.957	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.132	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	1.507	1.282	0.998	0.871	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.552	1.041	1.024	1.005	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.663	1.071	1.029	1.005	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Year 2011

Collision

	Incurring Loss&DCC									
	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2002	154,245	152,696	152,550	152,524	152,494	152,494	152,494	152,494	152,494	152,494
2003	8,949	8,778	8,778	8,778	8,778	8,778	8,778	8,778	8,778	8,778
2004	0	0	0	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0	0	0	0
2006	0	0	0	0	0	0	0	0	0	0
2007	45,714	48,263	48,263	48,263	48,263	48,263				
2008	55,895	51,220	51,220	51,220	51,220					
2009	112,525	97,571	93,297							
2010	80,652	70,480								
2011	109,868									
	Age-To-Age									
	<u>9-21</u>	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	
2002	0.990	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.981	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007	1.056	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008	0.916	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009	0.867	0.956	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010	0.874									
	Selections									
3-Yr Average	0.886	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	0.880	0.978	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	0.943	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	0.908	0.978	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	0.965	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	0.966	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	0.947	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	0.954	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	0.953	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business

Arkansas Experience Projection

Development as of 9/30/2011

Arkansas - All Companies Combined

Used for Accident Year 2011

Comprehensive

	Incurred Loss&DCC									
	<u>9</u>	<u>21</u>	<u>33</u>	<u>45</u>	<u>57</u>	<u>69</u>	<u>81</u>	<u>93</u>	<u>105</u>	<u>117</u>
2002	41,921	43,923	43,923	43,923	43,923	43,923	43,923	43,923	43,923	43,923
2003	6,453	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837	6,837
2004	0	0	0	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0	0	0	0
2006	0	0	0	0	0	0	0	0	0	0
2007	4,520	4,602	4,602	4,602	4,602	4,602	4,602	4,602	4,602	4,602
2008	435,833	448,656	448,656	448,656	448,656	448,656	448,656	448,656	448,656	448,656
2009	78,867	72,977	72,977	72,977	72,977	72,977	72,977	72,977	72,977	72,977
2010	20,914	21,314	21,314	21,314	21,314	21,314	21,314	21,314	21,314	21,314
2011	59,919									
	Age-To-Age									
	<u>9-21</u>	<u>21-33</u>	<u>33-45</u>	<u>45-57</u>	<u>57-69</u>	<u>69-81</u>	<u>81-93</u>	<u>93-105</u>	<u>105-117</u>	
2002	1.048	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.060	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008	1.029	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009	0.925	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010	1.019	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
	Selections									
3-Yr Average	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Wt Average	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Average	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Wt Average	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Average	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average xMin, xMax	1.016	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Straight Average	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Adjusting & Other Expense

Countrywide Data, All Kemper Companies Combined*

		<u>LIABILITY</u>	<u>PHYSICAL DAMAGE</u>
[1] Total Losses and DCC Incurred (000 omitted)	2008	205,200	143,420
	2009	268,042	167,860
	2010	259,764	147,120
	Total	733,007	458,401
[2] A&O Incurred (000 omitted)	2008	37,021	24,009
	2009	50,708	15,414
	2010	42,446	22,644
	Total	130,176	62,067
[3] Percent A&O to Losses and DCC [3] = [2] / [1]	2008	18.04%	16.74%
	2009	18.92%	9.18%
	2010	16.34%	15.39%
	Total	17.76%	13.54%
[4] Selected A&O Factor		16.34%	15.39%

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

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Pure Premium Trend Selections and Calculation of Pure Premium Trend Factors

Bodily Injury, UM/UIM, Med Pay

	[1]	[2]	[3]	[4]	[5]	[6]
Accident		Years of	Trend to	Years of	Trend to	Cumulative
Year	Midpoint	Trend	7/1/2011	Trend	3/7/2013	Trend
			$(1 + [7])^{[2]}$		$(1 + [8])^{[4]}$	$[3] * [5]$
2008	7/1/2008	3.00	1.191	1.683	1.103	1.314
2009	7/1/2009	2.00	1.124	1.683	1.103	1.239
2010	7/1/2010	1.00	1.060	1.683	1.103	1.169
2011	7/1/2011	0.00	1.000	1.683	1.103	1.103

Selected Historical Pure Premium Trend:

6.00%

 [7]
Selected Prospective Pure Premium Trend:

6.00%

 [8]

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Pure Premium Trend Selections and Calculation of Pure Premium Trend Factors

Property Damage						
	[1]	[2]	[3]	[4]	[5]	[6]
Accident Year	Midpoint	Years of Trend	Trend to 7/1/2011 $(1 + [7])^{[2]}$	Years of Trend	Trend to 3/7/2013 $(1 + [8])^{[4]}$	Cumulative Trend $[3] * [5]$
2008	7/1/2008	3.00	0.985	1.683	0.992	0.977
2009	7/1/2009	2.00	0.990	1.683	0.992	0.982
2010	7/1/2010	1.00	0.995	1.683	0.992	0.987
2011	7/1/2011	0.00	1.000	1.683	0.992	0.992

Selected Historical Pure Premium Trend: -0.50% [7]
Selected Prospective Pure Premium Trend: -0.50% [8]

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Pure Premium Trend Selections and Calculation of Pure Premium Trend Factors

Collision						
	[1]	[2]	[3]	[4]	[5]	[6]
Accident Year	Midpoint	Years of Trend	Trend to 7/1/2011 (1 + [7])^[2]	Years of Trend	Trend to 3/7/2013 (1 + [8])^[4]	Cumulative Trend [3] * [5]
2008	7/1/2008	3.00	1.061	1.683	1.086	1.152
2009	7/1/2009	2.00	1.040	1.683	1.086	1.129
2010	7/1/2010	1.00	1.020	1.683	1.086	1.107
2011	7/1/2011	0.00	1.000	1.683	1.086	1.086

Selected Historical Pure Premium Trend: 2.00% [7]
Selected Prospective Pure Premium Trend: 5.00% [8]

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Pure Premium Trend Selections and Calculation of Pure Premium Trend Factors

Comprehensive						
	[1]	[2]	[3]	[4]	[5]	[6]
Accident		Years of	Trend to	Years of	Trend to	Cumulative
Year	Midpoint	Trend	7/1/2011	Trend	3/7/2013	Trend
			$(1 + [7])^{[2]}$		$(1 + [8])^{[4]}$	$[3] * [5]$
2008	7/1/2008	3.00	0.913	1.683	1.051	0.959
2009	7/1/2009	2.00	0.941	1.683	1.051	0.989
2010	7/1/2010	1.00	0.970	1.683	1.051	1.019
2011	7/1/2011	0.00	1.000	1.683	1.051	1.051
Selected Historical Pure Premium Trend:			-3.00%	[7]		
Selected Prospective Pure Premium Trend:			3.00%	[8]		

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Arkansas Accident Year Pure Premium Trend
Kemper Experience through September 30, 2011

Bodily Injury

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	4 Quarter Rolling Data									
<u>Quarter</u>	<u>Earned Exposures</u>	<u>AY Ultimate Loss&DCC</u>	<u>AY Ultimate Claimants</u>	<u>Pure Premium</u>	<u>Exposures sum([1])</u>	<u>AY Loss&DCC sum([2])</u>	<u>AY Claimants sum([3])</u>	<u>Frequency Per 100 CarYrs ((7)/[5]) x 100</u>	<u>Severity</u>	<u>Pure Premium</u>
200612	2	0	0	0						
200703	75	0	0	0						
200706	168	31,043	8	185						
200709	216	90,234	11	418	461	121,277	19	4.10	6,407	263
200712	240	18,658	8	78	699	139,935	27	3.85	5,203	200
200803	248	7,641	2	31	872	147,577	29	3.31	5,110	169
200806	261	27,612	4	106	965	144,146	25	2.58	5,793	149
200809	288	26,399	9	92	1,037	80,311	23	2.20	3,517	77
200812	321	78,027	12	243	1,118	139,680	27	2.40	5,208	125
200903	351	17,574	7	50	1,221	149,612	32	2.60	4,712	123
200906	380	35,112	14	92	1,340	157,112	42	3.11	3,770	117
200909	374	51,260	12	137	1,426	181,973	44	3.12	4,090	128
200912	359	71,030	14	198	1,464	174,975	46	3.16	3,786	120
201003	344	173,754	23	505	1,457	331,155	63	4.29	5,293	227
201006	344	30,246	4	88	1,421	326,289	53	3.70	6,206	230
201009	341	33,610	10	99	1,388	308,639	51	3.64	6,107	222
201012	336	105,068	2	313	1,365	342,677	39	2.84	8,827	251
201103	330	156,621	15	474	1,351	325,544	31	2.29	10,528	241
201106	336	48,975	7	146	1,343	344,274	34	2.51	10,231	256
201109	346	83,999	12	243	1,347	394,662	36	2.69	10,906	293

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Bodily Injury</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		-1.4%	25.4%	23.6%
12-point trend		-2.0%	47.4%	44.5%
8-point trend		-23.1%	82.7%	40.5%
6-point trend		-28.5%	68.1%	20.1%

Selected Historical Pure Premium Trend	6.0%
Selected Prospective Pure Premium Trend	6.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Arkansas Accident Year Pure Premium Trend
Kemper Experience through September 30, 2011

Property Damage

Quarter	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	<u>Earned Exposures</u>	<u>AY Ultimate Loss&DCC</u>	<u>AY Ultimate Claimants</u>	<u>Pure Premium</u>	<u>Exposures sum([1])</u>	<u>AY Loss&DCC sum([2])</u>	<u>AY Claimants sum([3])</u>	<u>Frequency Per 100 CarYrs ((7)/[5]) x 100</u>	<u>Severity</u>	<u>Pure Premium</u>
200612	2	0	0	0						
200703	75	2,989	2	40						
200706	168	26,424	7	157						
200709	216	8,807	10	41	461	38,220	19	4.12	2,012	83
200712	240	19,085	15	80	699	57,305	34	4.86	1,686	82
200803	248	11,574	10	47	872	65,890	42	4.81	1,569	76
200806	261	18,874	11	72	965	58,340	46	4.77	1,269	60
200809	288	48,666	15	169	1,037	98,198	51	4.92	1,926	95
200812	321	23,763	20	74	1,118	102,877	56	5.01	1,838	92
200903	351	19,132	14	54	1,221	110,434	60	4.91	1,841	90
200906	380	110,286	23	290	1,340	201,846	72	5.37	2,805	151
200909	374	19,491	17	52	1,426	172,672	74	5.19	2,335	121
200912	359	38,501	19	107	1,464	187,410	73	4.98	2,570	128
201003	344	23,466	12	68	1,457	191,744	71	4.87	2,704	132
201006	344	27,301	16	79	1,421	108,760	64	4.49	1,703	77
201009	341	22,267	9	65	1,388	111,535	56	4.02	1,998	80
201012	336	17,978	15	54	1,365	91,012	52	3.79	1,760	67
201103	330	17,563	14	53	1,351	85,109	53	3.96	1,592	63
201106	336	21,844	15	65	1,343	79,652	53	3.94	1,507	59
201109	346	27,121	15	78	1,347	84,506	58	4.34	1,446	63

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Property Damage</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		-6.3%	-0.6%	-6.8%
12-point trend		-10.6%	-14.3%	-23.4%
8-point trend		-11.1%	-29.3%	-37.1%
6-point trend		-2.3%	-18.2%	-20.1%

Selected Historical Pure Premium Trend	-0.5%
Selected Prospective Pure Premium Trend	-0.5%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Arkansas Accident Year Pure Premium Trend
Kemper Experience through September 30, 2011

Collision

Quarter	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	<u>Earned Exposures</u>	<u>AY Ultimate Loss&DCC</u>	<u>AY Ultimate Claimants</u>	<u>Pure Premium</u>	<u>Exposures sum([1])</u>	<u>AY Loss&DCC sum([2])</u>	<u>AY Claimants sum([3])</u>	<u>Frequency Per 100 CarYrs (([7]/[5]) x 100)</u>	<u>Severity</u>	<u>Pure Premium</u>
200612	2	0	0	0						
200703	59	998	1	17						
200706	133	37,006	8	279						
200709	171	10,260	4	60	365	48,263	13	3.56	3,715	132
200712	188	19,543	7	104	551	67,807	20	3.63	3,393	123
200803	191	3,400	2	18	683	70,209	21	3.07	3,346	103
200806	198	33,437	9	169	749	66,640	22	2.94	3,032	89
200809	220	14,383	3	65	798	70,763	21	2.63	3,374	89
200812	242	10,466	4	43	852	61,686	18	2.11	3,433	72
200903	260	28,345	11	109	921	86,631	27	2.92	3,218	94
200906	277	43,602	9	157	1,000	96,796	27	2.69	3,600	97
200909	277	21,350	11	77	1,057	103,763	35	3.30	2,979	98
200912	268	11,860	7	44	1,082	105,158	38	3.49	2,784	97
201003	257	35,222	7	137	1,078	112,034	34	3.13	3,321	104
201006	256	12,977	7	51	1,057	81,409	32	3.00	2,570	77
201009	254	22,210	6	87	1,035	82,269	27	2.57	3,091	80
201012	251	9,417	3	37	1,018	79,825	23	2.22	3,535	78
201103	247	46,117	9	187	1,009	90,720	24	2.40	3,746	90
201106	253	39,980	10	158	1,006	117,724	27	2.71	4,311	117
201109	259	19,701	6	76	1,011	115,216	27	2.70	4,218	114

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Collision</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		-4.5%	4.3%	-0.4%
12-point trend		-2.3%	8.9%	6.4%
8-point trend		-14.6%	29.8%	10.8%
6-point trend		-3.1%	49.7%	45.0%

Selected Historical Pure Premium Trend	2.0%
Selected Prospective Pure Premium Trend	5.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Arkansas Accident Year Pure Premium Trend
Kemper Experience through September 30, 2011

Comprehensive

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	4 Quarter Rolling Data									
<u>Quarter</u>	<u>Earned Exposures</u>	<u>AY Ultimate Loss&DCC</u>	<u>AY Ultimate Claimants</u>	<u>Pure Premium</u>	<u>Exposures sum([1])</u>	<u>AY Loss&DCC sum([2])</u>	<u>AY Claimants sum([3])</u>	<u>Frequency Per 100 CarYrs ((7)/[5]) x 100</u>	<u>Severity</u>	<u>Pure Premium</u>
200612	2	0	0	0						
200703	60	1,735	5	29						
200706	135	2,600	7	19						
200709	176	266	4	2	373	4,602	16	4.28	288	12
200712	193	3,658	8	19	564	8,260	24	4.25	344	15
200803	196	4,473	4	23	700	10,997	23	3.28	478	16
200806	202	396,488	137	1,963	767	404,885	153	19.95	2,646	528
200809	224	47,696	15	213	815	452,314	164	20.13	2,758	555
200812	245	12,971	14	53	867	461,628	170	19.60	2,715	532
200903	263	9,078	15	34	935	466,233	181	19.37	2,576	499
200906	280	29,573	17	106	1,013	99,319	61	6.02	1,628	98
200909	279	34,326	25	123	1,068	85,949	71	6.65	1,210	80
200912	270	5,847	12	22	1,092	78,824	69	6.32	1,142	72
201003	259	7,158	19	28	1,088	76,904	73	6.71	1,053	71
201006	258	4,177	18	16	1,066	51,508	74	6.94	696	48
201009	257	9,979	14	39	1,043	27,161	63	6.04	431	26
201012	254	15,909	14	63	1,027	37,223	65	6.33	572	36
201103	249	8,789	15	35	1,018	38,854	61	6.01	636	38
201106	256	48,201	30	189	1,015	82,878	73	7.24	1,128	82
201109	261	3,495	8	13	1,020	76,394	68	6.62	1,132	75

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Comprehensive</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		-11.0%	-11.9%	-21.6%
12-point trend		-25.6%	-34.9%	-51.6%
8-point trend		1.5%	1.4%	2.9%
6-point trend		2.9%	85.9%	91.2%

Selected Historical Pure Premium Trend	-3.0%
Selected Prospective Pure Premium Trend	3.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
ISO Fast Track Loss Trend
ISO FastTrack Data through June 30, 2011

Bodily Injury

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	4 Quarter Rolling Data									
<u>Quarter</u>	<u>Exposure</u>	<u>Paid Losses</u>	<u>Paid Claims</u>	<u>Arising Claims</u>	<u>Arising Frequency</u> [4] / [1]	<u>Prior Year</u>	<u>Severity</u> [3] / [2]	<u>Prior Year</u>	<u>Arising Pure Premium</u> [5] x [7]	<u>Prior Year</u>
200706	1,357,016	119,104,986	12,454	18,000	1.33		9,564		127	
200709	1,364,066	119,444,441	12,294	18,061	1.32		9,716		129	
200712	1,371,688	117,903,804	12,216	18,104	1.32		9,652		127	
200803	1,380,738	120,151,882	11,987	18,115	1.31		10,024		132	
200806	1,388,864	122,921,153	11,776	18,005	1.30	-2.3%	10,438	9.1%	135	6.7%
200809	1,397,730	123,355,156	11,711	17,641	1.26	-4.7%	10,533	8.4%	133	3.3%
200812	1,405,558	122,549,515	11,673	17,297	1.23	-6.8%	10,499	8.8%	129	1.4%
200903	1,411,587	118,890,434	11,465	17,125	1.21	-7.5%	10,370	3.5%	126	-4.3%
200906	1,418,873	116,645,228	11,309	17,258	1.22	-6.2%	10,314	-1.2%	125	-7.3%
200909	1,424,039	116,570,580	11,339	17,582	1.23	-2.2%	10,280	-2.4%	127	-4.5%
200912	1,427,950	116,789,458	11,404	17,812	1.25	1.4%	10,241	-2.5%	128	-1.1%
201003	1,430,909	117,399,850	11,442	17,955	1.25	3.4%	10,260	-1.1%	129	2.3%
201006	1,433,939	118,070,189	11,632	18,022	1.26	3.3%	10,150	-1.6%	128	1.7%
201009	1,437,566	121,030,272	11,731	18,043	1.26	1.7%	10,317	0.4%	129	2.0%
201012	1,442,671	120,970,388	11,489	17,955	1.24	-0.2%	10,529	2.8%	131	2.6%
201103	1,448,146	143,471,241	11,495	17,966	1.24	-1.1%	12,481	21.6%	155	20.3%
201106	1,454,126	143,093,858	11,249	17,889	1.23	-2.1%	12,721	25.3%	156	22.7%

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Bodily Injury</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		-1.5%	4.5%	2.9%
12-point trend		0.3%	5.3%	5.6%
8-point trend		-0.4%	13.0%	12.6%
6-point trend		-1.7%	21.7%	19.6%

Selected Historical Pure Premium Trend	6.0%
Selected Prospective Pure Premium Trend	6.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
ISO Fast Track Loss Trend
ISO FastTrack Data through June 30, 2011

Property Damage

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	4 Quarter Rolling Data									
<u>Quarter</u>	<u>Exposure</u>	<u>Paid Losses</u>	<u>Paid Claims</u>	<u>Arising Claims</u>	<u>Paid Frequency [4] / [1]</u>	<u>Prior Year</u>	<u>Severity [3] / [2]</u>	<u>Prior Year</u>	<u>Paid Pure Premium [5] x [7]</u>	<u>Prior Year</u>
200706	1,357,016	119,037,214	42,724	0	3.15		2,786		88	
200709	1,364,066	119,942,565	43,002	0	3.15		2,789		88	
200712	1,371,688	120,797,848	43,082	0	3.14		2,804		88	
200803	1,380,738	120,429,314	42,698	0	3.09		2,820		87	
200806	1,388,864	119,936,517	42,225	0	3.04	-3.4%	2,840	1.9%	86	-1.6%
200809	1,397,730	119,027,193	41,857	0	2.99	-5.0%	2,844	2.0%	85	-3.2%
200812	1,405,558	117,480,127	41,246	0	2.93	-6.6%	2,848	1.6%	84	-5.1%
200903	1,411,587	117,865,076	41,176	0	2.92	-5.7%	2,862	1.5%	83	-4.3%
200906	1,418,873	119,594,689	41,728	0	2.94	-3.3%	2,866	0.9%	84	-2.4%
200909	1,424,039	122,557,283	42,144	0	2.96	-1.2%	2,908	2.3%	86	1.1%
200912	1,427,950	126,670,133	43,038	0	3.01	2.7%	2,943	3.3%	89	6.1%
201003	1,430,909	127,894,912	43,203	0	3.02	3.5%	2,960	3.4%	89	7.0%
201006	1,433,939	128,830,339	43,396	0	3.03	2.9%	2,969	3.6%	90	6.6%
201009	1,437,566	128,734,758	43,407	0	3.02	2.0%	2,966	2.0%	90	4.1%
201012	1,442,671	127,791,244	43,082	0	2.99	-0.9%	2,966	0.8%	89	-0.1%
201103	1,448,146	126,919,940	42,634	0	2.94	-2.5%	2,977	0.6%	88	-1.9%
201106	1,454,126	124,755,438	41,739	0	2.87	-5.2%	2,989	0.7%	86	-4.5%

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Property Damage</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		-1.4%	2.0%	0.6%
12-point trend		-0.1%	2.0%	1.9%
8-point trend		-1.7%	1.2%	-0.5%
6-point trend		-3.9%	0.6%	-3.3%

Selected Historical Pure Premium Trend	-0.5%
Selected Prospective Pure Premium Trend	-0.5%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
ISO Fast Track Loss Trend
ISO FastTrack Data through June 30, 2011

Collision

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	4 Quarter Rolling Data									
<u>Quarter</u>	<u>Exposure</u>	<u>Paid Losses</u>	<u>Paid Claims</u>	<u>Arising Claims</u>	<u>Paid Frequency [4] / [1]</u>	<u>Prior Year</u>	<u>Severity [3] / [2]</u>	<u>Prior Year</u>	<u>Paid Pure Premium [5] x [7]</u>	<u>Prior Year</u>
200706	968,616	165,875,774	54,868	0	5.66		3,023		171	
200709	975,572	167,028,376	55,187	0	5.66		3,027		171	
200712	982,619	168,096,473	55,427	0	5.64		3,033		171	
200803	989,818	171,359,086	55,483	0	5.61		3,088		173	
200806	995,684	173,471,221	55,285	0	5.55	-2.0%	3,138	3.8%	174	1.7%
200809	1,001,128	173,550,294	55,359	0	5.53	-2.2%	3,135	3.6%	173	1.3%
200812	1,005,566	173,395,741	55,149	0	5.48	-2.8%	3,144	3.7%	172	0.8%
200903	1,008,412	171,808,675	55,376	0	5.49	-2.0%	3,103	0.5%	170	-1.6%
200906	1,011,269	172,431,433	55,904	0	5.53	-0.4%	3,084	-1.7%	171	-2.1%
200909	1,012,860	173,686,079	56,365	0	5.56	0.6%	3,081	-1.7%	171	-1.1%
200912	1,013,259	175,307,537	57,127	0	5.64	2.8%	3,069	-2.4%	173	0.3%
201003	1,012,876	176,958,944	57,380	0	5.67	3.2%	3,084	-0.6%	175	2.5%
201006	1,012,483	176,125,546	57,419	0	5.67	2.6%	3,067	-0.6%	174	2.0%
201009	1,012,319	176,723,246	57,299	0	5.66	1.7%	3,084	0.1%	175	1.8%
201012	1,013,068	175,684,428	56,685	0	5.60	-0.8%	3,099	1.0%	173	0.2%
201103	1,014,352	176,815,267	55,850	0	5.51	-2.8%	3,166	2.7%	174	-0.2%
201106	1,016,590	177,049,471	54,850	0	5.40	-4.9%	3,228	5.2%	174	0.1%

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Collision</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		-0.3%	0.7%	0.4%
12-point trend		0.1%	0.5%	0.6%
8-point trend		-1.8%	2.4%	0.6%
6-point trend		-3.9%	3.8%	-0.2%

Selected Historical Pure Premium Trend	2.0%
Selected Prospective Pure Premium Trend	5.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
ISO Fast Track Loss Trend
ISO FastTrack Data through June 30, 2011

Comprehensive

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	4 Quarter Rolling Data									
<u>Quarter</u>	<u>Exposure</u>	<u>Paid Losses</u>	<u>Paid Claims</u>	<u>Arising Claims</u>	<u>Paid Frequency [4] / [1]</u>	<u>Prior Year</u>	<u>Severity [3] / [2]</u>	<u>Prior Year</u>	<u>Paid Pure Premium [5] x [7]</u>	<u>Prior Year</u>
200706	992,486	72,835,648	72,550	0	7.31		1,004		73	
200709	999,495	72,089,086	71,001	0	7.10		1,015		72	
200712	1,006,663	72,534,794	70,792	0	7.03		1,025		72	
200803	1,014,002	78,907,656	72,675	0	7.17		1,086		78	
200806	1,020,021	146,054,514	94,165	0	9.23	26.3%	1,551	54.5%	143	95.1%
200809	1,025,738	152,292,574	95,309	0	9.29	30.8%	1,598	57.4%	148	105.9%
200812	1,030,484	156,353,933	95,007	0	9.22	31.1%	1,646	60.6%	152	110.6%
200903	1,033,642	156,504,319	94,887	0	9.18	28.1%	1,649	51.9%	151	94.6%
200906	1,036,864	99,955,286	76,310	0	7.36	-20.3%	1,310	-15.6%	96	-32.7%
200909	1,038,722	115,664,678	82,107	0	7.90	-14.9%	1,409	-11.8%	111	-25.0%
200912	1,039,423	118,781,088	84,645	0	8.14	-11.7%	1,403	-14.7%	114	-24.7%
201003	1,039,352	118,444,096	85,760	0	8.25	-10.1%	1,381	-16.3%	114	-24.7%
201006	1,039,220	113,611,326	86,616	0	8.33	13.2%	1,312	0.1%	109	13.4%
201009	1,039,504	93,540,860	81,414	0	7.83	-0.9%	1,149	-18.4%	90	-19.2%
201012	1,040,757	92,378,494	81,400	0	7.82	-4.0%	1,135	-19.1%	89	-22.3%
201103	1,042,569	85,862,521	78,595	0	7.54	-8.6%	1,092	-20.9%	82	-27.7%
201106	1,045,465	136,211,079	92,389	0	8.84	6.0%	1,474	12.4%	130	19.2%

[11] Loglinear Regressions using rolling 4 quarter data:

	<u>Comprehensive</u>	<u>Frequency</u>	<u>Severity</u>	<u>Pure Premium</u>
16-point trend		1.2%	0.9%	2.1%
12-point trend		-4.1%	-10.7%	-14.4%
8-point trend		0.8%	-7.6%	-6.8%
6-point trend		0.5%	-2.6%	-2.2%

Selected Historical Pure Premium Trend	-3.0%
Selected Prospective Pure Premium Trend	3.0%

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Fixed Expense, Variable Expense, and Permissible Loss Ratio

					<u>Liability</u>	<u>Physical Damage</u>
[1]	Arkansas 2010 Earned Premiums				\$ 528,618	\$ 424,697
[2]	General and Other Acquisition Expense					
	a. General Expense ¹				4.38%	4.11%
	b. Other Acquisition Expense ¹				<u>6.57%</u>	<u>6.01%</u>
	c. Total ([1a]+[1b])				10.95%	10.12%
[3]	General and Other Acquisition Expense dollars ([1] x [2c])				\$ 57,884	\$ 42,979
[4]	65% of General and Other Acquisition Expenses Dollars (65% x [3])				\$ 37,624	\$ 27,937
[5]	Trend and Trend Period ² Applicable to General and Other Acquisition Expense:					
	a. Trend Period: 7/1/2010 to 4/1/2013			2.753		
	b.	<u>Weight</u>		<u>Annual Trend</u>		<u>Weighted</u>
		Salaries ³	75%	x	2.00%	=
		Other Expenses ³	25%	x	2.40%	=
					Total	2.10%
	c. Trend Projection Factor ((1 + [5b]) ^ [5a])				1.059	1.059
[6]	Trended Fixed Expense Dollars ([4] x [5c])				\$ 39,840	\$ 29,582
[7]	Arkansas 2010 Earned Premiums at Present Rates				\$ 578,459	\$ 422,838
[8]	Adjusted General and Other Acquisition Fixed Expense ([6] / [7])				6.89%	7.00%
[9]	Trend and Trend Period ² Applicable to Premium:			<u>Weighted Liability</u>		<u>Weighted Physical Damage</u>
	a. Trend Period: 7/1/2010 to 4/1/2013			2.753		2.753
	b. Selected Prospective Premium Trend ([Exhibit 8S])			-4.00%		-0.75%
	c. Trend Projection Factor ((1 + [9b]) ^ [9a])				0.8937	0.9795
[10]	Trended Fixed Expense Dollars ([7] x [9c])				\$ 516,961	\$ 414,169
[11]	Trended Adjusted Fixed Expense Ratio at Present Rates ([6] / [10])				7.71%	7.14%
[12]	Variable Expense Excluding Profit:					
	a. 35% of General and Other Acquisition Expense ([35%] x [2c])				3.83%	3.54%
	b. Commissions & Brokerage Expense ¹				13.42%	15.26%
	c. Cost of Reinsurance Expense				0.29%	0.02%
	d. Taxes, Licenses, and Fees Expense ¹				3.31%	3.42%
	e. Total Variable Expense Excluding Profit ([12a] + [12b] + [12c] + [12d])				20.85%	22.24%
[13]	Permissible Loss, LAE, and Fixed Expense Ratio				79.19%	74.75%
	(1.00 - [12e] - [Exhibit 12 - & Underwriting Profit Provision])					

¹ Selected Expense Projections are based on All Company Combined, Countrywide, 2008, 2009, and 2010 Annual Statements and Insurance Expense Exhibits (Direct), Calendar Year Information. Details are shown on Exhibits 12- and 12-.

² The Trend Period is projected from the midpoint of the latest full year of the experience (7/1/2010) to the renewal of the new effective date (4/1/2013).

³ The 2.0 % annual change for salaries is based on All Company Combined, Countrywide, 2008, 2009, and 2010 Calendar Year Information and the weights applied to Salaries and Other Expense are based upon cost analysis provided by the Companies Controllers.

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Investment Income, ROE, and Underwriting Profit Provision - Auto Liability

[1] Loss & LAE Ratio	106.03%	[7] Interest Rate Factor	1.0544	[13] Underwriting Tax Rate	35.00%
[2] Fixed Expense Ratio	7.71%	[8] Investment Tax Rate	31.46%	[14] Premium to Surplus Ratio	1.5164
[3] Variable Expense Ratio	20.85%			[15] ROE	9.80%
[4] Expense Paid w/ EP	50.00%	[9] Pre-Tax Investment Income Factor	1.0544	[16] Underwriting Profit Provision	0.0%
[5] Expense Paid w/ WP	50.00%	[10] Post-Tax Investment Income Factor	1.0371	[17] Required Change in Written	43.6%
[6] Annual Exposures	1.0000				
		[11] Combined Ratio Prior to Change	134.59%		
		[12] Combined Ratio Post Change	100.05%		

	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]	[31]	[32]	[33]
	Written	Earned	Loss&LAE	Expense	Underwriting	Unearned	Taxable	Acc Qtr	Loss&LAE	IRS	IRS	Change In	Collected	Paid	Underwriting	Total
Qtr	Premium	Premium	Incurred	Paid	Income	Premium	Unearned	Reserve	Reserve	Discount	Discount	Reserve	Premium	Loss&LAE	Taxes	Cash
						Reserve	Change	Pattern		Factor	Reserve	Discount			Paid	Flow
1	1.4362	0.3591	0.2651	0.2353	-0.1414	1.0772	0.2154	0.8322	0.2206	0.9872	0.2178	0.0028	0.0000	0.0445	0.0269	-0.3067
2		0.3591	0.2651	0.0471	0.0469	0.7181	-0.0718	0.6728	0.3989	0.9746	0.3888	0.0073	1.4362	0.0867	-0.0062	1.3086
3		0.3591	0.2651	0.0471	0.0469	0.3591	-0.0718	0.5877	0.5547	0.9622	0.5338	0.0108		0.1093	-0.0049	-0.1514
4		0.3591	0.2651	0.0471	0.0469	0.0000	-0.0718	0.5176	0.6919	0.9499	0.6573	0.0137		0.1279	-0.0039	-0.1710
5								0.4549	0.5919	0.9378	0.5551	0.0022		0.1000	0.0008	-0.1008
6								0.4004	0.5197	0.9259	0.4812	0.0017		0.0722	0.0006	-0.0728
7								0.3506	0.4569	0.9140	0.4176	0.0007		0.0628	0.0003	-0.0631
8								0.3116	0.4023	0.9024	0.3630	0.0000		0.0546	0.0000	-0.0546
9								0.2738	0.3543	0.8909	0.3156	-0.0006		0.0480	-0.0002	-0.0478
10								0.2411	0.3120	0.8795	0.2744	-0.0011		0.0422	-0.0004	-0.0418
11								0.2100	0.2748	0.8683	0.2386	-0.0014		0.0373	-0.0005	-0.0368
12								0.1800	0.2399	0.8572	0.2056	-0.0019		0.0349	-0.0007	-0.0342
13								0.1513	0.2074	0.8463	0.1755	-0.0024		0.0325	-0.0008	-0.0316
14								0.1250	0.1766	0.8355	0.1476	-0.0028		0.0308	-0.0010	-0.0298
15								0.1031	0.1483	0.8248	0.1223	-0.0031		0.0283	-0.0011	-0.0272
16								0.0834	0.1227	0.8143	0.0999	-0.0032		0.0256	-0.0011	-0.0245
17								0.0679	0.1006	0.8039	0.0809	-0.0031		0.0221	-0.0011	-0.0211
18								0.0567	0.0825	0.7937	0.0655	-0.0027		0.0181	-0.0009	-0.0172
19								0.0473	0.0677	0.7835	0.0530	-0.0024		0.0148	-0.0008	-0.0140
20								0.0386	0.0558	0.7735	0.0432	-0.0020		0.0119	-0.0007	-0.0112
21								0.0309	0.0460	0.7637	0.0351	-0.0018		0.0098	-0.0006	-0.0092
22								0.0241	0.0374	0.7539	0.0282	-0.0017		0.0086	-0.0006	-0.0081
23								0.0183	0.0297	0.7443	0.0221	-0.0016		0.0077	-0.0006	-0.0071
24								0.0133	0.0230	0.7348	0.0169	-0.0015		0.0067	-0.0005	-0.0062
25								0.0094	0.0173	0.7254	0.0125	-0.0013		0.0057	-0.0005	-0.0052
26								0.0065	0.0126	0.7162	0.0090	-0.0012		0.0047	-0.0004	-0.0043
27								0.0045	0.0089	0.7070	0.0063	-0.0010		0.0037	-0.0003	-0.0033
28								0.0030	0.0062	0.6980	0.0043	-0.0007		0.0027	-0.0003	-0.0025
29								0.0020	0.0042	0.6891	0.0029	-0.0006		0.0020	-0.0002	-0.0018
30								0.0015	0.0029	0.6803	0.0020	-0.0004		0.0013	-0.0001	-0.0012
31								0.0010	0.0020	0.6716	0.0013	-0.0003		0.0009	-0.0001	-0.0008
32								0.0005	0.0013	0.6631	0.0009	-0.0002		0.0007	-0.0001	-0.0006
33								0.0000	0.0008	0.6546	0.0005	-0.0002		0.0005	-0.0001	-0.0005
34								0.0000	0.0004	0.6463	0.0003	-0.0001		0.0004	0.0000	-0.0004
35								0.0000	0.0001	0.6380	0.0001	-0.0001		0.0003	0.0000	-0.0002
36								0.0000	0.0000	0.6299	0.0000	0.0000		0.0001	0.0000	-0.0001
37								0.0000	0.0000	0.6218	0.0000	0.0000		0.0000	0.0000	0.0000
38								0.0000	0.0000	0.6139	0.0000	0.0000		0.0000	0.0000	0.0000
39								0.0000	0.0000	0.6061	0.0000	0.0000		0.0000	0.0000	0.0000
40								0.0000	0.0000	0.5983	0.0000	0.0000		0.0000	0.0000	0.0000
NPV						0.3723							1.4189	0.9890	0.0019	0.0556
SUM	1.4362		1.0603	0.3766	-0.0007		0.0000					0.0000	1.4362	1.0603	-0.0002	

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Investment Income, ROE, and Underwriting Profit Provision - Auto Physical Damage

[1] Loss & LAE Ratio	53.79%	[7] Interest Rate Factor	1.0544	[13] Underwriting Tax Rate	35.00%
[2] Fixed Expense Ratio	7.14%	[8] Investment Tax Rate	31.46%	[14] Premium to Surplus Ratio	2.5522
[3] Variable Expense Ratio	22.24%			[15] ROE	9.80%
[4] Expense Paid w/ EP	50.00%	[9] Pre-Tax Investment Income Factor	1.0544	[16] Underwriting Profit Provision	3.0%
[5] Expense Paid w/ WP	50.00%	[10] Post-Tax Investment Income Factor	1.0371	[17] Required Change in Written	-18.5%
[6] Annual Exposures	1.0000				
		[11] Combined Ratio Prior to Change	83.17%		
		[12] Combined Ratio Post Change	96.99%		

	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]	[31]	[32]	[33]
	Written	Earned	Loss&LAE	Expense	Underwriting	Unearned	Taxable	Acc Qtr	Loss&LAE	IRS	IRS	Change In	Collected	Paid	Underwriting	Total
Qtr	Premium	Premium	Incurred	Paid	Income	Premium	Unearned	Reserve	Reserve	Discount	Discount	Reserve	Premium	Loss&LAE	Taxes	Cash
						Reserve	Change	Pattern		Factor	Reserve	Discount			Paid	Flow
1	0.8151	0.2038	0.1345	0.1580	-0.0886	0.6113	0.1223	0.1649	0.0222	0.9872	0.0219	0.0003	0.0000	0.1123	0.0119	-0.2821
2		0.2038	0.1345	0.0316	0.0377	0.4076	-0.0408	-0.0522	0.0152	0.9746	0.0148	0.0001	0.8151	0.1415	-0.0010	0.6431
3		0.2038	0.1345	0.0316	0.0377	0.2038	-0.0408	-0.0322	0.0108	0.9622	0.0104	0.0000		0.1388	-0.0011	-0.1693
4		0.2038	0.1345	0.0316	0.0377	0.0000	-0.0408	-0.0198	0.0082	0.9499	0.0078	0.0000		0.1371	-0.0011	-0.1677
5								-0.0127	-0.0157	0.9378	-0.0147	-0.0014		0.0239	-0.0005	-0.0234
6								-0.0086	-0.0098	0.9259	-0.0091	0.0002		-0.0059	0.0001	0.0058
7								-0.0065	-0.0064	0.9140	-0.0058	0.0002		-0.0035	0.0001	0.0034
8								-0.0045	-0.0043	0.9024	-0.0039	0.0001		-0.0021	0.0000	0.0020
9								-0.0035	-0.0031	0.8909	-0.0028	0.0001		-0.0012	0.0000	0.0012
10								-0.0025	-0.0023	0.8795	-0.0020	0.0001		-0.0008	0.0000	0.0008
11								-0.0020	-0.0017	0.8683	-0.0015	0.0001		-0.0006	0.0000	0.0006
12								-0.0015	-0.0013	0.8572	-0.0011	0.0000		-0.0004	0.0000	0.0004
13								-0.0011	-0.0010	0.8463	-0.0008	0.0000		-0.0003	0.0000	0.0003
14								-0.0007	-0.0007	0.8355	-0.0006	0.0000		-0.0002	0.0000	0.0002
15								-0.0004	-0.0005	0.8248	-0.0004	0.0000		-0.0002	0.0000	0.0002
16								-0.0003	-0.0003	0.8143	-0.0003	0.0000		-0.0002	0.0000	0.0002
17								-0.0002	-0.0002	0.8039	-0.0002	0.0000		-0.0001	0.0000	0.0001
18								-0.0001	-0.0001	0.7937	-0.0001	0.0000		-0.0001	0.0000	0.0001
19								0.0000	-0.0001	0.7835	-0.0001	0.0000		-0.0001	0.0000	0.0001
20								0.0000	0.0000	0.7735	0.0000	0.0000		0.0000	0.0000	0.0000
21								0.0000	0.0000	0.7637	0.0000	0.0000		0.0000	0.0000	0.0000
22								0.0000	0.0000	0.7539	0.0000	0.0000		0.0000	0.0000	0.0000
23								0.0000	0.0000	0.7443	0.0000	0.0000		0.0000	0.0000	0.0000
24								0.0000	0.0000	0.7348	0.0000	0.0000		0.0000	0.0000	0.0000
25								0.0000	0.0000	0.7254	0.0000	0.0000		0.0000	0.0000	0.0000
26								0.0000	0.0000	0.7162	0.0000	0.0000		0.0000	0.0000	0.0000
27								0.0000	0.0000	0.7070	0.0000	0.0000		0.0000	0.0000	0.0000
28								0.0000	0.0000	0.6980	0.0000	0.0000		0.0000	0.0000	0.0000
29								0.0000	0.0000	0.6891	0.0000	0.0000		0.0000	0.0000	0.0000
30								0.0000	0.0000	0.6803	0.0000	0.0000		0.0000	0.0000	0.0000
31								0.0000	0.0000	0.6716	0.0000	0.0000		0.0000	0.0000	0.0000
32								0.0000	0.0000	0.6631	0.0000	0.0000		0.0000	0.0000	0.0000
33								0.0000	0.0000	0.6546	0.0000	0.0000		0.0000	0.0000	0.0000
34								0.0000	0.0000	0.6463	0.0000	0.0000		0.0000	0.0000	0.0000
35								0.0000	0.0000	0.6380	0.0000	0.0000		0.0000	0.0000	0.0000
36								0.0000	0.0000	0.6299	0.0000	0.0000		0.0000	0.0000	0.0000
37								0.0000	0.0000	0.6218	0.0000	0.0000		0.0000	0.0000	0.0000
38								0.0000	0.0000	0.6139	0.0000	0.0000		0.0000	0.0000	0.0000
39								0.0000	0.0000	0.6061	0.0000	0.0000		0.0000	0.0000	0.0000
40								0.0000	0.0000	0.5983	0.0000	0.0000		0.0000	0.0000	0.0000
NPV				0.2499									0.8053	0.5281	0.0086	0.0188
SUM	0.8151		0.5379	0.2527	0.0245		0.0000					0.0000	0.8151	0.5379	0.0086	

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Credibility

	<u>Total Bodily Injury</u>	<u>Total Property Damage</u>	<u>Total UM/UIM</u>	<u>Medical Payments</u>	<u>Collision</u>	<u>Comprehensive</u>
[1] Incurred Claimants:						
2008	19	56	8	0	18	170
2009	28	73	19	0	38	69
2010	20	52	17	3	23	65
2011	26	45	9	0	27	52
 [2] 2008 - 2011 Selected*:	 93	 226	 53	 3	 106	 356
 [3] Credibility Standard:	 3,309	 1,283	 5,251	 984	 1,455	 2,311
 [4] Credibility:	= ([2] / [3]) ^ (1/2)					
	16.8%	42.0%	10.0%	5.5%	27.0%	39.2%

* The Total amount as shown is the sumproduct of the incurred claimants listed above and the selected weights used in the calculation of the weighted loss ratio shown on Exhibit 2.

Kemper, A Unitrin Business
Arkansas Auto Experience Projection
Complement of Credibility

	<u>Total Bodily Injury</u>	<u>Total Property Damage</u>	<u>Total UM/UIM</u>	<u>Medical Payments</u>	<u>Collision</u>	<u>Comprehensive</u>
[1] Prospective Loss Trend:	6.0%	-0.5%	6.0%	6.0%	5.0%	3.0%
[2] Premium Trend:	-3.9%	-3.9%	0.8%	2.5%	0.0%	-2.5%
[3] Effective Date:	4/1/2012	4/1/2012	4/1/2012	4/1/2012	4/1/2012	4/1/2012
[4] Prior Effective Date:	8/11/2011	8/11/2011	8/11/2011	8/11/2011	8/11/2011	8/11/2011
[5] Complement of Credibility	6.5%	2.3%	3.3%	2.2%	3.2%	3.6%

Kemper
Trinity Universal Insurance Company
Arkansas Auto - Rate Pages

TERM FACTOR

PRD	Passive Restraint/Airbags Discount Description
1.00	12 Months
0.50	6 Months



HEADQUARTERS
12926 GRAN BAY PARKWAY WEST
JACKSONVILLE FL 32258
EKEMPER.COM

ARKANSAS PERSONAL AUTO

**Trinity Universal Insurance
Company**

BUSINESS EFFECTIVE DATES:

New: 04-01-2012
Renewal: 04-01-2012

WHAT'S NEW?

- Effective Date Only

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UNDERWRITING GUIDELINES

Risks may be considered for coverage provided they meet the following criteria:

Number Of Vehicles	Minor Violations	Major Violations	Not-at-fault Accidents	At-fault Accidents	Maximum Activity ¹
One	1 per driver 1 per household	None	1 per driver 1 per household	1 per driver 1 per household	2 per driver 2 per household
Two	1 per driver 2 per household	1 per driver 1 per household	1 per driver 2 per household	1 per driver 1 per household	2 per driver 3 per household
Three or more	1 per driver 3 per household	1 per driver 1 per household	1 per driver 3 per household	1 per driver 1 per household	2 per driver 4 per household

¹Maximum Activity = Minor Violations + Major Violations + Not-at-fault Accidents + At-fault Accidents

- No major violations on a single car risk.

Note: For the purposes of evaluating new business eligibility, a three-year experience period shall be used for all minor violations and accidents. A five-year experience period shall be used for all major violations.

Incident = at-fault accident or minor violation

ADDITIONAL CRITERIA APPLY TO ALL RISKS:

1. Tier A-D must be free of any at-fault accidents or violations
2. Liability only policies eligible in Tier L – Z (Single Car P - Z)
3. All vehicles must have liability coverage
4. Drivers with eligible major violations:
 - a. Must be at least 30 years old
 - b. Cannot have any additional incidents
 - c. Only one additional minor violation allowed per household
 - d. \$100,000/\$300,000 BI liability maximum
 - e. Not eligible for PCL coverage
5. Drivers licensed less than 5 years must be clean unless part of family account. If part of family account, no more than 1 incident for all drivers licensed less than 5 years.
6. Drivers with less than 9 years driving experience are not eligible as principal operator of Restricted Vehicles.
7. Individuals subject to high public exposure are not eligible for coverage.
8. No Grey market, antique, off-road vehicles, limited production, kit-cars, or uniquely customized vehicles of any type.
9. Vehicles used for door to door delivery (including rural mail delivery), driver training, emergency use, or any commercial use are not eligible for coverage.
10. Ineligible vehicles are not acceptable at any tier.
11. Passenger vehicles valued at more than \$150,000 are not eligible.
12. If the number of vehicles equals or exceeds the number of drivers, all drivers, including youthful operators, must be rated as principal operators.
13. Driver's Self Appraisal Form required for drivers age 75 and over.
14. Drivers with their driver's license or registration currently suspended or revoked are not eligible for coverage. Refer to Underwriting for administrative revocations or suspensions.

15. Any driver who does not have a valid, verifiable driver's license or does not secure, as required, a driver's license within 30 days of becoming a state resident is not eligible.
16. Applicant must be currently insured with no lapse in coverage. No prior declinations, cancellations, or non-renewals for underwriting reasons by any other carrier are eligible. Coverage will be denied if the applicant was required by law to have insurance and failed to do so.

MAJOR VIOLATIONS:

The following convictions are considered major violations:

- Driving under the influence of alcohol or any intoxicants
- Major speeding (speeding in excess of 20 MPH over posted limit)
- Speeding in a school zone

INELIGIBLE VIOLATIONS:

The following convictions are ineligible for any tier:

- Drunk or disorderly conduct
- Driving with a suspended, invalid, or revoked license
- Possession or use of drugs
- Reckless or negligent driving
- Convicted of any felony
- Failure to stop and report accident when involved in an accident (leaving the scene)
- Driving a stolen vehicle
- Participating in a racing or speed contest on a public road
- Vehicular homicide
- Fleeing the police
- Filing a fraudulent claim
- Failure to stop for a school vehicle with alternating flashing lights

ADDITIONAL REQUIREMENTS

A personal auto policy will be used to afford coverage for vehicles considered as private passenger autos if:

- They are written on a specified auto basis; and,
- They are owned by an individual or husband and wife who are residents in the same household;

Or, for private passenger autos that are owned jointly by two or more:

- Resident relatives other than husband and wife,
- Resident individuals, or
- Non-resident relatives, if they are written on a specified auto basis, to the extent of the endorsement.

Attach: PP 0334: Joint Ownership Coverage

If an auto lease contract requires the lessee to provide primary insurance for the lessor,

Attach: PP 0319: Additional Insured - Lessor

Coverage will be afforded to motor homes or similar vehicles if:

- They are written on a specified vehicle basis
- They are owned by an individual, husband and wife, two or more relatives, or two or more resident individuals

Attach: PP 0323: Miscellaneous Type Vehicles

RESTRICTED VEHICLES

Refer to company for newer models, not listed below.

<p>Acura: RSX Type S, Integra GS-R (VTEC), Integra Type R BMW:M6, 760 Cadillac: CTS-V, XLR Chevrolet: Camaro V8's, Corvette, Monte Carlo SS, Silverado 1500 SS, SSR Chrysler: Crossfire, PT Cruiser Turbo Dodge: Stealth R/T Turbo, Ram SRT-10, Neon SRT-4 Eagle: Talon TSi Ford: Mustang V8's & all SVT/SVO models, Taurus SHO, Focus SVT, F150 SVT Lightning GMC: Syclone, Typhoon Honda: Civic Si, CRX, Prelude VTEC, Del Sol VETEC, S-2000 Hyundai: Tiburon GT</p>	<p>Infinity: G35, FX 45 Jaguar: XK8, XKR, All R-models Mazda: RX-7, RX-8, Mazdaspeed Miata & Protégé Mitsubishi: 3000 GT VR-4, Eclipse GS Turbo & GSX, Lancer Ralliart Mercedes Benz: CL 500, CL 550 Nissan: 350 Z, Sentra SE-R Pontiac: GTO, Firebird and Trans Am V8's, Grand AM GT Ram Air Porsche: All models not listed as Unacceptable Saturn: ION Redline Subaru: Sti, Forester Turbo Suzuki: Samurai Toyota: Supra (All models), MR-2, Celica GTS Volkswagen: GTI, R32, Touareg V8 & V10 models</p>
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UNACCEPTABLE VEHICLES

The following list contains the more popular sports/sports-type vehicles (foreign and domestic). Refer to company for additional models, including new models, not listed below.

<p>Acura: NSX AM General: Hummer Aston Martin: All models Avanti: All models Bentley: All models BMW: Z8 Bugatti: All models Campagna: All models Dodge: Viper Excalibur: All models Ferrari: All models Ford: GT Gemballa: All models Hummer: H1 Lamborghini: All models Lotus: All models Maserati: All models</p>	<p>Maybach: All models Mercedes Benz: All AMG models, CL 600,S 600, SLR Morgan: All models Noble: All models Panoz: All models Passenger vehicles valued at more than \$100,000 Plymouth: Prowler Porsche: All Turbo models, Carrera GT, 959 Qvale: All models Rolls Royce: All models Ruf: All models Saleen: All models Shelby: All models Tesla: All models Vector: All models Zimmer: All models</p>
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PREMIUM AND BILLING

AGENCY SWEEP

Agency Sweep is our simpler, more effective way to process insureds' new business down payments, installments and mid-term payments. Simply deposit the funds into your agency account and make the proper notations in the Kemper system. Sign up today by contacting your Marketing Specialist at 1-866-675-3345, option 4.

BILLING FEES

- \$6.00 billing fee per installment
- \$20.00 late payment fee
- \$15.00 reinstatement fee
- \$25.00 NSF fee
- \$1.00 billing fee on each recurring bill pay installment

CANCELLATION

If a policy, vehicle or form of coverage is cancelled by the insured, compute the return premium at 100 percent of the pro-rata unearned premium for the policy term.

If cancellation is one of the following cases, compute the return premium pro-rata:

- Company cancellation
- Package Plus policies
- Replacement vehicle
- The insured auto is repossessed
- Another policy is in force with the company
- The insured enters the armed forces of the United States of America
- The insured auto is stolen or destroyed
- A financed insurance contract is cancelled

CHANGES

All policy changes will be computed pro-rata. If an outstanding policy is amended and results in an adjustment of \$5.00 or less, the amount may be waived, made subject to a minimum of \$5.00, or returned to the insured by request.

If the limits of liability are increased because of a change in the limits prescribed under any Financial Responsibility law, the additional premium charge shall be the actual difference in premium charges. If \$5 or less, it may be charged or waived.

MINIMUM PREMIUM RULE

A minimum annual premium charge of \$30.00 will be applied for each policy, certificate, declaration or binder covering one or more of the following:

- Bodily Injury
- Property Damage
- Single Limit Liability
- Comprehensive
- Collision

Premium for other coverages is in addition to the minimum annual premium.

PACKAGE PLUS BILLING

Kemper, A Unitrin Business can bill the insured for the auto premium and the mortgage company for the home premium. Premiums for Credit for Existing Coverage are included in the first installment after the coverage becomes effective.

PAYMENT PLANS

Pay Plan	Payment Method	Down Payment Requirements
Monthly Pay	Paper billing	20% down payment required.
	Recurring Bill Pay - EFT Recurring Bill Pay - Credit Card	1 month down payment required, remaining drawn monthly.
Quarterly Pay (Only for 12-month policies)	Paper billing Recurring Bill Pay - EFT Recurring Bill Pay - Credit Card	25% down payment required on policy effective date. Remaining drawn quarterly.
Two Pay	Paper billing Recurring Bill Pay - EFT Recurring Bill Pay - Credit Card	50% down payment required on policy effective date. Remaining billed half way through policy.
One Pay	Paper billing Recurring Bill Pay - EFT Recurring Bill Pay - Credit Card	100% down payment required on policy effective date.

Note: All payment methods require a down payment.

POLICY PERIOD

Package Plus policies shall be written on an annual basis only. No policy may be written for a period longer than twelve (12) months.

12-MONTH POLICIES:

The premium charge is equal to the policy's annual premium or the minimum annual premium, whichever applies.

6-MONTH POLICIES

If a policy is written for a specified period of 6 months, charge 50 percent of the policy's annual premium or the minimum annual premium.

- This provision shall not apply to risks written under any Automobile Insurance Plan (assigned risks)
- When policies are issued with an effective date on the 29th, 30th or 31st of any month, the first such policy may be extended to run from the date of issuance to the first day of the calendar month following expiration of the policy. Premium for this extended coverage of one to three days may be waived.

ROUNDING RULES

Rates and premiums displayed in:

1. Whole dollar premiums shall be rounded to the next higher whole dollar (\$.50 or more round upward)
2. Dollars and cents premiums shall be rounded to the nearest one (1) cent

WHOLE DOLLAR PREMIUM

The premium for each coverage will be rounded to the nearest whole dollar.

DOWN PAYMENTS

DOWN PAYMENTS ARE REQUIRED

1. On every new business policy written where the payor is the insured or other and none of the conditions below exist
2. Only on the side of a Package policy that is new business when the other side meets one of the conditions below

DOWN PAYMENTS ARE NOT REQUIRED

1. If the policy is a rewrite, which is defined by the prior carrier = Kemper (or one of the Unitrin companies)
2. If the policy is an approved block transfer
3. If the policy is an inter-agency transfer
4. If the policy has a Mortgagee as the payor for a monoline home policy
5. For the side of a policy with a CEC (Credit for Existing Coverage) as long as the CEC effective date is 30 days after the processing date
A CEC allows an agent to write a package with non-concurrent effective dates for auto and home.

SAFE DRIVER INSURANCE PLAN (SDIP)

- Eligibility is determined by the underwriting guidelines, regardless of how many surcharges are allowable under the SDIP
- The experience period shall be the three years immediately preceding the date of application or the preparation of the renewal
- Surcharges are applied to the vehicles primarily driven by the operator responsible for the surcharge

SDIP - ACCIDENTS

Apply a surcharge for each accident where an insurer paid a claim that equals:

- \$1000 or more after any deductible is applied

If during the experience period, one driver had two accidents, each of which resulted in damage to property but have not be assigned a surcharge because they fell under the dollar threshold above, rate these as a single chargeable accident.

Apply a surcharge for any accident resulting in Bodily Injury, death, or that occurred as a result of inattentive driving, including:

- Falling asleep behind the wheel of a moving vehicle
- Upset, overturn, or collision with a fixed object
- Reckless disregard of adverse driving conditions which results in a chargeable accident

No surcharges apply for accidents under the following circumstances:

- The operator is demonstrated to be a named insured or principal operator under a separate policy
- *Auto* lawfully parked (if the parked vehicle rolls from the parked position then any such accident is charged to the person who parked the auto)
- The applicant, owner, or resident operator is determined to be 50% or less negligent or is reimbursed for 50% or more of the damages by, or on behalf of, other persons involved in the accident
- Auto is struck in the rear by another vehicle and the applicant or other resident operator has not been convicted of a moving traffic violation in connection with the accident
- Operator of the other auto involved in the accident was convicted of a moving traffic violation and the applicant or resident operator was not convicted of a moving traffic violation in connection with the accident
- Auto operated by the applicant or any resident operator is struck by a "hit-and-run" vehicle, if the accident is reported to the proper authority within 24 hours by the applicant or resident operator
- Accidents involving damage by contact with animals or fowl
- Accidents involving physical damage, limited to and caused by flying gravel, missiles, or falling objects
- Accidents occurring when using auto in response to an emergency if the operator at the time of the accident was a paid or volunteer member of any Police or Fire Department, First Aid Squad, or any law enforcement agency (this exception does not include an accident occurring after the auto ceases to be used in response to such emergency)

SDIP - CONVICTIONS

MINOR CONVICTIONS

Minor convictions are defined as any violation other than a major conviction.

- A surcharge will be assigned on a per vehicle basis for convictions that occur during the experience period.
- If there is a chargeable accident in conjunction with a minor conviction, charge for the accident only.

- If there is a chargeable accident in conjunction with a major conviction, charge for both the accident and major conviction.

MAJOR CONVICTIONS

The following convictions are considered major violations:

- Driving under the influence of alcohol or any intoxicants
- Major speeding (speeding 20 mph or more over the posted speed limit)
- Speeding in a school zone
- Driving without a license

ELIGIBLE MAJOR CONVICTIONS

Refer to [Underwriting Guidelines](#) for list.

INELIGIBLE MAJOR CONVICTIONS

Refer to [Underwriting Guidelines](#) for list.

WAIVER OF FIRST ACCIDENT SURCHARGE

SDIP surcharges will not apply if during the five years immediately preceding an accident or conviction:

- The policy has been in force with the Company without a lapse in coverage
- There are no other accidents or convictions chargeable under SDIP during those specified years
- There are no other accidents or convictions for which SDIP surcharges were already forgiven

The waiver will not apply if:

- The surcharge being assigned is the result of the combination of two or more property damage accidents which were not separately surcharged under SDIP
- There is a chargeable accident or conviction subsequent to the waiver
- The conviction is a major conviction

Only one accident or conviction will be waived, regardless of the number of vehicles or operators on the policy.

Initial information needed to assign the proper Driving Record Sub Classification will be obtained by one or more of the following:

- An application signed by the insured
- Company's own records
- Motor Vehicle Records
- Comprehensive Loss Underwriting Exchange (CLUE)

DISCOUNTS

DISCOUNT	PERCENTAGE	REQUIREMENTS
Anti-Lock Brakes	5%	Factory installed, four-wheel Anti-Lock Braking System
Anti Theft Devices	5%	An active alarm that does not include a forced action prompter
	5%	A passive alarm that does not include a redundant starting means or an internally operated special anti-theft lock for the hood locking and latching system.
	15%	<ul style="list-style-type: none"> A passive alarm system, if equipped with a "shaker" device, permits the "shaker" to be independently deactivated for the remainder of the system; or includes either a redundant starting means or an internally operated special anti-theft lock for the hood locking and latching system. A passive fuel cut-off switch. A passive ignition cut-off system
Accident Prevention Course Discount	5%	<p>Available for each motor vehicle on the policy under which all principal operators are age 55 or older, and the principal operator of the vehicle has a completion certificate, dated within the most recent 36 months, certifying that he or she has successfully completed an accident prevention course approved by the Office of Motor Vehicles. The discount will not apply if the course was taken as a requirement of a driving offense including but not limited to, the Alcohol Drug Safety Action Program, or to reduce the number of traffic violation points against a driving license.</p> <p>This discount will apply:</p> <ul style="list-style-type: none"> To new and renewal policies and rated as a private passenger auto. To a motor vehicle classified and rated as a person each such auto regardless of the number of operators with course completion certificates. Only to the vehicle principally operated by the person with a course completion certificate. Only once to each such vehicle regardless of the number of operators with course completion certificate. <p>The discount may be discontinued, if during the 36-month period after course completion, the operator is involved in an accident for which he or she is determined to be at fault.</p>
Credit for Existing Coverage - Package Plus Auto		<p>To determine the credit for existing coverage:</p> <ol style="list-style-type: none"> Develop the applicable full term auto premium based on the effective date of the Package Plus policy. Calculate a pro rata factor based on the expiration date of the insured's existing auto policy. Multiply the premium in Step 1 by the factor developed in Step 2 <p>Attach:Auto 749: Existing Insurance Endorsement</p>
Driver Training	Varies - See Primary Class Plan	Applies to each operator under age 21 with "satisfactory evidence" of the completion of a driver training course. The course must be approved by the State Department of Education, a commercial driving school, or other responsible state educational agencies and include at least 30 hours of classroom time and 6 hours of actual driving experience.
Good Student	Varies - See Primary Class Plan	The owner operator must be between ages 16-24 and a full time student. A certified statement is required from a school official indicating during the immediately preceding school semester, the student has maintained a "B" average or an average equivalent to a 3.0 on a 4 point grading system, is in the upper 20% in his or her class scholastically, or is listed on the "Dean's List" or "Honor Roll" or equivalent. This credit also applies to accredited college or university graduates with a certified cumulative

		transcript indicating the student has maintained a "B" average or an average equivalent to a 3.0 on a 4 point grading system. This discount can only be applied at policy inception or renewal.
Multi-Car Discount	Varies - See Secondary Class Plan	More than one vehicle on the policy. Also applies to single vehicle policies if a company car is furnished for the insured's use. A copy of the registration for the company car must be kept on file in the agent's office.
Multi-policy	Varies	When a combined Auto and Homeowners (Package) or a monoline Homeowners policy is written. Applies to Bodily Injury, Property Damage, Single Limit Liability, Medical Payments, Uninsured Motorists, Underinsured Motorist, Uninsured Motorist Property Damage, Comprehensive and Collision coverages.
Network Discount (Mass Merchandising Program)	4%	Applies to all coverages, except PCL, for members of a network. A network must have a member to organize relationship. There must be a means to determine the members of the network at any point in time. (UPIC only)
Package Plus	Varies	Package Policy - Auto and Home
Passive Restraint/Airbags	20%	Driver side airbag or seat belt
	30%	Driver and Passenger side airbags OR seat belts
	40%	Driver and Passenger side airbags AND seat belts

SURCHARGES

Surcharge	Percentage	Requirements
Vehicle Type Surcharge	25%	Restricted Vehicles
	60%	Unacceptable Vehicles
Unacceptable Risk	60%	If a risk does not meet the company's underwriting criteria, apply a factor of 1.60 to the Single Limit Liability or Bodily Injury and Property Damage Liability, Medical Payments Coverage, Collision and Comprehensive base rates for that vehicle.

COVERAGES

Bodily Injury Limits	Property Damage Limits	Single Limit Liability Limits
25/50	\$10,000	\$50,000
50/100	\$25,000	\$60,000*
100/200	\$50,000	\$75,000
100/300	\$75,000	\$100,000
150/150	\$100,000	\$200,000
300/300	\$200,000	\$300,000
250/500	\$250,000	\$500,000
500/500	\$300,000	
	\$500,000	

Medical Payments Limits	Comprehensive Deductibles	Collision Deductibles
\$1,000	Full*	\$100*
\$2,000	\$50*	\$200*
\$5,000	\$100*	\$250
\$10,000	\$200*	\$500
\$25,000	\$250	\$1,000
\$50,000*	\$500	\$2,500
\$75,000*	\$1,000	\$5,000
\$100,000*	\$2,500	
	\$5,000	

* Limit options not available to new business policies and ineligible for endorsement to existing policies.

ANTIQUE VEHICLES

REFER TO COMPANY BEFORE BINDING

An antique vehicle is a private passenger auto 25 years or older and maintained primarily for use in exhibitions, club activities, parades, and other functions of public interest, and occasionally used for other purposes. Coverage is not provided on an agreed value basis.

LIABILITY RATES

40 percent of the Private Passenger auto rate (minimum premium \$30)

AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT

Coverage is available for loss to any of the following, if at the time of loss they are contained in a vehicle described in the policy for which this coverage is provided:

- Tapes, records, discs and other media used with audio, visual or data reproduction, receiving or transmitting equipment permanently installed in the auto
- Accessories used with electronic equipment permanently installed in the auto, and not specifically designed solely for the reproduction of sound
- Any electronic equipment not specifically designed solely for the reproduction of sound that receives or transmits audio, visual or data signals

This coverage applies only if the equipment is:

- Permanently installed in the auto; or
- Designed to be solely operated by use of the power from the auto's electrical system and the equipment is removable from a housing unit, which is permanently installed in the auto;

At the time of loss:

- The equipment is not necessary for the normal operation of the auto or monitoring of the auto's operating systems; and
- The equipment is not an integral part of the same unit housing any sound reproducing equipment permanently installed in the opening of the dash or console of the auto. This opening must be normally used by the manufacturer for installation of a radio

Types of electronic equipment not specifically designed solely for the reproduction of sound for which coverage may be purchased, but are not limited to:

- Citizens band radios
- Telephones
- Two-way mobile radios
- Scanning monitor receivers
- Television monitor receivers
- Video cassette recorders
- Audio cassette recorders
- Personal computers

Note: Electronic equipment that is specifically designed solely for the reproduction of sound and is:

- Permanently installed in the auto; or
- Designed to be solely operated by use of the power from the auto's electrical system and the equipment is removable from a housing unit which is permanently installed in the auto;

At the time of loss, along with accessories used with such equipment, is automatically covered under the policy without additional charge.

When coverage is not purchased for audio, visual and data electronic equipment, coverage for discs and other media is available for an additional premium charge.

Coverage is not available for radar detectors or laser detectors.

Attach: PP 0313: Coverage for Audio, Visual, and Data Electronic Equipment and Tapes, Records, Discs and Other Media Endorsement

AUDIO, VISUAL, AND DATA ELECTRONIC EQUIPMENT RATES

\$30.00 for each \$500 of coverage

NOTE: To develop Rates over \$5,000:

- Use the per car premium of \$300, add the premium based on the table above for each limit above \$5,001.
 - Ex: Cost of New Equipment \$6,500 to Develop Premium:
 - \$300 base (per car premium up to \$5,000), add \$90 (per car premium up to \$1,500)
 - Total Premium for \$6,500 of coverage is \$390

AUTO LOAN LEASE GAP COVERAGE

A policy providing both Collision and Comprehensive coverage may be extended to provide coverage for the difference between the outstanding indebtedness on a loan/lease agreement on a vehicle, and the actual cash value of the vehicle, subject to the following:

- Auto Loan/Lease Coverage may be provided only to a vehicle that is a private passenger auto, pickup or van; and
- Coverage may not be added for vehicles more than three model years old

Note: This coverage is included in Repair or Replacement Plus Coverage.

Attach: PP 0335: Auto Loan Lease Gap Coverage Endorsement

AUTO LOAN LEASE GAP COVERAGE RATE

5 percent of both the Comprehensive and Collision premium

CLASSIC VEHICLES

REFER TO COMPANY BEFORE BINDING

A classic vehicle is a private passenger auto 10 years or older and may be used on a regular basis. Its value is significantly higher than the average value of other autos of the same make and model. Coverage is not provided on an agreed value basis.

Attach: PP 0308: Coverage for Damage to Your Auto (Maximum Limit of Liability)

LIABILITY, MEDICAL PAYMENTS, UNINSURED AND UNDERINSURED MOTORISTS

Classify and rate as a Private Passenger Auto

PHYSICAL DAMAGE

Assign a model year symbol based on the stated amount of the vehicle. Classify and rate the vehicle using the base rate for the current model year.

CUSTOMIZED EQUIPMENT

Coverage is available only when Comprehensive and/or Collision coverage is afforded. Covers, bed liners and caps, which are only shells with no facilities for sleeping or cooking, used on pickup trucks are not customized items.

The value of the custom equipment is added to the original cost new of the vehicle to determine total cost to be rated.

Attach: PP 0318: Customizing Equipment Coverage Endorsement

Determine the cost new of the vehicle, including customization. Multiply the physical damage premium by the appropriate factor in the table below.

1990 and Subsequent Models		1989 and Prior Models	
Value	Factor	Value	Factor
Less than \$20,000	1.30	Less than \$15,000	1.20
\$20,001-\$30,000	1.70	\$15,001-\$25,000	1.40
\$30,001-\$39,999	2.30	\$25,001-\$34,999	1.55
\$40,000 and over	2.50	\$35,000 and over	1.75

EXTENDED NON-OWNED COVERAGE

Coverage may be extended to a named insured, spouse or resident relative, as long as that individual is not employed by a garage.

Attach:

PP 0306: Extended Non-owned Coverage for Named Individual Endorsement

EXTENDED NON-OWNER LIABILITY COVERAGE RATES

If there is no Primary liability in effect on the vehicle, charge 50% of the liability premium that would apply if the furnished auto were rated as an owned auto on the policy. The premiums are for the minimum financial responsibility requirement limits in the state.

Named insured, spouse, or a resident relative who is furnished an auto for regular use:

Individual	Single Limit	Bodily Injury	Property Damage
Named Insured or Spouse	\$6	\$5	\$1
Relation	\$12	\$10	\$1

Auto not furnished for regular use:

Individual	Single Limit	Bodily Injury	Property Damage
Named Insured or Spouse	\$6	\$5	\$1
Relation	\$10	\$8	\$1

MEDICAL PAYMENTS RATES PER PERSON

Available only if Single Limit Liability or Bodily Injury and Property Damage coverages are extended.

Medical Payments Limit of Policy to which attached	Auto Furnished for Regular Use	Auto Not Furnished for Regular Use
\$1,000	\$3	\$2
\$2,000	\$4	\$2
\$5,000	\$5	\$3
\$10,000	\$7	\$5

FEDERAL EMPLOYEES USING AUTOS IN GOVERNMENT BUSINESS

LIABILITY COVERAGE ONLY

An auto used in the business of the U.S. Government by one of its employees may be rated as Pleasure, Work Less Than 15 Miles or Work 15 Miles or More, as long as it is not used as a public or livery conveyance for passengers and is not rented to others.

Coverage is limited in accordance with the Federal Employees Using Autos in Government Business Endorsement.

Attach: PP 0301: Federal Employees Using Autos in Government Business

GOLF CARTS

REFER TO COMPANY BEFORE BINDING COVERAGE

A golf cart is a three or four wheel motor vehicle with limited speed capabilities designed to carry golfers and their equipment around the golf course.

LIABILITY

Charge 25% of the Private Passenger base rates. The premiums are subject to a minimum premium (applicable to the minimum financial responsibility requirement limits).

Minimum premium charge \$30

Coverage	Deductible	Rate per \$100
Collision	\$200	0.43
Comprehensive	\$100	0.35
	\$200	0.28

Attach: PP 0323: Miscellaneous Type Vehicle Endorsement - Golf Carts

LIMITED MEXICO COVERAGE

At the option of the company and at the request of the insured, a policy may be extended to apply to accidents occurring in Mexico on a trip of ten days or less, if within twenty-five miles of the United States border.

Attach: PP 0321: Mexico Coverage Endorsement

MEXICO COVERAGE ENDORSEMENT RATE

\$6.00 per vehicle

ARKANSAS MEDICAL PAYMENTS INSURANCE, WORK LOSS COVERAGE AND ACCIDENTAL DEATH BENEFIT (PIP COVERAGE)

ELIGIBILITY

Medical Payments Insurance, Work Loss Coverage and Accidental Death Benefit must be afforded under every auto liability policy issued or delivered to the owner of an auto, registered or principally garaged in Arkansas.

If one or more of these coverages are afforded;

Attach: PP 0582 – Personal Injury Protection Coverage – Arkansas

EXCEPTION:

- 1) The named insured has the right to reject one or more of such coverage in writing and must reject the Statutory Limit of Medical Payments in writing if higher limits are requested.
- 2) Subsequent renewal, reinstatements, substitute, amended or replacement policies issued by the same insurer need not provide the rejected coverage(s) or limit unless the named insured requests such coverage(s) or limit in writing.
- 3) The Classifications and SDIP Rules do NOT apply to Work Loss Coverage and/or Accidental Death Benefit.

COVERAGES AND RATES

MEDICAL PAYMENTS INSURANCE

- 1) Limits: Statutory Limit per person - \$5,000
 - a) Higher limits are permitted, only when the named insured has rejected the Statutory Limit.
 - b) A maximum limit of \$5,000 applies to pedestrians who are other than the named insured or a relative.
 - c) Basic and Increased Limits of Personal Auto Medical Payments Coverage may be purchased only when the named insured has rejected Arkansas Medical Payments Coverage.
- 2) Rates:
 - a) Use the base rates for Medical Payments Insurance
 - b) The Classifications and SDIP Rules apply.

Refer all exceptions to Eligibility above for rejection procedures.

WORK LOSS COVERAGE

Any benefits payable under this option commence 8 days after the date of the accident and the following limitations apply:

- 1) Income Earner – maximum weekly limit of \$140 for 52 weeks.
- 2) Non-Income Earner – maximum weekly limit of \$70 for 52 weeks.

The flat rate per car for this coverage is \$3

ACCIDENTAL DEATH BENEFIT

- 1) Limits: Maximum per person - \$5,000
- The flat rate per car for this coverage is \$2

Note:

When adding Work Loss Coverage and/or Accidental Death Benefit: When adding Coverage to outstanding policies; Charge 10% of the rates shown above for each month, or part of a month insured subject to a minimum of \$2 per policy up to a maximum of the rate per car, shown above.

MOTOR HOMES

A motor home is a self-propelled motor vehicle with a living area that is an integral part of the vehicle chassis, or a pickup with a permanently attached camper body. The living area or camper body must consist of facilities for cooking and sleeping.

Attach:

PP 0323: Miscellaneous Type Vehicles Endorsement

PP 0328: Miscellaneous Type Vehicles Amendment (Motor Homes)

LIABILITY, MEDICAL PAYMENTS, UNINSURED AND UNDERINSURED MOTORISTS RATES

Motor Homes used in driving to or from work or used in business - Classify and rate as private passenger autos.

Pleasure Use Motor Homes - Charge 65% of the otherwise applicable All Other Class/Pleasure rates for private passenger autos. (The Safe Driver Insurance Plan does not apply.)

PHYSICAL DAMAGE RATES

Determine the value, including any custom built additions and "covered property", and assign a model year symbol. "Covered property" means awning, cabanas, or equipment designed to create additional living facilities, excluding business or office equipment or articles which are sale samples or used in exhibitions. For custom built motor homes, the model year of the chassis determines the model year of the motor homes.

Assign a symbol based on the stated amount, from the table for 1990 and Subsequent Model Years. For 1989 and Prior Model Year Motor Homes with a stated amount value of \$65,001 and over, increase the Symbol 20 Base as follows (Statistical Code - Use the code for Symbol 21 (A):

Collision	1.4% for each \$1,000, or part of \$1,000 over \$65,000
Comprehensive	1.7% for each \$1,000, or part of \$1,000 over \$65,000

Motor Homes used in driving to or from work or used in business should be classified and rated as private passenger autos, using the base rates calculated above.

If the motor home is classified as pleasure use , use the rate calculated above times 45% (SDIP does not apply).

For custom built Motor Homes, the model year of the chassis determines the model year of the motor home.

Attach:
PP 0307-1: Covered Property Coverage Endorsement

NON-RECREATIONAL TRAILERS

DESIGNED FOR USE WITH A PRIVATE PASSENGER AUTO

A personal auto policy affording liability provides coverage for trailers designed for use with a Private Passenger auto, pickup, or van at no additional charge, and without specific description of the trailer unless:

- The trailer is used for business purposes with a vehicle other than a private passenger auto or owned pickup or van, or
- The insured does not own a vehicle, or
- The trailer is used as a residence or premises

Liability and Medical Payments Coverage is afforded without additional premium charge for farm wagons and farm implements when attached to a private passenger auto, pickup or van.

Coverage is not provided on an agreed value basis.

Attach: PP 0308: Coverage for Damage to Your Auto (Maximum Limit of Liability)

PHYSICAL DAMAGE RATES

Coverage	Deductible	Rate per \$100
Collision	\$250	\$0.80
Comprehensive	\$250	\$0.52

PARKED AUTOMOBILE COLLISION

The Collision deductible amount will not apply to any loss caused by collision if the vehicle is legally parked and unoccupied while in the charge of the insured or family member, subject to the provisions of this endorsement.

Attach: Auto 40 Parked Automobile Collision Endorsement.

PARKED AUTOMOBILE COLLISION RATES

Deductible	Rate per Vehicle
\$100*	\$10.00
\$200*	\$14.00
\$250	\$18.00
\$500	\$22.00
\$1,000	\$44.00
\$2,500	\$120.00
\$5,000	\$240.00

* Limit options not available to new business policies and ineligible for endorsement to existing policies.

PICKUPS AND VANS

Pickups and vans should be rated as private passenger autos for liability and physical damage. For non-symbol pickups, use the table below to determine a symbol.

When a pickup is used to transport a camper with facilities for cooking or sleeping that is not permanently attached, add the cost of the camper body to the cost of the pickup. When a pickup is used to transport a permanently attached camper, refer to the rates for Miscellaneous Vehicles - Motor Homes. There is no charge for caps (shells with no sleeping or cooking facilities), covers or bedliners.

Symbol	Symbol Code 1989 and Prior	Symbol Code 1990 and Newer	1989 and Prior Model Years	1990 - 2010 Model Years	2011 and Future Model Years
1	1	1	\$1 - 1,600	\$1 - 6,500	\$1 - 3,000
2	2	2	1,601 - 2,100	6,501 - 8,000	3,001 - 5,500
3	3	3	2,101 - 2,750	8,001 - 9,000	5,501 - 8,000
4	4	4	2,751 - 3,700	9,001 - 10,000	8,001 - 9,000
5	5	5	3,701 - 5,000	10,001 - 11,250	9,001 - 10,000
6	6	6	5,001 - 6,500	11,251 - 12,500	10,001 - 11,000
7	7	7	6,501 - 8,000	12,501 - 13,750	11,001 - 12,000
8	8	8	8,001 - 10,000	13,751 - 15,000	12,001 - 13,000
10	J	A	10,001 - 12,500	15,001 - 16,250	13,001 - 14,000
11	K	C	12,501 - 15,000	16,251 - 17,500	14,001 - 15,000
12	M	E	15,001 - 17,500	17,501 - 18,750	15,001 - 15,625
13	N	F	17,501 - 20,000	18,751 - 20,000	15,626 - 16,250
14	P	G	20,001 - 24,000	20,001 - 22,000	16,251 - 16,875
15	R	H	24,001 - 28,000	22,001 - 24,000	16,876 - 17,500
16	S	J	28,001 - 33,000	24,001 - 26,000	17,501 - 18,125
17	T	K	33,001 - 39,000	26,001 - 28,000	18,126 - 18,750
18	U	L	39,001 - 46,000	28,001 - 30,000	18,751 - 19,375
19	V	M	46,001 - 55,000	30,001 - 33,000	19,376 - 20,000
20	W	N	55,001 - 65,000	33,001 - 36,000	20,001 - 20,625
21	A	P	65,001 and above	36,001 - 40,000	20,626 - 21,250
22		R		40,001 - 45,000	21,251 - 21,875
23		T		45,001 - 50,000	21,876 - 22,500
24		U		50,001 - 60,000	22,501 - 23,125
25		W		60,001 - 70,000	23,126 - 23,750
26		X		70,001 - 80,000	23,751 - 24,375
27		Y		80,001 and above	24,376 - 25,000
28					25,001 - 25,625
29					25,626 - 26,250
30					26,251 - 26,875
31					26,876 - 27,500
32					27,501 - 28,125
33					28,126 - 28,750
34					28,751 - 29,375
35					29,376 - 30,000
36					30,001 - 31,000
37					31,001 - 32,000
38					32,001 - 33,000
39					33,001 - 34,000
40					34,001 - 35,000
41					35,001 - 36,000
42					36,001 - 37,000
43					37,001 - 38,000
44					38,001 - 39,000
45					39,001 - 40,000
46					40,001 - 41,250
47					41,251 - 42,500
48					42,501 - 43,750

49				43,751 - 45,000
50				45,001 - 46,250
51				46,251 - 47,500
52				47,501 - 48,750
53				48,751 - 50,000
54				50,001 - 52,500
55				52,501 - 55,000
56				55,001 - 57,500
57				57,501 - 60,000
58				60,001 - 65,000
59				65,001 - 70,000
60				70,001 - 75,000
61				75,001 - 80,000
62				80,001 - 85,000
63				85,001 - 90,000
64				90,001 - 95,000
65				95,001 - 100,000
66				100,001 - 110,000
67				110,001 - 120,000
68				120,001 - 130,000
69				130,001 - 140,000
70				140,001 - 150,000
71				Rating symbol only
72				Rating symbol only
73				Rating symbol only
74				Rating symbol only
75				Rating symbol only
98				150,001 and above

RECREATIONAL TRAILERS

DESIGNED FOR USE WITH A PRIVATE PASSENGER AUTO

A personal auto policy affording liability provides coverage for trailers designed for use with a private passenger auto, pickup, or van at no additional charge, and without specific description of the trailer unless:

- The trailer is used for business purposes with a vehicle other than a private passenger auto or owned pickup or van, or
- The insured does not own a vehicle, or
- The trailer is used as a residence or premises

A recreational trailer is a non-self-propelled unit equipped as living quarters (cooking, dining, plumbing, or refrigeration facilities). The insured must maintain a separate and permanent residence other than the recreational trailer. Coverage is not provided on an agreed value basis.

Liability and Medical Payments Coverage is afforded without additional premium charge for farm wagons and farm implements when attached to a private passenger auto, pickup or van.

Attach: PP 0308: Coverage for Damage to Your Auto (Maximum Limit of Liability)

PHYSICAL DAMAGE RATES

Use Motor Home rates

RENTAL REIMBURSEMENT

Coverage may be provided for any transportation expenses incurred by the insured as the result of a loss to a vehicle listed on the policy or a non-owned auto. The rates for this coverage are not subject to classification rating or modification by any rating plan.

Only policies providing Comprehensive coverage may be afforded Rental Reimbursement coverage.

Attach: PP 0302: Optional Limits Transportation Expenses Coverage

RENTAL REIMBURSEMENT RATES

Per Day/Max	Rate per Vehicle
\$30/\$900	\$12.00
\$40/\$1,200	\$24.00
\$50/\$1,500	\$32.00
\$75/\$2,250	\$38.00

REPAIR OR REPLACEMENT PLUS

The Limit of Liability provisions for Part D, Coverage for Damage to Your Auto, can be changed from actual cash value to replacement cost for losses caused by other than fire, theft or larceny.

The limit of liability for other than these losses will be the lesser of the reasonable cost of repair with parts of like kind and quality or the cost of a new vehicle of the same make, if possible; similar vehicle size class; and similar body type and equipment as the damaged vehicle.

- For total loss, we will pay the unpaid amount due on the lease/loan less any deductions specified under the endorsement.
- The endorsement is available only for vehicles purchased or leased new.
- Coverage is not available on excessively high-valued (over \$100,000) autos or unique vehicles.
- Coverage must be added within 180 days of delivery of the new or leased vehicle.
- Repair or Replacement Coverage must be maintained continuously on the auto. Coverage on the vehicle cannot be reinstated, once it has been discontinued.
- Repair or Replacement Coverage is available only if Collision and Comprehensive coverage are carried for the auto.

Note: This coverage includes Auto Loan Lease Gap Coverage.

Attach: Auto 684: Repair or Replacement Plus Endorsement

REPAIR OR REPLACEMENT PLUS RATE

15% of the combined Comprehensive and Collision premium

EXCESS SOUND REPRODUCING EQUIPMENT

Coverage may be extended for electronic equipment which is specifically designed for the reproduction of sound and is:

- Permanently installed in the vehicle
- Designed to be solely operated by use of the power from the vehicle's electrical system and is removable from a housing unit which is permanently in-stalled in the vehicle

at time of loss, along with accessories used with such equipment is automatically covered under the policy without additional premium charge.

However, equipment designed solely for the reproduction of sound and accessories used with such equipment, which is installed in locations not used by the vehicle manufacturer for installation of such equipment or accessories, is subject to a sub-limit of \$1,000. This sub-limit may be increased to any one of the limits shown below.

Attach:

PP 0313: Coverage For Excess Sound Reproducing Equipment, Audio, Visual, and Data Electronic Equipment, and Tapes, Recorders, Discs and Other Media

EXCESS SOUND REPRODUCING EQUIPMENT RATES

Maximum Limit of Liability for Excess Sound Reproducing Equipment	Premium per Car
\$1,500	\$30
\$2,000	\$58
\$2,500	\$86
\$3,000	\$114
\$3,500	\$144
\$4,000	\$172
\$4,500	\$200
\$5,000	\$228

SUSPENSION OF INSURANCE

Under any policy providing just physical damage coverage, only Collision may be suspended. Liability coverages may not be suspended for risks for which a financial responsibility filing is in effect. Insurance may be suspended by endorsement in accordance with the following provisions provided the period of suspension is at least thirty (30) consecutive days:

- Insurance may be reinstated upon the named insured 's request effective not earlier than receipt of such request by the company or any of its authorized representatives.
- The Reinstatement of Insurance Endorsement shall not extend the policy beyond its original expiration date.
- Pro Rata premium credit shall be granted for the period of suspension upon reinstatement. Companies can retain a minimum of ninety days premium calculated on a pro rata basis for the policy period.
- If the policy expires during the period of suspension, the named insured shall be entitled to pro rata return premium in accordance with the foregoing provisions of this rule with respect to the minimum period of suspension and minimum premium retention by the company.
- If Liability coverage is suspended on all owned autos, coverage for which separate premiums apply - including uninsured motorists coverage, underinsured motorists coverage, medical payments coverage or extended liability coverage provided under the use of other autos provisions - may be continued in force without premium adjustment for these coverages.
- If liability or collision is suspended on all private passenger autos owned by an individual or husband and wife, use of other autos coverage, for liability only, afforded with-out separate premium charge under a Personal Auto Policy may be continued in force. In this case, 80% pro rata of the owned auto premium calculated in accordance with the provisions of this rule shall be returned to the insured upon reinstatement of the coverages.
- Insurance covering a private passenger auto which is withdrawn from service for a period of at least thirty (30) consecutive days because of a strike, may be suspended. Pro rata return premium on such vehicles shall be granted in accordance with Section (C) provided the insured furnishes the company with a letter requesting the return premium. The letter shall be written on the insured's letterhead, signed by an executive of the company and shall include the following:
 1. A description of each auto.
 2. The dates between which it was laid up because of the strike.

3. A statement by the insured that he agrees to reimburse the company for any payment made by the company on account of any accident, claim or suit involving a coverage for an auto described in the letter for which return premium has been allowed by the company.

Attach:

PP 0201: Suspension of Insurance Endorsement

PP 0202: Reinstatement of Insurance Endorsement

TOWING AND LABOR COSTS

Coverage may be written only for private passenger autos.

Attach: PP 0303: Towing and Labor Costs Coverage Endorsement

Towing and Labor Cost Rates

Per Occurrence Limit	Premium Per Car
\$25	\$4.00
\$50	\$6.00
\$75	\$8.00
\$100	\$10.00
\$200	\$20.00
\$300	\$30.00

UNINSURED MOTORISTS COVERAGE

This form of auto insurance must be afforded under every auto liability policy issued or delivered to the owner of a motor vehicle registered or principally garaged in Arkansas and applies to all vehicles on the policy.

Agents are required, on our behalf, to offer Uninsured Motorists Bodily Injury Coverage up to the elected liability limits.

Exceptions:

- The named insured has the right to reject such coverage or reject the Property Damage portion only.
- Subsequent renewal policies issued by the same insurer need not provide the rejected coverage unless the named insured requests such coverage in writing.
- No insured may have Property Damage Uninsured Motorists Coverage unless Bodily Injury Uninsured Motorists Coverage is also afforded.

Attach:

PP 0401: Single Uninsured Motorist Limit

PP 0495: Uninsured Motorist Coverage – Arkansas

INCREASED LIMITS

Split Limit Bodily Injury	Property Damage	Single Limit Liability
25,000/50,000	\$25,000	\$50,000
50,000/100,000	\$50,000	\$60,000*
100,000/200,000	\$75,000	\$75,000
100,000/300,000	\$100,000	\$100,000
150,000/300,000	\$200,000	\$200,000
300,000/300,000	\$250,000	\$300,000
250,000/500,000	\$300,000	\$500,000
500,000/500,000	\$500,000	

* Limit options not available to new business policies and ineligible for endorsement to existing policies.

UNDERINSURED MOTORISTS

This form of Auto insurance is offered at limits not less than \$75,000 Single Limit Underinsured Motorists Coverage or \$25,000/50,000 Split Limit Underinsured Motorists Coverage under every auto liability policy issued or delivered to the owner of a motor vehicle registered or principally garaged in Arkansas.

- Underinsured Motorists Coverage must be offered at limits equal to the Single Limit Liability or Split Limit Bodily Injury Liability limit.
- If Underinsured Motorists Liability Coverage is provided, it applies to all vehicles insured under the policy.
- Underinsured Motorists Coverage must be offered in writing, and include a brief description of the coverage, for the first renewal of all policies that do not include Underinsured Motorists coverage.
- The named insured has the right to reject this coverage. Acceptance or rejection of such coverage need not be in writing. Subsequent renewals issued by the same insurer need not provide the rejected coverage unless an insured under the policy requests such coverage in writing.
- Basic Limits Protection for this coverage up to the Financial Responsibility law limits is provided under the Uninsured Motorists Coverage Endorsement.
- Increased Limits - Increased Limits of Underinsured Motorists Coverage may be afforded under the following conditions:
 - only if increased limits Uninsured Motorists Coverage is afforded
 - increased limits Uninsured and Underinsured Motorists insurance must be afforded at the same limits.

Attach:

PP 0434: Underinsured Motorists Coverage - Arkansas

PP 0402: Single Underinsured Motorist Limit – Arkansas

INCREASED LIMITS

Split Limit Bodily Injury	Single Limit Liability
25,000/50,000	\$50,000
50,000/100,000	\$60,000*
100,000/200,000	\$75,000
100,000/300,000	\$100,000
150,000/300,000	\$200,000
300,000/300,000	\$300,000
250,000/500,000	\$500,000
500,000/500,000	

* Limit options not available to new business policies and ineligible for endorsement to existing policies.

PRIMARY CLASS DETERMINATION

Classify the vehicle according to the age, sex and marital status of the operator, the use of the auto and the eligibility of youthful operators for the Driver Training and Good Student discounts. If the number of vehicles is equal to or exceeds the number of drivers, all drivers, including youthful operators, must be rated as principal operators. If all operators in the household are under the age of 50, excess vehicles will be assigned the excess vehicle class code.

Changes to the attained age or driving record of an operator, or to the assigned symbol of a vehicle as a result of loss review, will be effective at the next renewal. All other changes, including adding an operator mid-term, will be made on a pro-rata basis.

A person in active military service of the US Armed Forces is not considered a resident in the applicant's household unless this person customarily operates the auto.

YOUTHFUL OPERATORS

If the operator of a vehicle is a youthful student residing at an educational institution over 100 miles from the auto's principal garaging location, the auto is rated as if the student is married.

For single car risks: The youthful operator with the highest primary rating factor will apply.

For Multi Car Risks: Assign principal youthful operators to the autos they principally operate. Assign other youthful operators to remaining autos as follows:

Determine the primary pleasure use rating factors of all youthful operators. Assign the youthful operator with the highest primary rating factor to the auto he/she operates most frequently. Remaining youthful operators are assigned to remaining autos in the order of the highest rated youthful operator to the auto with the highest total base premium. After assigning youthful operators to autos on the basis of pleasure use rating factors, each factor must be adjusted for the actual use of the auto before determining and applying the Secondary Rating Factor. Any remaining autos are rated at the appropriate All Other Operator classification.

OPERATORS AGE 50 AND OVER

If all operators in the household are age 50 or over, the lowest rated primary class will apply to autos in excess of the number of operators.

CLASS CODE DETERMINATION

Positions 1-4	Primary Classification
Position 5	1 = Single Car Pleasure 2 = Multi Car Pleasure 3 = Single Car Short Commute 4 = Multi Car Short Commute 5 = Single Car Long Commute 6 = Multi Car Long Commute 7 = Single Car Business 8 = Multi Car Business 9 = Single Car Farm 0 = Multi Car Farm
Position 6	Accident Surcharge Code
Position 7	Violation Surcharge Code
Position 8	1 = Standard Performance 2 = Intermediate Performance 3 = High Performance 4 = Sports Performance 5 = Sports Premium Performance 6 = Unacceptable Vehicle 7 = Restricted Vehicle

VEHICLE USE DEFINITIONS

USE CLASSIFICATIONS

- Business use means that the use of the auto is required by or customarily involved in the duties of the applicant or any other person customarily operating the auto, in an occupation, profession or business, other than going to or from the principal place of occupation, profession or business.
- Farm use means the auto is principally garaged on a farm or ranch, and
 1. It is not customarily used in going to or from work other than farming or ranching, or driving to or from school, and
 2. It is not customarily used in any occupation other than farming or ranching.
- Pleasure use means:
 1. No business use
 2. Personal use including driving to or from work or school:
 - a. Less than 3 road miles one way; or
 - b. 3 or more, but less than 15 road miles one way for not more than 2 days per week or not more than 2 weeks in any 5 week period.
- Work less than 15 miles means:
 1. No business use
 2. Personal use including driving to or from work or school:
 - a. 3 or more, but less than 15, road miles one way if such usage is more than 2 days per week or more than 2 weeks in any 5 week period.
 - b. 15 or more road miles one way, for not more than 2 days per week or not more than 2 weeks in any 5 week period.
- Work 15 or more miles means:
 1. No business use
 2. Personal use including driving to or from work or school 15 or more road miles one way more than 2 days per week or more than 2 weeks in any 5 week period.
- An auto driven part way to or from work or school, such as to a railroad or bus depot, whether or not the auto is parked at the depot during the day, shall be considered as driving to or from work or school.

An auto used in the business of the U.S. Government by one of its employees may be classified and rated as pleasure, work less than 15 miles or work more than 15 miles when the federal employees using autos in government business endorsement is used to limit coverage.

TERRITORY DEFINITIONS

Zip Code	Territory
71601	139
71602	138
71603	129
71611	140
71612	140
71613	140
71630	134
71631	140
71635	140
71638	134
71639	134
71640	134
71642	135
71643	139
71644	137
71646	140
71647	136
71651	137
71652	140
71653	134
71654	134
71655	140
71656	140
71657	143
71658	134
71659	140
71660	143
71661	134
71662	134
71663	134
71665	140
71666	134
71667	137
71670	134
71671	140
71674	134
71675	139
71676	134
71677	134
71678	140
71701	140
71711	140
71720	140
71721	140
71722	140
71724	137
71725	140
71726	143
71728	140
71730	126

Zip Code	Territory
72023	128
72024	140
72025	136
72026	134
72027	136
72028	140
72029	134
72030	140
72031	140
72032	214
72033	214
72034	111
72035	137
72036	133
72037	140
72038	134
72039	140
72040	135
72041	136
72042	134
72043	135
72044	140
72045	140
72046	140
72047	140
72048	134
72051	135
72052	140
72053	140
72055	134
72057	140
72058	140
72059	140
72060	135
72061	142
72063	140
72064	140
72065	141
72066	140
72067	140
72068	140
72069	134
72070	140
72072	135
72073	143
72074	140
72075	140
72076	127
72078	140
72079	135

Zip Code	Territory
72335	133
72336	140
72338	131
72339	133
72340	133
72341	134
72342	134
72346	133
72347	133
72348	133
72350	131
72351	131
72352	140
72353	140
72354	131
72355	134
72358	131
72359	135
72360	134
72364	133
72365	131
72366	134
72367	134
72368	134
72369	134
72370	132
72372	133
72373	133
72374	134
72376	133
72377	140
72379	134
72383	140
72384	133
72386	131
72387	140
72389	140
72390	134
72391	135
72392	133
72394	133
72395	131
72396	133
72401	132
72402	140
72403	140
72404	131
72410	140
72411	131
72412	131

Zip Code	Territory
72624	143
72626	135
72628	139
72629	140
72630	137
72631	140
72632	140
72633	140
72634	140
72635	143
72636	140
72638	140
72639	140
72640	140
72641	140
72642	140
72644	137
72645	137
72648	140
72650	137
72651	140
72653	126
72654	140
72655	140
72657	140
72658	140
72659	140
72660	140
72661	140
72662	137
72663	140
72666	138
72668	140
72669	135
72670	135
72672	140
72675	140
72677	139
72679	140
72680	140
72682	140
72683	140
72685	140
72686	135
72687	140
72701	106
72702	207
72703	106
72704	106
72711	137

71731	140	72080	140	72413	140	72712	113
71740	140	72081	140	72414	131	72714	218
71742	136	72082	136	72415	140	72715	115
71743	139	72083	140	72416	131	72716	136
71744	140	72084	136	72417	131	72717	140
71745	140	72085	140	72419	131	72718	108
71747	136	72086	140	72421	135	72719	140
71748	143	72087	140	72422	140	72721	140
71749	140	72088	140	72424	140	72722	135
71750	142	72089	141	72425	135	72727	142
71751	135	72099	135	72426	131	72728	140
71752	143	72101	133	72427	138	72729	140
71753	138	72102	140	72428	131	72730	114
71754	140	72103	135	72429	131	72732	140
71758	140	72104	140	72430	131	72733	140
71759	136	72105	135	72431	135	72734	137
71762	136	72106	140	72432	131	72735	140
71763	140	72107	143	72433	140	72736	135
71764	139	72108	140	72434	140	72737	140
71765	136	72110	140	72435	143	72738	140
71766	143	72111	140	72436	131	72739	142
71768	142	72112	140	72437	131	72740	137
71770	140	72113	102	72438	131	72741	135
71772	140	72114	212	72439	140	72742	140
71801	140	72115	213	72440	138	72744	140
71802	140	72116	110	72441	131	72745	140
71820	135	72117	211	72442	131	72747	140
71822	143	72118	213	72443	131	72749	135
71823	140	72119	211	72444	140	72751	137
71825	143	72120	127	72445	137	72752	140
71826	140	72121	140	72447	131	72753	140
71827	143	72122	105	72449	135	72756	208
71828	140	72123	140	72450	131	72757	208
71831	140	72124	213	72451	143	72758	107
71832	136	72125	140	72453	140	72760	140
71833	136	72126	135	72454	131	72761	140
71834	140	72127	140	72455	135	72762	109
71835	137	72128	138	72456	131	72764	210
71836	136	72129	139	72457	136	72765	210
71837	136	72130	140	72458	135	72766	210
71838	143	72131	140	72459	140	72768	140
71839	141	72132	140	72460	140	72769	142
71840	137	72133	137	72461	131	72770	135
71841	140	72134	140	72462	136	72773	137
71842	140	72135	104	72464	131	72774	140
71844	140	72136	135	72465	140	72776	140
71845	140	72137	140	72466	137	72801	135
71846	143	72139	140	72467	132	72802	137
71847	140	72140	134	72469	140	72811	140
71851	140	72141	137	72470	140	72812	140
71852	140	72142	116	72471	137	72820	143
71853	136	72143	126	72472	131	72821	139
71854	130	72145	140	72473	140	72823	140

71855	135	72149	140	72474	137	72824	140
71857	140	72150	135	72475	140	72826	143
71858	139	72152	143	72476	140	72827	137
71859	140	72153	135	72478	137	72828	140
71860	143	72156	140	72479	131	72829	138
71861	140	72157	136	72482	135	72830	140
71862	139	72158	137	72501	135	72832	135
71864	140	72160	138	72503	143	72833	140
71865	140	72164	140	72512	140	72834	140
71866	140	72165	140	72513	135	72835	140
71901	117	72166	134	72515	140	72837	138
71902	140	72167	135	72517	137	72838	140
71903	140	72168	140	72519	140	72839	140
71909	103	72169	140	72520	140	72840	139
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71913	117	72173	140	72522	140	72842	135
71914	140	72175	137	72523	140	72843	140
71920	140	72176	143	72524	140	72845	140
71921	140	72178	140	72525	142	72846	140
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71923	137	72180	135	72527	136	72851	140
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71932	140	72182	137	72529	140	72853	143
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71935	140	72189	140	72531	140	72855	138
71937	140	72190	213	72532	135	72856	140
71940	140	72198	135	72533	140	72857	140
71941	136	72199	135	72534	143	72858	135
71942	135	72201	202	72536	140	72860	135
71943	137	72202	202	72537	140	72863	140
71944	140	72203	201	72538	140	72865	135
71945	135	72204	200	72539	140	72901	119
71949	135	72205	101	72540	140	72902	118
71950	143	72206	202	72542	140	72903	119
71951	135	72207	100	72543	140	72904	119
71952	140	72209	202	72544	138	72905	139
71953	135	72210	202	72545	140	72906	121
71956	139	72211	100	72546	140	72908	121
71957	140	72212	100	72550	140	72913	119
71958	140	72214	202	72553	140	72914	119
71959	140	72215	202	72554	140	72916	119
71960	140	72216	202	72555	135	72917	119
71961	135	72217	101	72556	140	72918	120
71962	140	72219	201	72560	137	72919	139
71964	135	72221	202	72561	143	72921	122
71965	140	72222	101	72562	143	72923	124
71966	140	72223	100	72564	135	72926	143
71968	137	72225	202	72565	135	72927	140
71969	140	72227	101	72566	140	72928	140
71970	140	72231	202	72567	140	72930	140
71971	140	72260	202	72568	140	72932	124
71972	140	72295	135	72569	140	72933	135
71973	140	72301	133	72571	140	72934	124

71998	140
71999	140
72001	138
72002	140
72003	134
72004	140
72005	133
72006	140
72007	140
72010	143
72011	135
72012	135
72013	140
72014	133
72015	215
72016	137
72017	135
72018	215
72019	112
72020	136
72021	134
72022	140

72303	140
72310	131
72311	134
72312	140
72313	131
72315	131
72316	135
72319	135
72320	134
72321	131
72322	135
72324	133
72325	135
72326	133
72327	133
72328	134
72329	131
72330	131
72331	133
72332	135
72333	134

72572	140
72573	140
72575	140
72576	140
72577	140
72578	140
72579	140
72581	135
72583	140
72584	140
72585	140
72587	140
72601	127
72602	135
72611	135
72613	140
72615	137
72616	135
72617	140
72619	137
72623	140

72935	125
72936	124
72937	125
72938	124
72940	124
72941	123
72943	143
72944	140
72945	123
72946	125
72947	124
72948	124
72949	140
72950	140
72951	140
72952	124
72955	122
72956	122
72957	124
72958	140
72959	140

ENDORSEMENT INDEX

Form	Endorsement Name
Auto 40	Parked Automobile Collision
Auto 112	Additional Interest
Auto 684	Repair or Replacement Plus
Auto 749	Existing Insurance
Auto 910	Electronic Equipment Endorsement
Auto 933	Changes to Your Policy
PP 0201	Suspension of Insurance
PP 0202	Reinstatement of Insurance
PP 0301	Federal Employees Using Autos in Government Business
PP 0302	Optional Limits Transportation Expenses Coverage
PP 0303	Towing and Labor Costs Coverage
PP 0305	Loss Payable
PP 0306	Extended Non-Owned Coverage for Named Individual
PP 0307	Covered Property Coverage
PP 0308	Coverage for Damage to Your Auto (Maximum Limit of Liability)
PP 0309	Single Limit Liability
PP 0313	Coverage for Audio, Visual, and Data Electronic Equipment and Tapes, Records, Discs and Other Media
PP 0318	Customizing Equipment Coverage
PP 0319	Additional Insured Lessor
PP 0321	Mexico Coverage
PP 0323	Miscellaneous Type Vehicles
PP 0326	Liability Coverage Exclusion Endorsement
PP 0328	Miscellaneous Type Vehicles (Motor Homes)
PP 0334	Joint Ownership Coverage
PP 0335	Auto Loan Lease Gap Coverage
PP 0401	Single Uninsured Motorist Limit
PP 0402	Single Underinsured Motorist Limit
PP 0495	Uninsured Motorist Coverage - Arkansas
PP 0434	Underinsured Motorists Coverage - Arkansas
PP 0582	Personal Injury Protection Coverage - Arkansas
PP 1301	Coverage for Damage to Your Auto Exclusion

SERFF Tracking Number: KEMP-127946438 State: Arkansas
 Filing Company: Trinity Universal Insurance Company State Tracking Number:
 Company Tracking Number: AR_AUTO_2012_RATE_1
 TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
 Product Name: AR_Auto_2012_Rate_1
 Project Name/Number: AR_Auto_2012_Rate_1/AR_Auto_2012_Rate_1

Superseded Schedule Items

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

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
01/17/2012	Supporting Document	APCS-Auto Premium Comparison Survey	02/02/2012	AR Auto Filing Form PPA Survey Form APCS - 01.pdf (Superseded) AR Auto Filing Form PPA Survey Form APCS (Excel) - 01.xls (Superseded)
01/03/2012	Supporting Document	APCS-Auto Premium Comparison Survey	01/17/2012	AR Auto Filing Form PPA Survey Form APCS - 01.pdf

Private Passenger Auto Premium Comparison Survey Form

FORM APCS - last modified August 2005

NAIC Number: 19887
 Company Name: Trinity Universal Insurance Company
 Contact Person: William Nibbelin
 Telephone No.: (904) 596-8427
 Email Address: wnibbelin@ekemper.com
 Effective Date: 1-Apr-11

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

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

DISCOUNTS OFFERED:
 PASSIVE RESTRAINT/AIRBAG 20-40 %
 AUTO/HOMEOWNERS varies %
 GOOD STUDENT 15 %
 ANTI-THEFT DEVICE 5-15 %
 Over 55 Defensive Driver Discount 5 %
 \$250/\$500 Deductible Comp./Coll. 30% / 0% %

Vehicle	Coverages	Gender	Age	Fayetteville				Trumann				Little Rock				Lake Village				Pine Bluff			
				Female 18	Male 18	Male or Female 40	Male or Female 66	Female 18	Male 18	Male or Female 40	Male or Female 66	Female 18	Male 18	Male or Female 40	Male or Female 66	Female 18	Male 18	Male or Female 40	Male or Female 66	Female 18	Male 18	Male or Female 40	Male or Female 66
				1999 Chevrolet Silverado 1500 2WD "LS" regular cab 119" WB	Minimum Liability			\$774	\$667	\$364	\$333	\$969	\$830	\$441	\$401	\$971	\$833	\$448	\$408	\$969	\$830	\$437	\$396
	Minimum Liability with Comprehensive and Collision			\$1,343	\$1,151	\$641	\$564	\$1,781	\$1,524	\$825	\$725	\$1,490	\$1,276	\$690	\$614	\$1,772	\$1,513	\$825	\$721	\$1,775	\$1,517	\$821	\$721
	100/300/50 Liability with Comprehensive and Collision			\$1,439	\$1,237	\$697	\$618	\$1,897	\$1,625	\$888	\$785	\$1,616	\$1,388	\$761	\$681	\$1,884	\$1,611	\$884	\$777	\$1,895	\$1,622	\$885	\$782
2003 Ford Explorer "XLT" 2WD, 4 door	Minimum Liability			\$767	\$660	\$361	\$330	\$959	\$822	\$437	\$397	\$961	\$825	\$444	\$404	\$960	\$822	\$433	\$393	\$1,010	\$865	\$456	\$415
	Minimum Liability with Comprehensive and Collision			\$1,448	\$1,240	\$690	\$606	\$1,934	\$1,654	\$895	\$785	\$1,584	\$1,357	\$734	\$651	\$1,921	\$1,640	\$895	\$780	\$1,915	\$1,636	\$886	\$777
	100/300/50 Liability with Comprehensive and Collision			\$1,543	\$1,325	\$746	\$659	\$2,049	\$1,755	\$958	\$844	\$1,709	\$1,467	\$804	\$717	\$2,032	\$1,737	\$954	\$835	\$2,034	\$1,741	\$950	\$836
2003 Honda Odyssey "EX"	Minimum Liability			\$767	\$660	\$361	\$330	\$959	\$822	\$437	\$397	\$961	\$825	\$444	\$404	\$960	\$822	\$433	\$393	\$1,010	\$865	\$456	\$415
	Minimum Liability with Comprehensive and Collision			\$1,416	\$1,214	\$674	\$593	\$1,890	\$1,616	\$874	\$767	\$1,556	\$1,333	\$720	\$639	\$1,877	\$1,603	\$873	\$762	\$1,874	\$1,601	\$865	\$760
	100/300/50 Liability with Comprehensive and Collision			\$1,512	\$1,299	\$731	\$646	\$2,005	\$1,717	\$936	\$826	\$1,681	\$1,443	\$790	\$705	\$1,988	\$1,700	\$932	\$817	\$1,993	\$1,706	\$930	\$820
2005 Toyota Camry LE 3.0L 4 door Sedan	Minimum Liability			\$767	\$660	\$361	\$330	\$959	\$822	\$437	\$397	\$961	\$825	\$444	\$404	\$960	\$822	\$433	\$393	\$1,010	\$865	\$456	\$415
	Minimum Liability with Comprehensive and Collision			\$1,627	\$1,393	\$778	\$679	\$2,189	\$1,871	\$1,016	\$887	\$1,747	\$1,496	\$810	\$716	\$2,173	\$1,855	\$1,018	\$883	\$2,152	\$1,839	\$999	\$872
	100/300/50 Liability with Comprehensive and Collision			\$1,722	\$1,478	\$834	\$732	\$2,304	\$1,972	\$1,079	\$946	\$1,872	\$1,606	\$880	\$781	\$2,284	\$1,952	\$1,077	\$938	\$2,271	\$1,943	\$1,063	\$932
2003 Cadillac Seville "STS" 4 door Sedan	Minimum Liability			\$767	\$660	\$361	\$330	\$959	\$822	\$437	\$397	\$961	\$825	\$444	\$404	\$960	\$822	\$433	\$393	\$1,010	\$865	\$456	\$415
	Minimum Liability with Comprehensive and Collision			\$1,673	\$1,432	\$802	\$698	\$2,254	\$1,926	\$1,049	\$914	\$1,788	\$1,531	\$830	\$732	\$2,238	\$1,910	\$1,052	\$911	\$2,213	\$1,890	\$1,030	\$897
	100/300/50 Liability with Comprehensive and Collision			\$1,768	\$1,517	\$858	\$752	\$2,368	\$2,027	\$1,112	\$973	\$1,912	\$1,641	\$900	\$798	\$2,349	\$2,007	\$1,111	\$966	\$2,332	\$1,994	\$1,094	\$957
1998 Chevrolet Cavalier LS 4D Sedan	Minimum Liability			\$774	\$667	\$364	\$333	\$969	\$830	\$441	\$401	\$971	\$833	\$448	\$408	\$969	\$830	\$437	\$396	\$1,020	\$873	\$461	\$419
	Minimum Liability with Comprehensive and Collision			\$1,317	\$1,129	\$627	\$553	\$1,745	\$1,492	\$807	\$710	\$1,467	\$1,257	\$679	\$605	\$1,735	\$1,482	\$806	\$706	\$1,741	\$1,488	\$804	\$707
	100/300/50 Liability with Comprehensive and Collision			\$1,413	\$1,215	\$684	\$607	\$1,860	\$1,594	\$870	\$770	\$1,592	\$1,368	\$750	\$671	\$1,847	\$1,580	\$866	\$761	\$1,861	\$1,593	\$868	\$768

SERFF Tracking Number: KEMP-127946438 State: Arkansas
Filing Company: Trinity Universal Insurance Company State Tracking Number:
Company Tracking Number: AR_AUTO_2012_RATE_1
TOI: 19.0 Personal Auto Sub-TOI: 19.0000 Personal Auto Combinations
Product Name: AR_Auto_2012_Rate_1
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Attachment "AR Auto Filing Form PPA Survey Form APCS (Excel) - 01.xls" is not a PDF document and cannot be reproduced here.