

State: Arkansas **Filing Company:** Imperial Fire & Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: IFCIC_Rate_10292014
Project Name/Number: /

Filing at a Glance

Company: Imperial Fire & Casualty Insurance Company
Product Name: IFCIC_Rate_10292014
State: Arkansas
TOI: 19.0 Personal Auto
Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Filing Type: Rate
Date Submitted: 10/07/2014
SERFF Tr Num: GMMX-129755898
SERFF Status: Closed-Filed
State Tr Num:
State Status:
Co Tr Num: IFACAR20141029

Effective Date: 10/29/2014
Requested (New):
Effective Date: 11/28/2014
Requested (Renewal):
Author(s): Kristi Harris
Reviewer(s): Alexa Grissom (primary)
Disposition Date: 11/04/2014
Disposition Status: Filed
Effective Date (New): 10/29/2014
Effective Date (Renewal): 10/29/2014

State Filing Description:

State: Arkansas **Filing Company:** Imperial Fire & Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: IFCIC_Rate_10292014
Project Name/Number: /

General Information

Project Name: Status of Filing in Domicile: Not Filed
 Project Number: Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 11/04/2014
 State Status Changed: Deemer Date:
 Created By: Kristi Harris Submitted By: Kristi Harris
 Corresponding Filing Tracking Number:

Filing Description:

We submit for your review and approval a rate filing for our private passenger automobile program in Imperial Fire & Casualty Insurance Company. The overall rate impact of this filing is -5.0%.

Company and Contact

Filing Contact Information

Kristi Harris, Regulatory Analyst Kristi.Harris@NGIC.com
 500 West Fifth Street 336-435-3132 [Phone] 53132 [Ext]
 Winston-Salem, NC 27102-3199 336-435-8105 [FAX]

Filing Company Information

Imperial Fire & Casualty Insurance Company CoCode: 44369 State of Domicile: Louisiana
 5630 University Parkway Group Code: 2538 Company Type:
 Winston Salem, NC 27105 Group Name: AmTrustNGH State ID Number:
 (336) 435-2000 ext. [Phone] FEIN Number: 72-1171736

Filing Fees

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

Company	Amount	Date Processed	Transaction #
Imperial Fire & Casualty Insurance Company	\$100.00	10/07/2014	87291915

State: Arkansas

Filing Company:

Imperial Fire & Casualty Insurance Company

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

Product Name: IFCIC_Rate_10292014

Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	11/04/2014	11/04/2014

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Alexa Grissom	10/28/2014	10/28/2014
Pending Industry Response	Alexa Grissom	10/21/2014	10/21/2014

Response Letters

Responded By	Created On	Date Submitted
Kristi Harris	10/28/2014	10/28/2014
Kristi Harris	10/21/2014	10/21/2014

State: Arkansas

Filing Company: Imperial Fire & Casualty Insurance Company

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

Product Name: IFCIC_Rate_10292014

Project Name/Number: /

Disposition

Disposition Date: 11/04/2014

Effective Date (New): 10/29/2014

Effective Date (Renewal): 10/29/2014

Status: Filed

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Imperial Fire & Casualty Insurance Company	-24.700%	-5.000%	\$-29,149	956	\$582,974	8.400%	-33.500%

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	Rate Filing Support and Explanatory Memorandum	Filed	Yes
Rate	Base Rates	Filed	Yes
Rate	Driver Class	Filed	Yes
Rate	Driver Factors	Filed	Yes
Rate	Model Year	Filed	Yes
Rate	Discount	Filed	Yes
Rate	Policy Factors	Filed	Yes
Rate	Vehicle Factors	Filed	Yes
Rate	UW Guidelines	Filed	Yes

State: Arkansas **Filing Company:** Imperial Fire & Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: IFCIC_Rate_10292014
Project Name/Number: /

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	10/28/2014
Submitted Date	10/28/2014
Respond By Date	

Dear Kristi Harris,

Introduction:

This will acknowledge receipt of the captioned filing. The APCS should be in xls not xlsx.

Conclusion:

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

Arkansas does not allow the re-opening of closed filings for corrections, changes in effective dates, scrivener's errors, amendments or substantive changes. Please see the General Instructions for how these events will be handled after the effective date of the change."

Sincerely,

Alexa Grissom

State: Arkansas **Filing Company:** Imperial Fire & Casualty Insurance Company
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: IFCIC_Rate_10292014
Project Name/Number: /

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	10/21/2014
Submitted Date	10/21/2014
Respond By Date	

Dear Kristi Harris,

Introduction:

This will acknowledge receipt of the captioned filing. Please revise the effective date on the APCS to show only the new business date.

Conclusion:

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

Arkansas does not allow the re-opening of closed filings for corrections, changes in effective dates, scrivener's errors, amendments or substantive changes. Please see the General Instructions for how these events will be handled after the effective date of the change."

Sincerely,
Alexa Grissom

State: Arkansas

Filing Company:

Imperial Fire & Casualty Insurance Company

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

Product Name: IFCIC_Rate_10292014

Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/28/2014
Submitted Date	10/28/2014

Dear Alexa Grissom,

Introduction:

This submission is in response to your objection.

Response 1

Comments:

As requested, we have amended the APCS file to xls.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	APCS.pdf APCS.xls
<i>Previous Version</i>	
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	APCS.xlsx APCS.pdf
<i>Previous Version</i>	
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	2013 FILING PPA_Survey_FORM_APCS2012.pdf 2013 FILING PPA_Survey_FORM_APCS2012.xls

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

SERFF Tracking #:

GMMX-129755898

State Tracking #:

Company Tracking #:

IFACAR20141029

State:

Arkansas

Filing Company:

Imperial Fire & Casualty Insurance Company

TOI/Sub-TOI:

19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)

Product Name:

IFCIC_Rate_10292014

Project Name/Number:

/

Sincerely,
Kristi Harris

State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: IFCIC_Rate_10292014
Filing Company: Imperial Fire & Casualty Insurance Company
Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 10/21/2014
 Submitted Date 10/21/2014

Dear Alexa Grissom,

Introduction:

This is in response to your objection on October 21, 2014.

Response 1

Comments:

As requested, we amended the APCS document.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	APCS.xlsx APCS.pdf
<i>Previous Version</i>	
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	2013 FILING PPA_Survey_FORM_APCS2012.pdf 2013 FILING PPA_Survey_FORM_APCS2012.xls

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you.

Sincerely,

Kristi Harris

SERFF Tracking #:

GMMX-129755898

State Tracking #:

Company Tracking #:

IFACAR20141029

State: Arkansas

Filing Company: Imperial Fire & Casualty Insurance Company

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

Product Name: IFCIC_Rate_10292014

Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: File and Use

Rate Change Type: Decrease

Overall Percentage of Last Rate Revision: 6.600%

Effective Date of Last Rate Revision: 02/10/2009

Filing Method of Last Filing: File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Imperial Fire & Casualty Insurance Company	-24.700%	-5.000%	\$-29,149	956	\$582,974	8.400%	-33.500%

State: Arkansas

Filing Company:

Imperial Fire & Casualty Insurance Company

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

Product Name: IFCIC_Rate_10292014

Project Name/Number: /

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 11/04/2014	Base Rates		Replacement		Factor Tables - Base Rates_AR6.pdf
2	Filed 11/04/2014	Driver Class		Replacement		Factor Tables - Driver Class_AR6.pdf
3	Filed 11/04/2014	Driver Factors		Replacement		Factor Tables - Driver Factors_AR6.pdf
4	Filed 11/04/2014	Model Year		Replacement		Factor Tables - Model Year_AR6.pdf
5	Filed 11/04/2014	Discount		Replacement		Factor Tables - Policy Discount Matrix_AR6.pdf
6	Filed 11/04/2014	Policy Factors		Replacement		Factor Tables - Policy Factors_AR6.pdf
7	Filed 11/04/2014	Vehicle Factors		Replacement		Factor Tables - Vehicle Factors_AR6.pdf
8	Filed 11/04/2014	UW Guidelines		Replacement		AR Summit UW Guidelines 2014 10 - Marked.pdf

Imperial Fire & Casualty Insurance Company
Private Passenger Automobile - Arkansas Summit Program
New Business Effective 10/29/2014
Renewals Effective 11/28/2014

Program	Coverage	Factor
Summit	Bodily Injury	\$ 68.86
Summit	Property Damage	\$ 83.53
Summit	Other Than Collision	\$ 130.00
Summit	Collision	\$ 197.80
Summit	Personal Injury Protection - Accidental Death	\$ 13.15
Summit	Personal Injury Protection - Disability	\$ 13.15
Summit	Personal Injury Protection - Medical	\$ 42.26
Summit	Uninsured Motorist Bodily Injury	\$ 11.55
Summit	Underinsured Motorist Bodily Injury	\$ 6.57
Summit	Uninsured Motorist Property Damage	\$ 18.32
Summit	Rental Reimbursement	\$ 14.00
Summit	Towing	\$ 4.90
Summit	Custom Equipment	\$ 4.20
Summit	Loan Lease	\$ 21.27

Imperial Fire & Casualty Insurance Company
Private Passenger Automobile - Arkansas Summit Program
New Business Effective 10/29/2014
Renewals Effective 11/28/2014

Program	DriverClass	BI	PD	OTC	COL	PAD	PID	PMP	UMBI	UIMBI	UMPD	LLS
Summit	MF14	3.0100	3.0100	1.5400	3.2700	1.6200	1.6200	1.6200	1.6200	1.6200	3.2700	1.5400
Summit	MF15	3.0100	3.0100	1.5400	3.2700	1.6200	1.6200	1.6200	1.6200	1.6200	3.2700	1.5400
Summit	MF16	3.0100	3.0100	1.5400	3.2700	1.6200	1.6200	1.6200	1.6200	1.6200	3.2700	1.5400
Summit	MF17	3.0100	3.0100	1.5400	3.2700	1.6200	1.6200	1.6200	1.6200	1.6200	3.2700	1.5400
Summit	MF18	3.0100	3.0100	1.5400	3.2700	1.6200	1.6200	1.6200	1.6200	1.6200	3.2700	1.5400
Summit	MF19	1.5300	1.5300	1.3700	1.6100	1.3600	1.3600	1.3600	1.3600	1.3600	1.6100	1.3700
Summit	MF20	1.5300	1.5300	1.3700	1.6100	1.3600	1.3600	1.3600	1.3600	1.3600	1.6100	1.3700
Summit	MF21	1.2600	1.2600	1.1300	1.3500	1.0200	1.0200	1.0200	1.0200	1.0200	1.3500	1.1300
Summit	MF22	1.2600	1.2600	1.1300	1.3500	1.0200	1.0200	1.0200	1.0200	1.0200	1.3500	1.1300
Summit	MF23	0.9900	0.9900	0.9400	1.0700	1.0200	1.0200	1.0200	1.0200	1.0200	1.0700	0.9400
Summit	MF24	0.9900	0.9900	0.9400	1.0700	1.0200	1.0200	1.0200	1.0200	1.0200	1.0700	0.9400
Summit	MF25	0.9800	0.9800	0.8800	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8800
Summit	MF26	0.9800	0.9800	0.8800	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8800
Summit	MF27	0.9800	0.9800	0.8800	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8800
Summit	MF28	0.9800	0.9800	0.8800	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8800
Summit	MF29	0.9800	0.9800	0.8800	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8800
Summit	MF30	0.9800	0.9800	0.8300	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8300
Summit	MF31	0.9800	0.9800	0.8300	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8300
Summit	MF32	0.9800	0.9800	0.8300	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8300
Summit	MF33	0.9800	0.9800	0.8300	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8300
Summit	MF34	0.9800	0.9800	0.8300	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	0.8300
Summit	MF35	1.0500	1.0500	0.8300	1.0500	1.1400	1.1400	1.1400	1.1400	1.1400	1.0500	0.8300
Summit	MF36	1.0500	1.0500	0.8300	1.0500	1.1400	1.1400	1.1400	1.1400	1.1400	1.0500	0.8300
Summit	MF37	1.0500	1.0500	0.8300	1.0500	1.1400	1.1400	1.1400	1.1400	1.1400	1.0500	0.8300
Summit	MF38	1.0500	1.0500	0.8300	1.0500	1.1400	1.1400	1.1400	1.1400	1.1400	1.0500	0.8300
Summit	MF39	1.0500	1.0500	0.8300	1.0500	1.1400	1.1400	1.1400	1.1400	1.1400	1.0500	0.8300
Summit	MF40	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF41	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF42	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF43	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF44	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF45	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF46	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF47	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF48	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF49	1.0500	1.0500	0.7800	1.0500	1.0300	1.0300	1.0300	1.0300	1.0300	1.0500	0.7800
Summit	MF50	1.0500	1.0500	0.6500	0.9000	0.8400	0.8400	0.8400	0.8400	0.8400	0.9000	0.6500
Summit	MF51	1.0500	1.0500	0.6500	0.9000	0.8400	0.8400	0.8400	0.8400	0.8400	0.9000	0.6500
Summit	MF52	1.0500	1.0500	0.6500	0.9000	0.8400	0.8400	0.8400	0.8400	0.8400	0.9000	0.6500
Summit	MF53	1.0500	1.0500	0.6500	0.9000	0.8400	0.8400	0.8400	0.8400	0.8400	0.9000	0.6500

Imperial Fire & Casualty Insurance Company
Private Passenger Automobile - Arkansas Summit Program
New Business Effective 10/29/2014
Renewals Effective 11/28/2014

Program	Description	BI	PD	OTC	COL	PAD	PID	PMP	UMBI	UIMBI	UMPD	LLS	TOW	REN	SPE	TOW	SPE
Summit	Liability Adjustment Factor	1.100	1.100	1.000	1.000	1.000	1.000	1.000	0.950	1.000	0.950	1.000	1.000	1.000	1.000	1.000	1.000
Summit	Business Use Surcharge	1.200	1.200	1.200	1.200	1.200	1.200	1.200	1.200	1.200	1.200	1.000	1.000	1.000	1.000	1.000	1.000
Summit	Ineligible Risk	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.000	1.000

ARKANSAS
PRIVATE PASSENGER AUTO

Summit Program



IMPERIAL
FIRE & CASUALTY
INSURANCE COMPANY

Underwriting Guidelines
Effective

~~October~~~~November~~, 201~~4~~3 new business
November, 201~~4~~3 renewal business

Servicing and Claims
1-888-522-8242

PO Box 702507
Dallas, Texas 75370
Fax (800) 936-1403
www.imperialfire.com

TABLE OF CONTENTS

GENERAL UNDERWRITING		Page
1	Definition of Private Passenger Auto	2
2	Coverage of Trailers	2
3	Policy Period	2
4	Unacceptable Risks	3
5	Territory Assignment	4
6	Residence Classification	4
7	Summary of Coverages Offered	4
8	Named Non-Owner Policies	5
9	Liability Increased Limits	5
10	UM/UIM/UMPD Limits	5
11	Personal Injury Protection	5
12	Physical Damage Deductibles	6
13	Policy Discounts	6
14	Criteria for Determining Underwriting Tier	6
15	Imperial as Proof of Prior	7
16	Credit Tier Development	7
17	No Hits/Thin Files	8
18	Tier Reevaluation	8
19	Accident Surcharge Waiver	8
20	Advance Quote Discount	9
21	3-Years Accident and Violation Free Discount	9
22	Customer EFT Discount	9
23	N/A	9
24	N/A	9
BILLING PROCEDURES AND ASSOCIATED FEES		
25	Cancellation Effective Dates/Times	9
26	NSF Fee	9
27	Installment Fee	9
28	Late Fee	10
29	Reinstatement Fee	10
30	Renewal Payments	10
31	N/A	10
DRIVER SPECIFIC GUIDELINES		
32	Driver Definitions	10
33	Driver Classification	10
34	Driving Record Points	11
35	Financial Responsibility (SR-22) Filings	12
36	Named Driver Exclusion	12
37	Unverifiable Driving Record and Foreign Driver's License	13
38	Permit Rating	13
39	Merit Tables	13
40	Merit Tables – Bypass	13
41	Driver (State) Specific Discounts	14
VEHICLE SPECIFIC GUIDELINES (PAGES 47-55)		
42	Symbols/Model Year	14
43	Vehicle Use Definitions	15
44	Value Class Vehicle Rating	15
45	Custom Equipment	16
46	Rental Reimbursement	16
47	Towing and Labor	16
48	Vehicle Use Surcharge	17
49	Loan/Lease Payoff	17
50	<u>Liability Adjustment Factor</u> N/A	17

THIS MANUAL MAY NOT ADDRESS EVERY SITUATION OR ASPECT THAT MIGHT AFFECT THE ACCEPTANCE OF A PARTICULAR VEHICLE OR DRIVER. THEREFORE, THE COMPANY RETAINS THE FINAL AUTHORITY FOR THE ACCEPTANCE OR CONTINUATION OF ANY RISK.

GENERAL UNDERWRITING

Rule Number: 1 – Definition of Private Passenger Auto

The term “private passenger auto” means a four(4) wheel land motor vehicle of the private passenger type; including cars, vans, utility vehicles, pickup body, or cargo van, designed for operation principally upon public roads, with a gross vehicle weight rating of 12,000 pounds or less according to the manufacturer’s specifications. However, the term does not include step-vans, parcel delivery vans, or cargo cutaway vans or other vans with cabs separate from the cargo area.

These vehicles may not be used for public or private livery or conveyance or for any business purposes other than sales, farming or artisan use.

The named insured must be a natural person. Corporations or partnerships cannot be listed as a named insured, but may be listed as an “additional interest insured.” See Rule 40 for further clarification of “business” or “artisan” use.

Rule Number: 2 – Coverage of Trailers

A trailer may be added to a private passenger auto policy if the policy has at least one private passenger rated vehicle (with liability) and a driver on the policy.

1. Business use is unacceptable.
2. Maximum trailer value permitted is \$35,000 Actual Cash Value (ACV).
3. We offer coverage only for the following types of trailers:
 - a. Homemade;
 - b. Utility Trailer;
 - c. Horse Trailer;
 - d. Mounted Camper;
 - e. Conventional Travel Trailer;
 - f. 5th Wheel Travel Trailer; and
 - g. Pop-up Travel Trailer.
4. All model years are allowed.
5. If neither Other Than Collision nor Collision coverage was purchased on the policy for any vehicle, ACV can be listed at any dollar value exceeding the applicable deductible, up to \$35,000.

If there is Other Than Collision and/or Collision coverages on the policy for any vehicle, the minimum ACV for the trailer must be > \$500 + the selected deductible. If the insured has purchased Other Than Collision and/or Collision coverage for an auto listed on the policy, a trailer valued at \$500 or less + deductible does not need to be listed because, at no additional charge, up to \$500 of the applicable Other Than Collision and/or Collision coverage is already provided for:

- a. an owned trailer or
- b. a non-owned trailer while towed by that covered auto.

If no Other Than Collision coverage or Collision coverage is listed for any auto on the policy or if the coverage is later removed from the policy, a trailer will be covered only if added to the policy.

6. Applicable Artisan Use surcharge will apply to the trailer.
7. Discounts from our private passenger auto program do not apply to trailers.
8. Valid coverages for trailers include: Other Than Collision and Collision.
9. Liability coverage is only present on the trailer if the vehicle pulling the trailer has liability coverage.

Rule Number: 3 – Policy Period

Rates are for Semi-Annual policy term. No other term is available through this program.

Rule Number: 4 – Unacceptable Risks

201~~43~~-10~~4~~_UW_AR

Imperial Summit Auto Program: 10~~4~~/201~~43~~

Page 2

Only private passenger automobiles are acceptable under our program. The following risks are not acceptable:

1. named insureds that have never been licensed, unless the named insured is excluded from coverage;
2. drivers under the minimum age for state licensing;
3. drivers with greater than 12 violations or greater than 30 points in the Chargeable Period;
4. Policies where an eligible-to-be-rated driver has a permanently revoked license, unless that driver is excluded from coverage.
5. applicants who have had a policy canceled or non-renewed by Company because of an unauthorized payment in connection with an application for insurance or a policy;
6. applicants who have had a policy canceled or non-renewed by Company Imperial for fraud or misrepresentation in connection with an application for insurance or in the presentation or settlement of a claim;
7. applicants who have been convicted of insurance fraud;
8. vehicles without a garaging address;
9. vehicles with a principal out of state garaging location;
10. pickups, vans, or utility vehicles with a gross vehicle weight rating (according to manufacturer's specifications) greater than 12,000 pounds;
11. any vehicles that are regularly available to non-listed drivers;
12. vehicles used for:
 - a. racing;
 - b. carrying persons or property for compensation or a fee, including, but not limited to, limousine, taxi, or other livery services (does not apply to shared expense car pools), pickup or delivery of magazines, newspapers, food, or any other products;
 - c. emergency services; or
 - d. Business or Artisan use that does not meet our acceptable use standards.
13. vehicles:
 - a. equipped with altered suspensions, which are suspensions that are homemade, custom-built, or modified, and include lift kits greater than 4 inches (usually installed on off-road vehicles or street rods). However, lift kits of 4 inches or less, low riders with hydraulics, kit cars, and dune buggies are acceptable if registered for street use;
 - b. with snowplowing equipment;
 - c. not registered for street use; or
14. equipped with cooking equipment or bathrooms.
15. GEM, Ford Think Neighbor, golf cart type vehicles, Micro-trucks, and other vehicles that have a top speed of 25 mph or less;
16. vehicles leased or rented to others by the applicant;
17. commercial vehicle types including, without limitation, Step Vans and Panel Vans;
18. vehicles owned or leased by a partnership or corporation, unless:
 - a. the vehicles are customarily operated by the named insured or a resident relative for pleasure or commuting;
 - b. all drivers are household members and are listed on the policy;
 - c. no more than four such vehicles are owned or leased by the partnership or corporation; and
 - d. the partnership or corporation does not engage in a business:
 - i. of carrying persons or property for compensation or a fee, including, but not limited to, limousine, taxi, or other livery services (does not apply to shared expense car pools), pickup or delivery of magazines, newspapers, food, or any other products; or
 - ii. of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles.
19. vehicles that are not owned or leased by the named insured or a resident relative.
20. Vehicles with a stated value over \$60,000.
21. risks with two or more artisan use vehicles;
22. named operator policies with business use;
23. policies with all vehicles generally garaged out of state;
24. two or more private passenger automobile insurance policies for same household, with the following exceptions:
 - a. policies with 5 or more cars must be split into two policies;
 - b. children who own their own vehicle; or
 - c. unrelated residents/roommates.
25. policies with vehicles garaged at two different addresses and drivers in two different households, with the following exceptions:
 - a. student or military risks (e.g., spouse of insured/unmarried child of insured);
 - b. named insured has two different households (e.g., one permanent home and one vacation home);
 - c. drivers who live at different addresses but all vehicles are garaged at one place; or
 - d. husband/wife in the process of divorce and the vehicle is still considered community property.

Rule Number: 5 – Territory Assignment

Vehicles are rated at the zip code/county level by coverage based on the zip code in which the vehicle is principally garaged. Each zip code is given a territory designation in accordance with our Territory Definition Table. Each respective territory designation has coverage level factors that are set forth in our rate pages. Factors are assigned for each of the following coverages: Bodily Injury, Property Damage, Personal Injury Protection, Other Than Collision, Collision, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, and Loan/Lease Payoff.

Territory 99 is designated for out-of-state vehicles in the Territory Definition Table.

Rule Number: 6 – Residence Classification

The named insured's residence is classified as follows:

Own Home – primary residence is a home or condominium owned, occupied and insured by the named insured, or spouse.

Own Mobile Home – primary residence is a mobile home, 10 years old or newer, and owned by the named insured or spouse. To qualify for a discount, mobile home must have semi-permanent foundation (not on wheels w/enclosed foundation).

Rent – primary residence is a home, condominium, mobile home, apartment, or other residence rented by the named insured.

Live with Parents – primary residence is a home, condominium, mobile home, apartment, or other residence that is owned or rented by the named insured's or spouse's parent(s).

Other – residence classification unknown or not otherwise classified.

Rule Number: 7 – Summary of Coverages Offered

This program offers the following coverages: Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, Other Than Collision, Collision, Custom Parts or Equipment, Rental Reimbursement, Towing and Labor, Loan/Lease Payoff, and Trailers.

Bodily Injury and Property Damage must be written together.

Liability coverage is required on all policies requesting any other coverage.

Other Than Collision and Collision coverages are required to add Loan/Lease Payoff, Custom Parts or Equipment, Rental Reimbursement and/or Towing and Labor.

Rule Number: 8 – Named Non-Owner Policies

Named Non-Owner policies provide liability protection (Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage) for an individual who does not own a vehicle or have access to any personal use vehicles on a regular basis.

The policy does not cover a spouse, any resident relatives, or any other person or organization (other than a person or organization with respect only to vicarious liability for an accident arising out of the use of a non-owned vehicle by the named operator with the express or implied permission of the owner).

Named operator policies are not available if the insured operates a vehicle used for business or artisan use.

Physical Damage coverages are not available.

Named Non-Owners are rated with Symbol 69 factors at the base model year.

Rule Number: 9 – Liability Increased Limits

Bodily Injury and Property Damage liability limits are required to be equal to or higher than the minimum financial responsibility limits required by law in any state in which a vehicle is garaged for more than two months out of the year.

All vehicles on the policy must carry the same liability limits.

Available limit combinations:

<u>BI</u>	<u>PD</u>
25/50	25
50/100	25
50/100	50
100/300	50
100/300	100

Rule Number: 10 – UM/UIM/UMPD Limits

1. Uninsured Motorist Protection/Underinsured Motorist Protection (UM/UIM) limits cannot exceed the limits chosen for Bodily Injury.
2. Uninsured Motorist Property Damage (UMPD) limits cannot exceed those chosen for Property Damage.

Available limits:

<u>UM/UIM</u>	<u>UMPD</u>
25/50	25
50/100	50
100/300	100

Rule Number: 11 – Personal Injury Protection (PIP) Limits

1. In order to purchase this coverage, Bodily Injury and Property Damage coverage must also be selected.
2. All vehicles on multi-car policies must have the same PIP limits.

Available limits:

<u>PIP-Medical</u>	<u>PIP-Accidental Death</u>	<u>PIP-Income Disability</u>
5,000	5,000	Statutory
10,000	10,000	

Rule Number: 12 – Physical Damage Deductibles

1. Deductible levels for Other Than Collision and Collision coverages for a vehicle may be different.
2. Deductible levels for vehicles on a multi-car policy may be different.

Available deductibles:

<u>OTC</u>	<u>COL</u>
100	100
250	250
500	500
1,000	1,000

Rule Number: 13 – Policy Discounts

Multi-car Discount

A multi-car discount applies to Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, Other Than Collision, and Collision coverages if there is more than one vehicle on the policy.

Homeowner Discount

A homeowner discount applies to Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, Other Than Collision, and Collision coverages, if the named insured or resident spouse owns a home or condominium as determined in accordance with our Residence Definitions. This discount is not available based on ownership of a mobile home. Company may take reasonable steps to verify this information.

Paid-in-Full Discount

A paid-in-full discount applies to Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, Other Than Collision, and Collision coverages if the insured chooses the 1-pay bill plan at point-of-sale.

Rule Number: 14 – Criteria for Determining Underwriting Tier

The prior insurance status is used to determine the UW Tier and considers:

1. whether there was private passenger automobile liability insurance covering the primary named insured or rated spouse and providing continuous coverage for the six months immediately preceding the inception of the Company policy;
2. whether there was a lapse in coverage of 1-30 days, or greater than or equal to 31 days (no POP) prior to the inception of the Company policy;
3. whether the prior private passenger automobile liability insurance Bodily Injury limits were written at the statutory minimum, greater than minimum but less than \$100,000/\$300,000 or \$100,000 CSL, or greater than or equal to \$100,000/\$300,000 or \$100,000 CSL.

PROOF OF PRIOR / DAYS OF LAPSE	PRIOR BI LIMIT	UW TIER
None	N/A	1
1-30 Days Lapse	Statutory	2
1-30 Days Lapse	50/100	4
1-30 Days Lapse	100/300 or 100+ CSL	5
0 Days Lapse	Statutory	6
0 Days Lapse	50/100	8
0 Days Lapse	100/300 or 100+ CSL	9

Rule Number: 15 – Imperial as Proof of Prior

Proof of private passenger automobile liability insurance from Company or an insurer that is affiliated with Company is not acceptable unless the Named Insured meets one of the following criteria.

1. Moved from another state.
2. Was 'Child' of Named Insured on previous policy. No limitation as to child's age.
3. Was 'Parent' of named insured on previous policy. Parent was a covered driver on that Policy.
4. Was divorced/separated 'Spouse' of Named Insured from previous policy.
5. Was named Insured on a Commercial Auto Policy.
6. Was Named Insured on policy that canceled or lapsed due to military deployment.
7. Was switching channels of distribution within Imperial.
8. Was Named Insured/Spouse on policy that was continuously in force for 2 years or more and has been canceled/lapsed for 1-30 days.
9. Is writing a 5-car policy. Original policy must remain active.
10. Has maintained six (6) consecutive months of coverage with Company and qualifies for Tier Reevaluation.

If one of these criteria is met, the prior insurance status associated with the previous policy from Company or its affiliate and any lapse in coverage between such previous policy and the new policy will be applied to the new policy.

Rule Number: 16 – Credit Tier Development

1. Rules of Ordering
 - a. Credit is ordered on the primary named insured (PNI) if "eligible."
 - b. If the PNI is not eligible, or the credit order on the PNI driver results in a no-hit or thin file, then credit is ordered on an eligible spouse, if any.
 - c. A PNI/spouse is "eligible" if at least 19 years of age and not an excluded driver.
2. Hierarchy of Use
 - a. If credit is ordered on the PNI and a credit report that is not a thin file is obtained, then information from that credit report is used to determine the financial responsibility score and the Financial Responsibility Group.
 - b. If credit is ordered on a spouse and a credit report that is not a thin file is obtained, then information from that credit report is used to determine the financial responsibility score and the Financial Responsibility Group.
3. Special Rules
 - a. If the PNI is not at least 19 years old and:
 - i. either there is no spouse, or if there is a spouse, the spouse is not at least 19 years old, then the Financial Responsibility Group is classified as "PNI Youthful;" or
 - ii. the spouse's credit order is a no-hit or thin file, then the spouse's age will be used in underwriting in place of Financial Responsibility; or
 - iii. the spouse is an excluded driver, then the Financial Responsibility Group is classified as "PNI Excluded;"
 - b. If the PNI is an excluded driver and:
 - i. either there is no spouse, or if there is a spouse, the spouse is an excluded driver, then the Financial Responsibility Group is classified as "PNI Excluded;" or
 - ii. the spouse's credit order is a no-hit or thin file, then the spouse's age is used in underwriting in place of Financial Responsibility; or
 - iii. the spouse is not at least 19 years old, then the Financial Responsibility Group is considered "PNI Excluded."
 - c. If the PNI's credit order is a no hit and:
 - i. there is no spouse, or if there is a spouse, the spouse is not at least 19 years old or the spouse is an excluded driver, then the PNI's age will be used in place of Financial Responsibility; or
 - ii. the spouse's credit order is a no-hit or thin file, then the spouse's age will be used in place of Financial Responsibility.
 - d. If the PNI's credit order is a thin file and:
 - i. there is no spouse, or if there is a spouse, the spouse is not at least 19 years old or the spouse is an excluded driver, then the PNI's age will be used in place of Financial Responsibility; or

- ii. the spouse's credit order is a no hit or thin file, then the spouse's age will be used in place of Financial Responsibility.

Rule Number: 17 – No-Hits/Thin Files

A No-Hit occurs on a person when, upon request, the credit vendors are unable to return a credit report on such person.

A Thin File is a credit report that contains no eligible trade lines.

Trade lines are not eligible for scoring if the credit report identifies them as:

- Lost or stolen
- Disputed
- a Medical industry code
- a Business or commercial trade line

Trade lines also are not eligible for scoring if the individual who is the subject of the trade line has been reported as deceased.

No-Hits/Thin Files are underwritten based on the age of the named insured or spouse pursuant to Rule 16.

Rule Number: 18 – Tier Reevaluation

Company performs periodic reviews of the Underwriting Tier and Credit Tier, independently of each other, to determine Tier placement.

Underwriting Tier

Underwriting (UW) tier is automatically reevaluated at each renewal. The evaluation will be based on the current new business UW Tier rules in effect at the time of policy renewal.

For purposes of evaluating prior insurance status, the limits carried by the named insured with Company on the expiring policy will be used.

If the evaluation results in a different Tier, the policy will be adjusted accordingly.

Credit Tier

At the request of the named insured or named insured's spouse, which may be made on an annual basis but not more frequently than once in a twelve-month period, Company will reorder credit information, recalculate the insurance score, evaluate the insurance score to determine if it would place the policy in a better Credit Tier (based on the BI/PD Financial Responsibility Group factor), and if it would, place the policy in such better Credit Tier. Absent a request by the named insured to recalculate the insurance score, Company will, thirty-six (36) months following the effective date of the most recent calculation or recalculation and evaluation of the insurance score, proactively reorder credit information, recalculate the insurance score, evaluate the insurance score to determine if it would place the policy in a better Financial Responsibility Group, and if it would, place the policy in such better Financial Responsibility Group. Each evaluation of the credit score (including evaluations that do not result in placement in a better Credit Tier), whether at the request of the named insured or proactively by Company, starts a new waiting period for subsequent orders.

Rule Number: 19 – Accident Surcharge Waiver

Under Accident Surcharge Waiver, Company will not charge an eligible-to-be-rated driver under a policy with points for an At-Fault Accident at renewal if the policy meets the following conditions:

1. the policy has been in force with Company for at least 36 months prior to the renewal effective date;
2. there were no other At-Fault Accidents on the policy for any drivers during the 36 months prior to the renewal effective date;
3. the At-Fault Accident claim was reported to Company;

4. the driver and the vehicle were listed on the policy when the accident occurred (accidents involving permissive users cannot be waived); and
5. there are no other waived accidents on the policy.

Rule Number: 20 – Advance Quote Discount

The Advance Quote Discount is applied to policies written as new business if the Company quote is initiated by the customer more than 7 days before the policy effective date and the policy has prior insurance with no lapse in coverage. The discount continues to apply at renewal. The discount does not apply if there is a single Primary Named Insured (PNI) under 19 years old or if a married PNI and spouse are both under 19 years old. The discount applies to Bodily Injury, Property Damage, Personal Injury Protection, Other Than Collision, Collision, Uninsured Motorist Protection, Underinsured Motorist Protection, and Uninsured Motorist Property Damage.

Rule Number: 21 – 3-Years Accident and Violation Free Discount

This discount applies to Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, Other Than Collision, and Collision, if the following conditions are met:

1. None of the eligible-to-be-rated drivers have any occurrences in the past 35 months that have an AAF, MAJ, MIN, SPD, DUI, OR NAF class codes or an OTC violation code; and
2. All eligible-to-be-rated drivers are at least 16 years old; and
3. The policy has prior insurance without lapse or with a lapse of 30 days or less.

Exception: OTC and NAF incidents that occur after the inception of the original policy will not affect discount eligibility.

The discount applies to both new and renewal policies. The discount will be removed if an eligible-to-be-rated driver who does not meet the criteria is endorsed on the policy.

Rule Number: 22 – Customer EFT Discount

A discount applies to Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, Other Than Collision, and Collision coverages if the insured selects the EFT payment plan at inception or at any subsequent renewal.

Rule Number: 23 – N/A

Rule Number: 24 – N/A

BILLING PROCEDURES AND ASSOCIATED FEES

Rule Number: 25 – Cancellation Effective Dates/Times

Cancellations will print with the effective time of 12:01 AM on the cancellation date. For cancellations that are issued because of nonpayment of premium, we will accept payments that are postmarked (mail payments) or transacted (phone or internet payments) any time on the cancellation date or earlier, keeping coverage in force.

Rule Number: 26 – NSF Fee

The fee for any payment that is returned for non-sufficient funds (NSF) is \$25.

Rule Number: 27 – Installment Fee

The installment fee is \$6 for non-EFT payment plans.
The installment fee is \$2 for EFT payment plans.

For policies on installment plans, the fee will be charged on all payments after the new business down-payment, including the renewal down-payment.

Rule Number: 28 – Late Fee

A late fee of \$6 will be charged for any installment payment that is postmarked (mail payments) or transacted (phone or internet payments) after the bill due date. A late fee will also be charged if a payment is returned NSF and the payment is not replaced on or before the bill due date.

Rule Number: 29 – Reinstatement Fee

A reinstatement fee of \$6 will be assessed for any policy requiring reinstatement with a lapse in coverage.

Reinstatements are allowed up to thirty (30) days after date of cancellation.

Rule Number: 30 – Renewal Payments

If the renewal payment is postmarked (mail payments) or transacted (phone or internet payments) on or before the renewal effective date the renewal term will be put in force with no lapse in coverage.

If the renewal payment is made within thirty (30) days after the renewal effective date, the renewal term will be put in force with a lapse in coverage; the effective date of the renewal term will be one day after the postmark/transaction date of the payment.

Rule Number: 31 – N/A

DRIVER SPECIFIC GUIDELINES

Rule Number: 32 – Driver Definitions

The term “eligible-to-be-rated driver” refers to any person who is required to be disclosed on the application (all persons above the legal age to drive who reside with named insured and any other person who regularly or frequently drives a covered vehicle), other than excluded drivers, and drivers with learner’s permits as defined in Rule 38.

Rule Number: 33 – Driver Classification

Drivers are classified by age, sex, and marital status.

Age refers to the age attained by the driver’s last birthday before inception of the policy term. If a driver is aged 24 or younger and has a birth date within 30 days after inception of the policy term, then use the higher age in developing the driver age class (but not for other age-related purposes throughout these Rules).

Marital Status is defined as follows:

Single – a driver who is not married, as defined below.

Married – a driver who is legally married or who is deemed married pursuant to state law but not including a driver who is legally separated. (The inability of married persons to live together because of career obligations or military service does not deny them the married classification.)

Widow/Widower – a driver who was legally married but whose spouse is deceased. Widowed operators are rated as single.

Rule Number: 34 – Driving Record Points

Driving record points are assigned to operators for chargeable accidents and violations. “Accidents” do not include Other Than Collision claims for purposes of determining driving record points.

Chargeable Period – the thirty-five (35) month period prior to policy term inception

Chargeable Date – the occurrence date is used to determine if the accident or violation took place in the chargeable period. If the date is not furnished on the application and we cannot obtain the date through our MVR/CLUE reconciliation process, the occurrence date will be deemed to be the day before the inception date of the policy.

MVR/CLUE Reconciliations – accidents and violations listed on the application will be reconciled with similar accidents and violations on the MVR and/or CLUE to avoid duplication. When reconciliation occurs, the accidents and violations will be assigned the date of occurrence listed on the MVR or CLUE. If reconciliation does not occur, accidents and violations listed on the application and/or the MVR/CLUE reports will be considered separate violations.

Same Day Offenses – if an occurrence results in multiple violations or accidents, the driving record points for that occurrence will be based on the violation or accident with the highest point charge.

Source of Points – charge for accidents or violations occurring while a driver is operating a private passenger auto, commercial vehicle, motorcycle, or recreational vehicle.

Greater than 12 violations – drivers with more than 12 violations in the Chargeable Period are not acceptable.

At-Fault Accidents – accidents noted on the MVR or application will be deemed to be at-fault unless proof is received to verify that the insured was not-at-fault. Accidents noted on the CLUE report will be deemed to be at-fault if payments were made under liability coverages. Accidents involving hitting another vehicle or object as a result of swerving to avoid an animal are at-fault.

Accidents which are not considered to be at-fault include, but are not limited to, the following:

1. the accident was caused by collision with a bird or animal;
2. the automobile was lawfully parked;
3. the automobile was struck in the rear by another vehicle, and the driver of the automobile which was struck in the rear was not convicted of a moving violation in connection with the accident;
4. the automobile was struck by a “hit-and-run” driver, and the accident was reported to the proper authorities within 24 hours;
5. the driver of the automobile was not convicted of a moving traffic violation in connection with the accident, but the driver of another vehicle involved in the accident was convicted of a moving traffic violation;
6. the owner or operator of the insured’s automobile has been reimbursed for more than 50% of the property damage loss by, on behalf of, another person responsible for the accident or has judgment against such other person for more than 50% of the property damage loss.

Violation Classification – Violations are classified into seven groups: driving under the influence, speeding, minor violations (routine traffic infractions like failure to yield), major violations (nonroutine, serious infractions such as vehicular homicide), not-at-fault accidents, at-fault accidents, and Other Than Collision incidents.

The Company uses the following point assignments:

	<u>First Occurrence</u>	<u>Each Additional</u>
Driving under the influence (DUI)	1	2
Speeding violations (SPD)	2	1
Minor Violations (MIN)	2	2
Major Violations (MAJ)	4	4
Not-at-fault accidents (NAF)	0	0
At-fault accidents (AAF)	3	3
OTC incident > \$1000 (OTC)	0	0

Motor Vehicle Record Requests – Company makes a determination about the drivers on which it will request motor vehicle records (MVRs) at the annual renewal based on several factors, including the cost of ordering an MVR, the likelihood that the MVR will disclose additional violations, and the impact of those violations on the renewal premium.

Rule Number: 35 – Financial Responsibility (SR-22) Filings

Financial responsibility filings are not available in this program.

Rule Number: 36 – Named Driver Exclusion

Any listed driver, except individuals requiring an SR-22 filing, may be excluded from coverage under the policy. Excluded drivers will not be considered in the policy's premium calculation.

The Company will not pay for any claim arising from an accident or loss which occurs while any vehicle is being driven, either with or without the named insured's permission, by any excluded driver.

Rule Number: 37 – Unverifiable Driving Record and Foreign Driver's License

Unverifiable Driving Record – When a driver's driving record cannot be verified by a state's Bureau of Motor Vehicles, we will assess that driver the amount of points associated with a major violation. The points will be removed if Company receives a valid MVR within 30 days of policy inception. The date assigned to the points will be the day before the inception date of the policy.

Drivers 18 years of age and younger will not be charged unverifiable driving record points.

Foreign Driver's License – Any driver who does not have a valid U.S. or Canadian License but has a valid foreign license or international driver's license will be assessed the amount of points associated with a major violation. The date assigned to the points will be the day before the inception date of the policy. Those points are deleted beginning with the first renewal after a valid U.S. license has been obtained and reported to Company.

When a driver has a Foreign Driver's License, and their driving record is unverifiable, we will charge only the points associated with a Foreign Driver's License.

Rule Number: 38 – Permit Rating

Drivers with a learner's permit who are single, under the age of 19, and a child of the primary named insured will not be included in the rating of the policy. The permit driver will become an eligible-to-be-rated driver at the earliest of notification by the named insured that the permit driver has obtained their full driver's license or the first renewal of the policy after the permit driver becomes of legal license age in the state. If the latter, we will notify the customer of the

change in rating, providing them an opportunity to notify us that the driver continues to hold a learner's permit and return them to non-rated status.

Rule Number: 39 – Incident Merit Table

The merit tables provide adjustment factors based on the combination of violation age and the number of occurrences of specific violation types. Violation age groups are less than or equal to twelve (12) months, greater than twelve (12) but less than or equal to twenty-four (24) months, and greater than twenty-four (24) but less than thirty-six (36) months. The merit table specifies the factor for one (1) or two (2) occurrences of specified violation types. If a driver has more than two (2) occurrences, the factor for two (2) occurrences will be multiplied by an additional surcharge factor.

There are different merit tables accommodating different violation types. The first table is for AAF/MAJ. The second table is for MIN/SPD/DUI. The third table is for NAF/OTC.

Drivers who have no violations and are under the age of 17 will bypass the merit table and receive a separate factor.

Rule Number: 40 – Incident Merit Tables – Bypass

Non-chargeable incidents – The merit table factor for NAF/OTC will not consider any NAF or OTC incident that occurred under the policy (including prior terms) while continuously insured with Company.

At-fault Accidents (AAFs) – For the purpose of merit table rating, the first At-Fault Accident occurring while continuously insured with Company will be waived if all eligible-to-be-rated drivers had no accidents or violations in the previous 35 months. If, after the At-Fault Accident is waived, a subsequent violation or at-fault accident occurs, the merit factor for At-Fault Accidents will consider all at-fault accidents in the previous 35 months.

Rule Number: 41 – Driver (State) Specific Discounts

The following discounts are applied multiplicatively to the designated coverages as shown in the rate order of calculation.

Mature Driver Discount – Insured must be fifty-five (55) or older and submit a certificate as evidence that the insured has completed a motor vehicle accident prevention course, meeting the Office of Motor Vehicle criteria, within three (3) years of the policy effective date. This discount applies only to Bodily Injury, Property Damage, Personal Injury Protection, Other Than Collision, and Collision coverages.

College Graduate Discount – Discount for those single insureds under the age of twenty-five (25) years old who have graduated from a college or university and whose cumulative scholastic records show the insured attained one of the following:

1. a grade point average of "B" or higher;
2. had at least a three (3) point average on a four (4) point scale (or equivalent).

This discount applies only to Bodily Injury, Property Damage, Personal Injury Protection, Other Than Collision and Collision coverages.

VEHICLE SPECIFIC GUIDELINES

Rule Number: 42 – Symbols/Model Year

Symbols

ISO is used for vehicle symbol assignment.

The symbols for Liability, Physical Damage, and Personal Injury Protection may differ by coverage.

The vehicle symbol for Other Than Collision and Collision coverage is used for Uninsured Motorist Property Damage and Loan/Lease Payoff coverages.

The vehicle symbol for Personal Injury Protection coverage is used for Uninsured Motorist Bodily Injury, Underinsured Motorist Bodily Injury, and Medical Payments coverages.

Vehicles not appearing on the symbol list that do not require Physical Damage coverage are rated with symbol 66.

Vehicles not appearing on the symbol list which require Liability and Physical Damage coverage are rated as symbol 67 with a stated amount.

Trailers are rated with a symbol 68.

Grey Market vehicles are rated using the same symbol as would be used for a comparable U.S. vehicle. A copy of the vehicle registration is required for binding to verify that the local jurisdiction's Department of Transportation safety requirements and Environmental Protection Agency emission standards are satisfied.

Model Year

The model year of the private passenger automobile is the year assigned by the original automobile manufacturer. If the auto is rebuilt or structurally altered, then the model year of the chassis determines the model year of the automobile.

Rule Number: 43 – Vehicle Use Definitions

Vehicles are classified by their use:

Pleasure – vehicles not used for commercial purposes or commuting to work or school;

Commuting – vehicles used to drive back and forth to work or school;

Business – acceptable business use vehicles are those vehicles, other than Artisan use vehicles, that are:

1. used by sales or service representatives or for consumer-oriented direct home sales;
2. used by real estate or insurance agents, lawyers, doctors, accountants, or other professionals visiting multiple locations;
3. owned by the insured and used by domestic employees; or
4. used in a business for occasional errands.

Acceptable business use does not include vehicles used for pick up or delivery of goods, limousine or taxi services, or livery conveyance, including not-for-hire livery. It does not include vehicles with a load capacity of one ton or greater or with a gross vehicle weight rating (according to the manufacturer's specifications) greater than 12,000 pounds. It does not include trailers used for business purposes.

Farm – vehicles used primarily on a farm, ranch, or orchard.

Artisan – acceptable artisan use vehicles are those vehicles used by the insured to transport tools or other materials in a trade or business if:

1. there is only one vehicle in this category on the policy;
2. the insured visits no more than two job sites per day;
3. the vehicle is owned or leased by an individual, not a corporation or partnership;
4. the vehicle is operated solely by the named insured or other resident relative; and
5. the vehicle is not used to transport explosives, chemicals, flammable materials, or more than 500 pounds of supplies or equipment.

Acceptable artisan use does not include vehicles with a load capacity of one ton or greater or with a gross vehicle weight rating (according to the manufacturer's specifications) greater than 12,000 pounds.

Rule Number: 44 – Value Class Vehicle Rating

Value class factors are used to rate stated amount vehicles and conversion vehicles.

1. Stated amount vehicles are vehicles requiring Physical Damage coverage which:
 - a. do not appear on the Symbol list;
 - b. are limited production, classic, or collectible vehicles; or
 - c. are private passenger automobiles having more than \$5,000 of custom equipment (i.e., equipment, devices, accessories, enhancements, and changes, other than those which are original manufacturer installed, which are permanently installed or attached and alter the appearance or performance of a vehicle).

Stated amount vehicles are rated with Symbol 67 for Liability coverages and stated amount value class factors for Other Than Collision and Collision coverages.

The stated amount value for stated amount vehicles may not exceed \$60,000.

2. Conversion vehicles are pick-ups, vans, or utility vehicles requiring Physical Damage coverage that have:
 - a. more than \$5,000 of custom equipment (i.e., equipment, devices, accessories, enhancements, and changes, other than those which are original manufacturer installed, which are permanently installed or attached and alter the appearance or performance of a vehicle); or
 - b. conversion packages.

Conversion vehicles are rated with Symbol 67 factors for Liability coverages and conversion vehicles value class factors for Other Than Collision and Collision coverages.

Physical Damage coverage on stated amount vehicles and conversion vans provides coverage up to the lowest of the actual cash value, reduced by the deductible and the salvage value if retained by the owner; the amount necessary to replace the property, reduced by the deductible and the salvage value if retained by the owner; the amount necessary to repair the property, reduced by the deductible and the salvage value if retained by the owner; or the stated amount value specified by the insured, reduced by the salvage value if retained by the owner.

Rule Number: 45 – Custom Equipment

When Other Than Collision and Collision coverages are purchased, the policy provides coverage for loss under those coverages to custom parts or equipment, which are:

Equipment, devices, accessories, enhancements and changes, other than those installed by the original manufacturer, which are permanently installed or attached and alter the appearance or performance of a vehicle. This includes any electronic equipment, antennas, and other devices used exclusively to send or receive audio, visual, or data signals, or play back recorded media, other than those which are original manufacturer installed, that are permanently installed in a covered vehicle using bolts or brackets, including slide-out brackets.

The Limit of Liability for custom parts or equipment is the lowest of the actual cash value, reduced by the deductible and the salvage value if retained by the owner; the amount necessary to replace the property, reduced by the deductible and the salvage value if retained by the owner; the amount necessary to repair the property, reduced by the deductible and the salvage value if retained by the owner; or \$1,000.

If the named insured desires that a higher Limit of Liability apply towards custom parts or equipment, the insured can purchase Custom Equipment coverage. The amount of Custom Equipment coverage available for sale is the total value of all custom parts or equipment on the vehicle, not to exceed \$5,000, less the standard \$1,000 amount of coverage for custom parts or equipment.

When Custom Equipment Coverage is purchased, the Limit of Liability for custom parts or equipment is the lowest of the actual cash value, reduced by the deductible and the salvage value if retained by the owner; the amount necessary to replace the property, reduced by the deductible and the salvage value if retained by the owner; the amount necessary to repair the property, reduced by the deductible and the salvage value if retained by the owner; or the sum of \$1,000 and the amount of Custom Equipment purchased, not to exceed the declared value of all custom parts or equipment.

The rate is determined by the limit factor table based on the amount of Custom Equipment coverage purchased by the insured.

The insured will be required to maintain and present proof of purchase and proper installation upon request.

Rule Number: 46 – Rental Reimbursement

Rental Reimbursement coverage can be purchased to reimburse the insured for each qualified disablement of a covered vehicle. Coverage is available up to the following applicable limit: \$20 per day for a maximum of 30 days, \$30 per day for a maximum of 30 days; or \$40 per day for a maximum of 30 days.

Qualified disablement means a loss covered by the Other Than Collision or Collision coverages of the policy.

Rental reimbursement may be purchased only for a vehicle covered by Other Than Collision and Collision coverages.

Rule Number: 47 – Towing and Labor

Towing and Labor coverage can be purchased to pay for an authorized service representative to provide:

1. towing of a covered disabled vehicle to the nearest qualified repair facility; and
2. labor on a covered disabled vehicle at the place of disablement when necessary due to a covered emergency.

Towing and Labor may only be purchased for a vehicle covered by Other Than Collision and Collision coverages.

Rule Number: 48 – Vehicle Use Surcharge

A surcharge applies to Bodily Injury, Property Damage, Personal Injury Protection, Uninsured Motorist Protection, Underinsured Motorist Protection, Uninsured Motorist Property Damage, Other Than Collision, and Collision coverages for any vehicle classified as “business” or “artisan” use. See Rule 43 for use classifications.

Rule Number: 49 – Loan/Lease Payoff

Loan/Lease Payoff coverage applies when a vehicle sustains a total loss. The coverage provides for payment of the difference between the actual cash value of the vehicle at the time of the total loss (less the deductible and less the salvage value retained by the insured or the owner) and any greater amount the owner of the vehicle owes under a written loan or lease agreement (less any unpaid finance charges, excess mileage charges or charges for wear and tear, charges for extended warranties, charges for credit insurance, past due payments, and collection and/or repossession expenses). Payment cannot exceed 25% of the actual cash value of the vehicle at the time of the total loss.

Loan/Lease Payoff coverage can only be purchased on a vehicle with both Other Than Collision and Collision coverages and a Loss Payee or Lienholder. The coverage can be purchased on any age vehicle at any time during a policy term.

Rule Number: 50 – Liability Adjustment Factor~~N/A~~

~~Applied to a vehicle with Other Than Collision (OTC) and Collision (COL) coverages.~~

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State: Arkansas
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: IFCIC_Rate_10292014
Project Name/Number: /

Filing Company: Imperial Fire & Casualty Insurance Company

Supporting Document Schedules

Satisfied - Item:	A-1 Private Passenger Auto Abstract
Comments:	
Attachment(s):	2013 FILING A-1 ed 1-06.pdf
Item Status:	Filed
Status Date:	11/04/2014
Satisfied - Item:	APCS-Auto Premium Comparison Survey
Comments:	
Attachment(s):	APCS.pdf APCS.xls
Item Status:	Filed
Status Date:	11/04/2014
Satisfied - Item:	NAIC loss cost data entry document
Comments:	
Attachment(s):	2013 FILING FORM RF-1 Rate Filing Abstract.pdf
Item Status:	Filed
Status Date:	11/04/2014
Bypassed - Item:	NAIC Loss Cost Filing Document for OTHER than Workers' Comp
Bypass Reason:	N/A
Attachment(s):	
Item Status:	Filed
Status Date:	11/04/2014
Satisfied - Item:	Rate Filing Support and Explanatory Memorandum
Comments:	
Attachment(s):	AR Summit - Rate Level Indications LARGE.pdf Explanatory Memo.pdf Rate Impact.pdf
Item Status:	Filed
Status Date:	11/04/2014

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 Imperial Fire and Casualty Insurance Company
 NAIC # (including group #) 44369

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

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

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

- a. Driver over 55 5%
- b. Good Student Discount 5%
- c. Multi-car Discount 0-22%
- d. Accident Free Discount* 4%
 Please Specify Qualification for Discount:
 No accidents or violations in the past 35 months, all drivers must be at least 16 years old, policy must have prior insurance with <30 days lapse
- e. Anti-Theft Discount 0%
- f. Other (specify)
 - Prior Insurance Discount 0-27%
 - Paid in Full Discount 0-12%
 - Advanced Quote Discount 0-4%
 - Homeowner Discount (varies by coverage) 0-13%
 - EFT Discount 0-5%

6. Do you have an installment payment plan for automobile insurance? Yes No
 If so, what is the fee for installment payments?
\$6 (\$2 EFT pay plans)

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: Our Summit program utilizes credit tiers and underwriting tiers that differ by up to -70%. 2014 written premium (as of 07/31/14): \$582,974.

Program	Percentage Difference	Volume
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THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

M. A. Williams

 Signature
 Michael A. Williams

 Printed Name
 Product Manager

 Title
 972-267-8929 x1193

 Telephone Number
 michael.williams@imperialfire.com

 Email address

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

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.	Imperial Fire & Casualty Insurance Company	B.	44369

		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.	Summit Personal Auto	B.	Private Passenger Auto (PPA)

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Auto BI	-13.1%	0.0%					
Auto PD	-27.5%	0.0%					
Auto OTC	-39.8%	-15.9%					
Auto COL	-34.0%	-13.2%					
Auto PIP	-0.4%	0.0%					
Auto UM/UIM	-2.3%	-0.1%					
Auto REN/TOW/CEQ	-16.1%	0.0%					
TOTAL OVERALL EFFECT	-24.7%	-5.0%					

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
2014	956	-5.0%	10/29/14	761	613	80.6%	68.7%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	10.9%
B. General Expense	9.2%
C. Taxes, License & Fees	3.4%
D. Underwriting Profit & Contingencies	5.0%
E. Other Acquisition Expense	0.0%
F. TOTAL	28.5%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 8.4% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____
10. -33.5% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

Imperial Fire & Casualty Insurance Company
Private Passenger Automobile - Arkansas Summit Program
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014

	Indicated Loss Ratio	Rate Level Indication	CAT Loading	Credibility	Credibility Weighted RLI	2014 Q1 - Q2 Earned Premium
BI	52.5%	-26.6%	0.0%	0.545	-13.1%	\$ 135,655
PD	48.1%	-32.7%	0.0%	0.865	-27.5%	\$ 153,903
OTC	46.3%	-35.3%	25.0%	0.579	-39.8%	\$ 63,225
COL	39.8%	-44.3%	0.0%	0.695	-34.0%	\$ 120,254
PAD PID PIP PMP	60.1%	-16.0%	0.0%	0.177	-0.4%	\$ 6,194
UBI UIM UPD	63.0%	-11.8%	0.0%	0.413	-2.3%	\$ 32,778
CEQ REN TOW	35.2%	-50.8%	0.0%	0.386	-16.1%	\$ 4,940
All Coverage	48.1%	-32.8%	3.05%		-24.7%	\$ 516,949

Imperial Fire & Casualty Insurance Company
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014
Arkansas Summit - BI

	Calendar Accident Year 7/1 through 12/31 of 2009	Calendar Accident Year 1/1 through 12/31 of 2010	Calendar Accident Year 1/1 through 12/31 of 2011	Calendar Accident Year 1/1 through 12/31 of 2012	Calendar Accident Year 1/1 through 12/31 of 2013	Calendar Accident Year 1/1 through 6/30 of 2014	ALL YEARS COMBINED
PREMIUM							
(1)	WRITTEN PREMIUM	\$ 563,523	\$ 1,082,131	\$ 646,716	\$ 443,462	\$ 309,036	\$ 3,180,245
(2)	EARNED PREMIUM	\$ 657,468	\$ 1,146,943	\$ 739,646	\$ 494,636	\$ 335,502	\$ 3,509,851
(3)	CURRENT RATE LEVEL FACTOR ("CL")	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(4)	ON LEVEL EARNED PREMIUM [2 x 3]	\$ 657,468	\$ 1,146,943	\$ 739,646	\$ 494,636	\$ 335,502	\$ 3,509,851
(5)	PREMIUM TREND FACTOR	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(6)	TRENDED AND ON LEVEL EARNED PREMIUM [4 x 5]	\$ 657,468	\$ 1,146,943	\$ 739,646	\$ 494,636	\$ 335,502	\$ 3,509,851
INCURRED LOSSES and ALAE EXCLUDING CAT							
(7)	INCURRED LOSS and ALAE NET of RECOVERY	\$ 289,815	\$ 1,425,415	\$ 534,927	\$ 357,426	\$ 146,621	\$ 2,784,357
(8)	INCURRED LOSS DEVELOPMENT FACTOR	1.0003	1.0072	1.0260	1.0510	1.1465	1.0260
(9)	DEVELOPED INCURRED LOSS and ALAE [7 x 8]	\$ 289,904	\$ 1,435,716	\$ 548,848	\$ 375,656	\$ 168,102	\$ 2,856,625
(10)	LOSS TREND FACTOR	1.0304	1.0264	1.0211	1.0157	1.0105	1.0232
(11)	TRENDED AND DEVELOPED INCURRED LOSS and ALAE [9 x 10]	\$ 298,722	\$ 1,473,605	\$ 560,406	\$ 381,572	\$ 169,861	\$ 2,922,816
PAID LOSSES and ALAE EXCLUDING CAT							
(12)	PAID LOSS and ALAE NET of RECOVERY	\$ 289,815	\$ 1,422,410	\$ 514,897	\$ 302,508	\$ 131,621	\$ 2,668,404
(13)	PAID LOSS DEVELOPMENT FACTOR	1.0022	1.0204	1.0711	1.2274	1.7105	1.0964
(14)	DEVELOPED PAID LOSS and ALAE [12 x 13]	\$ 290,452	\$ 1,451,371	\$ 551,507	\$ 371,307	\$ 225,132	\$ 2,925,651
(15)	LOSS TREND FACTOR	1.0304	1.0264	1.0211	1.0157	1.0105	1.0065
(16)	TRENDED AND DEVELOPED PAID LOSS and ALAE [14 x 15]	\$ 299,288	\$ 1,489,673	\$ 563,121	\$ 377,154	\$ 227,488	\$ 2,992,840
LOSS RATIOS EXCLUDING CAT							
(17)	ACTUAL INCURRED LOSS RATIO [7 / 2]	44.1%	124.3%	72.3%	72.3%	43.7%	79.3%
(18)	ULTIMATE INCURRED LOSS RATIO [9 / 2]	44.1%	125.2%	74.2%	75.9%	50.1%	81.4%
(19)	INDICATED LOSS RATIO - INCURRED METHOD [11 / 6]	45.4%	128.5%	75.8%	77.1%	50.6%	50.8%
(20)	ACTUAL PAID LOSS RATIO [12 / 2]	44.1%	124.0%	69.6%	61.2%	39.2%	76.0%
(21)	ULTIMATE PAID LOSS RATIO [14 / 2]	44.2%	126.5%	74.6%	75.1%	67.1%	83.4%
(22)	INDICATED LOSS RATIO - PAID METHOD [16 / 6]	45.5%	129.9%	76.1%	76.2%	67.8%	59.0%
(23)	INDICATED LOSS RATIO - SELECTED [19 x 40 + 22 x 41]	45.5%	129.0%	75.9%	76.9%	54.1%	52.5%
(24)	PERMISSIBLE LOSS & ALAE RATIO [34 - 29]	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(25)	RATE LEVEL INDICATION [23 / 24 - 1.0]	-36.4%	80.5%	6.2%	7.5%	-24.4%	-26.6%
(26)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(27)	EXPECTED LOSS & ALAE RATIO [23 / (1.0 + 26)]	45.5%	129.0%	75.9%	76.9%	54.1%	52.5%
(28)	EXPECTED RATE LEVEL INDICATION [27 / 24 - 1.0]	-36.4%	80.5%	6.2%	7.5%	-24.4%	-26.6%
LOSS RATIOS INCLUDING CAT							
(29)	INCURRED CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(30)	INDICATED LOSS RATIO - INCURRED METHOD [19 + 29]	45.4%	128.5%	75.8%	77.1%	50.6%	50.8%
(31)	PAID CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(32)	INDICATED LOSS RATIO - PAID METHOD [22 + 31]	45.5%	129.9%	76.1%	76.2%	67.8%	59.0%
(33)	INDICATED LOSS RATIO - SELECTED [30 x 40 + 32 x 41]	45.5%	129.0%	75.9%	76.9%	54.1%	52.5%
(34)	PERMISSIBLE LOSS & ALAE RATIO	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(35)	RATE LEVEL INDICATION [33 / 34 - 1.0]	-36.4%	80.5%	6.2%	7.5%	-24.4%	-26.6%
(36)	PENDING RATE CHANGE	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(37)	EXPECTED LOSS & ALAE RATIO [33 / (1.0 + 36)]	45.5%	129.0%	75.9%	76.9%	54.1%	52.5%
(38)	EXPECTED RATE LEVEL INDICATION [37 / 34 - 1.0]	-36.4%	80.5%	6.2%	7.5%	-24.4%	-26.6%
WEIGHT							
(39)	ACCIDENT YEAR WEIGHT	10%	0%	10%	10%	50%	100%
(40)	INCURRED WEIGHT	50%	60%	60%	70%	80%	70%
(41)	PAID WEIGHT [1.0 - 40]	50%	40%	40%	30%	20%	30%
CREDIBILITY WEIGHTING							
(42)	CLAIM COUNT						321
(43)	CREDIBILITY						0.5447
(44)	EXPECTED ANNUAL NET TREND						0.0052
(45)	ASSUMED NUMBER OF YEARS SINCE LAST RATE REVIEW						5.6411
(46)	EXPECTED NET TREND SINCE LAST RATE REVIEW						3.0%
(47)	CREDIBILITY WEIGHTED RATE LEVEL INDICATION						-13.1%

(4) Current Rate Level Factor Adjusts Premium to Account for Rate Changes

Rate Change History			
Date	BI Impact	Cumulative Impact	
05/15/08	-5.00%	-5.00%	
02/10/09	6.00%	0.70%	

- (6) Trended Premium Represented at Current Prices
- (9) & (14) Loss & ALAE Including Future Payments
- (10) & (15) Loss Trend - PCI Fast Track Trend
- (19) (22) (23) Loss Ratio Taking into Account Premium at Current Prices & Losses with Future Payments and Inflation
- (24) The Target Loss Ratio - Our Goal
- (25) The Amount of Rate Increase or Decrease We Need to Hit Our Loss Ratio Goal
- (26) No Pending Rate Change
- (27) New Loss Ratio with Pending Rate Change Taken Into Account
- (28) The Amount of Rate Increase or Decrease Still Needed to Hit Our Loss Ratio Goal

Imperial Fire & Casualty Insurance Company
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014
Arkansas Summit - PD

	Calendar Accident Year 7/1 through 12/31 of 2009	Calendar Accident Year 1/1 through 12/31 of 2010	Calendar Accident Year 1/1 through 12/31 of 2011	Calendar Accident Year 1/1 through 12/31 of 2012	Calendar Accident Year 1/1 through 12/31 of 2013	Calendar Accident Year 1/1 through 6/30 of 2014	ALL YEARS COMBINED
PREMIUM							
(1)	WRITTEN PREMIUM	\$ 656,149	\$ 1,245,357	\$ 734,269	\$ 504,295	\$ 350,323	\$ 3,643,944
(2)	EARNED PREMIUM	\$ 768,023	\$ 1,323,179	\$ 843,122	\$ 561,422	\$ 380,801	\$ 4,030,451
(3)	CURRENT RATE LEVEL FACTOR ("CL")	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(4)	ON LEVEL EARNED PREMIUM [2 x 3]	\$ 768,023	\$ 1,323,179	\$ 843,122	\$ 561,422	\$ 380,801	\$ 4,030,451
(5)	PREMIUM TREND FACTOR	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(6)	TRENDED AND ON LEVEL EARNED PREMIUM [4 x 5]	\$ 768,023	\$ 1,323,179	\$ 843,122	\$ 561,422	\$ 380,801	\$ 4,030,451
INCURRED LOSSES and ALAE EXCLUDING CAT							
(7)	INCURRED LOSS and ALAE NET of RECOVERY	\$ 512,133	\$ 1,083,556	\$ 446,164	\$ 351,528	\$ 198,064	\$ 2,624,241
(8)	INCURRED LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0001	0.9977	1.0017
(9)	DEVELOPED INCURRED LOSS and ALAE [7 x 8]	\$ 512,133	\$ 1,083,556	\$ 446,164	\$ 351,573	\$ 197,604	\$ 2,628,578
(10)	LOSS TREND FACTOR	1.0589	1.0510	1.0406	1.0303	1.0201	1.0451
(11)	TRENDED AND DEVELOPED INCURRED LOSS and ALAE [9 x 10]	\$ 542,308	\$ 1,138,844	\$ 464,287	\$ 362,226	\$ 201,573	\$ 2,747,254
PAID LOSSES and ALAE EXCLUDING CAT							
(12)	PAID LOSS and ALAE NET of RECOVERY	\$ 512,133	\$ 1,083,556	\$ 446,164	\$ 349,828	\$ 192,664	\$ 2,608,631
(13)	PAID LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0017	1.0383	1.0094
(14)	DEVELOPED PAID LOSS and ALAE [12 x 13]	\$ 512,133	\$ 1,083,556	\$ 446,164	\$ 350,412	\$ 200,038	\$ 2,633,027
(15)	LOSS TREND FACTOR	1.0589	1.0510	1.0406	1.0303	1.0201	1.0451
(16)	TRENDED AND DEVELOPED PAID LOSS and ALAE [14 x 15]	\$ 542,308	\$ 1,138,844	\$ 464,287	\$ 361,030	\$ 204,056	\$ 2,751,757
LOSS RATIOS EXCLUDING CAT							
(17)	ACTUAL INCURRED LOSS RATIO [7 / 2]	66.7%	81.9%	52.9%	62.6%	52.0%	65.1%
(18)	ULTIMATE INCURRED LOSS RATIO [9 / 2]	66.7%	81.9%	52.9%	62.6%	51.9%	65.2%
(19)	INDICATED LOSS RATIO - INCURRED METHOD [11 / 6]	70.6%	86.1%	55.1%	64.5%	52.9%	47.9%
(20)	ACTUAL PAID LOSS RATIO [12 / 2]	66.7%	81.9%	52.9%	62.3%	50.6%	64.7%
(21)	ULTIMATE PAID LOSS RATIO [14 / 2]	66.7%	81.9%	52.9%	62.4%	52.5%	65.3%
(22)	INDICATED LOSS RATIO - PAID METHOD [16 / 6]	70.6%	86.1%	55.1%	64.3%	53.6%	48.7%
(23)	INDICATED LOSS RATIO - SELECTED [19 x 40 + 22 x 41]	70.6%	86.1%	55.1%	64.4%	53.1%	48.1%
(24)	PERMISSIBLE LOSS & ALAE RATIO [34 - 29]	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(25)	RATE LEVEL INDICATION [23 / 24 - 1.0]	-1.2%	20.4%	-23.0%	-9.9%	-25.7%	-32.7%
(26)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(27)	EXPECTED LOSS & ALAE RATIO [23 / (1.0 + 26)]	70.6%	86.1%	55.1%	64.4%	53.1%	48.1%
(28)	EXPECTED RATE LEVEL INDICATION [27 / 24 - 1.0]	-1.2%	20.4%	-23.0%	-9.9%	-25.7%	-32.7%
LOSS RATIOS INCLUDING CAT							
(29)	INCURRED CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(30)	INDICATED LOSS RATIO - INCURRED METHOD [19 + 29]	70.6%	86.1%	55.1%	64.5%	52.9%	47.9%
(31)	PAID CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(32)	INDICATED LOSS RATIO - PAID METHOD [22 + 31]	70.6%	86.1%	55.1%	64.3%	53.6%	48.7%
(33)	INDICATED LOSS RATIO - SELECTED [30 x 40 + 32 x 41]	70.6%	86.1%	55.1%	64.4%	53.1%	48.1%
(34)	PERMISSIBLE LOSS & ALAE RATIO	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(35)	RATE LEVEL INDICATION [33 / 34 - 1.0]	-1.2%	20.4%	-23.0%	-9.9%	-25.7%	-32.7%
(36)	PENDING RATE CHANGE	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(37)	EXPECTED LOSS & ALAE RATIO [33 / (1.0 + 36)]	70.6%	86.1%	55.1%	64.4%	53.1%	48.1%
(38)	EXPECTED RATE LEVEL INDICATION [37 / 34 - 1.0]	-1.2%	20.4%	-23.0%	-9.9%	-25.7%	-32.7%
WEIGHT							
(39)	ACCIDENT YEAR WEIGHT	0%	0%	15%	15%	45%	100%
(40)	INCURRED WEIGHT	50%	50%	60%	60%	70%	70%
(41)	PAID WEIGHT [1.0 - 40]	50%	50%	40%	40%	30%	30%
CREDIBILITY WEIGHTING							
(42)	CLAIM COUNT						810
(43)	CREDIBILITY						0.8652
(44)	EXPECTED ANNUAL NET TREND						0.0100
(45)	ASSUMED NUMBER OF YEARS SINCE LAST RATE REVIEW						5.6411
(46)	EXPECTED NET TREND SINCE LAST RATE REVIEW						5.8%
(47)	CREDIBILITY WEIGHTED RATE LEVEL INDICATION						-27.5%

(4) Current Rate Level Factor Adjusts Premium to Account for Rate Changes

Rate Change History		
Date	PD Impact	Cumulative Impact
05/15/08	10.00%	10.00%
02/10/09	2.80%	13.08%

- (6) Trended Premium Represented at Current Prices
- (9) & (14) Loss & ALAE Including Future Payments
- (10) & (15) Loss Trend - PCI Fast Track Trend
- (19) (22) (23) Loss Ratio Taking into Account Premium at Current Prices & Losses with Future Payments and Inflation
- (24) The Target Loss Ratio - Our Goal
- (25) The Amount of Rate Increase or Decrease We Need to Hit Our Loss Ratio Goal
- (26) No Pending Rate Change
- (27) New Loss Ratio with Pending Rate Change Taken Into Account
- (28) The Amount of Rate Increase or Decrease Still Needed to Hit Our Loss Ratio Goal

Imperial Fire & Casualty Insurance Company
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014
Arkansas Summit - OTC

	Calendar Accident Year 7/1 through 12/31 of 2009	Calendar Accident Year 1/1 through 12/31 of 2010	Calendar Accident Year 1/1 through 12/31 of 2011	Calendar Accident Year 1/1 through 12/31 of 2012	Calendar Accident Year 1/1 through 12/31 of 2013	Calendar Accident Year 1/1 through 6/30 of 2014	ALL YEARS COMBINED
PREMIUM							
(1)	WRITTEN PREMIUM	\$ 295,632	\$ 491,177	\$ 284,889	\$ 183,574	\$ 133,301	\$ 1,453,325
(2)	EARNED PREMIUM	\$ 337,666	\$ 536,621	\$ 327,341	\$ 201,516	\$ 142,018	\$ 1,608,387
(3)	CURRENT RATE LEVEL FACTOR ("CL")	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(4)	ON LEVEL EARNED PREMIUM [2 x 3]	\$ 337,666	\$ 536,621	\$ 327,341	\$ 201,516	\$ 142,018	\$ 1,608,387
(5)	PREMIUM TREND FACTOR	1.1854	1.1593	1.1256	1.0927	1.0609	1.0377
(6)	TRENDED AND ON LEVEL EARNED PREMIUM [4 x 5]	\$ 400,263	\$ 622,115	\$ 368,440	\$ 220,202	\$ 150,661	\$ 1,827,288
INCURRED LOSSES and ALAE EXCLUDING CAT							
(7)	INCURRED LOSS and ALAE NET of RECOVERY	\$ 162,346	\$ 234,292	\$ 247,135	\$ 58,517	\$ 42,239	\$ 754,762
(8)	INCURRED LOSS DEVELOPMENT FACTOR	0.9991	0.9989	0.9988	0.9987	0.9985	1.0000
(9)	DEVELOPED INCURRED LOSS and ALAE [7 x 8]	\$ 162,198	\$ 234,031	\$ 246,838	\$ 58,441	\$ 42,176	\$ 754,731
(10)	LOSS TREND FACTOR	0.6318	0.6709	0.7267	0.7871	0.8526	0.7033
(11)	TRENDED AND DEVELOPED INCURRED LOSS and ALAE [9 x 10]	\$ 102,485	\$ 157,018	\$ 179,367	\$ 45,999	\$ 35,958	\$ 530,825
PAID LOSSES and ALAE EXCLUDING CAT							
(12)	PAID LOSS and ALAE NET of RECOVERY	\$ 162,346	\$ 234,292	\$ 247,135	\$ 58,517	\$ 42,239	\$ 752,662
(13)	PAID LOSS DEVELOPMENT FACTOR	0.9997	0.9996	0.9996	0.9996	0.9998	1.0019
(14)	DEVELOPED PAID LOSS and ALAE [12 x 13]	\$ 162,290	\$ 234,210	\$ 247,043	\$ 58,494	\$ 42,232	\$ 754,076
(15)	LOSS TREND FACTOR	0.6318	0.6709	0.7267	0.7871	0.8526	0.7030
(16)	TRENDED AND DEVELOPED PAID LOSS and ALAE [14 x 15]	\$ 102,543	\$ 157,138	\$ 179,516	\$ 46,041	\$ 36,006	\$ 530,119
LOSS RATIOS EXCLUDING CAT							
(17)	ACTUAL INCURRED LOSS RATIO [7 / 2]	48.1%	43.7%	75.5%	29.0%	29.7%	46.9%
(18)	ULTIMATE INCURRED LOSS RATIO [9 / 2]	48.0%	43.6%	75.4%	29.0%	29.7%	46.9%
(19)	INDICATED LOSS RATIO - INCURRED METHOD [11 / 6]	25.6%	25.2%	48.7%	20.9%	23.9%	21.4%
(20)	ACTUAL PAID LOSS RATIO [12 / 2]	48.1%	43.7%	75.5%	29.0%	29.7%	46.8%
(21)	ULTIMATE PAID LOSS RATIO [14 / 2]	48.1%	43.6%	75.5%	29.0%	29.7%	46.9%
(22)	INDICATED LOSS RATIO - PAID METHOD [16 / 6]	25.6%	25.3%	48.7%	20.9%	23.9%	21.1%
(23)	INDICATED LOSS RATIO - SELECTED [19 x 40 + 22 x 41]	25.6%	25.2%	48.7%	20.9%	23.9%	21.3%
(24)	PERMISSIBLE LOSS & ALAE RATIO [34 - 29]	46.5%	46.5%	46.5%	46.5%	46.5%	46.5%
(25)	RATE LEVEL INDICATION [23 / 24 - 1.0]	-45.0%	-45.8%	4.6%	-55.1%	-48.7%	-54.2%
(26)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(27)	EXPECTED LOSS & ALAE RATIO [23 / (1.0 + 26)]	25.6%	25.2%	48.7%	20.9%	23.9%	21.3%
(28)	EXPECTED RATE LEVEL INDICATION [27 / 24 - 1.0]	-45.0%	-45.8%	4.6%	-55.1%	-48.7%	-54.2%
LOSS RATIOS INCLUDING CAT							
(29)	INCURRED CAT LOADING	25.0%	25.0%	25.0%	25.0%	25.0%	24.95%
(30)	INDICATED LOSS RATIO - INCURRED METHOD [19 + 29]	50.6%	50.2%	73.6%	45.8%	48.8%	46.4%
(31)	PAID CAT LOADING	25.0%	25.0%	25.0%	25.0%	25.0%	24.95%
(32)	INDICATED LOSS RATIO - PAID METHOD [22 + 31]	50.6%	50.2%	73.7%	45.9%	48.9%	46.0%
(33)	INDICATED LOSS RATIO - SELECTED [30 x 40 + 32 x 41]	50.6%	50.2%	73.7%	45.9%	48.8%	46.3%
(34)	PERMISSIBLE LOSS & ALAE RATIO	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(35)	RATE LEVEL INDICATION [33 / 34 - 1.0]	-29.3%	-29.8%	3.0%	-35.9%	-31.7%	-35.3%
(36)	PENDING RATE CHANGE	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(37)	EXPECTED LOSS & ALAE RATIO [33 / (1.0 + 36)]	50.6%	50.2%	73.7%	45.9%	48.8%	46.3%
(38)	EXPECTED RATE LEVEL INDICATION [37 / 34 - 1.0]	-29.3%	-29.8%	3.0%	-35.9%	-31.7%	-35.3%
WEIGHT							
(39)	ACCIDENT YEAR WEIGHT	5%	5%	0%	30%	40%	100%
(40)	INCURRED WEIGHT	50%	50%	60%	60%	70%	60%
(41)	PAID WEIGHT [1.0 - 40]	50%	50%	40%	40%	40%	40%
CREDIBILITY WEIGHTING							
(42)	CLAIM COUNT						363
(43)	CREDIBILITY						0.5792
(44)	EXPECTED ANNUAL NET TREND						-0.1036
(45)	ASSUMED NUMBER OF YEARS SINCE LAST RATE REVIEW						5.6411
(46)	EXPECTED NET TREND SINCE LAST RATE REVIEW						-46.0%
(47)	CREDIBILITY WEIGHTED RATE LEVEL INDICATION						-39.8%

(4) Current Rate Level Factor Adjusts Premium to Account for Rate Changes

Rate Change History		
Date	OTC Impact	Cumulative Impact
05/15/08	43.00%	43.00%
02/10/09	35.90%	94.34%

- (6) Trended Premium Represented at Current Prices
- (9) & (14) Loss & ALAE Including Future Payments
- (10) & (15) Loss Trend - PCI Fast Track Trend
- (19) (22) (23) Loss Ratio Taking into Account Premium at Current Prices & Losses with Future Payments and Inflation
- (24) The Target Loss Ratio - Our Goal
- (25) The Amount of Rate Increase or Decrease We Need to Hit Our Loss Ratio Goal
- (26) No Pending Rate Change
- (27) New Loss Ratio with Pending Rate Change Taken Into Account
- (28) The Amount of Rate Increase or Decrease Still Needed to Hit Our Loss Ratio Goal

Imperial Fire & Casualty Insurance Company
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014
Arkansas Summit - COL

	Calendar Accident Year 7/1 through 12/31 of 2009	Calendar Accident Year 1/1 through 12/31 of 2010	Calendar Accident Year 1/1 through 12/31 of 2011	Calendar Accident Year 1/1 through 12/31 of 2012	Calendar Accident Year 1/1 through 12/31 of 2013	Calendar Accident Year 1/1 through 6/30 of 2014	ALL YEARS COMBINED
PREMIUM							
(1)	WRITTEN PREMIUM	\$ 568,844	\$ 954,550	\$ 549,170	\$ 349,463	\$ 253,340	\$ 2,798,465
(2)	EARNED PREMIUM	\$ 670,941	\$ 1,035,287	\$ 637,577	\$ 385,101	\$ 270,322	\$ 3,119,483
(3)	CURRENT RATE LEVEL FACTOR ("CL")	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(4)	ON LEVEL EARNED PREMIUM [2 x 3]	\$ 670,941	\$ 1,035,287	\$ 637,577	\$ 385,101	\$ 270,322	\$ 3,119,483
(5)	PREMIUM TREND FACTOR	1.1854	1.1593	1.1256	1.0927	1.0609	1.0377
(6)	TRENDED AND ON LEVEL EARNED PREMIUM [4 x 5]	\$ 795,321	\$ 1,200,230	\$ 717,628	\$ 420,810	\$ 286,773	\$ 3,545,545
INCURRED LOSSES and ALAE EXCLUDING CAT							
(7)	INCURRED LOSS and ALAE NET of RECOVERY	\$ 429,284	\$ 676,526	\$ 325,509	\$ 197,282	\$ 121,431	\$ 1,774,083
(8)	INCURRED LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0000	0.9999	1.1114
(9)	DEVELOPED INCURRED LOSS and ALAE [7 x 8]	\$ 429,284	\$ 676,526	\$ 325,509	\$ 197,282	\$ 121,420	\$ 26,732
(10)	LOSS TREND FACTOR	1.0589	1.0510	1.0406	1.0303	1.0201	1.0125
(11)	TRENDED AND DEVELOPED INCURRED LOSS and ALAE [9 x 10]	\$ 454,577	\$ 711,045	\$ 338,731	\$ 203,259	\$ 123,859	\$ 1,858,538
PAID LOSSES and ALAE EXCLUDING CAT							
(12)	PAID LOSS and ALAE NET of RECOVERY	\$ 429,284	\$ 676,526	\$ 325,509	\$ 197,282	\$ 121,431	\$ 1,760,083
(13)	PAID LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0000	1.0001	1.2534
(14)	DEVELOPED PAID LOSS and ALAE [12 x 13]	\$ 429,284	\$ 676,526	\$ 325,509	\$ 197,286	\$ 121,443	\$ 1,762,648
(15)	LOSS TREND FACTOR	1.0589	1.0510	1.0406	1.0303	1.0201	1.0125
(16)	TRENDED AND DEVELOPED PAID LOSS and ALAE [14 x 15]	\$ 454,577	\$ 711,045	\$ 338,731	\$ 203,264	\$ 123,882	\$ 1,844,256
LOSS RATIOS EXCLUDING CAT							
(17)	ACTUAL INCURRED LOSS RATIO [7 / 2]	64.0%	65.3%	51.1%	51.2%	44.9%	56.9%
(18)	ULTIMATE INCURRED LOSS RATIO [9 / 2]	64.0%	65.3%	51.1%	51.2%	44.9%	57.0%
(19)	INDICATED LOSS RATIO - INCURRED METHOD [11 / 6]	57.2%	59.2%	47.2%	48.3%	43.2%	40.3%
(20)	ACTUAL PAID LOSS RATIO [12 / 2]	64.0%	65.3%	51.1%	51.2%	44.9%	56.4%
(21)	ULTIMATE PAID LOSS RATIO [14 / 2]	64.0%	65.3%	51.1%	51.2%	44.9%	56.5%
(22)	INDICATED LOSS RATIO - PAID METHOD [16 / 6]	57.2%	59.2%	47.2%	48.3%	43.2%	38.0%
(23)	INDICATED LOSS RATIO - SELECTED [19 x 40 + 22 x 41]	57.2%	59.2%	47.2%	48.3%	43.2%	39.8%
(24)	PERMISSIBLE LOSS & ALAE RATIO [34 - 29]	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(25)	RATE LEVEL INDICATION [23 / 24 - 1.0]	-20.1%	-17.1%	-34.0%	-32.4%	-39.6%	-44.3%
(26)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(27)	EXPECTED LOSS & ALAE RATIO [23 / (1.0 + 26)]	57.2%	59.2%	47.2%	48.3%	43.2%	39.8%
(28)	EXPECTED RATE LEVEL INDICATION [27 / 24 - 1.0]	-20.1%	-17.1%	-34.0%	-32.4%	-39.6%	-44.3%
LOSS RATIOS INCLUDING CAT							
(29)	INCURRED CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(30)	INDICATED LOSS RATIO - INCURRED METHOD [19 + 29]	57.2%	59.2%	47.2%	48.3%	43.2%	40.3%
(31)	PAID CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(32)	INDICATED LOSS RATIO - PAID METHOD [22 + 31]	57.2%	59.2%	47.2%	48.3%	43.2%	38.0%
(33)	INDICATED LOSS RATIO - SELECTED [30 x 40 + 32 x 41]	57.2%	59.2%	47.2%	48.3%	43.2%	39.8%
(34)	PERMISSIBLE LOSS & ALAE RATIO	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(35)	RATE LEVEL INDICATION [33 / 34 - 1.0]	-20.1%	-17.1%	-34.0%	-32.4%	-39.6%	-44.3%
(36)	PENDING RATE CHANGE	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%
(37)	EXPECTED LOSS & ALAE RATIO [33 / (1.0 + 36)]	57.2%	59.2%	47.2%	48.3%	43.2%	39.8%
(38)	EXPECTED RATE LEVEL INDICATION [37 / 34 - 1.0]	-20.1%	-17.1%	-34.0%	-32.4%	-39.6%	-44.3%
WEIGHT							
(39)	ACCIDENT YEAR WEIGHT	0%	0%	15%	15%	50%	100%
(40)	INCURRED WEIGHT	50%	50%	50%	50%	50%	60%
(41)	PAID WEIGHT [1.0 - 40]	50%	50%	50%	50%	50%	40%
CREDIBILITY WEIGHTING							
(42)	CLAIM COUNT						522
(43)	CREDIBILITY						0.6946
(44)	EXPECTED ANNUAL NET TREND						-0.0194
(45)	ASSUMED NUMBER OF YEARS SINCE LAST RATE REVIEW						5.6411
(46)	EXPECTED NET TREND SINCE LAST RATE REVIEW						-10.5%
(47)	CREDIBILITY WEIGHTED RATE LEVEL INDICATION						-34.0%

(4) Current Rate Level Factor Adjusts Premium to Account for Rate Changes

Rate Change History		
Date	COL Impact	Cumulative Impact
05/15/08	5.00%	5.00%
02/10/09	0.50%	5.53%

- (6) Trended Premium Represented at Current Prices
- (9) & (14) Loss & ALAE Including Future Payments
- (10) & (15) Loss Trend - PCI Fast Track Trend
- (19) (22) (23) Loss Ratio Taking into Account Premium at Current Prices & Losses with Future Payments and Inflation
- (24) The Target Loss Ratio - Our Goal
- (25) The Amount of Rate Increase or Decrease We Need to Hit Our Loss Ratio Goal
- (26) No Pending Rate Change
- (27) New Loss Ratio with Pending Rate Change Taken Into Account
- (28) The Amount of Rate Increase or Decrease Still Needed to Hit Our Loss Ratio Goal

Imperial Fire & Casualty Insurance Company
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014
Arkansas Summit - PAD PID PIP PMP

	Calendar Accident Year 7/1 through 12/31 of 2009	Calendar Accident Year 1/1 through 12/31 of 2010	Calendar Accident Year 1/1 through 12/31 of 2011	Calendar Accident Year 1/1 through 12/31 of 2012	Calendar Accident Year 1/1 through 12/31 of 2013	Calendar Accident Year 1/1 through 6/30 of 2014	ALL YEARS COMBINED
PREMIUM							
(1)	WRITTEN PREMIUM	\$ 40,011	\$ 62,379	\$ 34,208	\$ 19,808	\$ 12,626	\$ 175,388
(2)	EARNED PREMIUM	\$ 45,129	\$ 69,468	\$ 39,634	\$ 22,935	\$ 13,981	\$ 197,342
(3)	CURRENT RATE LEVEL FACTOR ("CL")	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(4)	ON LEVEL EARNED PREMIUM [2 x 3]	\$ 45,129	\$ 69,468	\$ 39,634	\$ 22,935	\$ 13,981	\$ 197,342
(5)	PREMIUM TREND FACTOR	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(6)	TRENDED AND ON LEVEL EARNED PREMIUM [4 x 5]	\$ 45,129	\$ 69,468	\$ 39,634	\$ 22,935	\$ 13,981	\$ 197,342
INCURRED LOSSES and ALAE EXCLUDING CAT							
(7)	INCURRED LOSS and ALAE NET of RECOVERY	\$ 12,237	\$ 49,720	\$ 12,195	\$ -	\$ 8,945	\$ 88,795
(8)	INCURRED LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0000	0.8403	0.9709
(9)	DEVELOPED INCURRED LOSS and ALAE [7 x 8]	\$ 12,237	\$ 49,720	\$ 12,195	\$ -	\$ 7,516	\$ 86,211
(10)	LOSS TREND FACTOR	1.0304	1.0264	1.0211	1.0157	1.0105	1.0238
(11)	TRENDED AND DEVELOPED INCURRED LOSS and ALAE [9 x 10]	\$ 12,609	\$ 51,032	\$ 12,452	\$ -	\$ 7,595	\$ 88,261
PAID LOSSES and ALAE EXCLUDING CAT							
(12)	PAID LOSS and ALAE NET of RECOVERY	\$ 12,237	\$ 49,720	\$ 12,195	\$ -	\$ 8,945	\$ 86,677
(13)	PAID LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0000	1.0925	1.0399
(14)	DEVELOPED PAID LOSS and ALAE [12 x 13]	\$ 12,237	\$ 49,720	\$ 12,195	\$ -	\$ 9,772	\$ 90,131
(15)	LOSS TREND FACTOR	1.0304	1.0264	1.0211	1.0157	1.0105	1.0231
(16)	TRENDED AND DEVELOPED PAID LOSS and ALAE [14 x 15]	\$ 12,609	\$ 51,032	\$ 12,452	\$ -	\$ 9,874	\$ 92,215
LOSS RATIOS EXCLUDING CAT							
(17)	ACTUAL INCURRED LOSS RATIO [7 / 2]	27.1%	71.6%	30.8%	0.0%	64.0%	45.0%
(18)	ULTIMATE INCURRED LOSS RATIO [9 / 2]	27.1%	71.6%	30.8%	0.0%	53.8%	43.7%
(19)	INDICATED LOSS RATIO - INCURRED METHOD [11 / 6]	27.9%	73.5%	31.4%	0.0%	54.3%	57.2%
(20)	ACTUAL PAID LOSS RATIO [12 / 2]	27.1%	71.6%	30.8%	0.0%	64.0%	43.9%
(21)	ULTIMATE PAID LOSS RATIO [14 / 2]	27.1%	71.6%	30.8%	0.0%	69.9%	45.7%
(22)	INDICATED LOSS RATIO - PAID METHOD [16 / 6]	27.9%	73.5%	31.4%	0.0%	70.6%	71.8%
(23)	INDICATED LOSS RATIO - SELECTED [19 x 40 + 22 x 41]	27.9%	73.5%	31.4%	0.0%	57.6%	60.1%
(24)	PERMISSIBLE LOSS & ALAE RATIO [34 - 29]	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(25)	RATE LEVEL INDICATION [23 / 24 - 1.0]	-60.9%	2.7%	-56.1%	-100.0%	-19.5%	-16.0%
(26)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(27)	EXPECTED LOSS & ALAE RATIO [23 / (1.0 + 26)]	27.9%	73.5%	31.4%	0.0%	57.6%	60.1%
(28)	EXPECTED RATE LEVEL INDICATION [27 / 24 - 1.0]	-60.9%	2.7%	-56.1%	-100.0%	-19.5%	-16.0%
LOSS RATIOS INCLUDING CAT							
(29)	INCURRED CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(30)	INDICATED LOSS RATIO - INCURRED METHOD [19 + 29]	27.9%	73.5%	31.4%	0.0%	54.3%	57.2%
(31)	PAID CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(32)	INDICATED LOSS RATIO - PAID METHOD [22 + 31]	27.9%	73.5%	31.4%	0.0%	70.6%	71.8%
(33)	INDICATED LOSS RATIO - SELECTED [30 x 40 + 32 x 41]	27.9%	73.5%	31.4%	0.0%	57.6%	60.1%
(34)	PERMISSIBLE LOSS & ALAE RATIO	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(35)	RATE LEVEL INDICATION [33 / 34 - 1.0]	-60.9%	2.7%	-56.1%	-100.0%	-19.5%	-16.0%
(36)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(37)	EXPECTED LOSS & ALAE RATIO [33 / (1.0 + 36)]	27.9%	73.5%	31.4%	0.0%	57.6%	60.1%
(38)	EXPECTED RATE LEVEL INDICATION [37 / 34 - 1.0]	-60.9%	2.7%	-56.1%	-100.0%	-19.5%	-16.0%
WEIGHT							
(39)	ACCIDENT YEAR WEIGHT	10%	10%	10%	0%	40%	100%
(40)	INCURRED WEIGHT	50%	50%	60%	70%	80%	70%
(41)	PAID WEIGHT [1.0 - 40]	50%	50%	40%	30%	20%	30%
CREDIBILITY WEIGHTING							
(42)	CLAIM COUNT						34
(43)	CREDIBILITY						0.1773
(44)	EXPECTED ANNUAL NET TREND						0.0052
(45)	ASSUMED NUMBER OF YEARS SINCE LAST RATE REVIEW						5.6411
(46)	EXPECTED NET TREND SINCE LAST RATE REVIEW						3.0%
(47)	CREDIBILITY WEIGHTED RATE LEVEL INDICATION						-0.4%

(4) Current Rate Level Factor Adjusts Premium to Account for Rate Changes

Rate Change History		
Date	PAD PID PIP PMP Impact	Cumulative Impact
05/15/08	15.15%	15.15%
02/10/09	23.62%	42.35%

- (6) Trended Premium Represented at Current Prices
- (9) & (14) Loss & ALAE Including Future Payments
- (10) & (15) Loss Trend - PCI Fast Track Trend
- (19) (22) (23) Loss Ratio Taking into Account Premium at Current Prices & Losses with Future Payments and Inflation
- (24) The Target Loss Ratio - Our Goal
- (25) The Amount of Rate Increase or Decrease We Need to Hit Our Loss Ratio Goal
- (26) No Pending Rate Change
- (27) New Loss Ratio with Pending Rate Change Taken Into Account
- (28) The Amount of Rate Increase or Decrease Still Needed to Hit Our Loss Ratio Goal

Imperial Fire & Casualty Insurance Company
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014
Arkansas Summit - UBI UIM UPD

		Calendar Accident Year 7/1 through 12/31 of 2009	Calendar Accident Year 1/1 through 12/31 of 2010	Calendar Accident Year 1/1 through 12/31 of 2011	Calendar Accident Year 1/1 through 12/31 of 2012	Calendar Accident Year 1/1 through 12/31 of 2013	Calendar Accident Year 1/1 through 6/30 of 2014	ALL YEARS COMBINED
PREMIUM								
(1)	WRITTEN PREMIUM	\$ 125,487	\$ 235,590	\$ 153,648	\$ 97,770	\$ 72,101	\$ 33,800	\$ 718,396
(2)	EARNED PREMIUM	\$ 141,932	\$ 248,075	\$ 171,961	\$ 109,353	\$ 76,732	\$ 32,778	\$ 780,831
(3)	CURRENT RATE LEVEL FACTOR ("CL")	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(4)	ON LEVEL EARNED PREMIUM [2 x 3]	\$ 141,932	\$ 248,075	\$ 171,961	\$ 109,353	\$ 76,732	\$ 32,778	\$ 780,831
(5)	PREMIUM TREND FACTOR	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(6)	TRENDED AND ON LEVEL EARNED PREMIUM [4 x 5]	\$ 141,932	\$ 248,075	\$ 171,961	\$ 109,353	\$ 76,732	\$ 32,778	\$ 780,831
INCURRED LOSSES and ALAE EXCLUDING CAT								
(7)	INCURRED LOSS and ALAE NET of RECOVERY	\$ 134,256	\$ 192,578	\$ 130,586	\$ 37,788	\$ 41,380	\$ 19,253	\$ 555,841
(8)	INCURRED LOSS DEVELOPMENT FACTOR	1.0000	1.0013	1.0080	1.0228	1.0369	1.0750	1.0092
(9)	DEVELOPED INCURRED LOSS and ALAE [7 x 8]	\$ 134,256	\$ 192,834	\$ 131,632	\$ 38,648	\$ 42,907	\$ 20,697	\$ 560,974
(10)	LOSS TREND FACTOR	1.0456	1.0395	1.0315	1.0235	1.0156	1.0097	1.0350
(11)	TRENDED AND DEVELOPED INCURRED LOSS and ALAE [9 x 10]	\$ 140,374	\$ 200,451	\$ 135,775	\$ 39,556	\$ 43,576	\$ 20,899	\$ 580,630
PAID LOSSES and ALAE EXCLUDING CAT								
(12)	PAID LOSS and ALAE NET of RECOVERY	\$ 134,256	\$ 192,578	\$ 130,586	\$ 37,788	\$ 41,380	\$ 19,253	\$ 555,841
(13)	PAID LOSS DEVELOPMENT FACTOR	1.0000	1.0117	1.0421	1.0588	1.1338	1.6726	1.0512
(14)	DEVELOPED PAID LOSS and ALAE [12 x 13]	\$ 134,256	\$ 194,832	\$ 136,088	\$ 40,008	\$ 46,917	\$ 32,202	\$ 584,303
(15)	LOSS TREND FACTOR	1.0456	1.0395	1.0315	1.0235	1.0156	1.0097	1.0344
(16)	TRENDED AND DEVELOPED PAID LOSS and ALAE [14 x 15]	\$ 140,374	\$ 202,527	\$ 140,371	\$ 40,949	\$ 47,649	\$ 32,516	\$ 604,385
LOSS RATIOS EXCLUDING CAT								
(17)	ACTUAL INCURRED LOSS RATIO [7 / 2]	94.6%	77.6%	75.9%	34.6%	53.9%	58.7%	71.2%
(18)	ULTIMATE INCURRED LOSS RATIO [9 / 2]	94.6%	77.7%	76.5%	35.3%	55.9%	63.1%	71.8%
(19)	INDICATED LOSS RATIO - INCURRED METHOD [11 / 6]	98.9%	80.8%	79.0%	36.2%	56.8%	63.8%	61.6%
(20)	ACTUAL PAID LOSS RATIO [12 / 2]	94.6%	77.6%	75.9%	34.6%	53.9%	58.7%	71.2%
(21)	ULTIMATE PAID LOSS RATIO [14 / 2]	94.6%	78.5%	79.1%	36.6%	61.1%	98.2%	74.8%
(22)	INDICATED LOSS RATIO - PAID METHOD [16 / 6]	98.9%	81.6%	81.6%	37.4%	62.1%	99.2%	71.8%
(23)	INDICATED LOSS RATIO - SELECTED [19 x 40 + 22 x 41]	98.9%	81.1%	80.0%	36.6%	57.9%	67.3%	63.0%
(24)	PERMISSIBLE LOSS & ALAE RATIO [34 - 29]	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(25)	RATE LEVEL INDICATION [23 / 24 - 1.0]	38.3%	13.5%	11.9%	-48.9%	-19.1%	-5.9%	-11.8%
(26)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(27)	EXPECTED LOSS & ALAE RATIO [23 / (1.0 + 26)]	98.9%	81.1%	80.0%	36.6%	57.9%	67.3%	63.0%
(28)	EXPECTED RATE LEVEL INDICATION [27 / 24 - 1.0]	38.3%	13.5%	11.9%	-48.9%	-19.1%	-5.9%	-11.8%
LOSS RATIOS INCLUDING CAT								
(29)	INCURRED CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(30)	INDICATED LOSS RATIO - INCURRED METHOD [19 + 29]	98.9%	80.8%	79.0%	36.2%	56.8%	63.8%	61.6%
(31)	PAID CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(32)	INDICATED LOSS RATIO - PAID METHOD [22 + 31]	98.9%	81.6%	81.6%	37.4%	62.1%	99.2%	71.8%
(33)	INDICATED LOSS RATIO - SELECTED [30 x 40 + 32 x 41]	98.9%	81.1%	80.0%	36.6%	57.9%	67.3%	63.0%
(34)	PERMISSIBLE LOSS & ALAE RATIO	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(35)	RATE LEVEL INDICATION [33 / 34 - 1.0]	38.3%	13.5%	11.9%	-48.9%	-19.1%	-5.9%	-11.8%
(36)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(37)	EXPECTED LOSS & ALAE RATIO [33 / (1.0 + 36)]	98.9%	81.1%	80.0%	36.6%	57.9%	67.3%	63.0%
(38)	EXPECTED RATE LEVEL INDICATION [37 / 34 - 1.0]	38.3%	13.5%	11.9%	-48.9%	-19.1%	-5.9%	-11.8%
WEIGHT								
(39)	ACCIDENT YEAR WEIGHT	5%	5%	10%	10%	50%	20%	100%
(40)	INCURRED WEIGHT	50%	60%	60%	70%	80%	90%	80%
(41)	PAID WEIGHT [1.0 - 40]	50%	40%	40%	30%	20%	10%	20%
CREDIBILITY WEIGHTING								
(42)	CLAIM COUNT							185
(43)	CREDIBILITY							0.4135
(44)	EXPECTED ANNUAL NET TREND							0.0078
(45)	ASSUMED NUMBER OF YEARS SINCE LAST RATE REVIEW							5.6411
(46)	EXPECTED NET TREND SINCE LAST RATE REVIEW							4.5%
(47)	CREDIBILITY WEIGHTED RATE LEVEL INDICATION							-2.3%

(4) Current Rate Level Factor Adjusts Premium to Account for Rate Changes

Rate Change History

Date	UBI UIM UPD Impact	Cumulative Impact
05/15/08	22.24%	22.24%
02/10/09	16.45%	42.35%

- (6) Trended Premium Represented at Current Prices
- (9) & (14) Loss & ALAE Including Future Payments
- (10) & (15) Loss Trend - PCI Fast Track Trend
- (19) (22) (23) Loss Ratio Taking into Account Premium at Current Prices & Losses with Future Payments and Inflation
- (24) The Target Loss Ratio - Our Goal
- (25) The Amount of Rate Increase or Decrease We Need to Hit Our Loss Ratio Goal
- (26) No Pending Rate Change
- (27) New Loss Ratio with Pending Rate Change Taken Into Account
- (28) The Amount of Rate Increase or Decrease Still Needed to Hit Our Loss Ratio Goal

Imperial Fire & Casualty Insurance Company
Rate Level Indication
Experience Period: 7/1/2009 to 6/30/2014
Arkansas Summit - CEQ REN TOW

	Calendar Accident Year 7/1 through 12/31 of 2009	Calendar Accident Year 1/1 through 12/31 of 2010	Calendar Accident Year 1/1 through 12/31 of 2011	Calendar Accident Year 1/1 through 12/31 of 2012	Calendar Accident Year 1/1 through 12/31 of 2013	Calendar Accident Year 1/1 through 6/30 of 2014	ALL YEARS COMBINED
PREMIUM							
(1)	WRITTEN PREMIUM	\$ 21,546	\$ 39,654	\$ 26,085	\$ 16,075	\$ 10,008	\$ 118,337
(2)	EARNED PREMIUM	\$ 25,737	\$ 41,922	\$ 29,083	\$ 17,849	\$ 11,060	\$ 130,591
(3)	CURRENT RATE LEVEL FACTOR ("CL")	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(4)	ON LEVEL EARNED PREMIUM [2 x 3]	\$ 25,737	\$ 41,922	\$ 29,083	\$ 17,849	\$ 11,060	\$ 130,591
(5)	PREMIUM TREND FACTOR	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
(6)	TRENDED AND ON LEVEL EARNED PREMIUM [4 x 5]	\$ 25,737	\$ 41,922	\$ 29,083	\$ 17,849	\$ 11,060	\$ 130,591
INCURRED LOSSES and ALAE EXCLUDING CAT							
(7)	INCURRED LOSS and ALAE NET of RECOVERY	\$ 12,474	\$ 23,663	\$ 20,293	\$ 4,743	\$ 2,815	\$ 65,868
(8)	INCURRED LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0000	1.0240	1.0007
(9)	DEVELOPED INCURRED LOSS and ALAE [7 x 8]	\$ 12,474	\$ 23,663	\$ 20,293	\$ 4,743	\$ 2,815	\$ 65,913
(10)	LOSS TREND FACTOR	1.0589	1.0510	1.0406	1.0303	1.0201	1.0452
(11)	TRENDED AND DEVELOPED INCURRED LOSS and ALAE [9 x 10]	\$ 13,209	\$ 24,871	\$ 21,117	\$ 4,887	\$ 2,871	\$ 68,904
PAID LOSSES and ALAE EXCLUDING CAT							
(12)	PAID LOSS and ALAE NET of RECOVERY	\$ 12,474	\$ 23,663	\$ 20,293	\$ 4,743	\$ 2,815	\$ 65,868
(13)	PAID LOSS DEVELOPMENT FACTOR	1.0000	1.0000	1.0000	1.0000	1.1747	1.0050
(14)	DEVELOPED PAID LOSS and ALAE [12 x 13]	\$ 12,474	\$ 23,663	\$ 20,293	\$ 4,743	\$ 2,816	\$ 66,197
(15)	LOSS TREND FACTOR	1.0589	1.0510	1.0406	1.0303	1.0201	1.0452
(16)	TRENDED AND DEVELOPED PAID LOSS and ALAE [14 x 15]	\$ 13,209	\$ 24,871	\$ 21,117	\$ 4,887	\$ 2,872	\$ 69,192
LOSS RATIOS EXCLUDING CAT							
(17)	ACTUAL INCURRED LOSS RATIO [7 / 2]	48.5%	56.4%	69.8%	26.6%	25.5%	50.4%
(18)	ULTIMATE INCURRED LOSS RATIO [9 / 2]	48.5%	56.4%	69.8%	26.6%	25.5%	50.5%
(19)	INDICATED LOSS RATIO - INCURRED METHOD [11 / 6]	51.3%	59.3%	72.6%	27.4%	26.0%	34.8%
(20)	ACTUAL PAID LOSS RATIO [12 / 2]	48.5%	56.4%	69.8%	26.6%	25.5%	50.4%
(21)	ULTIMATE PAID LOSS RATIO [14 / 2]	48.5%	56.4%	69.8%	26.6%	25.5%	50.7%
(22)	INDICATED LOSS RATIO - PAID METHOD [16 / 6]	51.3%	59.3%	72.6%	27.4%	26.0%	36.0%
(23)	INDICATED LOSS RATIO - SELECTED [19 x 40 + 22 x 41]	51.3%	59.3%	72.6%	27.4%	26.0%	35.2%
(24)	PERMISSIBLE LOSS & ALAE RATIO [34 - 29]	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(25)	RATE LEVEL INDICATION [23 / 24 - 1.0]	-28.2%	-17.0%	1.6%	-61.7%	-63.7%	-50.8%
(26)	PENDING RATE CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(27)	EXPECTED LOSS & ALAE RATIO [23 / (1.0 + 26)]	51.3%	59.3%	72.6%	27.4%	26.0%	35.2%
(28)	EXPECTED RATE LEVEL INDICATION [27 / 24 - 1.0]	-28.2%	-17.0%	1.6%	-61.7%	-63.7%	-50.8%
LOSS RATIOS INCLUDING CAT							
(29)	INCURRED CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(30)	INDICATED LOSS RATIO - INCURRED METHOD [19 + 29]	51.3%	59.3%	72.6%	27.4%	26.0%	34.8%
(31)	PAID CAT LOADING	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
(32)	INDICATED LOSS RATIO - PAID METHOD [22 + 31]	51.3%	59.3%	72.6%	27.4%	26.0%	36.0%
(33)	INDICATED LOSS RATIO - SELECTED [30 x 40 + 32 x 41]	51.3%	59.3%	72.6%	27.4%	26.0%	35.2%
(34)	PERMISSIBLE LOSS & ALAE RATIO	71.5%	71.5%	71.5%	71.5%	71.5%	71.5%
(35)	RATE LEVEL INDICATION [33 / 34 - 1.0]	-28.2%	-17.0%	1.6%	-61.7%	-63.7%	-50.8%
(36)	PENDING RATE CHANGE	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%
(37)	EXPECTED LOSS & ALAE RATIO [33 / (1.0 + 36)]	51.3%	59.3%	72.6%	27.4%	26.0%	35.2%
(38)	EXPECTED RATE LEVEL INDICATION [37 / 34 - 1.0]	-28.2%	-17.0%	1.6%	-61.7%	-63.7%	-50.8%
WEIGHT							
(39)	ACCIDENT YEAR WEIGHT	10%	10%	0%	20%	40%	100%
(40)	INCURRED WEIGHT	50%	50%	50%	60%	70%	60%
(41)	PAID WEIGHT [1.0 - 40]	50%	50%	50%	40%	40%	40%
CREDIBILITY WEIGHTING							
(42)	CLAIM COUNT						161
(43)	CREDIBILITY						0.3857
(44)	EXPECTED ANNUAL NET TREND						0.0100
(45)	ASSUMED NUMBER OF YEARS SINCE LAST RATE REVIEW						5.6411
(46)	EXPECTED NET TREND SINCE LAST RATE REVIEW						5.8%
(47)	CREDIBILITY WEIGHTED RATE LEVEL INDICATION						-16.1%

(4) Current Rate Level Factor Adjusts Premium to Account for Rate Changes

Rate Change History		
Date	CEQ REN TOW Impact	Cumulative Impact
05/15/08	19.40%	19.40%
02/10/09	5.14%	25.54%

- (6) Trended Premium Represented at Current Prices
- (9) & (14) Loss & ALAE Including Future Payments
- (10) & (15) Loss Trend - PCI Fast Track Trend
- (19) (22) (23) Loss Ratio Taking into Account Premium at Current Prices & Losses with Future Payments and Inflation
- (24) The Target Loss Ratio - Our Goal
- (25) The Amount of Rate Increase or Decrease We Need to Hit Our Loss Ratio Goal
- (26) No Pending Rate Change
- (27) New Loss Ratio with Pending Rate Change Taken Into Account
- (28) The Amount of Rate Increase or Decrease Still Needed to Hit Our Loss Ratio Goal

EXPLANATORY MEMORANDUM

Imperial Fire & Casualty Insurance Company
Private Passenger Auto – Arkansas Classic Program
New Effective Date: 10/29/14
Renewal Effective Date: 11/28/14

NAIC Number: 44369
Company Tracking Number: IFACAR20141029

The purpose of this rate change is to update this program, which has not had a rate revision since 02/10/2009. We are proposing targeted adjustments to the following rating variables:

- Driver to Vehicle Ratio
- Liability Adjustment Factor
- Foreign/International License Surcharge
- Model Year
- Policy Discount Matrix
- Driver Class
- Base Rates

The expected overall rate impact from our proposed changes is -5.0%

Finally, we have updated our underwriting guidelines to reflect the changes noted above and that we no longer sell 100/300/50 or 100/300/100 limits. Please advise if you have any questions or need any additional information.

Thanks and regards,
Michael

Michael A. Williams
Product Manager
Imperial Fire & Casualty Insurance Company
michael.williams@imperialfire.com
972-267-8929 x1193

Imperial Fire & Casualty Insurance Company
Private Passenger Automobile - Arkansas Summit Program
New Business Effective 10/29/2014
Renewals Effective 11/28/2014

RATE IMPACT

Coverage	2014 Written Premium	Rate Impact	Rate Level Indication
Bodily Injury	\$ 152,425	0.0%	-13.1%
Property Damage	\$ 172,759	0.0%	-27.5%
Other Than Collision	\$ 71,462	-15.9%	-39.8%
Collision	\$ 135,068	-13.2%	-34.0%
Personal Injury Protection - Accidental Death	\$ 1,233	0.0%	-0.4%
Personal Injury Protection - Disability	\$ 895	0.0%	-0.4%
Personal Injury Protection - Medical	\$ 4,961	0.0%	-0.4%
Uninsured Motorist Bodily Injury	\$ 13,651	0.0%	-2.3%
Underinsured Motorist Bodily Injury	\$ 2,915	-0.1%	-2.3%
Uninsured Motorist Property Damage	\$ 21,492	0.0%	-2.3%
Rental Reimbursement	\$ 4,749	0.0%	-16.1%
Towing	\$ 802	0.0%	-16.1%
Custom Equipment	\$ -	0.0%	-16.1%
Loan Lease	\$ 562	0.0%	0.0%
Overall	\$ 582,974	-5.0%	-24.7%

State: Arkansas

Filing Company:

Imperial Fire & Casualty Insurance Company

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

Product Name: IFCIC_Rate_10292014

Project Name/Number: /

Superseded Schedule Items

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

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
10/21/2014	Filed 11/04/2014	Supporting Document	APCS-Auto Premium Comparison Survey	10/28/2014	APCS.xlsx (Superseded) APCS.pdf
10/07/2014	Filed 11/04/2014	Supporting Document	APCS-Auto Premium Comparison Survey	10/21/2014	2013 FILING PPA_Survey_FORM_APCS2012.pdf (Superseded) 2013 FILING PPA_Survey_FORM_APCS2012.xls (Superseded)

