

ARKANSAS INSURANCE DEPARTMENT RATE FILING ABSTRACT

Insurer Name: Direct Insurance Company
 NAIC Number: 37220
 Name of Advisory Organization Whose Filing You are Referencing: N/A
 Co. Affiliation to Advisory Organization: Member Subscriber Service Purchaser
 Reference Filing #: N/A Proposed Effective Date: 03/01/07

Contact Person: Philip Deal
 Signature: _____
 Telephone No.: (615) 399-5378

(1) Line of Insurance by Coverage	(2) Indicated % Rate Level Change	(3) Requested % Rate Level Change	For Loss Costs Only				
			(4) Expected Loss Ratio	(5) Loss Cost Modification Factor	(6) Selected Loss Cost Multiplier	(7) Expense Cost (if Applicable)	(8) Co. Current Loss Cost Multiplier
Bodily Injury	-5.6%	-2.7%					
Property Damage	24.2%	12.3%					
Uninsured Motorists - BI	1.3%	0.0%					
Uninsured Motorists - PD	-1.2%	0.0%					
Underinsured Motorists	1.3%	0.0%					
Personal Injury Protection	0.9%	0.0%					
Medical Payments	-2.5%	0.0%					
Comprehensive	-18.7%	-9.4%					
Collision	1.0%	0.4%					
Rental/Towing	-6.3%	0.0%					
Total Overall Effect	2.1%	0.7%					

N/A Apply Lost Cost Factors to Future Filings? (Y or N)
10% Estimated Maximum Rate Increase for any Arkansas Insured (%)
-1.9% Estimated Maximum Rate Decrease for any Arkansas Insured (%)

Corresponds to Question 3 on RF-2 or RF-WC

5 Year History								Selected Provisions	
Year	Policy Count	Rate Chg. %	History Eff. Date	AR Earned Premium (000)	Incurred Losses (000)	Arkansas Loss Ratio	Countrywide Loss Ratio	A. Total Production Exp.	14.9%
<u>2001</u>	<u>8,150</u>	<u>1.3%</u>	<u>9/7/2001</u>	<u>7,860,206</u>	<u>4,987,075</u>	<u>63%</u>	<u>66%</u>	B. General Expense	4.2%
<u>2002</u>	<u>9,472</u>	<u>N/A</u>	<u>N/A</u>	<u>9,255,764</u>	<u>4,344,596</u>	<u>47%</u>	<u>50%</u>	C. Taxes, License & Fees	2.7%
<u>2003</u>	<u>10,533</u>	<u>-0.5%</u>	<u>1/3/2003</u>	<u>10,844,408</u>	<u>7,459,096</u>	<u>69%</u>	<u>67%</u>	D. Underwriting Profit & Contingencies	3.0%
<u>2004</u>	<u>12,607</u>	<u>-1.8%</u>	<u>6/15/2004</u>	<u>12,349,176</u>	<u>6,883,057</u>	<u>56%</u>	<u>69%</u>	E. Other (explain)	
<u>2005</u>	<u>12,891</u>	<u>N/A</u>	<u>N/A</u>	<u>13,181,354</u>	<u>8,534,324</u>	<u>65%</u>	<u>71%</u>	F. TOTAL	24.8%