

Explanatory Memorandum

Private Passenger Automobile

Kemper Policyholder Relief Credit

This notification is being filed for immediate implementation for all Kemper Private Passenger Automobile programs for the purposes of providing a billing credit to our policyholders as a result of the COVID-19 pandemic. Policyholders who have no outstanding bills will receive a refund.

Due to emergency orders being issued across the country, the number of miles driven has reduced, which we believe will result in a reduction in the number of automobile accidents while emergency orders remain in place. Kemper proposes recognition of our policyholder's committed practice of social distancing and driving less in the form of financial relief as part of the Kemper Policyholder Relief Credit.

The Kemper Policyholder Relief Credit will provide a 15% credit in May and June for policies that were in force as of the last day of the prior month, pro-rated for the number of days the policy was in force during that month.

Considering these extraordinary circumstances caused by the COVID-19 pandemic and with the goal of providing relief to our policyholders as quickly as possible, this credit is not intended to impact the company's rating plan and therefore will not require any future modifications or filings.

We reserve the right to modify or extend the program as necessary while we continue to monitor the impact of the COVID-19 pandemic on our financial results.

Kemper respectfully request your immediate attention and approval of this filing so that we can provide relief to our policyholders when they need it most.