

CREDIT INSURANCE DEVIATION REQUEST FORM
FORM CI-DRF

PART A

NAIC Company Code

Company Name

Creditor Name

This deviation request form must be completed separately for each plan of credit life or credit disability insurance written by the creditor or group of creditors requesting the deviation. Experience of accounts may be combined only within the same plan of benefits and class of business. If experience of accounts is combined, attach a list of those included.

Based on the Experience Period beginning and ending

Class of Business:

- A. Commercial Banks, Savings and Loan Associations, and Mortgage Loan Companies.
- B. Finance Companies and Small Loan Companies.
- C. Credit Unions
- D. Production Credit Associations (Agricultural and Horticultural P.C.A.s)
- E. Dealers (Auto and Truck Dealers, Other Dealers, Retail Stores, etc.)
- F. Other than A through E

Specify

Plan of Benefits:

- Credit Life
- Credit Disability

Days

Retro

Non Retro

PART B - Case Experience

Year				
1. Actual Earned Premiums				
a. Net Written Premiums				
b. Premium Reserve, Beginning				
c. Premium Reserve, Ending				
d. Earned Premiums (a+b-c)				
2. Earned Premium at Presumptive Rates				
3. Incurred Claims				
a. Claims Paid				
b. Unreported Claims, Beginning				
c. Unreported Claims, Ending				
d. Claim Reserve, Beginning				
e. Claim Reserve, Ending				
f. Incurred Claims				
4. Actual Loss Ratio for Case at Presumptive Rates: $(3(f)+2)$				
5. Average Number of Life Years*				
6. Incurred Claim Count*				

Net written premiums are to be determined as Gross Premium written (before deduct for dividends and experience rating credits) less refunds on terminations.

*** Entries should be based on the Creditability Table elected by the Insurer.**

PART C - Determination of Deviated Presumptive Case Rate

(a) Single Account Cases: If the account is 100% credible or if it is within the definition of a single account case as filed by the insurer, the deviated presumptive case rate for the account will be determined by the appropriate formula set forth in (c) below.

(b) Multiple Account Cases: If the account is a multiple account case, the deviated presumptive case rate for the account will be the case rate for that multiple account case determined by the appropriate formula set forth in (c) below.

(c) Calculation of Deviated Presumptive Case Rates

(i) Symbols and Definitions:

NCR = New Case Rate

PFR = Presumptive Rate

ALR = Actual Loss Ratio for Case at Presumptive Rate Basis

ELR = Expected Loss Ratio at Presumptive Rate Basis

Z = Credibility Factor for Case

CLR = Credibility Adjusted Case Loss Ratio at Presumptive Basis

$$= Z (ALR) + (1 - Z) (ELR)$$

(ii) New Case Rate: Credit Life Insurance

(A) If CLR is greater than ELR, $NCR = PFR [1 + 1.10 (CLR - ELR)]$

(B) If CLR is less than ELR, $NCR = PFR [1 - (ELR - CLR)]$

(iii) New Case Rate: Credit Disability Insurance

(A) If CLR is greater than ELR, $NCR = PFR [1 + 1.15 (CLR - ELR)]$

(B) If CLR is less than ELR, $NCR = PFR [1 - (ELR - CLR)]$