

**APPENDIX F. CREDIT INSURANCE  
DEVIATION REQUEST FORM**

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 commencing \_\_\_\_\_ and  
(month/day/year)  
ending \_\_\_\_\_.  
(month/day/year)

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 thru E (Specify \_\_\_\_\_).

Plan of Benefits:    ( ) Credit Life, Death Benefits Only  
                          ( ) Credit Disability

\_\_\_\_\_ days  
\_\_\_\_\_ retro \_\_\_\_\_ non-retro

Form CI-DRF: Part B - Case Experience.

	19__	19__	19__	Total
1. Actual Earned Premiums	_____	_____	_____	_____
a. Net Written Premiums*	_____	_____	_____	_____
b. Premium Reserve, Beginning Period	_____	_____	_____	_____
c. Premium Reserve, End of Period	_____	_____	_____	_____
d. Earned Premiums, (a + b - c)	_____	_____	_____	_____
2. Earned Premiums at Presumptive Rates	_____	_____	_____	_____
3. Incurred Claims				
a. Claims Paid	_____	_____	_____	_____
b. Unreported Claims, Beginning of Period	_____	_____	_____	_____
c. Unreported Claims, End of Period	_____	_____	_____	_____
d. Claim Reserve, Beginning of Period	_____	_____	_____	_____
e. Claim Reserve, End of Period	_____	_____	_____	_____
f. Incurred Claims, (a - b + c - d + e)	_____	_____	_____	_____
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 deductions for dividends and experience rating credits) less refunds on terminations.

\*\* Entries on 5. or 6. should be based on the Credibility Table elected by the insurer.

Form CI-DRF: 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 Case: If the account is in 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:
- (1) 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 =  $Z (ALR) + (1-Z) (ELR)$
- (2) New Case Rate: Credit Life Insurance
- (A) If CLR is greater than ELR,  $NCR = PFR [1 + 1.1 (CLR - ELR) ]$
- (B) If CLR is less than ELR,  $NCR = PFR [1 - (ELR - CLR)]$
- (3) 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,  $NCR = PFR [1 - (ELR - CLR)]$