

SERFF Tracking Number: ASPX-125322506 State: Arkansas
Filing Company: American Security Insurance Company State Tracking Number: AR-PC-07-026427
Company Tracking Number: CA AR02182ASF01
TOI: 20.0 Commercial Auto Sub-TOI: 20.0003 Other
Product Name: Blanket Vendor Single Interest
Project Name/Number: Blanket Vendor Single Interest/CA AR02182ASF01

Filing at a Glance

Company: American Security Insurance Company

Product Name: Blanket Vendor Single Interest SERFF Tr Num: ASPX-125322506 State: Arkansas
TOI: 20.0 Commercial Auto SERFF Status: Closed State Tr Num: AR-PC-07-026427
Sub-TOI: 20.0003 Other Co Tr Num: CA AR02182ASF01 State Status:
Filing Type: Form Co Status: Reviewer(s): Betty Montesi,
Llyweyia Rawlins, Brittany Yielding
Author: SPI AssurantPC Disposition Date: 10/24/2007
Date Submitted: 10/12/2007 Disposition Status: Approved
Effective Date Requested (New): 12/01/2007 Effective Date (New): 12/01/2007
Effective Date Requested (Renewal): Effective Date (Renewal):

General Information

Project Name: Blanket Vendor Single Interest Status of Filing in Domicile:
Project Number: CA AR02182ASF01 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 10/24/2007
State Status Changed: 10/15/2007 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:

We are introducing a new program called Blanket Vendor Single Interest. (BVSI) provides single interest coverage on vehicles and other types of similar types of equipment serving as loan collateral. The purpose of this program is to protect the lender against loss or damage to that collateral. The optional endorsements allow the lender to tailor the program to meet their individual portfolio needs. The Filing Memorandum, Rates and Rule Pages have been submitted under separate cover.

Company and Contact

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Filing Contact Information

Lori Roberge, Contract Development Analyst Lori.Roberge@assurant.com
11222 Quail Roost Drive (305) 253-2244 [Phone]
Miami, FL 33157 (561) 333-5746[FAX]

Filing Company Information

American Security Insurance Company CoCode: 42978 State of Domicile: Delaware
0 Group Code: 19 Company Type:
0, DE 00000 Group Name: Assurant, Inc. Group State ID Number:
(305) 253-2244 ext. [Phone] FEIN Number: 581529575

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: \$50 per form filing.
Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
12148834	\$50.00	10/12/2007

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	10/24/2007	10/24/2007

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Llyweyia Rawlins	10/16/2007	10/16/2007	SPI AssurantPC	10/18/2007	10/18/2007

Amendments

Item	Schedule	Created By	Created On	Date Submitted
revised Mandatory Amendatory Endorsement	Supporting Document	SPI AssurantPC	10/24/2007	10/24/2007

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Pending Response	Note To Filer	Llyweyia Rawlins	10/18/2007	10/18/2007

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Disposition

Disposition Date: 10/24/2007

Effective Date (New): 12/01/2007

Effective Date (Renewal):

Status: Approved

Comment:

This filing is approved contingent on receiving the filing fees the company indicates in the filing that they have sent.

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Form Schedule	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Compliance form	Approved	Yes
Supporting Document	Filing Form Abstract	Approved	Yes
Supporting Document	revised Mandatory Amendatory Endorsement	Approved	Yes
Form	Policy Declarations Page	Approved	Yes
Form	Blanket Vendor Single Interest Policy	Approved	Yes
Form	General Change Endorsement	Approved	Yes
Form	Worksheet for Monthly Blanket Rates	Approved	Yes
Form	Repossessed Collateral Coverage Endorsement	Approved	Yes
Form	Security Instrument Non-Filing Errors and Omissions Coverage	Approved	Yes
Form	Basic Skip, Conversion and Confiscation Coverage	Approved	Yes
Form	Modified Skip, Conversion and Confiscation Coverage	Approved	Yes
Form	Waiver of ACV Settlement Options	Approved	Yes
Form	Extended Limit of Liability Coverage	Approved	Yes
Form	Extended Loss Reporting Period Coverage	Approved	Yes
Form	Mandatory Amendatory Endorsement	Approved	Yes

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Amendment Letter

Amendment Date:

Submitted Date: 10/24/2007

Comments:

The Cancellation section was revised to reflect 10 days for nonpayment of premium and 20 days for any other reason as requested.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: revised Mandatory Amendatory Endorsement

Comment: The cancellation section was amended to reflect 10 days nonpayment of premium and 20 days for any other reason, as requested.

revised Mandatory Amendatory Endorsement.PDF

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Note To Filer

Created By:

Llyweyia Rawlins on 10/18/2007 11:40 AM

Subject:

Pending Response

Comments:

I apologize for requesting the wrong information. I need a response to the cancellation clause.

With reference to the Cancellation provisions of this filing, please amend to comply with Ark. Code Ann. §23- 66-206(9).
(Non-payment 10 days, for any other reason at least 20 days)

Thank You

Llyweyia Rawlins

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Policy Declarations Page	AS8602D	0905	Policy/CoveNew rage Form		0.00	AS8602DQQ-.PDF
Approved	Blanket Vendor Single Interest Policy	AS8603P	0905	Policy/CoveNew rage Form		0.00	AS8603PQQ-.PDF
Approved	General Change Endorsement	AS8604E	0905	Endorseme New nt/Amendm ent/Condi tions		0.00	AS8604EQQ-.PDF
Approved	Worksheet for Monthly Blanket Rates	R8085-	0905	Declaration New s/Schedule		0.00	R8085-.PDF
Approved	Repossessed Collateral Coverage Endorsement	AS8606E	0905	Endorseme New nt/Amendm ent/Condi tions		0.00	AS8606EQQ-.PDF
Approved	Security Instrument Non-Filing Errors and Omissions Coverage	AS8607E	0905	Endorseme New nt/Amendm ent/Condi tions		0.00	AS8607EQQ-.PDF
Approved	Basic Skip,Conversion and Confiscation Coverage	AS8608E	0905	Endorseme New nt/Amendm ent/Condi tions		0.00	AS8608EQQ-.PDF
Approved	Modified Skip, Conversion and Confiscation Coverage	AS8616E	0905	Endorseme New nt/Amendm ent/Condi tions		0.00	AS8616EQQ-.PDF
Approved	Waiver of ACV Settlement Options	AS8609E	0905	Endorseme New nt/Amendm ent/Condi tions		0.00	AS8609EQQ-.PDF

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Approval	Description	Code	Code	Description	Amount	File Name
Approved	Extended Limit of Liability Coverage	AS8619E	0905	Endorsement/Amendment/Conditions	0.00	AS8619EQQ-.PDF
Approved	Extended Loss Reporting Period Coverage	AS8623E	0905	Endorsement/Amendment/Conditions	0.00	AS8623EQQ-.PDF
Approved	Mandatory Amendatory Endorsement	AS8907E	0407	Endorsement/Amendment/Conditions	0.00	AS8907EPC-.PDF

AMERICAN SECURITY INSURANCE COMPANY

Administrative Office: [11222 Quail Roost Drive, Miami, FL 33157-6596 (305) 253-2244]
[Toll-free Claims Number 1-877-406-8280]
Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST PROGRAM POLICY DECLARATIONS

POLICY NO.: _____

1. **NAMED INSURED:** _____
2. **ADDRESS:** _____
3. **POLICY PERIOD FROM:** 12:01 A.M. standard time at the address of the **named insured** as stated above, _____ 20 _____ until terminated as set forth herein below.
4. **LIMITS OF LIABILITY:** The maximum limit of the **company's** liability is described in policy Condition 18. "Limits of Liability."
5. **COVERAGES AFFORDED:** All Risk Physical Damage subject to all terms and conditions of this policy.
6. **CLASS OF COLLATERAL:** The insurance coverage afforded by this policy is limited to **security agreements** secured by **collateral** defined in the policy and specified in endorsements to this policy.
7. **PREMIUM RATE:** \$ _____ Per New Loan Per Monthly Outstanding Balance
8. **DEDUCTIBLE:** \$ _____ shall be deducted from each loss under this policy.
9. **DELINQUENCY LIMIT:** _____ days
10. **MAXIMUM SECURITY AGREEMENT TERM:** _____ months
11. **MAXIMUM AMOUNT FINANCED:** \$ _____
12. **ENDORSEMENTS** attached to this policy at issue:

THIS POLICY DOES NOT PROVIDE BODILY INJURY OR PROPERTY DAMAGE LIABILITY INSURANCE AND IT DOES NOT COMPLY WITH THE FINANCIAL RESPONSIBILITY LAW OF ANY STATE. THIS POLICY DOES NOT PROVIDE "NO FAULT" INSURANCE.

COVERAGE UNDER THIS POLICY PROTECTS THE INTEREST OF THE NAMED INSURED ONLY AND DOES NOT PROTECT THE INTEREST OR EQUITY OF THE BORROWER.

Authorized Representative

Date

AMERICAN SECURITY INSURANCE COMPANY

Administrative Office: [11222 Quail Roost Drive, Miami, FL 33157-6596 (305) 253-2244]

Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST POLICY

In consideration of the premium paid, and in reliance upon the statements in the declarations and subject to the limits of liability, exclusions, conditions and other terms of this policy, the **company** agrees with the **named insured** as follows:

INSURING AGREEMENTS

All Risk Physical Damage indemnifies the **named insured** against all risks of physical loss or damage from any external cause to **collateral**, except as excluded, which the **named insured** holds as **collateral** under a **security agreement**, as defined.

DEFINITIONS

1. **Acceptable Insurance** - means comprehensive and collision insurance purchased by the **borrower**, with a loss payable clause in the **named insured's** favor, meeting the insurance requirements of the **security agreement**.
2. **Actual Cash Value** - means the cost of replacing damaged or destroyed **collateral** with comparable new **collateral**, minus depreciation and obsolescence.
3. **Borrower** - means any individual or entity obligated to the **named insured** under a **security agreement**.
4. **Collateral** - means property which the **named insured** holds as security under a **security agreement** and includes only those items indicated as covered and shown in the policy definitions of **Eligible Collateral** or attached endorsements.
5. **Company** - means American Security Insurance Company.
6. **Date of Loss** - means the date the actual physical loss or damage occurred to the **collateral**. If the date is undeterminable, the **date of loss** is the date the **collateral** is **repossessed**.
7. **Delinquency Limit** - means the maximum number of days from the date the **security agreement** payment is past due from which the **named insured** must initiate a documented, professional and reasonable attempt to acquire physical possession of the **collateral** for coverage under this policy to apply.
8. **Eligible Collateral** - means **collateral** which is one of the following types of property: aircraft (not in motion), automobile, boat (pleasure only), camper, farm equipment, horse trailer, miscellaneous motorized light equipment, mobile home, motor home, motorcycle, office trailer, recreational vehicle, stationary equipment, trailer or truck.
9. **Loan Balance** - means the amount owed to the **named insured** by the **borrower** under a **security agreement**, not including any payments more than one hundred twenty (120) days past due; all unearned interest; all unearned finance charges; all unearned insurance charges; all other unearned charges; any late charges or penalties added after the security agreement became effective; collection costs; or costs of **repossession**.
10. **Loss** - means tangible physical damage, destruction or theft of the **collateral**.
11. **Maximum Amount Financed** – means the greatest **security agreement** amount as set forth in the policy declarations to be considered as covered under the terms of the policy.
12. **Maximum Security Agreement Term** – means the greatest original contractual term as set forth in the policy declarations to be considered as covered under the terms of this policy.
13. **Named Insured** - means the entity(ies) or organization named as the **named insured** in Item 1. of the policy declarations, which has a legal interest in the **collateral** described under a **security agreement**, as defined.
14. **Repossession** - means any **collateral** insured by this policy, of which the **named insured** has gained possession peacefully or through legal processes, by virtue of a legal right to such possession.

15. **Security Agreement** - means any valid and enforceable lien instrument evidencing an indebtedness to the **named insured** by the **borrower** and shall include conditional sales contracts, lease agreements, chattel mortgages or any other similar financing agreement.

EXCLUSIONS

This insurance shall not indemnify the **named insured** in respect of any **loss** or **losses**:

1. where the **date of loss** does not occur within the policy period;
2. to **collateral** securing a **security agreement** made or purchased after the termination date of this policy;
3. to **collateral** occurring prior to the inception date of the **security agreement**;
4. to **collateral** in excess of the **delinquency limit** as set forth in the policy declarations;
5. occurring after **repossession**;
6. to aircraft while in motion;
7. resulting directly or indirectly from any dishonest, fraudulent or criminal act of any officer or employee of the **named insured** or of any dealer from which the **named insured** acquired the **security agreement** or of any officer or employee of such dealer, or anyone acting in any capacity as agent for the **named insured** in obtaining a **security agreement**;
8. resulting from fraud, forgery, or use of an alias;
9. resulting from any lien, encumbrance or defect in title which existed at the time the **security agreement** was made by the **named insured**;
10. caused by or resulting from neglect, wear and tear, gradual deterioration, obsolescence, rust, corrosion, latent defect, inherent vice, freezing or overheating;
11. caused by or resulting from any repairing or restoration or remodeling process, structural, mechanical or electrical breakdown or failure, unless fire or other accident ensues and then only for the loss or damage by such ensuing fire or accident;
12. to **collateral** held under any floor plan or field warehouse type of financing;
13. resulting from any **security agreement** made to a dealer, or his employees, whether or not the **collateral** is held for resale;
14. for any **collateral** designed for racing or modified for use as a public livery conveyance;
15. resulting from the **named insured's** failure to initiate a reasonable attempt to **repossess** the **collateral** within the **delinquency limit** as noted in Item 9. of the policy declarations;
16. caused by or resulting from;
 - a). hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual impending or expected attack;
 1. by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or
 2. by military, naval or air forces; or
 3. by any agent of any such government, power, authority or forces;
 - b). any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
 - c). insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations, risks of contraband or illegal transportation or trade, confiscation by order of any government or public authority.

17. caused by or resulting from nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss is direct or indirect, proximate or remote, or is in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy;
18. caused by or contributed to or consisting of security interest non-filing or the skip or conversion of **collateral** by a person in lawful possession thereof, or by the confiscation of **collateral** by a public authority.
19. occurring on a **security instrument** with contractual terms in excess of the **maximum security agreement term** or **maximum amount financed** as set forth in the policy declarations.

CONDITIONS

1. **APPRAISAL**- If the **named insured** and the **company** fail to agree as to the amount of a covered **loss**, either may make written demand for an appraisal of the **loss**. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If the two appraisers cannot agree on the selection of an umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the **actual cash value** at the **date of loss** and the amount of **loss**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally. If there is an appraisal, the **company** will still retain its right to deny the claim.
2. **ARBITRATION** - READ THE FOLLOWING ARBITRATION PROVISION ("PROVISION") CAREFULLY. IT LIMITS CERTAIN RIGHTS, INCLUDING THE **NAMED INSURED'S** RIGHT TO A JURY TRIAL AND TO OBTAIN REDRESS THROUGH COURTS.

Any and all claims, disputes, or controversies of any nature whatsoever [whether in contract, tort or otherwise, including statutory, common law, fraud (whether by misrepresentation or by omission) or other intentional tort, property, or equitable claims] arising out of, relating to, or in connection with (1) this policy issued by the **company** to the **named insured**, (2) any credit, loan or purchase transaction in connection with which this policy was issued by the **company** to the **named insured**, or (3) the validity, scope, interpretation, or enforceability of this Provision or of the entire policy ("Claim"), shall be resolved by binding arbitration before a single arbitrator. All arbitrations shall be administered by the American Arbitration Association ("AAA") in accordance with its Expedited Procedures of the Commercial Arbitration Rules of the AAA in effect at the time the Claim is filed. The terms of this Provision shall control any inconsistency between the AAA's Rules and this Provision. The **named insured** may obtain a copy of the AAA's Rules by calling (800) 778-7879. The arbitrator will decide whether the **named insured** or the **company** will be responsible for these fees. The arbitrator shall apply relevant substantive federal and state law and applicable statutes of limitations and shall provide written, reasoned findings of fact and conclusions of law. This Arbitration Provision is part of a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.* **If any portion of this Arbitration Provision is deemed invalid or unenforceable, it shall not invalidate the remaining portions of the Arbitration Provision.** This Arbitration Provision shall inure to the benefit of and be binding on the **named insured** and each of the aforementioned persons and entities. This Provision shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this policy.

No Class Actions/No Joinder of Parties: The **named insured** agrees that any arbitration proceeding will only consider the **named insured's** claims. Claims by, or on behalf of, other individuals will not be arbitrated in any proceeding that is considering the **named insured** claims. The **named insured** also agrees not to join with others to bring claims in the same arbitration proceeding unless all such persons are named on the policy.

THE NAMED INSURED AND THE COMPANY UNDERSTAND AND AGREE THAT BECAUSE OF THIS ARBITRATION PROVISION NEITHER THE NAMED INSURED NOR THE COMPANY WILL HAVE THE RIGHT TO GO TO COURT EXCEPT AS PROVIDED ABOVE OR TO HAVE A JURY TRIAL OR TO PARTICIPATE AS ANY MEMBER OF A CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM.

3. **ASSISTANCE AND COOPERATION OF THE NAMED INSURED**- The **named insured** shall use due diligence and do and concur in doing all things reasonable and practicable to avoid or diminish any **loss** covered under this insurance.
4. **CANCELLATION**- This policy may be canceled by the **named insured** by surrender of the policy to the **company** or its authorized agent or by mailing written notice to the **company** stating the future date when cancellation shall be effective. This policy may be canceled by the **company** by notifying the **named insured** in writing at least ten (10) days before the date cancellation takes effect. This cancellation notice may be delivered or mailed to the **named insured** at the mailing address shown in the policy declarations. Proof of mailing shall be sufficient proof of notice,

and the effective date of such cancellation set forth in such notice shall be deemed the end of the policy period. All premium will be fully earned.

5. **CHANGES-** Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy, or estop the **company** from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy and signed by an officer of the **company**.
6. **COLLATERAL FOR A SECURITY AGREEMENT** - With regard to **collateral**, it is agreed that:
 - a). The **named insured** will hold the Certificate of Title with its records until the **security agreement** has been satisfied;
 - b). The **named insured** will, in good faith, maintain a procedure for filing or recording its encumbrance on **collateral** with either the Motor Vehicle Commissioner, where appropriate, or with another appropriate authority of a state or territory or possession of the United States.
7. **CONDITIONS PRECEDENT TO LIABILITY** – The **company** shall not be obligated to make any **loss** payment under this policy unless all conditions set forth in this policy have been fulfilled, and unless each of the following have occurred:
 - a). There has been a default by the **borrower** in a payment obligation to the **named insured** under a **security agreement**;
 - b). The **named insured's** interest is impaired because of a covered **loss**;
 - c). The **named insured** has **repossessed** the **collateral**, or the **borrower** has surrendered the **collateral** and title to the **named insured**, except in the event the **collateral** is stolen from the **borrower** and unrecovered, as evidenced by a police report.
 - d). The **date of loss** occurs during the policy period and is not later than the **delinquency limit** as set forth in the policy declarations;
 - e). The **named insured** has exhausted all collection efforts against any insurance company or other party that may be obligated to compensate for the **loss**; and
 - f). Notice of the claim has been given to the **company** not later than ninety (90) days after the date of **repossession**.
8. **CONFORMITY TO STATUTE-** Terms of this policy which are in conflict with the statutes of the state in which this policy is issued are amended to conform to such statutes.
9. **CREDITOR'S INTEREST ONLY-**This insurance shall in no way inure to the benefit of the **borrower** or any carrier, bailee, or any other person or entity other than the **named insured**.
10. **DECLARATION-** By acceptance of this policy, the **named insured** agrees that the statements in the policy declarations are its agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy, together with any application(s) or representations in connection therewith, embodies all agreements existing between the **named insured** and the **company** or any of its agents relating to this insurance.
11. **DEDUCTIBLE-** Each distinct event giving rise to **loss** under this policy shall be subject to the deductible set forth in the policy declarations. The **company's** liability for payment of a covered **loss** shall only accrue to the extent that the amount of such **loss** exceeds the stated deductible.
12. **DUTIES OF THE NAMED INSURED** - In the event of **loss** or damage, the **named insured** shall:
 - a). make every reasonable effort at its own expense to recover and safeguard the **collateral**, or any part thereof, insured under this policy, initiate suit or cooperate with the **company** in the conduct of any suit and enforce any right of contribution or indemnity against any person or organization who may be liable to the **named insured** because of **loss** to which this insurance applies, but there shall be no abandonment of the **collateral** to the **company**;
 - b). do all things a reasonable person should do to avoid or diminish any **loss** covered under this policy;
 - c). protect the **collateral** from any further **loss** or damage; expenses incurred in affording such protection and any further **loss** or damage due to the **named insured's** failure to protect the **collateral** shall not be recoverable under this policy.

13. **EXAMINATION UNDER OATH-** The **named insured** shall submit, and so far as is within its power, shall cause all other persons interested in the **collateral** insured and employees to submit to examinations under oath by any persons named by the **company**, relative to any and all matters in connection with a claim and subscribe the same; and shall produce for examination all books of account, bills, invoices and other vouchers or certified copies if originals have been lost, at such reasonable time and place as may be designated by the **company** or its representatives, and shall permit extracts and copies to be made.
14. **EXISTING LOANS** – Coverage under this policy shall apply to any **security agreement** issued prior to the inception of this policy for **collateral** indicated as covered and shown on the policy declarations or attached endorsements to this policy.
15. **EXTENSION OF MATURITY** – The **named insured** may grant extensions of maturity of any **security agreement** as it may be deemed advisable in the ordinary course of business and consistent with their established guidelines, without prejudice to their rights under the policy.
16. **IMPAIRMENT OF INTEREST-** Under no circumstances will any payment be made for a **loss** under this policy unless the interest of the **named insured** is impaired by reason of the **borrower** having defaulted in his or her obligation to the **named insured**.
17. **INSPECTION OF NAMED INSURED'S RECORDS-** The **company** or its representatives may at any reasonable time during business hours inspect the **named insured's** records for the purpose of determining the amount of premium due the **company** under this policy and for verification of primary and other insurance coverages and procedures.
18. **LIMITS OF LIABILITY-** The **company** shall not be liable under this policy for an amount exceeding the lowest of the following:
 - a). The cost of repair or replacement of **collateral**, less any deductible; or
 - b). The **actual cash value** of the **collateral** at time of **loss** or damage, less salvage value and any deductible; or
 - c). The **loan balance** as of the date of **repossession**, less salvage value and any deductible. Should multiple **collaterals** be included under any one **security agreement**, the **loan balance** for any one **collateral** shall be limited to the proportion such **collateral's actual cash value** bears to the **actual cash value** of all **collateral** on the **date of loss**.
19. **LOCATION OF COLLATERAL-** It shall be necessary for the **named insured** to locate and to take title to the **collateral** or be in a position to convey good title to the **company** upon demand, before any **loss** shall be paid under this coverage, except in the event the **collateral** is stolen from the **borrower** and unrecovered, as evidenced by a police report.
20. **MISREPRESENTATION AND FRAUD-** This policy shall be void if the **named insured** has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof or in case of any fraud, attempted fraud, or false swearing by the **named insured** touching any matter relating to this insurance or the subject thereof, whether before or after a **loss**.
21. **NO BENEFIT TO BAILEE-** This insurance shall in no way inure directly or indirectly to the benefit of any carrier, bailee, **borrower** or any other person or entity other than the **named insured**.
22. **NOTICE OF LOSS-** As soon as practicable, the **named insured** shall report to the **company** or its agent every **loss** or damage which may become a claim under this policy and shall also file with the **company** or its agent within ninety (90) days from **date of loss**, a detailed sworn proof of **loss**. Failure by the **named insured** to report the **loss** or damage and to file such sworn proof of **loss** as required shall invalidate any claim under this policy for such **loss**.
23. **OTHER INSURANCE-** If the **collateral** is covered by other insurance, which is not acceptable insurance, this policy pays excess to the amount due from the other insurance, whether the other insurance is collectable or not. This policy shall not be treated as contributing with any other insurance or indemnity. There is no benefit under this policy if the **collateral** is covered by other insurance, which is **acceptable insurance**.
24. **PARTS-** In case of **loss** or damage to any part of a pair or set of the insured **collateral**, the **company** may either:
 - a). repair or replace any part to restore the pair or set to its value before the **loss**; or
 - b). pay the difference between the value of the pair or set before and after the **loss**.

25. **PAYMENT OF LOSS-** The **company** shall have the option of paying the **loss** in money, pay to repair or replace the **collateral** or damaged part with another of like kind and quality, with deduction for depreciation, or may return any stolen **collateral** with payment of any resultant damage thereto at any time before the **loss** is paid or the **collateral** is replaced, or may take all or such part of the **collateral** at the agreed or appraised value, but there shall be no abandonment of the **collateral** to the **company**.
26. **PRIMARY INSURANCE-** It is understood and agreed that the **named insured** will require all **borrowers** to agree to carry physical damage insurance with a loss payable clause in favor of the **named insured**, for such insurance and in such amounts as normally would be required had not this insurance been effected. Failure on the part of the **borrower** to provide such insurance shall not be deemed a violation of this policy provided the **named insured** has obtained agreement from **borrower** to carry the required insurance.
27. **POLICY PERIOD -** This policy shall be effective and coverage provided beginning on the first day of the month for which premium is paid, and shall continue in effect until the expiration date unless canceled or otherwise terminated. Should no expiration date be specified, the policy shall be considered to be in effect for successive periods of one (1) month, extending from the inception date specified in the policy declarations to a date one (1) month thereafter (the "Anniversary Date") and to successive Anniversary Dates, unless earlier canceled or otherwise terminated by the **company** or the **insured** in accordance with the policy provisions. Coverage will be based upon the rates, rules and forms in effect at the inception date or Anniversary Date that begins each one (1) month period.
28. **REPORTS AND PREMIUM-** Within ten (10) days after the end of each calendar month during the effective term of this policy, the **named insured** shall submit to the **company** a report showing the outstanding balances on all **security agreements** as of the last business day of such month, and the number of **security agreements** made or acquired during such month. The premium shall be calculated at the rate set forth in the policy declarations, and shall be paid with each such report. The **company** shall have the right to offset against any sums owed to the **named insured** under this policy the amount of any premium or other charge the **named insured** owes **company** under this policy.
29. **SETTLEMENT BY NAMED INSURED, INVALID-** Any settlement made by or for the **named insured** on any **collateral** secured by a **security agreement** in respect of which there is a claim under this insurance without written authority from the **company** or its representatives to make such settlement, shall render this insurance void as to any **loss** in respect of that **security agreement**.
30. **SUBROGATION-** In the event of any payment under this policy, the **company** shall be subrogated to the **named insured's** right of recovery against any person or organization and the **named insured** shall execute and deliver all documents and papers and do whatever else is necessary to secure such rights. The **named insured** shall do nothing after loss to prejudice such rights.
31. **SUIT AGAINST COMPANY-** No suit, action or proceeding for the recovery of any claim under this policy shall be sustainable in any court of law or equity unless the same be commenced within two (2) years after discovery by the **named insured** of the occurrence which gives rise to the claim. Provided, however, that if by the laws of the State within which this policy is issued, such limitation is invalid, then any such claim(s) shall be void unless such action, suit or proceeding be commenced within the shortest period of time permitted by the laws of such State.
32. **TERRITORY -** This policy applies only to **loss** during the policy period within the United States of America, its territories or possessions, or Canada. There shall be no coverage under this policy when it is determined that the **collateral** has been removed from the United States of America, its territories or possessions, or Canada.

Coverage is extended to **collateral** damaged in the Republic of Mexico provided that the **borrower's** principal place of residence is within the United States and the **collateral** is principally garaged and used within the United States. A further condition of this extension of coverage is that the **collateral** is within fifty (50) miles of the United States border and only for a period not to exceed ten (10) days after each separate entry into the Republic of Mexico. It is understood and agreed that, in the event of **loss** of or damage to **collateral** while in the Republic of Mexico, the adjustment of claim for such **loss** or damage shall be made at the nearest point of the United States where such adjustments can be made. It is further expressly understood and agreed that the cost of towing, transportation, or storage of **collateral** while within the Republic of Mexico shall not be recoverable hereunder and is not a contingency insured against.

33. **WAIVER OF SUBROGATION AGAINST THE BORROWER-** If the **borrower** is permitted by state law to reimburse the **named insured** for the cost of this insurance, the **company** waives its subrogation rights as to such **borrower** only. This waiver shall not apply to any insurer affording coverage for **collateral** in the name of the **borrower**.

IN WITNESS WHEREOF, the **company** has executed and attested these present; but this policy shall not be valid unless countersigned by a duly authorized agent of the **company**, if required by state law.


SECRETARY


PRESIDENT

AMERICAN SECURITY INSURANCE COMPANY

Administrative Office: [11222 Quail Roost Drive, Miami, FL 33157-6596 (305) 253-2244]
Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST PROGRAM GENERAL CHANGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Attached to and forming a part of:

Policy Number	Named Insured
Endorsement Effective (Standard Time) () 12:01 AM () 12:01 PM	Agency

IT IS HEREBY UNDERSTOOD AND AGREED THAT THE FOLLOWING HAS BEEN AMENDED:

1. [Effective date as shown below.]
2. [Insured's Name as shown below.]
3. [Insured's Mailing Address as shown below.]
4. [Deductible as shown below.]
5. [Coverage Forms and Endorsements as shown below.]
6. [Maximum Security Agreement Term as shown below.]
7. [Maximum Amount Financed as shown below.]
8. [Delinquency Limit as shown below.]

All other terms and conditions of the Policy remain the same.

Date

AMERICAN SECURITY INSURANCE COMPANY

Administrative Office: [11222 Quail Roost Drive, Miami, FL 33157-6596 (305) 253-2244]
Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST PROGRAM

Worksheet for Monthly Blanket Rates – Per Monthly Outstanding Balance

Experience for Past 5 Years	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1. Lender Incurred Losses					
2. Number of Claims					
3. Per Loss Deductible					
4. Ground-up Losses					
5. Inflation Trend Factor					
6. Number of Loans					
7. Loan Adjustment Factor					
8. Trended Losses					
9. Weights					
Projection For Blanket Period					
10. Expected Ground-up Blanket Losses					
11. Expected Number of Claims					
12. Expected Blanket Losses w/base deductible per loss					
13. Expected Net Outstanding Balance (000)					
14. Expected Annual Loss per \$1,000					
15. Expected Monthly Loss per \$1,000					
16. Permissible Loss Ratio					
17. Blanket Rate w/base deductible per Loss					
18. Per Loss Deductible Factor	Selected Deductible: \$		Deductible Factor:		
19. Individual Risk Premium Modification Factor					
20. Total M.O.B. rate per \$1,000					

Worksheet Notes for Monthly Blanket Rates – Per Monthly Outstanding Balance

The following items are to be gathered for the past five years for the purpose of determining the blanket rate:

1. **Lender Incurred Losses** from coverage similar to that being proposed by the blanket. If coverage is different, judgmental adjustments may be made.
2. **Number of Claims** should only include claims on which payments were made.
3. **Per Loss Deductible** should reflect the actual deductible per loss (if any) for each year. If the deductible changed during the year, this should reflect the average.
4. **Ground-up Losses** equals $(1)+[(2)\times(3)]$.
5. **Inflation Trend Factor** accounts for inflation in an attempt to bring historical losses to current loss levels. Each factor should bring losses from the average loss date to the average loss date of the blanket being rated.
6. **Number of loans** should reflect the average number of loans eligible under the prior coverage during each year.
7. **Loan Adjustment Factor** is the ratio of the number of loans expected to be covered during the blanket to (6).
8. **Trended Losses** equals $(4)\times(5)\times(7)$.
9. **Weights** are judgmental and reflect the weight that each year should be given. The sum of the weights should equal one. It is possible for larger financial institutions to have older years with weights of zero.

The following items are projections for the time period the blanket will be in effect:

10. **Expected Ground-up Blanket Losses** equals the weighted average of (8) using the weights on line (9).
11. **Expected Number of Claims** equals the weighted average of (2) x (7) using line (9) as weights.
12. **Expected Blanket Losses with base deductible per Loss** equals $(10)- [100\times(11)]$.
13. **Expected Net Outstanding Balance (000)** should equal the net outstanding balance (in thousands) expected during the term the blanket is in effect.
14. **Expected Annual Loss per \$1,000** equals $(12) / (13)$.
15. **Expected Monthly Loss per \$1,000** equals $(14) / 12$.
16. **Permissible Loss Ratio** reflects Blanket VSI target loss ratio based upon our expenses and anticipated profit.
17. **Blanket Rate with base deductible per Loss** equals $(15) / (16)$.
18. **Per Loss Deductible Factor** is the rate factor corresponding to the per loss deductible selected by the lender. The base deductible of \$100 has a rating factor of 1.000. Lenders may choose to elect other per loss deductibles. Please refer to the State Exception Pages for the applicable rating factors.
19. **Individual Risk Premium Modification Factor** is the credit or debit which is used to modify the lender's premium in recognition of those risk characteristics that are not fully reflected in the basic premium or rates. Please refer to the General Rules for a further description of qualifying risk characteristics. The total credit or debit is expressed in decimal format. The Individual Risk Premium Modification Factor equals $1.00 + (\text{total credit or debit})$.
20. **Total M.O.B. Rate per \$1,000** equals $(17) \times (18) \times (19)$ [The Total M.O.B. Blanket Rate per \$1,000 is to be rounded to 3 decimal places.]

AMERICAN SECURITY INSURANCE COMPANY

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BLANKET VENDOR SINGLE INTEREST PROGRAM REPOSSESSED COLLATERAL COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In return for payment of premium, the **company** will provide coverage for theft and for direct, sudden and accidental loss of or damage to the **collateral** by any external cause which occurs after the **collateral** has been repossessed by the **named insured**. This coverage will apply for a maximum period of one hundred twenty (120) days from the date of **repossession**, or until the repossessed **collateral** is sold by the **named insured**, or until the date the **company** pays a covered **loss** under this endorsement, whichever occurs first.

DEFINITIONS, Item. 6. **Date of Loss** is deleted and replaced with the following:

6. **DATE OF LOSS** - means the date, subsequent to the repossession date, that damage occurred to the **collateral**.

EXCLUSIONS, Item 5. is hereby deleted and replaced with the following:

5. occurring more than the 120 days after **repossession**.

ADDITIONAL EXCLUSIONS - is amended by adding the following:

20. to repossessed **collateral** held for sale or lease by a dealer or consignee;
21. to repossessed **collateral** while being used by **you, your** employees or any of their family members.

TERMINATION: IF THIS ENDORSEMENT OR THE POLICY TO WHICH IT IS ATTACHED IS CANCELLED, THE COMPANY'S LIABILITY WITH RESPECT TO ALL OUTSTANDING LOANS WILL AUTOMATICALLY CEASE ON THE EFFECTIVE DATE OF THE CANCELLATION. LOSSES THAT OCCUR AFTER THAT DATE WILL NOT BE COVERED.

All other terms and conditions of the policy remain unchanged.

AMERICAN SECURITY INSURANCE COMPANY

Administrative Office: [11222 Quail Roost Drive, Miami, FL 33157-6596 (305) 253-2244]

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BLANKET VENDOR SINGLE INTEREST PROGRAM SECURITY INSTRUMENT NON-FILING ERRORS AND OMISSIONS COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In return for payment of premium, the **company** will indemnify the **named insured** against any impairment of interest incurred as the result of being prevented from:

- (a) obtaining possession of, or retaining the salvage sale proceeds of, the **collateral** represented by a legally enforceable **security agreement**.
- (b) enforcing the **named insured's** rights under such **security agreement** solely because the **named insured** has, through error or omission, not recorded or filed the instrument with the proper Public Officer or Public Office, or the proper Public Officer or Public Office did not show the **named insured's** encumbrance thereon if the instrument is a Certificate of Title or other evidence of legal ownership.

CONDITIONS PRECEDENT TO LIABILITY: The conditions precedent to the attaching of the **company's** liability under this endorsement are:

1. the **named insured** has an interest in the **collateral** by virtue of a legally enforceable **security agreement**.
2. the **borrower** has defaulted in payments.
3. the **named insured** has attempted to repossess the **collateral**.
4. the **named insured** has located the **collateral** or the person(s) or company who has title and has definitely determined that such person(s) has a claim or title lawfully superior to the lien held by the **named insured**.
5. the **named insured**, in the normal course of business, maintained and operated standard procedures to record or file all instruments with the proper Public Officer or Public Office in a timely manner.

DATE OF LOSS: for purposes of this endorsement, the **date of loss** shall be the date the **company** receives notice from the **named insured** that all **CONDITIONS PRECEDENT TO LIABILITY** have been met.

OUR MAXIMUM LIABILITY - COMPANY'S SETTLEMENT OPTIONS: for purposes of this endorsement, the **company's** liability shall not exceed the least of the following on the **date of loss**:

1. The value of the **collateral** as of the **date of loss** as determined by averaging the wholesale and retail values shown in a vehicle pricing guide commonly in use by lenders in the state in which the loan is made, or
2. The **named insured's** unpaid **security agreement** balance as of the **date of loss**, less:
 - any payments more than 120 days past due, and
 - any unearned interest, finance charges and unearned insurance charges; and
 - any late charges or penalties added after the **security agreement** became effective.

ADDITIONAL EXCLUSIONS: is amended by adding the following:

22. resulting from the **named insured's** intentional failure to record or file the instrument with the proper Public Officer or Public Office.
23. occurring after the **collateral** has been repossessed or placed in the possession of **the named insured** or his/her employees or representatives.
24. occurring prior to the effective date of this endorsement.

TERMINATION: IF THIS ENDORSEMENT OR THE POLICY TO WHICH IT IS ATTACHED IS CANCELLED, THE COMPANY'S LIABILITY WITH RESPECT TO ALL OUTSTANDING LOANS WILL AUTOMATICALLY CEASE ON THE EFFECTIVE DATE OF THE CANCELLATION. LOSSES THAT OCCUR AFTER THAT DATE WILL NOT BE COVERED.

All other terms and conditions of the policy remain the same.

AMERICAN SECURITY INSURANCE COMPANY

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Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST PROGRAM BASIC SKIP, CONVERSION AND CONFISCATION COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In return for payment of premium, the **company** will provide coverage for any **loss** sustained by the **named insured** due to **skip, conversion** or **confiscation** of the **collateral** described in the policy.

For the purpose of coverage provided by this endorsement, a **loss** is not deemed to have occurred unless the **named insured** has availed itself of all avenues possible for the recovery of the **collateral**. No coverage exists under this endorsement if the **named insured** is able to locate any **borrower** or the **collateral**.

DEFINITIONS, Items 6., 7., and 10. are deleted and replaced with the following:

6. **Date of Loss** - means the date upon which the **named insured** provides the **company** with notice of a **loss**.
7. **Delinquency Limit** - means the maximum number of days from the date the **security agreement** payment is past due from which the **named insured** must provide the **company** with notice of a **loss** for coverage under this policy to apply.
10. **Loss** - means tangible physical damage, destruction or theft of the **collateral**, including the **skip, conversion** or **confiscation** of the **collateral**.

DEFINITIONS, the following definitions are added:

16. **Skip**- means the inability of the **named insured** to locate a **borrower** or the **collateral**.
17. **Conversion**- means the **borrower** sells, trades or disposes of the entire unit of **collateral** without **your** consent.
18. **Confiscation**- means a governmental body or official lawfully obtains possession of the **collateral**.

EXCLUSIONS, Item 18. is deleted and replaced with the following:

18. caused by or contributed to or consisting of security interest non-filing.

EXCLUSIONS, Item. 20. is added as follows:

20. previously reported to the **company** as a **skip** where any **borrower** or the **collateral** was subsequently located.

CONDITIONS, Item 7. **CONDITIONS PRECEDENT TO LIABILITY**, is amended to include the following:

- g). For **skip** losses, a period of sixty (60) days has elapsed from the time the **company** has received notice of the **loss** to permit the **company** to investigate and locate either the **collateral** or **borrower**.
- h). For **conversion** and **confiscation** losses, a period of ninety (90) days has elapsed from the time the **company** has received notice of the **loss** to permit the **company** to investigate and seek recovery of the **collateral** on the **named insured's** behalf.

TERMINATION: IF THIS ENDORSEMENT OR THE POLICY TO WHICH IT IS ATTACHED IS CANCELLED, THE COMPANY'S LIABILITY WITH RESPECT TO ALL OUTSTANDING LOANS WILL AUTOMATICALLY CEASE ON THE EFFECTIVE DATE OF THE CANCELLATION. LOSSES THAT OCCUR AFTER THAT DATE WILL NOT BE COVERED.

All other terms and conditions of the Policy remain unchanged.

AMERICAN SECURITY INSURANCE COMPANY

Administrative Office: [11222 Quail Roost Drive, Miami, FL 33157-6596 (305) 253-2244]

Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST PROGRAM MODIFIED SKIP, CONVERSION AND CONFISCATION COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In return for payment of premium, the **company** will provide coverage for any **loss** sustained by the **named insured** due to **skip, conversion** or **confiscation** of the **collateral** described in the policy.

For the purpose of coverage provided by this endorsement, a **loss** is not deemed to have occurred unless the **named insured** has availed itself of all avenues possible for the recovery of the **collateral**. No coverage exists under this endorsement if the **named insured** is able to locate any **borrower** or the **collateral**.

DEFINITIONS, Items 6., 7., and 10. are deleted and replaced with the following:

6. **Date of Loss** - means the date upon which the **named insured** provides the **company** with notice of a **loss**.
7. **Delinquency Limit** - means the maximum number of days from the date the **security agreement** payment is past due from which the **named insured** must provide the **company** with notice of a **loss** for coverage under this policy to apply.
10. **Loss** - means tangible physical damage, destruction or theft of the **collateral**, including the **skip, conversion** or **confiscation** of the **collateral**.

DEFINITIONS, the following definitions are added as follows:

16. **Skip**- means the inability of the **named insured** to locate a **borrower** or the **collateral**.
17. **Conversion**- means the **borrower** substantially changes, severely damages or destroys, sells, trades or disposes of the entire unit of **collateral** without **your** consent.
18. **Confiscation**- means a governmental body or official lawfully obtains possession of the **collateral**.

EXCLUSIONS, Item 18. is deleted and replaced with the following:

18. caused by or contributed to or consisting of security interest non-filing.

EXCLUSIONS, Item. 20. is added as follows:

20. previously reported to the **company** as a **skip** where any **borrower** or the **collateral** was subsequently located.

CONDITIONS, Item 7. **CONDITIONS PRECEDENT TO LIABILITY**, is amended to include the following:

- g). For **skip** losses, a period of sixty (60) days has elapsed from the time the **company** has received notice of the **loss** to permit the **company** to investigate and locate either the **collateral** or **borrower**.
- (h). For **conversion** and **confiscation** losses, a period of ninety (90) days has elapsed from the time the **company** has received notice of the **loss** to permit the **company** to investigate and seek recovery of the **collateral** on the **named insured's** behalf.
- (i). For **conversion** losses, the **named insured** has an interest in the **collateral** by virtue of a legally enforceable **security agreement** and the **collateral** was substantially changed, been severely damaged or destroyed or subsequently delivered to a bona fide retail purchaser.

TERMINATION: IF THIS ENDORSEMENT OR THE POLICY TO WHICH IT IS ATTACHED IS CANCELLED, THE COMPANY'S LIABILITY WITH RESPECT TO ALL OUTSTANDING LOANS WILL AUTOMATICALLY CEASE ON THE EFFECTIVE DATE OF THE CANCELLATION. LOSSES THAT OCCUR AFTER THAT DATE WILL NOT BE COVERED.

All other terms and conditions of the Policy remain unchanged.

AMERICAN SECURITY INSURANCE COMPANY

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BLANKET VENDOR SINGLE INTEREST PROGRAM WAIVER OF ACTUAL CASH VALUE SETTLEMENT OPTION ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In return for an additional premium, the **company** agrees that **CONDITIONS**, Item 18. **LIMITS OF LIABILITY**, section b). is deleted if the amount originally financed did not exceed the average retail value of the collateral by more than ____% on the date the **security agreement** was originated.

TERMINATION: IF THIS ENDORSEMENT OR THE POLICY TO WHICH IT IS ATTACHED IS CANCELLED, THE COMPANY'S LIABILITY WITH RESPECT TO ALL OUTSTANDING LOANS WILL AUTOMATICALLY CEASE ON THE EFFECTIVE DATE OF THE CANCELLATION. LOSSES THAT OCCUR AFTER THAT DATE WILL NOT BE COVERED.

All other terms and conditions of the Policy remain the same.

AMERICAN SECURITY INSURANCE COMPANY

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BLANKET VENDOR SINGLE INTEREST PROGRAM EXTENDED LIMIT OF LIABILITY COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In return for payment of premium, it is understood and agreed that:

EXCLUSIONS, Item 19. is deleted in its entirety.

CONDITIONS, Item. 18. **LIMITS OF LIABILITY**, is amended to include the following:

Coverage is extended to any **security agreement**, which, at its inception exceeds the **maximum amount financed** or **maximum security agreement term** as set forth in the policy declarations for any such **collateral**. However, as to the **security agreement**, the **company's** limit of liability will not exceed the lesser of:

1. the **maximum amount financed** as stated in the policy declarations;
2. a percentage of the **security agreement** balance as of the **date of loss**, which percentage shall be determined by dividing the maximum **security agreement** amount for the stated coverage by the amount of the **security agreement** at inception; or
3. the **security agreement** balance on the **date of loss** re-amortized based upon the **maximum security agreement term** specified.

TERMINATION: IF THIS ENDORSEMENT OR THE POLICY TO WHICH IT IS ATTACHED IS CANCELLED, THE COMPANY'S LIABILITY WITH RESPECT TO ALL OUTSTANDING LOANS WILL AUTOMATICALLY CEASE ON THE EFFECTIVE DATE OF THE CANCELLATION. LOSSES THAT OCCUR AFTER THAT DATE WILL NOT BE COVERED.

All other terms and conditions of the policy remain the same.

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Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST PROGRAM EXTENDED LOSS REPORTING PERIOD ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is understood and agreed that only those coverages that were in effect at the time the **security agreement** was originally reported to the **company** and for which a premium was paid, will apply to the claim, subject to the amended conditions in the policy:

DEFINITIONS, Item 16. is added as follows:

16. **Extended Loss Reporting Period** - means that in the event the policy is terminated by expiration, cancellation or nonrenewal, either by the **company** or the **named insured**, the **named insured** may continue to submit a claim for **loss to collateral**, if reported to the **company** and if premium was paid prior to the termination of the policy. The **date of loss** for such claim must be prior to whichever occurs first:
- a). The expiration of the **security agreement**; or
 - b). _____ months from the end of the policy period.

EXCLUSIONS, Item. 1. is deleted in its entirety.

CONDITIONS PRECEDENT TO LIABILITY, Item d. is deleted and replaced with the following:

- d). Both the **loss** and **repossession** occur during the policy period or within the **Extended Loss Reporting Period**.

Subsequent to the termination of this policy, the **named insured** must provide the **company** with a monthly listing of all covered **security agreements** in the portfolio. The following information is required:

- 1). **named insured's** account number;
- 2). **borrower's** name;
- 3). date of **security agreement**;
- 4). description of **collateral**;
- 5). original amount financed;
- 6). term of **security agreement**; and
- 7). current net outstanding balance of the **security agreement**.

No coverage will exist under this policy for any **security agreement** not reported to the **company**.

All other terms and conditions of the policy remain the same.

AMERICAN SECURITY INSURANCE COMPANY

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Home Office: [Atlanta, GA]

BLANKET VENDOR SINGLE INTEREST PROGRAM MANDATORY AMENDATORY ENDORSEMENT ARKANSAS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following **CONDITIONS** have been amended to read as follows:

I. APPRAISAL, is deleted and replaced with the following:

If the **company** fails to agree with the **named insured** on the amount of the **loss**, either party may make a written request for an appraisal of the loss. An appraisal will be made only if both the **named insured** and the **company** agree voluntarily to have the **loss** appraised. The **named insured** and the **company** will select a competent appraiser. The two appraisers will then select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of **loss**. If they do not agree, then each appraiser will submit their differences to the umpire. The **named insured** will pay his/her appraiser and the **company** will pay their appraiser. The **named insured** and the **company** shall each share equally the expense of the umpire. The appraisal decision will not be binding on either party.

II. ARBITRATION is deleted in its entirety.

III. SUIT AGAINST COMPANY, is deleted and replaced with the following:

No suit, action or proceeding for the recovery of any claim under this policy shall be sustainable in any court of law or equity unless the same be commenced within five (5) years after discovery by the **named insured** of the occurrence which gives rise to the claim.

All other terms and conditions of the policy remain the same.

SERFF Tracking Number: ASPX-125322506 *State:* Arkansas
Filing Company: American Security Insurance Company *State Tracking Number:* AR-PC-07-026427
Company Tracking Number: CA AR02182ASF01
TOI: 20.0 Commercial Auto *Sub-TOI:* 20.0003 Other
Product Name: Blanket Vendor Single Interest
Project Name/Number: Blanket Vendor Single Interest/CA AR02182ASF01

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: ASPX-125322506 State: Arkansas
Filing Company: American Security Insurance Company State Tracking Number: AR-PC-07-026427
Company Tracking Number: CA AR02182ASF01
TOI: 20.0 Commercial Auto Sub-TOI: 20.0003 Other
Product Name: Blanket Vendor Single Interest
Project Name/Number: Blanket Vendor Single Interest/CA AR02182ASF01

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 10/24/2007

Comments:

PC Uniform Transmittal form

Attachment:

PC Transmittal.PDF

Satisfied -Name: Form Schedule **Review Status:** Approved 10/24/2007

Comments:

Uniform Form Schedule

Attachment:

Form Schedule.PDF

Satisfied -Name: Cover Letter **Review Status:** Approved 10/24/2007

Comments:

cover Letter

Attachment:

Cover Letter.PDF

Satisfied -Name: Compliance form **Review Status:** Approved 10/24/2007

Comments:

Compliance form

Attachment:

Compliance form.PDF

Satisfied -Name: Filing Form Abstract **Review Status:** Approved 10/24/2007

Comments:

Filing Form Abstract

SERFF Tracking Number: ASPX-125322506 *State:* Arkansas
Filing Company: American Security Insurance Company *State Tracking Number:* AR-PC-07-026427
Company Tracking Number: CA AR02182ASF01
TOI: 20.0 Commercial Auto *Sub-TOI:* 20.0003 Other
Product Name: Blanket Vendor Single Interest
Project Name/Number: Blanket Vendor Single Interest/CA AR02182ASF01

Attachment:

Filing Form Abstract.PDF

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
g. SERFF Filing #:		
h. Subject Codes		

3. Group Name	Assurant, Inc. Group				Group NAIC #	0019
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #		
American Security Insurance Company	DE	42978	581529575			

5. Company Tracking Number	CA AR02182ASF01
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Lori L. Roberge 11222 Quail Roost Drive Miami FL 33157	Sr. Contract Compliance Analyst	800-852-2244 Ext. 33131	305-256-7108	Lori.Roberge@assurant.com
7. Signature of authorized filer				
8. Please print name of authorized filer	Lori L. Roberge			

Filing Information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	20.0 Commercial Auto		
10. Sub-Type of Insurance (Sub-TOI)	20.0003 Other (Physical Damage)		
11. State Specific Product code(s) (if applicable) [See State Specific Requirements]	N/A		
12. Company Program Title (Marketing Title)	Blanket Vendor Single Interest		
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)		
14. Effective Date(s) Requested	New: 12-01-07	Renewal:	
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
16. Reference Organization (if applicable)	N/A		
17. Reference Organization # & Title	N/A		
18. Company's Date of Filing	10-12-07		
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved		

Property & Casualty Transmittal Document

20.	This filing transmittal is part of Company Tracking #	CA AR02182ASF01
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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We are introducing a new program called Blanket Vendor Single Interest. (BVSI) provides single interest coverage on vehicles and other types of similar types of equipment serving as loan collateral. The purpose of this program is to protect the lender against loss or damage to that collateral. The optional endorsements allow the lender to tailor the program to meet their individual portfolio needs.

The Filing Memorandum, Rates and Rule Pages have been submitted under separate cover.

22.	<p>Filing Fees (Filer must provide check # and fee amount if applicable.) [If a state requires you to show how you calculated your filing fees, place that calculation below]</p> <p>Check #: 12148834 Amount: \$50</p> <p>\$50 per form filing</p> <p style="text-align: center;">Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>
------------	--

***Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	CA AR02182ASF01
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2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	N/A
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3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Policy Declarations Page	AS8602DQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
02	Blanket Vendor Single Interest Policy	AS8603PQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
03	General Change Endorsement	AS8604EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
04	Worksheet for Monthly Blanket Rates	R8085-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
05	Repossessed Collateral Coverage Endorsement	AS8606EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
06	Security Instrument Non-Filing Errors and Omissions Coverage	AS8607EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
07	Basic Skip, Conversion and Confiscation Coverage	AS8608EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
08	Modified Skip, Conversion and Confiscation Coverage	AS8616EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
09	Waiver of ACV Settlement Options	AS8609EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
10	Extended Limit of Liability Coverage	AS8619EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
11	Extended Loss Reporting Period Coverage	AS8623EQQ-0905	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A
12	Mandatory Amendatory Endorsement	AS8907EPC-0407	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	N/A	N/A



ASSURANT

American Security
Insurance Company
11222 Quail Roost Drive
Miami, FL 33157-6596
T 305.253.2244 F 305.252.6987

October 12, 2007

www.assurant.com

Ms. Julie Benafield Bowman, Commissioner
Arkansas Department of Insurance
Property and Casualty Division
1200 West Third Street
Little Rock AR, 72201-1904

RE: AMERICAN SECURITY INSURANCE COMPANY
NAIC# 019-42978 FEIN# 58-1529575
LOB: Commercial Auto Physical Damage
Blanket Vendor Single Interest Program
Company Filing Number: CA AR02182ASF1

FORM FILING (Approval)

Declarations Page	AS8602DQQ-0905
Blanket Vendor Single Interest Policy	AS8603PQQ-0905
General Change Endorsement	AS8604EQQ-0905
Mandatory Amendatory Endorsement	AS8907EPC-0407
Worksheet for Monthly Blanket Rates – Per Monthly Outstanding Balance	R8085-0905
Repossessed Collateral Coverage Endorsement	AS8606EQQ-0905
Security Instrument Non-Filing Errors and Omissions Coverage Endorsement	AS8607EQQ-0905
Basic Skip, Conversion and Confiscation Coverage Endorsement	AS8608EQQ-0905
Waiver of Actual Cash Value Settlement Option Coverage Endorsement	AS8609EQQ-0905
Modified Skip, Conversion and Confiscation Coverage Endorsement	AS8616EQQ-0905
Extended Limit of Liability Coverage Endorsement	AS8619EQQ-0905
Extended Loss Reporting Period Coverage Endorsement	AS8623EQQ-0905

Dear Examiner:

American Security Insurance Company would like to introduce its new Blanket Vendor Single Interest (BVS) program for your review and approval. BVS provides single interest coverage on vehicles and other similar types of equipment serving as loan collateral. The purpose of this program is to protect the Lender against loss or damage to that collateral. The optional endorsements allow the Lender to tailor the program to fit their individual portfolio needs.

All forms

The administrative office address has been bracketed. In the event the address for the administrative office changes, we will amend the forms without refiling.

Policy

The signatures of the Secretary and President have been bracketed. In the event a change occurs in the Company in regard to these officer positions, the signature will be revised accordingly without refiling.

Arkansas Insurance Department
Page Two
October 12, 2007

Change Endorsement

The reasons for using the Change Endorsement have been bracketed. In the event the Change Endorsement is needed only the reason specific to the insured will be populated in the bracketed area.

The Actuarial Memorandum, General Rules and State Exception Pages have been submitted under separate cover.

This program is approved in our domicile state.

Our requested effective date is December 1, 2007. Thank you for your time and attention to this filing. Please contact me with any questions at 1-800-852-2244, extension 33131 or via email at Lori.Roberge@assurant.com.

Sincerely,

A handwritten signature in black ink that reads "Lori Roberge". The signature is written in a cursive, flowing style.

Lori Roberge
Sr. Contract Compliance Analyst
State Filings Department
American Security Insurance Company

cc: BVS ARAS_F1

ARKANSAS CERTIFICATE OF COMPLIANCE
(You may print or type the information required by this form)



I, Jacqueline Aguilar, Vice President of
(Name) (Title of Authorized Officer)
American Security Insurance Company
(Name of Insurer)

declare that I am authorized to execute and file this certificate of compliance and do hereby certify that I am knowledgeable of the legal requirements under Arkansas law applicable to the insurance forms that are the subject of this filing and further aver:

1. Upon information and belief, I certify that the insurance forms filed herewith are complete and comply with all Arkansas laws, including the:

- a. Arkansas Code Annotated;
- b. Arkansas Rules and Regulations;
- c. Arkansas Insurance Bulletins, Directives and Orders;
- d. Applicable filing requirements including the applicable product standards set forth in the product checklists; and
- e. Rulings and decisions of any court of this state.

2. I understand and acknowledge that the Commissioner will rely upon this certificate and if it is subsequently determined that any form filed herewith is false or misleading, appropriate corrective action shall be taken by the commissioner against the company.

3. Pursuant to Ark. Code Ann. § 23-79-109(a)(1)(C), I understand that by certifying that a form complies with paragraph 1 hereof, it is not to be taken by the undersigned or by my company as meaning that any insurance effected by use of such form may in any fashion be inconsistent with the statutory and common law of Arkansas.

4. Pursuant to Ark. Code Ann. §23-79-118, I understand and acknowledge that any insurance policy, rider, endorsement or other insurance form filed under this certificate, that is subsequently issued to an insured, and contains any condition or provision not in compliance with the requirements of the laws of the State of Arkansas, as set forth in paragraph 1 hereof, shall be construed and applied in accordance with such condition or provision as would have applied if the policy, rider, endorsement or form had been in full compliance with the law.

Does this Certification apply to all the companies in this filing? *(Yes or No)* ▶ Yes

If "NO", to which companies does this Certification apply?

Company Name(s)	NAIC #

Company Tracking Number ▶ CA AR02182ASF1	
Signature of Authorized Officer ▶	<i>Jacqueline Aguilar</i>
Name of Authorized Officer ▶	Jacqueline Aguilar
Title of Authorized Officer ▶	Vice President
Email address of Authorized Officer ▶	Jacqueline.Aguilar@assurant.com
Telephone # of Authorized Officer ▶	1-800-852-2244, x33100
Date ▶	10-12-07

This form may be computer generated by the company. So long as the wording and general layout is the same, the format may vary. For more information, contact the Property & Casualty Division of the Arkansas Insurance Department at 1200 W 3rd St., Little Rock, AR 72201, telephone: 501-371-2800, or email: information.pnc@state.ar.us

ARKANSAS INSURANCE DEPARTMENT

FORM FILING ABSTRACT

ALL QUESTIONS MUST BE ANSWERED

Page 1 of 2

Companies filing for a group may use a consolidated abstract if all forms are identical.

1. Date Filed October 12, 2007
2. Company Name(s) American Security Insurance Company
Group Name Assurant Inc, Group NAIC No. 42978 Group No. 0019
3. (a) Annual Statement Line of Business Number (Page 14) 20.0
(b) Class of Business Auto
© Coverages Affected Physical Damage
4. (a) Name of Advisory Organization, if any N/A
(b) Affiliations with Advisory Organization: Member () Subscriber ()
5. Is this a reference filing? Yes () No () If yes, please provide the following:
(a) Name of Advisory Organization (or Affiliated Company)
N/A
(b) Date of Filing 10-12-07
© Filing Designation Number or Description CA AR02182ASF1

PROVIDE THE INFORMATION REQUESTED ON PAGE 2 OF THIS FORM

7. Has the form(s) been approved for use in your domiciliary state and/or other states?
Yes
8. Is the form filed in response to or due to legislation? If so, specify legislation.
No
9. Is the form in response to or due to recent court decisions? If so, give citation.
No

THIS INFORMATION IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Signature

Sr. Contract Compliance Analyst

Title

1-800-852-2244, x33131

Telephone Number

Old Form No.	Proposed Effective Date of New Form	New Form No.	Title of the Form(s); also Indicate Withdrawals: Provide Synopsis of Coverage
N/A	December 1, 2007	AS8602DQQ-0905	Policy Declarations Page
N/A	December 1, 2007	AS8603PQQ-0905	Blanket Vendor Single Interest Policy
N/A	December 1, 2007	AS8604EQQ-0905	General Change Endorsement
N/A	December 1, 2007	R8085-0905	Worksheet for Monthly Blanket Rates
N/A	December 1, 2007	AS8606EQQ-0905	Repossessed Collateral Coverage Endorsement
N/A	December 1, 2007	AS8607EQQ-0905	Security Instrument Non-Filing Errors and Omissions Coverage
N/A	December 1, 2007	AS8608EQQ-0905	Basic Skip, Conversion and Confiscation Coverage
N/A	December 1, 2007	AS8616EQQ-0905	Modified Skip, Conversion and Confiscation Coverage
N/A	December 1, 2007	AS8609EQQ-0905	Waiver of ACV Settlement Options
N/A	December 1, 2007	AS8619EQQ-0905	Extended Limit of Liability Coverage
N/A	December 1, 2007	AS8623EQQ-0905	Extended Loss Reporting Period Coverage
N/A	December 1, 2007	AS8907EPC-0407	Mandatory Amendatory Endorsement