Filing at a Glance

Company: 12904 - Tokio Marine & Nichido Fire Insurance Co., Ltd.

Product Name: Inland Marine	SERFF Tr Num: ARKS-125381171	State: Arkansas
TOI: 09.0 Inland Marine	SERFF Status: Closed	State Tr Num: #25982 $100
Sub-TOI: 09.0005 Other Commercial Inland Marine	Co Tr Num: 07-AR-2-CM-29-1	State Status: Fees verified and received
Filing Type: Rule	Co Status:	Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
	Author:	Disposition Date: 12/11/2007
	Date Submitted: 12/07/2007	Disposition Status: Filed
Effective Date Requested (New): On Approval		Effective Date (New): 12/11/2007
Effective Date Requested (Renewal): On Approval		Effective Date (Renewal): 12/11/2007

State Filing Description:

General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 12/11/2007	
State Status Changed: 12/11/2007	Deemer Date:
Corresponding Filing Tracking Number:	

Filing Description:

The Company is filing this GAP Coverage to offer to automobile lenders, automobile lessors and automobile dealers.

Company and Contact

Filing Contact Information

NA NA,
NA
NA, AR 00000

NA@NA.com
(123) 555-4567 [Phone]

Filing Company Information

12904 - Tokio Marine & Nichido Fire Insurance Co., Ltd.	CoCode: 12904	State of Domicile: Arkansas
No Address	Group Code:	Company Type:
City, AR 99999	Group Name:	State ID Number:
(999) 999-9999 ext. [Phone]	FEIN Number: 99-9999999	

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

SERFF Tracking Number:	*ARKS-125381171*	*State:*	*Arkansas*
Filing Company:	*12904 - Tokio Marine & Nichido Fire Insurance Co., Ltd.*	*State Tracking Number:*	*#25982 $100*
Company Tracking Number:	*07-AR-2-CM-29-1*		
TOI:	*09.0 Inland Marine*	*Sub-TOI:*	*09.0005 Other Commercial Inland Marine*
Product Name:	*Inland Marine*		
Project Name/Number:	*/*		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Llyweyia Rawlins	12/11/2007	12/11/2007

SERFF Tracking Number:	*ARKS-125381171*	*State:*	*Arkansas*
Filing Company:	*12904 - Tokio Marine & Nichido Fire Insurance Co., Ltd.*	*State Tracking Number:*	*#25982 $100*
Company Tracking Number:	*07-AR-2-CM-29-1*		
TOI:	*09.0 Inland Marine*	*Sub-TOI:*	*09.0005 Other Commercial Inland Marine*
Product Name:	*Inland Marine*		
Project Name/Number:	*/*		

Disposition

Disposition Date: 12/11/2007

Effective Date (New): 12/11/2007

Effective Date (Renewal): 12/11/2007

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number:	*ARKS-125381171*	*State:*	*Arkansas*
Filing Company:	*12904 - Tokio Marine & Nichido Fire Insurance Co., Ltd.*	*State Tracking Number:*	*#25982 $100*
Company Tracking Number:	*07-AR-2-CM-29-1*		
TOI:	*09.0 Inland Marine*	*Sub-TOI:*	*09.0005 Other Commercial Inland Marine*
Product Name:	*Inland Marine*		
Project Name/Number:	*/*		

Item Type	Item Name	Item Status	Public Access
Supporting Document	ARKS-125381171		No

Rate Information

Rate data does NOT apply to filing.

Supporting Document Schedules

Review Status:

Satisfied -Name: ARKS-125381171 12/11/2007

Comments:

Attachment:

ARKS-125381171.pdf

WESTMONT
ASSOCIATES, INC.

CK# 25982
$100
ARKS-125381M1

LR

RECEIVED
DEC 07 2007
PROPERTY AND CASUALTY DIVISION
ARKANSAS INSURANCE DEPARTMENT

December 6, 2007

The Honorable Julie Benafield-Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201-1904

Attn: Property and Casualty Division

RE **Tokio Marine and Nichido Fire Insurance Co., LTD (U.S. Branch)**
NAIC #3098-12904/FEIN #13-6108722
Guaranteed Auto Protection (GAP) Program
Commercial Inland Marine
Rules Submission
Company Filing Number: 07-AR-2-CM-29-1
Effective Date: Upon Earliest Possible Approval/Acknowledgement

Dear Commissioner Benafield-Bowman:

The captioned companies are filing for your approval their Guaranteed Auto Protection rules submission. Please be advised that this is a new program for the Company and does not replace any previously filed rules. A letter permitting Westmont Associates, Inc. to submit this filing on the company's behalf is enclosed.

The Company is filing this GAP coverage to offer to automobile lenders, automobile lessors and automobile dealers. This coverage will pay the difference between the outstanding loan or lease balance and the actual cash value of a financed or leased vehicle that has been declared a total loss. Enclosed, you will find the rules to be used for this program for your review and approval. Please refer to the attached explanatory memoranda for additional information.

It is out understanding that inland marine rates for this product are considered exempt in your state and therefore we will not be filing rates.

Please note that the forms associated with this filing have been filed under a separate cover letter as filing number 07-AR-3-CM-28-1.

Your early approval of this submission is respectfully requested. Enclosed please find a self-addressed stamped envelope for your convenience in returning the duplicate copy of this filing, evidencing your approval.

Respectfully Submitted,

Sherri Penn
Analyst
sherri@westmontlaw.com

Approved until withdrawn or revoked
DEC 11 2007
Arkansas Insurance Department
By: LK

Enclosures

Cc: M. Nadler
P. Olson

25 Chestnut Street, Suite 105 • Haddonfield, NJ 08033 • phone: (856) 216-0220 • fax: (856) 216-0303

TOKIO MARINE
NICHIDO

Tokio Marine Management, Inc.
U.S. Manager and/or Manager for
Tokio Marine & Nichido Fire
Insurance Co., Ltd. (U.S. Branch)
Trans Pacific Insurance Company
TM Casualty Insurance Company
TNUS Insurance Company

230 Park Avenue
New York, New York 10169
Phone: (212) 297-6600
Main Fax: (212) 297-6062
Claims Fax: (212) 297-6064

MILLEA GROUP

Re: Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch)
NAIC # 3098-12904
FEIN # 13-6108722
Letter of Authorization
Filing of Forms, Rates, and Rules

In accordance with applicable statutes and regulations of your state, Nancy Stepanski, Wesley Pohler, Jennifer Waldron, and Westmont Associates, Inc. are hereby authorized to file rates, rules, and forms on behalf of the Company.

Sincerely,

Pamela J. Olson
Vice President – Corporate Underwriting

Effective January 1, 2006

Property & Casualty Transmittal Document (Revised 1/1/06)

AR

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use Only	
Approved until withdrawn or revoked DEC 11 2007 Arkansas Insurance Department By: LK	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	Group NAIC #
	Millea Group	3098

4.	Company Name(s)	Domicile	NAIC #	FEIN #
	Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch)	NY	12904	13-6108722

5.	Company Tracking Number	07-AR-2-CM-29-1

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Sherri Penn Westmont Associates, Inc.	Analyst	(321) 613-2086	(856) 216-0303	sherri@westmontlaw.com
	25 Chestnut Street, Suite 105 Haddonfield, NJ 08033				
7.	Signature of authorized filer		Sherri Penn		
8.	Please print name of authorized filer		Sherri Penn		

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

9.	Type of Insurance (TOI),	Please select from the drop down list. 9.0 - Commercial Inland Marine
10.	Sub-Type of Insurance (Sub-TOI)	n/a
11.	State Specific Product code(s) (if applicable) [See State Specific Requirements]	n/a
12.	Company Program Title (marketing title)	Guaranteed Auto Protection
13.	Filing Type	☐ Rate/Loss Cost ☒ Rules ☐ Rates/Rules ☐ Forms ☐ Combination Rates/Rules/Forms ☐ Withdrawal ☐ Other:
14.	Effective Date(s) Requested	New 1/15/08 or Upon Earliest Approval Renewal: 1/15/08 or Upon Earliest Approval
15.	Reference Filing?	☐ Yes ☐ (No)
16.	Reference Organization (if applicable)	n/a
17.	Reference Organization # & Title	n/a
18.	Company's Date of Filing	12/5/07
19.	Status of filing in domicile	☒ Not Filed ☐ Pending ☐ Authorized ☐ Disapproved

Q2006 National Association of Insurance Commissioners

Property & Casualty Transmittal Document ---

20.	**This filing transmittal is part of Company Tracking #**	07-AR-2-CM-29-1

21.	**Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

Submission of rules for Company's Guaranteed Auto Protection program.

22.	**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]

Check #: 25982
Amount: $100.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

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

0 2606 National Association of Insurance Commissioners

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	07-AR-2-CM-29-1
2.	**This filing corresponds to form filing number** (Company tracking number of form filing, if applicable)	07-AR-3-CM-28-1

☐ Rate Increase ☐ Rate Decrease ☒ Rate Neutral (0%)

3.	**Filing Method (Prior Approval, File & Use, Flex Band, etc.)**	File and Use

4a. Rate Change by Company (As Proposed)

Company Name	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
TMNF	n/a					

4b. Rate Change by Company (As Accepted) For State Use Only

Company Name	Overall % Rate Impact	Written premium change for this program	S of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a.	**Overall percentage rate impact for this filing**	n/a	
5b.	**Effect of Rate Filing - Written premium change for this program**		
5c.	**Effect of Rate Filing - Number of policyholders affected**		

6.	**Overall percentage of last rate revision**	n/a
7.	**Effective Date of last rate revision**	n/a
8.	**Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)**	n/a

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	Guaranteed Auto Policy (GAP) Exception Pages	☒ New ☐ Replacement ☐ Withdrawn	
02		☐ New ☐ Replacement ☐ Withdrawn	
03		☐ New ☐ Replacement ☐ Withdrawn	
04		☐ New ☐ Replacement ☐ Withdrawn	
05		☐ New ☐ Replacement ☐ Withdrawn	

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TOKIO MARINE AND NICHIDO FIRE INSURANCE COMPANY, LTD (U.S. BRANCH)

FORMS AND RULES

EXPLANATORY MEMORANDUM

GUARANTEED AUTO PROTECTION (GAP)

Enclosed are the forms and rules we propose using to write GAP coverage.

Gap coverage will pay the difference between the outstanding loan or lease balance and the actual cash value (ACV) of a financed or leased vehicle that has been declared a total loss.

In most instances, a financed or leased vehicle depreciates faster than the loan or lease amortization, creating a "gap amount". The gap amount is the difference between the outstanding loan or lease balance and the actual cash value (ACV) of a financed or leased vehicle that has been declared a total loss. Many auto lessors include a waiver of gap amounts with every lease. Auto lenders and some lessors will offer the waiver to their borrower as an option. Therefore, accepting the ACV from the borrower's automobile insurer as full settlement of the loan or lease. Some of these lenders and lessors choose to buy insurance to transfer their liability under the gap waivers. Our Gap coverage is designed to pay for gap amounts which the lender or lessor has waived.

Gap coverage is applicable when a vehicle has been declared a total loss by a primary insurance carrier. If no automobile physical damage coverage is in place for a covered vehicle at the time of the total loss, we will determine the ACV using appropriate ACV valuation methods, calculate the gap amount, and pay the claim.

We shall offer Gap coverage to automobile lenders, automobile lessors, and automobile dealers. A Gap policy will be issued to these insured's. The premium paid by the insured provides coverage for the entire term of the loan or lease. Our insured pays the entire premium and receives all claim payments.

Refunds will be based on the Rule of 78s earning method. This method ties earnings to the expected average loss exposure. We determine that Gap premiums should be earned over the period of exposure to loss at a rate that reflects the increased exposure that exists earlier in the term of the loan or lease.

GAP POLICY DECLARATIONS

GAP Policy Declarations, **(GAP9 05 001 11 07)**, is attached to all policies and includes the following provisions:

a. Named Insured;
b. Named Insured Address;
c. Additional Insured;
d. Additional Insured Address;
e. Effective Date;
f. Expiration Date;
g. Maximum Limit of Liability;
h. The percent of Manufacturer's Suggested Retail Price (MSRP) that will not be paid from a Loss;
i. Premium;
j. Premium Rate;
k. Maximum Primary Carrier Deductible;
l. Maximum Financing Contract Term;
m. Personal Property In The Care, Custody or Control of the Insured;
n. Address of servicing Broker;

This is a mandatory endorsement.

GAP POLICY

GAP Policy, **(GAP9 00 002 11 07)**, will pay the difference between the outstanding loan or lease balance and the actual cash value (ACV) of a financed or leased vehicle that has been declared a total loss.

GAP Policy is attached to all policies and includes the following provisions:

I. Insuring Agreement;
II. Definitions;
III. Exclusions;
IV. Conditions.

GAP Coverage Explanation

Amendatory Clause	*Explanation*
Section I. Insuring Agreement	Indicates that Company will pay the Insured for Loss for each Covered Vehicle subject to Maximum Liability.
Section II - Insured	Defines who is an Insured on the GAP Policy.
Section II – Financing Contract	Defines the contract which represents the financing agreement between the Insured and the Borrower.
Section II – Covered Vehicle	Defines what is considered a Covered Vehicle under the GAP policy.
Section II – Commercial Purposes	Defines how a vehicle is to be considered a Commercial Vehicle under the GAP policy.
Section II – Primary Carrier	Defines the Carrier that provides Physical

	Damage Coverage.
Section II – Constructive Total Loss	Provides options on defining when a Covered Vehicle is considered to be a Total Loss.
Section II – Actual Cash Value	Defines what the Retail Value of a Covered Vehicle is.
Section II – Outstanding Balance	Defined as the monetary amount owed to the Insured by a Borrower but also includes the items that are not considered part of the Outstanding Balance.
Section II – Loss	Defines what is the monetary value of a loss on the GAP policy.
Section II – Past Due Amount	Defines what is considered a past due amount in the Financing Contract.
Section III – Exclusions	Describes what coverages are *not* provided under the GAP policy.
Section IV – Conditions	Provides for various duties that are required to be done by the Company or the Insured.

Endorsement – SECTION IV - CONDITIONS

Condition J., Financing Contract Cancellation, is deleted and replaced by this endorsement (GAP9 12 003 11 07), **this endorsement indicates in the event that a Financing Contract for a Covered Vehicle is cancelled prior to its expiration date, there will be no return premium for that Covered Vehicle.**

This endorsement is an optional attachment.

TOKIO MARINE AND NICHIDO FIRE INSURANCE CO.,LTD (U.S. BRANCH)
COMMERCIAL LINES MANUAL
DIVISON EIGHT- COMMERCIAL INLAND MARINE
EXCEPTION PAGE

GUARANTEED AUTO POLICY (GAP)

ADDITIONAL RULE(S)

A100. ELIGIBILITY CRITERIA

Eligibility:
GAP coverage will be available to automobile lenders, automobile lessors and automobile dealers.

Rules:

1. No Finance Agreement terms in excess of Eighty-Four (84) months are eligible.
2. Vehicles where the Finance Agreement is not in the name of an individual, and primary insurance is other than a private passenger auto are not eligible.
3. No exotic vehicle, discontinued models, kit vehicles or marine equipment (boats, jet-ski, motorcycles, all terrain vehicles.
4. No vehicle where the amount financed exceeds $100,000.
5. Finance Agreements that defer the first payment more than 90 days and/ or have unequal repayment terms.
6. Vehicles over 12,500 pounds Gross Vehicle Weight.

A101. FORMS PORTFOLIO

1. GAP Policy Declarations (GAP9 05 001 11 07)
Rule:
This form will be a mandatory attachment.

2. GAP Policy (GAP9 00 002 11 07)
Rule:
This form will be a mandatory attachment.

3. Endorsement: Section IV - Conditions (GAP9 12 003)

Rule:
This form will be an optional attachment.