

SERFF Tracking Number: IRON-125740355 State: Arkansas
Filing Company: Ironshore Indemnity Inc. State Tracking Number: EFT \$100
Company Tracking Number: CLIP-08-001-R
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2004 Contractual Liability
Product Name: Contractual Liability Insurance Program (CLIP)
Project Name/Number: Submission of CLIP Product/CLIP-08-001

Filing at a Glance

Company: Ironshore Indemnity Inc.

Product Name: Contractual Liability Insurance Program (CLIP) SERFF Tr Num: IRON-125740355 State: Arkansas

TOI: 17.2 Other Liability - Occurrence Only

SERFF Status: Closed

State Tr Num: EFT \$100

Sub-TOI: 17.2004 Contractual Liability

Co Tr Num: CLIP-08-001-R

State Status: Fees verified and received

Filing Type: Rate/Rule

Co Status:

Reviewer(s): Betty Montesi, Edith Roberts

Author: Westmont Associates

Disposition Date: 08/06/2008

Date Submitted: 07/18/2008

Disposition Status: Exempt from Review

Effective Date Requested (New): On Approval

Effective Date (New):

Effective Date Requested (Renewal): On Approval

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Submission of CLIP Product

Status of Filing in Domicile: Pending

Project Number: CLIP-08-001

Domicile Status Comments: Pending in MN

Reference Organization: None

Reference Number: None

Reference Title: None

Advisory Org. Circular: None

Filing Status Changed: 08/06/2008

State Status Changed: 08/06/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Submission of Contractual Liability Insurance Program (CLIP) - new program in AR and countrywide.

Company and Contact

Filing Contact Information

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Wes Pohler, wes@westmontlaw.com
25 Chestnut Street, Ste. 105 (856) 216-0220 [Phone]
Haddonfield, NJ 08033 (856) 216-0303[FAX]

Filing Company Information

Ironshore Indemnity Inc. CoCode: 23647 State of Domicile: Minnesota
55 Broadway, 12th Fl. Group Code: 4509 Company Type: Property & Casualty
New York, NY 10006 Group Name: Ironshore Group State ID Number: 1639
(646) 826-6616 ext. [Phone] FEIN Number: 41-0121640

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Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation: AR Fee - rates
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Ironshore Indemnity Inc.	\$100.00	07/18/2008	21495888

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Edith Roberts	08/06/2008	08/06/2008

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Disposition

Disposition Date: 08/06/2008

Effective Date (New):

Effective Date (Renewal):

Status: Exempt from Review

Comment: Contractual Liability rates/rule exempt from filing under 23-67-206 rate deregulation. "Desk drawer" copy, however, must be on file with the insurer.

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Ironshore Indemnity Inc.	0.000%	\$0	0	\$0	0.000%	0.000%	0.000%

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Cover letter	Accepted for Informational Purposes	Yes
Supporting Document	Letter of Authorization	Accepted for Informational Purposes	Yes
Supporting Document	Filing Memo	Accepted for Informational Purposes	Yes
Rate	CLIP Rates	Accepted for Informational Purposes	Yes

<i>SERFF Tracking Number:</i>	<i>IRON-125740355</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Ironshore Indemnity Inc.</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>CLIP-08-001-R</i>		
<i>TOI:</i>	<i>17.2 Other Liability - Occurrence Only</i>	<i>Sub-TOI:</i>	<i>17.2004 Contractual Liability</i>
<i>Product Name:</i>	<i>Contractual Liability Insurance Program (CLIP)</i>		
<i>Project Name/Number:</i>	<i>Submission of CLIP Product/CLIP-08-001</i>		

Rate Information

Rate data applies to filing.

Filing Method:	File and Use
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	Neutral
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	None

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Ironshore Indemnity Inc.	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

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Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	CLIP Rates	Pages 1 through 3	New	Rates and Rules.IIFS.86.CLIP.R R.CW.00.pdf

IRONSHORE INDEMNITY INC.

CONTRACTUAL LIABILITY INSURANCE – DESIGNATED CONTRACTS COVERAGE **GAP PLUS DEBT CANCELLATION CONTRACTS RATES AND RULES**

A. INDIVIDUAL CONTRACT PRICING – AUTOMOBILES, TRUCKS, VANS

Term of Loan/Lease	Premium	
	Loan	Lease
0 – 36 months		\$52
37 – 48 months		\$69
0 – 60 Months	\$57	
61 – 72 Months	\$126	
73 - 84 Months	\$219	

B. PORTFOLIO CONTRACT PRICING – AUTOMOBILES, TRUCKS, VANS

Determine the Dealer/Lender's loan distribution by term bands (0–60 months, 61-72 months, 73-84 months), then determine the percentage each term band represents to the total (100%). Multiply the Individual Contract Pricing shown above by the percentage each term band represents. The sum of these three amounts results in the Portfolio Contract premium.

Example: Dealer's Loan distribution – 44% of loans are 0 – 60 month terms, 51% of loans are 61 – 72 month terms and 5% of the Dealer's loans are 73 – 84 month terms.

0 – 60 Months - $\$57 \times 44\% = \25.08
61 – 72 Months - $\$126 \times 51\% = \64.26
73 – 84 Months - $\$219 \times 5\% = \10.95

PORTFOLIO CONTRACT PREMIUM - $\$25.08 + \$64.26 + \$10.95 = \100.29 rounded down to \$100

C. REPLACEMENT BENEFIT:

If the Instrument between the Lender and the Purchaser is terminated prior to its stated maturity date and only as a result of a GAP claim to the underlying Vehicle, an additional benefit may be provided to the Insured in the form of a credit to be applied to the down payment if the Insured purchases/finances/leases a replacement Vehicle. There is no cash benefit to the Insured. If elected, add to the total premium.

REPLACEMENT BENEFIT	Premium
\$1000	\$35.00
\$500	\$17.50

D. UNDERWRITING RULES

1. Coverage Period: The policy period will be written for the same time period as the lease or loan agreement on automobiles, trucks and vans up to 84 months on loans and up to 48 months on leases.

2. Non-Transferability: No vehicle may be substituted for the one identified in the Declarations. The insured may neither transfer nor assign coverage under this policy. Also, transfer, assignment or termination of the insured's lease or loan shall result in termination of the Policy (insured request).

a. Termination by reason of the insured's transfer or assignment of the insured's loan or lease agreement, will be effective when it occurs, whether or not the company is aware of the transfer or assignment.

b. The above notwithstanding, if the dealer transfers his interest in the installment sales contract or lease, coverage is not affected solely by the transaction.

3. Cancellation:

- a. If the company cancels, refunds will be calculated on a pro-rata basis.
- b. If the insured cancels within 30 days from the effective date, deduct \$25 minimum earned premium from the refund amount. Calculate all insured request cancellations in accordance with the Rule of 78's.
- c. Coverage also terminates under any of the following conditions and will be considered as insured request:
 - (1) Early lease or loan pay-off
 - (2) Sale or transfer of the vehicle to a new registered owner
 - (3) Date of repossession
 - (4) Payment of a loss under the policy

4. No reinstatement of coverage will be allowed after the cancellation effective date.

5. Maximum Insurable Value of Vehicle is:

VEHICLE	VALUE
AUTOS/TRUCKS/VANS	\$100,000

6. Maximum limit of liability for a covered loss under the policy is:

VEHICLE	LIMIT OF LIABILITY
AUTOS/TRUCKS/VANS	\$50,000

7. Minimum earned premium of \$25.00

8. The company may cancel the master policy in accordance with state rules and regulations, but coverage remains in effect for all designated contracts issued prior to the date of cancellation. GAP Plus Debt Cancellation contracts may be canceled flat if a request to cancel is made within thirty (30) days from the inception date and no claim has occurred or has been reported.

9. There is no charge or premium applicable to the master policy.

10. Maximum Term

The maximum term on Automobile/Trucks/Vans is up to eighty-four (84) months on loans and 48 months on leases.

All other eligible vehicles per lender underwriting practices. Any terms longer than so stated are **REFER TO COMPANY**.

11. Rounding of Premium and Refunds

- a. \$0.49 and less, round downward to the nearest whole dollar
- b. \$0.50 and more, round upward to the nearest whole dollar.

12. Eligibility – the following are eligible for coverage:

- a. private passenger vehicles - private passenger autos, pickups under 10,000 lbs., and vans not used for commercial or racing purposes.

13. The amount of the underlying loan or lease agreement may not exceed one hundred and fifty percent (150%) of the manufacturers suggested retail price for new vehicle loans or leases or actual cash value for used vehicle loans or leases.

14. Allow for **pro rata refund** of unearned premium at cancellation request of insured – **SURCHARGE** 1.15 of final premium.

15. Allow payment of past due payments in thirty day increments up to sixty (60) days total past due. **SURCHARGE** \$14.00 for each thirty day past due period. Maximum charge is \$28.00.

- 16. Cover the physical damage Deductible up to \$1,000.00.
- 17. Rates may be changed with a sixty (60) day notice to the named insured of the master policy.
- 18. Surcharges may be applied in increments of 20% each for:
 - a. High theft area; or
 - b. High depreciation vehicles.

E. SCHEDULE RATING PLAN

The above rates will be modified with the following table to reflect such characteristics of each risk not fully taken into consideration during rate promulgation, subject to a maximum rate deviation of The insured shall be advised in writing in terms sufficiently clear and specific as to the basis for any schedule debit or credit which is applied.
+ or -25%.

CRITERIA FOR RATE MODIFICATION	Range of Modifications Credit or Debit
1. Average Interest Rate or APR Higher than prevailing interest rates (+) Lower than prevailing interest rates (-)	15% to -15%
2. Average Capitalized Cost or Amount Financed High average balance lending (+) Low average balance lending (-)	15% to -15%
3. Average Term of Lease/Loan Contract (applicable to monthly payment plan) Great than Industry Average Less than Industry Average	10% to -10%
4. Down Payment Requirement Higher than average (-) Lower than average (+)	15% to -15%
5. Financing as a Percent of Vehicle Value Over 105% financing 105% or Less financing	15% to -15%
6. Overall Lending Leasing Practices Conservation or Stable Aggressive or Volatile	10% to -10%
7. Mix of Vehicle Models & Geographic Spread Few Model Types and/or Geographic Concentration Variety of Model Types and/or dispersed geographically	10% to -10%

- 1. The rate deviation factor shall be applied to the rates in a multiplicative manner.
- 2. All rate deviations shall be based on evidence that is contained in the file at the time the rate deviation factor is applied.
- 3. The effective date of any rate deviation shall not be any date prior to our receipt of the evidence supporting the rate deviation.
- 4. Any deviation developed under this plan shall be for the term of the policy. If the deviation proves to be inequitable because of materially changed conditions, a new deviation based upon such changed conditions shall be established. The new deviation will apply to all new contracts issued on or after the date of such change.
- 5. The insured shall be advised in writing in terms sufficiently clear and specific as to the basis for any schedule debit or credit which is applied.

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Supporting Document Schedules

Satisfied -Name: Cover letter

Review Status:

Accepted for Informational Purposes 08/06/2008

Comments:

Attached is the cover letter.

Attachment:

AR Rates Cover Letter.pdf

Satisfied -Name: Letter of Authorization

Review Status:

Accepted for Informational Purposes 08/06/2008

Comments:

Attached is the letter of authorization.

Attachment:

LOA. Westmont.pdf

Satisfied -Name: Filing Memo

Review Status:

Accepted for Informational Purposes 08/06/2008

Comments:

Attached is the memo.

Attachment:

CLIP Filing Memorandum 0508.pdf



July 18, 2008

Arkansas Department of Insurance
Property and Casualty Division
Form and Rate Filings Review

RE: **Ironshore Indemnity, Inc.**
NAIC#: 23647/ FEIN#: 41-0121640
Contractual Liability Insurance Product (CLIP)
New Submission –Rate Filing
Company Filing #: CLIP-08-001-R
Effective Date: Upon Earliest Possible Approval

To Whom It May Concern:

Enclosed please find attached Ironshore Indemnity Inc's (the "Company") Contractual Liability Insurance Product (CLIP) submission for your review and approval. This is a new filing and does not replace any rates or rules currently on file in your jurisdiction. A letter permitting Westmont Associates, Inc. to submit this filing on the Company's behalf is enclosed.

The CLIP program being filed by the Company will pay all sums which the insured becomes legally obligated to pay by liability assumed under designated contracts issued by the insured. Attached are the rates and rules that will be used for this program.

The forms that will be used in coordination with the enclosed rates and rules have been filed under separate cover letter as Company filing number CLIP-08-001-F.

Your approval and/or acknowledgement of this submission is respectfully requested. Thank you for your attention to this matter.

Respectfully submitted,

Wesley Pohler

Wesley Pohler
Assistant Vice President
wes@westmontlaw.com

Enclosures

cc: N. Stepanski
A. Cahill



IRONSHORE INDEMNITY INC.

1 Exchange Plaza
(55 Broadway), 12th Floor
New York, NY 10006
tel (646) 826 6600
toll free (877) IRON411
fax (646) 826 6601
www.ironshore.com

December 19, 2007

RE: Ironshore Indemnity Inc.
NAIC#: 23647
FEIN#: 41-0121640
Letter of Authorization
Filing of Forms, Rates and Rules

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

Please direct all correspondence in relation to these filings directly to Mr. Wesley Pohler of Westmont Associates, Inc., 25 Chestnut Street, Suite 105, Haddonfield, NJ 08033. Should you have any questions concerning these filings, please contact Mr. Pohler at (856) 216-0220, fax (856) 216-0303 or by email at Wes@westmontlaw.com

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Mitrovic', is written over a light blue horizontal line.

Michael Mitrovic
Senior Vice President

cc: Peter McKeegan
Andrew Cahill

IRONSHORE INDEMNITY, INC.

CONTRACTUAL LIABILITY INSURANCE POLICY – DESIGNATED CONTRACTS PROGRAM

COUNTRYWIDE FILING MEMORANDUM

This is a new program for our Company that was developed for Financial Institutions and Auto Dealerships to insure the liability of a dealer/lender/lessor in the issuing of a GAP Waiver. This program will be filed countrywide.

GAP WAIVERS/DEBT CANCELLATION CONTRACTS

The purpose of a GAP waiver is to reimburse a portion of the difference between the borrower's/lessee's net outstanding loan balance, and the actual cash value settlement paid by the primary insurance carrier in the event of a total loss. This "gap" can be a sizeable amount since depreciation reduces the value of an automobile at a much faster rate than the loan balance is reduced by monthly payments.

The Named Insured on the Master Policy is: a Financial Institution; Leasing Company; or Auto Dealership. Designated Contracts will be issued to the customers of the Named Insured that enroll to purchase the agreement.

Where allowed and for additional optional premium, a credit of up to \$1,000.00 will be applied to the down payment of a replacement vehicle. An endorsement is included for this option. The option for this coverage is shown on the Declarations page and is explained on the designated contract.

Financial institutions, leasing companies and franchised dealerships of automobiles, trucks and vans are eligible for the program. Dealers other than franchised auto dealers are Refer to Company. Surcharges are built into the program for high theft, certain commercial vehicles, high depreciation type vehicles and increased M.S.R.P.

The program schedule rating plan allows modification based on the lender's:

- Average interest rate;
- Average amount financed;
- Average term of lease/loan contract;
- Down Payment required,
- Financing as percent of vehicle value; and
- Overall Lending/ Leasing Practices,
- Mix Of Vehicle Models & Geographic Spread

The total modification allowed may not exceed + / -25%.

The maximum allowable value is as follows:

VEHICLE	VALUE
AUTOS/ LIGHT TRUCKS/ VANS	\$100,000

The maximum limit of liability is

VEHICLE	LIMIT OF LIABILITY
AUTOS/ LIGHT TRUCKS/ VANS	\$50,000

Cancellation of a GAP waiver is considered a flat cancellation when requested within thirty (30) days of purchase, if no claim has been submitted. Following that, cancellation refunds are calculated based on the Rule of 78s or Pro-Rata. We will refund calculated amounts that exceed \$25.00. In the normal course of business, coverage remains in effect until the maturity date. Early termination may occur due to repossession, transfer of vehicle to a new owner, or payment of a loss.