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JULIANNE M. BOWLER
COMMISSIONER OF INSURANCE

BULLETIN No. 04-09

To: All Companies Writing Credit Life and Credit Accident And Health Insurance

From: Julianne M. Bowler, Commissioner of Insurance Julianne M Bowler

Re: Credit Insurance Sold by Motor Vehicle Dealers

Date: October 1, 2004

Pursuant to M.G.L. c. 175, s 117C (F) (2), I am required to review the combined experience of all insurers for the motor vehicle dealers class of business, and compute the appropriate rates for credit life and credit accident and health insurance sold through automobile dealers, for policies issued or renewed, commencing on January 1, 2005 through December 31, 2007.

The statutory prima facie rates for 2005-2007 for the motor vehicle dealer class of business remain unchanged for credit life and decrease for credit accident and health and are:

1. For credit life insurance, the nominal rates per one thousand dollars of insurance inforce per month shall be forty six cents for single life insurance, and one hundred and sixty percent of said single life insurance rate for joint life insurance, or seventy four cents.

2. For credit accident and health insurance, single premium rates for each one hundred dollars of initial indebtedness shall be forty nine cents per annum for each of the first four years of the term of coverage, thirty five cents per annum for each of the next three years of the term of coverage and eighteen cents per annum for each year of coverage thereafter.

Any questions concerning this bulletin should be directed to Henry Lieberman at (617) 521-7340.