BULLETIN 02- 23a

To: **(Specific name of each insurer) – Mail merger via NAIC #**

Re: Private Passenger Automobile Insurers in Maryland: Use of Credit Scoring
         Models

Date: November 1, 2002

With respect to policies and contracts issued, delivered, or renewed on or after October 1,
2002, Maryland law restricts the use of credit history in the rating of private passenger
automobile insurance policies. The restrictions are codified in § 27-501 of the Insurance
Article.

To maintain an accurate record of the use of credit history by private passenger
automobile insurers, and to ensure compliance with Maryland law, each company is
required to complete and submit the attached form so that it is received by the Maryland
Insurance Administration no later than November 12, 2002.

Questions regarding this Bulletin should be directed to Fred Santiago at (410) 468-2317
or by E-mail at fsantiago@mdinsurance.state.md.us

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Robert J. Becker
Associate Commissioner

PRIVATE PASSENGER AUTOMOBILE INSURANCE POLICIES:
USE OF CREDIT HISTORY

I,_____ a duly authorized officer of
_____**specific insurer name (NAIC mail merge**)__, do hereby verify that the following information is correct and accurate.

( ) **specific insurer name – NAIC mail merge)** does not use credit history in the rating of private passenger automobile policies.

( ) **(specific insurer name – NAIC mail merge)** uses the following credit scoring model(s) in rating private passenger automobile policies and began using those models effective _____ on all policies and contracts issued, delivered or renewed with effective dates of _____ or later. <u>Check all that apply.</u>

Note: If different effective dates apply to different programs, please indicate each program and the effective date of each: _____
_____
_____.

Fair Isaac Credit Based Insurance Score Models

<u>Fair, Isaac / Equifax InScore</u>

( ) a. non-standard auto   InScore 3.0 MD NS 0702
( ) b. standard auto   InScore 3.0 MD SA 0702
( ) c. preferred auto   InScore 3.0 MD PA 0702
( ) d. other   _____

<u>Experian / Fair, Isaac Insurance Score</u>

( ) a. non-standard auto   EFIIS 2.0 MD NS 0602
( ) b. standard auto at minimum limits   EFIIS 2.0 MD SM 0602
( ) c. standard auto greater than minimum limits   EFIIS 2.0 MD SG 0602
( ) d. preferred auto at minimum limits   EFIIS 2.0 MD PM 0602
( ) e. preferred auto greater than minimum limits   EFIIS 2.0 MD PG 0602
( ) f. other   _____

<u>Fair, Isaac / Trans Union Assist</u>

( ) a. non-standard auto   ASSIST 2.0 MD NS 0502
( ) b. standard auto at minimum limits   ASSIST 2.0 MD SM 0502
( ) c. standard auto greater than minimum limits   ASSIST 2.0 MD SG 0502
( ) d. preferred auto at minimum limits   ASSIST 2.0 MD PM 0502
( ) e. preferred auto greater than minimum limits   ASSIST 2.0 MD PG 0502
( ) f. other   _____

ChoicePoint Credit Based Insurance Score Models

( ) a. Attract MD Std. Auto
( ) b. Attract MD Non-Std. Auto
( ) c. other   _____

Propriety Credit Based Insurance Score Models

( ) a.

_____

( ) b.

_____

I understand that the Maryland Insurance Administration will rely upon the information contained in this form. If it is determined that the information contained in this form is false or incorrect, the insurer may be subject to administrative action under Section 4-113 of the Insurance Article, including appropriate penalties.

_____   _____
Signature of Authorized Officer   Date

_____
Title

Attention:

The completed form must be returned to the Maryland Insurance Administration and addressed in the following format:

> Associate Commissioner Robert J. Becker
> PPAIP – Use of Credit History
> Maryland Insurance Administration
> 525 St. Paul Place
> Baltimore, MD 21202-2272
> Facsimile (410) 468-2306

IMPORTANT NOTICE

A new verification form must be completed and submitted to the Maryland Insurance Administration each time scoring models are changed or applied to different programs.