

SERFF Tracking Number: QBEC-127725531 State: Rhode Island
Filing Company: Praetorian Insurance Company State Tracking Number:
Company Tracking Number: PL_11-7205
TOI: 33.0 Other Lines of Business Sub-TOI: 33.0001 Other Personal Lines
Product Name: Home Protection Program
Project Name/Number: /

Filing at a Glance

Company: Praetorian Insurance Company
Product Name: Home Protection Program
TOI: 33.0 Other Lines of Business
Sub-TOI: 33.0001 Other Personal Lines
Filing Type: Form/Rate/Rule

SERFF Tr Num: QBEC-127725531 State: Rhode Island
SERFF Status: Closed-(02) State Tr Num:
Approved
Co Tr Num: PL_11-7205
State Status: (08) Closed -
Approved With Review
Reviewer(s): Candy Casala, CIC,
Debra Stein, Ronald Make,
Augustine Park
Disposition Date: 12/29/2011

Authors: Dennean Robinson,
Virginia Putzu, Kristen Garraffa,
Christopher Montemurro, Joshua
Altman, Jean Vergilio, Elizabeth
Clark, Leticia Corona
Date Submitted: 10/19/2011
Disposition Status: (02) Approved
Effective Date (New):
Effective Date (Renewal):

Effective Date Requested (New): 06/01/2012
Effective Date Requested (Renewal): 06/01/2012

General Information

Project Name: Status of Filing in Domicile: Pending
Project Number: Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 12/29/2011
State Status Changed: 12/29/2011
Created By: Kristen Garraffa
Corresponding Filing Tracking Number: Deemer Date:
Filing Description: Submitted By: Kristen Garraffa
We are filing the new Praetorian Insurance Company HPP program, which includes the forms, rates and rules.

Company and Contact

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Filing Contact Information

Christopher Montemurro, Compliance/Product Christopher.Montemurro@us.qbe.com
 Development Analyst
 88 Pine Street 212-497-9642 [Phone]
 Wall Street Plaza 212-894-7821 [FAX]
 New York, NY 10005

Filing Company Information

Praetorian Insurance Company CoCode: 37257 State of Domicile: Pennsylvania
 88 Pine Street - 16th Floor Group Code: 796 Company Type:
 New York, NY 10005 Group Name: QBE Insurance State ID Number:
 Group
 (212) 422-9888 ext. [Phone] FEIN Number: 36-3030511

Filing Fees

Fee Required? Yes
 Fee Amount: \$40.00
 Retaliatory? No
 Fee Explanation: \$40 for each policy or certificate form in a filing package
 Per Company: Yes

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Praetorian Insurance Company	\$40.00	10/19/2011	52976312

State Specific

This is a rate filing and I have completed the Rate Data fields on the Rate/Rule Schedule (Yes/No).: YES

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
(02) Approved	Candy Casala, CIC	12/29/2011	12/29/2011

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State: Rhode Island
 State Tracking Number:
 Sub-TOI: 33.0001 Other Personal Lines

Disposition

Disposition Date: 12/29/2011
 Effective Date (New):
 Effective Date (Renewal):
 Status: (02) Approved
 Comment:

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

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Actuarial Support- RI Rate Procedural Informational Summary Form required for all New (including startups) and revisions to existing rates		Yes
Supporting Document	Actuarial Support- RI Rate Procedural Informational Summary Form required for all New (including startups) and revisions to existing rates		Yes
Supporting Document	Explanatory Memorandum		Yes
Supporting Document	Nationwide Rate comparison		Yes
Supporting Document	Servicing Fee Support		Yes
Form	Declarations page		Yes
Form	Home Protection Policy		Yes
Rate	HPP RULES/RATES		Yes

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Form Schedule

Schedule Item Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
	Declarations page	22B33-00DE0001-E0711	E0711	Declaration New s/Schedule			22B3300DE0001E0711Declaration.pdf
	Home Protection Policy	22B33-00PL0000-E0711	E0711	Policy/Coverage New Form			22B3300PL0000E0711Policy.pdf

Praetorian Insurance Company

[88 Pine Street, 4th Floor
New York, NY 10005]

[HPP] DECLARATIONS

Policy Period: 12:01 A.M. Standard Time at the Covered Property From: To: [continuous until cancelled]	Agent / Telephone Number:
Named Insured (Herein Called You or Yours) and Mailing Address:	Mortgagee (Named Lender): [Display or N/A] Loan Number:
Covered Property Address if Different From Mailing Address:	Covered Monthly Mortgage Payment: [Display or N/A]

Coverages	Maximum Limits / Descriptions	Premium
Coverage A - Pays Mortgage Payment if Temporarily Uninhabitable	Covered Monthly Mortgage Payment times maximum of 24 months - subject to Policy limitations. Covered Property is unfit for use as a residence.	[\$ /month or N/A]
Coverage B - Pays Incidental Expenses if Temporarily Uninhabitable	10% of Covered Monthly Mortgage Payment times maximum of 3 months - subject to Policy limitations. Covered Property is unfit for use as a residence.	[Included or N/A]
Coverage C - Pays up to Maximum Limit if Permanently Uninhabitable	\$100,000 - Coverage is excess over any other collectible insurance (Payment shall not exceed Unpaid Balance of your mortgage). Covered Property is unfit for use as a residence and cannot be made fit for use as a residence by corrective action.	[Included or N/A]
Coverage D - Deductible Coverage	\$500 per Covered Loss (limited to maximum of two losses in 12 months). Pays the deductible of a Primary Residence insurance Policy covering the Covered Property .	[Included or N/A]
Coverage E – Deductible Reimbursement	[\$250, \$500 or \$1,000] - Reimburse homeowners or renters insurance deductible up to the coverage limit when an actual Covered Loss exceeds the deductible on a first dollar basis.	[\$ /month or N/A]
Coverage F – Disaster Relief	[\$500 per month / 3 months, \$500 per month / 6 months, \$1,000 per month / 3 months, \$1,000 per month / 6 months] – Pays Monthly Benefits while the Primary Residence is being repaired due to a Covered Loss and Uninhabitable for over 30 days.	[\$ /month or N/A]
Coverage G – Emergency Cash	[\$500 or \$1,000] – Pays a lump sum amount when the Primary Residence is Uninhabitable for more than 24 consecutive hours due to a Covered Loss .	[\$ /month or N/A]
Coverage H – Sewer and Drain Backup	[\$500, \$1,000 or \$2,000] – Reimburse, up to coverage limits, the cost of cleaning, repairing or replacing water damage as a result of a Covered Loss .	[\$ /month or N/A]
Total Monthly Premium:		\$ /month
Total Annual Premium:		\$ /year

Endorsements (if applicable):

WARNING: THIS POLICY IS NOT A HOMEOWNERS OR FIRE POLICY AND DOES NOT PROVIDE COVERAGE FOR PHYSICAL LOSS OR DAMAGE TO THE COVERED PROPERTY.

Date Issued: _____ Countersigned By: _____

(Authorized Representative)

Praetorian Insurance Company

[88 Pine Street, 4th Floor
New York, NY 10005]

[HPP] POLICY**DEFINITIONS**

You and **Your** refer to the **Named Insured** shown on the Declarations page.

We, Us and **Our** refer to the Company providing this insurance.

Business Day

Monday through Friday, except for federal or state holidays.

Insured Location

Your Primary Residence, owned or rented by **You**, that is covered by **You** with this insurance Policy and by **Your** homeowner or renter policy, with **Your** name on the Declarations page as the Mailing Address or as the Covered Property Address if different from the Mailing Address.

Monthly Benefit

The amount of benefit paid each month as shown on the Declarations page in the Maximum Limits/Descriptions column.

Named Insured

You, an individual or individuals listed on the Declarations page.

Policy Period

The effective dates of coverage shown on the Declarations page.

Primary Residence

The dwelling unit or house that **You** occupy and where **You** substantially reside, the address of which is shown on the Declarations page as the Mailing Address or as the Covered Property Address if different from the Mailing Address.

Property Damage

Physical injury to, destruction of, or loss of use of **Your Covered Property** resulting from any sudden or accidental occurrence beyond the control of or not intended by **You**, by **Your** immediate family or by other person(s) living in **Your Primary Residence** that physically, adversely and directly affects the habitable condition of **Your Primary Residence**.

Covered Property

1. Property that is covered:
 - a. the premises described in the Declarations page that is occupied by **You** as **Your Primary Residence**.
2. Property that is not covered:
 - a. any mobile home;
 - b. any premises that **You** rent to others or hold for rental.

Covered Monthly Mortgage Payment

The **Covered Monthly Mortgage Payment** means the amount **You** normally pay each month to **Your** mortgage lender including finance charge(s), interest charge(s) and insurance charge(s) scheduled to be paid by **You** after the date of loss. The **Covered Monthly Mortgage Payment** will be determined after the date of loss and limited to the amount shown in the Declarations page under this heading. This amount does not include penalties or other charges not normally included in **Your** monthly mortgage payment, that are incurred by **You** prior to the date of loss.

Covered Loss

For Coverages A, B & D, a **Covered Loss** is when the **Covered Property** becomes **Temporarily Uninhabitable** because of a loss caused by all risks of physical loss. A **Covered Loss** is subject to the Exclusions section of this Policy.

For Coverage C, a **Covered Loss** is when the **Covered Property** becomes **Permanently Uninhabitable** as a result of:

1. Condemnation of the land where **Your** property exists. The condemning of property permanently prohibits rebuilding or reconstruction. The land must be condemned by federal, state or local statutory or common law, ordinance, rule or regulation, or judicial or administrative order or decision; or
2. Movement of the land where **Your** property exists. Such movement of land makes the land permanently unfit for rebuilding or reconstruction. "Unfit" is defined by federal, state or local statutory or common law, ordinance, rule or regulation, or judicial or administrative order or decision.

For Coverage E, F, G & H, a **Covered Loss** is when a **Property Damage** loss is paid under **Your** homeowner or renter insurance policy on **Your Insured Location**.

Unpaid Balance

The **Unpaid Balance** is defined as the total **Unpaid Balance** of **Your** Primary Mortgage after application of other insurance coverage. Payment will not include any unpaid balance on secondary mortgages, home equity loans, and/or other related instruments of credit.

Temporarily Uninhabitable

Temporarily Uninhabitable means that as a result of a **Covered Loss**, **Your Covered Property** is unfit for use as a residence as of the date **Your** mortgage payment is normally due and payable. If any previous month's mortgage payment is already past due on the date of loss, coverage for this payment will not be afforded under this Policy.

Permanently Uninhabitable

Permanently Uninhabitable means that as a result of a **Covered Loss**, **Your Covered Property** is unfit for use as a residence and cannot be made fit for use as a residence by corrective action.

Uninhabitable

Uninhabitable means the **Covered Property** is unfit for use as a residence as determined by **Your** primary homeowner or renter insurance carrier.

INSURING AGREEMENTS

We will provide the insurance described below if designated on the Declarations page in consideration of the payment of premium as also specified on the Declarations page. The following is subject to all of the provisions of this Policy.

COVERAGES

Coverage A: (Applies only if a premium charge is listed for this coverage on the Declarations page.) **We** will reimburse **You Your Covered Monthly Mortgage Payment** as shown on the Declarations page. **We** will pay when a **Covered Loss**, as defined in this Policy, occurs during the **Policy Period**. Payment shall be made each month in which the **Covered Property** is **Temporarily Uninhabitable**. Payment will be subject to the limitations shown under Limits of Liability and Settlement Procedures. The number of payments will not exceed the maximum number of months shown in the Declarations page. Coverage shall be limited to two (2) separate occurrences within a consecutive twelve (12) month period. Coverage shall cease after payment of six (6) consecutive mortgage payments if repair, reconstruction or restoration by a licensed contractor has not begun. Such repair must begin within one hundred and twenty (120) days of the date of the **Covered Loss**. The repair work must also continue on a regular basis (at least 40 hours of construction within each two week period), regardless of the cause of loss.

Coverage B: (Applies only if a premium charge is listed for this coverage on the Declarations page.) **We** will pay an additional 10% of the **Covered Monthly Mortgage Payment**, as shown on the Declarations page, for incidental expenses relating to each **Covered Loss**, as defined in this Policy. Payment under Coverage B is limited to three (3) monthly payments and shall be limited to two separate occurrences within a consecutive twelve (12) month period.

Coverage C: (Applies only if a premium charge is listed for this coverage on the Declarations page.) **We** will pay the **Unpaid Balance** of **Your** mortgage loan up to a maximum amount of \$100,000 if **Your Covered Property** is made **Permanently Uninhabitable** by an event insured under Coverage C.

Coverage D: (Applies only if a premium charge is listed for this coverage on the Declarations page.) **We** will reimburse **You** for a deductible charged to **You** from a primary property insurance policy covering the **Covered Property** up to a maximum limit of \$500 per **Covered Loss**. Payment shall be limited to two separate occurrences within a consecutive twelve (12) month period. **We** will not be liable for any deductible applicable to loss to property other than real property.

Coverage E - Deductible Reimbursement:

(Applies only if a premium charge is listed for this coverage on the Declarations page)

Deductible Reimbursement pays **You** the deductible amount stated on the Declarations page of **Your** homeowner or renter insurance policy up to the maximum limits as shown on the Declarations page when **You** actually receive a payment from **Your** homeowner or renter insurance company for a **Covered Loss** to **Your Insured Location**.

How to file a claim for Deductible Reimbursement:

Call the telephone number appearing on the Declarations page to report **Your** claim within a maximum of 45 days of the date of **Your Covered Loss**. After reporting **Your** claim, **You** will be sent a claim form. Complete the claim form and return it along with a copy of the following:

- Claim form submitted to **Your** homeowner or renter insurance company when **Your Covered Loss** occurred; and
- Declaration page from **Your** homeowner or renter insurance policy; and
- Copy of claim payment check, if any, that **You** received from **Your** homeowner or renter insurance company for **Your Covered Loss**; and
- Explanation from **Your** homeowner or renter insurance company indicating the amount of the deductible that was applicable to **Your** paid claim.

Return **Your** completed claim form and copies of the above requested information to the address shown on the claim form within 90 days of **Your Covered Loss**.

Coverage F - Disaster Relief:

(Applies only if a premium charge is listed for this coverage on the Declarations page)

Disaster Relief pays **You** a **Monthly Benefit** while **Your Primary Residence** is being repaired if **You** are displaced from **Your Primary Residence** for a period in excess of [30] days due to a **Covered Loss** that renders **Your Primary Residence Uninhabitable**. The **Monthly Benefit**, as stated on the Declarations page, is payable each month, beginning with the 30th day **You** are displaced from **Your Primary Residence** due to a **Covered Loss**, until the **Primary Residence** may be occupied.

How to file a claim for Disaster Relief:

Call the telephone number appearing on the Declarations page to report **Your** claim within 45 days after the date **Your Primary Residence** is first determined to be **Uninhabitable**. After reporting **Your** claim, **You** will be sent a claim form. Complete the claim form and return it along with a copy of the following:

- Claim form submitted to **Your** homeowner or renter insurance company when **Your** loss occurred; and
- Declarations page from **Your** homeowner or renter insurance policy; and
- Written Statement from a certified claims adjuster acting on behalf of **Your** homeowner or renter insurance company confirming **Your Primary Residence** is **Uninhabitable**.

Return **Your** completed claim form and copies of the above requested information to the address shown on the claim form within 90 days after the date **Your Primary Residence** is first determined to be **Uninhabitable**.

Coverage G - Emergency Cash (Loss of Use Coverage):

(Applies only if a premium charge is listed for this coverage on the Declarations page)

Emergency Cash pays **You** a benefit when a **Covered Loss** resulting in **Property Damage** at **Your Primary Residence** renders **Your Primary Residence Uninhabitable** for a period in excess of [24] hours.

How to file a claim for Emergency Cash:

Call the telephone number appearing on the Declarations page to report **Your** claim within a maximum of 10 **Business Days** after the date **Your Primary Residence** is first determined to be **Uninhabitable**. After reporting **Your** claim, **You** will be sent a claim form. Complete the claim form and return it along with a copy of the following:

- Claim form submitted to **Your** homeowner or renter insurance company when **Your Covered Loss** occurred; and
- Declarations page from **Your** homeowner or renter insurance policy; and
- Written Statement from a certified claims adjuster acting on behalf of **Your** homeowner or renter insurance company confirming **Your Primary Residence** is **Uninhabitable**.

Return **Your** completed claim form and copies of the above-requested information to the address shown on the claim form within 90 days after the date **Your Primary Residence** is first determined to be **Uninhabitable**.

Coverage H - Sewer and Drain Backup:

(Applies only if a premium charge is listed for this coverage on the Declarations page)

Sewer and Drain Backup reimburses **You**, up to the limit specified on the Declarations page, for the cost of cleaning and/or repairing **Your Primary Residence**, and repairing or replacing damaged items as a result of **Property Damage** from the following event not covered by **Your** homeowners or renters insurance policy:

1. Water Damage, meaning water which backs up through sewers or drains or which overflows from a sump pump.

How to file a claim for Sewer and Drain Back Up:

Call the telephone number appearing on the Declarations page to report **Your** claim within a maximum of 45 days after the date it has been determined that **Your Primary Residence** requires clean up due to an event, as described above. After reporting

Your claim, You will be sent a claim form. Complete the claim form and return it along with a copy of the following:

- Claim form submitted to **Your** homeowner or renter insurance company when **Your** loss occurred; and
- Declarations page from **Your** homeowner or renter insurance policy; and
- Bills or invoices from licensed contractor who effected the clean up; and.
- Written Statement from **Your** homeowner or renter insurance company explaining a denial of a claim submitted under **Your** homeowners or renters policy, where the denial was based on a water damage exclusion, and subject to the limitations and conditions outlined in this Policy.

Return **Your** completed claim form and copies of the above-requested information to the address shown on the claim form within 90 days after the date it has been determined that **Your Primary Residence** requires clean up due to a **Covered Loss**.

EXCLUSIONS

This Policy does not apply:

1. If the **Covered Property** is rendered **Temporarily** or **Permanently Uninhabitable** by:
 - a. An event affecting or causing allergies;
 - b. Constant or intermittent noise;
 - c. Loss caused by an intentional act, meaning any loss arising out of any act committed;
 - (1) by or at **Your** direction, and
 - (2) with the intent to cause a loss or with knowledge that such a loss would occur; or
 - (3) a dishonest act;
 - d. Interference at the **Covered Property** by strikers or any other persons, with the rebuilding, repairing or replacing of the **Covered Property** or with the resumption or continuation of occupancy;
 - e. Freezing of a plumbing, heating or air conditioning system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing while the dwelling is vacant, unoccupied or being constructed unless **You** have used reasonable care to:
 - (1) maintain heat in the building, or
 - (2) shut off the water supply and drain the system and appliances of water;
 - f. Vandalism and malicious mischief, if the dwelling has been vacant for more than thirty (30) consecutive days immediately before the **Covered Loss**;
 - g. Continuous or repeated seepage or leakage of water or steam over a period of time from within a plumbing, heating or air conditioning system or from within a household appliance;
 - h. Wear and tear, deterioration, settling, cracking, shrinking, bulging, or expansion of foundations, walls, floors, roofs or ceilings;
 - i. Birds, vermin, rodents, or insects;
 - j. Animals owned or kept by **You**;
 - k. Fungi, wet or dry rot, viruses, bacteria, or pathogenic organisms. This insurance does not apply to:
 - (1) "Bodily injury", "**Property Damage**", "personal or advertising injury", or "medical payments arising out of , resulting from, caused by, contributed to, attributed to, or in any way related to any fungi, wet or dry rot, viruses, bacteria, or pathogenic organisms;
 - (2) Any cost or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal or any obligation to investigate or assess the presence or effects of any fungi, wet or dry rot, viruses, bacteria, or pathogenic organisms; or
2. Any obligation to share with or repay any person, organization, or entity, related in any way to items a and b of this section. If the **Covered Property** is rendered **Temporarily** or **Permanently Uninhabitable** either directly or indirectly by any of the following then such loss is excluded regardless of any other cause or event contributing at the same time or in any sequence to the loss unless covered under the Coverages section of this Policy and as shown on **Your** Declarations page:
 - a. Ordinance or law; meaning enforcement of any ordinance or law regulating use, construction, repair or demolition of property unless specifically provided under this Policy;
 - b. Neglect; meaning **Your** neglect to use all reasonable means to save and preserve property at and after the time of loss, or when property is endangered;

- c. Power interruption; meaning interruption of power from an off premises source;
 - d. Nuclear hazard; to the extent set forth in the Nuclear Hazard Clause of the General Conditions;
 - e. Water damage, meaning:
 - (1) water which backs up through sewers or drains; or
 - (2) water below the surface of the ground, including water which exerts pressure on, or seeps or leaks through a building, foundation or other structure.
 - f. War; including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by military force or military personnel; destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
3. If loss to **Covered Property** is caused by any of the following. However, any ensuing loss to property not excluded or excepted in this Policy is covered.
- a. Weather conditions. This exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss;
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - (1) planning, zoning, development, surveying, siting;
 - (2) design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) materials used in repair, construction, renovation or remodeling; or
 - (4) maintenance; of part or all of any property whether on or off the **Covered Property**.
4. Except the following additional exclusions apply to Coverage C only:
- a. Loss caused by a condition known by **You** to exist prior to this insurance being placed in force, or that **You** should have known to exist by use of reasonable diligence.
 - b. Governmental activity, which results in:
 - (1) the seizure or destruction of **Covered Property** by any governmental body, including any customs or quarantine action;
 - (2) confiscation or destruction of property by an order of any governmental or public authority, except an order to destroy property to prevent the spread of fire or explosion;
 - c. Loss caused by any peril not listed under Coverage C.

CONDITIONS PRECEDENT TO LIABILITY

We shall have no liability under this Policy unless the following conditions exist at the time of loss:

- 1. **You** have not defaulted in payment of the **Covered Monthly Mortgage Payment** for a period exceeding the grace period provided in the mortgage instrument, or ten (10) days, whichever is less.
- 2. **You** must be able to show proof of **Primary Residence** at the time of loss.
- 3. For Coverage F (Disaster Relief) and Coverage G (Emergency Cash), **We** must verify the condition making the **Primary Residence Uninhabitable**.

LIMITS OF LIABILITY AND SETTLEMENT PROCEDURE

For **Coverage A**, the Company shall:

- 1. Not be liable until a **Covered Loss** has caused damage to the **Covered Property** which causes the **Covered Property** to be **Temporarily Uninhabitable** on the date the **Covered Monthly Mortgage Payment** is due and payable.
- 2. Not be liable for more than two **Covered Losses** that occur within any consecutive twelve (12) month period.
- 3. Pay **You** the **Covered Monthly Mortgage Payment** specified hereunder under Coverage A for a period of twenty-four (24) consecutive months upon receipt of evidence to support a **Covered Loss**, subject to the limitations and conditions outlined in this Policy. If the mortgage instrument under which the **Covered Monthly Mortgage Payments** are made is suspended, paid in full, lapsed or canceled, payment of the **Covered Monthly Mortgage Payment** specified in this Policy shall be made to **You** for a period of up to three (3) consecutive months upon receipt of evidence to support a **Covered Loss**.

Coverage shall not apply if **Your Covered Property** is determined to be **Permanently Uninhabitable**.

For **Coverage B** the Company shall:

1. Be liable only in conjunction with Coverage A loss.
2. Pay 10% of the **Covered Monthly Mortgage Payment** for up to three (3) months.
3. Pay up to two **Covered Losses** within a consecutive twelve (12) month period.

Coverage shall not apply if **Your Covered Property** is determined to be **Permanently Uninhabitable**.

For **Coverage C** the Company shall:

1. Not be liable until a **Covered Loss** has caused damage to the **Covered Property** which causes the **Covered Property** to be **Permanently Uninhabitable**.
2. Pay the lesser of:
 - a. \$100,000; or
 - b. The total **Unpaid Balance** of **Your Mortgage**.

For **Coverage D** the Company shall:

1. Be liable only in conjunction with a Coverage A loss.
2. Pay the lesser of:
 - a. The maximum deductible incurred under **Your** primary property insurance; or,
 - b. \$500.
3. Pay up to two (2) losses under this coverage within a consecutive twelve (12) month period.

For **Coverage E** the Company shall:

1. Not be liable for any **Property Damage** loss under **Your** homeowners or renters insurance policy on **Your Insured Location** that does not exceed the amount of **Your** deductible with **Your** primary insurance carrier.
2. Pay to the **Named Insured** the benefit amount as shown on the Declarations page of this Policy under Deductible Reimbursement upon receipt of evidence to support a **Covered Loss**, subject to the limitations and conditions outlined in this Policy.

For **Coverage F** the Company shall:

1. Pay the **Named Insured** the **Monthly Benefit** amount as shown on the Declarations page of this Policy under Disaster Relief upon receipt of evidence to support a **Covered Loss**, subject to the limitations and conditions outlined in this Policy.
2. Cease to provide coverage pursuant to this Policy once **You** no longer have an insurable interest in the **Covered Property**.

For **Coverage G** the Company shall:

1. Pay to the **Named Insured** the benefit amount as shown on the Declarations page of this Policy under Emergency Cash upon receipt of evidence as required in this Policy and subject to the limitations and conditions outlined in this Policy.

For **Coverage H** the Company shall:

1. Pay to the **Named Insured** the benefit amount as shown on the Declarations page of this Policy under Sewer and Drain Backup upon receipt of evidence of a denial of a claim submitted under **Your** homeowners or renters policy, where the denial was based on a water damage exclusion, and subject to the limitations and conditions outlined in this Policy.

GENERAL CONDITIONS

Your Duties After Covered Loss

In case of a **Covered Loss** **You** must:

1. Give **Us** immediate written notice;
2. Protect the **Covered Property** from further damage, including but not limited to, making responsible and necessary repairs required to protect the **Covered Property**, and keeping an accurate record of such repair costs;

3. Submit to **Us** within ninety (90) days after **Our** request, **Your** signed sworn statement of loss which sets forth:
 - a. the date, time and cause of loss;
 - b. the interest of **You** and all others in the **Covered Property** and all encumbrances on the **Covered Property**;
 - c. other insurance which may cover the loss;
 - d. changes in the title or occupancy of the **Covered Property** during the term of this Policy;
 - e. specifications of any damaged building and detailed estimate(s) for repair of the damage by an authorized adjuster or contractor;
 - f. evidence of loss as required under Coverage or General Conditions of this Policy.

Concealment or Fraud

This entire Policy will be void, whether before or after a loss, if **You** willfully conceal or misrepresent any material fact or circumstance concerning this insurance or the subject thereof or **Your** interest therein, or in case of any fraud or false swearing by **You** relating thereto.

Other Insurance

Coverage A and B—Insurance provided under Coverage A and B is primary insurance (with the exception of other mortgage payment insurance) and will not be pro-rated with any other insurance in the event of a loss.

Coverage C—Insurance provided under Coverage C is excess insurance and will only apply in excess of other collectible insurance. Payment will be subject to the maximum limit payable under this coverage, as named in the Insuring Agreements section of this Policy.

Coverage D—Insurance provided under Coverage D is excess insurance and will only apply in excess of other collectible insurance affording coverage for the deductible of the primary property insurance policy.

Coverages E, F and G (Deductible Reimbursement, Disaster Relief and Emergency Cash) – Insurance provided under Coverages E, F and G is excess insurance and will not be pro-rated with any primary insurance in the event of a **Covered Loss**.

Coverage H (Sewer and Drain Back Up) – Insurance provided under Coverage H is primary insurance and will apply only if there is no coverage provided under any other primary insurance. Accordingly, if other sources of insurance also cover the **Covered Loss**, **We** will pay only **Our** share of the **Covered Loss**. **Our** share of the **Covered Loss** is the proportion that **Our** limit of liability bears to the total of all applicable limits.

Subrogation

You may waive in writing before a **Covered Loss** all rights of recovery against any person. If not waived, **We** may require an assignment of rights of recovery for a loss to the extent that payment is made by **Us**. If an assignment is sought, the person insured shall sign and deliver all related papers and cooperate with **Us** in any reasonable manner.

Suit Against Us

No action shall be brought against **Us**, unless **You** comply with the Policy provisions and **Your** action is started within one (1) year after the date of **Covered Loss**.

Our Right To Recover Payment

1. If **We** make a payment under this Policy and the person to or for whom payment was made has a right to recover damages from another, **We** will be subrogated to that right. That person shall do whatever is necessary to enable **Us** to exercise **Our** rights, and shall do nothing after a **Covered Loss** to prejudice them.
2. If **We** make a payment under this Policy and the person to or for whom payment was made recovers damages from another, that person shall hold in trust for **Us** the proceeds of the recovery and reimburse **Us** the proceeds of the recovery to the extent of **Our** payment.
3. **We** shall recover only the excess after **You** are fully compensated for **Your Covered Loss** under the terms of this Policy.

Continuous Policy Provisions

This Policy will remain in effect continuously unless canceled as provided in this Policy.

Cancellation of Policy

1. **You** may cancel this Policy at any time by returning it to **Us** and by notifying **Us** in writing of the future date cancellation is to take effect.
2. **You** may cancel this Policy for a full refund, provided **We** have not made any claim payments to **You**, within the first 30 days from the date **Your** coverage starts as shown on the Declarations page, by returning it to **Us** or by notifying **Us** in writing. After 30 days, **You** will be refunded a pro-rated amount of unused premium.
3. **We** may cancel this Policy by notifying **You** in writing of the date cancellation takes effect. This cancellation notice may be delivered to **You** or mailed to **You** at **Your** mailing address shown in the Declarations page. Proof of mailing shall be sufficient proof of notice.
 - a. When **You** have not paid the premium, whether payable to **Us** or to **Our** agent or under any finance or credit plan, **We** may cancel at any time by notifying **You** at least 10 days before the date cancellation takes effect.
 - b. When this Policy has been in effect for less than 60 days and is not a renewal with **Us**, **We** may cancel for any reason by notifying **You** in writing at least 10 days before the date cancellation takes effect.
 - c. When this Policy has been in effect for 60 days or more, or at any time if it is a renewal with **Us**, **We** may cancel if there has been a material misrepresentation of fact which if known to **Us** would have caused **Us** not to issue the Policy or if the risk has changed substantially since the Policy was issued. This can be done by notifying **You** in writing at least (30) days before the date cancellation takes effect.
 - d. **We** may cancel for any reason at anniversary by notifying **You** at least thirty (30) days before the date cancellation takes effect.
4. When this Policy is canceled, any premium paid for the period after the date of cancellation will be refunded. Return premium will be determined on a pro rata basis.
5. If the return premium is not refunded with the notice of cancellation or when this Policy is returned to **Us**, **We** will refund it within a reasonable time after the date cancellation takes effect.

Termination

Your insurance will terminate without prior notice on the earliest of the following:

1. The loan shown on the Declarations page is paid in full or refinanced;
2. **You** are no longer legally obligated to repay the loan;
3. **You** no longer have an ownership interest in or rental obligation (insurance interest) for the **Covered Property** shown on the Declarations page;
4. Any premium due from **You** remains unpaid for more than 31 days;
5. **We** receive **Your** request to cancel **Your** coverage;
6. This Policy or the Lender's participation, if applicable, in this Policy ends;
7. The **Covered Property** is not occupied by **You** as a **Primary Residence**.

Liberalization Clause

If **We** adopt any revision which broadens the coverage under this Policy within sixty (60) days prior to the **Policy Period** without additional premium, the broadened coverage will immediately apply to this Policy.

Waiver or Change of Policy Provisions

A waiver or change of any provision of this Policy must be in writing by **Us** to be valid. **Our** request for an appraisal or examination shall not waive any of **Our** rights.

Assignment

Assignment of this Policy shall not be valid unless **We** give **Our** written consent.

Death

If **You** die, **We** insure **Your** legal representatives but only with respect to the property covered under the Policy at the time of death.

Nuclear Hazard Clause

"Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of these. Loss caused by the nuclear hazard shall not be considered loss caused by fire, explosion, or smoke. This Policy does not apply to loss caused directly or indirectly by nuclear hazard. However, direct loss by fire resulting from nuclear hazard is covered.

[Signature]

SECRETARY

[Signature]

PRESIDENT

SERFF Tracking Number: QBEC-127725531
 Filing Company: Praetorian Insurance Company
 Company Tracking Number: PL_11-7205
 TOI: 33.0 Other Lines of Business
 Product Name: Home Protection Program
 Project Name/Number: /

State: Rhode Island
 State Tracking Number:
 Sub-TOI: 33.0001 Other Personal Lines

Rate Information

Rate data applies to filing.

Filing Method: Prior Approval
Rate Change Type: Neutral
Overall Percentage of Last Rate Revision: %
Effective Date of Last Rate Revision:
Filing Method of Last Filing: Not applicable

Company Rate Information

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

SERFF Tracking Number: QBEC-127725531 State: Rhode Island
Filing Company: Praetorian Insurance Company State Tracking Number:
Company Tracking Number: PL_11-7205
TOI: 33.0 Other Lines of Business Sub-TOI: 33.0001 Other Personal Lines
Product Name: Home Protection Program
Project Name/Number: /

Rate/Rule Schedule

Schedule Item	Exhibit Name:	Rule # or Page	Rate Action	Previous State Filing Attachments
Status:		#:		Number:
	HPP RULES/RATES	pages 1 through New 2		HPP Program_Rates_Rules _FINAL.pdf

Praetorian Insurance Company

HPP RULES/RATES

I. RATES:

The Personal Catastrophe Program rates per month / annual term are shown below. The rates apply based on the coverage limits selected.

Descriptions	Monthly
Coverage A – Pays monthly mortgage payment (24 mo. maximum) on the primary mortgage. Including taxes and escrows.	1.25% of the monthly mortgage payment
Coverage B – 10% of monthly primary mortgage payment (3 mo. maximum)	Included
Coverage C – 100,000 or the unpaid balance of the primary loan	Included
Coverage D – Pays up to \$500 deductible coverage	Included
Coverage E – Deductible Reimbursement	Annual Premium
\$250 limit	\$12.12
\$500 limit	\$19.44
\$1000 limit	\$36.36
Coverage F – Disaster Relief	
\$500 per month (3 mo. maximum)	\$39.72
\$500 per month (6 mo. maximum)	\$69.48
\$1000 per month (3 mo. maximum)	\$79.44
\$1000 per month (6 mo. maximum)	\$138.96
Coverage G – Emergency Cash	
\$500 limit	\$7.44
\$1000 limit	\$15.00
Coverage H – Sewer and Drain Backup	
\$500 limit	\$29.04
\$1000 limit	\$55.32
\$2000 limit	\$98.88

II. TERM:

Policies will be issued for an annual term and continuous thereafter until cancelled.

III. ELIGIBILITY:

Must be residential property, not more than two separate household units occupied as insured's primary residence.

IV. PREMIUM REFUNDS:

All cancellation refunds will be computed using the standard daily pro-rata calculations.

V. COVERAGE AND LIMITS

Coverage A – Pays monthly mortgage payment on the primary mortgage if covered property becomes temporarily uninhabitable due to covered loss. Maximum limit is 24 consecutive months (subject to policy limitations).

Coverage B – Pays incidental expenses if covered property becomes temporarily uninhabitable. Pay 10% of monthly primary mortgage payment to a maximum of three months (subject to policy limitations).

Coverage C – Pays the lesser of the coverage amount selected (\$100,000) or the unpaid balance of the primary loan, if covered property becomes permanently uninhabitable as the result of a covered loss (excess over any other collectible insurance).

Coverage D – Deductible Coverage - Pays up to \$500 of the primary property insurance carrier's deductible per covered loss (subject to policy limitations).

Coverage E – Deductible Reimbursement - Reimburse homeowners or renters insurance deductible up to the coverage limit when an actual covered loss exceeds the deductible on a first dollar basis.

Coverage F – Disaster Relief - Pays monthly benefits while the primary residence is being repaired due to a covered loss and uninhabitable for over **30** days.

Coverage G – Emergency Cash - Pays a lump sum amount when the primary residence is uninhabitable over **24** hours due to a covered loss.

Coverage H – Sewer and Drain Backup - Reimburse, up to coverage limits, the cost of cleaning, repairing or replacing water damage as a result of a covered loss.

NOTE: Coverage B and D apply only if there is a covered loss under Coverage A.

VI. INSTALLMENT FEE

A \$3.00 service charge for each premium installment will apply excluding mortgage billed payment plans.

VII. COVERAGE SELECTIONS

Coverage A, E, F, G, and H may be individually selected for the limits shown above. Coverages A, B, C, and D are automatically included when Coverage A is selected.

SERFF Tracking Number: QBEC-127725531 State: Rhode Island
 Filing Company: Praetorian Insurance Company State Tracking Number:
 Company Tracking Number: PL_11-7205
 TOI: 33.0 Other Lines of Business Sub-TOI: 33.0001 Other Personal Lines
 Product Name: Home Protection Program
 Project Name/Number: /

Supporting Document Schedules

Item Status: **Status Date:**

Satisfied - Item: Actuarial Support- RI Rate
 Procedural Informational Summary
 Form required for all New (including startups) and revisions to existing rates

Comments:

Attachments:

HPP Rate Procedural Information Summary -revised.pdf
 Rhode Island SOC.pdf
 Exhibit A - HPP pages 1 and 2.pdf
 Exhibit A - HPP page 3.pdf
 Expenses Projections HPP.pdf
 Form 09-15-1999 Mort Cat rate page.pdf
 Forms, Rates and Rules 09-01-2002 Home Prot rate page.pdf

Item Status: **Status Date:**

Satisfied - Item: Explanatory Memorandum

Comments:

Attachment:

Memorandum_Forms-Rates-Rules RI-rev.pdf

Item Status: **Status Date:**

Satisfied - Item: Nationwide Rate comparison

Comments:

Attachment:

PIC PD Market Comparison Study Exhibit (2).pdf

Item Status: **Status Date:**

SERFF Tracking Number: QBEC-127725531 State: Rhode Island
Filing Company: Praetorian Insurance Company State Tracking Number:
Company Tracking Number: PL_11-7205
TOI: 33.0 Other Lines of Business Sub-TOI: 33.0001 Other Personal Lines
Product Name: Home Protection Program
Project Name/Number: /
Satisfied - Item: Servicing Fee Support

Comments:

Attachment:

Installment_Servicing Fee Support.pdf

STATE OF RHODE ISLAND
 RATE PROCEDURAL INFORMATIONAL SUMMARY FOR ALL NEW
 AND REVISED RATE FILINGS

Insurers must provide a reply to the following interrogatories for all new and revised rate filings in accordance with the instructions provided below. While the insurer may attach/link exhibits to respective interrogatories, referring the Department to other exhibits to "find" information is not proper protocol for form completion. Further, if a question is not applicable, please so indicate and provide the basis for such position. Wherever the word "proposed rate" appears, the requirements also apply to all new or revised rate filings where applicable.

1. Provide a general description of the filing; i.e., list all factors and proposed rates or proposed changes to rates and rating factors. In doing so, include the current and proposed territory base rates for each coverage for which a rate level change is being proposed, the current and proposed territory definitions for each rating territory for which a change in definition is being proposed, and the current and proposed rating factors for each set of rating factors for which a new factor or change is being proposed.
 New Program - See Explanatory Memorandum and Rate Page in original filing.

2. Provide the indicated rate level changes (where applicable), proposed rate level changes, and premium weights using premiums adjusted to current rate level for each coverage (e.g. bodily injury, property damage), subline (e.g. liability, physical damage), and all coverages combined.

<u>Coverage</u>	<u>Indicated Rate Level Change</u>	<u>Proposed Rate Level Change</u>	<u>Weights</u>	<u>Proposed Rate Level Change Components*</u>			
				<u>Base Rate Change</u> (a)	(b)	(c)	(d)
<u>New Program</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>All Coverages Combined</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

*Describe components of proposed change, e.g., class, increased limits, deductibles, age and symbols, territories, policy coverage, rules, etc.

3. Provide actuarially based rate level indications to support the proposed rate or proposed rate level changes by coverage. In so doing, provide the underlying data, assumptions, and derivation of each of the following components of the indications:

- a) premiums adjusted to the current rate level;
New Program - n/a
- b) premium trend;
New Program - n/a
- c) losses and allocated loss adjustment expense (ALAE, which is now referred to as defense and cost containment expense) developed to an ultimate basis including the loss development triangles and the selected loss development factors;
New Program - n/a
- d) losses and ALAE adjusted to reflect prospective cost levels, including selected trend factors;
New Program - n/a
- e) any adjustments made for large, catastrophic, or weather related losses;
New Program - n/a
- f) any adjustments made to reflect the credibility of the experience;
New Program - n/a
- g) expense provisions – Support should include five years of expense history for each expense provision including unallocated loss adjustment expense (ULAE, which is now referred to as claim adjustment service) with an explanation if the expenses underlying the expected loss ratio or expense multiplier vary from the company's historical expenses; recognition should be given to fixed and variable expense components; and
Please see Exhibit A - pages 1-3 and Expense Projections & Comparison exhibit. Exhibit A, pages 1 and 2, have been updated from our QBE Insurance Corporation Homeowners filing from earlier this year. For consistency, we've used the same assumptions and calculations were appropriate. We've adjusted the premium, expense, and loss assumptions, for this new program. Exhibit A, page 3, was copied directly from that filing. The Expense Projections & Comparison exhibit shows 5 years of expense history for Praetorian and compares the expenses to the Balboa Mortgagor Catastrophe and Home Protection Plan programs that we are proposing to copy. Since Praetorian and Balboa have similar expense levels, and they are expected to become more similar as our new program ages, we believe that these are the appropriate rate levels for this new program.
- h) profit & contingency provision – Support should include rationale for the target rate of return (if applicable), and an explanation (including underlying calculations, data, and assumptions) of how investment income was considered. Data used should be the most recent available to the company.
Please see Exhibit A - pages 1-3

4. Provide actuarial support and any other considerations for any proposed factors or proposed changes in rating factors or class definitions; i.e., territory definitions or relativities, class plan definitions or relativities, increased limit factors, deductible factors, discounts, surcharges, etc. Actuarial support should reflect your company's experience. If credit history is utilized in the rating or underwriting process, for homeowner's insurance or personal motor vehicle insurance, the insurer must demonstrate the predictive nature of its insurance scoring process to the Department. Question 5 and 6 enumerates additional filing requirements to support the insurer's use of credit. In addition, a) all motor vehicle filings must include the information requested in Question 15, b) all filings for territory changes must be supported pursuant to Rhode Island Insurance Regulation 62 and c) all property insurance filings must include the information requested in Question 16.

If you are proposing rates, rating factors, discounts/surcharges, class/territory definitions, etc. that are based on those currently in effect in Rhode Island for another insurance company(ies) or rating organization, provide the rates, rating factors, discounts/surcharges, class/territory definitions, etc. of that other company(ies), and explain how you have considered possible differences in coverage offered, underwriting standards, claim practices, expenses, etc. between your company and the referenced company(ies).

The proposed rates are from Balboa Insurance Company's filed and approved Mortgagor Catastrophe and Home Protection Plan programs. The rate pages from those two programs are attached. The coverages offered by the combination of Balboa's two programs is identical to the coverages proposed in this new program. We do not anticipate any differences in claims practices either. A comparison of existing expenses is also attached, and we expect that over time, the long term expenses for this program will become even more similar to Balboa's expenses. Given these considerations, we believe Balboa's current rates are appropriate for our new program.

5. In order to demonstrate the predictive nature of insurance scoring, the insurer must provide an analysis that confirms the statistical correlation between insurance score and loss experience. The analysis should be performed in such a manner that adjusts for any potential distributional biases, such as among states (if multi-state data is used) with different levels of rate adequacy, or among vehicle use risk classes with different levels of rate adequacy. In addition:

a) The source of the data must be identified, e.g., number of years of data; whether the data is by accident year or policy year; whether the data is from Rhode Island or other states; if a sample of states or a sample of risks is used, a description of how the data was collected, including data verification procedures; the percentage of the overall business that is used in the sample; etc.

N/A - Insurance score not used.

b) All data adjustments must be explained and supported, e.g., loss development; adjustments for the effect of large losses; how credibility was considered in the analysis; etc.

N/A - Insurance score not used.

c) The data underlying the analysis must be relatively recent.

N/A - Insurance score not used.

6. Appropriate support for the rates/rating factors that reflect the use of insurance score should include an analysis that supports the appropriateness of each proposed rate/rating factor as opposed to any rate/rating factor. As above, the source of the data must be identified, all data adjustments must be explained and supported, and the data underlying the analysis must be relatively recent. In addition,

a) An explanation must be provided as to how risks with insufficient or no credit history will be treated.

N/A - Insurance score not used.

b) An explanation must be provided as to how risks that refuse to allow access to their credit score will be treated.

N/A - Insurance score not used.

c) The company's timing and procedure for updating credit scores must be provided, e.g., at each renewal; only on the customer's request; etc.

N/A - Insurance score not used.

d) The rationale behind any grouping of credit scores for rating or underwriting purposes must be provided i.e., how the beginning and end points of any ranges of insurance score were selected.

N/A - Insurance score not used.

7. In providing the information in (3), (4), (5) and (6) above:

a) Explain all differences from the ratemaking procedures employed in your last rate filing in Rhode Island.

New Program - n/a

b) Clearly describe or label the type of information used; e.g., calendar year, policy year, or accident year; basic limits or total limits; Rhode Island or countrywide; by coverage or all coverages combined; etc.

New Program - n/a

8. Provide rationale for any proposed rate or proposed rate level change, by coverage or overall, that differs from your indicated change.

New Program - n/a

9. Provide the derivation of the estimated overall premium effect of any proposed rate or proposed changes to a rating factor or definition. Explain how you have considered each of these effects in calculating the overall proposed rate level change.

New Program - n/a

10. Provide any additional information that you feel may be helpful to the Department of Business Regulation in its review of this filing. For example, if the company has undergone changes in its operations that affect its expense provision, then this information should be provided.

N/A

11. Provide the length of time the proposed rates are expected to remain in effect.

The rates will remain in effect for at least one year.

12. Provide a description of the risk that will receive the largest rate increase and a description of the risk that will receive the largest rate decrease as a result of the changes proposed in this filing. Include the amount of the rate change for each risk described.

New Program - n/a

13. Provide an estimate of the number and percent of exposures that will receive a rate increase in excess of 15% due to the changes proposed in this filing.

New Program - n/a

14. Provide a statement signed by an actuary or an officer of the company to certify that the data submitted in the filing is accurate and reliable.

Please see attached SOC.

15. For all motor vehicle filings provide a copy of the relevant pages (and cite the manual page number and rule number) from your company's rating manual that confirm that your company is in compliance with:

a) RI Gen. Laws §27-9-53 & Insurance Regulation 25 (8), Motor Vehicle Insurance Rate Increases Relating to Violations and Accidents.

N/A - Not a Motor Vehicle Filing.

b) RI Gen. Laws §27-9-4, Consideration in Making of Rates: (4)(a)(1)(i), (4)(d), (4)(e), and Section 45-19-17, Operation of Emergency Vehicles – Accidents.

N/A - Not a Motor Vehicle Filing.

c) RI Gen. Laws §27-29-13, Payment of Premium – Cancellation

N/A - Not a Motor Vehicle Filing.

- d) Insurance Regulation 25(5)&(6), Additive and Reductive Amounts for Policy Credits, Regulation 25(7), Chargeable Accident
N/A - Not a Motor Vehicle Filing.
- e) RI Gen. Laws §27-9-7.1, Premium Reduction for Completing a Motor Vehicle Accident Prevention Course
N/A - Not a Motor Vehicle Filing.
- f) RI Gen. Laws §27-9-7.2, Premium Reduction for Anti-theft Devices, and Regulation 84
N/A - Not a Motor Vehicle Filing.
- g) RI Gen. Law §27-9-56, Use of Credit Rating
N/A - Not a Motor Vehicle Filing.
- h) Insurance Regulation 98, Rhode Island Automobile Insurance Plan
N/A - Not a Motor Vehicle Filing.

16. For all property insurance filings provide a copy of the relevant pages (and cite the manual page number and rule number) from your company's rating manual that confirm that your company is in compliance with:

- a) RI Gen. Laws §27-6-53, and Bulletin 2002-16, Use of Credit
N/A - Line 33 Other Personal Lines.
- b) RI Gen. Laws §27-29-4.3, Refusal to Issue or Increased Premium Due to Nonoccupancy.
N/A - Line 33 Other Personal Lines.
- c) RI Gen. Laws §27-29-4(7) (i,ii,iii), Unfair Competition and Practices, and Insurance Bulletin #2003-9 "Underwriting Restriction Based on Age/Location of Property".
N/A - Line 33 Other Personal Lines.
- d) RI Gen. Laws §27-5-3.7 and Insurance Regulation 110, Hurricane Deductibles, triggers and Policyholder Notices
N/A - Line 33 Other Personal Lines.

17. For all Title Insurance Filings, insurers must confirm that it offers a reduced mortgage refinance rate based upon actuarially supported rates, filed and approved for use in RI.

N/A - Not Title Insurance.

as of 4/21/2008

**Rhode Island
Statement of Compliance**

I, Janet Kiger , acting as a duly authorized representative of Praetorian Insurance Company state that the enclosed filing, PL_11-7205 , has been reviewed and, to the best of my knowledge and belief, is in compliance with all applicable Rhode Island laws and regulations now in effect.



**Company Representative
Signature**

**VP, Rate & Form Filing Manager
Title**

**11/01/2011
Date**

**Praetorian Insurance Company
Home Protection Program
Rhode Island**

Calculation of Investment Income and Return on Equity

Steady State Projections

(1) Direct Written Premium	20,000
(2) Direct Earned Premium	20,000
(3) Beginning Unearned Premium Reserves	10,000
(4) Ending Unearned Premium Reserves	10,000
(5) Average Unearned Premium Reserves	10,000
(6) Expense Ratio	36.7%
(7) Investable Unearned Premium Reserves	6,333
(8) Beginning Loss Reserves	5,490
(9) Ending Loss Reserves	5,490
(10) Average Loss Reserves	5,490
(11) Average Total Investable Reserves	11,823
(12) Average Statutory Surplus	11,765
(13) Projected Annual Investment Yield	1.00%
(14) Projected Investment Income on Reserves	118
(15) Projected Investment Income On Surplus	118
(16) Total Projected Investment Income	236
(17) Total Projected Investment Income as Percent of Earned Premium	1.18%
(18) Underwriting Profit Percent	12.19%
(19) Underwriting Profit	2,438
(20) Total Projected Pre-Tax Profit	2,674
(21) Corporate Federal Income Tax Rate	34%
(22) Expected After-Tax Profit	1,765
(23) Expected After-Tax ROE	15%
(24) Target After Tax ROE	15%

The expected average loss reserves are based on an anticipated payout pattern where 66.66% of accident year incurred losses are paid out at 12 months, 90% is paid at 24 months, and 100% is paid at 36 months.

The surplus allocation is based on a direct written premium to surplus ratio of 1.0 to 1.7.

Earned Premium	20,000
Expected Ultimate Losses for year (plus time paid expenses)	12,667
Expected % Paid @ end of year	66.66%
Expected % Unpaid @ end of year	33.34%
Expected Loss & LAE Reserves @ end of year	4,223

**Praetorian Insurance Company
Home Protection Program
Rhode Island**

Calculation of Permissible Loss Ratio

Comm & Brokerage	27.97%
Other Acquisition	2.52%
General Expense	4.56%
Taxes, Licenses & Fees	1.62%
Total Expense	36.67%
Underwriting Profit Less Inv Inc	12.19%
Losses & LAE / L+LAE	51.14%
Underwriting Profit to Yield 15% ROE (no Inv Inc)	13.19%
Investment Income Earned	1.00%
Net Underwriting Profit (after Inv Inc)	12.19%

Selection of Annual Investment Yield

Date	Daily Treasury Yield Curve Rates									
	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	20 Year
1/26/2011	0.15%	0.16%	0.18%	0.27%	0.62%	1.05%	2.03%	2.76%	3.45%	4.34%
1/27/2011	0.13%	0.15%	0.17%	0.25%	0.59%	1.00%	1.98%	2.75%	3.42%	0.04%
1/28/2011	0.13%	0.15%	0.15%	0.24%	0.54%	0.96%	1.92%	2.66%	3.36%	4.26%
1/31/2011	0.15%	0.15%	0.17%	0.26%	0.58%	0.98%	1.95%	2.71%	3.42%	4.33%
Average of the 3 Month Yields					0.15%					
Selected Annual Investment Yield					1.00%					

Data from US Treasury website on daily yield curves as of January 2011.
Our intent is to invest in securities of this type since average claims for this program are expected to be fully paid out within 60-90 days of initial report of loss and policies are 12 months in term.

**Praetorian Insurance Company
Home Protection Program
Rhode Island**

Expense Projections & Comparisons

	Praetorian - Homeowners - Total US						Balboa Mortgagor Cat	Balboa Home Prot Plan
	2006	2007	2008	2009	2010	5-Year Average		
Commissions	0%	0%	0%	22%	32%	28%	25%	35%
Other Acquisition Expenses	0%	0%	0%	3%	2%	3%	5%	
General Expenses	0%	0%	0%	5%	4%	5%	3%	6%
Taxes, Licenses, and Fees	0%	0%	0%	1%	2%	2%	3%	3%
Adjusting and Other Expenses	0%	0%	0%	0%	5%	3%		
Subtotal						40%	36%	44%

For Praetorian Insurance Company:

Commissions and Taxes, Licenses, and Fees are from Page 14.

Other Acquisition Expenses and General Expenses are from the IEE.

Profit and contingencies are assumed to be the same as Balboa.

To improve volume and stability, total US expense ratios are shown for Praetorian.

The long term expenses for this new Praetorian program can be expected to be reasonably similar to Balboa's expenses.

Balboa Insurance Company
Mortgagor Catastrophe Payment Protection Insurance

RULES/RATES

I. RATES:

The rates per month are shown below. The rates apply to the monthly mortgage payment including taxes and escrows.

A. Property Coverage: 1.25% (With \$100,000 Coverage C Limit)

B.	Lump Sum No. of monthly mortgage payments	Mortgage AD Coverage	Joint Mortgage AD Coverage
	24	.14%	.26%
	60	.36%	.64%
	100	.60%	1.07%

II. TERM:

Policies will be issued for an annual term.

III. ELIGIBILITY:

Must be residential property, not more than two separate household units occupied as insured's primary residence.

IV. PREMIUM REFUNDS:

All cancellation refunds will be computed using the standard daily pro rata calculations.

V. COVERAGE AND LIMITS:

Coverage A - Pays monthly mortgage payment if covered property becomes temporarily uninhabitable due to covered loss. Maximum limit is 24 consecutive months (subject to policy limitations).

Coverage B - Pays incidental expenses if covered property becomes temporarily uninhabitable. Pay 10% of monthly mortgage payment to a maximum of three months (subject to policy limitations).

Coverage C - Pays the lesser of the coverage amount selected (\$100,000) or the unpaid balance of the loan, if covered property becomes permanently uninhabitable as the result of a covered loss (excess over any other collectible insurance).

Coverage D - Deductible Coverage, pays up to \$500 of the primary property insurance carrier's deductible per covered loss (subject to policy limitations).

NOTE: Coverage B and D apply only if there is a covered loss under Coverage A.

**BALBOA INSURANCE COMPANY
HOME PROTECTION PLAN INSURANCE
RULES/RATES**

I. RATES:

The rates are shown below. The rates apply based on the coverage limits selected.

Coverage A - Deductible Reimbursement	Annual Premium
\$250 limit	\$12.12
\$500 limit	\$19.44
\$1000 limit	\$36.36
 Coverage B - Disaster Relief	 Annual Premium
\$500 per month (3 mo. maximum)	\$39.72
\$500 per month (6 mo. maximum)	\$69.48
\$1000 per month (3 mo. maximum)	\$79.44
\$1000 per month (6 mo. maximum)	\$138.96
 Coverage C - Emergency Cash	 Annual Premium
\$500	\$7.44
\$1000	\$15.00
 Coverage D - Sewer and Drain Backup	 Annual Premium
\$500 limit	\$29.04
\$1000 limit	\$55.32
\$2000 limit	\$98.88

II. TERM:

Policies will be issued for an annual term.

III. ELIGIBILITY:

Must be the insured's primary residence and occupied by the insured.

IV. PREMIUM REFUNDS:

All cancellation refunds will be calculated using the standard daily pro rata method.

V. COVERAGE AND LIMITS:

Coverage A - DEDUCTIBLE REIMBURSEMENT - Reimburse homeowners or renters insurance deductible up to the coverage limit when an actual covered loss exceeds the deductible on a first dollar basis.

Coverage B - DISASTER RELIEF - Pays monthly benefits while the primary residence is being repaired due to a covered loss and uninhabitable for over 30 days.

Coverage C - EMERGENCY CASH - Pays a lump sum amount when the primary residence is uninhabitable over 24 hours due to a covered loss.

Coverage D - SEWER AND DRAIN BACKUP - Reimburse, up to coverage limits, the cost of cleaning, repairing or replacing water damage as a result of a covered loss.

Explanatory Memorandum

We are filing the new Praetorian Insurance Company HPP program, which includes the forms, rates and rules. The program offers the following coverages:

- Coverage A – Pays monthly mortgage payment
- Coverage B – 10% of monthly primary mortgage payment
- Coverage C – \$100,000 or the unpaid balance of the primary loan
- Coverage D – Pays up to \$500 deductible coverage
- Coverage E – Deductible Reimbursement
- Coverage F – Disaster Relief
- Coverage G – Emergency Cash
- Coverage H – Sewer and Drain Backup

The forms, rates and rules are based off Balboa Insurance Company's previously filed and approved program(s) approved on 09/17/1999 for Mortgage Catastrophe program and on 11/12/2002 for Home Protection program. The proposed rates will be in effect for at least 12 months.

At this time, Praetorian is introducing a new installment / servicing fee of \$3.00. Please refer to the rates/rules manual for additional detail.

PRAETORIAN INSURANCE COMPANY

Personal Disaster Program Nationwide Market Rate Comparison Study

<u>Coverage</u>	<u>Insurer</u>					
	<u>Praetorian*</u>	<u>Assurant-I**</u>	<u>Assurant-II**</u>	<u>Balboa</u>	<u>ACE-CA***</u>	<u>ACE-IN***</u>
Coverage A: Monthly Mortgage Payment up to 24 months	\$315.00	\$425.76	\$425.76	\$315.00	\$302.40	\$340.20
Coverage B: Incidental Expenses pays 10% of monthly mortgage payment	Included	N/A	N/A	Included	N/A	N/A
Coverage C: Unpaid Loan Balance	Included	Included	Included	Included	N/A	N/A
Coverage D: Deductible Coverage	Included	N/A	N/A	Included	N/A	N/A
Coverage E: Deductible Reimbursement	\$36.36	\$60.00	\$24.00	\$36.36	Included	Included
Coverage F: Disaster Relief	\$39.72	N/A	N/A	\$39.72	N/A	N/A
Coverage G: Emergency Cash	\$15.00	Included	Included	\$15.00	\$144.00	\$162.00
Coverage H: Sewer and Drain Backup	\$29.04	N/A	N/A	\$29.04	N/A	N/A
Annual Premium	\$435.12	\$485.76	\$449.76	\$435.12	\$446.40	\$502.20

Notes:

1. This study is comprised of rates from different parts of the country.
2. Rates are based on the following policy specifications: \$300,000 mortgage; \$2,100 monthly payment; \$1,000 deductible; \$500 per month Disaster Relief for 3 months; \$1,000 Emergency Cash; and \$500 Sewer and Drain Backup.
3. (*) New HPP product.
4. (**) Assurant charges a state-varying quarterly rate for its Optional Upgrade Package which includes \$1,000 Emergency Cash, \$1,000 Deductible Reimbursement, and 180-Day Extension of Repair.
5. (***) All Other - Rating Zone 1 used.

HPP Installment / Servicing Fee Breakdown:

Projected Total*	\$ 32,111
Projected count of customer calls*	5,500
Servicing costs to policyholder (includes IT expense, telephone and staffing costs)	\$ 5.84
Selected (per installment)	\$ 3.00

*Projected Counts and Total are on an annual level nationally for the new HPP product next year excluding mortgagee billed pay plans

SERFF Tracking Number: QBEC-127725531 State: Rhode Island
 Filing Company: Praetorian Insurance Company State Tracking Number:
 Company Tracking Number: PL_11-7205
 TOI: 33.0 Other Lines of Business Sub-TOI: 33.0001 Other Personal Lines
 Product Name: Home Protection Program
 Project Name/Number: /

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
10/17/2011	Supporting Document	Actuarial Support- RI Rate Procedural Informational Summary Form required for all New (including startups) and revisions to existing rates	11/01/2011	Rate Procedural Information Summary_TLG.pdf (Superseded)

STATE OF RHODE ISLAND
RATE PROCEDURAL INFORMATIONAL SUMMARY FOR ALL NEW
AND REVISED RATE FILINGS

Insurers must provide a reply to the following interrogatories for all **new** and **revised** rate filings in accordance with the instructions provided below. While the insurer may attach/link exhibits to respective interrogatories, referring the Department to other exhibits to "find" information is not proper protocol for form completion. Further, if a question is not applicable, please so indicate and provide the basis for such position. Wherever the word "proposed rate" appears, the requirements also apply to all new or revised rate filings where applicable.

1. Provide a general description of the filing; i.e., list all factors and proposed rates or proposed changes to rates and rating factors. In doing so, include the current and proposed territory base rates for each coverage for which a rate level change is being proposed, the current and proposed territory definitions for each rating territory for which a change in definition is being proposed, and the current and proposed rating factors for each set of rating factors for which a new factor or change is being proposed.
2. Provide the indicated rate level changes (where applicable), proposed rate level changes, and premium weights using premiums adjusted to current rate level for each coverage (e.g. bodily injury, property damage), subline (e.g. liability, physical damage), and all coverages combined.

Coverage	Indicated Rate Level Change	Proposed Rate Level Change	Weights	Proposed Rate Level Change Components*			
				Base Rate	N/A	N/A	N/A
				Change	N/A	N/A	N/A
				(a)	(b)	(c)	(d)
Other – Personal Lines	New Program	New Program	N/A	N/A	N/A	N/A	N/A
All Coverages							
Combined	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Describe components of proposed change, e.g., class, increased limits, deductibles, age and symbols, territories, policy coverage, rules, etc.

3. Provide actuarially based rate level indications to support the proposed rate or proposed rate level changes by coverage. In so doing, provide the underlying data, assumptions, and derivation of each of the following components of the indications:
 - a) premiums adjusted to the current rate level;
 - b) premium trend;

- c) losses and allocated loss adjustment expense (ALAE, which is now referred to as defense and cost containment expense) developed to an ultimate basis including the loss development triangles and the selected loss development factors;
- d) losses and ALAE adjusted to reflect prospective cost levels, including selected trend factors;
- e) any adjustments made for large, catastrophic, or weather related losses;
- f) any adjustments made to reflect the credibility of the experience;
- g) expense provisions – Support should include five years of expense history for each expense provision including unallocated loss adjustment expense (ULAE, which is now referred to as claim adjustment service) with an explanation if the expenses underlying the expected loss ratio or expense multiplier vary from the company's historical expenses; recognition should be given to fixed and variable expense components; and
- h) profit & contingency provision – Support should include rationale for the target rate of return (if applicable), and an explanation (including underlying calculations, data, and assumptions) of how investment income was considered. Data used should be the most recent available to the company.

4. Provide actuarial support and any other considerations for any proposed factors or proposed changes in rating factors or class definitions; i.e., territory definitions or relativities, class plan definitions or relativities, increased limit factors, deductible factors, discounts, surcharges, etc. Actuarial support should reflect your company's experience. If credit history is utilized in the rating or underwriting process, for homeowner's insurance or personal motor vehicle insurance, the insurer must demonstrate the predictive nature of its insurance scoring process to the Department. Question 5 and 6 enumerates additional filing requirements to support the insurer's use of credit. In addition, a) all motor vehicle filings must include the information requested in Question 15, b) all filings for territory changes must be supported pursuant to Rhode Island Insurance Regulation 62 and c) all property insurance filings must include the information requested in Question 16.

If you are proposing rates, rating factors, discounts/surcharges, class/territory definitions, etc. that are based on those currently in effect in Rhode Island for another insurance company(ies) or rating organization, provide the rates, rating factors, discounts/surcharges, class/territory definitions, etc. of that other company(ies), and explain how you have considered possible differences in coverage offered, underwriting standards, claim practices, expenses, etc. between your company and the referenced company(ies).

5. In order to demonstrate the predictive nature of insurance scoring, the insurer must provide an analysis that confirms the statistical correlation between insurance score and loss experience. The analysis should be performed in such a manner that adjusts for any potential distributional biases, such as among states (if multi-state data is used) with different levels of rate adequacy, or among vehicle use risk classes with different levels of rate adequacy. In addition:

- a) The source of the data must be identified, e.g., number of years of data; whether the data is by accident year or policy year; whether the data is from Rhode Island or other states; if a sample of states or a sample of risks is used, a description of how the data was collected, including data verification procedures; the percentage of the overall business that is used in the sample; etc.

b) All data adjustments must be explained and supported, e.g., loss development; adjustments for the effect of large losses; how credibility was considered in the analysis; etc.

c) The data underlying the analysis must be relatively recent.

6. Appropriate support for the rates/rating factors that reflect the use of insurance score should include an analysis that supports the appropriateness of each proposed rate/rating factor as opposed to any other rate/rating factor. As above, the source of the data must be identified, all data adjustments must be explained and supported, and the data underlying the analysis must be relatively recent. In addition,

a) An explanation must be provided as to how risks with insufficient or no credit history will be treated.

b) An explanation must be provided as to how risks that refuse to allow access to their credit score will be treated.

c) The company's timing and procedure for updating credit scores must be provided, e.g., at each renewal; only on the customer's request; etc.

d) The rationale behind any grouping of credit scores for rating or underwriting purposes must be provided i.e., how the beginning and end points of any ranges of insurance score were selected.

7. In providing the information in (3), (4), (5) and (6) above:

a) Explain all differences from the ratemaking procedures employed in your last rate filing in Rhode Island.

b) Clearly describe or label the type of information used; e.g., calendar year, policy year, or accident year; basic limits or total limits; Rhode Island or countrywide; by coverage or all coverages combined; etc.

8. Provide rationale for any proposed rate or proposed rate level change, by coverage or overall, that differs from your indicated change.

9. Provide the derivation of the estimated overall premium effect of any proposed rate or proposed changes to a rating factor or definition. Explain how you have considered each of these effects in calculating the overall proposed rate level change.

10. Provide any additional information that you feel may be helpful to the Department of Business Regulation in its review of this filing. For example, if the company has undergone changes in its operations that affect its expense provision, then this information should be provided.

11. Provide the length of time the proposed rates are expected to remain in effect.

12. Provide a description of the risk that will receive the largest rate increase and a description of the risk that will receive the largest rate decrease as a result of the changes proposed in this filing. Include the amount of the rate change for each risk described.

13. Provide an estimate of the number and percent of exposures that will receive a rate increase in excess of 15% due to the changes proposed in this filing.

14. Provide a statement signed by an actuary or an officer of the company to certify that the data submitted in the filing is accurate and reliable.

15. For all motor vehicle filings provide a copy of the relevant pages (and cite the manual page number and rule number) from your company's rating manual that confirm that your company is in compliance with:

a) RI Gen. Laws §27-9-53 & Insurance Regulation 25 (8), Motor Vehicle Insurance Rate Increases Relating to Violations and Accidents.

b) RI Gen. Laws §27-9-4, Consideration in Making of Rates: (4)(a)(1)(i), (4)(d), (4)(e), and Section 45-19-17, Operation of Emergency Vehicles – Accidents.

c) RI Gen. Laws §27-29-13, Payment of Premium – Cancellation

d) Insurance Regulation 25(5)&(6), Additive and Reductive Amounts for Policy Credits, Regulation 25(7), Chargeable Accident

e) RI Gen. Laws §27-9-7.1, Premium Reduction for Completing a Motor Vehicle Accident Prevention Course

f) RI Gen. Laws §27-9-7.2, Premium Reduction for Anti-theft Devices, and Regulation 84

g) RI Gen. Laws §27-9-56, Use of Credit Rating

h) Insurance Regulation 98, Rhode Island Automobile Insurance Plan

16. For all property insurance filings provide a copy of the relevant pages (and cite the manual page number and rule number) from your company's rating manual that confirm that your company is in compliance with:

a) RI Gen. Laws §27-6-53, and Bulletin 2002-16, Use of Credit

b) RI Gen. Laws §27-29-4.3, Refusal to Issue or Increased Premium Due to Nonoccupancy.

c) RI Gen. Laws §27-29-4(7) (i,ii,iii), Unfair Competition and Practices, and Insurance Bulletin #2003-9 "Underwriting Restriction Based on Age/Location of Property".

d) RI Gen. Laws §27-5-3.7 and Insurance Regulation 110, Hurricane Deductibles, triggers and Policyholder Notices

17. For all Title Insurance Filings, insurers must confirm that it offers a reduced mortgage refinance rate based upon actuarially supported rates, filed and approved for use in RI.

as of 4/21/2008