Property & Casualty Market Conduct Annual Statement

Lender-Placed Data Call & Definitions

Lines of Business: Lender-Placed Auto and Lender-Placed Homeowners

Reporting Period: January 1, 2024 through December 31, 2024

Filing Deadline: April 30, 2025

Contact Information

MCAS Administrator	The person responsible for assigning who may view and input company data.
MCAS Contact	The person most knowledgeable about the submitted MCAS data. This person can be the same as the MCAS Administrator.
MCAS Attestors	The person who attests to the completeness and accuracy of the MCAS data.

Schedule 1—Interrogatories

ID	Description	Comment
1-01	Were there policies/certificates in-force during the reporting period that provided single-interest lender-placed auto coverage?	Yes/No
1-02	If Yes, enter the percentage of all lender-placed auto policies/certificates issued during the period which were single-interest lender-placed auto.	Comment
1-03	Were there policies/certificates in-force during the reporting period that provided dual-interest lender-placed auto coverage?	Yes/No
1-04	If Yes, enter the percentage of all lender-placed auto policies/certificates issued during the period which were dual-interest lender-placed auto.	Comment
1-05	Were there policies/certificates in-force during the reporting period that provided single-interest lender-placed homeowners hazard coverage?	Yes/No
1-06	If Yes, enter the percentage of all lender-placed homeowners hazard policies/certificates issued during the period which were single-interest lender-placed homeowners hazard.	Percentage
1-07	Were there policies/certificates in-force during the reporting period that provided dual-interest lender-placed homeowners hazard coverage?	Yes/No
1-08	If Yes, enter the percentage of all lender-placed homeowners hazard policies/certificates issued during the period which were dual-interest lender-placed homeowners hazard.	Percentage

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1-09	Were there policies/certificates in-force during the reporting period that provided single-interest lender-placed homeowners flood coverage?	Yes/No
1-10	If Yes, enter the percentage of all lender-placed homeowners flood policies/certificates issued during the period which were single-interest lender-placed homeowners flood.	Percentage
1-11	Were there policies/certificates in-force during the reporting period that provided dual-interest lender-placed homeowners flood coverage?	Yes/No
1-12	If Yes, enter the percentage of all lender-placed homeowners flood policies/certificates issued during the period which were dual-interest lender-placed homeowners flood.	Percentage
1-13	Were there policies/certificates in-force during the reporting period that provided single-interest lender-placed homeowners wind-only coverage?	Yes/No
1-14	If Yes, enter the percentage of all lender-placed homeowners wind-only policies/certificates issued during the period which were single-interest lender-placed homeowners wind-only.	Percentage
1-15	Were there policies/certificates in-force during the reporting period that provided dual-interest lender-placed homeowners wind-only coverage?	Yes/No
1-16	If Yes, enter the percentage of all lender-placed homeowners wind-only policies/certificates issued during the period which were dual-interest lender-placed homeowners wind-only.	Percentage
1-17	Were there policies-in-force during the reporting period that provided blanket vendor single interest auto (vehicle) coverage?	Yes/No
1-18	Were there policies-in-force during the reporting period that provided blanket vendor single interest home (residential property) coverage?	Yes/No
1-19	Was the company still actively writing policies/certificates in the state at year end?	Yes/No
1-20	Has the company had a significant event/business strategy that would affect data for this reporting period?	Yes/No
1-21	If yes, add additional comments	Comment

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1-22	Has this block of business or part of this block of business been sold, closed or moved to another company during the year?	Yes/No
1-23	If yes, add additional comments	Comment
1-24	How does the company treat subsequent supplemental payments on previously closed claims (or additional payments on a previously reported claim)? For example: Re-open original claim/open new claim	Comment
1-25	Does the company require third parties it contracts with to forward insurance-related complaints to the company so the company may report the complaints in its complaints logs?	Yes/No
1-26	Add additional comment if desired	Comment
1-27	Does the company monitor third parties it contracts with to ensure insurance complaints are forwarded to the company?	Yes/No
1-28	Add additional comment if desired	Comment
1-29	Claims Comments	Comment (if necessary)
1-30	Underwriting Comments	Comment (if necessary)

Coverages

Single-Interest Lender-Placed Auto
Dual-Interest Lender-Placed Auto
Single-Interest Lender-Placed Homeowners Hazard
Dual-Interest Lender-Placed Homeowners Hazard
Single-Interest Lender-Placed Homeowners Flood
Dual-Interest Lender-Placed Homeowners Flood
Single-Interest Lender-Placed Homeowners Wind-Only
Dual-Interest Lender-Placed Homeowners Wind-Only
Blanket Vendor Single-Interest Auto (Vehicle)
Blanket Vendor Single-Interest Home (Residential Property)

Schedule 2—Lender-Placed Auto and Homeowners and Lender-Placed Blanket Vendor Single-Interest Auto and Home Claims Activity, Counts Reported by Claimant, by Coverage

Report the number of reserves/lines/features opened for each coverage part per claim.

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ID	Description
2-31	Number of claims open at the beginning of the period
2-32	Number of claims opened during the period
2-33	Number of claims closed during the period, with payment
2-34	Number of claims closed during the period, without payment
2-35	Number of claims remaining open at the end of the period
2-36	Number of claims closed with payment within 0-30 days
2-37	Number of claims closed with payment within 31-60 days
2-38	Number of claims closed with payment within 61-90 days
2-39	Number of claims closed with payment within 91-180 days
2-40	Number of claims closed with payment within 181-365 days
2-41	Number of claims closed with payment beyond 365 days
2-42	Number of claims closed without payment within 0-30 days
2-43	Number of claims closed without payment within 31-60 days
2-44	Number of claims closed without payment within 61-90 days
2-45	Number of claims closed without payment within 91-180 days
2-46	Number of claims closed without payment within 181-365 days
2-47	Number of claims closed without payment beyond 365 days
2-48	Median days to final payment
2-49	Number of suits open at beginning of the period
2-50	Number of suits opened during the period
2-51	Number of suits closed during the period
2-52	Number of suits closed during the period with consideration for the borrower
2-53	Number of suits open at end of the period

Schedule 3—Lender-Placed Auto and Home Underwriting Elements

ID	Description
3-54	Number of master policies in-force at beginning of the period
3-55	Number of master policies added during the period
3-56	Number of master policies canceled for any reason during the period
3-57	Number of master policies in-force at the end of the period
3-58	Number of certificates in-force at the beginning of the period
3-59	Number of certificates written during the period
3-60	Number of certificates in-force at the end of the period

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3-61	Number of certificates flat-cancelled during the period
3-62	Number of certificates cancelled for reasons other than flat cancellations during the
3-63	Number of flat cancellations on certificates within 45 days of placement
3-64	Number of flat cancellations on certificates within 45-90 days of placement
3-65	Number of flat cancellations on certificates after 90 days from placement
3-66	Number of individual policies in-force at the beginning of the period
3-67	Number of individual policies written during the period
3-68	Number of individual policies in-force at the end of the period
3-69	Number of individual policies cancelled for reasons other than flat cancellations during
3-70	Number of individual policies flat-cancelled during the period
3-71	Number of flat cancellations on individual policies within 45 days of placement
3-72	Number of flat cancellations on individual policies within 45-90 days of placement
3-73	Number of flat cancellations on individual policies after 90 days from placement
3-74	Average gross placement rate during period
3-75	Dollar amount of gross written premium during the period
3-76	Dollar amount of net written premium during the period
3-77	Net written premium during period for policies/certificates for which no separate
3-78	Dollar amount of premium earned during the period
3-79	Dollars of claims paid during the period
3-80	Dollars of claims incurred during the period
3-81	Number of complaints received directly from the DOI
3-82	Number of complaints received directly from any person or entity other than the DOI

Schedule 3—Blanket Vendor Single-Interest Auto and Home Underwriting Elements

ID	Description
3-54	Number of master policies in-force at beginning of the period
3-55	Number of master policies added during the period
3-56	Number of master policies canceled for any reason during the period
3-57	Number of master policies in-force at the end of the period
3-75	Dollar amount of gross written premium during the period
3-76	Dollar amount of net written premium during the period
3-77	Net written premium during period for policies/certificates for which no separate charge is made to the borrower

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3-78	Dollar amount of premium earned during the period
3-79	Dollar of claims paid during the period
3-80	Dollars of claims incurred during the period
3-81	Number of complaints received directly from the DOI
3-82	Number of complaints received directly from any person or entity other than the DOI

Schedule 4—Lender-Placed Attestation

By completing the attestation information, those named understand, agree and certify on behalf of the named company that:

1. They are authorized to submit the Market Conduct Annual Statement on behalf of the named company and to bind the company to the statements in this attestation;
2. They are knowledgeable of the information required to be provided in the Market Conduct Annual Statement filed by this company and have reviewed this filing;
3. To the best of their knowledge and belief, this filing represents a full and accurate statement of the information required to be provided in the Market Conduct Annual Statement pursuant to the applicable instructions; and
4. They are aware that the state insurance department(s) receiving the data may initiate regulatory action as authorized by law in a specific jurisdiction if the data submitted in the MCAS is inaccurate, incomplete, or found to be materially false, misleading or omissive.
5. They affirm that the company is able to accurately trace the data as reported to its source within the company and if necessary, recreate the MCAS results as reported in this filing.

NOTE: The company must provide the name for at least two individuals who are able to attest that the criteria listed above have been met, and attest to the overall accuracy of the MCAS filing. Both attestors should have participated in the review and validation of the filing. We recommend that one person be the individual with operational responsibility for the source data such as a responsible individual from claims, underwriting or compliance. We recommend that the second person should be a responsible IT person that participated in the creation of the data in the filing.

ID	Description
4-83	First Attestor Information (First Name, Middle Name, Last Name, Suffix, Title)
4-84	Second Attestor Information (First Name, Middle Name, Last Name, Suffix, Title)
4-85	Overall Comments for the Period

Participation Requirements: All companies licensed and reporting at least $50,000 of lender-placed auto, $50,000 of lender-placed homeowners (hazard, wind-only, and flood collectively), or $50,000 of blanket vendor single-interest auto and home gross premium within any of the participating MCAS jurisdictions. (This threshold is subject to individual jurisdiction requirements.)

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Definitions:

Lender-placed insurance has the same meaning as "Creditor-placed insurance" to be reported in the Credit Insurance Experience Exhibit (CIEE) of the Statutory Annual Statement. Lender-placed insurance means insurance that is purchased unilaterally by the creditor, who is the named insured, subsequent to the date of the credit transaction, providing coverage against loss, expense or damage to the property as a result of fire, theft, collision or other risk of loss that would either impair a creditor's interest or adversely affect the value of collateral.

Except for data element "Net premium written during period for policies/certificates for which no separate charge is made to the borrower," report experience for lender-placed insurance products for which a separate charge is made to the borrower regardless of whether the charge to the borrower is made at loan origination, periodically while the loan is outstanding or following issuance of coverage under the master policy.

Lender-placed auto has the same meaning as "creditor-placed auto" to be reported in the CIEE. Lender-placed auto means lender-placed insurance on autos, boats or other vehicles.

Lender-placed homeowners has the same means as "creditor-placed homeowners" to be reported in the CIEE. Lender-placed homeowners means lender-placed insurance on homes, mobile homes and other real estate.

In determining what business to report for a particular state, unless otherwise indicated in these instructions, all companies should follow the same methodology/definitions used to file the CIEE. Specifically, the business to be reported is the direct business of the reporting company. Reinsurance ceded is not deducted and reinsurance assumed is not included.

Lender-placed homeowners hazard means that portion of lender-placed homeowners required to be reported in the CIEE covering perils other than flood or wind-only (in those states in which insurers may exclude wind coverage).

Lender-placed homeowners flood means that portion of lender-placed homeowners required to be reported in the CIEE covering the peril of flood only.

Lender-placed wind-only means that portion of lender-placed homeowners required to be reported in the CIEE covering the peril of wind only.

Lender-placed blanket vendor means that portion of lender-placed

Single-interest means insurance that protects only the creditor's interest in the collateral securing the debtor's credit.

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Dual-interest means insurance that protects the creditor's and the debtor's interest in the collateral securing the debtor's credit transaction. Dual-interest includes insurance commonly referred to as limited dual-interest.

Blanket Vendor Single-Interest (VSI), for purposes of reporting experience in this Lender-Placed MCAS, means coverage issued to a lender or servicer to protect a lender's interest and which:

- Is provided through a blanket policy covering eligible collateral securing loans in the lender/servicer's portfolio
- Premium charges to the lender/servicer are based on aggregate exposures insured as opposed to any characteristics specific to any individual vehicle or property;
- No individual certificates or policies are issued to borrowers
- Has no ongoing tracking of insurance on borrower's loans; and
- If there is a charge to the borrower at loan origination, the same charge is made for all borrowers with eligible collateral regardless of insurance status.

Blanket VSI Auto experience and Blanket VSI Home experience is reported separately from Single-Interest Auto, Dual-Interest Auto, Single-Interest Home, and Dual-Interest Home.

Average Gross Placement Rate – The total number of coverages placed before cancellations during the reporting period divided by the average number of exposures during the reporting period. Average number of exposures means the average number of vehicles covered by Lender Placed Auto policies or average number of properties covered by Lender Placed Home policies during the reporting period.

Cancellations – Includes all cancellations of the policies/certificates where the cancellation was executed during the reporting year regardless of the date of placement of the coverage. *See also Flat Cancellation*

Certificate – Lender-placed insurance issued under a master policy for an individual vehicle or property, respectively.

Example:

- If the insurer issues 300 certificates under a lender-placed master policy or policies, report 300.

Claim – A request or demand for payment of a loss that may be included within the terms of coverage of an insurance policy/certificate. Each claimant/insured reporting a loss is counted separately.

Include:

- Both first and third party claims.

Exclude:

- An event reported for "information only".

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- An inquiry of coverage if a claim has not actually been presented (opened) for payment.
- A potential claimant if that individual has not made a claim nor had a claim made on his or her behalf.

Claims Closed With Payment – Claims closed with payment where the claim was closed during the reporting period regardless of the date of loss or when the claim was received. The number of days to closure, however, should be measured as the difference between the date of the final payment and the date the claim was reported or between the date of the final payment and the date the request for supplemental payment was received. *See also "Date of Final Payment".*

Exclude:

- Claims where payment was made for company loss adjustment expenses if no payment was made to an insured/claimant.
- Claims that are closed because the amount claimed is below the insured's deductible.

Clarifications:

- If a claim is reopened for the sole purpose of refunding the insured's deductible, do not count it as a paid claim.
- For claims where the net payment is $0 due to subrogation recoveries, report the number of claims in which any amount was paid to the insured; do not net the payment with subrogation recoveries when counting the number of paid claims.

Calculation Clarification:

- For each coverage identifier, the sum of the claims settled with payment across each closing time interval should equal the total number of claims closed with payment during the reporting period.

Handling additional payment on previously reported claim/subsequent supplemental payment for claims closed with payment during the reporting period:

- If a claim is reopened for a subsequent supplemental payment, count the reopened claim as a new claim. Calculate a separate aging on the supplemental payment from the time the request for supplemental payment was received to the date the final payment was made.

Claims Closed Without Payment – Claims closed with no payment made to an insured or third party. The number of days to closure is the difference between the date the claim was closed and the date the claim was reported and/or reopened. See also "Date of Final Payment".

Include:

- All claims that were closed during the reporting period regardless of the date of loss or when the claim was received.

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- Claims where no payment was made to an insured/claimant even though payment was made for company loss adjustment expenses.
- A demand for payment for which it was determined that no relevant policy/certificate was in-force at the time of the loss if a claim file was set up and the loss was investigated.
- Claims that are closed because the amount claimed is below the insured's deductible.

Complaints Received Directly from any Person or Entity Other than the Department of Insurance – any written communication that expresses dissatisfaction with a specific person or entity subject to regulation under the state's insurance laws. An oral communication, which is subsequently converted to a written form in order to be analyzed and acted upon, will meet the definition of a complaint for this purpose.

Include:

- Any complaint regardless of the subject of the complaint (claims, underwriting, marketing, etc.)
- Complaints received from third parties, including, but not limited to, lenders or servicers

Complaints Received Directly from the Department of Insurance – All complaints:

- As identified by the DOI as a complaint.
- Related to LPI or insurance tracking.
- Sent or otherwise forwarded by the DOI to the reporting company.

Date of Final Payment – The date final payment was issued to the insured/claimant.
Calculation Clarification:

- If partial payments were made on the claim, the claim would be considered closed with payment if the final payment was made during the reporting period regardless of the date of loss or when the claim was received.
- Report a claim as "closed with payment" or "closed without payment" if it is closed in the company's claims system during the reporting period (even if the final payment was issued in a prior reporting period.)
- If a claim remains open at the end of the reporting period (even though a final payment has been issued) it should be reported as open. Only when the claim is closed in the company's claims system, would you report the days to final payment.

Example:

- A claim is open on 11/1/00 and final payment is made on 12/1/00. The claim is left open until 2/1/01 to allow time for supplemental requests.
    - The claim would be reported as open in the "00" MCAS submission and closed in the "01" MCAS submission.
    - The number of days to final payment would be calculated as 30 days and reported in the "01" MCAS submission.

Date the Claim was Reported – The date an insured or claimant first reported his or her claim to either the company or insurance agent.

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Dollars of Claims Incurred During Period – The total dollars incurred for claims for the particular type of lender-placed insurance during the period. Include incurred claim dollars only for lender-placed insurance for which a separate charge is made to the borrower.

Dollars of Claims Paid During Period – The total dollars paid for claims for the particular type of lender-placed insurance during the period. Include paid claim dollars only for lender-placed insurance for which a separate charge is made to the borrower.

Flat Cancellation – The coverage was cancelled effective the date of coverage with 100% refund of premium.

Gross Premium Written During Period – The total premium written before any reductions for refunds for the particular type of lender-placed insurance during the reporting period. Include premium only for lender-placed insurance for which a separate charge is made to the borrower.

In-force – A master policy, individual policy, or certificate in effect during the reporting period.

Individual Policy – Lender-placed insurance issued for an individual vehicle or property, respectively.

Example:

- If the insurer issues 300 lender-placed policies for individual vehicles or properties (as opposed to issuing master policies to lenders or servicers), report 300.

Lawsuit – An action brought in a court of law in which one party, the plaintiff, claims to have incurred a loss as a result of the action of another party, the defendant.
For purposes of reporting lawsuits in the MCAS blank:

- Include only lawsuits brought by an applicant for insurance, a policyholder or a beneficiary as a plaintiff against the reporting insurer or its agent as a defendant;
- Include all lawsuits, whether or not a hearing or proceeding before the court occurred;
- Do not include arbitrations of any sort;
- If one lawsuit has two or more complainants, report the number of complainants as the number of lawsuits. For example, if one lawsuit has two complainants, report two lawsuits. If the lawsuit is a class action, see instructions for treatment of class action lawsuits;
- Report a lawsuit in the jurisdiction in which the policy was issued with the exception of class action lawsuits;
- Treatment of class action lawsuits: Report the opening and closing of a class action lawsuit once in each state in which a potential class member resides. Include an explanatory note with your submission stating the number of class action lawsuits included in the data and the general cause of action.

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Lawsuits Closed During the Period with Consideration for the Consumer – A lawsuit closed during the reporting period in which a court order, jury verdict, or settlement resulted in payment, benefits, or other thing of value, i.e., consideration, to the applicant, policyholder, or beneficiary in an amount greater than offered by the reporting company before the lawsuit was brought.

Master Policy – A group policy providing coverage for the vehicles or property serving as collateral for a portfolio of loans. Individual coverage, typically in the form of a certificate, is issued from the Master Policy at the direction of the lender/servicer or automatically at the point in time when the borrower's required voluntary insurance ceases to be in-force.

Median Days to Final Payment – The median value for all claims closed with payment during the period.

Calculation for claims with one final payment date during the reporting period:

- Date the claim was reported to the company to the date of final payment.

Calculation for claims with multiple final payment dates during the reporting period:

- Date the request for supplemental payment was received to the date of final payment (for each different final payment date.)

Exclude:

- Subrogation payments.

Calculation Clarification / Example:

- To determine the Median Days to Final Payment you must first determine the number of days it took to settle each claim. This is the difference between the date the claim was reported to the company, or the date the request for supplemental payment was received, to the date of final payment. The Median Days to Final Payment is the median value of the number of days it took to settle all claims closed with payment during the period.

Median - A median is the middle value in a distribution arranged in numerical order (either lowest to highest or highest to lowest). If the distribution contains an odd number of elements, the median is the value above and below which lie an equal number of values. If the distribution contains an even number of elements, the median is the average of the two middle values. It is not the arithmetic mean (average) of all of the values.

Consider the following simple example of the number of days it took to settle each of the following seven claims:

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	Nbr 1	Nbr 2	Nbr 3	Nbr 4	Nbr 5	Nbr 6	Nbr 7
Days to Settle	2	4	4	5	6	8	20

In this situation, the Median Days to Final Payment would be 5 because it is the middle value. There are exactly 3 values below the median (2, 4, & 4) and 3 values above the median (6, 8, & 20). If the data set had included an even number of values, then the median would be the average of the two middle values as demonstrated below.

	Nbr 1	Nbr 2	Nbr 3	Nbr 4	Nbr 5	Nbr 6
Days to Settle	2	4	5	6	8	20

Median Days to Final Payment = (5 + 6)/2 = 5.5

The median should be consistent with the paid claim counts reported in the closing time intervals.

Example: A carrier reports the following closing times for paid claims.

Closing Time	**# of Claims**
< 30	22
31-60	13
61-90	18
91-180	11
181-365	12
>365	15

The sum of the claims reported across each closing time interval is 91, so that the median is the 46th claim. This claim falls into the closing time interval "61-90 days." Any reported median that falls outside of this range (i.e. less than 61 or greater than 90) will indicate a data error.

NAIC Company Code – The five-digit code assigned by the NAIC to all U.S. domiciled companies which filed a Financial Annual Statement with the NAIC.

NAIC Group Code – The code assigned by the NAIC to identify those companies that are a part of a given holding company structure. A zero indicates that the company is not part of a holding company.

Net Premium Written During Period – Gross premium written less refunds for the particular type of lender-placed insurance during the reporting period. Include premium only for lender-placed insurance for which a separate charge is made to the borrower.

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Net Premium Written During Period for Policies/Certificates for Which No Separate Charge is Made to the Borrower – Gross premium written less refunds for the particular type of lender-placed insurance during the reporting period. Include premium only for lender-placed insurance for which no separate charge is made to the borrower.

Premiums Earned During Period – Earned premiums for the particular type of lender-placed insurance during the reporting period. Include premium only for lender-placed insurance for which a separate charge is made to the borrower.

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