

Report of the
Multistate Targeted Market Conduct Examination

for the

Delaware Department of Insurance

Florida Office of Insurance Regulation

Indiana Department of Insurance

Massachusetts Division of Insurance

**Missouri Department of Insurance, Financial Institutions &
Professional Registration**

Pennsylvania Insurance Department

Rhode Island Division of Insurance

and

Other Participating Jurisdictions:

**Alaska, Alabama, Arkansas, Arizona, California, Colorado,
Connecticut, District of Columbia, Georgia, Guam, Hawaii, Iowa,
Idaho, Illinois, Kansas, Kentucky, Louisiana, Maryland, Maine,
Mississippi, Montana, Nebraska, North Carolina, North Dakota, New
Hampshire, New Jersey, Nevada, Ohio, Oklahoma, South Carolina,
Tennessee, Texas, Utah, Virginia, Vermont, Washington, Wyoming**

of

Assurant, Inc.

28 Liberty Street, 41st Floor
New York, NY 10005
NAIC Group # 0019

American Bankers Insurance Company of Florida (NAIC # 10111)

American Security Insurance Company (NAIC # 42978)

Standard Guaranty Insurance Company (NAIC # 42986)

Voyager Indemnity Insurance Company (NAIC # 40428)

July 31, 2017

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Exhibit A – Regulatory Settlement Agreement dated December 29, 2016

July 31, 2017

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Department of Insurance
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Wilmington, Delaware 19801

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State of Indiana
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Teresa D. Miller, Commissioner
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Elizabeth Kelleher Dwyer, Superintendent
Division of Insurance
Department of Business Regulation
State of Rhode Island
1511 Pontiac Avenue, Bldg. #69-2
Cranston, Rhode Island 02920

Dear Commissioner Navarro, Commissioner Altmaier, Commissioner Robertson, Acting Commissioner Anderson, Director Lindley-Myers, Commissioner Miller, and Superintendent Dwyer:

Pursuant to the authority granted by 18 DEL. CODE § 318, FLA. STAT. ANN. § 624.316, INDIANA CODE § 27-1-3.1-8, MASS. GEN. LAWS. c. 175, § 4, MO. REV. STAT. § 374.205, 40 PA. STAT. § 323.5, and R.I. GEN. LAWS § 27-13.1-3 (the “Examination Statutes”), and in accordance

with the *NAIC Market Regulation Handbook* (2015) (“*Handbook*”) and your instructions, a multistate targeted market conduct examination has been conducted regarding the writing of force-placed property insurance by:

Assurant, Inc.
and its affiliated companies
(collectively, “Assurant” or the “Company”)

The report of examination is herewith respectfully submitted.

Foreword

This report on the multistate targeted market conduct examination of the Company is provided pursuant to the *Handbook* and is made by exception.

The Company was informed on January 16, 2015, that a multistate targeted market conduct examination (the “Examination”) had been called respecting the Company’s writing of force-placed property insurance. The Indiana Department of Insurance served as Managing Lead State and the other Lead States were Delaware, Florida, Massachusetts, Missouri, Pennsylvania, and Rhode Island (“Lead States”). In addition to the Lead States, thirty-seven jurisdictions elected to join the Examination as Participating States (“Participating Jurisdictions”).¹ The Examination was conducted under the authority of the Examination Statutes and similar statutes applicable in the Participating Jurisdictions.

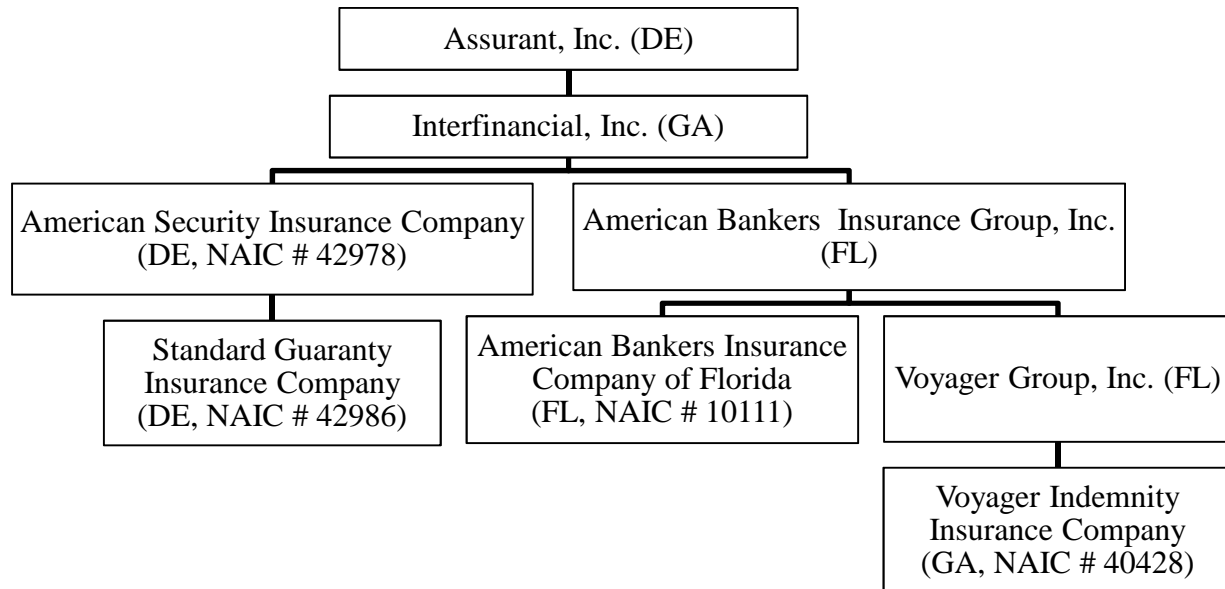
Profile of the Companies

Assurant, Inc., is a publicly traded insurance holding company and the largest writer of force-placed property insurance in the United States. Assurant conducts force-placed property insurance operations principally through its subsidiaries American Bankers Insurance Company of Florida, American Security Insurance Company, Standard Guaranty Insurance Company, and

¹ The roles of Managing Lead State, Lead State, and Participating State are defined at *Handbook* pages 71-72 and 78-79.

Voyager Indemnity Insurance Company. A partial organizational chart, reflecting the ownership structure for the relevant insurers is set forth below as Figure 1.

Figure 1 -- Assurant, Inc. Organizational Chart (Partial)



Examination Purpose, Scope, and Structure

The purpose of the Examination was to assess Assurant’s writing of force-placed property insurance and its scope included all such coverages written in the Participating Jurisdictions during the period January 1, 2008 through December 31, 2014. The Examination was targeted and failure to identify or criticize improper or noncompliant business practices does not constitute acceptance of such practices. Indiana, the Managing Lead State, engaged J. David Leslie of Rackemann, Sawyer & Brewster, P.C., as examiner-in-charge and the principal work of examination was performed by attorneys from Rackemann, Sawyer & Brewster, P.C., and actuaries from Merlinos & Associates, Inc.

Prior regulatory activity by various jurisdictions including California, Delaware, Florida, Indiana, Minnesota, New York, and Rhode Island as well as an NAIC data call (with Mississippi taking principal responsibility) suggested there might be significant national issues with the

force-placed property insurance market. Concerns regarding the possibility of excessive rates, rebate payments, and improper placement of flood coverage on structures not located in high risk flood zones were therefore referred to the Market Analysis Working Group of the NAIC which endorsed the commencement of the Examination.²

Building from this prior work, the examiners submitted an examination plan calling for investigation of rates, rebates, and the placement of flood coverage. The examination plan was approved on March 3, 2015, and called for preliminary results in six months. The examiners submitted initial information requests to the Company on March 12, 2015. Assurant submitted a proposed production timeline on April 22, 2015, and completed initial production on July 29, 2015. The Company responded promptly to supplemental information requests, allowing the examiners to circulate preliminary examination findings to the Lead States in September of 2015. Preliminary findings were provided to the Participating Jurisdictions in November of 2015.

At the Lead States' direction, the examiners discussed their preliminary findings with the Company beginning in December of 2015. Correspondence over the following months improved the examiners' understanding of Assurant's force-placed insurance operations, resolved some concerns, and lead to a Regulatory Settlement Agreement (attached hereto as Exhibit A). The Regulatory Settlement Agreement became finally effective on March 22, 2017.

Examination Results

Background. The market for force-placed property insurance is unusual given that the entity making the purchasing decision does not typically bear the cost of the product. Due to this

² The Market Actions Working Group simultaneously endorsed commencement of a multistate targeted market conduct examination of QBE Holdings, Inc., the second largest writer of force-placed property insurance in the United States. The two examinations were conducted in parallel by the same Lead States, Participating Jurisdictions, and examiners. The QBE examination is ongoing.

dynamic (and informed by the findings discussed below) the examiners were concerned that the force-placed property insurance market presents a high risk of reverse competition.³ Briefly stated, the key market participants are as follows:

- Borrowers – Individuals or businesses take out loans secured by mortgages on real property.⁴ The terms of those mortgages typically require the borrower to maintain acceptable voluntary insurance on the property.
- Lenders/Investors – Lenders make the initial loan to borrowers and execute the mortgage instruments. In many instances, these loans are then sold in the secondary market to investors (e.g. Fannie Mae and Freddie Mac). Investors receive payments of principal and interest and have the right to enforce the terms of the mortgage, including the requirement of voluntary coverage. In the event that voluntary coverage lapses, lenders/investors are authorized to purchase alternative insurance (i.e. force-placed coverage) at the borrower's expense.
- Servicers – Servicers are financial institutions that contract with lenders/investors to administer portfolios of mortgage loans. Servicers handle borrower-facing transactions and are delegated the authority to enforce the terms of the mortgage on the lender/investor's behalf. This delegation includes authority to procure force-placed insurance should the borrower default by allowing voluntary coverage to lapse. Servicers are responsible for selecting the force-placed insurer from which to purchase such coverage and, though they initially pay the force-placed premium, they receive reimbursement either from the borrower or the lender/investor.
- Insurers – Insurers typically issue a master policy covering a servicer, lender, or investor's portfolio of loans in anticipation that some borrowers will allow voluntary coverage to lapse. In the event of a lapse, the insurer issues a certificate incepting on the date the prior coverage was discontinued, thereby ensuring continuous coverage. Assurant's policies were typically issued on a "dual

³ Reverse competition exists when "competition among insurers... regularly takes the form of insurers vying with each other for the favor of persons who control... the placement of the insurance with the insurers" and "tends to increase the insurance premiums... in order that greater commissions of other allowances may be paid... as a means of obtaining the placement of business". VI NAIC *Model Laws, Regulations and Guidelines* 1776-6 (drafting note to Property and Casualty Model Rate and Policy Form Law Guideline).

⁴ The Company's filed rating plans typically include coverage for properties owned by private individuals, commercial properties, and real estate owned ("REO") properties (i.e. those owned by investors following foreclosure). The Examination focused on Assurant's writing of force-placed property insurance on residential properties.

interest” basis providing coverage for both the financial institution and (as an additional insured) the borrower.

“Hazard” insurance is the most common force-placed property insurance product and is similar to the property coverage provided by a voluntary homeowner’s policy. Force-placed insurance is also available to cover the flood, wind, and other risks. Generally, force-placed coverage remains in effect until voluntary coverage is restored or the borrower’s interest is extinguished by foreclosure.

Rate Review. The examiners reviewed Assurant’s force-placed hazard insurance rates in light of statutes requiring that rates not be excessive, inadequate, or unfairly discriminatory. See, e.g., 18 Del. Code § 2503(a)(2); Fla. Stat. Ann. § 627.062(1); Ind. Code § 27-1-22-3(a); Mass. Gen. Laws c. 174A, § 5(a)(1) *et seq.*; Mo. Rev. Stat. § 379.318(4); 40 Pa. Stat. §§ 1223(a)(2) and 710-11(e)(1); R.I. Gen. Laws §§ 27-6-4(2); 27-9-4(a)(4); and 27-44-5(a); see also Ind. Code § 27-4-1-4(a)(7)(C)(iii) (charging excessive rates is a defined unfair trade practice).

During the Examination Period, Assurant relied principally on its Mortgage Service Program (“MSP”) and its Mortgagee’s Interest Protection Program (“MIP”) rating plans to provide force-placed hazard coverage. In many jurisdictions, MSP rates were initially filed in the 1980s and not materially modified thereafter. MIP was initially filed in 1999 but remained dormant until 2012 when the Company filed revised rates and forms in most jurisdictions.⁵ Accordingly, for force-placed hazard insurance, Assurant generally used MSP through 2012 and MIP from 2013 onward.

⁵ MSP was typically filed as a “dwelling fire” coverage. In 2007, the Company re-designated MSP as a “commercial fire” product. MIP filings in 2012 were frequently described as “commercial fire” coverage. In jurisdictions using the NAIC Uniform Property & Casualty Product Coding Matrix, we recommend filing code 28.2001 (Creditor-Placed Home) defined as “[s]ingle interest or dual interest credit insurance purchased unilaterally by the creditor, who is the named insured... providing coverage against loss to the property that would either impair a creditor’s interest or adversely affect the value of collateral on... real estate.”

The examiners reviewed Assurant's force-placed hazard insurance rates using data as of December 31, 2009 when the MSP program was active. That analysis suggested that if rate analysis had been undertaken at that time, an average rate reduction of 38.8% may have been appropriate on a countrywide basis on January 1, 2010. Although average countrywide data is not determinative of the appropriate rate in any particular jurisdiction, this suggests that Assurant's rates under MSP may have been excessive in certain jurisdictions during the Examination Period.⁶ MSP rates have not been modified in most jurisdictions and the program is not currently in widespread use.

The examiners also reviewed Assurant's force-placed hazard insurance rates using data as of December 31, 2014 when the MIP program was active. That analysis suggested that if rate analysis had been undertaken at that time, an average rate reduction of 22.6% may have been appropriate on a countrywide basis on January 1, 2016. Although average countrywide data is not determinative of the appropriate rate in any particular jurisdiction, this suggests that Assurant's rates under MIP may have been excessive in certain jurisdictions during the Examination Period. See, supra, note 6 (regarding "tracking" costs). MIP rates are in widespread use and the Company has made re-filings in a number of jurisdictions since the end of the Examination Period.

Rebate Review. The examiners reviewed Assurant's relationships with servicers in light of anti-rebate provisions in the Participating Jurisdictions unfair trade practices acts which

⁶ The examiners' rate analysis assumes that all "tracking" services are part of the business of insurance such that associated costs are properly considered in setting rates. The examiners recognize that there is significant disagreement regarding the nature of the various services commonly referred to as "tracking" and "customer care" and that different regulators have reached different conclusions as to whether monitoring a loan portfolio to identify potential lapses in voluntary coverage, corresponding with borrowers, agents, and voluntary carriers regarding an apparent or prospective lapse, providing call center support, and similar services constitute mortgage servicing (i.e. they are part of the lending business) or acquisition costs/exposure management (i.e. they are part of the business of insurance). The examiners found that the Company's rates appear to have been excessive even if all "tracking" expenses are deemed "insurance" costs. The examiners did not, therefore, consider it necessary to develop a position on the issue and instead adopted a Company-favorable assumption.

typically prohibit offering or giving an insured anything of value not specified in the policy as an inducement to the purchase of insurance. See, e.g., VI *NAIC Model Laws, Regulations, and Guidelines* at 880-5 (NAIC Model Unfair Trade Practices Act), § 4(H)(1); 18 Del. Ins. Code § 2304(15)(a); Fla. Stat. Ann. § 626.9541(h); Ind. Code § 27-4-1-4(a)(8); Mass. Gen. Laws c. 176D, § 3(8); Mo. Rev. Stat. § 375.936(9); 40 Pa. St. § 1171.5(a)(8); R.I. Gen. Laws § 27-29-4(8).

Assurant's force-placed insurance policies identify mortgage servicers as the named insured. To assess Assurant's compliance with the anti-rebate statutes, the examiners judgmentally selected six of the Company's servicer accounts for detailed review. In that review, the examiners identified valuable consideration not specified in the policy that may have been offered as inducement to the purchase of force-placed insurance. This "compensation" was frequently structured as: "commission" paid to a servicer-controlled insurance agency which nominally participated in procuring the overall insurance relationship though there was little evidence that actual work was undertaken; the "reimbursement" of poorly defined and undocumented servicer expenses; administrative work performed for the servicer on a no-cost or below-cost basis; and, quota share reinsurance agreements with servicer-controlled captive reinsurers that may not have reflected a fair exchange of value. These relationships transferred significant amounts from Assurant to its servicer clients during the Examination Period.

Force-Placed Flood Insurance Review. The examiners reviewed Assurant's practices regarding the issuance of force-placed flood insurance policies in light of statutes requiring that insurers file their rates and forms. See, e.g., VI *NAIC Model Laws, Regulations and Guidelines* ST-1775-3 (fifty-three jurisdictions have "related state activity" regarding the property and casualty model law guideline); Ind. Code §§ 27-1-22-2(a), 4(a) and 4(b)(2); see also 18 Del.

Code § 2504(a); Fla. Stat. Ann. § 627.062(2)(a); Mass. Gen. Laws c. 174A, § 6(a); Mo. Rev. Stat. § 379.321(1); 40 Pa. Stat. § 710-5(a); R.I. Gen. Laws §§ 27-9-7 and 27-44-6(a).

To test compliance with these statutes, the examiners randomly selected force-placed flood insurance certificates bound by Assurant in the Participating Jurisdictions during the Examination Period. The examiners compared digital imagery of the insured structures with FEMA flood maps and initial results raised concerns that the Company may have bound or priced coverage in a manner inconsistent with its filed rating plans. In response to these concerns, however, Assurant noted that many of the apparent “errors” may actually reflect changes to flood zone boundaries occurring between end of the coverage period and the date of the examiners’ review. The examiners conducted a second random sample review controlling for map revisions and found a low rate of non-compliance with filed flood insurance rating plans.

Summarization and Recommendations

The examiners’ preliminary findings raised concerns regarding rates, rebate payments, and force-placed flood insurance. The examiners discussed preliminary examination findings with the Company beginning in December of 2015. The resulting dialogue was productive, significantly reduced the examiners’ concerns regarding force-placed flood insurance, and led to negotiation of the Regulatory Settlement Agreement (see Exhibit A). The Regulatory Settlement Agreement includes provisions addressing the examiners’ principal areas of concern.

Rates -- The examiners’ concern that the Company’s rates were excessive as of January 1, 2016, is addressed through Assurant’s provision of annual data reports and its agreement to periodically (at least once every four years) re-file its force-placed property insurance rates. The additional data and the periodic re-filings will enhance regulators’ ability to monitor rates and ensure that they match experience going forward.

The examiners' concern regarding rates under Assurant's MSP program are similarly addressed by Regulatory Settlement Agreement provisions requiring that rating plans either be withdrawn (if dormant as of December 31, 2015) or periodically re-filed. The examiners note, however, the continuing importance of MSP to the force-placed property insurance industry generally. Most importantly, when other carriers submitted force-placed property insurance products they often relied on Assurant's MSP rates in "me too" filings. Given the concerns regarding MSP rates, the examiners recommend that the Participating Jurisdictions review the rates of other carriers that build on MSP (either directly or through a chain of "me too" filings) and consider requiring either withdrawal or re-filing.

Rebates – The examiners' concerns regarding potential violations of the anti-rebate laws have been addressed through Assurant's agreement on business practices. See Exhibit A at p. 5-6 (providing, among other things, that Assurant will not compensate servicers on force-placed property insurance, share premium or risk with servicer affiliates, or provide below-cost services). Notably, Assurant's largest competitor, National General Holding Corporation, has agreed to adopt identical business practices such that regulatory expectations should be clear to all insurers, servicers, agents, and other participants in the force-placed property insurance market. The examiners recommend that the Participating Jurisdictions mitigate the risk of reverse competition in the industry through active market surveillance and the careful monitoring of all insurers' force-placed property rates.

Force-Placed Flood Insurance – The examiners' initial concerns regarding improper placement or rating of flood coverage were significantly reduced and remaining concerns regarding internal oversight are addressed through the new audit procedures the Company will

be establishing in 2017. The examiners recommend including review of these audits in routine and comprehensive examinations.

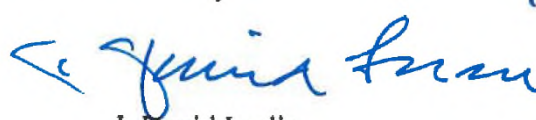
Acknowledgement

The assistance of the Minnesota Department of Commerce, which shared information and experience gained in its individual-state examination, is hereby acknowledged with appreciation. The examiners also wish to thank the Company for its cooperation and constructive engagement throughout the Examination.

Verification and Report Submission

The foregoing is a true and accurate report of the Examination. The report of examination in herewith respectfully submitted,

Sincerely,



J. David Leslie

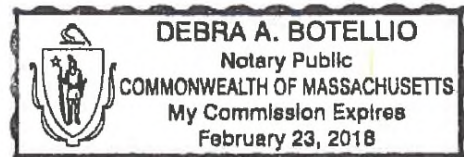
Rackemann, Sawyer & Brewster, P.C.

Examiner-in-Charge

Subscribed and sworn before me this 31st day of July, 2017



Notary Public



Examiners

Stuart T. Leslie, Esq. – *Rackemann, Sawyer & Brewster, P.C.*

Matthew P. Merlino, FCAS, MAAA – *Merlinos & Associates, Inc.*

Ashley Ramos FCAS, MAAA – *Merlinos & Associates, Inc.*

Peter Scourtis, FCAS, MAAA – *Merlinos & Associates, Inc.*

EXHIBIT A

REGULATORY SETTLEMENT AGREEMENT

Preamble

This Regulatory Settlement Agreement (“Agreement”) is entered into this 29th day of December 2016, by and between: (i) Assurant, Inc. (together with its Affiliates, “Assurant” or the “Company”) and (ii) the Delaware Department of Insurance; Florida Office of Insurance Regulation; Indiana Department of Insurance; Massachusetts Division of Insurance; Missouri Department of Insurance, Financial Institutions & Professional Registration; Pennsylvania Insurance Department; and Rhode Island Department of Business Regulation (the “Lead States”) and the insurance-related regulatory bodies of such other jurisdictions as choose to adopt, agree to, and approve this Agreement (together with the Lead States, the “Subscribing Jurisdictions”), hereby resolving the insurance regulatory matters described herein.

1. Recitals

a. Assurant is a publicly traded insurance holding company and the largest writer of force-placed property insurance in the United States. Assurant conducts force-placed property insurance operations through its subsidiaries American Bankers Insurance Company of Florida (NAIC # 10111), American Security Insurance Company (NAIC # 42978), Standard Guaranty Insurance Company (NAIC # 42986), and Voyager Indemnity Insurance Company (NAIC # 40428).

b. The Indiana Department of Insurance, as Managing Lead State, advised Assurant on January 16, 2015, that a multistate targeted market conduct examination (“Examination”) had been called regarding its writing of force-placed property insurance during the period January 1, 2008 to December 31, 2014 (“Examination Period”).

c. In addition to Indiana, the other Lead States in the Examination are Delaware, Florida, Massachusetts, Missouri, Pennsylvania, and Rhode Island. There are presently forty-four jurisdictions participating in the Examination including the seven Lead States and thirty-seven other states (collectively, the “Participating Jurisdictions”). A list of these jurisdictions may be found at Exhibit A.

d. The Examination built on the work of prior regulatory activity by California, Delaware, Florida, Indiana, Minnesota, New York, Rhode Island, and the National Association of Insurance Commissioners (with Mississippi taking principal responsibility) that indicated significant national issues in the force-placed insurance market.

e. The Examination was conducted in parallel with a separate examination of the second largest writer of force-placed property insurance in the United States during the Examination Period -- QBE Holdings, Inc. Since the end of the Examination Period, QBE Holdings, Inc., has sold its force-placed property insurance operations to the National General Holding Corporation.

f. The Examiner-in-Charge has now completed review of the Company's force-placed insurance operations in the Participating Jurisdictions during the Examination Period. Preliminary findings have been presented to the Lead States and Participating Jurisdictions. A final examination report will be issued on or prior to the Final Effective Date. No such preliminary finding is, and no statement in the final examination report will have been, subjected to adversary proceedings in which Assurant was accorded due process rights, including the opportunity to cross-examine witnesses and present expert and other testimony and reports, and no such finding or statement represents the finding or conclusion of a neutral tribunal following a due process hearing or adversary proceeding.

g. The Company denies any wrongdoing or activities that violate any insurance laws or regulations.

h. Following the Examiner-in-Charge's preliminary findings, the Lead States have engaged in discussions with the Company with respect to regulatory concerns raised by the Examination. In view of the foregoing facts and circumstances, the Subscribing Jurisdictions find it to be in the public interest and are willing to accept this Agreement to settle all insurance regulatory matters within the scope of the Examination as set forth in the January 16, 2015 examination warrant (which scope has not changed). The company believes that such a settlement is in its best interest.

2. Location of Definitions

The terms listed below shall have either the meaning given in this section or the definition given elsewhere in the Agreement at the specified location.

a. "Affiliate" shall mean a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

b. "Agreement" is defined in the preamble paragraph on page 1.

c. "Annual Data Report" is defined in section 4.e on page 5.

d. "Assurant" is defined in the preamble paragraph on page 1.

e. "Applicable Consent Order" is defined in section 8.d(i) on page 8.

f. "Company" is defined in the preamble paragraph on page 1.

g. "Conditional Effective Date" is defined in section 7.a on page 6.

h. "Examination" is defined in section 1.b on page 1.

i. "Examination Period" is defined in section 1.b on page 1.

j. "Examiner-in-Charge" shall mean J. David Leslie of Rackemann, Sawyer & Brewster, P.C.

- k. "Final Effective Date" is defined in section 7.b on page 7.
- l. "Future Settlement Agreement" shall mean an agreement with a participant in the force-placed insurance market concerning the subject matter of this Agreement.
- m. "Investor" shall mean a person or entity (and its Affiliates) holding a beneficial interest in loans secured by real property.
- n. "Implementation Expenses" mean those expenses that are demonstrably and directly related to the implementation of Assurant's force-placed insurance program including but not limited to:
 - (i) identifying servicer and Assurant processes and system requirements;
 - (ii) allocating and assigning resources to be dedicated to the conversion/implementation to Assurant;
 - (iii) developing project documentation;
 - (iv) developing the project schedule and controls to manage against the schedule;
 - (v) designing, testing and implementation of information technology systems and interfaces need to exchange information needed for the effectiveness of Assurant's force-placed insurance program;
 - (vi) diverting mail, telephone, facsimile and web-based communications;
 - (vii) testing accuracy and quality of project deliverables;
 - (viii) training staff on Assurant's product and processes;
 - (ix) establishing specific controls to monitor Assurant's service to ensure it meets documented requirements; and
 - (x) any similar activity related to the implementation of Assurant's force-placed insurance program at program inception.
- o. "Lead States" is defined in the preamble paragraph on page 1.
- p. "Lender" is defined as a person or entity (and its Affiliates) making loans secured by an interest in real property.
- q. "Multistate Expense Payment" is defined in section 6.a on page 6.
- r. "Participating Jurisdictions" is defined in section 1.c on page 1.
- s. "Parties" is defined as the Company and the Subscribing Jurisdictions collectively.
- t. "Servicer" is defined as person or entity (and its Affiliates) contractually obligated to service one or more mortgage loans for a Lender or Investor. The term "Servicer" includes entities involved in subservicing arrangements.

u. “Subscribing Jurisdictions” is defined in the preamble paragraph on page 1.

3. List of Exhibits

Exhibit A Table of Participating Jurisdictions

Exhibit B..... Subscribing Jurisdiction Adoption Form

4. Rating Plans & Rate Filings

a. Within sixty (60) days of the Final Effective Date, Assurant will submit requests to the Subscribing Jurisdictions to withdraw those force-placed property insurance rate and form filings not in use as of December 31, 2015.

b. The Company shall re-file its force-placed property insurance rates at least once every four years. The initial period for these periodic re-filings shall begin to run on the Final Effective Date such that all force-placed property insurance rates in each of the Subscribing Jurisdictions shall have been refiled before the four-year anniversary of the Final Effective Date. Assurant may, at its discretion, stagger these filings with the order, sequence, and grouping of such periodic re-filings within such four-year period being entirely at Assurant’s discretion. This provision for scheduled rate re-filings shall not supersede any provisions regarding scheduled rate refiling contained in prior consent orders entered by a Subscribing Jurisdiction.

c. The Company shall have separate rates for force-placed property insurance and voluntary insurance obtained by a mortgage servicer on “real estate owned” property.

d. Should Assurant introduce new force-placed property insurance programs, such filings shall reference its experience in existing programs. Nothing contained herein shall limit the Company’s discretion, as actuarially appropriate, to distinguish different terms, conditions, exclusions, eligibility criteria or other unique or different characteristics. Further, where actuarially acceptable, Assurant may rely on models or, in the case of flood filings where applicable experience is not credible, on Federal Emergency Management Agency National Flood Insurance Program data.

e. No later than April 1st of each year, the Company shall report to each Subscribing Jurisdiction for the prior calendar year:

- (i) Actual loss ratio;
- (ii) Earned premium;
- (iii) Any aggregate schedule rating debit/credit to earned premium;
- (iv) Itemized expenses;
- (v) Paid losses;
- (vi) Loss reserves;

- (vii) Case reserves; and,
- (viii) Incurred but not reported losses.

These figures (the “Annual Data Report”) shall be separately produced for each force-placed insurance program and presented on both an individual-jurisdiction and countrywide basis.

f. Except in the case of force-placed flood insurance to which this paragraph does not apply, if the Company experiences an annual loss ratio of less than 35% in any line of force-placed property insurance for two consecutive years, it shall submit a rate filing (either adjusting its rates or supporting their continuance) to the insurance regulator for the relevant Subscribing Jurisdiction no more than 90 days after submission of the Annual Data Report. Force-placed flood insurance remains subject to the periodic re-filing requirement set forth in section 4.a above.

5. **Business Practices**

a. Assurant will not issue force-placed insurance on mortgaged property serviced by an Assurant Affiliate.

b. Assurant will not compensate a lender, investor, or servicer (including through the payment of commissions) on force-placed property insurance policies issued by Assurant. The prohibitions and requirements set forth in this subparagraph shall not preclude Assurant from reimbursing Implementation Expenses incurred by a servicer.

c. Assurant will not share force-placed insurance premium or risk with the lender, investor, or servicer that obtained the force-placed insurance.

d. Assurant will not offer contingent commissions, profit sharing, or other payments dependent on profitability or loss ratios to any person affiliated with a Servicer or Assurant in connection with force-placed property insurance.

e. Assurant will not provide free or below-cost outsourced services to lenders, investors, or servicers and will not outsource its own functions to lenders, investors, or servicers on an above-cost basis. Assurant shall maintain records demonstrating that any outsourced services offered to a lender, investor, or servicer are also offered on a fair and non-discriminatory basis to all other Assurant clients and prospective clients, *provided, however*, that this requirement shall not be interpreted to preclude Assurant from providing different service offerings to different clients or from including proprietary elements in the service offerings for individual clients to meet their specific and sometimes unique requirements. Assurant will maintain records sufficient to demonstrate its compliance with these requirements.

f. Assurant will not make any payments, including but not limited to the payment of expenses, to a lender, investor, or servicer for the purpose of securing force-placed insurance business. The prohibitions and requirements set forth in this subparagraph shall not preclude Assurant from reimbursing Implementation Expenses incurred by a servicer. Implementation

Expenses that are reimbursed must be supported by documentary or other physical or electronic evidence (such as, but not limited to invoices, work orders or the like) of their expenditure by the mortgage servicer. Such expenses must bear a direct relationship to the implementation of Assurant's force-placed insurance program at program inception.

g. Assurant will regularly audit the business practices of its agents and make commercially reasonable efforts to ensure that they comply with the business practices enumerated in this Agreement.

h. Within 270 days of the final effective date, Assurant shall establish and document procedures to conduct regular audits of its book of force-placed flood insurance business. Such audits shall include review of controls in place to ensure compliance with filed rating plans as well as review of in-force policies to verify that the systems in place are producing accurate and timely rating and eligibility determinations based on data provided by the Servicers. Such audits shall also include periodic audits of the processes and procedures of Assurant's servicer clients and their relevant vendors to provide reasonable assurance that such controls are functioning in a manner likely to minimize the instance of error. This provision is not intended to require that Assurant verify the accuracy or currency of flood maps, make site visits, or otherwise assume operational responsibilities including but not limited to the functions regarding flood determinations normally handled by servicers or, on their behalf, by third-party vendors. Assurant shall compile and maintain adequate records of all such audits.

6. Multistate Expense Payment & Release

a. Assurant will pay \$75,000,000 to the Subscribing Jurisdictions for the examination, compliance and monitoring costs incurred in connection with the Examination, no part of which shall constitute a fine or penalty. This payment will be allocated among the Subscribing Jurisdictions as they agree. Assurant will also make a \$5,217,000 payment in respect of Indiana-specific issues pursuant to a companion agreement with the Indiana Department of Insurance, which, too, shall constitute a reimbursement of examination, compliance and monitoring costs and not, in any part, a fine or penalty. Collectively, the payments set forth in this paragraph shall be referred to as the "Multistate Expense Payment".

b. The Multistate Expense Payment shall be the sole amount charged, assessed or collected by the Subscribing Jurisdictions on Assurant with respect to the writing of force-placed property insurance prior to the Conditional Effective Date.

c. The Company shall pay the Multistate Expense Payment within 30 days of the Final Effective Date. Once paid by the Company, the Multistate Expense Payment is final and non-recoverable under any circumstances including termination of this Agreement.

7. Effectiveness

a. The "Conditional Effective Date" shall be the date on which it has been signed by Assurant and adopted by each of the seven Lead States.

b. The “Final Effective Date” shall be the date on which the Examiner-in-Charge provides Assurant with:

- (i) a copy of the Agreement adopted, agreed to, and approved by Participating Jurisdictions representing no less than 95% of Assurant’s net written premium on force-placed insurance in the Participating Jurisdictions during the Examination Period as set forth in Exhibit A; and
- (ii) certification that a regulatory settlement agreement with National General Holding Corporation containing business practices substantially identical to those described in section 5 has become conditionally effective and has been adopted, agreed to, and approved by the requisite number of jurisdictions.

Regulators may adopt, agree to, or approve the Agreement by means of the Subscribing Jurisdiction Adoption Form attached as Exhibit B and through Applicable Consent Orders as described in section 8.d(i).

c. If the Final Effective Date does not occur within 120 days of the Conditional Effective Date, this Agreement shall be deemed terminated nunc pro tunc. The Lead States and Assurant may agree in writing to extend this 120 day period.

8. Miscellaneous

a. Level Playing Field. The Company may petition a Subscribing Jurisdiction to terminate or modify this Agreement in the relevant jurisdiction. Such a petition may include, but not be limited to, the following grounds:

- (i) This Agreement’s terms, in whole or in part, are inconsistent with the statutes, rules or regulations in effect in that state;
- (ii) That a Future Settlement Agreement with a company possessing substantial market share is more favorable than this Agreement (for purposes of this provision, “substantial market share” being conclusively understood to mean one percent or more of the force-placed property insurance gross written premium in the relevant jurisdiction during the relevant period); or
- (iii) That compliance with one or more terms of this Agreement is placing or threatens to place the Company at a competitive disadvantage with regard to other existing participants or likely new entrants in the force-placed insurance market in the state and the regulator has not initiated effective action to address the competitive imbalance.

A Department will not unreasonably withhold its consent to the relief requested by the Company in its petition and, if consent is withheld, the Department will explain the basis for its position. In the case of a petition based, in whole or in part, on ground (iii), above, to avoid competitive harm the Department shall:

- (A) Exercise its best efforts, as promptly as possible, to cause each other licensed or surplus-lines entity offering force-placed insurance (whether as insurer, broker, agent or in any other capacity), or that proposes to do so, to adhere to the business practices set forth above in section 5; and,
- (B) Respond to the petition with all deliberate speed, not to exceed 30 days from Assurant's submission of the petition.

b. Expression of Regulatory Intent. Each Subscribing Jurisdiction affirms its intention and commitment to cause each and every other licensee of such state – and every surplus lines company – that is now underwriting, offering (whether directly or through producers, agents, brokers or intermediaries of any kind) or placing force-placed insurance, in each case in such state or on property located within such state, or that proposes or is reasonably expected to do so in the foreseeable future, promptly to adhere to the business practices set forth in section 5.

c. Subsequent Enactments. If any Subscribing Jurisdiction adopts insurance laws or regulations addressing the subject matter of this Agreement, then compliance with the terms of such laws or regulations shall be deemed to constitute compliance with the relevant terms of this Agreement in that Subscribing Jurisdiction.

d. Representations of Authority.

(i) *Subscribing Jurisdictions.* Each person signing on behalf of a Subscribing Jurisdiction gives his or her express assurance that under applicable state laws, regulations, and judicial rulings, he or she has authority to enter into this Agreement. If a Subscribing Jurisdiction finds that, under applicable state law, regulation, judicial ruling, or procedure, the preparation and execution of a consent order or other document is legally required in order to carry out the terms of this Agreement (the "Applicable Consent Order"), such Applicable Consent Order shall be prepared by the Subscribing Jurisdiction. For purpose of this Agreement, an Applicable Consent Order must: (A) (1) incorporate by reference and attach via exhibit a copy of this Agreement, (2) expressly provide that each party thereto adopts and agrees to the provisions of this Agreement and (3) include only those other terms that may be legally required in the state of the applicable Subscribing Jurisdiction; or (B) otherwise be acceptable to the Company as evidenced by a written certification to that effect signed by an executive officer of the Company.

(ii) *Company.* The Company expressly represents and warrants as of the date of its execution of this Agreement that: (A) it is duly organized and validly existing and subsisting under the laws of the state of its organization, it is in good standing in such jurisdiction, and neither the execution, delivery, nor performance of this Agreement will violate any law binding on the Company; (B) it has the full right and power to enter into this Agreement on behalf of the Company and to perform all obligations hereunder; and (C) it has obtained all necessary

authorizations, approvals, or consents of any governmental entity required in connection with the execution, delivery, or performance by it of this Agreement.

e. Choice of Law. This Agreement, any disputes which may arise in connection with the interpretation or enforcement of the Agreement, and the rights and obligations of the Parties, shall be governed by the laws of the State of Delaware without regard or reference to choice or conflict of law rules.

f. Waiver. Any agreement on the part of any party hereto to any extension or waiver shall be valid only if in writing signed by the party granting such waiver or extension and, unless it expressly provides otherwise, shall be a one-time waiver or extension only, and any such waiver or extension or any other failure to insist on strict compliance with any duty or obligation herein shall not operate as a waiver or extension of, or estoppel with respect to, any continuing, subsequent, or other failure to comply with this Agreement.

g. Release. Each Subscribing Jurisdiction agrees to – and, as of the Final Effective Date does – release the Company from all claims, demands, interest, penalties, actions or causes of action that each Subscribing Jurisdiction may have by reason of any matter, cause or thing whatsoever, regarding or relating to the writing of force-placed property insurance prior to the Conditional Effective Date.

h. Rights and Remedies. Except as otherwise provided in this Agreement, the rights, powers, remedies, and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies, and privileges provided by applicable law.

i. Entire Understanding; Modification. This Agreement represents the entire understanding between the parties with respect to the subject matter hereof and supersedes any and all prior understandings, agreements, plans, and negotiations, whether written or oral, with respect to the subject matter hereof. All modifications to this Agreement must be in writing and signed by each of the parties hereto.

j. Time of the Essence. The Parties hereto hereby agree that time shall be of the essence with respect to performance of this Agreement.

k. Execution in Counterparts. This Agreement may be executed in one or more counterparts, any of which shall be deemed an original and all of which taken together shall constitute one and the same Agreement. Execution and delivery of this Agreement may be evidenced by facsimile transmission (including but not limited to .pdf or other image files transmitted by email).

SIGNATURES FOLLOW ON THE SUBSEQUENT PAGE

DELAWARE DEPARTMENT OF INSURANCE

By: _____
Karen Weldin Stewart
Commissioner

Date: _____

FLORIDA OFFICE OF INSURANCE REGULATION

By: _____
David Altmaier
Commissioner

Date: _____

INDIANA DEPARTMENT OF INSURANCE

By: _____
Stephen W. Robertson
Superintendent

Date: _____

MASSACHUSETTS DIVISION OF INSURANCE

By: _____
Daniel R. Judson
Commissioner

Date: _____

MISSOURI DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGULATION

By: _____
John M. Huff
Director

Date: _____

PENNSYLVANIA INSURANCE DEPARTMENT

By: _____
Teresa D. Miller
Commissioner

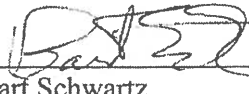
Date: _____

RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, INSURANCE DIVISION

By: _____
Elizabeth K. Dwyer
Superintendent

Date: _____

ASSURANT, INC.

By:  _____
Bart Schwartz
EVP, Chief Legal Officer & Secretary

Date: Dec. 20, 2016

DELAWARE DEPARTMENT OF INSURANCE

By: [Signature]
Karen Weldin Stewart
Commissioner

Date: 12-19-2016

FLORIDA OFFICE OF INSURANCE REGULATION

By: _____
David Altmaier
Commissioner

Date: _____

INDIANA DEPARTMENT OF INSURANCE

By: _____
Stephen W. Robertson
Superintendent

Date: _____

MASSACHUSETTS DIVISION OF INSURANCE

By: _____
Daniel R. Judson
Commissioner

Date: _____

MISSOURI DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGULATION

By: _____
John M. Huff
Director

Date: _____

PENNSYLVANIA INSURANCE DEPARTMENT

By: _____
Teresa D. Miller
Commissioner

Date: _____

RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, INSURANCE DIVISION

By: _____
Elizabeth K. Dwyer
Superintendent

Date: _____

ASSURANT, INC.

By: _____
Name:
Position:

Date: _____

DELAWARE DEPARTMENT OF INSURANCE

By: _____
Karen Weldin Stewart
Commissioner

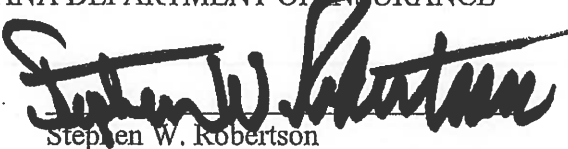
Date: _____

FLORIDA OFFICE OF INSURANCE REGULATION

By: _____
David Altmaier
Commissioner

Date: _____

INDIANA DEPARTMENT OF INSURANCE

By: 
Stephen W. Robertson
Commissioner

Date: 12.16.16

MASSACHUSETTS DIVISION OF INSURANCE

By: _____
Daniel R. Judson
Commissioner

Date: _____

MISSOURI DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGULATION

By: _____
John M. Huff
Director

Date: _____

PENNSYLVANIA INSURANCE DEPARTMENT

By: _____
Teresa D. Miller
Commissioner

Date: _____

RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, INSURANCE DIVISION

By: _____
Elizabeth K. Dwyer
Superintendent

Date: _____

ASSURANT, INC.

By: _____
Name:
Position:

Date: _____

DELAWARE DEPARTMENT OF INSURANCE

By: _____
Karen Weldin Stewart
Commissioner

Date: _____

FLORIDA OFFICE OF INSURANCE REGULATION

By: David Altmaier
David Altmaier
Commissioner

Date: 12/29/16

INDIANA DEPARTMENT OF INSURANCE

By: _____
Stephen W. Robertson
Superintendent

Date: _____

MASSACHUSETTS DIVISION OF INSURANCE

By: _____
Daniel R. Judson
Commissioner

Date: _____

MISSOURI DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGULATION

By: _____
John M. Huff
Director

Date: _____

PENNSYLVANIA INSURANCE DEPARTMENT

By: _____
Teresa D. Miller
Commissioner

Date: _____

RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, INSURANCE DIVISION

By: _____
Elizabeth K. Dwyer
Superintendent

Date: _____

ASSURANT, INC.

By: _____
Name:
Position:

Date: _____

DELAWARE DEPARTMENT OF INSURANCE

By: _____
Karen Weldin Stewart
Commissioner

Date: _____

FLORIDA OFFICE OF INSURANCE REGULATION

By: _____
David Altmaier
Commissioner

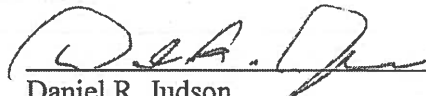
Date: _____

INDIANA DEPARTMENT OF INSURANCE

By: _____
Stephen W. Robertson
Superintendent

Date: _____

MASSACHUSETTS DIVISION OF INSURANCE

By:  _____
Daniel R. Judson
Commissioner

Date: 12/27/16

MISSOURI DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGULATION

By: _____
John M. Huff
Director

Date: _____

PENNSYLVANIA INSURANCE DEPARTMENT

By: _____
Teresa D. Miller
Commissioner

Date: _____

RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, INSURANCE DIVISION

By: _____
Elizabeth K. Dwyer
Superintendent

Date: _____

ASSURANT, INC.

By: _____
Name:
Position:

Date: _____

DELAWARE DEPARTMENT OF INSURANCE

By: _____
Karen Weldin Stewart
Commissioner

Date: _____

FLORIDA OFFICE OF INSURANCE REGULATION

By: _____
David Altmaier
Commissioner

Date: _____

INDIANA DEPARTMENT OF INSURANCE

By: _____
Stephen W. Robertson
Superintendent

Date: _____

MASSACHUSETTS DIVISION OF INSURANCE

By: _____
Daniel R. Judson
Commissioner

Date: _____

MISSOURI DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGULATION

By:  _____
John M. Huff
Director

Date: 12-28-16

PENNSYLVANIA INSURANCE DEPARTMENT

By: _____
Teresa D. Miller
Commissioner

Date: _____

RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, INSURANCE DIVISION

By: _____
Elizabeth K. Dwyer
Superintendent

Date: _____

ASSURANT, INC.

By: _____
Name:
Position:

Date: _____

DELAWARE DEPARTMENT OF
INSURANCE

By: _____
Karen Weldin Stewart
Commissioner

Date: _____

FLORIDA OFFICE OF INSURANCE
REGULATION

By: _____
David Altmaier
Commissioner

Date: _____

INDIANA DEPARTMENT OF INSURANCE

By: _____
Stephen W. Robertson
Superintendent

Date: _____

MASSACHUSETTS DIVISION OF
INSURANCE

By: _____
Daniel R. Judson
Commissioner

Date: _____

MISSOURI DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS &
PROFESSIONAL REGULATION

By: _____
John M. Huff
Director

Date: _____

PENNSYLVANIA INSURANCE
DEPARTMENT

By: _____
Teresa D. Miller
Teresa D. Miller
Commissioner

Date: 12/20/16

RHODE ISLAND DEPARTMENT OF
BUSINESS REGULATION, INSURANCE
DIVISION

By: _____
Elizabeth K. Dwyer
Superintendent

Date: _____

ASSURANT, INC.

By: _____
Name:
Position:

Date: _____

DELAWARE DEPARTMENT OF INSURANCE

By: _____
Karen Weldin Stewart
Commissioner

Date: _____

FLORIDA OFFICE OF INSURANCE REGULATION

By: _____
David Altmaier
Commissioner

Date: _____

INDIANA DEPARTMENT OF INSURANCE

By: _____
Stephen W. Robertson
Superintendent

Date: _____

MASSACHUSETTS DIVISION OF INSURANCE

By: _____
Daniel R. Judson
Commissioner

Date: _____

MISSOURI DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGULATION

By: _____
John M. Huff
Director

Date: _____

PENNSYLVANIA INSURANCE DEPARTMENT

By: _____
Teresa D. Miller
Commissioner

Date: _____

RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, INSURANCE DIVISION

By: Elizabeth K. Dwyer
Elizabeth K. Dwyer
Superintendent

Date: 12-27-2016

ASSURANT, INC.

By: _____
Name:
Position:

Date: _____

Exhibit A

Jurisdiction	Written Premium*	Share	Jurisdiction	Written Premium*	Share
AK	\$ 7,807,443	0.095%	ME	\$ 29,715,064	0.361%
AL	\$ 119,495,390	1.454%	MO	\$ 99,204,926	1.207%
AR	\$ 53,820,774	0.655%	MS	\$ 81,214,157	0.988%
AZ	\$ 110,317,764	1.342%	MT	\$ 10,212,756	0.124%
CA	\$ 821,756,124	9.997%	NC	\$ 194,130,681	2.362%
CO	\$ 73,092,959	0.889%	ND	\$ 2,453,935	0.030%
CT	\$ 95,155,771	1.158%	NH	\$ 21,696,994	0.264%
DC	\$ 19,321,034	0.235%	NJ	\$ 448,846,687	5.460%
DE	\$ 25,313,223	0.308%	NV	\$ 87,364,302	1.063%
FL	\$ 2,685,033,033	32.663%	OH	\$ 252,386,317	3.070%
GA	\$ 244,009,676	2.968%	OK	\$ 75,002,442	0.912%
GU	\$ 398,431	0.005%	PA	\$ 246,685,902	3.001%
HI	\$ 28,540,193	0.347%	RI	\$ 32,182,566	0.391%
IA	\$ 26,932,163	0.328%	SC	\$ 110,969,432	1.350%
ID	\$ 20,451,125	0.249%	TN	\$ 147,205,389	1.791%
IL	\$ 412,143,316	5.014%	TX	\$ 627,233,272	7.630%
IN	\$ 163,241,249	1.986%	UT	\$ 32,323,990	0.393%
KS	\$ 31,861,338	0.388%	VA	\$ 115,143,434	1.401%
KY	\$ 63,720,836	0.775%	VT	\$ 11,107,247	0.135%
LA	\$ 141,373,420	1.720%	WA	\$ 130,126,143	1.583%
MA	\$ 150,999,873	1.837%	WY	\$ 4,588,438	0.056%
MD	\$ 165,800,695	2.017%	Total	\$ 8,220,379,904	100%

* Force-placed hazard insurance net written premium for the subject Assurant companies during the Examination Period (1/1/08 to 12/31/14)

Exhibit B

Multistate Targeted Market Conduct Examination

of

Assurant, Inc.

Regulatory Settlement Agreement

SUBSCRIBING REGULATOR ADOPTION

On behalf of _____ [Insert Name of Insurance Regulatory Agency] _____,

I, [Insert Name of Official Signing Agreement], hereby adopt, agree to and approve the Assurant Regulatory Settlement Agreement executed by Assurant on December __, 2016.

[NAME OF INSURANCE REGULATORY AGENCY]

By: _____

Title: _____

Date: _____

RACKEMANN SAWYER & BREWSTER

PROFESSIONAL CORPORATION
COUNSELLORS AT LAW

Established 1886

J. David Leslie
617-951-1131
dleslie@rackemann.com

March 1, 2017

By E-Mail (Bart.Schwartz@assurant.com)

Bart Schwartz, EVP, Chief Legal Officer & Secretary
Assurant, Inc.
One Chase Manhattan Plaza, 41st Floor
New York, NY 1005

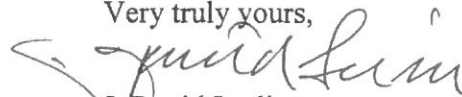
**Re: Assurant Regulatory Settlement Agreement (“RSA”)
Scope of Release Provision**

Dear Bart,

The RSA entered into on December 29, 2016, by Assurant, Inc. (“Assurant”) and the Lead States in the multistate targeted examination of Assurant will become effective as provided therein. One condition to effectiveness is that a sufficient number of Participating Jurisdictions return Subscribing Jurisdiction Adoption Forms. In the course of soliciting such subscriptions, a question has been asked of the Lead States regarding the scope of the RSA’s release language.

I have been authorized by the Lead States to memorialize their mutual understanding with Assurant on this issue. Specifically, this letter confirms that the Lead States and Assurant did not intend (and Assurant will not assert to the contrary), that the RSA release provision (RSA § 8.g) bars regulatory action on behalf of individual consumers respecting Assurant’s non-performance as to that consumer pursuant to the terms of its applicable insurance coverage, subject to whatever defenses Assurant may otherwise have. Our signatures on this letter serve solely to make express the parties’ intentions and this letter does not modify, supersede, or otherwise affect the terms of the RSA or the rights and responsibilities of any party to the RSA.

Very truly yours,



J. David Leslie
Examiner-in-Charge

Assurant, Inc.

By: 
Bart Schwartz, EVP, Chief Legal Officer & Secretary

160 Federal Street
Boston, MA 02110-1700
TEL 617 542 2300
FAX 617 542 7437

www.rackemann.com