**Section 1051.40 Definitions**

"Credit life insurance" means insurance as defined in Section 155.52(a) of the Illinois Insurance Code.

"Code" means the Illinois Insurance Code [215 ILCS 5].

"Department" means the Department of Insurance of the State of Illinois.

"Director" means the Director of Insurance.

"Earned Premiums" means premiums earned at the premium rates actually charged and in force during the experience period.

"Experience" means earned premiums and incurred claims during the experience period.

"Experience Period" means the most recent period of time for which experience is reported, but not for a period longer than three full years.

"Incurred Claims" means total claims paid during the experience period, adjusted for the change in claim reserve.

"Indebtedness" means total amount repayable including principal, interest and finance charges.

"Net Written Premium" means gross written premium minus refunds on termination.

"Prima Facie Rate" means a rate which will be accepted by the Director without filing detailed actuarial support as providing a reasonable credit life insurance benefit in relation to the premium charged.

(Source: Added at 12 Ill. Reg. 2426, effective January 15, 1988)