



RESOURCE LIFE INSURANCE COMPANY

An Aon Company

December 17, 2004

Ana M. Smith-Daley
Deputy Commissioner
Texas Department of Insurance
Life/Health Division
333 Guadalupe
Austin, Texas 78701

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DEC 20 2004
Filings Intake Section
Texas Department of Insurance

RECEIVED
DEC 20 2004
LIFE GROUP ADMIN

Re: Request for Credit Life and Credit Disability rate Recommendations

Dear Ms. Smith-Daley:

This letter is being submitted by Resource Life Insurance Company ("Resource Life"). Resource Life is an Illinois domestic insurer that is authorized to write both credit life as well as credit disability insurance in forty-nine (49) states, the District of Columbia and Puerto Rico. The credit insurance offered by Resource Life is primarily offered on a single premium basis through motor vehicle dealerships. Presently, Resource Life provides credit insurance through a little over two hundred (200) dealerships. In 2003, Resource Life's written premium in Texas was almost fourteen million (\$14,000,000.)

I am familiar with the methodologies and assumptions used by Resource Life, as I am a valuation actuary as well as principal actuary for Resource Life. Also, I am an officer for Resource Life. My title in Resource Life is Actuary.

I have reviewed the data analysis and rate recommendation for Texas Credit Life and Disability Presumptive Rates prepared by Christopher H. Hause, F.S.A. of Hause Actuarial Solutions, Inc. dated July 16, 2004. The methodology and assumptions used by Mr. Hause are consistent with sound actuarial standards and principles. Resource Life is in agreement with the methodology and assumptions as well as the presumptive credit insurance rates demonstrated in Mr. Hause's written testimony or presentation.

Resource Life most respectfully requests that the Texas Department of Insurance thoughtfully consider and then adopt the presumptive credit insurance rates demonstrated in Mr. Hause's written testimony or presentation.

If you should have any questions or require any additional information from Resource Life, please let me know and I will see what can be done.

Sincerely yours,

Robert A. Sabaj, F.S.A.

Cc: William F. Burfeind, Consumer Credit Insurance Association
Joseph D. Fagan, Resource Life Insurance Company
Joe R. Elms, Resource Life Insurance Company
R. Michael Pollard, Texas Association of Life and Health Insurers