

## **Alabama Insurance Underwriting Association (AIUA) Consumer Calculator Usage**

The consumer calculator can be accessed by going to the home page of the AIUA web site [www.aiua.org](http://www.aiua.org). You will see a shortcut at the top of the information section labeled 'Click here for consumer calculator'. This will take you to the consumer calculator mapping page.

The consumer calculator is essentially a duplicate of that available to licensed agents. Though generally self-explanatory, be aware that some aspects may be unfamiliar to you. There is a wealth of general information available at the AIUA web site at [www.aiua.org](http://www.aiua.org). Feel free to contact us for assistance. Support can be contacted by sending an email to [customerservice@aiua.org](mailto:customerservice@aiua.org). Let us know of any problems you experience or suggestions you might have to improve the product. Following are some tips to help you along:

- You will be initially presented with the "Check Eligibility" screen. This is an initial screening to ensure the property falls within the AIUA coverage area. Fields highlighted in red are mandatory. Type in the appropriate address information and click the "Check" button. Search results will be presented including "AIUA Rating Zone" and "Flood Zone". Though accuracy rates are high, as indicated on screen, mapping determinations are subject to verification by the AIUA Underwriting Department. Additionally, the property geo-coordinates are mapped graphically. By clicking the "+" and "-" buttons, you can zoom in and out to verify the mapping determination is accurate. After verifying accuracy, click "Continue to Calculator".
- Make calculator selections as appropriate. Be aware that AIUA coverage guidelines and policy constraints are built into the residential calculator as dictated in the document, "AIUA Rules and Procedures for Submitting Applications". This manual is available on the AIUA website under the selection "About AIUA", on the AIUA home page. Bottom line, the calculator will only allow you to make selections as allowed. As an example, "Policy Form (coverage type), is determined by what type of "Loss Settlement" is in place by the carrier (insurer) of the policy fire coverage. Many of the fields are populated by drop-down selections. Those fields that are "typed" In will automatically limit selections as appropriate (i.e. "Dwelling coverage = or < \$500,000). After some initial familiarization, you'll find the calculator to be relatively self-explanatory. Following is a brief explanation of the calculator fields:

**Coverage Effective On** – Type in the date coverage is to be effective or click on the calendar icon to select a date.

**Mortgage Closing Binder** – This field is defaulted to 'No' (for agent use only).

**AIUA Rating Territory** – Automatically selected based on 'mapping' determination.

**Coverage Type** – Automatically defaults to 'Wind Only'. This is the only coverage available from AIUA at this time.

**Other Carrier Loss Settlement** (Actual Cash Value / Replacement Cost Value) – What type of insurance coverage will be in effect for the other types of home insurance in place? (i.e. fire, liability, etc.)

**Actual Cash Value** (\$ amount) – Actual Cash Value (or Replacement Cost Value at the time of loss minus depreciation). Depreciation is the decrease in value due to wear and tear or age (typically, 1% per year).

**Replacement Cost Value** (\$ amount) – Replacement Cost Value, or the cost to repair or replace your home or other structures with like kind and quality. This is not the Market Value or Mortgage Value of your home.

**Dwelling Coverage** (\$ amount) – Amount of insurance for coverage of the physical structure of your home. Must be equal to, or higher than ‘Actual Cash Value’ or ‘Replacement Cost Value’ entered above.

**Contents Coverage** (\$ amount) – Amount of insurance needed for personal property contained at the insured property location. (optional)

**Policy Form** – Automatically defaults to ‘DPW1’ or ‘DPW2’ depending on selection for “Other Loss Settlement” as indicated above.

‘DPW1’ – ‘Actual Cash Value’ loss settlement coverage

‘DPW2’ – ‘Replacement Cost Value’ loss settlement coverage

DPW-2 vs. DPW-1 Loss Settlement example for covered damage to your dwelling or other structure:

Assume we have a dwelling insured for \$100,000 in coverage with a 5% wind/hail/hurricane deductible. A \$10,000 roof claim is reported. The roof is a 20-year roof that is 10 years old.

Depreciation will be calculated as follows:

On a DPW-02:		On a DPW-01:	
Loss	\$10,000	Loss	\$10,000
Depreciation (0%)	(\$0)	Depreciation (50%)	(\$5,000)
Deductible (\$100,000 X .05 = \$5,000)	(\$5,000)	Deductible (\$100,000 X .05 = \$5,000)	(\$5,000)
<b>Net Payment</b>	<b>\$5,000</b>	<b>Net Payment</b>	<b>\$0</b>

**This is a Mobil Home, Condo unit, Apartment or Town home** (Yes / No) – Select as appropriate.

**Wind/Hail/Hurricane Deductible** (1%, 2%, 5%, 10%) – Amount of expenses that must be paid out of pocket by insured before AIUA will pay any expenses.

**Construction-** Type of building construction

- **Frame** – Exterior wall of wood or other combustible construction, including wood iron-clad, stucco on wood or plaster on combustible supports. Aluminum or plastic siding over frame.
- **Masonry Block** – Exterior walls constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials.
- **Masonry Veneer** – Exterior walls of combustible construction veneered with brick or stone.
- **Superior Construction** – Non-Combustible Exterior walls and floors and roof constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials. Roof of metal or other non-combustible materials.
- **Mobile Home** – Factory built, manufactured, or modular homes

**Year roof installed or replaced** (year listing drop-down) – indicate the year that the home’s roof was installed or replaced.

**Roof Material** (material listing drop-down) – Select the type of roofing material currently installed on the insured home.

**Manufacturers roof material life expectancy** (year listing drop-down) – Select the manufacturers life expectancy for the installed roof material.

**Occupancy** (Owner / Tenant) – Is the insured home occupied by the owner or leased to a tenant.

**Occupancy Status'** (Not-seasonal / Seasonal) – Indicate if the insured property is occupied year-round or seasonally.

**Number of Families** – Select the number of families that will be occupying the insured property.

**What year was the building constructed?** – Indicate the year building was originally constructed.

**Does the structure meet *Fortified Wind Resistive standards?*** - See [https://aiua.org/pages/wind\\_mitigation](https://aiua.org/pages/wind_mitigation) Fortified discounts are available only in instances where specific fortified engineering standards have been incorporated into construction. Submission from a licensed, professional engineer and/or IBHS Institute for Business and Home Safety (IBHS) certificate will be required.

- Fortified Home Bronze
- Fortified Home Silver
- Fortified Home Gold
- 2006 IRC or later
- Fortified for Safer Living

For further information see [Fortified...for safer living®](#) fortified wind resistive standards. Please refer to the IBHS website [www.disastersafety.org](http://www.disastersafety.org) and review the "Fortified Programs" information.

**What city is the building in?** – Select the city in which the insured property resides.

**Is the building within five miles of the fire station?** (Yes / No) - Select as appropriate.

**Is the building within 1,000 feet of a fire hydrant?** (Yes / No) - Select as appropriate.

- After making selections as appropriate, click the “Calculate” button below the calculator. You will be presented with the appropriate premium values based on the Wind/Hail/Hurricane deductible selected. For a printout of the presented quote, click the text (link) “Please contact an authorized agent to submit an application to AIUA”, located near the bottom of the quote premium listing. As indicated, the intent is that this quote sheet be presented to an authorized AIUA agent/producer who would be able to place the coverage.

We hope that this guide is helpful in your use of AIUA Consumer Calculator. Again, feel free to contact us at email address [customerservice@aiua.org](mailto:customerservice@aiua.org). Inquiries will be answered in the order their received and based on availability of AIUA underwriting resources.