

ALABAMA DEPARTMENT OF INSURANCE INSURANCE REGULATION
ADMINISTRATIVE CODECHAPTER 482-1-093
CREDIT PROPERTY AND INVOLUNTARY UNEMPLOYMENT INSURANCE482-1-093-AA Exhibit A Credit Property Insurance.

EXHIBIT A

CREDIT PROPERTY INSURANCE

The dual interest rates applicable to credit property insurance when calculated on a net monthly outstanding balance basis shall be \$2.35 per \$1,000 of outstanding indebtedness per month. Inclusion of theft coverage on a dual interest basis shall allow an additional charge of \$.65 per \$1,000 of outstanding indebtedness per month. Single interest rates shall be 67% of the dual interest rates.

If premiums are payable on a single premium basis the following formula shall be used to develop single premium rates from the net monthly outstanding balance rates set forth above:

$$Sp = ((N+1)/20) \times Op$$

where Sp is the single term premium per \$100 of initial insured indebtedness, N is the credit term in months, and Op is the net monthly outstanding balance rate per \$1,000 of outstanding indebtedness.

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Statutory Authority: Code of Ala. 1975, §27-2-17.

History: New Rule: June 12, 1992; effective June 22, 1992;

Amended: October 15, 1996; effective April 1, 1997. **Amended:** July 23, 2002; effective August 2, 2002. Filed with LRS July 23, 2002. Rule is not subject to the Alabama Administrative Procedure Act.