

ALABAMA DEPARTMENT OF INSURANCE INSURANCE REGULATION  
ADMINISTRATIVE CODECHAPTER 482-1-093  
CREDIT PROPERTY AND INVOLUNTARY UNEMPLOYMENT INSURANCE482-1-093-AB Exhibit B Involuntary Unemployment Insurance.

## EXHIBIT B

## INVOLUNTARY UNEMPLOYMENT INSURANCE

The rate applicable to involuntary unemployment insurance coverage shall not exceed the rates shown in Table 1 for products which use the monthly outstanding balance as the rating base. The rates in Table 1 assume a monthly indemnity equal to 3% of the monthly outstanding balance. If the monthly indemnity is different than 3% of the monthly outstanding balance, the rate shall be adjusted proportionally. The rates in Table 1 are expressed as the rate per \$100 of outstanding balance.

TABLE 1

Benefit Period in Months	Non-retroactive Benefits for 30 day elimination period and a 30 day waiting period	Retroactive Benefits for 30 day elimination period and a 30 day waiting period
3	\$0.06	\$0.09
6	\$0.08	\$0.12
9	\$0.09	\$0.13
12	\$0.10	\$0.14

The premium rate applicable to involuntary unemployment insurance coverage shall not exceed the rates shown in Table 2 for products that use the monthly benefit as the rating base. The rates are expressed as the rates per \$100 of monthly benefit.

TABLE 2

Benefit Period in Months	Non-retroactive Benefits for 30 day elimination period and a 30 day waiting period	Retroactive Benefits for 30 day elimination period and a 30 day waiting period
3	\$2.20	\$3.15
6	\$2.75	\$4.00
9	\$2.95	\$4.30
12	\$3.15	\$4.45

For involuntary unemployment coverage that is purchased using a single premium and the term of coverage is less than ten years,

the rates shall not exceed the product of the number of months in the term of the loan times the monthly rates shown in Table 3. The rates are expressed per \$100 of monthly benefit.

TABLE 3

Benefit Period in Months	Non-retroactive Benefits for 30 day elimination period and a 30 day waiting period	Retroactive Benefits for 30 day elimination period and a 30 day waiting period
3	\$1.65	\$2.50
6	\$2.20	\$3.10
9	\$2.35	\$3.30
12	\$2.45	\$3.50

The rates in Tables 1, 2, and 3 assume single coverage for loss of employment as a result of involuntary layoff, willful termination by employers, strikes, labor disputes, and lockouts. A downward deviation filing will be required if benefits are more restrictive than this standard.

If coverage includes benefits greater than the coverage contemplated in the rates set forth above and the insurer desires to charge a rate higher than shown above, a filing demonstrating the increase in benefits and proposed rate will be required.

**Author:** Vincent R. Ledlow, Associate Counsel

**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.