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TO ALL MWUA ACTIVE LICENSED PRODUCERS
MISSISSIPPI WINDSTORM UNDERWRITING
ASSOCIATION (MWUA)

MWUA Blanket Statement of Values
Spreadsheet – Explanation of Use
and Miscellaneous UW Information

Commercial Application submissions are on the rise, and this Bulletin is provided for guidance on application requirements for Commercial Applications with emphasis on supporting information required for Commercial Blanket Submissions.

First, as a reminder, Commercial Policy Limits whether issued on a building specific or blanket statement of values basis, is restricted to no more than a \$1,000,000 limit per building or building and contents if specifically scheduled on a \$1,000,000 single location or multilocation blanket schedule. **Specific Building or Building and/or Contents for each Building type applications should be entered by the agency in the MWUA Guidewire Policy System for quotation purposes.**

Commercial Blanket Building and Contents for each scheduled building, Commercial Blanket schedules at same location, or Commercial Blanket Schedules on a multi-location basis require a MWUA Statement of Values to support the application.

The MWUA Statement of Values spreadsheet can be found on the MWUA website: **msplans.com** (frequently asked questions, current news, or forms tabs). The spreadsheet contains an election for coverage intent, and data risk columns for building and contents entries that are required for MWUA underwriting of any of the three types of blanket submissions listed above (including variations of the at same location or at multi location submissions). The spreadsheet column data is required for quotation and underwriting of each application submitted for Blanket Coverage.

The statement of values is **mandatory** for commercial blanket schedule submissions intended for coverage on the following basis:

1. Specific Blanket Building and Contents Coverage for each specific building scheduled. Blanket Building and Contents Coverage is limited to \$1,000,000 each scheduled building.
2. Blanket Building coverage for Buildings at the same location. **Do not fill in the contents limit if the intent is building only blanket at same location coverage.** A Blanket Building Coverage at same location is limited to \$1,000,000. (Note- the Statement of Values can be completed to group the building schedule into multiple blanketed \$1,000,000 limit Building groups by providing a blanket # on the Statement of Values by each scheduled building to show how the schedule is grouped for separate \$1,000,000 blankets at the same location).
3. Blanket Building and Contents coverage for Buildings at the same location. A Blanket Building and Contents Coverage at same location is limited to \$1,000,000. (Note- the Statement of Values can be completed to group the building schedule into multiple blanketed \$1,000,000 limit Building and Contents groups by providing a blanket # on the Statement of Values by each scheduled building to show how the schedule is grouped for separate \$1,000,000 blankets at the same location). It is permitted to schedule some risks on the Blanket at same location statement of values for Building only and some for Building and Contents coverage (a mix of coverage intent).
4. Blanket Building Coverage or Building and Contents Coverage for Buildings at multiple locations. Do not fill in the contents limit if the intent is building only blanket at multiple locations coverage. A Blanket Building Coverage at multiple locations is limited to \$1,000,000. It is permitted to schedule some risks on the multi- location statement of values for Building only and some for Building and Contents coverage (a mix of coverage intent). **There can be no more than one multi- location blanket schedule written through MWUA for any one insured (or ownership interest).**

The base commercial policy form is written at 80% coinsurance.

Determine the minimum 80% coinsurance value of each risk entered on the statement of values (80% of the 100% value). 80% of the 100% is the minimum required limit for coverage of each building unless the 80% limit exceeds the maximum MWUA limit of \$1M.

If the (RCV or ACV as chosen) values for any blanket schedule on the "statement of values" is greater than the maximum \$1M MWUA limit, coinsurance must be determined for rating purposes.

When the blanket coverage limit compared to the combined total blanket schedule value falls below 80% but equal to or above 50%, a 1.5 rating multiplier is calculated against the 80% coinsurance MWUA base rate for premium determination.

When the blanket coverage limit compared to the combined total blanket schedule value falls below 50%, a 2.5 rating multiplier is calculated against the 80% coinsurance MWUA base rate for premium computation.

The MWUA Statement of Values spreadsheet is mandatory for any Commercial application submitted for Blanket Coverage. All data columns should be fully completed. The 100% Building Value column should be completed on either a Replacement Cost (build back like new) or Actual Cash Value (depreciated for age, use, and condition) basis. The scheduled risk values submitted to MWUA will be underwritten and site inspected to determine adequacy. Values should be submitted to MWUA accurately to avoid delays on application processing and/ or post binding adjustments to coverage.

Reminder – Since 11-1-2014 all MWUA commercial policy named storm percentage deductibles are calculated at time of loss based on the applicable deductible percentage applied against the total values subject of the risk or risk blanket group at time of loss (not the limit of insurance on the policy). MWUA Bulletin 13-04 (released 10-11-2013) is posted on the MWUA website for review if needed). If the risk or risk group values exceed \$5,000,000, the minimum named storm percentage deductible is 5%.

The MWUA Manual of Rules and Procedures is available for viewing on the MWUA website.

Habitational type commercial submissions must provide a copy of the Owners Association Bylaws/Covenants to help MWUA understand the building coverage intent for each submission.

MWUA cannot accept applications for coverage for a specific portion of a habitational building if the owner's unit submitted does not have fire walls and roof parapet construction allowing for a clearly defined building section for coverage. When the building owner section is not clearly defined with fire walls and roof parapets, the Association generally is the proper method to insure the total building structure. Coverage can be written for individual owner units within a condo or other multi family habitational building complex for interior betterments and improvements and contents coverage.

Mississippi Windstorm Underwriting Association Management