

Total Loss Claims

If your vehicle is involved in a loss and it sustains a significant amount of damage it may be considered a total loss. Typically a vehicle is considered a total loss when the cost of repair exceeds a percentage of the vehicle value that is defined by your state. When this is the case Integrity Mutual will no longer pay to repair the vehicle but instead will look to reimburse you for the value of the vehicle.

Valuation Methodology

The amount that Integrity Mutual may owe for the value of your vehicle is determined by the type of policy you have elected to carry. Some common policies are listed below:

- **Actual Cash Value (ACV)** – Is the value of the vehicle minus an adjustment for depreciation and physical condition. Integrity Mutual would owe the ACV or cost of repair whichever is less.
- **Stated Amount** – Customer or Agent specifies a value they believe the vehicle to be worth. Integrity Mutual would owe ACV, stated amount, or cost to repair, whichever is less.
- **Agreed Value** – Guarantees the amount of coverage based on an appraisal of the vehicle that is conducted at the time the policy is written. Integrity Mutual would owe the agreed amount or the cost of repair, whichever is less.

The most common personal and commercial auto policy that is written by Integrity Mutual is an Actual Cash Value (ACV) policy. To establish an ACV a complete description of your vehicle is submitted to a 3rd party vendor that will complete research in your local market to determine the value for your vehicle. As part of their research they will consider market comparables, options, mileage, condition and vehicles that have recently sold or are for sale in your market. Their comprehensive report is provided back to us with a recommended ACV for the loss vehicle that is used in the settlement of your claim.

Common Total Loss Terms

- **Adjusted Value** – The price of a comparable vehicle after adjustments are made to consider options that the comparable vehicle did or did not have when compared to the loss vehicle.
- **Baseline Adjustment** – An adjustment that is made to reflect the difference between condition ratings. (Dealer Ready, Normal Wear, Rough Condition etc)
- **Base Vehicle Value** – Is established from comparable vehicles available or recently sold in the market at the time of the loss, with adjustments made to reflect the loss vehicle options.
- **Comparable Vehicle** – A vehicle of the same make and model with similar age, options, condition and mileage.
- **Condition** – A rating of the physical state of the vehicle with regards to the quality, appearance and working order when compared to other vehicles in the same market.
- **Dealer List Price** – Is the sticker, asking or advertised price of a vehicle on a dealer lot.
- **Previous Salvage Title** – Title history or branding that indicates that the loss vehicle has been involved in a previous loss that resulted in the vehicle being a total loss.
- **Refurbishment** – Significant repairs or reconditioning over and above normal maintenance that may add value to the vehicle.
- **Unrelated Prior Damage (UPD)** - Damage that your vehicle had prior to the loss that may have a negative impact on the final vehicle value.