



February 6, 2004

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Personal Auto Manual Revision
Safe Driver Insurance Plan
Deletion of Rule 5b Exception d

The Commissioner has approved a revision to the Safe Driver Insurance Plan on behalf of all member companies of the North Carolina Rate Bureau. This revision is being made as a result of several Safe Driver Insurance Plan hearings and inquiries from member companies.

The Safe Driver Insurance Plan Rule 5.b. Exception d, states that no points are assigned for accidents if the operator of the other auto involved in the accident was convicted of a moving violation and the applicant or resident operator was not convicted of a moving violation in connection with the accident. If the applicant or resident operator is truly "at-fault" in the accident, it is not appropriate that the insured not be charged "points" if they are at-fault just because the other party involved was convicted of a moving violation.

In that regard, please find attached an amended Rule 5.b.Exceptions in which rule d is being eliminated.

This revision is to become effective in accordance with the following Rule of Application:

This change becomes effective with respect to new business written on or after March 1, 2004.

Please see to it that this information is brought to the attention of all appropriate personnel in your company.

Very truly yours,

Wayne B. Hinton

Automobile Manager

WBH:dp
Enclosure
A-04-1

Safe Driver Insurance Plan

Exception

No points are assigned for accidents occurring under the following circumstances:

- (a) Auto lawfully parked (if the parked vehicle rolls from the parked position then any such accident is charged to the person who parked the auto); or
- (b) The applicant, owner or other resident operator reimbursed by, or on behalf of, a person who is responsible for the accident or has judgment against such person; or
- (c) Auto is struck in the rear by another vehicle and the applicant or other resident operator has not been convicted of a moving traffic violation in connection with this accident; or
- ~~(d) Operator of the other auto involved in the accident was convicted of a moving traffic violation and the applicant or resident operator was not convicted of a moving traffic violation in connection with the accident; or~~
- (ed) Auto operated by the applicant or any resident operator is struck by a "hit-and-run" vehicle, if the accident is reported to the proper authority within 24 hours by the applicant or resident operator; or
- ~~(fe)~~ Accidents involving damage by contact with animals or fowl; or
- ~~(gf)~~ Accidents involving Physical Damage, limited to and caused by flying gravel, missiles, or falling objects.
- (hg) Accidents occurring as a result of the operation of a firefighting, rescue squad, or law enforcement vehicle in response to an emergency if the operator of the vehicle at the time of the accident was a paid or volunteer member of any fire department, rescue squad, or any law enforcement agency. This exception does not include an accident occurring after the vehicle ceases to be used in response to the emergency and the emergency ceases to exist.