

NORTH CAROLINA RATE BUREAU

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March 13, 1998

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Towing and Labor Costs Coverage Amendments

The Commissioner of Insurance has approved filings submitted by this Rate Bureau for (1) a new Endorsement NC 03 04 (Ed. 1-98) - Towing and Labor Costs Coverage; and (2) amendments to Rule 14.E. in the North Carolina Personal Auto Manual.

Enclosed herewith is a copy of new Endorsement NC 03 04 (Ed. 1-98) which provides for an "unlimited" coverage option under towing and labor costs coverage. Endorsement NC 03 04 may be use to afford towing and labor costs coverage for a specific limit per disablement or for the new "unlimited" coverage option. Endorsement NC 03 03 (Ed. 9-95) will remain in effect for those companies electing to utilize that form.

Also enclosed is a memorandum which sets forth the proposed amendments to Rule 14.E. which are designed to afford the "unlimited" coverage option at a rate of \$13.00.

These changes become effective in accordance with the following Rule of Application:

These changes are applicable to policies written on and after May 1, 1998.

Please see to it that all interested company personnel and agents are informed of these changes.

Very truly yours,

John W. Watkins

General Manager

JWW:lg

Enclosure

A-98-3