January 24, 2013

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: 2013 Data Call

Annually, the North Carolina Rate Bureau, the North Carolina Reinsurance Facility and the North Carolina Insurance Guaranty Association collect the statutory Property and Casualty Annual Statement and Insurance Expense Exhibits. The Rate Bureau also collects Automobile, Homeowners, Mobile Homeowners and Dwelling Expense Experience and Installment Premium Payment Charge data through a special data call. This data is used for the preparation of rate filings, apportionment of expenses, and assessments. All member companies are required to utilize the IDC (Industry Data Collection) web application to submit the various data calls. The IDC web application is located on the Member Services Portal of the NCRB website (www.ncrb.org).

Attached you will find the 2013 Data Call Package. The package includes the following:

- Call Reporting Schedule and Fine Information
- Financial Call Contact Form - The completion of this form will ensure that the Bureau has up to date information and will provide contact information should questions arise concerning your data submissions. The Financial Call Contact Form can be emailed to idcsupport@ncrb.org or faxed to 919-783-7467. This form is also available on the NCRB website at www.ncrb.org. Click the NCRB button and then select the Personal Lines Services link. On the Personal Lines Services page, there is a link to the Financial Call Contact Form. Please complete the form and return to the Rate Bureau by February 15, 2013.
- IDC Data Reporting Guide - The IDC Data Reporting Guide provides an overview of the data submission process, an overview of the edit process and provides details for the data elements contained in each call. The Data Reporting Guide is also located on the Personal Lines Services page of the website. The IDC edit process has been enhanced significantly during the past year. Member Company personnel responsible for the submission of data are strongly encouraged to the review the Guide prior to the submission of data and before responding to edits.
- Updated IDC User Guide pages - The IDC User Guide has been updated to reflect the system changes resulting from the new edit process. The complete IDC User Guide is available on the NCRB website at www.ncrb.org. Click on the NCRB button and then select Personal Lines Services. On the Personal Lines Services Page, click on the...
Expense Experience link and then select the IDC User Guide. The updated portion of the IDC User Guide begins on page 35.

- Updated Getting Started Guide pages - The IDC Getting Started Guide has been updated to reflect the system changes resulting from the new edit process. The complete Getting Started Guide is available on the NCRB website at www.ncrb.org. Click on the NCRB button and then select Personal Lines Services. On the Personal Lines Services Page, click on the Expense Experience link and then select the IDC Getting Started Guide. The updated portion of the IDC Getting Started Guide begins on page 4.

- Updated Training Handouts for Expense Experience - The training handout is designed to walk you through the system. The handout is an overview of the Expense Experience submission process. The Training Handout has been updated to walk you through the new edit resolution process.

Bureau staff will be available to conduct training sessions for the edit process. The training sessions will provide an overview of the enhanced edit response portion of IDC. The training sessions will be scheduled in April as reflected on the attached Training sign-up form. Complete and fax the attached form to 919-719-7426 if you are interested in participating.

Please share this information with personnel responsible for reporting data to NCRB. If you have any questions, you may contact the NCRB Information Center at 919-582-1056 or wcinfo@ncrb.org.

Sincerely,

Delisa D. Fairley

Manager, Insurance Data Operations

DDF:dms

G-13-1
If at any time during these procedures you need assistance, you may contact the NCRB, NCRF and NCIGA Information Center at:

Phone: 919-582-1056

Fax: 919-783-7467

E-mail: wcinfo@ncrb.org
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Preface: Summary of 2013 Changes

1. Form Instruction button
   a. The Form Instruction button now directs you to the Industry Data Collection Reporting Guidebook. Scroll the Table of Contents and select the appropriate form for instructions.

2. Edits/Edit Resolution
   - Edits will now display for all items reviewed by the system.
   - Edit tabs will display as failed (✗) or passed (✓).
   - Edit tabs that fail will display one or more individual edits that failed (✗), and may display additional edits that have passed (✓).
   - For each failed (✗) edit, a “Company Response needed” message is displayed.
   - Detailed business explanations are required to explain the ratio variance.
   - For each item show as passed (✓), no action is needed. However, during NCRB’s internal review of the Expense Experience data, there may be occasions when edits passed by the system may be questioned. If this is the case, NCRB will change the edit status to failed (✗) and the company will be contacted via email or phone.
   - When a response has been received for all failed edits (✗), the Company Home Page will display the “Pending NCRB review” message. Each edit will display the message “NCRB Reviewing” (☐) or passed (✓). The failed symbol (✗) will display on the edit tab until NCRB approves the individual items for each tab.
Part 1-Industry Data Collection Reporting Guidebook Overview

Each year, North Carolina Rate Bureau (NCRB) member companies are required to submit their NAIC annual statement, Installment Premium charges, and Automobile and Property Expense Experience data. Members of the North Carolina Insurance Guaranty Association (NCIGA) are required to submit their NAIC annual statement data for assessment purposes only. NCRB only accepts data call information electronically. The Industry Data Collection (IDC) web application provides a data entry tool for the data submission and allows NCRB administrators to audit the Expense Experience data through a series of edits to ensure the data is accurate. This data is then compiled for use in NCRB rate filings.

In addition to the IDC Guidebook there is also an IDC User Guide and an IDC Getting Started Guide to help with the submission of the annual data calls.
# Data Call Reporting Chart

<table>
<thead>
<tr>
<th>Annual Call</th>
<th>Required Reporting</th>
<th>Not Required</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Statement</td>
<td>You are required to upload an electronic version of your Annual Statement if you are licensed to write business in NC and you are a member of the NCRB and/or the NCIGA. The files are required to conform to the NAIC Electronic Filing Specifications.</td>
<td></td>
<td>Reporting Exception: If a County Farm Mutual Company does not have the capability to submit an electronic version, a hard copy will be accepted. <em>(This applies to County Farm Mutual Companies ONLY)</em></td>
</tr>
<tr>
<td>Insurance Expense Exhibit (IEE)</td>
<td>You are required to upload an electronic version of your IEE if you are licensed to write business in NC and you are a member of the NCRB. The files are required to conform to the NAIC Electronic Filing Specifications.</td>
<td>You are not required to upload an IEE: 1) If in NC you are a member of the NCRB and licensed to write Workers Compensation Insurance only 2) If your company has no premium, no losses, and no expenses for NC on lines 1, 2.1, 4, 19.1, 19.2, 19.3, 19.4 &amp; 21.1.</td>
<td></td>
</tr>
<tr>
<td>Auto Expense Experience Forms A1, A2 &amp; A3</td>
<td>If you write NC auto business on Annual Statement Lines 19.1 (Form A1), 19.2 (Form A1), 19.3 (Form A3), 19.4 (Form A3) or 21.1 (Form A2)</td>
<td></td>
<td>For Auto, if a company has zero writings across the NC annual statement page for lines 19.1, 19.2, 19.3, 19.4 &amp; 21.1 the form will be submitted as a zero report by the IDC application.</td>
</tr>
<tr>
<td>Installment Premium Charges Form IP1</td>
<td>You are required to report Installment Premium Charges if you are licensed to write auto and/or property business in NC.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home/Mobile Home Owners Form H1</td>
<td>If you write NC Homeowners or Mobile Home business on Annual Statement Line 4, Line 21.1, or Line 34</td>
<td></td>
<td>For Homeowners, if a company has zero writings across the NC annual statement page for lines 4, 21.1 and 34 the form will be submitted as a zero report by the IDC application.</td>
</tr>
<tr>
<td>Dwelling Form D1</td>
<td>If you write NC business on Annual Statement Line 1 or Line 2.1</td>
<td></td>
<td>For Dwelling, if a company has zero writings across the NC annual statement page for lines 1 and 2.1 the form will be submitted as a zero report by the IDC application.</td>
</tr>
</tbody>
</table>
## Part 2-Data Call Schedule

### Annual Calls and Due Dates

<table>
<thead>
<tr>
<th>Annual Calls</th>
<th>Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>P &amp; C Annual Statement</td>
<td>March 1, 2013</td>
</tr>
<tr>
<td>Insurance Expense Exhibit</td>
<td>April 1, 2013</td>
</tr>
<tr>
<td>Automobile Expense Experience</td>
<td>April 22, 2013</td>
</tr>
<tr>
<td>Installment Premium Charges</td>
<td>May 6, 2013</td>
</tr>
<tr>
<td>Homeowners Expense Experience</td>
<td>June 3, 2013</td>
</tr>
<tr>
<td>Dwelling Expense Experience</td>
<td>June 3, 2013</td>
</tr>
</tbody>
</table>
Part 3- Personal Lines Reporting Workflow

Based on the annual call due dates, the data is required to be submitted in this order:

- Annual Statement
- Insurance Expense Exhibit
- Auto Expense Experience  
  - Edits
- Installment Premium Charges
- Homeowners Expense Experience  
  - Edits
- Dwelling Expense Experience  
  - Edits

The Expense Experience calls are submitted after the NAIC Annual Statement and the Insurance Expense Exhibit because they require, in some instances, data to be reconciled back to specific items that are included in the NAIC Annual Statement and the Insurance Expense Exhibit (IEE).
The first step in submitting coverage data to NCRB is to upload the required NAIC Annual Statement and Insurance Expense Exhibit (IEE) data files. The files are required to conform to the NAIC Electronic Filing Specifications. There are many files generated by each carrier for their submission to the NAIC. NCRB is specifically looking for the carrier's March and April data files. These files have the following naming convention:

Ccccc_vc_s_yyyy_f_d_vv_sa_ss_fb.txt

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ccccc</td>
<td>NAIC Code</td>
</tr>
<tr>
<td>Vc</td>
<td>Vendor code</td>
</tr>
<tr>
<td>S</td>
<td>Statement Type Code – this should equal “p”</td>
</tr>
<tr>
<td>yyyy</td>
<td>Four-digit filing year</td>
</tr>
<tr>
<td>f</td>
<td>Submission filing type code. Valid codes are: O – Original, R – Refiling or A - Amended</td>
</tr>
<tr>
<td>d</td>
<td>Submission group type code. This should equal “M” for the Annual Statement file and “A” for the IEE file.</td>
</tr>
<tr>
<td>Vv</td>
<td>One or two digit filing version number</td>
</tr>
<tr>
<td>Sa</td>
<td>One or two digit separate account id</td>
</tr>
<tr>
<td>Ss</td>
<td>Two character state supplement code</td>
</tr>
<tr>
<td>Fb</td>
<td>Filing By Line Of Business (BLOB) type code</td>
</tr>
</tbody>
</table>
Company Information & Allocations

- In order to submit your expense experience data, you must complete the questions on the Company Information tab.
- In order to enter your Automobile expense experience data, you must complete the questions on the Automobile Allocations tab.
- In order to enter your Homeowners expense experience data, you must complete the questions on the Homeowners Allocations tab.
- In order to enter your Dwelling expense experience data, you must complete the questions on the Dwelling Allocations tab.

<table>
<thead>
<tr>
<th>Company Information</th>
<th>Automobile Allocations</th>
<th>Homeowners Allocations</th>
<th>Dwelling Allocations</th>
</tr>
</thead>
</table>

Please answer the following questions for your **General Company data**:

1. What is your company’s statistical agent?
   - [ ] PO
   - [ ] ISO
   - [ ] HESS
   - [ ] OTHER

2. What type agency force does your company use?
   - [ ] INDEPENDENT
   - [ ] OTHER

3. The company whose data is being submitted is:
   - [ ] STOCK
   - [ ] MUTUAL
   - [ ] OTHER

4. The ultimate parent company of the company whose data is being submitted is:
   - [ ] STOCK
   - [ ] MUTUAL
   - [ ] OTHER
Company Information & Allocations

- In order to submit your expense experience data, you must complete the questions on the Company Information tab.
- In order to enter your Automobile expense experience data, you must complete the questions on the Automobile Allocations tab.
- In order to enter your Homeowners expense experience data, you must complete the questions on the Homeowners Allocations tab.
- In order to enter your Dwelling expense experience data, you must complete the questions on the Dwelling Allocations tab.

Please answer the following questions for your AUTOMOBILE data:

1. Do you allocate "Other Acquisition" Expenses for North Carolina?  
   - Yes  
   - No
   If Yes, how do you allocate?
   - Country-wide expenses to country-wide Written Premium
   - Country-wide expenses to country-wide Earned Premium
   - Other

2. Do you allocate "General" Expenses for North Carolina?  
   - Yes  
   - No
   If Yes, how do you allocate?
   - Country-wide expenses to country-wide Written Premium
   - Country-wide expenses to country-wide Earned Premium
   - Other
The Company Information tab requires responses to questions about your company data. A company’s expenses may be collected specifically for North Carolina or countrywide expenses may be allocated to North Carolina. When a company allocates expenses to North Carolina, the allocation questions request more detail on the method of allocation.

If expenses are allocated to North Carolina, answer yes to the allocation questions and further identify the basis of the allocation.

The allocation choices are:

- Country-wide expenses to country-wide Written Premium
- Country-wide expenses to country-wide Earned Premium
- Country-wide expenses to country-wide Incurred Losses
- Other (for example, loss reserves)

If expenses are collected specifically for North Carolina, you must answer no. The expenses submitted on the Expense Experience forms must be the actual incurred expenses for North Carolina.

**IDC Web Application Note:** The IDC application will use your responses to the allocation questions to determine IEE edits for each line of business. For example, if you allocate “Other Acquisition” expenses based on Written Premium, the ratio of Countrywide “Other Acquisition” expenses to Countrywide Written Premium should be comparable to North Carolina Only reported “Other Acquisition” expenses to North Carolina written premium.

The Homeowners Allocation tab has a few additional questions regarding Mobile Home business. The answers to these questions will enable/disable functionality on the Homeowners Expense form.

**IDC Web Application Note:** After you have entered your Homeowners form data, revisions to the Mobile Home answers on the Allocations tab will result in your Homeowner’s data being cleared from the system. The web application will validate whether you want to change your answers. If you select OK, the Homeowners data will have to be re-entered.
A. Automobile Expense Experience Data

The three auto forms are:

A1 Private Passenger Liability Coverage
A2 Private Passenger Physical Damage Coverage
A3 Commercial Liability Coverage
## 1. Private Passenger Liability Coverage Expense Experience (A1-Form)

<table>
<thead>
<tr>
<th>Items</th>
<th>Voluntary Private Passenger Automobile Liability Coverage (a)</th>
<th>Coded Private Passenger Automobile Liability Coverage (c)</th>
<th>Voluntary Motorcycle Liability Coverage (d)</th>
<th>Coded Motorcycle Liability Coverage (e)</th>
<th>Other than Automobile and Motorcycle Liability (f)</th>
<th>Total of all columns</th>
<th>Automobile Liability from Statutory Page 14 of Annual Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Direct Written Premium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>a. Actual (g)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Adjusted to Manual (h)</td>
<td></td>
<td></td>
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<tr>
<td>2. Direct Earned Premium</td>
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<tr>
<td>a. Actual (g)</td>
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<td>b. Adjusted to Manual (h)</td>
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<tr>
<td>3. Direct Commissions &amp; Brokerage (g)</td>
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<td>4. Direct Other Acquisition, Field Supervision &amp; Collection</td>
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<td>a. Branch Office - NC's Share</td>
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<td>b. Home Office - NC's Share</td>
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<td>5. Direct General Expenses Incurred:</td>
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<tr>
<td>a. General Expenses Incurred</td>
<td></td>
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<tr>
<td>b. Interest Paid</td>
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<tr>
<td>6. Direct Taxes, Licenses, Fees Incurred (g)</td>
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<td>7. Direct Losses Incurred (g)</td>
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<tr>
<td>Bodily Injury</td>
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<tr>
<td>Property Damage</td>
<td></td>
<td></td>
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<tr>
<td>8. Direct Loss Adjustment Expenses Incurred</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>a. Defense &amp; Cost Containment (g)</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>b. Adjusting &amp; Other Expense Payments</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Footnotes:**
(a) Voluntary Private Passenger Automobile Liability should include only private passenger non-fleet business retained on a voluntary basis and should include bodily injury, property damage, medical payments, uninsured motorists, underinsured motorists and auto death and disability. Do not include motorcycle liability in this column.
(b) Refunds are not applicable for this data collection year.
(c) Ceded Private Passenger Automobile Liability should include only private passenger non-fleet business ceded to the North Carolina Reinsurance Facility and should include bodily injury, property damage, medical payments, uninsured motorists, underinsured motorists and auto death and disability.
(d) Voluntary Motorcycle Liability should include motorcycle business retained on voluntary basis only.
(e) Ceded Motorcycle Liability should include motorcycle business ceded to the North Carolina Reinsurance Facility.
(f) Figures reported in this column represent “other than private passenger auto and motorcycle liability” that has been included on lines 19.1 and 19.2 of the Statutory Page 14 of the Annual Statement.
(g) Total of this row should agree with lines 19.1 and 19.2 of the Statutory Page 14 of the Annual Statement.
(h) Premiums adjusted to manual level eliminating the effect of inversions and/or non-standard rates.

**IDC Web Application Note:** The figures shown in the last column are the totals of the items from Line 19.1 (Private Passenger Auto No-Fault) and Line 19.2 (Other Private Passenger Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.
A. Columns

Private Passenger Automobile Liability Coverage -- Voluntary and Ceded

These columns should include Bodily Injury, Property Damage, Medical Payments, Uninsured Motorist, Underinsured Motorist and Automobile Death and Disability Coverage.

Motorcycle Liability Coverage -- Voluntary and Ceded

These columns should include all Bodily Injury and Property Damage Liability including Medical Payments, Uninsured Motorists, Underinsured Motorists, and Automobile Death and Disability for motorcycles and other similar motor vehicles -- not of the commercial type.

Refunds & Expenses for Liability Related to Rate Case Settlement

Refunds are not applicable for the collection of expense data unless the fields are “activated”.

Other than Automobile Liability and Motorcycle Liability

Report in this column any business that has not been reported in the previous columns and that the company reported on Line 19.1 and Line 19.2 of Statutory Page 14 of the NAIC Annual Statement.

Total of all columns

The figures displayed in this column are the sums of each row of the previous columns. The figures in this column must agree with the figures shown in the column labeled "Automobile Liability from Statutory Page 14 of the NAIC Annual Statement." Otherwise, the form will not be accepted by the Rate Bureau.
B. Items

1. Direct Written Premiums
   
a. **Actual** - Report the amount of direct written premiums. The total direct written premiums for all columns must agree with the total of direct premiums written shown on Line 19.1 (Private Passenger Auto No-Fault) and Line 19.2 (Other Private Passenger Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. The amounts reported for this item should include the premiums for Medical Payments, Uninsured Motorists, Underinsured Motorists and Automobile Death and Disability. Any rate case premium refunds should be reported as negative amounts in Columns C2 and C5 when these columns appear. North Carolina Reinsurance Facility recoupments are not premiums and should not be included.

   b. **Adjusted to Manual** – If your company had an approved deviation in North Carolina for non-fleet private passenger automobile liability insurance coverage’s, you must report adjusted to manual written premium.

2. Direct Earned Premiums
   
a. **Actual** - Report the amount of direct earned premiums. The total direct earned premiums for all columns must agree with the total of direct premiums earned shown on Line 19.1 (Private Passenger Auto No-Fault) and Line 19.2 (Other Private Passenger Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. The amounts reported for this item should include the premiums for Medical Payments, Uninsured Motorists, Underinsured Motorists and Automobile Death and Disability. Any rate case premium refunds should be reported as negative amounts in Columns C2 and C5 when these columns appear. North Carolina Reinsurance Facility recoupments are not premiums and should not be included.

   b. **Adjusted to Manual** - If your company had an approved deviation in North Carolina for non-fleet private passenger automobile insurance coverage’s you must report adjusted to manual earned premium.
3. **Direct Commissions & Brokerage**

Report the amount of commissions and brokerage expenses incurred. The total direct commission and brokerage expenses incurred for all columns must agree with the total direct commission and brokerage shown on Line 19.1 (Private Passenger Auto No-Fault) and Line 19.2 (Other Private Passenger Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. Any commission and brokerage amounts recovered as a result of any rate case premium refunds should be reported as negative amounts in Columns C2 and C5 when these columns appear. Do not include agent compensation or commission on North Carolina Reinsurance Facility recoupments.

4. **Direct Other Acquisition, Field Supervision & Collection Expenses Incurred**

Report expenses separately for Branch Office and Home Office. Any amounts directly related to rate case premium refunds should be reported in Columns C2 and C5 when these columns appear.

a. **Branch Office-State's (NC) Share** - Report actual expenses if the company maintains an office within North Carolina that processed only this State's business; allocation by line of business must be made in accordance with Regulation 30. If you maintain a regional branch office in North Carolina or any other state that processed North Carolina business along with business of other states, determine the North Carolina portion of the actual branch office expenses and report the North Carolina portion.

b. **Home Office-State's (NC) Share** - Determine the North Carolina portion of actual home office expenses and report the North Carolina portion.

5. **Direct General Expenses Incurred**

a. **General Expenses Incurred** - Report the North Carolina portion of general expenses incurred. Include expenses for payroll audit, inspection, boards and bureaus. Do not include North Carolina Insurance Guaranty Association assessments and North Carolina Reinsurance Facility assessments which are subject to recoupment. Any amounts directly related to rate case premium refunds should be reported in Columns C2 and C5 when these columns appear.

b. **Interest Paid** – If available, report any amounts of interest paid as a result of rate case premium refunds.
6. Taxes, Licenses and Fees Incurred

Report the amount of taxes, licenses and fees incurred. The total taxes, licenses and fees incurred for all columns must agree with the total of taxes, licenses and fees incurred shown on Line 19.1 (Private Passenger Auto No-Fault) and Line 19.2 (Other Private Passenger Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. Any credits realized as a result of any rate case premium refunds should be reported as negative amounts in Columns C2 and C5 when these columns appear.

7. Direct Losses Incurred

Report the amount of direct losses incurred for North Carolina. The total direct losses incurred for all columns must agree with the total of direct losses incurred shown on Line 19.1 (Private Passenger Auto No-Fault) and Line 19.2 (Other Private Passenger Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

8. Direct Loss Adjustment Expenses Incurred

a. Defense & Cost Containment - The total defense and cost containment for all columns must agree with the total of defense and cost containment expenses incurred shown on Line 19.1 (Private Passenger Auto No-Fault) and Line 19.2 (Other Private Passenger Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

b. Adjusting & Other Expense - If actual North Carolina adjusting & other expense amounts are available, enter the amount. If actual North Carolina adjusting & other expense amounts are not available, determine the appropriate North Carolina allocation.
# Physical Damage Coverage Expense Experience (A2-Form)

<table>
<thead>
<tr>
<th>Items</th>
<th>Private Passenger Physical Damage</th>
<th>Motorcycle Physical Damage Coverage</th>
<th>Other than Automobile Physical Damage</th>
<th>Total of all columns</th>
<th>Physical Damage from Statutory Page 14 of Annual Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Standard Rate (a)</td>
<td>Non-Standard Rate (b)</td>
<td>C1</td>
<td>C2</td>
<td>C4</td>
</tr>
<tr>
<td>1. Direct Written Premium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Actual</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b. Adjusted to Manual  (1)</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Direct Earned Premium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Actual</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b. Adjusted to Manual  (1)</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Direct Commissions &amp; Brokerage (e)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4. Direct Other Acquisition, Field Supervision &amp; Collection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Branch Office - NC’s Share</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Home Office - NC’s Share</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Direct General Expenses Incurred:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. General Expenses Incurred</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Interest Paid</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Direct Taxes, Licenses, Fees Incurred (e)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>7. Direct Losses Incurred (e)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>8. Direct Loss Adjustment Expenses Incurred</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Defense &amp; Cost Containment (e)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b. Adjusting &amp; Other Expense Payments</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Footnotes:**

(a) Business written at or below Rate Bureau level.

(b) Rates developed on a “contract-to-claim” basis.

(c) Returns are not applicable for this data collection year.

(d) Figures reported in this column represent “other than private passenger auto and motorcycle physical damage” that has been included on line 21.1 of the Statutory Page 14 of the Annual Statement.

(e) Total of this row should agree with line 21.1 of the Statutory Page 14 of the Annual Statement.

(1) Premiums adjusted to manual level eliminating the effect of deviations and/or non-standard rates.

**IDC Web Application Note:** The figures shown in the last column are the totals of the items from Line 21.1 (Private Passenger Auto Physical Damage) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.
A. Columns

**Private Passenger Automobile Physical Damage Coverage -- Standard and Non-Standard**

These columns should include collision and other than collision.

**Motorcycle Physical Damage Coverage**

This column should include motorcycle physical damage. (This data is collected for the purpose of being able to compare totals to the amounts reported on the NAIC Annual Statement for North Carolina.)

**Physical Damage Refunds and Expenses Related to Rate Case Settlement**

Refunds are not applicable for the collection of expense data unless the fields are “activated”.

**Other than Automobile Physical Damage**

Report in this column any business that has not been reported in the previous columns and that the company reported on Line 21.1 of Statutory Page 14 of the NAIC Annual Statement.

**Total of all columns**

The figures displayed in this column are the sums of each row of the previous columns. The figures in this column must agree with the figures shown in the column labeled "Automobile Physical Damage from Statutory Page 14 of the Annual Statement". Otherwise, the form will not be accepted by the Rate Bureau.
B. Items

1. Direct Written Premiums

   a. **Actual** - Report the amount of direct written premiums. The total direct written premiums for all columns must agree with the total of direct premiums written shown on Line 21.1 (Private Passenger Auto Physical Damage) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. Any rate case premium refunds should be reported as negative amounts in Columns C2 and C5 when these columns appear.

   b. **Adjusted to Manual** - If your Company had in effect during the previous calendar year an approved deviation or “consent to rate” in North Carolina for non-fleet private passenger automobile insurance coverage’s, you must report adjusted to manual written premium.

2. Direct Earned Premiums

   a. **Actual** - Report the amount of direct earned premiums. The total direct earned premiums for all columns must agree with the total of direct premiums earned shown on Line 21.1 (Private Passenger Auto Physical Damage) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. Any rate case premium refunds should be reported as negative amounts in Column C3 when this column appears.

   b. **Adjusted to Manual** - If your company had an approved deviation or “consent to rate” in North Carolina for non-fleet private passenger automobile insurance coverage’s, you must report adjusted to manual earned premium.
3. **Direct Commissions & Brokerage**

Report the amount of commissions and brokerage expenses incurred. The total direct written premiums for all columns must agree with the total of direct premiums written shown on Line 21.1 (Private Passenger Auto Physical Damage) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. Any commission and brokerage amounts recovered as a result of any rate case premium refunds should be reported as negative amounts in Columns C2 and C5 when these columns appear. Do not include agent compensation or commission on North Carolina Reinsurance Facility recoupments.

4. **Direct Other Acquisition, Field Supervision & Collection Expenses Incurred**

Report expenses separately for branch office and home office. Any amounts directly related to rate case premium refunds should be reported in Columns C2 and C5 when these columns appear.

   a. **Branch Office-State's (NC) Share** - Report actual expenses if the company maintains an office within North Carolina that processed only this State's business; allocation by line of business must be made in accordance with Regulation 30. If you maintain a regional branch office in North Carolina or any other state that processed North Carolina business along with business of other states, determine the North Carolina portion of the actual branch office expenses and report the North Carolina portion.

   b. **Home Office-State's (NC) Share** - Determine the North Carolina portion of actual home office expenses and report the North Carolina portion.

5. **Direct General Expenses Incurred**

   a. **General Expenses Incurred** - Report the North Carolina portion of general expenses incurred. Include expenses for payroll audit, inspection, boards and bureaus. Do not include North Carolina Insurance Guaranty Association assessments and North Carolina Reinsurance Facility assessments which are subject to recoupment. Any amounts directly related to rate case premium refunds should be reported in Columns C2 and C5 when these columns appear.

   b. **Interest Paid** – If available, report any amounts of interest paid as a result of rate case premium refunds.
6. **Taxes, Licenses and Fees Incurred**

Report the amount of taxes, licenses and fees incurred. The taxes, licenses and fees incurred for all columns must agree with the total of taxes, licenses and fees incurred shown on Line 21.1 (Private Passenger Auto Physical Damage) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. Any credits realized as a result of any rate case premium refunds should be reported as negative amounts in Columns C2 and C5 when these columns appear.

7. **Direct Losses Incurred**

Report the amount of direct losses incurred for North Carolina. The total direct losses incurred for all columns must agree with the total of direct losses incurred shown on Line 21.1 (Private Passenger Auto Physical Damage) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

8. **Direct Loss Adjustment Expenses Incurred**

   a. **Defense & Cost Containment** - The total defense and cost containment for all columns must agree with the total of defense and cost containment expenses incurred shown on Line 21.1 (Private Passenger Auto Physical Damage) of the NAIC Annual Statement for North Carolina.

   b. **Adjusting & Other Expense Payments** - If actual North Carolina adjusting and other expense amounts are available, enter the amount. If actual North Carolina adjusting and other expense amounts are not available, determine the appropriate North Carolina allocation.
### 3. Commercial Liability Expense Experience (A3-Form)

<table>
<thead>
<tr>
<th>Items</th>
<th>Commercial Automobile Liability Coverage</th>
<th>Other Than Commercial Liability Coverage</th>
<th>Total of all columns</th>
<th>Automobile Liability from Statutory Page 14 of Annual Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Body Injury</td>
<td>Property Damage</td>
<td>Coverage</td>
<td>Coverage</td>
</tr>
<tr>
<td>1. Direct Written Premium (a)</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>2. Direct Earned Premium (a)</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>3. Direct Commissions &amp; Brokerage (a)</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>4. Direct Other Acquisition, Field Supervision &amp;</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Collection</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>a. Branch Office - NC's Share</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Home Office - NC's Share</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Direct General Expenses Incurred (a)</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Direct Taxes, Licenses, Fees Incurred (a)</td>
<td>0</td>
<td>0</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>7. Direct Losses Incurred (a)</td>
<td>0</td>
<td>0</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>8. Direct Loss Adjustment Expenses Incurred (a)</td>
<td>0</td>
<td>0</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>a. Defense &amp; Cost Containment (a)</td>
<td>0</td>
<td>0</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>b. Adjusting &amp; Other Expenses Payments</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Footnotes:**
(a) Total of this row should agree with lines 19.3 and 19.4 of Statutory Page 14 of the Annual Statement.

**IDC Web Application Note:** The figures shown in the last column are the totals of the items from Line 19.3 (Commercial Auto No-fault) and Line 19.4 (Other Commercial Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.
A. Columns

Commercial Automobile Liability Coverage

These columns should include Bodily Injury and Property Damage Liability. Please include Medical Payments, Uninsured Motorist, Underinsured Motorist and Automobile Death and Disability in the Bodily Injury column.

Other than Commercial Liability

Report in this column any business that has not been reported in previous columns and that the company reported on Line 19.3 and Line 19.4 of Statutory Page 14 of the NAIC Annual Statement.

Total of all columns

The figures displayed in this column are the sums of each row of the previous columns. The figures in this column must agree with the figures shown in the column labeled "Automobile Liability from Statutory Page 14 of the NAIC Annual Statement." Otherwise, the form will not be accepted by the Rate Bureau.
B. Items

1. Direct Written Premiums

Report the amount of direct written premiums. The total direct written premiums for all columns must agree with the total of direct premiums written shown on Line 19.3 (Commercial Auto No-Fault) and Lined 19.4 (Other Commercial Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. The amounts reported for this item should include the premiums for Medical Payments, Uninsured Motorists, Underinsured Motorists and Automobile Death and Disability. North Carolina Reinsurance Facility recoupments are not premiums and should not be included.

2. Direct Earned Premiums

Report the amount of direct earned premiums. The total direct earned premiums for all columns must agree with the total of direct premiums earned shown on Line 19.3 (Commercial Auto No-Fault) and Line 19.4 (Other Commercial Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. The amounts reported for this item should include the premiums for Medical Payments, Uninsured Motorists, Underinsured Motorists and Automobile Death and Disability Coverage. North Carolina Reinsurance Facility recoupments are not premiums and should not be included.

3. Direct Commissions & Brokerage

Report the amount of commissions and brokerage expenses incurred. The total direct commission and brokerage expenses incurred for all columns must agree with the total direct commission and brokerage shown on Line 19.3 (Commercial Auto No-Fault) and Line 19.4 (Other Commercial Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina. Do not include agent compensation or commission on North Carolina Reinsurance Facility recoupments.
4. Direct Other Acquisition, Field Supervision & Collection Expenses Incurred

Report expenses separately for branch office and home office.

a. Branch Office-State's (NC) Share - Report actual expenses if the company maintains an office within North Carolina that processed only this State's business; allocation by line of business must be made in accordance with Regulation 30. If you maintain a regional branch office in North Carolina or any other state that processed North Carolina business along with business of other states, determine the North Carolina portion of the actual branch office expenses and report the North Carolina portion.

b. Home Office-State's (NC) Share - Determine the North Carolina portion of actual home office expenses and report the North Carolina portion.

5. Direct General Expenses Incurred

Report the North Carolina portion of general expenses incurred. Include expenses for payroll audit, inspection, boards and bureaus. Do not include North Carolina Insurance Guaranty Association assessments.

6. Taxes, Licenses and Fees Incurred

Report the amount of taxes, licenses and fees incurred. The total taxes, licenses and fees incurred for all columns must agree with the total of taxes, licenses and fees incurred shown on Line 19.3 (Commercial Auto No-Fault) and Line 19.4 (Other Commercial Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

7. Direct Losses Incurred

Report the amount of direct losses incurred for North Carolina. The total direct losses incurred for all columns must agree with the total of direct losses incurred shown on Line 19.3 (Commercial Auto No-Fault) and Line 19.4 (Other Commercial Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.
8. Direct Loss Adjustment Expenses Incurred

a. **Defense & Cost Containment** - The total defense and cost containment for all columns must agree with the total of defense and cost containment expenses incurred shown on Line 19.3 (Commercial Auto No-Fault) and Line 19.4 (Other Commercial Auto Liability) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

b. **Adjusting & Other Expense Payments** - If actual North Carolina adjusting & other expense amounts are available, enter amount. If actual North Carolina adjusting & other expense amounts are not available, determine the appropriate North Carolina allocation.
### B. Homeowner/Mobile Home Coverage Expense Experience Data (H1-Form)

<table>
<thead>
<tr>
<th>Items</th>
<th>Homeowners Excluding Mobile Home</th>
<th>Homeowners (a)</th>
<th>Other than Homeowners (b)</th>
<th>Total of all columns</th>
<th>Homeowners from Statutory Page 14 of Annual Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Standard (a)</td>
<td>Non-Standard (a)</td>
<td>Standard (a)</td>
<td>Non-Standard (a)</td>
<td>C1 + C2 + C3 + C4 + C5 + C6 + C7 + C8 + C9 + C10</td>
</tr>
<tr>
<td>1. Direct Written Premium</td>
<td>C1</td>
<td>C2</td>
<td>C3</td>
<td>C4</td>
<td>C5</td>
</tr>
<tr>
<td>a. Actual (c)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b. Adjusted to Manual (d)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2. Direct Earned Premium</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>a. Actual (c)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b. Adjusted to Manual (d)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3. Direct Commissions &amp; Brokerage (c)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>a. Direct Owner Acquisition, Field Supervision &amp; Collection</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>a. Branch Office - NC'S Share (e)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b. Home Office- NC'S Share (f)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5. Direct General Expense Incurred (g)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6. Direct Taxes, Licenses, Fees Incurred (h)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>7. Direct Losses Incurred (i)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>8. Direct Lease Adjustment Expenses Incurred</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>a. Defense &amp; Cost Containment (j)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b. Adjusting &amp; Other Expense Payments (k)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Notes:**
- Rates developed on a "cost to rate" basis.
- Figures reported in this column represent "other than Homeowners/Mobile Home Owners" that has been included on Line 4.0 of the Statutory Page 14 of the Annual Statement.
- Must agree with the Statutory Page 14 data of the Annual Statement. If mobile home data is reported on line 4 of the Statutory Page 14 data of Annual Statement, the combination of homeowners and mobile home must agree with the Statutory Page 14 data.
- Premiums adjusted to manual level eliminating the effects of deviations and non-standard rates.
- Exact basis of allocation in the Manual section if actual North Carolina data not available.

**IDC Web Application Note:** The figures shown in the last column are the totals for the items from Line 4.0 (Homeowners) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.
A. Columns

Homeowners (Excluding Mobile Home)-Standard and Non-Standard

These columns should include only the Homeowners line of business reported on Lines 4.0 of the Statutory Page 14. Do not include Mobile Home in these fields.

Mobile Home MH (F) and MH(C) Standard and Non-Standard

These columns should include only the Mobile Homeowners line of business reported on the Statutory Page 14. Do not include Homeowners in these fields.

Other than Home/Mobile Homeowners

Report in the column any business that has not been reported in the previous columns and that the company reported on Line 4.0 of the Statutory Page 14.
B. Items

1. Direct Written Premiums

   a. **Actual** - Report the amount of direct written premiums. The total direct written premiums for all columns must agree with the total of direct premiums written shown on Line 4.0 (Homeowners) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

   b. **Adjusted to Manual** - If your company had in effect during the previous calendar year an approved deviation or “consent to rate” in North Carolina for homeowners or mobile home insurance coverage’s, you must report adjusted to manual written premium.

2. Direct Earned Premiums

   a. **Actual** - Report the amount of direct earned premiums. The total direct earned premiums for all columns must agree with the total of direct premiums earned shown on Line 4.0 (Homeowners) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

   b. **Adjusted to Manual** - If your Company had in effect during the previous calendar year an approved deviation or “consent to rate” in North Carolina for homeowners or mobile home insurance coverage’s, you must report adjusted to manual earned premium.

9. Direct Commission & Brokerage

   Report the amount of commissions and brokerage expenses incurred. The total direct commission and brokerage expenses incurred for all columns must agree with the total direct commission and brokerage shown on Line 4.0 (Homeowners) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

4. Direct Other Acquisition, Field Supervision & Collection Expenses Incurred

   a. **Branch Office--State’s Share** - Report actual expenses if the company maintains an office within North Carolina that processed only this State’s business; allocation by line of business must be made in accordance with Regulation 30. If you maintain a regional branch office in North Carolina or any other state that processed North Carolina business along with business of other states, determine the North Carolina portion.

   b. **Home Office--State’s Share** – Determine the North Carolina portion of actual home office expenses and report the North Carolina portion.
5. Direct General Expenses Incurred -

Report the North Carolina portion of general expenses incurred. Include expenses for payroll audit, inspection, boards and bureaus.

6. Taxes, Licenses and Fees Incurred

Report the amount of taxes, licenses and fees incurred. The total taxes, licenses and fees incurred for all columns must agree with the total of taxes, licenses and fees incurred shown on Line 4.0 (Homeowners) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

7. Direct Losses Incurred

Report the amount of direct losses incurred for North Carolina. The total direct losses incurred for all columns must agree with the total of direct losses incurred shown on Line 4.0 (Homeowners) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

8. Direct Loss Adjustment Expenses Incurred

a. Defense & Cost Containment - The total defense and cost containment for all columns must agree with the total of defense and cost containment expenses incurred shown on Line 4.0 (Homeowners) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

b. Adjusting & Other Expense Payments - If actual North Carolina adjusting & other expense amounts are available, enter amount. If actual North Carolina adjusting & other expense amounts are not available, determine the appropriate North Carolina allocation.
### C. Dwelling Coverage Expense Experience Data (D1-Form)

<table>
<thead>
<tr>
<th>Item</th>
<th>Residential Fire</th>
<th>Other than Residential Fire</th>
<th>Total of Fire Column</th>
<th>Fire from Statutory Page 14 Line 1</th>
<th>Residential Extended Coverage</th>
<th>Other than Residential Extended Coverage</th>
<th>Total of Extended Coverage Column</th>
<th>Extended Coverage from Statutory Page 14 Line 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Rate</td>
<td>C1</td>
<td>C2</td>
<td>C3</td>
<td>C1 - C2 - C3</td>
<td>C4</td>
<td>C5</td>
<td>C6</td>
<td>C4 - C5 - C6</td>
</tr>
<tr>
<td>Non-Standard Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Footnotes:
(a) Residential Fire and Other Than Residential Fire must equal Line 1 of the Statutory Page 14 data. Residential Extended Coverage and Other than Residential Extended Coverage must equal Line 2.1 of the Statutory Page 14 data.
(b) Premiums adjusted to manual level eliminating the effect of equations and/or non-standard rates.
(c) Explanatory of allocation in the memo section if actual North Carolina data not available.

**IDC Web Application Note:** The figures shown in the last column are the totals of the items from Line 1.0 (Fire) and Line 2.1 (Allied Lines) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.
A. Columns

Residential Fire and Residential Extended Coverage-- Standard & Non-Standard

These columns should include only the residential fire and residential extended coverage lines of business reported on Line 1.0 (Fire) and Line 2.1 (Allied Lines) of the Statutory Page 14. Do not include commercial property in these fields.

Other than Residential Fire and Other Residential Extended Coverage

Report in these columns any business, including commercial business, that has not been reported in the previous columns and that the company reported on Line 1.0 (Fire) and Line 2.1 (Allied Lines) of Statutory Page 14 of the Annual Statement.

Total of all columns –Fire and Extended Coverage

The figures displayed in these columns are the sum of the previous columns. The figures in these columns must agree with the figures shown in the columns labeled "Fire from Statutory Page 14 Line 1" or “Extended Coverage from Statutory Page 14 Line 2.1”.

Fire and Extended Coverage from Statutory Page 14 of the NAIC Annual Statement

The figures shown in these columns are from Line 1.0 (Fire) and Line 2.1 (Allied Lines) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.
**B. Items**

1. **Direct Written Premiums**
   
a. **Standard and Non-Standard**
   Report the amount of direct written premiums. The total direct written premiums must agree with the total of direct premiums written shown on Line 1.0 (Fire) and/or Line 2.1 (Allied Lines) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

   b. **Adjusted to Manual**
   If your Company had in effect during the previous calendar year an approved deviation or “consent to rate” in North Carolina for Residential Fire and/or Residential Extended Coverage insurance, you must report adjusted to manual written premium.

2. **Direct Earned Premiums**
   
a. **Actual** - Report the amount of direct earned premiums. The total direct earned premiums must agree with the total of direct premiums earned shown on Line 1.0 (Fire) and/or Line 2.1 (Allied Lines) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

   b. **Adjusted to Manual** - If your company had in effect during the previous calendar year an approved deviation or “consent to rate” in North Carolina for Residential Fire and/or Residential Extended Coverage insurance, you must report adjusted to manual earned premium.

3. **Direct Commissions & Brokerage** - Report the amount of commissions and brokerage expenses incurred. The total direct commission and brokerage expenses incurred for all columns must agree with the total direct commission and brokerage shown on Line 1.0 (Fire) and/or Line 2.1 (Allied Lines) on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

4. **Direct Other Acquisition, Field Supervision & Collection Expenses Incurred**
   
a. **Branch Office--State’s Share** - Report actual expenses if the company maintains an office within North Carolina that processed only this State’s business; allocation by line of business must be made in accordance with Regulation 30. If you maintain a regional branch office in North Carolina or any other state that processed North Carolina business along with business of other states, determine the North Carolina portion.

   b. **Home Office--State’s Share** – Determine the North Carolina portion of actual home office expenses and report the North Carolina portion.
5. Direct General Expenses Incurred

Report the North Carolina portion of general expenses incurred. Include expenses for payroll audit, inspection, boards and bureaus.

6. Taxes, Licenses and Fees Incurred

Report the amount of taxes, licenses and fees incurred. The total taxes, licenses and fees incurred for all columns must agree with the total of taxes, licenses and fees incurred shown on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

7. Direct Losses Incurred

Report the amount of direct losses incurred for North Carolina. The total Direct Losses Incurred for all columns must agree with the total of direct losses incurred shown on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

8. Direct Loss Adjustment Expenses Incurred

a. Defense & Cost Containment - The total defense and cost containment for all columns must agree with the total of defense and cost containment expenses incurred shown on Statutory Page 14 of the NAIC Annual Statement for North Carolina.

b. Adjusting & Other Expense Payments - If actual North Carolina adjusting & other expense amounts are available, enter the amount. If actual North Carolina adjusting & other expense amounts are not available, determine the appropriate North Carolina allocation.
D. Call for North Carolina Installment Premium Payment Charges (IP1-Form)

The Installment Premium Payment Charges Call is for information in connection with North Carolina installment premium payment charges made under the North Carolina Installment Payment Rules in the Personal Auto Manual, the Homeowners Manual, the Dwelling Manual, the Mobile Home Owner Policy MH(C) Program and the Mobile-Homeowners Policy MH (F) Program. This information is reported on Form IP1. In addition, furnish information as to your Company’s method of recording these installment premium payment charges.
Part 7-Edits

Once data has been entered into the system, the system performs a series of data validation tests to help verify the accuracy of the data submitted. These tests are called “edits” by the system, and fall into several categories. When an edit fails, the system displays the details of the calculation for the company to review. The system displays only the tabs which include a failed edit.

Below the failed items, a memo field is provided for companies to use in providing an explanation. The Rate Bureau needs a business explanation for each failed item. This response will be reviewed by Rate Bureau staff. The explanation must provide a business reason for the failure. It is insufficient to simply state that the data provided are correct.

The chart provided below shows how the edit process works in more detail.
A. Edit Generation and Review Process Diagram:

1. **Auto Expense Experience**
2. **Homeowners Expense Experience**
3. **Dwelling Expense Experience**

   - Enter Data into Insurance Data Collection (IDC) web application and Submit.

   - **Do any edits have a status of “Company Response Needed”?**
     - **Yes**
       - Provide Detailed Explanation for NCRB Review
       - **Did NCRB approve Explanation?**
         - **Yes**
           - **Done**
         - **No**
     - **No**
       - **Does data need to be corrected?**
         - **Yes**
           - **Done**
         - **No**

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B. **Edit Tabs Generated:**
Edits which are calculated in a similar manner are grouped into “tabs”. The tabs, by form, are as follows:

1. **Form A1 – Private Passenger Automobile Liability**
   a. Automobile
   b. Motorcycle
   c. IEE
   d. Other Than

2. **Form A2 – Automobile Physical Damage:**
   a. Standard
   b. Non Standard
   c. IEE Edits
   d. Adj. to Manual – Non Standard
   e. Other Than
   b. Automobile – Non Standard Edits

3. **Form A3 – Commercial Automobile Liability**
   a. Automobile

4. **Form H1 – Homeowners**
   a. Homeowners
   b. MH(F)
   c. MH(C)
   c. Adj. to Manual – Non Standard
   d. Other Than
5. Form D1 – Dwelling

a. Residential Fire

b. Residential Extended Coverage

c. Adj. to Manual – Non Standard

d. Fire – Other Than

e. EC – Other Than
On each of the tab, various types of data are compared to data submitted in prior years. The individual items vary by tab, but generally include the following:

- Adjusting & Other Expense (ULAE)
- Branch & Home Office
- Commission
- Defense
- Earned Premium
- General Expenses
- Taxes
- Written Premium

The Edits are designed to compare the current data submission with prior year data. The system reviews each item and assigns one of the following statuses, as appropriate:

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Response Needed</td>
<td>Company Response Needed indicates a variance was found and the carrier needs to review the data for accuracy and, if the data is incorrect, make any necessary changes to the data. If the data is correct, the carrier must submit an explanation for the variance.</td>
</tr>
<tr>
<td>NCRB Reviewing</td>
<td>NCRB Reviewing indicates an explanation for a variance was submitted to NCRB for review but NCRB has not reviewed the explanation.</td>
</tr>
<tr>
<td>Accepted by NCRB</td>
<td>Accepted by NCRB indicates either that no variance in the data was found, or, NCRB has reviewed the explanation submitted for a variance and has accepted the explanation.</td>
</tr>
</tbody>
</table>

When a variance is found, the data must first be reviewed for accuracy. For example, if this year’s ratio is 0.000 and prior year ratios have been non-zero, a value may have been omitted from the data call. In this case, the data would need to be corrected.
If the data is found to be correct, a **business explanation** of the variance is required. For example, if commission has increased, an explanation might be that the company has changed their commission structure. Often, the explanations require assistance outside of the company's accounting and/or reporting department.

It is *not* appropriate to respond only that the “Data is correct” or that the “Data matches the Statutory Annual Statement”.

Once all items are marked as either “Accepted by NCRB” or “NCRB Reviewing”, the company has completed the data call.

Once NCRB reviews the data call submission, they will request additional information of the company on an as needed basis. If no further information is required, NCRB will mark each item as “Accepted by NCRB”.

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Part 8-Fines

To encourage timely submission of the data, the Governing Committee has approved the implementation of a penalty fee for the late submission of annual data calls. A penalty fee of $100 per day will be imposed for all late submissions. The $100 per day fee is imposed for each of the requested data calls. Member companies are urged to meet the requested due dates to avoid late penalty charges.
Resolving Edits (2013 and future)

If there are variances in the data you submitted (compared to data submitted in prior years), outside NCRB’s threshold, an Edit will be generated. You can resolve an Edit by submitting an acceptable explanation of the variances or by resubmitting data that corrects the variances. New in 2013, carriers will now be able to view all Edits, both inside and outside NCRB’s thresholds. In addition, carriers are now required to submit an explanation for each variance as opposed to prior years where carriers submitted an explanation for a grouping of data.

On each edit form, you will find a common set of buttons located at the top of the page:

**Printer Friendly View** – Displays a pop-up window with a summary of all of the edit failures for the data form. From here, you can use your web browser’s Print button to print the form.

**View Data** – Displays a pop-up window of the corresponding expense experience data used for the edit calculations. The data is in read-only mode. If you need to edit the data, close this window and click the **Edit Data** button.

**Edit Data** – Navigates you to the corresponding expense experience data entry form so that you can modify data, if necessary.

**[A1, A2, A3, H1 or D1] Edit Instructions** - If you need information about how to resolve the Edit, click the Instructions button. The instructions appear in a separate window. These instructions are also available in this guide; refer to “A1 Edit Instructions” in Appendix B.

**[A1, A2, A3, H1 or D1] Edits** – Provides a quick navigation to the other edit response forms.

After the data is submitted, Edits may be generated. If an Edit is generated, a message will appear and you will have the option to view the Edit. There are two other ways to access an Edit:

- Click the link in the Edits column on the Company Home page
- Click the “Edits” button (the **A1 Edits** button, for example) on the data form page.

The instructions below assume you will access the Edit using the link in the Edits column on the Home page.

**Step 1.** On the Company Home page, select the carrier you want to resolve an Edit for.
The **Carrier** drop-down box is populated with a list of carriers that are associated with your web security logon account. If you do not see a carrier code that you think should appear, contact your company’s Group Administrator to verify that your logon account was created properly.

**Step 2.** Using the **Calendar Year** field, specify the year you want to submit data for.

**Step 3.** In the **Edits** column, click the Edit link for the Edit you want to resolve.

The Review Edits screen for the selected Edit appears, similar to this example:

The IDC system compares the ratio for the current year and compares it to an average of the ratios from prior years to determine if the amount of variance in the ratio is reasonable. If an edit was outside the NCRB’s thresholds, you will see a red X icon on the tabs that require carrier response.

To see more detailed data regarding the edit, you can expand the categories by clicking the plus (+) icon displayed to the left of each row. This will show you the numbers the system used to calculate the edits.

Each tab contains a listing of the data items evaluated by NCRB. On each row of data, the system displays three possible statuses:
Company Response Needed indicates a variance was found and the carrier needs to review the data for accuracy and make any necessary changes. If the data is correct, the carrier must submit an explanation for the variance.

NCRB Reviewing indicates an explanation for a variance was submitted to NCRB for review but NCRB has not reviewed the explanation.

Accepted by NCRB indicates either that no variance in the data was found, or, NCRB has reviewed the explanation submitted for a variance and has accepted the explanation.

**Step 4.** Your data submission is not complete until you have provided an explanation for each edit generated. You can resolve an Edit by submitting an explanation of the variances, or by resubmitting data that corrects the variances.

If you want to resubmit the data, click the **Edit Data** button. The corresponding data form screen appears. Resubmit the data, with the corrected values, as described in “Entering Coverage Data.” If the new data does not resolve the variance, the Edit will be regenerated.

If you want to resolve the Edit by submitting an explanation of the variance, proceed to the next step.

**Step 5.** To submit an explanation, click the “Submit Response” hyperlink in the “Review Notes” column within the edits grid. This will display a pop-up window listing the variance and a place to enter your explanation:

Enter the explanation and click the **Add Note** button to save the information. Click the **Close** button to return to the edit screen.

**NOTE:** One explanation must be submitted for EACH variance.
displayed. For example, if the Automobile tab has three variances as indicated by the message, you must click the "Submit Response" link on each of those rows. If the Motorcycle tab has additional variances, an explanation must be submitted for each variance on that tab as well and so forth.

As explanations are entered, the status of the edit will switch to . At this point, there is nothing further you need to submit for this Edit.

Once all explanations are entered, your data will automatically be submitted to NCRB for review. This will lock your data from further editing. You will be notified via email if any additional information is required.

If the explanation you entered is acceptable, NCRB will accept the explanation and the status of the Edit will change to .

While there are still Edits that need to be reviewed and explanations provided, the status of the Edits on the Company Home page will say Outstanding. After you have submitted all required explanations, the status will change to Pending NCRB Review. After all explanations are accepted by NCRB, the Edit status on the Company Home page will change to Complete.

If any explanations are not acceptable, the NCRB will enter questions in the comments area requesting additional information. NCRB will send an email to the carrier requesting the additional information. The status of the Edit will change from Pending NCRB Review back to Outstanding.
Step 5. You can click Save to save the data you have entered. The data will be saved, but it will not be submitted to NCRB.

Step 6. When you are sure the data is correct, click the Submit [A1, A2, A3, H1, D1] Data to NCRB button. An affidavit asking you to verify the accuracy of the data is displayed. Your submission will not be considered complete unless you answer OK to the affidavit question.

If the submittal was accepted, the status of the data call is changed from Outstanding to Complete.

If your current data compared to previous data does not fall within our threshold an Edit will be generated. Immediately after the submission, a message will appear indicating that an Edit was created, giving you the option to view the Edit.

If Edits exist, you can resolve them by submitting an acceptable explanation of the variances, or by resubmitting data that corrects the variances. For more information, refer to “Resolving Edits.”

Resolving Edits

If there are questionable variances in the data you submitted, an Edit will be generated. Immediately after submitting the data, if an Edit is generated a message will appear indicating there is an Edit and will give you the option to view the Edit. There are two other ways to access an Edit:

- Click the link in the Edits column on the Home page
- Click the “Edits” button (the A1 Edits button, for example) on the data form page.

You can resolve an Edit by submitting an explanation of the variances, or by resubmitting data that corrects the variances.

The IDC system compares the ratio for the current year and compares it to an average of the ratios from prior years to determine if the amount of variance in the ratio is reasonable. To see more detailed data regarding the edit, you can expand the categories by clicking the plus (+) icon displayed to the left of each row. This will show you the numbers the system used to calculate the edits.

After you have selected an Edit, perform the following steps:

Step 1. You can resolve an Edit by submitting an explanation of the variances, or by resubmitting data that corrects the variances.

If you want to resubmit the data, click the Edit Data button. The corresponding data form screen appears. Resubmit the data, with the corrected values, as described in “Entering Expense Experience Data.” If the new data does not resolve the variance, the Edit will be regenerated.

If you want to resolve the Edit by submitting an explanation of the variance, proceed to the next step.

Step 2. Click the “Submit Response” link in the Review Notes column. A pop-up will display for the selected edit. On the pop-up, enter the explanation in the Comments field and click the Add Comments button to save the information.
and then click the Close button to return to the Edits page. **NOTE:** One comment must be submitted for EACH variance on EACH tab. For example, if you are viewing the A1 Edits and you see an Automobile tab and a Motorcycle tab has a red X icon, a comment must be entered for each variance on the Automobile tab as well as for each variance on the Motorcycle tab. When all variances have a response entered, the status of the edit form will automatically switch to Pending NCRB Review.

If the explanation you entered is acceptable, NCRB will accept the submission and the status of the Edit will change from Pending NCRB Review to Complete.

If the explanation is not acceptable, NCRB will enter questions in the comments area requesting additional information. NCRB will send an email to the carrier requesting the additional information. The status of the Edit will change from Pending NCRB Review to Outstanding.

**Entering Installment Premium Payment Charges**

You must also enter details about the carrier’s installment premium payment charges, as follows:

**Step 1.** On the Company Home page, click the **IP1 Installment Premium Payment Charges** link in the Data Call column. The Form IP1 - Installment Premium Payment Charges page appears.

**Step 2.** Enter your receipts from Installment Premium Payment Charges.

**Step 3.** If any of your receipts were greater than zero, specify how the carrier credited installment payments of premiums.

**Step 4.** Click Save to save the information you entered.

**Step 5.** When you are sure the data is correct, click the **Submit IP1 Data to NCRB** button. An affidavit asking you to verify the accuracy of the data is displayed. Your submission will not be considered complete unless you answer OK to the affidavit question.

**Step 6.** The status of the IP1 Installment Premium Payment Charges data call is changed from Outstanding to Complete and the data is locked.
<table>
<thead>
<tr>
<th>ANNUAL CALLS</th>
<th>DUE DATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>P &amp; C Annual Statement</td>
<td>March 1, 2013</td>
</tr>
<tr>
<td>Insurance Expense Exhibit</td>
<td>April 1, 2013</td>
</tr>
<tr>
<td>Automobile Expense Experience</td>
<td>April 22, 2013</td>
</tr>
<tr>
<td>Installment Premium Charges</td>
<td>May 6, 2013</td>
</tr>
<tr>
<td>Homeowners Expense Experience</td>
<td>June 3, 2013</td>
</tr>
<tr>
<td>Dwelling Expense Experience</td>
<td>June 3, 2013</td>
</tr>
</tbody>
</table>
This form is being completed to update the contact information for the North Carolina Rate Bureau’s Financial Calls. Should questions arise concerning the data submitted, NCRB will use the contact listed below. If a company has multiple contacts, please fill out the section below for each contact and attach as a separate page.

<table>
<thead>
<tr>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAIC Company Name</td>
</tr>
<tr>
<td>Contact Name</td>
</tr>
<tr>
<td>Contact Title</td>
</tr>
<tr>
<td>Contact Department</td>
</tr>
<tr>
<td>Address Line 1</td>
</tr>
<tr>
<td>Address Line 2</td>
</tr>
<tr>
<td>City, State, Zip Code</td>
</tr>
<tr>
<td>Phone Number</td>
</tr>
<tr>
<td>E-Mail Address</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Which of these financial call(s) is this contact responsible for?</th>
<th>Automobile Expense Experience</th>
<th>Installment Premium Charges</th>
<th>Homeowners Expense Experience</th>
<th>Dwelling Expense Experience</th>
<th>Annual Statement</th>
<th>IEE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>□ Y or N</td>
<td>□ Y or N</td>
<td>□ Y or N</td>
<td>□ Y or N</td>
<td>□ Y or N</td>
<td>□ Y or N</td>
</tr>
</tbody>
</table>

Print Name

Title

Signature

Date

Email: idcsupport@ncrb.org
Fax: (919) 783-7467
This IDC Expense Experience Training Guide walks a user through the IDC system at a very high level, only showing the basis features. For a more detailed explanation of the system, please see the following documents:

IDC User Guide

IDC Data Reporting Handbook

These documents can be found on the NCRB website by navigating to the following links: NCRB | Personal Lines | Expense Experience
You can access the NCRB Secure Members Portal by navigating to www.ncrb.org. Click the NCRB menu option, and then Personal Lines. On the Personal Lines Services page, click the Member Services Portal link.

If you do not have a login, your company’s Group Administrator can create one for you. If you do not know who your company’s Group Administrator is, contact NCRB’s Information Center at 919-582-1056.
After successfully logging into NCRB’s Member Services Portal, you can access the IDC system by choosing the Personal Lines menu and then IDC.
The IDC Company Home page gives you quick access to all of your data. Use the carrier and year dropdown at the top of the page to view the appropriate data. The carrier dropdown list is populated with carriers associated with your NCRB web security login account.

The Data Call Due Dates are listed in the second column. The fining process is tied to these due dates. The expense entry forms in each respective data call due date section (with the exception of edits) must be completed in order to avoid fines.

The Status columns display a red “Outstanding” if there is a form that requires your attention. Once each data form is submitted to NCRB for processing, the status will change to “Complete”. After submission, if edits are not generated your form data will automatically become locked. If you need to make changes and your form is locked, contact NCRB and we can unlock your data.

Some links are disabled based upon what data has been entered. For example, the Home/Mobile Home Owners’ Coverage link is
disabled until you complete the answers to your Homeowners Allocations questions.

If during the Annual Statement and IEE import process the system detected that an entire line of business was zero reporting, the system automatically sets the forms status to Complete.
The Company Information page contains some general company information questions and it also contains tabs to indicate how you allocate your data. If you are not licensed to write a particular line of business, that tab will be disabled.

You must answer your allocation questions before you enter your expense data.

Click on the allocation tabs to view the allocation questions. You must answer every question that is displayed on each enabled tab.
The Homeowners Allocation tab has a few additional questions regarding Mobile Home business. The answers to these questions will enable/disable functionality on the Homeowners Expense form. NOTE: If you’ve entered your Homeowners form data and then come back to the Allocations tab and revise your answers to the Mobile Home questions, your Homeowners data will be cleared and you will have to re-enter your data. If this is the case, you will receive a warning from the system asking you if you’re sure you want to change your answers.
As you complete the various data submissions the form’s status changes to “Complete” on the Company Home page.
All of the expense data entry pages are formatted the same way. At the top are the following buttons:

**Save** – Saves the data. This does NOT change the form status to Complete. You must click the Submit button to have your data submission considered complete.

**Submit (A1) Data to NCRB** – Displays an affidavit and submits your data to NCRB for processing. Edits, if applicable, are generated.

**Cancel** – Undoes changes since last Save

(A1) **Edits** – If edits are generated, navigates the user to the associated edits page

**Printer Friendly View** – Displays a pop-up window for the form with the data entered and menus hidden for easier printing

**Print Blank (A1)** – Displays a pop-up window with a blank version of the form
(A1) Instructions – Displays a PDF file with additional information on what type of data should be entered.

<table>
<thead>
<tr>
<th>Item</th>
<th>Voluntary Private Passenger Automobile Liability Coverage (A)</th>
<th>Coded Private Passenger Automobile Liability Coverage (B)</th>
<th>Voluntary Motorcycle Liability Coverage (C)</th>
<th>Coded Motorcycle Liability Coverage (D)</th>
<th>Other than Automobile and Motorcycle Liability (E)</th>
<th>Total of all columns (F) = C1 + C3 + C4 + C6 + C7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Direct Written Premium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>Actual (g)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15,027,803</td>
</tr>
<tr>
<td>b.</td>
<td>Adjusted to Manual (h)</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Direct Earned Premium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>Actual (g)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15,027,802</td>
</tr>
<tr>
<td>b.</td>
<td>Adjusted to Manual (h)</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Direct Commissions &amp; Brokerage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>Direct Other Acquisition, Field Supervision &amp; Collection</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,450,452</td>
</tr>
<tr>
<td>b.</td>
<td>Branch Office - State’s Share</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td>Home Office - State’s Share</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Direct General Expenses Incurred</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>General Expenses Incurred</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td>Interest Paid</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Direct Taxes, Licenses, Fees Incurred (g)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>350,085</td>
</tr>
<tr>
<td>b.</td>
<td>Liability Property Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Direct Losses Incurred (g)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>9,770,485</td>
</tr>
<tr>
<td>7.</td>
<td>Direct Loss Adjustments Expenses Incurred</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>Defense &amp; Cost Containment (g)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>460,072</td>
</tr>
<tr>
<td>b.</td>
<td>Adjusting &amp; Other Expense Payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td>(Adjusted to reported to the Agent)</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Automobile Liability claims made by Statistical Page 14 of Annual Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F + (F - C7)</td>
</tr>
</tbody>
</table>
Enter data in the white fields, gray and yellow fields are read-only.

The last column contains the data reported on your company’s Statutory Page 14. The data in each row must add up to equal the annual statement data. The Total of All Columns row indicates the current total of data.

If the text in any field is highlighted in red, there are data issues that need resolved. The two most common issues are:

1. The sum of data on a given row does not equal the Statutory Page 14
2. Adjusted to Manual data is not correct. If your company deviates, then the adjusted to manual cells are enabled. If your company
does not deviate, these cells will be disabled. For forms that collect standard and non-standard split, the standard adjusted to manual must be >= the actual. The non-standard adjusted to manual must be <= the actual.

When you are satisfied with your data, you must click the “Submit” button to notify NCRB that your data is ready for processing. When you click the Submit button, you will see the following prompt:

After you click OK on the affidavit pop-up, edits will be run. The IDC system compares the ratio for the current year and compares it to an average of the ratios from prior years to determine if the amount of variance in the ratio is reasonable. If your current data compared to previous data does not fall within the threshold limits, edits will be generated and you will see the following message:
If you click OK, you will navigate to the Edits review page. If you click Cancel, you will navigate back to the Company Home page.

If edits are generated, a new link on the Company Home page will enable (see the PP Liability Edits link above) and the Edit Status column will have an “Outstanding” status. You can review the edits either by clicking on this link or by navigating to the associated expense entry form and clicking the edits button.
If an edit was outside the NCRB’s thresholds, you will see a red X icon on the tabs that need action performed.

To see more detailed data regarding the edit, you can expand the categories by clicking the plus (+) icon displayed to the left of each row. This will show you the numbers the system used to calculate the edits.
Each tab contains a listing of the data items evaluated by NCRB. On each row of data, the system displays three possible statuses:

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Response Needed</td>
<td>Company Response Needed indicates a variance was found and the carrier needs to review the data for accuracy and make any necessary changes. If the data is correct, the carrier must submit an explanation for the variance.</td>
</tr>
<tr>
<td>NCRB Reviewing</td>
<td>NCRB Reviewing indicates an explanation for a variance was submitted to NCRB for review but NCRB has not reviewed the explanation.</td>
</tr>
<tr>
<td>Accepted by NCRB</td>
<td>Accepted by NCRB indicates either that no variance in the data was found, or, NCRB has reviewed the explanation submitted for a variance and has accepted the explanation.</td>
</tr>
</tbody>
</table>

If revisions to the data are necessary, click the Edit Data button to navigate back to the associated expense page to revise your data.

If the data is correct and the carrier needs to submit an explanation for the variance, click the “Submit Response” hyperlink in the Review Notes column within the edits grid. This will display a pop-up window listing the variance and a place to enter your explanation:
Enter the explanation and click the "Add Note" button to save the information. Click the Close button to return to the edit screen. As explanations are entered, the status of the edit will switch to 

At this point, there is nothing further you need to submit for this Edit.

Once all explanations are entered, your data will automatically be submitted to NCRB for review. This will lock your data from further editing. You will be notified via email if any additional information is required. If the explanation you entered is acceptable, NCRB will accept the explanation and the status of the Edit will change to 

NOTE: One explanation must be submitted for EACH variance displayed. For example, if the Automobile tab has three variances as indicated by the message, you must click the “Submit Response” link on each of those rows.

If other tabs have additional variances, an explanation must be submitted for each variance on that tab as well and so forth.
After edits are submitted to NCRB for review, the status on the Company Home page changes to “Pending NCRB Review”. There is nothing further you need to do at this time regarding those edits.
The rest of the “Outstanding” items on this Company Home page still need resolved.

The Installment Premium Payment Charges are entered at the top of the page.

If you have receipts greater than zero, you will be required to answer question #7.

When you are satisfied with your entries, click the “Submit IP Data to NCRB” button.
Please indicate your choices for which training session you plan to participate: (Mark your preferred choices in the appropriate boxes)

<table>
<thead>
<tr>
<th>CHOICE</th>
<th>DATE</th>
<th>TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st, 2nd, 3rd, 4th</td>
<td>April 8, 2013</td>
<td>2:00 pm</td>
</tr>
<tr>
<td></td>
<td>April 10, 2013</td>
<td>9:00 am</td>
</tr>
<tr>
<td></td>
<td>April 16, 2013</td>
<td>9:00 am</td>
</tr>
<tr>
<td></td>
<td>April 18, 2013</td>
<td>2:00 pm</td>
</tr>
</tbody>
</table>

Name: __________________________
Company/Group: _________________________
Phone Number: __________________________
Email: _____________________________

Please fax your reply to us at (919) 719 – 7426.

We will be sending an email meeting notice with instructions on how to participate via a web conference based on the order in which the responses are received.

Thank you for your response.

*Please respond no later than 2 business days prior to the scheduled training to ensure you receive all of the materials necessary to participate.*