CIRCULAR LETTER TO ALL MEMBER COMPANIES

June 2, 1999

Re: Endorsement MH(F)55 (Ed. 2-99) - Personal Property Inflation Coverage Mobile-Homeowners MH(F) Policy Program

The Commissioner of Insurance has approved a new Personal Property Inflation Coverage Endorsement which is designed for use on an optional basis in North Carolina with the Mobile-Homeowners MH(F) Policy Program. A copy of Endorsement MH(F)55 is enclosed.

Endorsement MH(F)55 should be attached to a mobile homeowners policy when the policyholder desires inflation coverage on the personal property but due to the age or condition of the dwelling the inflation coverage is not needed on the mobile home itself. While there is no specific premium charge for Endorsement MH(F)55, an additional premium will be generated from an increase in the Coverage C Limit of Liability.

Endorsement MH(F)55 became effective on May 19, 1999 when it was approved by the Commissioner of Insurance.

Please see to it that this circular letter is brought to the attention of all interested personnel in your Company.

Very truly yours,

F. Timothy Lucas
Personal Lines Manager

FTL:dp
P-99-11