



April 24, 2017

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Personal Auto Policy Program  
Safe Driver Insurance Plan (SDIP)

The Commissioner of Insurance has recently approved revisions to the Personal Auto Manual Rule 5. - Safe Driver Insurance Plan (SDIP) for use by member companies of the North Carolina Reinsurance Facility. The revision was filed to comply with the provisions of House Bill 287 which amends the property damage accident threshold for private passenger auto.

For your convenience, please find attached, a copy of the revised manual Rule 5. Safe Driver Insurance Plan.

This revision becomes effective in accordance with the following Rule of Application:

This revision is applicable to all at-fault accidents that occur on or after October 1, 2017.

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

Very truly yours,

Andrew F. Montano

Automobile Manager

AFM:dms

Attachment

RF-17-3

**5. SAFE DRIVER INSURANCE PLAN (SDIP) (Cont'd)**

- (7) With respect to any other conviction for a moving traffic violation, one point shall be assigned for each such conviction.

**Exception**

Convictions for the following shall not be regarded as moving traffic violations:

- (a) Inadequate muffler or excess escape of exhaust products;
- (b) Improper lights or other equipment except brakes;
- (c) Failure to sign or display registration card;
- (d) Failure to display license plates;
- (e) Failure to have in possession driver's license provided there is a valid one in existence; or
- (f) Failure to display current inspection certificate.

**b. Accidents**

Points shall be assigned for each accident that occurred during the experience period, involving the applicant or any current resident operator, while operating a private passenger auto.

If an accident results both in bodily injury or death and in damage to property, points shall be assigned on the basis of the element of loss (bodily injury, death, or property damage) which generates the greatest number of points for the accident.

**ACCIDENTS RESULTING IN BODILY INJURY OR DEATH**

- (1) One point shall be assigned for each at-fault auto accident that results in total bodily injuries to all persons of \$1,800 or less.
- (2) Three points shall be assigned for each at-fault auto accident that results in:
  - (i) Death or
  - (ii) Total bodily injury to all persons in excess of \$1,800.

**Exception**

If the insured furnishes adequate proof that incurred medical costs related to the accident were solely for diagnostic purposes and that the accident did not result in any bodily injury, no SDIP points for bodily injury will be assigned, or points for bodily injury assigned as a result of the accident will be removed as of the most recent policy effective date.

**ACCIDENTS RESULTING IN PROPERTY DAMAGE ONLY**

**For accidents that occur prior to March 1, 2016**

- (1) Three points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$3,000 or more.
- (2) Two points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, in excess of \$1,800 but less than \$3,000.
- (3) One point shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$1,800 or less.

**For accidents that occur on or after March 1, 2016 and prior to October 1, 2017**

- (1) Three points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$3,085 or more.
- (2) Two points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, in excess of \$1,850 but less than \$3,085.
- (3) One point shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$1,850 or less.

**For accidents that occur on or after October 1, 2017**

- (1) Three points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$3,850 or more.
- (2) Two points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, in excess of \$2,300 but less than \$3,850.
- (3) One point shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$2,300 or less.

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