



July 26, 2024

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Expense Allowances - Effective October 2024  
Monthly Summary Report Processing

Attached is an exhibit showing the new expense allowances which will be applicable in the processing of Monthly Summary Reports and Account Activity Statements beginning with the reports for October 2024, which begins a new fiscal year for the Facility. These expense allowances were determined in accordance with Article XII of the Plan of Operation and Chapter 9, Section 4 of the Rules of Operation of the Facility.

This exhibit indicates for each company or company group which has ceded to the North Carolina Reinsurance Facility the new ceding expense allowance for other than designated agent business. The ceding expense allowance for such business for carriers not listed in the enclosed exhibit will be furnished by this Office upon request. The ceding expense allowance for designated agent business will be 31.0% of written premiums.

The claims expense allowance for all companies (excluding designated agent business) will be 12.5% of written premium. The claims expense allowance for designated agent business will be 15.5% of written premium plus 50% of outside legal expenses paid. Note that no loss adjustment expenses, allocated or unallocated, are to be included with losses reported to the Facility.

The information in this circular letter should be brought to the attention of your Company's personnel who are responsible for reconciling the monthly Account Activity Statements with the monthly premium and loss reports submitted to the North Carolina Reinsurance Facility.

If you have any questions, please contact Kevin Braswell, Manager, Planning and Analysis at (919) 719-3029 or email at [kdb@ncrb.org](mailto:kdb@ncrb.org).

Sincerely,

Terry F. Collins

Chief Operating Officer

North Carolina Reinsurance Facility

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Attachment

RF-24-13

NORTH CAROLINA REINSURANCE FACILITY  
EXPENSE ALLOWANCES - BEGINNING 10/1/24

NCRF Code	Company Name	Ceding Expense		NCRF Code	Company Name	Ceding Expense Allowance
		Allowance				
09823	* ACE AMER INS CO	18.3%		09824	* LIBERTY MUT INS CO	a
02696	AGENT ALLIANCE INS CO	a		11692	MIDVALE INDEMNITY CO	a
07372	ALLIED PROP & CAS INS CO	a		02543	MILBANK INS CO	19.1%
07031	* ALLSTATE INS CO	20.9%		07504	NATIONWIDE GENERAL INS CO	a
04886	AMERICAN MILLENNIUM INS CO	a		07612	NATIONWIDE INS CO OF AMERICA	a
08007	* AM STATES INS CO	16.5%		06124	* NATIONWIDE MUT INS CO	a
03514	AMICA MUT INS CO	a		06142	NGM INS CO	a
09994	ATLANTIC CAS INS CO	a		07524	* NORTH CAROLINA FARM BUREAU MUT	21.8%
07093	* AUTO OWNERS INS CO	a		10511	* PEAK PROP & CAS INS CORP	a
02128	* BITCO GEN INS	a		06098	* PENNSYLVANIA NATIONAL MUT CAS	a
03583	* CENTRAL MUT INS CO	a		27676	* PERMANENT GENERAL ASSURANCE	a
27984	DISCOVERY INS CO	a		10545	* PROGRESSIVE PREMIER INS CO OF	a
05092	ELECTRIC INS CO	21.0%		10546	PROGRESSIVE UNIVERSAL INS CO	a
06119	* EMPLOYERS MUT CAS CO	a		07960	* SAFECO INS CO OF AMERICA	a
09073	* ERIE INS CO	22.6%		07967	* SELECTIVE INS CO OF THE SE	a
09972	ESSENTIA INS CO	a		06127	* SENTRY INSURANCE CO	23.1%
09836	ESURANCE INS CO	7.7%		07352	SOUTHERN GENERAL INS CO	a
05293	* FARMERS PROP & CAS INS CO	a		07633	STATE AUTOMOBILE PROP & CAS INS	22.6%
04729	FIREMANS INS CO OF WASH DC	a		07667	STATE FARM MUT AUTOMOBILE INS CO	22.7%
07275	* FOREMOST INS CO GRAND RAPIDS MI	a		11366	STONEWOOD INS CO	a
07159	GEICO INDEMNITY CO	17.7%		07838	* THE CINCINNATI INS CO	a
07307	* GOV EMP INS CO	10.4%		11371	THE MEMBERS INS CO	a
09813	GRAIN DEALERS MUT INS CO	a		02034	* THE TRAVELERS INDEMNITY CO	23.2%
27778	GREENVILLE CAS INS CO	a		06550	TRUCK INSURANCE EXCHANGE	18.6%
09818	* HANOVER INS CO	a		05163	UNITRIN AUTO & HOME INS CO	a
01238	* HARTFORD CAS INS CO	18.9%		07202	UNITRIN SAFEGUARD INS CO	a
07610	* HORACE MANN INS CO	a		05394	UNIVERSAL INS CO	a
11099	INCLINE CAS CO	a		03542	* USAA CAS INS CO	15.8%
07611	* INTEGON GENERAL INS CORP	22.4%		05899	* UTICA MUT INS CO	a
11034	KEMPER INDEPENDENCE INS CO	a		02038	* ZURICH AMER INS CO	14.0%

NOTES: a: Allowance of 24.0% of written premiums.

\*: Includes all companies in the NCRF group code.

The claims expense allowance for all companies (excluding designated agent business) is 12.5% of written premiums.

The ceding expense allowance for designated agent business is 31.0% of written premium.

The claims expense allowance for designated agent business is 15.5% of written premiums plus 50% of outside legal expenses paid.

For a ceding expense allowance of companies not listed above, refer to the NCRF.