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July 14, 1999

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

Item B-1337 - Employers Liability & Admiralty/FELA Increased Limits

The Bureau has adopted and the North Carolina Commissioner of Insurance has approved a proposal to updated present percentages and factors that apply for employers liability and Admiralty/FELA increased limits.

The attached Filing Memorandum also describes changes in the Basic Manual related to expanded tables for increased limits of employers liability, application of minimum premium for increased limits and proper sequence of the application of increased limits percentages and deductible credits.

Changes proposed by the captioned Item have been approved to become effective September 1, 1999, applicable to new and renewal business only.

Pursuant to N.C.G.S. 58-36-100(1), as a result of the Commissioner=s approval of the Bureau filing, (i) a carrier may elect to implement the filing with a different effective date, in which event the carrier must notify the Commissioner of its effective date before the effective date of the Bureau filing; (iii) a carrier may elect not to implement the filing, in which event the carrier must notify the Commissioner before the effective date of the Bureau filing; or (iv) a carrier may elect to implement the filing with modifications, in which event the carrier must file the modifications with the Commissioner for approval, and must specify the basis for the modifications and the carrier=s proposed effective date if different from the effective date of the Bureau filing.

Very truly yours,

Jerry G. Hamrick

Workers Compensation Manager

JGH:lm

C-99-6