



February 17, 2009

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Automobile and Motorcycle Insurance Rate Filing

On January 30, 2009, the Rate Bureau filed with the Commissioner of Insurance proposed rate level changes for non-fleet private passenger automobiles and motorcycles. The Rate Bureau's filing set forth (1) average rate level changes for non-fleet private passenger automobiles of +5.4% for liability coverages and -5.2% for physical damage coverages, averaging +1.4%; (2) average rate level changes for motorcycle liability coverages of +7.2%; (3) revised increased limit factors for bodily injury; (4) revised deductible relativities; (5) revised model year relativities; and (6) revisions to the classification and subclassification plan rating factors.

These rates are subject to approval by the Department of Insurance.

The prospective rates are proposed to become effective October 1, 2009. However, these changes are subject to the Commissioner's approval and the effective date and the overall rate level changes may vary from what has been proposed. Companies are urged **not** to take steps to implement these changes until a final disposition is reached as to the rate level and effective date. When a final disposition is reached, member companies will be notified by circular letter of the rate level to be implemented and the effective date.

A complete copy of this filing has been posted to our website at www.ncrb.org and may be obtained by clicking on this link: [2009 Automobile Rate Filing](#).

Very truly yours,

F. Timothy Lucas

Personal Lines Manager

FTL:dms
A-09-3