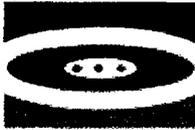


NCRB-NCRF-NCIGA



north carolina
RATE BUREAU
REINSURANCE FACILITY
INSURANCE GUARANTY ASSOCIATION

February 1, 2006

Honorable James E. Long
Commissioner of Insurance
North Carolina Department of Insurance
PO Box 26387
Raleigh, North Carolina 27611

Re: Revision of Automobile Insurance Rates -
Private Passenger Cars and Motorcycles

Dear Commissioner Long:

Enclosed herewith for filing on behalf of the member companies of the North Carolina Rate Bureau, with respect to vehicles subject to the jurisdiction of the Rate Bureau, are (1) revised premium rates for bodily injury and property damage liability, medical payments, uninsured and underinsured motorists, and physical damage insurance for nonfleet private passenger automobiles; (2) revised premium rates for liability insurance for motorcycles; (3) revised deductible relativities; and (3) revisions to the classification and subclassification plans rating factors.

The enclosed memoranda and exhibits set forth and explain the calculations which indicate the need for (1) a statewide average liability insurance rate level increase of 14.4% for nonfleet private passenger automobiles and a increase of 2.2% for motorcycles; and (2) statewide average physical damage insurance rate level decrease of 5.0% for nonfleet private passenger automobiles.

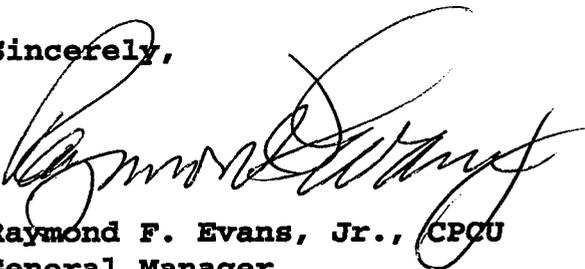
The foregoing changes were calculated based on rates to become effective May 15, 2006 and reflect consideration, duly given, to data for the experience period set forth herein. Except as noted otherwise in the Filing, the current or present rates used in the Filing are the rates to become effective May 15, 2006. Ratios in the filing relating to expense experience were developed from special calls issued by the Rate Bureau. In preparing this filing, due consideration has been given to the

factors specified in G.S.58-36-10(2). Information and statistical data required pursuant to G.S. 58-36-15 and 11 NCAC 10.1104 are shown and referenced in Section H. Additionally, the pre-filed testimony of (a) Raymond F. Evans, Jr., General Manager - North Carolina Rate Bureau; (b) Patrick B. Woods, Assistant Vice President and Manager - Insurance Services Office, Inc.; (c) Michael J. Miller - Consulting Actuary; (d) Dr. James Vander Weide, Fuqua School of Business of Duke University; and (e) Dr. David Appel - Director - Milliman, Inc. are submitted herewith.

The revised rates are to become effective October 1, 2006 in accordance with the following Rule of Application:

These changes are applicable to all policies effective on or after October 1, 2006. No policy effective prior to October 1, 2006 shall be endorsed or cancelled and rewritten to take advantage of or to avoid the application of these changes except at the request of the insured and at the customary short rate charges as of the date of such request, but in no event prior to October 1, 2006.

Sincerely,



Raymond F. Evans, Jr., CPCU
General Manager

RFE:dp

Enclosures

NORTH CAROLINA
VOLUNTARY PRIVATE PASSENGER AUTOMOBILE INSURANCE
REVISION OF RATES

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SECTION A
SUMMARY OF REVISION

NORTH CAROLINA
SUMMARY OF PROPOSED RATE LEVEL CHANGES

| | EARNED PREMIUMS AT PRESENT <u>MANUAL RATES</u> | FILED RATE LEVEL <u>CHANGE</u> |
|--|---|--|
| Liability: | | |
| Bodily Injury (A) | \$1,130,808 | 21.0% |
| Property Damage (A) | \$914,631 | 5.7% |
| Medical Payments | \$119,051 | 32.0% |
| Uninsured Motorists | \$117,661 | 1.3% (B) |
| Underinsured Motorists | \$61,632 | 61.6% (B) |
| Liability Total | \$2,343,783 | 15.7% |
| Physical Damage: | | |
| Comprehensive | \$521,952 | -12.0% |
| Collision | \$1,050,080 | -1.5% |
| Physical Damage Total | \$1,572,032 | -5.0% |
| GRAND TOTAL | \$3,915,815 | 7.4% |
| Motorcycle Liability | \$21,778 | 2.2% (C) |

(A) INDICATIONS ARE COMBINED FOR BASIC AND HIGHER LIMITS.

(B) THREE YEAR AVERAGE WEIGHTED ON EARNED CAR YEARS.

(C) THREE YEAR AVERAGE WEIGHTED ON EARNED PREMIUM AT PRESENT MANUAL RATES.

NORTH CAROLINA
SUMMARY OF PROPOSED RATE LEVEL CHANGES

| | EARNED PREMIUMS AT PRESENT <u>MANUAL RATES</u> | FILED RATE LEVEL <u>CHANGE</u> |
|------------------------|---|--------------------------------------|
| Liability: | | |
| Bodily Injury (A) | \$1,130,808 | 21.0% |
| Property Damage (A) | \$914,631 | 5.7% |
| Medical Payments | \$151,870 | 8.1% |
| Uninsured Motorists | \$117,661 | 1.3% (B) |
| Underinsured Motorists | \$61,632 | 61.6% (B) |
| Liability Total | \$2,376,602 | 14.4% |
| Physical Damage: | | |
| Comprehensive | \$521,952 | -12.0% |
| Collision | \$1,050,080 | -1.5% |
| Physical Damage Total | \$1,572,032 | -5.0% |
| GRAND TOTAL | \$3,948,634 | 6.7% |
| Motorcycle Liability | \$21,778 | 2.2% (C) |

(A) INDICATIONS ARE COMBINED FOR BASIC AND HIGHER LIMITS.

(B) THREE YEAR AVERAGE WEIGHTED ON EARNED CAR YEARS.

(C) THREE YEAR AVERAGE WEIGHTED ON EARNED PREMIUM AT PRESENT MANUAL RATES.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
TERRITORY RATE LEVEL CHANGES BY COVERAGE

| <u>Terr. Code</u> | <u>Description</u> | <u>30/60 B.I.</u> | <u>\$25,000 P.D.</u> | <u>30/60/25 Combined</u> | <u>Full Coverage Comprehensive</u> | <u>\$100 Deductible Collision</u> |
|-------------------|----------------------------------|-------------------|----------------------|--------------------------|------------------------------------|-----------------------------------|
| 11 | Asheville | 16.5% | 6.9% | 11.1% | -7.1% | -0.8% |
| 13 | Durham | 12.9% | 5.8% | 9.3% | -12.6% | -1.9% |
| 14 | Greensboro | 12.3% | 4.2% | 8.1% | -21.6% | -3.5% |
| 15 | High Point | 10.1% | 4.1% | 7.2% | -15.3% | -2.2% |
| 16 | Raleigh | 13.0% | 5.0% | 8.7% | -13.2% | -0.6% |
| 17 | Wilmington | 12.4% | 9.1% | 10.8% | -13.0% | 2.8% |
| 18 | Winston-Salem | 13.5% | 5.1% | 9.1% | -10.8% | -1.4% |
| 24 | Remainder-West | 9.8% | 4.8% | 7.3% | -11.6% | -2.8% |
| 25 | Gaston County | 14.7% | 7.4% | 11.1% | -8.3% | -1.8% |
| 26 | Remainder-South | 12.2% | 5.1% | 9.3% | -13.3% | -1.8% |
| 31 | Small City-East | 11.6% | 5.2% | 8.5% | -12.1% | 0.2% |
| 32 | Small City-West | 11.8% | 6.0% | 8.8% | -11.5% | -1.4% |
| 33 | Remainder-East | 10.9% | 8.0% | 9.6% | -12.2% | 0.1% |
| 40 | Fayetteville | 10.7% | 7.6% | 9.3% | -13.1% | 0.6% |
| 41 | Onslow County | 8.0% | 4.4% | 6.3% | -12.5% | -5.9% |
| 43 | Craven County | 19.4% | 9.6% | 14.9% | -12.0% | 4.0% |
| 47 | Wayne County | 10.7% | 6.4% | 8.7% | -14.6% | -1.2% |
| 51 | Mecklenburg County -Remainder | 9.4% | 5.8% | 7.4% | -9.5% | -3.1% |
| 52 | Charlotte | 11.7% | 4.4% | 8.0% | -9.3% | -1.3% |
| | STATEWIDE | 11.3% | 5.7% | 8.6% | -12.0% | -1.5% |

The displayed Bodily Injury rate level changes by territory are basic limits changes.

SECTION B

MATERIAL TO BE IMPLEMENTED

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

PROPOSED BASE RATES - VOLUNTARY LIABILITY

| <u>Terr Code</u> | <u>\$30,000/60,000 Bodily Injury</u> | <u>\$25,000 Property Damage</u> | <u>\$500 Medical Payments</u> |
|----------------------|--|-------------------------------------|-----------------------------------|
| 11 | \$142 | \$166 | \$17 |
| 13 | 211 | 202 | 26 |
| 14 | 198 | 196 | 24 |
| 15 | 216 | 194 | 26 |
| 16 | 182 | 196 | 22 |
| 17 | 226 | 200 | 28 |
| 18 | 171 | 175 | 21 |
| 24 | 158 | 154 | 19 |
| 25 | 200 | 184 | 24 |
| 26 | 258 | 167 | 31 |
| 31 | 201 | 176 | 25 |
| 32 | 163 | 164 | 20 |
| 33 | 201 | 150 | 25 |
| 40 | 246 | 202 | 30 |
| 41 | 204 | 184 | 25 |
| 43 | 198 | 157 | 24 |
| 47 | 196 | 156 | 24 |
| 51 | 160 | 185 | 20 |
| 52 | 215 | 206 | 26 |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

PROPOSED BASE RATES - VOLUNTARY LIABILITY

| <u>Terr Code</u> | <u>\$30,000/60,000 Bodily Injury</u> | <u>\$25,000 Property Damage</u> | <u>\$500 Medical Payments</u> |
|----------------------|--|-------------------------------------|-----------------------------------|
| 11 | \$142 | \$166 | \$14 |
| 13 | 211 | 202 | 21 |
| 14 | 198 | 196 | 20 |
| 15 | 216 | 194 | 21 |
| 16 | 182 | 196 | 18 |
| 17 | 226 | 200 | 22 |
| 18 | 171 | 175 | 17 |
| 24 | 158 | 154 | 16 |
| 25 | 200 | 184 | 20 |
| 26 | 258 | 167 | 26 |
| 31 | 201 | 176 | 20 |
| 32 | 163 | 164 | 16 |
| 33 | 201 | 150 | 20 |
| 40 | 246 | 202 | 24 |
| 41 | 204 | 184 | 20 |
| 43 | 198 | 157 | 20 |
| 47 | 196 | 156 | 19 |
| 51 | 160 | 185 | 16 |
| 52 | 215 | 206 | 21 |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

PROPOSED PHYSICAL DAMAGE BASE RATES (A)

| <u>Terr Code</u> | <u>FULL COVERAGE COMPREHENSIVE</u> | <u>\$100 DEDUCTIBLE COLLISION</u> |
|----------------------|--|---------------------------------------|
| 11 | \$39 | \$204 |
| 13 | 56 | 227 |
| 14 | 44 | 221 |
| 15 | 45 | 220 |
| 16 | 47 | 209 |
| 17 | 41 | 214 |
| 18 | 42 | 202 |
| 24 | 55 | 215 |
| 25 | 45 | 219 |
| 26 | 68 | 230 |
| 31 | 52 | 202 |
| 32 | 48 | 205 |
| 33 | 74 | 215 |
| 40 | 53 | 254 |
| 41 | 48 | 257 |
| 43 | 44 | 203 |
| 47 | 47 | 212 |
| 51 | 40 | 196 |
| 52 | 49 | 223 |

(A) MODEL YEAR 2007, SYMBOL 2

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF RATES TO BE CHARGED INDIVIDUAL INSUREDS

Liability and Medical Payments Rates

Page B-1 shows the filed liability and medical payments base rates by territory. These pages set forth the filed manual rates for the classification carrying unity differential. The revised rates for the remaining classifications are determined by applying the appropriate classification rate differentials to the base rates by territory. This filing includes a proposed revision to classification rate differentials, but no revision to classifications.

Physical Damage Rates

Page B-2 shows the filed base rates by territory for Model Year 2007, Symbol 2, for the base deductibles (Full Coverage Comprehensive and \$100 Deductible Collision) and the classification carrying unity differential. These are the filed manual rates from which all other rates for these coverages may be obtained. The Model Year 2007, Symbol 2 base rate for any other deductible is obtained by applying the appropriate deductible relativity factor to the Model Year 2007, Symbol 2 base rate. This filing includes a proposed revision to the deductible relativities. The factors on pages B-4 and B-5 are applied to the Model Year 2007, Symbol 2 base rate by coverage (after application of the appropriate deductible relativity) to produce the respective model year and symbol base premiums.

The revised rates for the remaining classifications are determined by applying the appropriate classification rate differentials to the base rates by territory. This filing includes a proposed revision to classification rate differentials, but no revision to classifications.

NORTH CAROLINA
 SYMBOL RELATIVITIES - PHYSICAL DAMAGE COVERAGES
 COMPREHENSIVE

Model Year

| Symbol | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998-1990 |
|--------|-------|-------|-------|-------|-------|------|------|------|------|------|-----------|
| 1 | 0.76 | 0.72 | 0.68 | 0.65 | 0.61 | 0.58 | 0.54 | 0.50 | 0.46 | 0.42 | 0.39 |
| 2 | 1.05 | 1.00 | 0.95 | 0.90 | 0.85 | 0.80 | 0.75 | 0.69 | 0.64 | 0.59 | 0.54 |
| 3 | 1.19 | 1.13 | 1.07 | 1.02 | 0.96 | 0.90 | 0.85 | 0.78 | 0.72 | 0.67 | 0.61 |
| 4 | 1.31 | 1.25 | 1.19 | 1.13 | 1.06 | 1.00 | 0.94 | 0.86 | 0.80 | 0.74 | 0.68 |
| 5 | 1.48 | 1.41 | 1.34 | 1.27 | 1.20 | 1.13 | 1.06 | 0.97 | 0.90 | 0.83 | 0.76 |
| 6 | 1.67 | 1.59 | 1.51 | 1.43 | 1.35 | 1.27 | 1.19 | 1.10 | 1.02 | 0.94 | 0.86 |
| 7 | 1.83 | 1.74 | 1.65 | 1.57 | 1.48 | 1.39 | 1.31 | 1.20 | 1.11 | 1.03 | 0.94 |
| 8 | 1.98 | 1.89 | 1.80 | 1.70 | 1.61 | 1.51 | 1.42 | 1.30 | 1.21 | 1.12 | 1.02 |
| 10 | 2.14 | 2.04 | 1.94 | 1.84 | 1.73 | 1.63 | 1.53 | 1.41 | 1.31 | 1.20 | 1.10 |
| 11 | 2.32 | 2.21 | 2.10 | 1.99 | 1.88 | 1.77 | 1.66 | 1.52 | 1.41 | 1.30 | 1.19 |
| 12 | 2.53 | 2.41 | 2.29 | 2.17 | 2.05 | 1.93 | 1.81 | 1.66 | 1.54 | 1.42 | 1.30 |
| 13 | 2.72 | 2.59 | 2.46 | 2.33 | 2.20 | 2.07 | 1.94 | 1.79 | 1.66 | 1.53 | 1.40 |
| 14 | 2.94 | 2.80 | 2.66 | 2.52 | 2.38 | 2.24 | 2.10 | 1.93 | 1.79 | 1.65 | 1.51 |
| 15 | 3.23 | 3.08 | 2.93 | 2.77 | 2.62 | 2.46 | 2.31 | 2.13 | 1.97 | 1.82 | 1.66 |
| 16 | 3.56 | 3.39 | 3.22 | 3.05 | 2.88 | 2.71 | 2.54 | 2.34 | 2.17 | 2.00 | 1.83 |
| 17 | 3.93 | 3.74 | 3.55 | 3.37 | 3.18 | 2.99 | 2.81 | 2.58 | 2.39 | 2.21 | 2.02 |
| 18 | 4.29 | 4.09 | 3.89 | 3.68 | 3.48 | 3.27 | 3.07 | 2.82 | 2.62 | 2.41 | 2.21 |
| 19 | 4.68 | 4.46 | 4.24 | 4.01 | 3.79 | 3.57 | 3.35 | 3.08 | 2.85 | 2.63 | 2.41 |
| 20 | 5.19 | 4.94 | 4.69 | 4.45 | 4.20 | 3.95 | 3.71 | 3.41 | 3.16 | 2.91 | 2.67 |
| 21 | 5.76 | 5.49 | 5.22 | 4.94 | 4.67 | 4.39 | 4.12 | 3.79 | 3.51 | 3.24 | 2.96 |
| 22 | 6.50 | 6.19 | 5.88 | 5.57 | 5.26 | 4.95 | 4.64 | 4.27 | 3.96 | 3.65 | 3.34 |
| 23 | 7.28 | 6.93 | 6.58 | 6.24 | 5.89 | 5.54 | 5.20 | 4.78 | 4.44 | 4.09 | 3.74 |
| 24 | 8.43 | 8.03 | 7.63 | 7.23 | 6.83 | 6.42 | 6.02 | 5.54 | 5.14 | 4.74 | 4.34 |
| 25 | 10.37 | 9.88 | 9.39 | 8.89 | 8.40 | 7.90 | 7.41 | 6.82 | 6.32 | 5.83 | 5.34 |
| 26 | 12.74 | 12.13 | 11.52 | 10.92 | 10.31 | 9.70 | 9.10 | 8.37 | 7.76 | 7.16 | 6.55 |

| Symbol | 1989 & Prior |
|--------|--------------|
| 1 | 0.15 |
| 2 | 0.17 |
| 3 | 0.24 |
| 4 | 0.29 |
| 5 | 0.34 |
| 6 | 0.44 |
| 7 | 0.54 |
| 8 | 0.64 |
| 10 | 0.81 |
| 11 | 0.98 |
| 12 | 1.15 |
| 13 | 1.35 |
| 14 | 1.59 |
| 15 | 1.92 |
| 16 | 2.33 |
| 17 | 2.80 |
| 18 | 3.34 |
| 19 | 3.99 |
| 20 | 4.73 |
| 21 | 6.55 |

NORTH CAROLINA
 SYMBOL RELATIVITIES - PHYSICAL DAMAGE COVERAGES
 COLLISION

Model Year

| Symbol | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998-1990 |
|--------|------|------|------|------|------|------|------|------|------|------|-----------|
| 1 | 0.92 | 0.88 | 0.84 | 0.79 | 0.75 | 0.70 | 0.63 | 0.58 | 0.53 | 0.48 | 0.43 |
| 2 | 1.05 | 1.00 | 0.95 | 0.90 | 0.85 | 0.79 | 0.72 | 0.66 | 0.60 | 0.54 | 0.49 |
| 3 | 1.22 | 1.16 | 1.10 | 1.04 | 0.99 | 0.92 | 0.84 | 0.77 | 0.70 | 0.63 | 0.57 |
| 4 | 1.32 | 1.26 | 1.20 | 1.13 | 1.07 | 1.00 | 0.91 | 0.83 | 0.76 | 0.68 | 0.62 |
| 5 | 1.41 | 1.34 | 1.27 | 1.21 | 1.14 | 1.06 | 0.96 | 0.88 | 0.80 | 0.72 | 0.66 |
| 6 | 1.48 | 1.41 | 1.34 | 1.27 | 1.20 | 1.11 | 1.02 | 0.93 | 0.85 | 0.76 | 0.69 |
| 7 | 1.54 | 1.47 | 1.40 | 1.32 | 1.25 | 1.16 | 1.06 | 0.97 | 0.88 | 0.79 | 0.72 |
| 8 | 1.61 | 1.53 | 1.45 | 1.38 | 1.30 | 1.21 | 1.10 | 1.01 | 0.92 | 0.83 | 0.75 |
| 10 | 1.71 | 1.63 | 1.55 | 1.47 | 1.39 | 1.29 | 1.17 | 1.08 | 0.98 | 0.88 | 0.80 |
| 11 | 1.80 | 1.71 | 1.62 | 1.54 | 1.45 | 1.35 | 1.23 | 1.13 | 1.03 | 0.92 | 0.84 |
| 12 | 1.85 | 1.76 | 1.67 | 1.58 | 1.50 | 1.39 | 1.27 | 1.16 | 1.06 | 0.95 | 0.86 |
| 13 | 1.92 | 1.83 | 1.74 | 1.65 | 1.56 | 1.45 | 1.32 | 1.21 | 1.10 | 0.99 | 0.90 |
| 14 | 2.05 | 1.95 | 1.85 | 1.76 | 1.66 | 1.54 | 1.40 | 1.29 | 1.17 | 1.05 | 0.96 |
| 15 | 2.15 | 2.05 | 1.95 | 1.85 | 1.74 | 1.62 | 1.48 | 1.35 | 1.23 | 1.11 | 1.00 |
| 16 | 2.24 | 2.13 | 2.02 | 1.92 | 1.81 | 1.68 | 1.53 | 1.41 | 1.28 | 1.15 | 1.04 |
| 17 | 2.32 | 2.21 | 2.10 | 1.99 | 1.88 | 1.75 | 1.59 | 1.46 | 1.33 | 1.19 | 1.08 |
| 18 | 2.45 | 2.33 | 2.21 | 2.10 | 1.98 | 1.84 | 1.68 | 1.54 | 1.40 | 1.26 | 1.14 |
| 19 | 2.55 | 2.43 | 2.31 | 2.19 | 2.07 | 1.92 | 1.75 | 1.60 | 1.46 | 1.31 | 1.19 |
| 20 | 2.64 | 2.51 | 2.38 | 2.26 | 2.13 | 1.98 | 1.81 | 1.66 | 1.51 | 1.36 | 1.23 |
| 21 | 2.74 | 2.61 | 2.48 | 2.35 | 2.22 | 2.06 | 1.88 | 1.72 | 1.57 | 1.41 | 1.28 |
| 22 | 2.89 | 2.75 | 2.61 | 2.48 | 2.34 | 2.17 | 1.98 | 1.82 | 1.65 | 1.49 | 1.35 |
| 23 | 3.00 | 2.86 | 2.72 | 2.57 | 2.43 | 2.26 | 2.06 | 1.89 | 1.72 | 1.54 | 1.40 |
| 24 | 3.14 | 2.99 | 2.84 | 2.69 | 2.54 | 2.36 | 2.15 | 1.97 | 1.79 | 1.61 | 1.47 |
| 25 | 3.39 | 3.23 | 3.07 | 2.91 | 2.75 | 2.55 | 2.33 | 2.13 | 1.94 | 1.74 | 1.58 |
| 26 | 3.68 | 3.50 | 3.33 | 3.15 | 2.98 | 2.77 | 2.52 | 2.31 | 2.10 | 1.89 | 1.72 |

| Symbol | 1989 & Prior |
|--------|--------------|
| 1 | 0.21 |
| 2 | 0.25 |
| 3 | 0.31 |
| 4 | 0.35 |
| 5 | 0.41 |
| 6 | 0.45 |
| 7 | 0.49 |
| 8 | 0.59 |
| 10 | 0.68 |
| 11 | 0.74 |
| 12 | 0.82 |
| 13 | 0.88 |
| 14 | 0.98 |
| 15 | 1.06 |
| 16 | 1.17 |
| 17 | 1.24 |
| 18 | 1.35 |
| 19 | 1.43 |
| 20 | 1.51 |
| 21 | 1.72 |

14. MISCELLANEOUS COVERAGES

A. Uninsured Motorists Coverage ONLY

1. a. Basic Limits

Basic Limits of Uninsured Motorists Coverage are \$30,000/60,000 Bodily Injury and \$25,000 Property Damage. Property Damage Uninsured Motorists Coverage is subject to an exclusion of the first \$100 of damage.

| | |
|--------------------------|------------------|
| Rate - Single Car Policy | \$[17] <u>16</u> |
| Multi-Car Policy | \$[40] <u>38</u> |

These rates are not subject to modification under the provisions of any rating plan or other manual rule.

1. b. Increased Limits

Increased limits of Uninsured Motorists coverage may be afforded. Property Damage limits may not exceed the Property Damage limit afforded by the policy.

Uninsured Motorists Coverage is available at the following limits with rates per policy shown:

| | B.I. Limits | | P.D. Limits | | |
|-------------|-------------------|-------------------|-------------------|------------------|------|
| | Single Car Policy | Multi-Car Policy | Single Car Policy | Multi-Car Policy | |
| \$ 30/60 | \$ [15] <u>14</u> | \$ [35] <u>33</u> | \$ 25 | \$ 2 | \$ 5 |
| 50/100 | 16 | 38 | 50 | 3 | 7 |
| 100/200 | [18] <u>19</u> | [42] <u>45</u> | 100 | 4 | 9 |
| 100/300 | [19] <u>20</u> | [45] <u>47</u> | 250 | 6 | 14 |
| 300/300 | [22] <u>25</u> | [52] <u>59</u> | 500 | 8 | 19 |
| 250/500 | [24] <u>28</u> | [57] <u>66</u> | 750 | 10 | 24 |
| 500/500 | [25] <u>29</u> | [59] <u>68</u> | 1,000 | 11 | 26 |
| 500/1,000 | [27] <u>32</u> | [64] <u>76</u> | | | |
| 1,000/1,000 | [28] <u>34</u> | [66] <u>80</u> | | | |

Memorandum - North Carolina Personal Auto Manual
 Matter underlined is new; matter in brackets [] is deleted.

14. MISCELLANEOUS COVERAGES (Cont'd)

B. Combined Uninsured/Underinsured Motorists Coverage

1. b. Rates

Combined Uninsured/Underinsured Motorists coverage is available at the following limits with rates per policy shown:

| | B.I. Limits | | P.D. Limits | |
|-------------|----------------------|---------------------|----------------------|---------------------|
| | Single Car Policy | Multi-Car Policy | Single Car Policy | Multi-Car Policy |
| \$ 50/100 | \$ [20] <u>22</u> | \$ [47] <u>52</u> | \$ 25 | \$ 2 |
| 100/200 | [34] <u>45</u> | [80] <u>106</u> | 50 | 3 |
| 100/300 | [41] <u>56</u> | [97] <u>132</u> | 100 | 4 |
| 300/300 | [55] <u>78</u> | [130] <u>184</u> | 250 | 6 |
| 250/500 | [65] <u>94</u> | [154] <u>222</u> | 500 | 8 |
| 500/500 | [88] <u>131</u> | [208] <u>309</u> | 750 | 10 |
| 500/1,000 | [99] <u>149</u> | [234] <u>352</u> | 1,000 | 11 |
| 1,000/1,000 | [111] <u>169</u> | [262] <u>399</u> | | |

14. MISCELLANEOUS COVERAGES (Cont'd)

C. Deductible Insurance

1. Deductible Liability Insurance is not available for vehicles classified and rated in accordance with the rules of this manual.
2. Collision Deductibles For Which No Premiums Are Shown
 - \$25 Deduct. (071) - Charge 150% of the \$50 Deduct. Collision Premium
 - \$200 Deduct. (073) - Charge 97% of the \$100 Deduct. Collision Premium
 - \$250 Deduct. (076) - Charge 95% of the \$100 Deduct. Collision Premium
 - \$500 Deduct. (077) - Charge 88% of the \$100 Deduct. Collision Premium
 - \$1,000 Deduct. (078) - Charge [75%] 77% of the \$100 Deduct. Collision Premium
3. Comprehensive Deductibles For Which No Premiums Are Shown
 - \$100 Deduct. (010) - Charge 90% of the Full Coverage Comprehensive Premium
 - \$250 Deduct. (055) - Charge 77% of the Full Coverage Comprehensive Premium
 - \$500 Deduct. (726) - Charge 60% of the Full Coverage Comprehensive Premium
 - \$1,000 Deduct. (727) - Charge 50% of the Full Coverage Comprehensive Premium
4. Theft - \$50 Deductible - Charge 75% of the Full Coverage Theft rate.

(Remainder of rule is unchanged.)

Memorandum - North Carolina Personal Auto Manual
Matter underlined is new; matter in brackets [] is deleted.

18. INCREASED LIMITS

B. 30/60 Split Limit Bodily Injury Liability Increased Limits Table

Applicable to 30/60 Split Limit Bodily Injury Liability Rates Only:

| Total Limits | Factor |
|-----------------|--------------------|
| \$ 30/60 | 1.00 |
| 50/100 | [1.15] <u>1.23</u> |
| 100/100 | [1.27] <u>1.41</u> |
| 100/200 | [1.33] <u>1.51</u> |
| 100/300 | [1.35] <u>1.54</u> |
| 300/300 | [1.54] <u>1.83</u> |
| 250/500 | [1.57] <u>1.88</u> |
| 500/1,000 | [1.73] <u>2.12</u> |
| 1,000/1,000 | [1.83] <u>2.28</u> |
| 1,000/2,000 | [1.88] <u>2.35</u> |

(Remainder of rule is unchanged.)

19. MISCELLANEOUS TYPES (Cont'd)

- B. Motorcycles, Motorscooters, Motorbikes, Mopeds and Other Similar Motor Vehicles Not Used for Commercial Purposes.

LIABILITY COVERAGES ONLY

1. Such vehicles with engine size of 499 cubic centimeters or less shall be rated at [~~17%~~] 15% of the applicable private passenger rate.
2. Such vehicles with engine size of 500 to 1249 cubic centimeters shall be rated at [~~28%~~] 25% of the applicable private passenger rate.
3. Such vehicles with engine size of 1250 to 1499 cubic centimeters shall be rated at [~~38%~~] 34% of the applicable private passenger rate.
4. Such vehicles with engine size of 1500 or more cubic centimeters shall be rated at [~~50%~~] 45% of the applicable private passenger rate.

MEDICAL PAYMENTS COVERAGES ONLY

1. Such vehicles shall be rated at [~~46%~~] 36% of the private passenger Medical Payments rate.

19. MISCELLANEOUS TYPES (Cont'd)

- B. Motorcycles, Motorscooters, Motorbikes, Mopeds and Other Similar Motor Vehicles Not Used for Commercial Purposes.

LIABILITY COVERAGES ONLY

1. Such vehicles with engine size of 499 cubic centimeters or less shall be rated at [17%] 15% of the applicable private passenger rate.
2. Such vehicles with engine size of 500 to 1249 cubic centimeters shall be rated at [28%] 25% of the applicable private passenger rate.
3. Such vehicles with engine size of 1250 to 1499 cubic centimeters shall be rated at [38%] 34% of the applicable private passenger rate.
4. Such vehicles with engine size of 1500 or more cubic centimeters shall be rated at [50%] 45% of the applicable private passenger rate.

MEDICAL PAYMENTS COVERAGES ONLY

1. Such vehicles shall be rated at [46%] 43% of the private passenger Medical Payments rate.

Matter underlined is new; matter in brackets [] is deleted.

PERSONAL AUTO MANUAL

NORTH CAROLINA

PRIMARY CLASSIFICATION RATING FACTORS

| Coverage | Pleasure Use | Drive to or From Work | | Business Use | Farm Use |
|---------------------------------------|--------------|-------------------------|-----------------------|--------------------|----------|
| | (1A) | Less Than 10 Miles (1B) | 10 or More Miles (1C) | (3) | (1AF) |
| BI, PD and Med. Pay. | 1.00 | 1.05 | 1.05 | 1.05 | .80 |
| Collision | 1.00 | 1.10 | 1.10 | 1.10 | .80 |
| Comprehensive, Fire, Theft and C.A.C. | 1.00 | 1.20 | [1.25] <u>1.20</u> | [1.30] <u>1.20</u> | .85 |

Add the following rating factors to the Primary Rating Factor

| No Inexperienced Operator | | | |
|---------------------------|---------------------|--------------|------------------------------------|
| Single or Multi-Car Risk | BI, PD and Med. Pay | Collision | Comprehensive, Fire, Theft and CAC |
| Single Car | Factor 0.00 | Factor 0.00 | Factor 0.00 |
| Multi-Car | Factor -0.35 | Factor -0.30 | Factor -0.10 |

Matter underlined is new; matter in brackets [] is deleted.

| INEXPERIENCED OPERATOR | | | | |
|---------------------------|--|--|--|--|
| Single or Multi-Car Risks | | BI, PD and Med. Pay. | Collision | Comprehensive Fire, Theft & CAC |
| Single Car | Principal Operator Licensed For: | | | |
| | Less Than One Year | Factor [+3.25] <u>+3.50</u> | Factor [+3.25] <u>+3.40</u> | Factor [+0.55] <u>+0.70</u> |
| | Less Than Two Years | Factor [+1.60] <u>+1.75</u> | Factor [+1.75] <u>+1.90</u> | Factor +0.55 |
| | Less Than Three Years | Factor [+1.25] <u>+1.30</u> | Factor [+1.50] <u>+1.65</u> | Factor +0.55 |
| | Occasional Operator Licensed For: | | | |
| | Less Than One Year | Factor [+2.00] <u>+1.90</u> | Factor [+2.25] <u>+2.10</u> | Factor +0.20 |
| Less Than Two Years | Factor [+1.05] <u>+0.90</u> | Factor +1.10 | Factor [+0.20] <u>+0.15</u> | |
| Less Than Three Years | Factor [+0.85] <u>+0.70</u> | Factor [+0.90] <u>+0.85</u> | Factor [+0.20] <u>+0.10</u> | |
| Multi-Car | Principal Operator Licensed For: | | | |
| | Less Than One Year | Factor [+2.90] <u>+3.15</u> | Factor [+2.95] <u>+3.10</u> | Factor [+0.45] <u>+0.60</u> |
| | Less Than Two Years | Factor [+1.25] <u>+1.40</u> | Factor [+1.45] <u>+1.60</u> | Factor +0.45 |
| | Less Than Three Years | Factor [+0.90] <u>+0.95</u> | Factor [+1.20] <u>+1.35</u> | Factor +0.45 |
| | Occasional Operator Licensed For: | | | |
| | Less Than One Year | Factor [+1.65] <u>+1.55</u> | Factor [+1.95] <u>+1.80</u> | Factor +0.10 |
| Less Than Two Years | Factor [+0.70] <u>+0.55</u> | Factor +0.80 | Factor [+0.10] <u>+0.05</u> | |
| Less Than Three Years | Factor [+0.50] <u>+0.35</u> | Factor [+0.60] <u>+0.55</u> | Factor [+0.10] <u>+0.00</u> | |

Matter underlined is new; matter in brackets [] is deleted.

PERSONAL AUTO MANUAL
NORTH CAROLINA
PRIMARY CLASSIFICATION RATING FACTORS
(CONT'D)

| SAFE DRIVER INSURANCE PLAN FACTORS AND CODES | | | |
|---|--|-------------------------|---------------------------|
| Use the following rating factors to determine the Driving Record Surcharge Premium as explained in the Safe Driver Insurance Plan Rule. | | | |
| Use the statistical code indicated for the Driving Record Sub-Classification. | | | |
| Number of Driving Record Points | Driving Record Sub-Classification | Statistical Code | SDIP Rating Factor |
| 0 | 0 | 00 | 0.00 |
| 1 | 1 | 01 | [0.25] <u>0.45</u> |
| 2 | 2 | 02 | [0.45] <u>0.55</u> |
| 3 | 3 | 03 | [0.60] <u>0.65</u> |
| 4 | 4 | 04 | [0.80] <u>1.00</u> |
| 5 | 5 | 05 | [1.05] <u>1.40</u> |
| 6 | 6 | 06 | [1.30] <u>1.60</u> |
| 7 | 7 | 07 | [1.60] <u>1.90</u> |
| 8 | 8 | 08 | [1.90] <u>2.10</u> |
| 9 | 9 | 09 | [2.25] <u>2.50</u> |
| 10 | 10 | 10 | [2.60] <u>2.80</u> |
| 11 | 11 | 11 | 3.00 |
| 12 or more | 12 | 12 | 3.40 |
| Vehicles Not Eligible for SDIP – Add the following rating factor to the otherwise applicable Combined Rating Factor. Use the statistical code shown below. | | | |
| Not Eligible | NE | 95 | +0.10 |

SECTION C
SUPPORTING EXPERIENCE

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2004

All Liability Business

All Carriers

| | 30/60 <u>Bodily Injury</u> | \$25,000 <u>Property Dam.</u> | Total Limits <u>Med. Pay.</u> |
|--|-------------------------------|----------------------------------|----------------------------------|
| (1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a) | 539,749,128 | 539,617,734 | 84,735,386 |
| (2) Loss Development Factor (b) | 1.096 | 1.017 | 1.095 |
| (3) Developed Losses and ALAE (1)x(2) | 591,565,044 | 548,791,235 | 92,785,248 |
| (4) Unallocated Loss Adjustment Expense Factor (See page H-687) | 0.113 | 0.126 | 0.113 |
| (5) Unallocated Loss Adjustment Expense (3)x(4) | 66,846,850 | 69,147,696 | 10,484,733 |
| (6) General and Other Acquisition Expenses (c) | 131,183,687 | 127,780,147 | 16,840,033 |
| (7) Earned Exposures (a) | 6,263,630 | 6,263,630 | 4,657,031 |
| (8) Incurred Claims (a) | 98,814 | 239,326 | 56,926 |
| (9) Claim Development Factor (d) | 0.944 | 1.004 | 1.025 |
| (10) Developed Claims (9)x(10) | 93,280 | 240,283 | 58,349 |
| (11) Average Annual Change in Losses and ALAE (See page D-9) | 1.7% | 0.0% | 0.9% |
| (12) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% | 3.7% |
| (13) Years of Trend - Losses and ALAE (e) | 3.03 | 3.03 | 3.03 |
| (14) Years of Trend - ULAE (f) | 3.03 | 3.03 | 3.03 |
| (15) Years of Trend - G & OA Expenses (g) | 2.75 | 2.75 | 2.75 |
| (16) Projected Losses and ALAE (e) | 622,326,426 | 548,791,235 | 95,383,235 |
| (17) Projected ULAE (f) | 74,601,085 | 77,168,829 | 11,700,962 |
| (18) Projected Losses and LAE per exposure [((16)+(17))/(7)] | 111.27 | 99.94 | 22.99 |
| (19) Projected G & OA Expenses (g) | 144,957,974 | 141,197,062 | 18,608,236 |
| (20) Projected Fixed Expenses per exposure [(19)/(7)] | 23.14 | 22.54 | 4.00 |
| (21) Projected Loss, LAE and Expenses Per Exposure [(18)+(20)] | 134.41 | 122.48 | 26.99 |
| (22) Percentage Dividends (h) | 0.0% | 0.0% | 0.0% |
| (23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20) | 0.803 | 0.803 | 0.803 |
| (24) Adjustment Factor for Increase in MVR Fee (i) | 1.0058 | 1.0058 | 1.0058 |
| (25) Premium Required per exposure [((21)/((23)-(22)))*(24)] | 168.36 | 153.41 | 33.81 |
| (26) Distributional Adjustment Factor (j) | 0.886 | 0.888 | 1.463 |
| (27) Required 30/60/25 Base Class Premium [(25)/(26)] | 190.02 | 172.76 | 23.11 |
| (28) Indicated Total Limits Change (See Section G) | | -0.3% | |
| (29) Required 30/60/25 Base Class Premium [(27)x(1.0+(28))] | 190.02 | 172.24 | 23.11 |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2004

All Liability Business

All Carriers

| | 30/60 <u>Bodily Injury</u> | \$25,000 <u>Property Dam.</u> | Total Limits <u>Med. Pay.</u> |
|--|-------------------------------|----------------------------------|----------------------------------|
| (1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a) | 539,749,128 | 539,617,734 | 84,735,386 |
| (2) Loss Development Factor (b) | 1.096 | 1.017 | 1.095 |
| (3) Developed Losses and ALAE (1)x(2) | 591,565,044 | 548,791,235 | 92,785,248 |
| (4) Unallocated Loss Adjustment Expense Factor (See page H-687) | 0.113 | 0.126 | 0.113 |
| (5) Unallocated Loss Adjustment Expense (3)x(4) | 66,846,850 | 69,147,696 | 10,484,733 |
| (6) General and Other Acquisition Expenses (c) | 131,183,687 | 127,780,147 | 21,492,341 |
| (7) Earned Exposures (a) | 6,263,630 | 6,263,630 | 4,657,031 |
| (8) Incurred Claims (a) | 98,814 | 239,326 | 56,926 |
| (9) Claim Development Factor (d) | 0.944 | 1.004 | 1.025 |
| (10) Developed Claims (9)x(10) | 93,280 | 240,283 | 58,349 |
| (11) Average Annual Change in Losses and ALAE (See page D-9) | 1.7% | 0.0% | 0.9% |
| (12) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% | 3.7% |
| (13) Years of Trend - Losses and ALAE (e) | 3.03 | 3.03 | 3.03 |
| (14) Years of Trend - ULAE (f) | 3.03 | 3.03 | 3.03 |
| (15) Years of Trend - G & OA Expenses (g) | 2.75 | 2.75 | 2.75 |
| (16) Projected Losses and ALAE (e) | 622,326,426 | 548,791,235 | 95,383,235 |
| (17) Projected ULAE (f) | 74,601,085 | 77,168,829 | 11,700,962 |
| (18) Projected Losses and LAE per exposure [((16)+(17))/(7)] | 111.27 | 99.94 | 22.99 |
| (19) Projected G & OA Expenses (g) | 144,957,974 | 141,197,062 | 23,749,037 |
| (20) Projected Fixed Expenses per exposure [(19)/(7)] | 23.14 | 22.54 | 5.10 |
| (21) Projected Loss, LAE and Expenses Per Exposure [(18)+(20)] | 134.41 | 122.48 | 28.09 |
| (22) Percentage Dividends (h) | 0.0% | 0.0% | 0.0% |
| (23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20) | 0.803 | 0.803 | 0.803 |
| (24) Adjustment Factor for Increase in MVR Fee (i) | 1.0058 | 1.0058 | 1.0058 |
| (25) Premium Required per exposure [((21)/((23)-(22)))*(24)] | 168.36 | 153.41 | 35.18 |
| (26) Distributional Adjustment Factor (j) | 0.886 | 0.888 | 1.865 |
| (27) Required 30/60/25 Base Class Premium [(25)/(26)] | 190.02 | 172.76 | 18.86 |
| (28) Indicated Total Limits Change (See Section G) | | -0.3% | |
| (29) Required 30/60/25 Base Class Premium [(27)x(1.0+(28))] | 190.02 | 172.24 | 18.86 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2004

- (a) Based on the statistical plan data reported by member companies. Data includes both voluntary and ceded business.
- (b) Loss development factors are based on three-year averages through 63 months of development for Bodily Injury, Property Damage and Medical Payments. For Bodily Injury, the three year average excluding the latest 15-27 month link ratio was used. See pages D-14, D-15, and D-16.
- (c) The general expenses and other acquisition expenses have been calculated to be 6.4% and 8.9%, respectively, of the combined Voluntary and Ceded collected earned premium, and 5.9% and 8.3%, respectively, of the Voluntary and Ceded manual earned premium. These expenses are then allocated between the Voluntary and Ceded business based on the Voluntary and Ceded premium distribution. See RB-4 and page H-687.
- (d) Claim development factors are to 63 months for Bodily Injury, Property Damage, and Medical Payments. See pages D-17, D-18, and D-19.
- (e) Projected losses and allocated loss adjustment expenses =
$$(13)$$
$$[(3) \times (1 + (11))^{(13)}], \text{ where } (13) = \text{the number of years of projection from the average date of accident to 7/12/2007.}$$
- (f) Projected unallocated loss adjustment expenses =
$$(14)$$
$$[(5) \times (1 + (12))^{(14)}], \text{ where } (14) = \text{the number of years of projection from 7/1/2004 to 7/12/2007.}$$
- (g) Projected general and other acquisition expenses =
$$(15)$$
$$[(6) \times (1 + (12))^{(15)}], \text{ where } (15) = \text{the number of years of projection from 7/1/2004 to 4/1/2007.}$$
- (h) Selected value.
- (i) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.
- (j) Distributional adjustment factor = Average Rate / Base Rate. See pages C-19 - C-21.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2003

All Liability Business

All Carriers

| | 30/60 | \$25,000 | Total Limits |
|--|----------------------|----------------------|------------------|
| | <u>Bodily Injury</u> | <u>Property Dam.</u> | <u>Med. Pay.</u> |
| (1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a) | 559,631,247 | 545,744,548 | 89,645,200 |
| (2) Loss Development Factor (b) | 1.041 | 1.001 | 1.030 |
| (3) Developed Losses and ALAE (1)x(2) | 582,576,128 | 546,290,293 | 92,334,556 |
| (4) Unallocated Loss Adjustment Expense Factor (See page H-687) | 0.119 | 0.128 | 0.119 |
| (5) Unallocated Loss Adjustment Expense (3)x(4) | 69,326,559 | 69,925,158 | 10,987,812 |
| (6) General and Other Acquisition Expenses (c) | 116,558,211 | 121,986,111 | 14,516,795 |
| (7) Earned Exposures (a) | 6,074,406 | 6,074,406 | 4,534,565 |
| (8) Incurred Claims (a) | 94,586 | 236,797 | 60,002 |
| (9) Claim Development Factor (d) | 0.982 | 0.998 | 1.009 |
| (10) Developed Claims (9)x(10) | 92,883 | 236,323 | 60,542 |
| (11) Average Annual Change in Losses and ALAE (See page D-9) | 1.0% | -0.6% | 0.2% |
| (12) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% | 3.7% |
| (13) Years of Trend - Losses and ALAE (e) | 4.03 | 4.03 | 4.03 |
| (14) Years of Trend - ULAE (f) | 4.03 | 4.03 | 4.03 |
| (15) Years of Trend - G & OA Expenses (g) | 3.75 | 3.75 | 3.75 |
| (16) Projected Losses and ALAE (e) | 606,461,749 | 533,179,326 | 93,073,232 |
| (17) Projected ULAE (f) | 80,280,155 | 80,973,333 | 12,723,886 |
| (18) Projected Losses and LAE per exposure $[(16)+(17)]/(7)$ | 113.05 | 101.10 | 23.33 |
| (19) Projected G & OA Expenses (g) | 133,575,710 | 139,796,083 | 16,636,247 |
| (20) Projected Fixed Expenses per exposure $[(19)/(7)]$ | 21.99 | 23.01 | 3.67 |
| (21) Projected Loss, LAE and Expenses Per Exposure $[(18)+(20)]$ | 135.04 | 124.11 | 27.00 |
| (22) Percentage Dividends (h) | 0.0% | 0.0% | 0.0% |
| (23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20) | 0.804 | 0.804 | 0.804 |
| (24) Adjustment Factor for Increase in MVR Fee (i) | 1.0058 | 1.0058 | 1.0058 |
| (25) Premium Required per exposure $[(21)/((23)-(22))*(24)]$ | 168.93 | 155.26 | 33.78 |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2003

All Liability Business

All Carriers

| | 30/60 <u>Bodily Injury</u> | \$25,000 <u>Property Dam.</u> | Total Limits <u>Med. Pay.</u> |
|---|-------------------------------|----------------------------------|----------------------------------|
| (1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a) | 559,631,247 | 545,744,548 | 89,645,200 |
| (2) Loss Development Factor (b) | 1.041 | 1.001 | 1.030 |
| (3) Developed Losses and ALAE (1)x(2) | 582,576,128 | 546,290,293 | 92,334,556 |
| (4) Unallocated Loss Adjustment Expense Factor (See page H-687) | 0.119 | 0.128 | 0.119 |
| (5) Unallocated Loss Adjustment Expense (3)x(4) | 69,326,559 | 69,925,158 | 10,987,812 |
| (6) General and Other Acquisition Expenses (c) | 116,558,211 | 121,986,111 | 18,273,395 |
| (7) Earned Exposures (a) | 6,074,406 | 6,074,406 | 4,534,565 |
| (8) Incurred Claims (a) | 94,586 | 236,797 | 60,002 |
| (9) Claim Development Factor (d) | 0.982 | 0.998 | 1.009 |
| (10) Developed Claims (9)x(10) | 92,883 | 236,323 | 60,542 |
| (11) Average Annual Change in Losses and ALAE (See page D-9) | 1.0% | -0.6% | 0.2% |
| (12) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% | 3.7% |
| (13) Years of Trend - Losses and ALAE (e) | 4.03 | 4.03 | 4.03 |
| (14) Years of Trend - ULAE (f) | 4.03 | 4.03 | 4.03 |
| (15) Years of Trend - G & OA Expenses (g) | 3.75 | 3.75 | 3.75 |
| (16) Projected Losses and ALAE (e) | 606,461,749 | 533,179,326 | 93,073,232 |
| (17) Projected ULAE (f) | 80,280,155 | 80,973,333 | 12,723,886 |
| (18) Projected Losses and LAE per exposure [((16)+(17))/(7)] | 113.05 | 101.10 | 23.33 |
| (19) Projected G & OA Expenses (g) | 133,575,710 | 139,796,083 | 20,941,311 |
| (20) Projected Fixed Expenses per exposure [(19)/(7)] | 21.99 | 23.01 | 4.62 |
| (21) Projected Loss, LAE and Expenses Per Exposure [(18)+(20)] | 135.04 | 124.11 | 27.95 |
| (22) Percentage Dividends (h) | 0.0% | 0.0% | 0.0% |
| (23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20) | 0.804 | 0.804 | 0.804 |
| (24) Adjustment Factor for Increase in MVR Fee (i) | 1.0058 | 1.0058 | 1.0058 |
| (25) Premium Required per exposure [((21)/((23)-(22)))*(24)] | 168.93 | 155.26 | 34.97 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2003

- (a) Based on the statistical plan data reported by member companies. Data includes both voluntary and ceded business.
- (b) Loss development factors are based on three-year averages through 63 months of development for Bodily Injury, Property Damage and Medical Payments. For Bodily Injury, the three year average excluding the latest 15-27 month link ratio was used. See pages D-14, D-15, and D-16.
- (c) The general expenses and other acquisition expenses have been calculated to be 6.1% and 8.6%, respectively, of the combined Voluntary and Ceded collected earned premium, and 5.6% and 7.8%, respectively, of the Voluntary and Ceded manual earned premium. These expenses are then allocated between the Voluntary and Ceded business based on the Voluntary and Ceded premium distribution. See RB-4 and page H-687.
- (d) Claim development factors are to 63 months for Bodily Injury, Property Damage, and Medical Payments. See pages D-17, D-18, and D-19.
- (e) Projected losses and allocated loss adjustment expenses =
$$\frac{(13)}{[(3) \times (1 + (11))]}$$
, where (13) = the number of years of projection from the average date of accident to 7/12/2007.
- (f) Projected unallocated loss adjustment expenses =
$$\frac{(14)}{[(5) \times (1 + (12))]}$$
, where (14) = the number of years of projection from 7/1/2003 to 7/12/2007.
- (g) Projected general and other acquisition expenses =
$$\frac{(15)}{[(6) \times (1 + (12))]}$$
, where (15) = the number of years of projection from 7/1/2003 to 4/1/2007.
- (h) Selected value.
- (i) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2002

All Liability Business

All Carriers

| | 30/60 <u>Bodily Injury</u> | \$25,000 <u>Property Dam.</u> | Total Limits <u>Med. Pay.</u> |
|---|-------------------------------|----------------------------------|----------------------------------|
| (1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a) | 549,157,153 | 529,623,030 | 89,107,572 |
| (2) Loss Development Factor (b) | 1.017 | 1.001 | 1.012 |
| (3) Developed Losses and ALAE (1)x(2) | 558,492,825 | 530,152,653 | 90,176,863 |
| (4) Unallocated Loss Adjustment Expense Factor (See page H-687) | 0.134 | 0.114 | 0.134 |
| (5) Unallocated Loss Adjustment Expense (3)x(4) | 74,838,039 | 60,437,402 | 12,083,700 |
| (6) General and Other Acquisition Expenses (c) | 108,586,074 | 105,073,895 | 12,762,448 |
| (7) Earned Exposures (a) | 5,944,190 | 5,944,190 | 4,442,149 |
| (8) Incurred Claims (a) | 92,656 | 226,751 | 62,180 |
| (9) Claim Development Factor (d) | 0.991 | 1.000 | 1.003 |
| (10) Developed Claims (9)x(10) | 91,822 | 226,751 | 62,367 |
| (11) Average Annual Change in Losses and ALAE (See page D-9) | 0.7% | -0.5% | -0.4% |
| (12) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% | 3.7% |
| (13) Years of Trend - Losses and ALAE (e) | 5.03 | 5.03 | 5.03 |
| (14) Years of Trend - ULAE (f) | 5.03 | 5.03 | 5.03 |
| (15) Years of Trend - G & OA Expenses (g) | 4.75 | 4.75 | 4.75 |
| (16) Projected Losses and ALAE (e) | 578,598,567 | 516,898,837 | 88,373,326 |
| (17) Projected ULAE (f) | 89,880,485 | 72,585,320 | 14,512,524 |
| (18) Projected Losses and LAE per exposure $[(16)+(17)]/(7)$ | 112.46 | 99.17 | 23.16 |
| (19) Projected G & OA Expenses (g) | 129,000,256 | 124,827,787 | 15,161,788 |
| (20) Projected Fixed Expenses per exposure $[(19)/(7)]$ | 21.70 | 21.00 | 3.41 |
| (21) Projected Loss, LAE and Expenses Per Exposure $[(18)+(20)]$ | 134.16 | 120.17 | 26.57 |
| (22) Percentage Dividends (h) | 0.0% | 0.0% | 0.0% |
| (23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20) | 0.800 | 0.800 | 0.800 |
| (24) Adjustment Factor for Increase in MVR Fee (i) | 1.0058 | 1.0058 | 1.0058 |
| (25) Premium Required per exposure $[(21)/((23)-(22))]*(24)]$ | 168.67 | 151.08 | 33.41 |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2002

All Liability Business

All Carriers

| | 30/60 <u>Bodily Injury</u> | \$25,000 <u>Property Dam.</u> | Total Limits <u>Med. Pay.</u> |
|--|-------------------------------|----------------------------------|----------------------------------|
| (1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a) | 549,157,153 | 529,623,030 | 89,107,572 |
| (2) Loss Development Factor (b) | 1.017 | 1.001 | 1.012 |
| (3) Developed Losses and ALAE (1)x(2) | 558,492,825 | 530,152,653 | 90,176,863 |
| (4) Unallocated Loss Adjustment Expense Factor (See page H-687) | 0.134 | 0.114 | 0.134 |
| (5) Unallocated Loss Adjustment Expense (3)x(4) | 74,838,039 | 60,437,402 | 12,083,700 |
| (6) General and Other Acquisition Expenses (c) | 108,586,074 | 105,073,895 | 15,780,845 |
| (7) Earned Exposures (a) | 5,944,190 | 5,944,190 | 4,442,149 |
| (8) Incurred Claims (a) | 92,656 | 226,751 | 62,180 |
| (9) Claim Development Factor (d) | 0.991 | 1.000 | 1.003 |
| (10) Developed Claims (9)x(10) | 91,822 | 226,751 | 62,367 |
| (11) Average Annual Change in Losses and ALAE (See page D-9) | 0.7% | -0.5% | -0.4% |
| (12) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% | 3.7% |
| (13) Years of Trend - Losses and ALAE (e) | 5.03 | 5.03 | 5.03 |
| (14) Years of Trend - ULAE (f) | 5.03 | 5.03 | 5.03 |
| (15) Years of Trend - G & OA Expenses (g) | 4.75 | 4.75 | 4.75 |
| (16) Projected Losses and ALAE (e) | 578,598,567 | 516,898,837 | 88,373,326 |
| (17) Projected ULAE (f) | 89,880,485 | 72,585,320 | 14,512,524 |
| (18) Projected Losses and LAE per exposure $[(16)+(17)]/(7)$ | 112.46 | 99.17 | 23.16 |
| (19) Projected G & OA Expenses (g) | 129,000,256 | 124,827,787 | 18,747,644 |
| (20) Projected Fixed Expenses per exposure $[(19)/(7)]$ | 21.70 | 21.00 | 4.22 |
| (21) Projected Loss, LAE and Expenses Per Exposure $[(18)+(20)]$ | 134.16 | 120.17 | 27.38 |
| (22) Percentage Dividends (h) | 0.0% | 0.0% | 0.0% |
| (23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20) | 0.800 | 0.800 | 0.800 |
| (24) Adjustment Factor for Increase in MVR Fee (i) | 1.0058 | 1.0058 | 1.0058 |
| (25) Premium Required per exposure $[(21)/((23)-(22))]*(24)]$ | 168.67 | 151.08 | 34.42 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2002

- (a) Based on the statistical plan data reported by member companies. Data includes both voluntary and ceded business.
- (b) Loss development factors are based on three-year averages through 63 months of development for Bodily Injury, Property Damage and Medical Payments. For Bodily Injury, the three year average excluding the latest 15-27 month link ratio was used. See pages D-14, D-15, and D-16.
- (c) The general expenses and other acquisition expenses have been calculated to be 6.5% and 8.1%, respectively, of the combined Voluntary and Ceded collected earned premium, and 5.9% and 7.3%, respectively, of the Voluntary and Ceded manual earned premium. These expenses are then allocated between the Voluntary and Ceded business based on the Voluntary and Ceded premium distribution. See RB-4 and page H-687.
- (d) Claim development factors are to 63 months for Bodily Injury, Property Damage, and Medical Payments. See pages D-17, D-18, and D-19.
- (e) Projected losses and allocated loss adjustment expenses =
$$\frac{(13)}{[(3) \times (1 + (11))]}$$
, where (13) = the number of years of projection from the average date of accident to 7/12/2007.
- (f) Projected unallocated loss adjustment expenses =
$$\frac{(14)}{[(5) \times (1 + (12))]}$$
, where (14) = the number of years of projection from 7/1/2002 to 7/12/2007.
- (g) Projected general and other acquisition expenses =
$$\frac{(15)}{[(6) \times (1 + (12))]}$$
, where (15) = the number of years of projection from 7/1/2002 to 4/1/2007.
- h) Selected value.

Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

STATEWIDE RATE REVIEW
CALENDAR YEAR ENDED 12/31/2004

All Physical Damage Business

| | <u>Comprehensive (a)</u> | <u>Collision (b)</u> |
|---|--------------------------|----------------------|
| (1) Reported Paid Losses Excl. Excess W&W (c) (See RB-8) | 247,489,860 | 582,209,348 |
| (2) Paid to Incurred Factor (See RB-7) | 0.997 | 0.997 |
| (3) Excess Wind and Water Factor (See page D-13) | 1.064 | - |
| (4) Incurred Losses (1)x(2)x(3) | 262,539,223 | 580,462,720 |
| (5) Loss Adjustment Expense Factor (See page D-23) | 0.152 | 0.152 |
| (6) Loss Adjustment Expense (4)x(5) | 39,905,962 | 88,230,333 |
| (7) Earned Exposures (c) | 4,448,743 | 4,148,123 |
| (8) Paid Claims (c)(d) | 301,693 | 209,435 |
| (9) General and Other Acquisition Expenses (e) | 61,435,780 | 135,211,985 |
| (10) Average Annual Change in Losses (See page D-9) | -2.0% | -1.1% |
| (11) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% |
| (12) Years of Trend - Losses (f) | 3.03 | 3.03 |
| (13) Years of Trend - LAE (g) | 3.03 | 3.03 |
| (14) Years of Trend - G & OA Expenses (h) | 2.75 | 2.75 |
| (15) Projected Losses (f) | 247,049,409 | 561,307,450 |
| (16) Projected LAE (g) | 44,535,054 | 98,465,052 |
| (17) Projected Losses and LAE per exposure $[(15)+(16)]/(7)$ | 65.54 | 159.05 |
| (18) Projected G & OA Expenses (h) | 67,886,537 | 149,409,243 |
| (19) Projected Fixed Expenses per exposure $[(18)/(7)]$ | 15.26 | 36.02 |
| (20) Projected Loss, LAE and Fixed Expenses per exposure $[(17)+(19)]$ | 80.80 | 195.07 |
| (21) Percentage Dividends (i) | 0.0% | 0.0% |
| (22) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20) | 0.784 | 0.784 |
| (23) Adjustment Factor for Increase in MVR Fee (j) | 1.0058 | 1.0058 |
| (24) Premium Required per exposure $[(20)/((22)-(21))x(23)]$ | 103.66 | 250.26 |
| (25) Model Year Trend Factor (See page H-682) | 1.056 | 1.064 |
| (26) Symbol Trend Factor (k) (See pages H-683,684) | 1.046 | 1.031 |
| (27) Distributional Adjustment Factor (l) (See pages C-22,23) | 1.826 | 1.107 |
| (28) Required Base Class Premium - Model Year 2006 $[(23)/[(24)x(25)x(26)]]$ | 51.39 | 206.08 |
| (29) Factor for Change in Model Year Base | 1.050 | 1.050 |
| (30) Required Base Class Premium - Model Year 2007 $[(28)x(29)]$ | 53.96 | 216.38 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

STATEWIDE RATE REVIEW
CALENDAR YEAR ENDED 12/31/2004

- (a) Comprehensive Coverage includes Full Coverage Comprehensive, \$50 Deductible, \$100 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Comprehensive.
- (b) Collision Coverage includes \$50 Deductible, \$100 Deductible, \$200 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Collision.
- (c) Based on the statistical plan data reported by member companies. Data includes both standard and consent to rate business.

(d) Claims by Deductible:

| <u>Comprehensive</u> | | <u>Collision</u> | |
|----------------------|---------|-------------------|---------|
| Full Coverage | 129,090 | \$50 Deductible | 1,309 |
| \$50 Deductible | 22,175 | \$100 Deductible | 18,714 |
| \$100 Deductible | 99,128 | \$200 Deductible | 2,929 |
| \$250 Deductible | 30,785 | \$250 Deductible | 100,464 |
| \$500 Deductible | 19,486 | \$500 Deductible | 82,377 |
| \$1000 Deductible | 1,029 | \$1000 Deductible | 3,642 |

- (e) General expenses and other acquisition expenses have been calculated to be 5.1% and 8.6%, respectively, of the Standard premium on a collected level, and 5.2% and 4.9%, respectively, of the Consent to Rate premium on a collected level. See exhibit RB-4 and pages H-688-H-689.

(f) Projected losses = $[(4) \times (1+(10))^{(12)}]$ where (12) = number of years of projection from 7/1/2004 to 7/12/2007.

(g) Projected loss adjustment expenses = $[(6) \times (1+(11))^{(13)}]$ where (13) = number of years of projection from 7/1/2004 to 7/12/2007.

(h) Projected general and other acquisition expenses = $[(9) \times (1+(11))^{(14)}]$ where (14) = number of years of projection from 7/1/2004 to 4/1/2007.

(i) Selected value.

(j) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

(k) Symbol trend factor is 1.5% per annum for Comprehensive, and 1.0% per annum for Collision projected from 7/1/2004 to the prospective average date of earning, 7/12/2007.

3.03
Comprehensive: $[(1+1.5\%)^{3.03}] = 1.1046$
3.03
Collision: $[(1+1.0\%)^{3.03}] = 1.1031$

(l) Distributional adjustment factor = Average Rate / Base Deductible Base Class Rate. See pages C-22, C-23.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

STATEWIDE RATE REVIEW
CALENDAR YEAR ENDED 12/31/2003

All Physical Damage Business

| | <u>Comprehensive (a)</u> | <u>Collision (b)</u> |
|---|--------------------------|----------------------|
| (1) Reported Paid Losses Excl. Excess W&W (c) (See RB-8) | 300,116,663 | 599,676,590 |
| (2) Paid to Incurred Factor (See RB-7) | 0.997 | 0.997 |
| (3) Excess Wind and Water Factor (See page D-13) | 1.064 | - |
| (4) Incurred Losses (1)x(2)x(3) | 318,366,157 | 597,877,560 |
| (5) Loss Adjustment Expense Factor (See page D-24) | 0.133 | 0.133 |
| (6) Loss Adjustment Expense (4)x(5) | 42,342,699 | 79,517,715 |
| (7) Earned Exposures (c) | 4,389,971 | 4,094,340 |
| (8) Paid Claims (c)(d) | 331,463 | 217,165 |
| (9) General and Other Acquisition Expenses (e) | 65,177,943 | 133,195,673 |
| (10) Average Annual Change in Losses (See page D-9) | -3.8% | -2.0% |
| (11) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% |
| (12) Years of Trend - Losses (f) | 4.03 | 4.03 |
| (13) Years of Trend - LAE (g) | 4.03 | 4.03 |
| (14) Years of Trend - G & OA Expenses (h) | 3.75 | 3.75 |
| (15) Projected Losses (f) | 272,203,064 | 551,243,110 |
| (16) Projected LAE (g) | 49,032,845 | 92,081,514 |
| (17) Projected Losses and LAE per exposure $[(15)+(16)]/(7)$ | 73.17 | 157.13 |
| (18) Projected G & OA Expenses (h) | 74,693,923 | 152,642,241 |
| (19) Projected Fixed Expenses per exposure $[(18)/(7)]$ | 17.01 | 37.28 |
| (20) Projected Loss, LAE and Fixed Expenses per exposure $[(17)+(19)]$ | 90.18 | 194.41 |
| (21) Percentage Dividends (i) | 0.0% | 0.0% |
| (22) Permissible Loss, LAE and G & OA Expense Ratio (See page D-21) | 0.778 | 0.778 |
| (23) Adjustment Factor for Increase in MVR Fee (j) | 1.0058 | 1.0058 |
| (24) Premium Required per exposure $[(20)/((22)-(21))x(23)]$ | 116.58 | 251.33 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

STATEWIDE RATE REVIEW
CALENDAR YEAR ENDED 12/31/2003

- (a) Comprehensive Coverage includes Full Coverage Comprehensive, \$50 Deductible, \$100 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Comprehensive.
- (b) Collision Coverage includes \$50 Deductible, \$100 Deductible, \$200 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Collision.
- (c) Based on the statistical plan data reported by member companies. Data includes both standard and consent to rate business.

(d) Claims by Deductible:

| | <u>Comprehensive</u> | | <u>Collision</u> | |
|-------------------|----------------------|--|-------------------|---------|
| Full Coverage | 143,138 | | \$50 Deductible | 1,304 |
| \$50 Deductible | 25,496 | | \$100 Deductible | 20,377 |
| \$100 Deductible | 108,426 | | \$200 Deductible | 3,191 |
| \$250 Deductible | 34,199 | | \$250 Deductible | 107,398 |
| \$500 Deductible | 19,300 | | \$500 Deductible | 81,662 |
| \$1000 Deductible | 904 | | \$1000 Deductible | 3,233 |

- (e) General expenses and other acquisition expenses have been calculated to be 5.0% and 7.7%, respectively, of the Standard premium on a collected level, and 5.0% and 4.7%, respectively, of the Consent to Rate premium on a collected level. See exhibit RB-4 and pages H-688-H-689.

(f) Projected losses = $[(4) \times (1+(10))^{(12)}]$ where (12) = number of years of projection from 7/1/2003 to 7/12/2007.

(g) Projected loss adjustment expenses = $[(6) \times (1+(11))^{(13)}]$ where (13) = number of years of projection from 7/1/2003 to 7/12/2007.

(h) Projected general and other acquisition expenses = $[(9) \times (1+(11))^{(14)}]$ where (14) = number of years of projection from 7/1/2003 to 4/1/2007.

(i) Selected value.

(j) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

STATEWIDE RATE REVIEW
CALENDAR YEAR ENDED 12/31/2002

All Physical Damage Business

| | <u>Comprehensive (a)</u> | <u>Collision (b)</u> |
|---|--------------------------|----------------------|
| (1) Reported Paid Losses Excl. Excess W&W (c) (See RB-8) | 261,259,509 | 575,617,263 |
| (2) Paid to Incurred Factor (See RB-7) | 1.023 | 1.023 |
| (3) Excess Wind and Water Factor (See page D-13) | 1.064 | - |
| (4) Incurred Losses (1)x(2)x(3) | 284,373,660 | 588,856,460 |
| (5) Loss Adjustment Expense Factor (See page D-25) | 0.165 | 0.165 |
| (6) Loss Adjustment Expense (4)x(5) | 46,921,654 | 97,161,316 |
| (7) Earned Exposures (c) | 4,286,140 | 4,007,723 |
| (8) Paid Claims (c)(d) | 308,303 | 213,691 |
| (9) General and Other Acquisition Expenses (e) | 61,887,370 | 123,861,929 |
| (10) Average Annual Change in Losses (See page D-9) | -2.9% | -1.1% |
| (11) Average Annual Change in Expenses (See page D-8) | 3.7% | 3.7% |
| (12) Years of Trend - Losses (f) | 5.03 | 5.03 |
| (13) Years of Trend - LAE (g) | 5.03 | 5.03 |
| (14) Years of Trend - G & OA Expenses (h) | 4.75 | 4.75 |
| (15) Projected Losses (f) | 245,130,095 | 557,058,211 |
| (16) Projected LAE (g) | 56,352,906 | 116,690,741 |
| (17) Projected Losses and LAE per exposure [((15)+(16))/(7)] | 70.34 | 168.11 |
| (18) Projected G & OA Expenses (h) | 73,522,196 | 147,147,972 |
| (19) Projected Fixed Expenses per exposure [(18)/(7)] | 17.15 | 36.72 |
| (20) Projected Loss, LAE and Fixed Expenses per exposure [(17)+(19)] | 87.49 | 204.83 |
| (21) Percentage Dividends (i) | 0.0% | 0.0% |
| (22) Permissible Loss, LAE and G & OA Expense Ratio (See page D-22) | 0.775 | 0.775 |
| (23) Adjustment Factor for Increase in MVR Fee (j) | 1.0058 | 1.0058 |
| (24) Premium Required per exposure [((20)/((22)-(21)))x(23)] | 113.55 | 265.83 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

STATEWIDE RATE REVIEW
CALENDAR YEAR ENDED 12/31/2002

- (a) Comprehensive Coverage includes Full Coverage Comprehensive, \$50 Deductible, \$100 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Comprehensive.
- (b) Collision Coverage includes \$50 Deductible, \$100 Deductible, \$200 Deductible, \$250 Deductible, \$500 Deductible, and \$1000 Deductible Collision.
- (c) Based on the statistical plan data reported by member companies. Data includes both standard and consent to rate business.

(d) Claims by Deductible:

| | <u>Comprehensive</u> | | <u>Collision</u> | |
|-------------------|----------------------|--|-------------------|---------|
| Full Coverage | 134,929 | | \$50 Deductible | 1,169 |
| \$50 Deductible | 24,563 | | \$100 Deductible | 21,987 |
| \$100 Deductible | 100,227 | | \$200 Deductible | 3,394 |
| \$250 Deductible | 30,915 | | \$250 Deductible | 108,481 |
| \$500 Deductible | 16,950 | | \$500 Deductible | 75,995 |
| \$1000 Deductible | 719 | | \$1000 Deductible | 2,665 |

- (e) General expenses and other acquisition expenses have been calculated to be 5.3% and 8.0%, respectively, of the Standard premium on a collected level, and 5.7% and 4.3%, respectively, of the Consent to Rate premium on a collected level. See exhibit RB-4 and pages H-688-H-689.

- (f) Projected losses = $[(4) \times (1+(10))^{(12)}]$ where (12) = number of years of projection from 7/1/2002 to 7/12/2007.

- (g) Projected loss adjustment expenses = $[(6) \times (1+(11))^{(13)}]$ where (13) = number of years of projection from 7/1/2002 to 7/12/2007.

- (h) Projected general and other acquisition expenses = $[(9) \times (1+(11))^{(14)}]$ where (14) = number of years of projection from 7/1/2002 to 4/1/2007.

- (i) Selected value.

- (j) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
BODILY INJURY LIABILITY
CALCULATION OF REVISED BASE RATES BY TERRITORY

| T E R R I T O R Y | (1) EARNED CAR YEARS YR. ENDED 12/31/2004 | (2) 30/60 LOSS COST 3 YRS ENDED 12/31/2004 | (3) DISTRIB. ADJUST. FACTOR | (4) BASE CLASS LOSS COST (2)/(3) | (5) CRED | (6) FORM. BASE CLASS LOSS COST | (7) INDEX (6) TO STATE | (8) 30/60 BASE CLASS RATE PRES. | (9) IND. |
|---|---|--|--------------------------------------|--|-------------|--|---------------------------------|---|-------------|
| 11 | 104,077 | 71.41 | 0.927 | 77.03 | 1.0 | 77.03 | 0.720 | 124 | 142 |
| 13 | 132,416 | 113.37 | 0.923 | 122.83 | 1.0 | 122.83 | 1.148 | 190 | 211 |
| 14 | 148,519 | 106.23 | 0.929 | 114.35 | 1.0 | 114.35 | 1.068 | 179 | 198 |
| 15 | 50,031 | 114.24 | 0.906 | 126.09 | 0.9 | 125.96 | 1.177 | 199 | 216 |
| 16 | 362,640 | 96.97 | 0.931 | 104.16 | 1.0 | 104.16 | 0.973 | 164 | 182 |
| 17 | 132,923 | 121.13 | 0.915 | 132.38 | 1.0 | 132.38 | 1.237 | 204 | 226 |
| 18 | 153,327 | 87.15 | 0.906 | 96.19 | 1.0 | 96.19 | 0.899 | 153 | 171 |
| 24 | 2,012,231 | 75.38 | 0.858 | 87.86 | 1.0 | 87.86 | 0.821 | 146 | 158 |
| 25 | 132,005 | 103.63 | 0.896 | 115.66 | 1.0 | 115.66 | 1.081 | 177 | 200 |
| 26 | 432,765 | 131.28 | 0.855 | 153.54 | 1.0 | 153.54 | 1.435 | 233 | 258 |
| 31 | 288,286 | 104.67 | 0.902 | 116.04 | 1.0 | 116.04 | 1.084 | 183 | 201 |
| 32 | 635,244 | 79.83 | 0.879 | 90.82 | 1.0 | 90.82 | 0.849 | 148 | 163 |
| 33 | 741,118 | 100.69 | 0.867 | 116.14 | 1.0 | 116.14 | 1.085 | 184 | 201 |
| 40 | 183,545 | 133.33 | 0.910 | 146.52 | 1.0 | 146.52 | 1.369 | 226 | 246 |
| 41 | 98,858 | 114.35 | 0.959 | 119.24 | 1.0 | 119.24 | 1.114 | 193 | 204 |
| 43 | 72,209 | 104.56 | 0.914 | 114.40 | 1.0 | 114.40 | 1.069 | 169 | 198 |
| 47 | 82,785 | 100.88 | 0.891 | 113.22 | 1.0 | 113.22 | 1.058 | 180 | 196 |
| 51 | 55,873 | 80.80 | 0.915 | 88.31 | 0.8 | 89.34 | 0.835 | 149 | 160 |
| 52 | 430,128 | 117.40 | 0.934 | 125.70 | 1.0 | 125.70 | 1.175 | 196 | 215 |
| SW | 6,248,980 | 94.89 | 0.886 | 107.01 | | 107.02 | | | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PROPERTY DAMAGE LIABILITY
CALCULATION OF REVISED BASE RATES BY TERRITORY

| T E R R I T O R Y | (1) EARNED CAR YEARS YR. ENDED 12/31/2004 | (2) \$25,000 LOSS COST 3 YRS ENDED 12/31/2004 | (3) DISTRIB. ADJUST. FACTOR | (4) BASE CLASS LOSS COST (2)/(3) | (5) CRED | (6) FORM. BASE CLASS LOSS COST | (7) INDEX (6) TO STATE | (8) \$25,000 BASE CLASS RATE PRES. | (9) IND. |
|---|---|---|--------------------------------------|--|-------------|--|---------------------------------|--|-------------|
| 11 | 104,077 | 90.66 | 0.927 | 97.80 | 1.0 | 97.80 | 0.977 | 158 | 166 |
| 13 | 132,416 | 113.22 | 0.923 | 122.67 | 1.0 | 122.67 | 1.226 | 194 | 202 |
| 14 | 148,519 | 109.76 | 0.929 | 118.15 | 1.0 | 118.15 | 1.181 | 191 | 196 |
| 15 | 50,031 | 105.63 | 0.906 | 116.59 | 1.0 | 116.59 | 1.165 | 189 | 194 |
| 16 | 362,640 | 110.68 | 0.931 | 118.88 | 1.0 | 118.88 | 1.188 | 190 | 196 |
| 17 | 132,923 | 110.45 | 0.915 | 120.71 | 1.0 | 120.71 | 1.206 | 186 | 200 |
| 18 | 153,327 | 93.76 | 0.906 | 103.49 | 1.0 | 103.49 | 1.034 | 169 | 175 |
| 24 | 2,012,231 | 76.74 | 0.858 | 89.44 | 1.0 | 89.44 | 0.894 | 149 | 154 |
| 25 | 132,005 | 98.83 | 0.896 | 110.30 | 1.0 | 110.30 | 1.102 | 174 | 184 |
| 26 | 432,765 | 83.99 | 0.855 | 98.23 | 1.0 | 98.23 | 0.982 | 161 | 167 |
| 31 | 288,286 | 94.01 | 0.902 | 104.22 | 1.0 | 104.22 | 1.042 | 170 | 176 |
| 32 | 635,244 | 84.54 | 0.879 | 96.18 | 1.0 | 96.18 | 0.961 | 157 | 164 |
| 33 | 741,118 | 75.23 | 0.867 | 86.77 | 1.0 | 86.77 | 0.867 | 141 | 150 |
| 40 | 183,545 | 111.94 | 0.910 | 123.01 | 1.0 | 123.01 | 1.229 | 191 | 202 |
| 41 | 98,858 | 106.53 | 0.959 | 111.08 | 1.0 | 111.08 | 1.110 | 180 | 184 |
| 43 | 72,209 | 84.12 | 0.914 | 92.04 | 1.0 | 92.04 | 0.920 | 146 | 157 |
| 47 | 82,785 | 81.10 | 0.891 | 91.02 | 1.0 | 91.02 | 0.910 | 149 | 156 |
| 51 | 55,873 | 101.85 | 0.915 | 111.31 | 1.0 | 111.31 | 1.112 | 178 | 185 |
| 52 | 430,128 | 117.28 | 0.934 | 125.57 | 1.0 | 125.57 | 1.255 | 201 | 206 |
| SW | 6,248,980 | 88.91 | 0.888 | 100.06 | | 100.06 | | | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
FULL COVERAGE COMPREHENSIVE
CALCULATION OF REVISED BASE RATES BY TERRITORY

| T E R R I T O R Y | (1) EARNED CAR YEARS YR. ENDED 12/31/2004 | (2) LOSS COST 3 YRS ENDED 12/31/2004 | (3) DISTRIB. ADJUST. FACTOR | (4) BASE CLASS LOSS COST (2)/(3) | (5) CRED | (6) FORM. BASE CLASS LOSS COST | (7) INDEX (6) TO STATE | (8) 2007 SYMBOL 2 BASE CLASS RATE PRES. | (9) 2007 SYMBOL 2 BASE CLASS RATE IND. |
|---|---|---|--------------------------------------|--|-------------|--|---------------------------------|---|--|
| 11 | 74,149 | 43.48 | 1.882 | 23.10 | 1.0 | 23.10 | 0.680 | 42 | 39 |
| 13 | 95,358 | 66.59 | 1.885 | 35.33 | 1.0 | 35.33 | 1.040 | 64 | 56 |
| 14 | 110,798 | 51.72 | 1.946 | 26.58 | 1.0 | 26.58 | 0.782 | 56 | 44 |
| 15 | 36,320 | 52.77 | 1.949 | 27.08 | 1.0 | 27.08 | 0.797 | 53 | 45 |
| 16 | 288,539 | 57.56 | 2.022 | 28.47 | 1.0 | 28.47 | 0.838 | 54 | 47 |
| 17 | 101,517 | 46.78 | 1.899 | 24.63 | 1.0 | 24.63 | 0.725 | 47 | 41 |
| 18 | 112,496 | 48.49 | 1.947 | 24.90 | 1.0 | 24.90 | 0.733 | 47 | 42 |
| 24 | 1,371,097 | 61.68 | 1.777 | 34.71 | 1.0 | 34.71 | 1.022 | 62 | 55 |
| 25 | 93,294 | 49.65 | 1.825 | 27.21 | 1.0 | 27.21 | 0.801 | 49 | 45 |
| 26 | 281,561 | 76.03 | 1.735 | 43.82 | 1.0 | 43.82 | 1.290 | 78 | 68 |
| 31 | 219,036 | 61.99 | 1.900 | 32.63 | 1.0 | 32.63 | 0.961 | 59 | 52 |
| 32 | 464,248 | 54.73 | 1.862 | 29.39 | 1.0 | 29.39 | 0.865 | 54 | 48 |
| 33 | 488,167 | 83.82 | 1.712 | 48.96 | 1.0 | 48.96 | 1.441 | 84 | 74 |
| 40 | 131,726 | 60.83 | 1.816 | 33.50 | 1.0 | 33.50 | 0.986 | 61 | 53 |
| 41 | 70,948 | 50.70 | 1.732 | 29.27 | 1.0 | 29.27 | 0.862 | 55 | 48 |
| 43 | 53,030 | 46.74 | 1.767 | 26.45 | 1.0 | 26.45 | 0.779 | 50 | 44 |
| 47 | 56,592 | 49.62 | 1.744 | 28.45 | 1.0 | 28.45 | 0.838 | 55 | 47 |
| 51 | 47,550 | 50.95 | 2.157 | 23.62 | 1.0 | 23.62 | 0.695 | 44 | 40 |
| 52 | 339,763 | 62.01 | 2.028 | 30.58 | 1.0 | 30.58 | 0.900 | 54 | 49 |
| SW | 4,436,189 | 61.98 | 1.826 | 33.97 | | 33.97 | | | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
\$100 DEDUCTIBLE COLLISION
CALCULATION OF REVISED BASE RATES BY TERRITORY

| T E R R I T O R Y | (1) EARNED CAR YEARS YR. ENDED 12/31/2004 | (2) LOSS COST 3 YRS ENDED 12/31/2004 | (3) DISTRIB. ADJUST. FACTOR | (4) BASE CLASS LOSS COST (2)/(3) | (5) CRED | (6) FORM. BASE CLASS LOSS COST | (7) INDEX (6) TO STATE | (8) 2007 SYMBOL 2 BASE CLASS RATE PRES. | (9) IND. |
|---|---|---|--------------------------------------|--|-------------|--|---------------------------------|---|-------------|
| 11 | 69,716 | 136.18 | 1.116 | 122.03 | 1.0 | 122.03 | 0.937 | 206 | 204 |
| 13 | 91,339 | 160.49 | 1.162 | 138.12 | 1.0 | 138.12 | 1.061 | 232 | 227 |
| 14 | 105,216 | 154.14 | 1.154 | 133.57 | 1.0 | 133.57 | 1.026 | 229 | 221 |
| 15 | 34,412 | 150.66 | 1.134 | 132.86 | 1.0 | 132.86 | 1.020 | 225 | 220 |
| 16 | 277,659 | 151.65 | 1.209 | 125.43 | 1.0 | 125.43 | 0.963 | 211 | 209 |
| 17 | 97,832 | 148.57 | 1.154 | 128.74 | 1.0 | 128.74 | 0.988 | 208 | 214 |
| 18 | 105,074 | 136.09 | 1.130 | 120.43 | 1.0 | 120.43 | 0.925 | 205 | 202 |
| 24 | 1,233,314 | 135.29 | 1.046 | 129.34 | 1.0 | 129.34 | 0.993 | 221 | 215 |
| 25 | 86,999 | 145.40 | 1.098 | 132.42 | 1.0 | 132.42 | 1.017 | 223 | 219 |
| 26 | 265,364 | 148.39 | 1.060 | 139.99 | 1.0 | 139.99 | 1.075 | 234 | 230 |
| 31 | 210,098 | 138.80 | 1.153 | 120.38 | 1.0 | 120.38 | 0.924 | 202 | 202 |
| 32 | 426,084 | 132.72 | 1.085 | 122.32 | 1.0 | 122.32 | 0.939 | 208 | 205 |
| 33 | 457,307 | 135.38 | 1.045 | 129.55 | 1.0 | 129.55 | 0.995 | 215 | 215 |
| 40 | 127,277 | 187.03 | 1.192 | 156.90 | 1.0 | 156.90 | 1.205 | 253 | 254 |
| 41 | 68,356 | 197.35 | 1.230 | 160.45 | 1.0 | 160.45 | 1.232 | 275 | 257 |
| 43 | 51,261 | 139.53 | 1.152 | 121.12 | 1.0 | 121.12 | 0.930 | 196 | 203 |
| 47 | 53,550 | 140.21 | 1.100 | 127.46 | 1.0 | 127.46 | 0.979 | 215 | 212 |
| 51 | 46,099 | 146.75 | 1.257 | 116.75 | 1.0 | 116.75 | 0.896 | 203 | 196 |
| 52 | 329,074 | 166.41 | 1.226 | 135.73 | 1.0 | 135.73 | 1.042 | 227 | 223 |
| SW | 4,136,031 | 144.22 | 1.107 | 130.24 | | 130.24 | | | |

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE
 NOTES TO CALCULATION OF REVISED BASE RATES BY TERRITORY

Liability data shown in column (1) and column (2) is voluntary and ceded combined. Comprehensive data are for Full Coverage, \$50, \$100, \$250, \$500 and \$1,000 deductibles. Collision data are for \$50, \$100, \$200, \$250, \$500 and \$1,000 deductibles. Physical Damage data is for standard and consent to rate business combined.

Column

- (1) Earned exposures for the year ended 12/31/2004.
- (2) Pure premium (losses divided by exposures) for the three years ended 12/31/2004. Liability data are developed to ultimate. Comprehensive data are adjusted for territories 11, 15, 18, 24, 25, 26, 32, 33, 40 and 43 to remove excess wind losses.
- (3) Distributional adjustment factor = Present average rate for year ended 12/31/2004 divided by the current base class base rate. For liability, the average rate is for voluntary and ceded data combined. For physical damage, the average rate is for all deductibles combined. See pages C-19-23.
- (4) Base Class Loss Cost = Col.(2) / Col.(3)
- (5) Credibility is determined by each territory's three year number of claims using the credibility tables shown on page D-27.
- (6) Formula base class loss cost = [Col.(4) x Col.(5)] + [Statewide Col.(4)x{1-Col.(5)} x HAF] where HAF is the historical adjustment factor and is equal to the ratio of the current base class base rate to the statewide average base class base rate. See pages C-19-23.
- (7) Index to state = Col.(6) / Statewide Col.(6)
- (8) Present base rates currently in effect as of the date of this filing.
- (9) The revised base rate is calculated by the following formula:

$$\{ [RBCP \times VR \times \text{Col. (7)}] + FE \} \times \text{offset}$$

RBCP = Required base class premium, as shown on pages C-1, C-7.

VR = variable ratio FE = flattened expense amount

The variable ratio and flattened expense amount account for the flattening of 100% of general and other acquisition expenses by territory and are calculated below:

| | BI | PD | Comp | Coll |
|--|--------|--------|--------|--------|
| (1) Projected general and other acquisition expenses per exposure (from page C-1, line (20) and page C-7, line (19)) | 23.14 | 22.54 | 15.26 | 36.02 |
| (2) Required average premium per exposure (from page C-1, line (25) and page C-7, line (24)) | 168.36 | 153.41 | 103.66 | 250.26 |
| (3) Fixed ratio = (1) / (2) | 0.137 | 0.147 | 0.147 | 0.144 |
| (4) Variable ratio 1 - (3) | 0.863 | 0.853 | 0.853 | 0.856 |
| (5) Required Base Class Premium (from page C-1, line (29) and page C-7, line (30)) | 190.02 | 172.24 | 53.96 | 216.38 |
| (6) Flattened expenses (2) x (3) | 26.03 | 25.32 | 7.93 | 31.16 |

Offsets are as follows:

- 1) Offsets for the change in model year base from 2006 to 2007 are 1.006 for Comprehensive and 1.014 for Collision.
- 2) Offsets for the changes in deductible relativities are 0.999 for Collision, as shown on page I-6.
- 3) Offsets for the classification factor changes are shown on page J-11. These offsets are required so that these changes will have no rate level effect.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
MEDICAL PAYMENTS

CALCULATION OF REVISED BASE RATES BY TERRITORY

| (5) Terr | (6) MP Exp | (7) Pres. MP Rate | (8) Rev BI Rate | (9) BI CP Offset | (10) Rev MP Rate | (11) Rev. Base Class Premium | (12) Rev. T/L MP Rate | (13) Pres. T/L MP Rate | (14) Terr % Change |
|----------|------------|-------------------|-----------------|------------------|------------------|------------------------------|-----------------------|------------------------|--------------------|
| 11 | 66,311 | 13 | 142 | 0.983 | 17 | 1,146,782 | 36.79 | 28.13 | 33.0% |
| 13 | 87,781 | 20 | 211 | 0.984 | 26 | 2,319,417 | 56.26 | 43.28 | 32.1% |
| 14 | 101,784 | 18 | 198 | 0.985 | 24 | 2,480,016 | 51.94 | 38.95 | 35.4% |
| 15 | 35,463 | 20 | 216 | 0.986 | 26 | 935,130 | 56.26 | 43.28 | 31.8% |
| 16 | 269,170 | 17 | 182 | 0.982 | 22 | 6,030,285 | 47.61 | 36.79 | 31.8% |
| 17 | 89,754 | 21 | 226 | 0.986 | 28 | 2,548,795 | 60.59 | 45.44 | 35.2% |
| 18 | 101,936 | 16 | 171 | 0.985 | 21 | 2,173,255 | 45.44 | 34.62 | 33.3% |
| 24 | 1,526,336 | 15 | 158 | 0.986 | 19 | 29,412,154 | 41.12 | 32.46 | 28.5% |
| 25 | 90,901 | 18 | 200 | 0.985 | 24 | 2,214,847 | 51.94 | 38.95 | 35.4% |
| 26 | 335,685 | 24 | 258 | 0.987 | 31 | 10,543,298 | 67.08 | 51.94 | 30.9% |
| 31 | 222,137 | 19 | 201 | 0.984 | 25 | 5,643,725 | 54.10 | 41.12 | 33.7% |
| 32 | 476,153 | 15 | 163 | 0.985 | 20 | 9,668,081 | 43.28 | 32.46 | 35.4% |
| 33 | 634,850 | 19 | 201 | 0.985 | 25 | 16,112,944 | 54.10 | 41.12 | 33.6% |
| 40 | 103,869 | 23 | 246 | 0.983 | 30 | 3,169,959 | 64.92 | 49.77 | 32.7% |
| 41 | 58,046 | 20 | 204 | 0.979 | 25 | 1,482,278 | 54.10 | 43.28 | 27.7% |
| 43 | 56,037 | 17 | 198 | 0.981 | 24 | 1,370,936 | 51.94 | 36.79 | 43.9% |
| 47 | 65,387 | 18 | 196 | 0.984 | 24 | 1,594,805 | 51.94 | 38.95 | 35.5% |
| 51 | 41,943 | 15 | 160 | 0.982 | 20 | 854,236 | 43.28 | 32.46 | 35.8% |
| 52 | 282,527 | 20 | 215 | 0.982 | 26 | 7,480,348 | 56.26 | 43.28 | 32.4% |
| | 4,646,070 | | | | | 107,181,291 | | | 32.0% |

- (1) Ave MP ILF 2.164
- (2) % of BI: 12.20%
- (3) Revised Base Class Rate: \$23.07
- (4) Target Base class rate: \$23.11

- (1) Average Medical Payments Increased Limits Factor. See page G-8.
- (2) % Medical Payments rates of Bodily Injury rates. Used to iteratively determine statewide base class rate.
- (3) Revised base class Medical Payments rate. Sum of column (11) / Sum of column (6).
- (4) Target base class rate. Derived on page C-1.
- (5) Territory.
- (6) Medical Payments exposures by territory.
- (7) Present \$500 Medical Payments rate.
- (8) Revised 30/60 Bodily Injury rate as determined on page C-13.
- (9) BI Class Plan Offset.
- (10) Revised \$500 Medical Payments rate. (8) x (2).
- (11) Revised base class Medical Payments Premium. (6) x (10) / (9).
- (12) Revised total limits Medical Payments rate. (10) x (1).
- (13) Present total limits Medical Payments rate. (7) x (1).
- (14) Territory percent change (12) / (13) / (9).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
MEDICAL PAYMENTS

CALCULATION OF REVISED BASE RATES BY TERRITORY

- (1) Ave MP ILF 2.164
- (2) % of BI: 9.89%
- (3) Revised Base Class Rate: \$18.89
- (4) Target Base class rate: \$18.86

| (5) Terr | (6) MP Exp | (7) Pres. MP Rate | (8) Rev BI Rate | (9) BI CP Offset | (10) Rev MP Rate | (11) Rev. Base Class Premium | (12) Rev. T/L MP Rate | (13) Pres. T/L MP Rate | (14) Terr % Change |
|----------|------------|-------------------|-----------------|------------------|------------------|------------------------------|-----------------------|------------------------|--------------------|
| 11 | 66,311 | 13 | 142 | 0.983 | 14 | 944,409 | 30.30 | 28.13 | 9.6% |
| 13 | 87,781 | 20 | 211 | 0.984 | 21 | 1,873,375 | 45.44 | 43.28 | 6.7% |
| 14 | 101,784 | 18 | 198 | 0.985 | 20 | 2,066,680 | 43.28 | 38.95 | 12.8% |
| 15 | 35,463 | 20 | 216 | 0.986 | 21 | 755,297 | 45.44 | 43.28 | 6.5% |
| 16 | 269,170 | 17 | 182 | 0.982 | 18 | 4,933,870 | 38.95 | 36.79 | 7.8% |
| 17 | 89,754 | 21 | 226 | 0.986 | 22 | 2,002,625 | 47.61 | 45.44 | 6.3% |
| 18 | 101,936 | 16 | 171 | 0.985 | 17 | 1,759,302 | 36.79 | 34.62 | 7.9% |
| 24 | 1,526,336 | 15 | 158 | 0.986 | 16 | 24,768,130 | 34.62 | 32.46 | 8.2% |
| 25 | 90,901 | 18 | 200 | 0.985 | 20 | 1,845,706 | 43.28 | 38.95 | 12.8% |
| 26 | 335,685 | 24 | 258 | 0.987 | 26 | 8,842,766 | 56.26 | 51.94 | 9.7% |
| 31 | 222,137 | 19 | 201 | 0.984 | 20 | 4,514,980 | 43.28 | 41.12 | 7.0% |
| 32 | 476,153 | 15 | 163 | 0.985 | 16 | 7,734,465 | 34.62 | 32.46 | 8.3% |
| 33 | 634,850 | 19 | 201 | 0.985 | 20 | 12,890,355 | 43.28 | 41.12 | 6.9% |
| 40 | 103,869 | 23 | 246 | 0.983 | 24 | 2,535,967 | 51.94 | 49.77 | 6.2% |
| 41 | 58,046 | 20 | 204 | 0.979 | 20 | 1,185,822 | 43.28 | 43.28 | 2.1% |
| 43 | 56,037 | 17 | 198 | 0.981 | 20 | 1,142,446 | 43.28 | 36.79 | 19.9% |
| 47 | 65,387 | 18 | 196 | 0.984 | 19 | 1,262,554 | 41.12 | 38.95 | 7.3% |
| 51 | 41,943 | 15 | 160 | 0.982 | 16 | 683,389 | 34.62 | 32.46 | 8.6% |
| 52 | 282,527 | 20 | 215 | 0.982 | 21 | 6,041,820 | 45.44 | 43.28 | 6.9% |
| | 4,646,070 | | | | | 87,783,958 | | | 8.1% |

- (1) Average Medical Payments Increased Limits Factor. See page G-8.
- (2) % Medical Payments rates of Bodily Injury rates. Used to iteratively determine statewide base class rate.
- (3) Revised base class Medical Payments rate. Sum of column (11) / Sum of column (6).
- (4) Target base class rate. Derived on page C-1.
- (5) Territory.
- (6) Medical Payments exposures by territory.
- (7) Present \$500 Medical Payments rate.
- (8) Revised 30/60 Bodily Injury rate as determined on page C-13.
- (9) BI Class Plan Offset.
- (10) Revised \$500 Medical Payments rate. (8) x (2).
- (11) Revised base class Medical Payments Premium. (6) x (10) / (9).
- (12) Revised total limits Medical Payments rate. (10) x (1).
- (13) Present total limits Medical Payments rate. (7) x (1).
- (14) Territory percent change (12) / (13) / (9).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
BODILY INJURY LIABILITY

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS
AND HISTORICAL ADJUSTMENT FACTORS

| | (1) | (2) | (3) | (4) | (5) |
|---|--|--------------------------------|--------------------------------|--|--|
| T E R R I T O R Y | EARNED CAR YEARS YR. ENDED 12/31/2004 | 30/60 PRES. AVG. PREM | 30/60 BASE CLASS RATE | (2)/(3) DISTRIB. ADJUST. FACTOR | (3)/SW(3) HISTORICAL ADJUST. FACTOR |
| 11 | 104,077 | 114.90 | 124 | 0.927 | 0.727 |
| 13 | 132,416 | 175.42 | 190 | 0.923 | 1.114 |
| 14 | 148,519 | 166.23 | 179 | 0.929 | 1.049 |
| 15 | 50,031 | 180.27 | 199 | 0.906 | 1.166 |
| 16 | 362,640 | 152.62 | 164 | 0.931 | 0.961 |
| 17 | 132,923 | 186.65 | 204 | 0.915 | 1.196 |
| 18 | 153,327 | 138.63 | 153 | 0.906 | 0.897 |
| 24 | 2,012,231 | 125.30 | 146 | 0.858 | 0.856 |
| 25 | 132,005 | 158.56 | 177 | 0.896 | 1.038 |
| 26 | 432,765 | 199.18 | 233 | 0.855 | 1.366 |
| 31 | 288,286 | 165.02 | 183 | 0.902 | 1.073 |
| 32 | 635,244 | 130.16 | 148 | 0.879 | 0.868 |
| 33 | 741,118 | 159.58 | 184 | 0.867 | 1.079 |
| 40 | 183,545 | 205.75 | 226 | 0.910 | 1.325 |
| 41 | 98,858 | 185.16 | 193 | 0.959 | 1.131 |
| 43 | 72,209 | 154.44 | 169 | 0.914 | 0.991 |
| 47 | 82,785 | 160.33 | 180 | 0.891 | 1.055 |
| 51 | 55,873 | 136.34 | 149 | 0.915 | 0.873 |
| 52 | 430,128 | 183.06 | 196 | 0.934 | 1.149 |
| SW | 6,248,980 | 151.22 | 170.60 | 0.886 | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PROPERTY DAMAGE LIABILITY

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS
AND HISTORICAL ADJUSTMENT FACTORS

| | (1) | (2) | (3) | (4) | (5) |
|---|--|----------------------------------|----------------------------------|--|--|
| T E R R I T O R Y | EARNED CAR YEARS YR. ENDED 12/31/2004 | \$25000 PRES. AVG. PREM | \$25000 BASE CLASS RATE | (2)/(3) DISTRIB. ADJUST. FACTOR | (3)/SW(3) HISTORICAL ADJUST. FACTOR |
| 11 | 104,077 | 146.41 | 158 | 0.927 | 0.971 |
| 13 | 132,416 | 179.12 | 194 | 0.923 | 1.192 |
| 14 | 148,519 | 177.37 | 191 | 0.929 | 1.173 |
| 15 | 50,031 | 171.21 | 189 | 0.906 | 1.161 |
| 16 | 362,640 | 176.82 | 190 | 0.931 | 1.167 |
| 17 | 132,923 | 170.18 | 186 | 0.915 | 1.143 |
| 18 | 153,327 | 153.13 | 169 | 0.906 | 1.038 |
| 24 | 2,012,231 | 127.88 | 149 | 0.858 | 0.915 |
| 25 | 132,005 | 155.87 | 174 | 0.896 | 1.069 |
| 26 | 432,765 | 137.63 | 161 | 0.855 | 0.989 |
| 31 | 288,286 | 153.30 | 170 | 0.902 | 1.044 |
| 32 | 635,244 | 138.07 | 157 | 0.879 | 0.964 |
| 33 | 741,118 | 122.29 | 141 | 0.867 | 0.866 |
| 40 | 183,545 | 173.89 | 191 | 0.910 | 1.173 |
| 41 | 98,858 | 172.69 | 180 | 0.959 | 1.106 |
| 43 | 72,209 | 133.42 | 146 | 0.914 | 0.897 |
| 47 | 82,785 | 132.72 | 149 | 0.891 | 0.915 |
| 51 | 55,873 | 162.88 | 178 | 0.915 | 1.093 |
| 52 | 430,128 | 187.73 | 201 | 0.934 | 1.235 |
| SW | 6,248,980 | 144.59 | 162.80 | 0.888 | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
MEDICAL PAYMENTS

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS

| T E R R I T O R Y | (1) EARNED CAR YEARS YR. ENDED 12/31/2004 | (2) \$500 PRES. AVG. PREM | (3) \$500 BASE CLASS RATE | (4) (2)/(3) DISTRIB. ADJUST. FACTOR |
|---|---|---------------------------------------|---------------------------------------|---|
| 11 | 66,311 | 9.07 | 13 | 0.698 |
| 13 | 87,781 | 14.19 | 20 | 0.710 |
| 14 | 101,784 | 12.71 | 18 | 0.706 |
| 15 | 35,463 | 13.81 | 20 | 0.691 |
| 16 | 269,170 | 12.13 | 17 | 0.714 |
| 17 | 89,754 | 14.44 | 21 | 0.688 |
| 18 | 101,936 | 11.06 | 16 | 0.691 |
| 24 | 1,526,336 | 9.85 | 15 | 0.657 |
| 25 | 90,901 | 12.13 | 18 | 0.674 |
| 26 | 335,685 | 15.70 | 24 | 0.654 |
| 31 | 222,137 | 13.17 | 19 | 0.693 |
| 32 | 476,153 | 10.07 | 15 | 0.671 |
| 33 | 634,850 | 12.73 | 19 | 0.670 |
| 40 | 103,869 | 15.64 | 23 | 0.680 |
| 41 | 58,046 | 13.82 | 20 | 0.691 |
| 43 | 56,037 | 11.68 | 17 | 0.687 |
| 47 | 65,387 | 12.27 | 18 | 0.682 |
| 51 | 41,943 | 10.53 | 15 | 0.702 |
| 52 | 282,527 | 14.26 | 20 | 0.713 |
| SW | 4,646,070 | 11.81 | 17.48 | 0.676 |
| Avg. ILF | | | | 2.164 |
| Total | | | | 1.463 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
MEDICAL PAYMENTS

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS

| T E R R | (1) EARNED CAR YEARS YR. ENDED 12/31/2004 | (2) \$500 PRES. AVG. PREM | (3) \$500 BASE CLASS RATE | (4) (2)/(3) DISTRIB. ADJUST. FACTOR |
|------------------|---|---------------------------------------|---------------------------------------|---|
| 11 | 66,311 | 11.60 | 13 | 0.892 |
| 13 | 87,781 | 18.07 | 20 | 0.904 |
| 14 | 101,784 | 16.22 | 18 | 0.901 |
| 15 | 35,463 | 17.63 | 20 | 0.882 |
| 16 | 269,170 | 15.48 | 17 | 0.911 |
| 17 | 89,754 | 18.46 | 21 | 0.879 |
| 18 | 101,936 | 14.12 | 16 | 0.883 |
| 24 | 1,526,336 | 12.59 | 15 | 0.839 |
| 25 | 90,901 | 15.51 | 18 | 0.862 |
| 26 | 335,685 | 19.99 | 24 | 0.833 |
| 31 | 222,137 | 16.78 | 19 | 0.883 |
| 32 | 476,153 | 12.87 | 15 | 0.858 |
| 33 | 634,850 | 16.20 | 19 | 0.853 |
| 40 | 103,869 | 19.95 | 23 | 0.867 |
| 41 | 58,046 | 17.63 | 20 | 0.882 |
| 43 | 56,037 | 14.88 | 17 | 0.875 |
| 47 | 65,387 | 15.61 | 18 | 0.867 |
| 51 | 41,943 | 13.46 | 15 | 0.897 |
| 52 | 282,527 | 18.20 | 20 | 0.910 |
| SW | 4,646,070 | 15.07 | 17.48 | 0.862 |
| Avg. ILF | | | | 2.164 |
| Total | | | | 1.865 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
FULL COVERAGE COMPREHENSIVE

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS
AND HISTORICAL ADJUSTMENT FACTORS

| T E R R I T O R Y | (1) EARNED CAR YEARS YR. ENDED 12/31/2004 | (2) PRES. AVG. PREM | (3) 2006 BASE CLASS RATE | (4) (2)/(3) DISTRIB. ADJUST. FACTOR | (5) (3)/SW(3) HISTORICAL ADJUST. FACTOR |
|---|---|------------------------------|--------------------------------------|---|---|
| 11 | 74,149 | 75.29 | 40 | 1.882 | 0.688 |
| 13 | 95,358 | 115.01 | 61 | 1.885 | 1.049 |
| 14 | 110,798 | 103.13 | 53 | 1.946 | 0.911 |
| 15 | 36,320 | 97.45 | 50 | 1.949 | 0.860 |
| 16 | 288,539 | 103.10 | 51 | 2.022 | 0.877 |
| 17 | 101,517 | 85.44 | 45 | 1.899 | 0.774 |
| 18 | 112,496 | 87.61 | 45 | 1.947 | 0.774 |
| 24 | 1,371,097 | 104.83 | 59 | 1.777 | 1.014 |
| 25 | 93,294 | 85.76 | 47 | 1.825 | 0.808 |
| 26 | 281,561 | 128.37 | 74 | 1.735 | 1.272 |
| 31 | 219,036 | 106.42 | 56 | 1.900 | 0.963 |
| 32 | 464,248 | 94.95 | 51 | 1.862 | 0.877 |
| 33 | 488,167 | 136.99 | 80 | 1.712 | 1.375 |
| 40 | 131,726 | 105.34 | 58 | 1.816 | 0.997 |
| 41 | 70,948 | 90.07 | 52 | 1.732 | 0.894 |
| 43 | 53,030 | 84.82 | 48 | 1.767 | 0.825 |
| 47 | 56,592 | 90.69 | 52 | 1.744 | 0.894 |
| 51 | 47,550 | 90.60 | 42 | 2.157 | 0.722 |
| 52 | 339,763 | 103.42 | 51 | 2.028 | 0.877 |
| SW | 4,436,189 | 106.23 | 58.17 | 1.826 | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
\$100 DEDUCTIBLE COLLISION

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS
AND HISTORICAL ADJUSTMENT FACTORS

| | (1) | (2) | (3) | (4) | (5) |
|---|--|-----------------------|-------------------------------|--|--|
| T E R R I T O R Y | EARNED CAR YEARS YR. ENDED 12/31/2004 | PRES. AVG. PREM | 2006 BASE CLASS RATE | (2)/(3) DISTRIB. ADJUST. FACTOR | (3)/SW(3) HISTORICAL ADJUST. FACTOR |
| 11 | 69,716 | 218.82 | 196 | 1.116 | 0.938 |
| 13 | 91,339 | 256.76 | 221 | 1.162 | 1.058 |
| 14 | 105,216 | 251.59 | 218 | 1.154 | 1.044 |
| 15 | 34,412 | 242.70 | 214 | 1.134 | 1.024 |
| 16 | 277,659 | 242.97 | 201 | 1.209 | 0.962 |
| 17 | 97,832 | 228.51 | 198 | 1.154 | 0.948 |
| 18 | 105,074 | 220.42 | 195 | 1.130 | 0.933 |
| 24 | 1,233,314 | 219.69 | 210 | 1.046 | 1.005 |
| 25 | 86,999 | 232.81 | 212 | 1.098 | 1.015 |
| 26 | 265,364 | 236.31 | 223 | 1.060 | 1.067 |
| 31 | 210,098 | 221.39 | 192 | 1.153 | 0.919 |
| 32 | 426,084 | 214.78 | 198 | 1.085 | 0.948 |
| 33 | 457,307 | 214.28 | 205 | 1.045 | 0.981 |
| 40 | 127,277 | 287.21 | 241 | 1.192 | 1.154 |
| 41 | 68,356 | 322.28 | 262 | 1.230 | 1.254 |
| 43 | 51,261 | 215.44 | 187 | 1.152 | 0.895 |
| 47 | 53,550 | 225.45 | 205 | 1.100 | 0.981 |
| 51 | 46,099 | 242.52 | 193 | 1.257 | 0.924 |
| 52 | 329,074 | 264.82 | 216 | 1.226 | 1.034 |
| SW | 4,136,031 | 231.25 | 208.90 | 1.107 | |

SECTION D
EXPLANATORY MATERIAL

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Explanatory Memorandum

This memorandum supplements the filing letter and supporting exhibits setting forth a revision of private passenger automobile insurance rates in the State of North Carolina. It is the purpose of this memorandum to describe the source data used and to set forth in detail the insurance ratemaking procedures reflected in the filing. Certain pages in the filing and accompanying material contain a notation "all carriers" or other similar wording. This indicates that the data are combined ISO, PCI and NISS data. Data for certain companies are not included, as noted on page H-7.

Premium, Loss, and Expense Experience

This revision is based upon the combined premium, loss, and expense experience, as applicable, of all licensed companies writing private passenger automobile insurance in this State, except as noted in Section H. In order to have this experience available in all detail necessary for rate review and ratemaking in accordance with accepted standards, all such companies are required to file each year their total private passenger automobile insurance experience with the official statistical agents recorded pursuant to the officially approved statistical plans and reported by the companies in accordance with instructions issued by the statistical agents under the Official Calls for Experience.

The Commissioner appointed the following statistical agents to act on his behalf for the collection of private passenger automobile insurance experience in North Carolina; Insurance Services Office (ISO), Property Casualty Insurers Association of America (PCI), and National Independent Statistical Service (NISS).

Experience utilized in the filing was collected under the Automobile Statistical Plan and the 2004 Official Statistical Programs of ISO, the Automobile Statistical Plan - All Coverages and the 2004 Statistical Programs of PCI, and the Automobile Statistical Plan - All Coverages - Part IV, North Carolina and the 2004 Statistical Programs of NISS. In substance, the statistical plans of all statistical agents are alike in North Carolina, and provide for the recording and reporting of the experience in the detail required for ratemaking and in such form that the experience of all companies can be combined.

The filing of experience is accompanied by an affidavit executed by an officer of the statistical agent responsible for and acquainted with the statistical procedures employed for the production of this end product. Further, the licensing of an organization and its appointment as a statistical agent in the various states is predicated upon demonstration by the organization of its ability to perform this function. Moreover, the performance of the statistical agents is reviewed periodically through examination by personnel of state insurance departments under the convention examinations of the National Association of Insurance Commissioners. From time to time such organizations are called upon by Insurance Department examiners to verify, and do verify the data consolidated by them as statistical agents.

The insurance companies likewise are subject to a variety of checks and controls. Effective controls are maintained within the company over the activities of company employees connected with the company's statistics. Companies are required by statute to submit directly to the Insurance Department statistical and accounting information to be found in the Annual Statement and the Insurance Expense Exhibit. These documents are scrutinized by experienced Insurance Department personnel throughout the country. The insurance companies are also subject to examination by the Insurance Department, which examinations extend into the statistical records of the companies.

Statewide Rate Exhibits

1. Experience

A. Private Passenger Automobile Liability

Private passenger automobile liability experience for voluntary and ceded business was compiled on a calendar/accident year basis for the years ended December 31, 2004, 2003 and 2002. For any twelve-month period, the accident year experience brings together the losses resulting from accidents occurring during that period with the premiums and number of cars "earned" during the same period.

B. Private Passenger Automobile Physical Damage

Private passenger automobile experience for physical damage coverages for both standard (also referred to as voluntary) and consent to rate business was compiled on a calendar year basis for the years ended December 31, 2004, 2003 and 2002, and includes experience for all losses paid in the respective twelve-month periods.

Based on credibility considerations, the overall indicated rates for Bodily Injury, Property Damage, Medical Payments, Comprehensive, and Collision are based on the loss and expense experience of the year ended December 31, 2004. However, the experience of the earlier two years was also considered and evaluated. Indicated rates for all three years were reviewed to make sure that there were no anomalies or abnormalities associated with the latest year. Because of the variability observed between the three years of experience for Uninsured Motorists and Underinsured Motorists coverage, each year of experience was given weight proportional to its earned car years in the calculation of the overall indicated rates.

C. Motorcycles

For liability, the motorcycle data are obtained from a Special Call for Expense Experience issued by the Rate Bureau. The liability data are compiled on a combined voluntary and ceded basis. The motorcycle data are for the years ended December 31, 2004, 2003 and 2002. Because of the small volume of motorcycle experience, each year of the experience period is given weight proportional to its earned premium in the calculation of an indicated change.

2. Losses

A. Private Passenger Automobile Liability

Losses compiled for any accident year include paid losses as well as loss reserves. The amounts that will ultimately be required as payments of claims on open cases are carefully determined by the claim departments of the companies, and experience has shown that these determinations are highly accurate in the aggregate. Since, however, there are differences between the total incurred losses so determined and the amounts ultimately paid, the ratemaking procedure provides for a "development" of the incurred losses to a basis which, for all practical purposes, can be considered as the ultimate basis. This development is accomplished as follows: Each year the experience is compiled for the latest three years, all valued as of three months after the close of the latest accident year period. Thus, the experience is reported for the latest year as of 15 months, the preceding year as of 27 months and the next preceding year as of 39 months, all measured from the beginning of each accident year respectively. From reports of prior years, similarly aged experience was obtained so that there are available 3 successive reports for each year except the current and the preceding year. For the latter, 2 successive reports are available.

Further aged data are obtained on each year's incurred losses in the aggregate as of 51 months and as of 63 months. As of 63 months, nearly all incurred losses are paid. From a comparison of the incurred losses for each year at its successive valuation dates, it is determined what the rate of development has been in the past. An average of these developments gives an indication of the future development of the incurred losses for those years which have not yet sufficiently matured. This development is reflected in the incurred losses for the less matured years by the application of loss development factors. These loss development factors are shown on pages C-1, C-3, and C-5.

The derivation of the factors shown above is presented on pages D-14, D-15 and D-16. By applying these factors, the reported incurred losses have been changed to the amounts at which it is believed they will ultimately be settled.

B. Private Passenger Automobile Physical Damage

Physical Damage losses are reported on a paid basis. These losses are then adjusted to an incurred basis based on Page 15 annual statement data. These adjustment factors are shown on pages C-7, C-9, and C-11. In order to insure stability in Comprehensive rate levels while maintaining adequacy in the event of large, unexpected wind and water losses, an excess wind and water procedure is utilized. This procedure excludes all excess wind and water losses from the experience period and employs a long term factor to account for these losses. Hence, violent shifts in rate level (both upward and downward), which might result from reflecting large, unexpected wind and water losses only in the year in which they occur, will be avoided. The first step in this procedure is to subtract the excess wind and water losses, if applicable, from the total losses for the experience period. Then, an average excess wind and water factor is applied to the losses. The derivation of the factor is shown on page D-13.

3. Loss Adjustment Expense

A. Private Passenger Automobile Liability

The liability unallocated loss adjustment expenses are determined as a percentage of the North Carolina incurred losses and allocated loss adjustment expenses based on a North Carolina expense call. The expense call data and the percentages derived from them are shown on page H-687.

B. Private Passenger Automobile Physical Damage

The physical damage loss adjustment expenses are determined as a percentage of the North Carolina incurred losses based on a North Carolina expense call. The expense call data and the percentages determined from them are shown on pages H-688 and H-689.

4. General Expenses and Other Acquisition Expenses

The general expenses and other acquisition expenses are determined as a percentage of North Carolina earned premiums based on a North Carolina expense call. The expense call data and the percentages determined from them are shown on pages H-687-H-689.

5. Prospective Annual Change in Losses

A. Private Passenger Automobile Liability

The prospective annual changes in liability losses are determined by coverage for the Bodily Injury, Property Damage and Medical Payments coverages. The average annual changes in losses are based upon the available North Carolina average claim cost and claim frequency data, both from collected statistical plan experience and ISO-PCI Fast Track data. The claim cost data are used as a measure of the inflationary trend in the cost of claims. The claim frequency data are used as a measure of the expected trend in claim occurrence. Exponential and linear curves of best fit are developed from the claim cost and claim frequency data. The prospective average annual changes in losses used in the determination of the needed rate level change are also based upon consideration of changes in the number of miles driven, the changing cost of gasoline, and the impact of recent legislation. The expected average annual changes in losses have been selected based upon analysis and review of these data.

B. Private Passenger Automobile Physical Damage

The prospective annual changes in physical damage losses are determined by coverage for Comprehensive and Collision. The average annual change in Comprehensive losses is based on trend experience excluding wind and water and "all other" losses. The average annual change in Collision losses is based on available North Carolina Collision data, both from collected statistical plan experience and ISO-PCI Fast Track data. The claim cost data are used as a measure of the inflationary trend in the cost of claims. The claim frequency data are used as a measure of the expected trend in claim occurrence. Exponential and linear curves of best fit are developed from the claim cost and claim frequency data. The prospective annual change in Collision losses are also based upon consideration of changes in the number of miles driven, the changing cost of gasoline, and the impact of recent legislation. The expected average annual changes in losses have been selected based upon analysis and review of this data.

C. Annual Changes in Loss for Earlier Years

Since the average annual change in losses determined for each coverage is the appropriate rate of change to apply to losses to project them from average date of accident in the most recent year to the average date of accident for the prospective period, it is necessary to recognize known changes from earlier years to the most recent year. These changes are reflected by means of a current cost factor which reflects the changes in pure premiums for the years ended 12/31/2002 and 12/31/2003 to the year ended 12/31/2004 pure premiums. For the purposes of display and calculation of the indicated change by coverage, these actual changes are compounded with the prospective annual change in losses by means of equivalent annual percentage changes. These calculations are shown on pages D-9 and D-10.

6. Prospective Annual Change in Expenses

The average annual change in expenses is based on the All Items Consumer Price Index, and the Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service, as shown on pages D-11 and D-12. The expected average annual change in expenses is then selected based on analysis and review of these data.

7. Trend Period

The number of years of projection for losses and loss adjustment expenses is the number of years from the average date of accident in the experience period to the average date of coverage under the filed rates. The average date of accident for accident year ended December 31, 2004 is July 1, 2004.

The changes proposed in this filing are applicable to all new and renewal policies written on or after October 1, 2006. The losses and loss adjustment expenses are projected to July 12, 2007. For 6 month policies, the average date of loss is 9 months after the effective date, since losses will occur under these policies throughout the 18 month period commencing with the anticipated effective date. Similarly, for 12 month policies, the average date of loss is 12 months after the anticipated effective date, since losses will occur under these policies throughout the 24 month period commencing with the assumed effective date for annual policies. The average dates of loss during these periods anticipated are weighted based on the distribution of 6 and 12 month policies.

The most recent distribution of policies by term is:

| | |
|-------------------|-----|
| 6 month policies | 87% |
| 12 month policies | 13% |

Other acquisition expenses and general expenses are projected six months beyond the anticipated effective date (April 1, 2007) to reflect expense incurred in writing policies throughout the 12 month period commencing with the anticipated effective date.

8. Expected Loss and Loss Adjustment Ratios

These quantities represent the portion of the present premium income available for losses, loss adjustment expenses, general expenses and other acquisition expenses. They are determined from special calls for North Carolina expense experience and reflect the 2004, 2003 and 2002 results as reported by all companies licensed in North Carolina during those years. The breakdowns of the expected loss and loss adjustment ratios are set forth on Pages D-20 to D-25 and E-6.

9. Premium Trend

Private Passenger Automobile Physical Damage

The required average premiums per exposure for the physical damage coverages are adjusted to reflect the distribution of exposures by model year and the corresponding model year rating relativities in effect during the prospective rating period.

The physical damage required average premiums per exposure are also adjusted for "symbol drift" which accounts for the anticipated increase in premium revenue due to the increasing prices of new cars. A symbol trend factor is derived using the average symbol factors for recent years, as shown in Section H. The average annual change in the average symbol is then projected from the average date of writing for policies that are earned in the latest year of experience to the anticipated average date of earning under the proposed rates.

Territory Rate Exhibits

1. Base Class Loss Cost

For each coverage, a base class loss cost by territory is derived by dividing the latest three year average pure premium by the latest year distributional adjustment factor. The distributional adjustment factor is determined for each territory by dividing the latest year average rate by the base class rate (see pages C-19-C-23). The average rates reflect the most recent distribution of risks by class in each territory. The pure premium or loss cost (losses / exposures) is based on three years of experience for purposes of stability.

2. Credibility

The base class loss cost for each territory is assigned a credibility value on the basis of the number of claims underlying the three year pure premium. The complement of the credibility assigned to the territory base class loss cost is assigned to the statewide base class loss cost. The credibility table utilized is shown on page D-27.

3. Formula Base Class Loss Cost

The formula base class loss cost by territory is calculated by multiplying the territory base class loss cost by its credibility value and adding this amount to the statewide base class loss cost multiplied by the complement of the territory credibility and the historical adjustment factor. The historical adjustment factor is calculated as the ratio of the current territory base class rate to the current statewide average base class rate. See pages C-19-C-23.

4. Index to State

Territory indices to state are calculated by dividing each territory's credibility-weighted formula base class loss cost with the statewide formula base class loss cost.

5. Filed Base Rate

Filed base rates by territory were developed so as to achieve the statewide required base class premium. In addition, the rate change has been distributed in such a way that 100% of the general and other acquisition expenses have been flattened by territory. Offsets are applied to the liability and physical damage coverages to reflect the proposed revisions in class differentials. Additional offsets are applied to the Physical Damage coverages to reflect the change in base model year from 2006 to 2007, and to reflect the proposed changes in deductible relativities. The calculation of the flattened general and other acquisition expenses and the application of the offsets are described on page C-17.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF SELECTED TREND FACTORS

| <u>Loss Trends</u> | <u>Cost</u> | <u>Frequency</u> | <u>Total</u> |
|--------------------------|-------------|------------------|--------------|
| Bodily Injury (B/L) | 1.9% | -0.2% | 1.7% |
| Bodily Injury (T/L) | 3.5% | | |
| Property Damage | 0.0% | 0.0% | 0.0% |
| Medical Payments | 4.0% | -3.0% | 0.9% |
| Uninsured Motorists | | | 0.5% |
| Underinsured Motorists | | | 5.0% |
| Comprehensive | 0.0% | -2.0% | -2.0% |
| Collision | 2.0% | -3.0% | -1.1% |
| <u>Expense Trend</u> | | | 3.7% |
| <u>Symbol Trend</u> | | | |
| Comprehensive | | | 1.5% |
| Collision | | | 1.0% |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2002 and 2003

| | (1) Calendar Year | (2) Claim Cost Change (a) | (3) Claim Frequency Change (b) | (4) Current Cost Factor (c) | (5) 2004 Trend Factor | (6) Annualized Trend (d) |
|---------------------|-------------------------|---------------------------------------|--|---|--------------------------------|-----------------------------------|
| Bodily Injury | 2002 | 1.018 | 0.968 | 0.985 | 1.017 | 1.007 |
| | 2003 | 1.015 | 0.974 | 0.989 | 1.017 | 1.010 |
| | 2004 | 1.000 | 1.000 | 1.000 | 1.017 | 1.017 |
| Property Damage | 2002 | 0.969 | 1.008 | 0.977 | 1.000 | 0.995 |
| | 2003 | 0.988 | 0.987 | 0.975 | 1.000 | 0.994 |
| | 2004 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Medical Payments | 2002 | 1.069 | 0.893 | 0.955 | 1.009 | 0.996 |
| | 2003 | 1.050 | 0.933 | 0.980 | 1.009 | 1.002 |
| | 2004 | 1.000 | 1.000 | 1.000 | 1.009 | 1.009 |
| Comprehensive | 2002 | 0.921 | 0.998 | 0.919 | 0.980 | 0.971 |
| | 2003 | 0.932 | 0.978 | 0.911 | 0.980 | 0.962 |
| | 2004 | 1.000 | 1.000 | 1.000 | 0.980 | 0.980 |
| Collision | 2002 | 1.052 | 0.932 | 0.980 | 0.989 | 0.989 |
| | 2003 | 1.012 | 0.944 | 0.955 | 0.989 | 0.980 |
| | 2004 | 1.000 | 1.000 | 1.000 | 0.989 | 0.989 |

(a) 2002 Claim Cost Change = (2004 Claim Cost) / (2002 Claim Cost).
2003 Claim Cost Change = (2004 Claim Cost) / (2003 Claim Cost).

(b) 2002 Claim Frequency Change = (2004 Claim Frequency)
/ (2002 Claim Frequency). 2003 Claim Frequency Change =
(2004 Claim Frequency) / (2003 Claim Frequency).

(c) Current Cost Factor = Column (2) * Column (3)

(d) Annualized Trend for 2002 and 2003

$$= [(COL(5))^m \times (COL(4))^{(1/n)}]$$

where m is the number of years of projection of the 2004 trend factor from 7/1/2004 to 7/12/2007, 3.03, Col (4) represents the Current Cost Factor to 7/1/2004, and n represents the number of years of projection for a given prior year, 4.03 for 2003 and 5.03 for 2002.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2002 and 2003

| Coverage | (1) Year Ended | (2) Paid Claim Cost (a) | (3) Claim Frequency (b) |
|---------------------|----------------------|----------------------------------|-------------------------------|
| Bodily Injury | 2002 | \$ 6,292 | 1.54 |
| | 2003 | 6,307 | 1.53 |
| | 2004 | 6,404 | 1.49 |
| Property Damage | 2002 | \$ 2,628 | 3.81 |
| | 2003 | 2,576 | 3.89 |
| | 2004 | 2,546 | 3.84 |
| Medical Payments | 2002 | \$ 1,615 | 1.40 |
| | 2003 | 1,644 | 1.34 |
| | 2004 | 1,727 | 1.25 |
| Comprehensive | 2002 | \$ 534 | 5.27 |
| | 2003 | 528 | 5.38 |
| | 2004 | 492 | 5.26 |
| Collision | 2002 | \$ 2,725 | 5.77 |
| | 2003 | 2,833 | 5.70 |
| | 2004 | 2,868 | 5.38 |

(a) Paid Claim Cost for all liability coverages is All Carrier trend data, as shown on pages H-631 and H-633. Paid Claim Cost for Comprehensive is ISO only Full Coverage, \$50 Deductible, \$100 Deductible and \$250 Deductible combined data, adjusted for catastrophe, as shown on pages H-640 through H-643. Paid Claim Cost for Collision is based on \$100, \$200, \$250, and \$500 Deductible combined, All Carrier data, as shown on pages H-652 through H-655.

(b) Incurred Claim Frequency for all liability coverages is based on All Carrier developed statistical plan data. Paid Claim Frequency for Comprehensive is ISO only Full Coverage, \$50 Deductible, \$100 Deductible and \$250 Deductible combined data, adjusted for catastrophe, as shown on pages H-644 through H-647. Paid Claim Frequency for Collision is based on \$100, \$200, \$250, and \$500 Deductible combined All Carrier data, as shown on pages H-656 through H-659.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

| | <u>ALL ITEMS CPI INDEX</u> | <u>COMPENSATION COST INDEX</u> |
|--------|--------------------------------|------------------------------------|
| Oct-01 | 177.7 | |
| Nov-01 | 177.4 | 161.3 |
| Dec-01 | 176.7 | |
| Jan-02 | 177.1 | |
| Feb-02 | 177.8 | 164.0 |
| Mar-02 | 178.8 | |
| Apr-02 | 179.8 | |
| May-02 | 179.8 | 166.1 |
| Jun-02 | 179.9 | |
| Jul-02 | 180.1 | |
| Aug-02 | 180.7 | 167.1 |
| Sep-02 | 181.0 | |
| Oct-02 | 181.3 | |
| Nov-02 | 181.3 | 167.9 |
| Dec-02 | 180.9 | |
| Jan-03 | 181.7 | |
| Feb-03 | 183.1 | 172.1 |
| Mar-03 | 184.2 | |
| Apr-03 | 183.8 | |
| May-03 | 183.5 | 173.9 |
| Jun-03 | 183.7 | |
| Jul-03 | 183.9 | |
| Aug-03 | 184.6 | 175.1 |
| Sep-03 | 185.2 | |
| Oct-03 | 185.0 | |
| Nov-03 | 184.5 | 176.2 |
| Dec-03 | 184.3 | |
| Jan-04 | 185.2 | |
| Feb-04 | 186.2 | 177.8 |
| Mar-04 | 187.4 | |
| Apr-04 | 188.0 | |
| May-04 | 189.1 | 180.5 |
| Jun-04 | 189.7 | |
| Jul-04 | 189.4 | |
| Aug-04 | 189.5 | 182.1 |
| Sep-04 | 189.9 | |
| Oct-04 | 190.9 | |
| Nov-04 | 191.0 | 183.6 |
| Dec-04 | 190.3 | |
| Jan-05 | 190.7 | |
| Feb-05 | 191.8 | 186.3 |
| Mar-05 | 193.3 | |
| Apr-05 | 194.6 | |
| May-05 | 194.4 | 188.8 |
| Jun-05 | 194.5 | |
| Jul-05 | 195.4 | |
| Aug-05 | 196.4 | 189.0 |
| Sep-05 | 198.8 | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

| | <u>All Items (A)</u> | <u>CCI (B)</u> | <u>Combined (C)</u> |
|---|----------------------|----------------|---------------------|
| (1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters) | 2.66% | 4.32% | 3.49% |
| (2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters) | 2.88% | 4.24% | 3.56% |
| (3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters) | 3.49% | 4.35% | 3.92% |
| (4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters) | 4.41% | 4.09% | 4.25% |
| (5) Average Annual Index (D) | | | |
| Year Ended 3/31/2003 | 181.15 | 168.30 | |
| Year Ended 9/30/2003 | 183.10 | 172.25 | |
| Year Ended 3/31/2004 | 184.78 | 175.75 | |
| Year Ended 9/30/2004 | 187.35 | 179.15 | |
| Year Ended 3/31/2005 | 190.30 | 183.13 | |
| Year Ended 9/30/2005 | 193.51 | 186.93 | |
| (6) Current Cost Factor (Index Value Divided by Average Annual Index) | | | |
| Year Ended 3/31/2003 | 1.10 | 1.12 | 1.11 |
| Year Ended 9/30/2003 | 1.09 | 1.10 | 1.10 |
| Year Ended 3/31/2004 | 1.08 | 1.08 | 1.08 |
| Year Ended 9/30/2004 | 1.06 | 1.05 | 1.06 |
| Year Ended 3/31/2005 | 1.04 | 1.03 | 1.04 |
| Year Ended 9/30/2005 | 1.03 | 1.01 | 1.02 |

Notes: (A) All items CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service.
Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
COMPREHENSIVE COVERAGES
DERIVATION OF EXCESS WIND AND WATER FACTOR

| Year | (1) Wind & Water Paid Losses (a) | (2) Total Paid Losses (a) | (3) (2)-(1) [Total - Wind & Water] | (4) [Wind & Water] / [Total - Wind & Water] | (5) (4)-Avg. (4) Excess Wind & Water Ratio | (6) (3) x (5) Excess Wind & Water Losses |
|----------|--|---------------------------------|---|--|---|---|
| 12/31/75 | 315,660 | 8,113,278 | 7,797,618 | 0.040 | 0.000 | 0 |
| 12/31/76 | 239,224 | 9,864,960 | 9,625,736 | 0.025 | 0.000 | 0 |
| 12/31/77 | 495,116 | 11,546,453 | 11,051,337 | 0.045 | 0.000 | 0 |
| 12/31/78 | 720,697 | 11,699,011 | 10,978,314 | 0.066 | 0.000 | 0 |
| 12/31/79 | 426,482 | 11,262,032 | 10,835,550 | 0.039 | 0.000 | 0 |
| 12/31/80 | 970,069 | 12,639,553 | 11,669,484 | 0.083 | 0.000 | 0 |
| 6/30/82 | 776,765 | 12,888,840 | 12,112,075 | 0.064 | 0.000 | 0 |
| 12/31/82 | 1,241,071 | 13,864,486 | 12,623,415 | 0.098 | 0.000 | 0 |
| 12/31/83 | 580,053 | 13,722,505 | 13,142,452 | 0.044 | 0.000 | 0 |
| 12/31/84 | 4,856,972 | 19,768,396 | 14,911,424 | 0.326 | 0.133 | 1,983,219 |
| 12/31/85 | 5,463,414 | 20,781,442 | 15,318,028 | 0.357 | 0.164 | 2,512,157 |
| 12/31/86 | 2,809,049 | 18,781,759 | 15,972,710 | 0.176 | 0.000 | 0 |
| 12/31/87 | 1,484,233 | 19,918,610 | 18,434,377 | 0.081 | 0.000 | 0 |
| 12/31/88 | 5,074,247 | 25,070,383 | 19,996,136 | 0.254 | 0.061 | 1,219,764 |
| 12/31/89 | 11,554,992 | 32,652,862 | 21,097,870 | 0.548 | 0.355 | 7,489,744 |
| 12/31/90 | 4,423,094 | 26,845,160 | 22,422,066 | 0.197 | 0.004 | 89,688 |
| 12/31/91 | 1,271,154 | 21,820,454 | 20,549,300 | 0.062 | 0.000 | 0 |
| 12/31/92 | 1,928,913 | 21,696,593 | 19,767,680 | 0.098 | 0.000 | 0 |
| 12/31/93 | 18,640,617 | 67,247,004 | 48,606,387 | 0.384 | 0.191 | 9,283,820 |
| 12/31/94 | 3,267,309 | 54,565,559 | 51,298,250 | 0.064 | 0.000 | 0 |
| 12/31/95 | 9,648,334 | 65,189,949 | 55,541,615 | 0.174 | 0.000 | 0 |
| 12/31/96 | 49,270,157 | 121,767,966 | 72,497,809 | 0.680 | 0.487 | 35,306,433 |
| 12/31/97 | 8,337,582 | 74,959,385 | 66,621,803 | 0.125 | 0.000 | 0 |
| 12/31/98 | 36,582,228 | 109,433,029 | 72,850,801 | 0.502 | 0.309 | 22,510,898 |
| 12/31/99 | 82,839,636 | 254,543,319 | 171,703,683 | 0.482 | 0.289 | 49,622,364 |
| 12/31/00 | 26,900,286 | 219,752,475 | 192,852,189 | 0.139 | 0.000 | 0 |
| 12/31/01 | 12,205,306 | 195,182,807 | 182,977,501 | 0.067 | 0.000 | 0 |
| 12/31/02 | 19,987,319 | 207,651,735 | 187,664,416 | 0.107 | 0.000 | 0 |
| 12/31/03 | 71,886,515 | 273,003,069 | 201,116,554 | 0.357 | 0.164 | 32,983,115 |
| 12/31/04 | 19,065,072 | 188,887,754 | 169,822,682 | 0.112 | 0.000 | 0 |

(7) Average (4) = 5.796 /30 = 0.193

(8) Average Excess Wind & Water Ratio = 2.157 /30 = 0.072

(9) Excess Wind & Water Factor = 1 + (8)/[1+(7)-(8)] = 1.064

- (a) Losses are for Full Coverage and \$50 Deductible Comprehensive for 1975-6/82.
 Losses are for Full Coverage, \$50 Deductible and \$100 Deductible Comprehensive for 12/82-1990.
 Losses are for Full Coverage, \$50, \$100 and \$250 Deductible Comprehensive for 1991-1992.
 Losses are for Full Coverage, \$50, \$100, \$250 and \$500 Deductible Comprehensive for 1993-1996.
 Losses are for Full Coverage, \$50, \$100, \$250, \$500 and \$1000 Deductible Comprehensive for 1997-2004.
 Data prior to 1999 is for ISO reporting companies only.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Bodily Injury Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 383,862,164 |
| 1992 | | | | 430,255,281 | 428,685,804 |
| 1993 | | | 456,135,578 | 459,352,242 | 459,179,969 |
| 1994 | | 487,698,498 | 496,119,137 | 499,778,973 | 497,362,994 |
| 1995 | 480,109,432 | 499,805,208 | 508,281,001 | 510,695,093 | 507,711,940 |
| 1996 | 484,666,683 | 507,084,121 | 507,244,864 | 507,972,820 | 508,379,926 |
| 1997 | 499,433,785 | 506,416,147 | 510,093,020 | 513,062,431 | 515,054,841 |
| 1998 | 475,282,363 | 489,118,175 | 494,730,117 | 499,079,295 | 500,235,007 |
| 1999 | 484,067,233 | 497,444,285 | 506,104,335 | 511,660,823 | 514,137,414 |
| 2000 | 467,248,204 | 494,966,053 | 505,863,721 | 512,898,543 | 515,188,246 |
| 2001 | 468,576,304 | 486,718,769 | 497,255,745 | 504,797,761 | |
| 2002 | 502,055,673 | 533,149,260 | 548,869,443 | | |
| 2003 | 515,817,257 | 559,094,357 | | | |
| 2004 | 539,624,419 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.996 |
| 1993 | | | 1.007 | 1.000 |
| 1994 | | 1.017 | 1.007 | 0.995 |
| 1995 | 1.041 | 1.017 | 1.005 | 0.994 |
| 1996 | 1.046 | 1.000 | 1.001 | 1.001 |
| 1997 | 1.014 | 1.007 | 1.006 | 1.004 |
| 1998 | 1.029 | 1.011 | 1.009 | 1.002 |
| 1999 | 1.028 | 1.017 | 1.011 | 1.005 |
| 2000 | 1.059 | 1.022 | 1.014 | 1.004 |
| 2001 | 1.039 | 1.022 | 1.015 | |
| 2002 | 1.062 | 1.029 | | |
| 2003 | 1.084 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.054 | 1.020 | 1.011 | 1.003 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|---------------------------|-------|-------|-------|-------|
| Three Year Average (b) | 1.053 | 1.024 | 1.013 | 1.004 |
|---------------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.014 | 1.017 |
| 27 to 63 months: | 1.034 | 1.041 |
| 15 to 63 months: | 1.090 | 1.096 |

(a) Losses are on a 30/60 level for 2002-2004.

Losses are on a 25/50 level for 1991-2001.

(b) The 15-27 month three year average is for 2000-2002.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Basic Limits(a) Incurred Losses as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-------------|-------------|-------------|-------------|-------------|
| 1991 | | | | | 230,755,291 |
| 1992 | | | | 250,683,767 | 250,587,858 |
| 1993 | | | 290,341,927 | 290,526,361 | 290,374,126 |
| 1994 | | 341,109,620 | 341,881,402 | 342,544,827 | 342,489,519 |
| 1995 | 384,825,188 | 385,156,651 | 386,974,758 | 387,215,933 | 387,183,990 |
| 1996 | 429,257,284 | 434,360,545 | 434,632,796 | 434,999,549 | 434,974,174 |
| 1997 | 437,020,628 | 440,459,398 | 441,423,147 | 441,741,292 | 441,578,911 |
| 1998 | 448,660,733 | 452,317,568 | 452,935,631 | 452,975,900 | 453,159,687 |
| 1999 | 478,925,504 | 483,717,639 | 485,252,017 | 485,572,450 | 485,440,645 |
| 2000 | 499,816,464 | 510,105,451 | 508,023,076 | 508,052,039 | 508,060,163 |
| 2001 | 494,139,577 | 501,761,686 | 502,671,629 | 503,203,863 | |
| 2002 | 521,387,936 | 529,534,675 | 531,145,335 | | |
| 2003 | 537,475,817 | 547,204,102 | | | |
| 2004 | 540,779,130 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.001 | 0.999 |
| 1994 | | 1.002 | 1.002 | 1.000 |
| 1995 | 1.001 | 1.005 | 1.001 | 1.000 |
| 1996 | 1.012 | 1.001 | 1.001 | 1.000 |
| 1997 | 1.008 | 1.002 | 1.001 | 1.000 |
| 1998 | 1.008 | 1.001 | 1.000 | 1.000 |
| 1999 | 1.010 | 1.003 | 1.001 | 1.000 |
| 2000 | 1.021 | 0.996 | 1.000 | 1.000 |
| 2001 | 1.015 | 1.002 | 1.001 | |
| 2002 | 1.016 | 1.003 | | |
| 2003 | 1.018 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.016 | 1.001 | 1.001 | 1.000 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.016 | 1.000 | 1.001 | 1.000 |
|--------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.001 | 1.001 |
| 27 to 63 months: | 1.002 | 1.001 |
| 15 to 63 months: | 1.018 | 1.017 |

(a) Losses are on a \$25,000 level for 2002-2004.

Losses are on a \$15,000 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Medical Payments Total Limits Incurred Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 65,195,317 |
| 1992 | | | | 71,794,144 | 71,812,761 |
| 1993 | | | 74,606,952 | 75,142,975 | 75,141,528 |
| 1994 | | 78,009,228 | 78,792,900 | 79,141,305 | 79,248,603 |
| 1995 | 77,988,625 | 81,871,581 | 82,590,616 | 83,077,081 | 83,224,393 |
| 1996 | 78,004,666 | 81,079,429 | 81,935,144 | 82,511,325 | 82,792,510 |
| 1997 | 76,476,955 | 79,759,255 | 81,147,852 | 81,794,233 | 81,862,986 |
| 1998 | 72,417,261 | 76,331,709 | 77,410,266 | 77,964,001 | 78,054,472 |
| 1999 | 74,292,734 | 78,073,695 | 79,055,962 | 79,796,175 | 80,738,717 |
| 2000 | 74,828,822 | 78,803,485 | 80,270,062 | 80,892,530 | 80,916,479 |
| 2001 | 77,445,610 | 82,072,374 | 83,604,663 | 84,189,088 | |
| 2002 | 84,407,330 | 89,375,713 | 90,811,468 | | |
| 2003 | 85,399,350 | 91,379,102 | | | |
| 2004 | 85,271,787 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.007 | 1.000 |
| 1994 | | 1.010 | 1.004 | 1.001 |
| 1995 | 1.050 | 1.009 | 1.006 | 1.002 |
| 1996 | 1.039 | 1.011 | 1.007 | 1.003 |
| 1997 | 1.043 | 1.017 | 1.008 | 1.001 |
| 1998 | 1.054 | 1.014 | 1.007 | 1.001 |
| 1999 | 1.051 | 1.013 | 1.009 | 1.012 |
| 2000 | 1.053 | 1.019 | 1.008 | 1.000 |
| 2001 | 1.060 | 1.019 | 1.007 | |
| 2002 | 1.059 | 1.016 | | |
| 2003 | 1.070 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.059 | 1.016 | 1.008 | 1.003 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 1.063 | 1.018 | 1.008 | 1.004 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.011 | 1.012 |
| 27 to 63 months: | 1.027 | 1.030 |
| 15 to 63 months: | 1.088 | 1.095 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 60,225 |
| 1992 | | | | 67,605 | 67,312 |
| 1993 | | | 73,092 | 72,624 | 72,128 |
| 1994 | | 85,579 | 84,589 | 84,346 | 83,857 |
| 1995 | 93,636 | 91,352 | 90,615 | 90,309 | 89,961 |
| 1996 | 96,404 | 94,473 | 94,022 | 93,916 | 93,519 |
| 1997 | 96,535 | 94,256 | 93,811 | 93,427 | 93,082 |
| 1998 | 93,726 | 91,239 | 90,712 | 90,465 | 89,985 |
| 1999 | 96,503 | 93,415 | 93,145 | 92,547 | 92,151 |
| 2000 | 94,009 | 92,101 | 91,137 | 90,663 | 90,349 |
| 2001 | 92,965 | 89,243 | 88,410 | 88,149 | |
| 2002 | 96,845 | 93,413 | 92,563 | | |
| 2003 | 98,407 | 94,411 | | | |
| 2004 | 98,867 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.996 |
| 1993 | | | 0.994 | 0.993 |
| 1994 | | 0.988 | 0.997 | 0.994 |
| 1995 | 0.976 | 0.992 | 0.997 | 0.996 |
| 1996 | 0.980 | 0.995 | 0.999 | 0.996 |
| 1997 | 0.976 | 0.995 | 0.996 | 0.996 |
| 1998 | 0.973 | 0.994 | 0.997 | 0.995 |
| 1999 | 0.968 | 0.997 | 0.994 | 0.996 |
| 2000 | 0.980 | 0.990 | 0.995 | 0.997 |
| 2001 | 0.960 | 0.991 | 0.997 | |
| 2002 | 0.965 | 0.991 | | |
| 2003 | 0.959 | | | |
| Five Year Average | 0.966 | 0.993 | 0.996 | 0.996 |
| Three Year Average | 0.961 | 0.991 | 0.995 | 0.996 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 0.992 | 0.991 | |
| 27 to 63 months: | | 0.985 | 0.982 | |
| 15 to 63 months: | | 0.952 | 0.944 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Property Damage Incurred Claims as of | | | | |
|------------------|---------------------------------------|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 142,080 |
| 1992 | | | | 155,579 | 155,534 |
| 1993 | | | 167,607 | 167,625 | 167,569 |
| 1994 | | 190,932 | 191,119 | 191,123 | 191,119 |
| 1995 | 202,092 | 203,290 | 203,409 | 203,482 | 203,511 |
| 1996 | 213,802 | 214,611 | 215,087 | 215,218 | 215,208 |
| 1997 | 213,462 | 215,052 | 215,487 | 215,587 | 215,600 |
| 1998 | 215,050 | 216,238 | 216,588 | 216,617 | 216,601 |
| 1999 | 221,998 | 223,310 | 223,277 | 223,319 | 223,301 |
| 2000 | 221,905 | 225,602 | 223,938 | 223,917 | 223,876 |
| 2001 | 221,341 | 222,619 | 222,858 | 222,923 | |
| 2002 | 225,129 | 226,768 | 227,050 | | |
| 2003 | 235,482 | 236,947 | | | |
| 2004 | 239,528 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.000 | 1.000 |
| 1994 | | 1.001 | 1.000 | 1.000 |
| 1995 | 1.006 | 1.001 | 1.000 | 1.000 |
| 1996 | 1.004 | 1.002 | 1.001 | 1.000 |
| 1997 | 1.007 | 1.002 | 1.000 | 1.000 |
| 1998 | 1.006 | 1.002 | 1.000 | 1.000 |
| 1999 | 1.006 | 1.000 | 1.000 | 1.000 |
| 2000 | 1.017 | 0.993 | 1.000 | 1.000 |
| 2001 | 1.006 | 1.001 | 1.000 | |
| 2002 | 1.007 | 1.001 | | |
| 2003 | 1.006 | | | |
| Five Year Average | 1.008 | 0.999 | 1.000 | 1.000 |
| Three Year Average | 1.006 | 0.998 | 1.000 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.000 | 1.000 | |
| 27 to 63 months: | | 0.999 | 0.998 | |
| 15 to 63 months: | | 1.007 | 1.004 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Medical Payments Incurred Claims as of | | | | |
|------------------|--|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 53,787 |
| 1992 | | | | 57,422 | 57,389 |
| 1993 | | | 60,280 | 60,423 | 60,391 |
| 1994 | | 66,188 | 66,510 | 66,604 | 66,592 |
| 1995 | 66,742 | 68,541 | 68,876 | 69,056 | 69,057 |
| 1996 | 66,485 | 68,189 | 68,540 | 68,706 | 68,723 |
| 1997 | 64,007 | 65,861 | 66,352 | 66,463 | 66,475 |
| 1998 | 60,062 | 61,536 | 61,751 | 61,932 | 61,904 |
| 1999 | 59,632 | 60,882 | 61,170 | 61,296 | 61,270 |
| 2000 | 58,978 | 60,351 | 60,685 | 60,899 | 60,840 |
| 2001 | 58,107 | 59,050 | 59,472 | 59,598 | |
| 2002 | 60,999 | 61,948 | 62,273 | | |
| 2003 | 59,036 | 60,027 | | | |
| 2004 | 56,892 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.999 |
| 1993 | | | 1.002 | 0.999 |
| 1994 | | 1.005 | 1.001 | 1.000 |
| 1995 | 1.027 | 1.005 | 1.003 | 1.000 |
| 1996 | 1.026 | 1.005 | 1.002 | 1.000 |
| 1997 | 1.029 | 1.007 | 1.002 | 1.000 |
| 1998 | 1.025 | 1.003 | 1.003 | 1.000 |
| 1999 | 1.021 | 1.005 | 1.002 | 1.000 |
| 2000 | 1.023 | 1.006 | 1.004 | 0.999 |
| 2001 | 1.016 | 1.007 | 1.002 | |
| 2002 | 1.016 | 1.005 | | |
| 2003 | 1.017 | | | |
| Five Year Average | 1.019 | 1.005 | 1.003 | 1.000 |
| Three Year Average | 1.016 | 1.006 | 1.003 | 1.000 |

Five Year Three Year

| | | |
|------------------|-------|-------|
| 39 to 63 months: | 1.003 | 1.003 |
| 27 to 63 months: | 1.008 | 1.009 |
| 15 to 63 months: | 1.027 | 1.025 |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF PERMISSIBLE LOSS, LAE,
GENERAL AND OTHER ACQUISITION EXPENSE RATIO

| | Liability (i) | Physical Damage (ii) |
|--|---------------|-------------------------|
| a) Commission + Brokerage (iii) | 9.9% | 9.4% |
| b) Taxes, Licenses and Fees (iv) | 2.3 | 2.2 |
| c) Underwriting Profit (v) | 7.5 | 10.0 |
| d) Contingencies (See Exhibit RB-6) | 0.0 | 0.0 |
| e) Total; Variable expenses, Underwriting Profit, and Contingencies | 19.7 | 21.6 |
| f) Permissible Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses (vi) | 80.3 | 78.4 |
| g) Total Premium | 100.0 | 100.0 |

(i) For use with 12/31/2004 Liability data.

(ii) For use with 12/31/2004 Physical Damage data.

(iii) For Liability Commission and Brokerage, the voluntary portion of the ratio is determined using the voluntary/ceded premium distribution and an assumed 10.0% ceded ratio to premiums at collected level. For Physical Damage Commission and Brokerage, the voluntary ratio is used.

(iv) For Physical Damage Taxes, Licenses and Fees, the voluntary ratio is used.

(v) The underwriting profit factor was determined to be necessary in addition to investment income earned or realized by insurers from unearned premium, and loss and loss expense reserve funds generated from business within this state.

(vi) Permissible Loss, LAE, General and Other Acquisition Expense Ratio in (f) equals 100% minus item (e).

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF PERMISSIBLE LOSS, LAE,
GENERAL AND OTHER ACQUISITION EXPENSE RATIO

| | Liability (i) | Physical Damage (ii) |
|--|---------------|-------------------------|
| a) Commission + Brokerage (iii) | 9.7% | 9.9% |
| b) Taxes, Licenses and Fees (iv) | 2.4 | 2.3 |
| c) Underwriting Profit (v) | 7.5 | 10.0 |
| d) Contingencies (See Exhibit RB-6) | 0.0 | 0.0 |
| e) Total; Variable expenses, Underwriting Profit, and Contingencies | 19.6 | 22.2 |
| f) Permissible Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses (vi) | 80.4 | 77.8 |
| g) Total Premium | 100.0 | 100.0 |

(i) For use with 12/31/2003 Liability data.

(ii) For use with 12/31/2003 Physical Damage data.

(iii) For Liability Commission and Brokerage, the voluntary portion of the ratio is determined using the voluntary/ceded premium distribution and an assumed 10.0% ceded ratio to premiums at collected level. For Physical Damage Commission and Brokerage, the voluntary ratio is used.

(iv) For Physical Damage Taxes, Licenses and Fees, the voluntary ratio is used.

(v) The underwriting profit factor was determined to be necessary in addition to investment income earned or realized by insurers from unearned premium, and loss and loss expense reserve funds generated from business within this state.

(vi) Permissible Loss, LAE, General and Other Acquisition Expense Ratio in (f) equals 100% minus item (e).

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

DETERMINATION OF PERMISSIBLE LOSS, LAE,
GENERAL AND OTHER ACQUISITION EXPENSE RATIO

| | Liability (i) | Physical Damage (ii) |
|--|---------------|-------------------------|
| a) Commission + Brokerage (iii) | 10.0% | 10.2% |
| b) Taxes, Licenses and Fees (iv) | 2.5 | 2.3 |
| c) Underwriting Profit (v) | 7.5 | 10.0 |
| d) Contingencies (See Exhibit RB-6) | 0.0 | 0.0 |
| e) Total; Variable expenses, Underwriting Profit, and Contingencies | 20.0 | 22.5 |
| f) Permissible Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses (vi) | 80.0 | 77.5 |
| g) Total Premium | 100.0 | 100.0 |

(i) For use with 12/31/2002 Liability data.

(ii) For use with 12/31/2002 Physical Damage data.

(iii) For Liability Commission and Brokerage, the voluntary portion of the ratio is determined using the voluntary/ceded premium distribution and an assumed 10.0% ceded ratio to premiums at collected level. For Physical Damage Commission and Brokerage, the voluntary ratio is used.

(iv) For Physical Damage Taxes, Licenses and Fees, the voluntary ratio is used.

(v) The underwriting profit factor was determined to be necessary in addition to investment income earned or realized by insurers from unearned premium, and loss and loss expense reserve funds generated from business within this state.

(vi) Permissible Loss, LAE, General and Other Acquisition Expense Ratio in (f) equals 100% minus item (e).

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

COMPONENTS OF PERMISSIBLE LOSS, LAE,
GENERAL AND OTHER ACQUISITION EXPENSE RATIO

| | Liability (a) | Physical Damage (b) |
|---|---------------|------------------------|
| Permissible Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses | 80.3 | 78.4 |
| Loss Adjustment Expense (See pages H-687-H-689) | | |
| Bodily Injury & Medical Payments | 11.3 | - |
| Property Damage | 12.6 | - |
| Physical Damage | - | 15.2 (c) |
| General Administration (See pages H-687-H-689) | 6.4 | 5.1 (c) |
| Other Acquisition Expenses (See pages H-687-H-689) | 8.9 | 7.5 (c) |

(a) For use with 12/31/2004 Liability data.

(b) For use with 12/31/2004 Physical Damage data.

(c) Physical Damage ratios are for voluntary and consent to rate business combined.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

COMPONENTS OF PERMISSIBLE LOSS, LAE,
GENERAL AND OTHER ACQUISITION EXPENSE RATIO

| | Liability (a) | Physical Damage (b) |
|---|---------------|------------------------|
| Permissible Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses | 80.4 | 77.8 |
| Loss Adjustment Expense (See pages H-687-H-689) | | |
| Bodily Injury & Medical Payments | 11.9 | - |
| Property Damage | 12.8 | - |
| Physical Damage | - | 13.3 (c) |
| General Administration (See pages H-687-H-689) | 6.1 | 5.0 (c) |
| Other Acquisition Expenses (See pages H-687-H-689) | 8.6 | 6.9 (c) |

(a) For use with 12/31/2003 Liability data.

(b) For use with 12/31/2003 Physical Damage data.

(c) Physical Damage ratios are for voluntary and consent to rate business combined.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

COMPONENTS OF PERMISSIBLE LOSS, LAE,
GENERAL AND OTHER ACQUISITION EXPENSE RATIO

| | Liability (a) | Physical Damage (b) |
|---|---------------|------------------------|
| Permissible Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses | 80.0 | 77.5 |
| Loss Adjustment Expense (See pages H-687-H-689) | | |
| Bodily Injury & Medical Payments | 13.4 | - |
| Property Damage | 11.4 | - |
| Physical Damage | - | 16.5 (c) |
| General Administration (See pages H-687-H-689) | 6.5 | 5.4 (c) |
| Other Acquisition Expenses (See pages H-687-H-689) | 8.1 | 7.1 (c) |

(a) For use with 12/31/2002 Liability data.

(b) For use with 12/31/2002 Physical Damage data.

(c) Physical Damage ratios are for voluntary and consent to rate business combined.

Credibility Factor Determination

Credibility considerations enter into the private passenger ratemaking formula in three areas:

- 1) statewide rate indications in the determination of accident year weights.
- 2) territory rate indications in the determination of the individual territory's formula base class loss cost.
- 3) trend factor determination in the determination to base the average annual change on North Carolina data or a combination of North Carolina and countrywide data.

The first two areas full credibility standard is based on an application of the credibility formula contained in the paper "On The Credibility of The Pure Premium" by Mayerson, Jones and Bowers (PCAS LV, 1968). The full credibility standards contemplate P and K values of 95% and 5% for statewide and 90% and 5% for territory.

The trend credibility procedure is based on the first model discussed in "An Introduction to Credibility Theory" by L. H. Longley-Cook. The full credibility standard is based on P and K values of 99% and 2 1/2%.

For Uninsured Motorists and Underinsured Motorists, each year of the experience period is given weight proportional to its earned car years in the calculation of an indicated premium per exposure.

For Motorcycles, each year of the experience period is given weight proportional to its earned premium at present manual rates in the calculation of an indicated change.

CREDIBILITY TABLES BASED
UPON NUMBER OF CLAIMS

The projected loss ratios are weighted in accordance with the following:

| <u>Average Number of Claim for the Latest Two Years (A)</u> | <u>Weight to Earlier Year</u> | <u>Weight to Later Year</u> |
|---|---------------------------------------|-------------------------------------|
| 4000 and over | 0% | 100% |
| 3600 - 3999 | 10 | 90 |
| 3200 - 3599 | 20 | 80 |
| 2800 - 3199 | 30 | 70 |
| 2400 - 2799 | 40 | 60 |
| under 2400 | 50 | 50 |

(A) Applied separately by coverage.

| <u>Credibility</u> | <u>Determination of Territory Credibility (B)</u> | <u>Credibility</u> | <u>Determination of Trend Factor Credibility (C)</u> |
|--------------------|---|--------------------|--|
| 0 | 0 - 29 | 0 | 0 - 26 |
| .10 | 30 - 119 | .05 | 27 - 105 |
| .20 | 120 - 269 | .10 | 106 - 238 |
| .30 | 270 - 479 | .15 | 239 - 424 |
| .40 | 480 - 749 | .20 | 425 - 663 |
| .50 | 750 - 1,079 | .25 | 664 - 955 |
| .60 | 1,080 - 1,469 | .30 | 956 - 1,300 |
| .70 | 1,470 - 1,919 | .35 | 1,301 - 1,699 |
| .80 | 1,920 - 2,429 | .40 | 1,700 - 2,150 |
| .90 | 2,430 - 2,999 | .45 | 2,151 - 2,655 |
| 1.00 | 3,000 or more | .50 | 2,656 - 3,212 |
| | | .55 | 3,213 - 3,823 |
| | | .60 | 3,824 - 4,487 |
| | | .65 | 4,488 - 5,204 |
| | | .70 | 5,205 - 5,974 |
| | | .75 | 5,975 - 6,798 |
| | | .80 | 6,799 - 7,674 |
| | | .85 | 7,675 - 8,604 |
| | | .90 | 8,605 - 9,586 |
| | | .95 | 9,587 - 10,622 |
| | | 1.00 | 10,623 or more |

(B) Territory credibility is based on the number of claims underlying the three year pure premium.

(C) Trend factor credibility is based on the number of claims underlying the latest year's experience appearing in the trend exhibits.

SECTION E
UNINSURED MOTORISTS REVIEW

NORTH CAROLINA
UNINSURED MOTORISTS REVIEW
PRIVATE PASSENGER CARS
BASIC LIMITS REVIEW

| All Carriers Voluntary and Ceded Combined | Year Ended 12/31/2002 | Year Ended 12/31/2003 | Year Ended 12/31/2004 |
|---|--------------------------|--------------------------|--------------------------|
| (1) Incurred Losses and ALAE (30/60 UMBI) (a) | 39,525,729 | 39,589,089 | 34,768,410 |
| (2) Incurred Losses and ALAE (\$25,000 UMPD) (a) | 11,553,644 | 12,000,373 | 11,695,669 |
| (3) Loss Development Factor (30/60 UMBI) (b) | 0.998 | 1.017 | 1.103 |
| (4) Loss Development Factor (\$25,000 PD) (b) | 1.001 | 1.001 | 1.017 |
| (5) ULAE Factor (BI) (See page H-687) | 13.4% | 11.9% | 11.3% |
| (6) ULAE Factor (PD) (See page H-687) | 11.4% | 12.8% | 12.6% |
| (7) Developed Losses and LAE (30/60 UMBI) [(1)x(3)x[1+(5)]] | 44,732,532 | 45,053,294 | 42,683,056 |
| (8) Developed Losses and LAE (\$25,000 UMPD) [(2)x(4)x[1+(6)]] | 12,883,630 | 13,549,957 | 13,393,202 |
| (9) Adjustment for stacking of policy limits (c) | 1.057 | 1.057 | 1.016 |
| (10) Total Developed Losses and LAE [(7)+(8)]*(9) | 60,900,283 | 61,943,636 | 56,973,478 |
| (11) Avg Annual Change in Losses and LAE (See page D-8) | 0.5% | 0.5% | 0.5% |
| (12) Years of Trend - Losses (d) | 5.03 | 4.03 | 3.03 |
| (13) Projected Losses and LAE (d) | 62,422,790 | 63,182,509 | 57,828,080 |
| (14) Earned Exposures (a) (e) | 5,646,981 | 5,770,686 | 5,950,449 |
| (15) Developed Incurred Claims (UMBI) (a) | 6,479 | 6,532 | 6,137 |
| (16) Developed Incurred Claims (UMPD) (a) | 9,468 | 9,331 | 9,096 |
| (17) Total Incurred Claims [(15)+(16)] | 15,947 | 15,863 | 15,233 |
| (18) Projected B/L Loss and LAE per exposure [(13)/(14)] | 11.05 | 10.95 | 9.72 |
| (19) Percentage Dividends (f) | 0.0% | 0.0% | 0.0% |
| (20) Permissible Loss and LAE Ratio (See page E-6) | 0.650 | 0.650 | 0.650 |
| (21) Adjustment Factor for Increase in MVR Fee (g) | 1.0058 | 1.0058 | 1.0058 |
| (22) Required B/L Premium per exposure [((18)/((20)-(19)))]x(21)] | 17.10 | 16.94 | 15.04 |
| (23) Average (Weighted on exposures in line (14)) | | 16.34 | |

(a) Based on the statistical plan data reported by member companies.

(b) Loss development factors are based on five-year averages, through 63 months of development for Uninsured Motorists Bodily Injury and three year averages through 63 months for Property Damage. See pages E-3 and D-15.

(c) As determined in the Rate Bureau filing deriving the proposed Uninsured Motorists coverage rates in response to House Bill 1023 mandating inter-policy stacking of UM limits in North Carolina, effective 1/1/2004.

(d) Projected losses and allocated loss adjustment expenses =
(12)
[(10) x (1 + (11))⁽¹²⁾], where (12) = the number of years of projection from the average date of accident to 7/12/2007.

(e) UM earned exposures are estimated to be 95.0% of Bodily Injury Liability earned exposures.

(f) Selected value.

(g) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA
UNINSURED MOTORISTS REVIEW
PRIVATE PASSENGER CARS
TOTAL LIMITS REVIEW

| All Carriers Voluntary and Ceded Combined | Year Ended 12/31/2002 | Year Ended 12/31/2003 | Year Ended 12/31/2004 |
|---|--------------------------|--------------------------|--------------------------|
| (1) Incurred Losses and ALAE (T/L UMBI) (a) | 50,230,452 | 48,633,771 | 43,781,276 |
| (2) Incurred Losses and ALAE (T/L UMPD) (a) | 11,576,961 | 12,070,857 | 11,814,329 |
| (3) Loss Development Factor (T/L UMBI) (b) | 1.016 | 1.050 | 1.183 |
| (4) Loss Development Factor (T/L PD) (b) | 1.000 | 1.000 | 1.015 |
| (5) ULAE Factor (BI) (See page H-687) | 13.4% | 11.9% | 11.3% |
| (6) ULAE Factor (PD) (See page H-687) | 11.4% | 12.8% | 12.6% |
| (7) Developed Losses and LAE (T/L UMBI) [(1)x(3)x[1+(5)]] | 57,872,714 | 57,142,249 | 57,645,887 |
| (8) Developed Losses and LAE (T/L UMPD) [(2)x(4)x[1+(6)]] | 12,896,735 | 13,615,927 | 13,502,478 |
| (9) Adjustment for stacking of policy limits (c) | 1.057 | 1.057 | 1.016 |
| (10) Total Developed Losses and LAE [(7)+(8)]*(9) | 74,803,308 | 74,791,392 | 72,286,739 |
| (11) Avg Annual Change in Losses and LAE (See page D-8) | 0.5% | 0.5% | 0.5% |
| (12) Years of Trend - Losses (d) | 5.03 | 4.03 | 3.03 |
| (13) Projected Losses and LAE (d) | 76,673,391 | 76,287,220 | 73,371,040 |
| (14) Earned Exposures (a) (e) | 5,646,981 | 5,770,686 | 5,950,449 |
| (15) Developed Incurred Claims (UMBI) (a) | 6,479 | 6,532 | 6,137 |
| (16) Developed Incurred Claims (UMPD) (a) | 9,468 | 9,331 | 9,096 |
| (17) Total Incurred Claims [(15)+(16)] | 15,947 | 15,863 | 15,233 |
| (18) Projected T/L Loss and LAE per exposure [(13)/(14)] | 13.58 | 13.22 | 12.33 |
| (19) Percentage Dividends (f) | 0.0% | 0.0% | 0.0% |
| (20) Permissible Loss and LAE Ratio (See page E-6) | 0.650 | 0.650 | 0.650 |
| (21) Adjustment Factor for Increase in MVR Fee (g) | 1.0058 | 1.0058 | 1.0058 |
| (22) Required T/L Premium per exposure [((18)/((20)-(19)))]x(21)] | 21.01 | 20.46 | 19.08 |
| (23) Average (Weighted on exposures in line (14)) | | 20.17 | |

(a) Based on the statistical plan data reported by member companies.

(b) Loss development factors are based on five-year averages, through 63 months of development for Uninsured Motorists Bodily Injury and three year averages through 63 months for Property Damage. See pages E-4 and H-539.

(c) As determined in the Rate Bureau filing deriving the proposed Uninsured Motorists coverage rates in response to House Bill 1023 mandating inter-policy stacking of UM limits in North Carolina, effective 1/1/2004.

(d) Projected losses and allocated loss adjustment expenses =
(12)
[(10) x (1 + (11))⁽¹²⁾], where (12) = the number of years of projection from the average date of accident to 7/12/2007.

(e) UM earned exposures are estimated to be 95.0% of Bodily Injury Liability earned exposures.

(f) Selected value.

(g) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Uninsured Motorists Bodily Injury Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 18,170,585 |
| 1992 | | | | 22,110,858 | 22,234,205 |
| 1993 | | | 20,797,279 | 21,753,061 | 20,995,828 |
| 1994 | | 21,917,845 | 22,613,959 | 22,798,456 | 22,314,613 |
| 1995 | 20,873,338 | 24,351,212 | 24,177,258 | 24,247,311 | 24,145,577 |
| 1996 | 24,176,384 | 24,733,791 | 25,128,358 | 25,321,157 | 24,669,381 |
| 1997 | 26,490,087 | 27,880,982 | 28,521,461 | 28,781,082 | 28,563,797 |
| 1998 | 25,458,394 | 28,076,812 | 27,645,269 | 27,353,483 | 27,183,108 |
| 1999 | 23,972,433 | 25,464,313 | 25,827,432 | 26,055,443 | 26,203,669 |
| 2000 | 24,394,544 | 25,296,185 | 25,564,213 | 25,992,355 | 25,664,003 |
| 2001 | 23,720,600 | 25,612,215 | 26,415,872 | 26,649,546 | |
| 2002 | 25,577,731 | 29,222,649 | 30,769,706 | | |
| 2003 | 27,900,002 | 30,774,807 | | | |
| 2004 | 27,923,952 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.006 |
| 1993 | | | 1.046 | 0.965 |
| 1994 | | 1.032 | 1.008 | 0.979 |
| 1995 | 1.167 | 0.993 | 1.003 | 0.996 |
| 1996 | 1.023 | 1.016 | 1.008 | 0.974 |
| 1997 | 1.053 | 1.023 | 1.009 | 0.992 |
| 1998 | 1.103 | 0.985 | 0.989 | 0.994 |
| 1999 | 1.062 | 1.014 | 1.009 | 1.006 |
| 2000 | 1.037 | 1.011 | 1.017 | 0.987 |
| 2001 | 1.080 | 1.031 | 1.009 | |
| 2002 | 1.143 | 1.053 | | |
| 2003 | 1.103 | | | |
| Five Year Average | 1.085 | 1.019 | 1.007 | 0.991 |
| Three Year Average | 1.109 | 1.032 | 1.012 | 0.996 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 0.998 | 1.008 | |
| 27 to 63 months: | | 1.017 | 1.040 | |
| 15 to 63 months: | | 1.103 | 1.153 | |

(a) Losses are on a 30/60 level for 2002-2004.
Losses are on a 25/50 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Uninsured Motorists Bodily Injury Total Limits Incurred Losses as of | | | | |
|------------------|--|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 28,355,294 |
| 1992 | | | | 33,071,470 | 33,458,858 |
| 1993 | | | 25,000,757 | 26,887,782 | 25,679,881 |
| 1994 | | 26,713,420 | 27,256,629 | 26,449,865 | 26,013,905 |
| 1995 | 24,329,974 | 29,243,419 | 29,823,380 | 29,613,872 | 29,710,456 |
| 1996 | 26,346,462 | 30,272,249 | 30,915,237 | 31,156,839 | 30,722,745 |
| 1997 | 29,260,028 | 32,116,910 | 33,203,047 | 34,241,234 | 34,883,121 |
| 1998 | 27,475,134 | 31,783,747 | 31,634,139 | 31,592,436 | 31,304,309 |
| 1999 | 27,092,658 | 29,828,551 | 30,830,990 | 31,597,967 | 31,683,597 |
| 2000 | 26,490,557 | 29,862,242 | 30,239,680 | 30,982,143 | 30,423,974 |
| 2001 | 28,807,138 | 32,139,608 | 33,821,069 | 34,489,103 | |
| 2002 | 29,504,496 | 35,299,077 | 37,783,796 | | |
| 2003 | 32,911,343 | 36,005,549 | | | |
| 2004 | 35,354,737 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.012 |
| 1993 | | | 1.075 | 0.955 |
| 1994 | | 1.020 | 0.970 | 0.984 |
| 1995 | 1.202 | 1.020 | 0.993 | 1.003 |
| 1996 | 1.149 | 1.021 | 1.008 | 0.986 |
| 1997 | 1.098 | 1.034 | 1.031 | 1.019 |
| 1998 | 1.157 | 0.995 | 0.999 | 0.991 |
| 1999 | 1.101 | 1.034 | 1.025 | 1.003 |
| 2000 | 1.127 | 1.013 | 1.025 | 0.982 |
| 2001 | 1.116 | 1.052 | 1.020 | |
| 2002 | 1.196 | 1.070 | | |
| 2003 | 1.094 | | | |
| Five Year Average | 1.127 | 1.033 | 1.020 | 0.996 |
| Three Year Average | 1.135 | 1.045 | 1.023 | 0.992 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.016 | 1.015 | |
| 27 to 63 months: | | 1.050 | 1.061 | |
| 15 to 63 months: | | 1.183 | 1.204 | |

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
UNINSURED MOTORISTS
PURE PREMIUM TREND

| (1) Accident <u>Year Ended</u> | (2) Basic Limit <u>Losses (A) (B)</u> | (3) <u>Exposures</u> | (4) UM Pure Premium <u>(2) / (3)</u> |
|--------------------------------------|---|-------------------------|--|
| 6/30/1987 | 17,925,282 | 3,740,249 | \$4.79 |
| 6/30/1988 | 18,624,836 | 3,851,199 | 4.84 |
| 6/30/1989 | 21,468,029 | 4,015,107 | 5.35 |
| 12/31/1990 | 21,577,892 | 4,126,098 | 5.23 |
| 12/31/1991 | 24,944,699 | 4,199,013 | 5.94 |
| 12/31/1992 | 25,174,957 | 4,262,731 | 5.91 |
| 12/31/1993 | 29,750,657 | 4,373,094 | 6.80 |
| 12/31/1994 | 32,442,143 | 4,552,669 | 7.13 |
| 12/31/1995 | 36,252,226 | 4,712,510 | 7.69 |
| 12/31/1996 | 39,194,286 | 4,798,419 | 8.17 |
| 12/31/1997 | 42,600,864 | 4,851,832 | 8.78 |
| 12/31/1998 | 42,622,510 | 5,036,177 | 8.46 |
| 12/31/1999 | 41,207,415 | 5,253,680 | 7.84 |
| 12/31/2000 | 41,628,748 | 5,381,629 | 7.74 |
| 12/31/2001 | 41,990,653 | 5,495,729 | 7.64 |
| 12/31/2002 | 46,013,350 | 5,646,981 | 8.15 |
| 12/31/2003 | 46,968,911 | 5,770,686 | 8.14 |
| 12/31/2004 | 46,327,882 | 5,950,449 | 7.79 |

Annual Rates of Change based on the Exponential Curve of Best Fit:

| | |
|-----------|-------|
| 4 points | 0.6% |
| 6 points | 0.5% |
| 9 points | -0.9% |
| 12 points | 0.8% |

(A) Includes all loss adjustment expense and loss development for voluntary and ceded business combined.

(B) 25/50/10 limits from 6/30/1987 - 12/31/1991.
25/50/15 limits from 12/31/1992 - 12/31/2004.

NORTH CAROLINA

DERIVATION OF PERMISSIBLE LOSS AND LAE RATIO
FOR UNINSURED AND UNDERINSURED MOTORISTS

| | |
|----------------------------|-------|
| Commission & Brokerage | 9.9% |
| Taxes, Licenses, Fees | 2.3% |
| General Administration | 6.4% |
| Other Acquisition Expenses | 8.9% |
| Profit | 7.5% |
| Contingencies | 0.0% |
| Total | 0.350 |
| Expected Loss Ratio | 0.650 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
UNINSURED MOTORISTS COVERAGE

Uninsured Motorists Bodily Injury

| Limit | Present | Filed | Filed |
|-----------|---------------------------|-------------------------------|------------------------------|
| | Single Car Policy Rate | Single Car Policy Rate (a) | Multi-Car Policy Rate (b) |
| 30/60 | 15 | 14 | 33 |
| 50/100 | 16 | 16 | 38 |
| 100/200 | 18 | 19 | 45 |
| 100/300 | 19 | 20 | 47 |
| 300/300 | 22 | 25 | 59 |
| 250/500 | 24 | 28 | 66 |
| 500/500 | 25 | 29 | 68 |
| 500/1000 | 27 | 32 | 76 |
| 1000/1000 | 28 | 34 | 80 |

Uninsured Motorists Property Damage

| Limit | Present | Filed | Filed |
|-------|---------------------------|-------------------------------|------------------------------|
| | Single Car Policy Rate | Single Car Policy Rate (c) | Multi-Car Policy Rate (b) |
| 25 | 2 | 2 | 5 |
| 50 | 3 | 3 | 7 |
| 100 | 4 | 4 | 9 |
| 250 | 6 | 6 | 14 |
| 500 | 8 | 8 | 19 |
| 750 | 10 | 10 | 24 |
| 1,000 | 11 | 11 | 26 |

(a) Filed single car rates for Uninsured Motorists Bodily Injury are calculated as follows:

1) Determine the 30/60 UMBI rate by truncating the indicated 30/60/25 rate determined on page E-1 and subtracting the \$25,000 UMPD rate of \$2:
 $\$16 - \$2 = \$14$.

2) Apply the effective excess limit change of +50.5% to the present excess portion of the rate at each limit, and then add the filed basic limit 30/60 UMBI rate of \$14 to the result.

For example, for 50/100: $(16-15) \times (1+0.505) + 14 = \16 .

(b) Filed multi-car policy rates are calculated by multiplying the filed single car policy rates by a factor of 2.36, which is the average number of cars per multi-car policy in North Carolina. This factor was determined from 2000 U.S. census data.

(c) Filed single car policy rates for Uninsured Motorists Property Damage are equal to the present rates.

The total limits effective change is +1.3%.

NORTH CAROLINA

UNDERINSURED MOTORISTS COVERAGE

Underinsured Motorists (UIM) coverage is triggered if the policy limit of the party at fault in an accident causing bodily injury to an insured is less than the insured's UIM policy limit. In this event and if the policy limits of the party at fault are not enough to pay the full amount of damages to the insured, then the insured is entitled to collect up to the limit of his UIM coverage.

Pages E-9 and E-10 display an experience review and the subsequent calculation of the filed rates for Underinsured Motorists coverage. The use of an experience review for Underinsured Motorists coverage represents a departure from the previous procedure in which a pricing model was utilized to calculate indicated UIM rates by limit.

The indicated required premium per exposure of \$34.44, as shown on Line (15) of page E-9 represents a 106.7% increase from the current average premium per exposure of \$16.66. In consideration of the fact that the indication resulting from the experience review is significantly larger than recently filed indications resulting from the UIM pricing model, a statewide average rate of \$27.00 has been selected for UIM coverage (see page E-9, Line (16)). As a result of applying the resulting change in average rates ($\$27.00/\$16.66 = 1.621$) across all limits equally and rounding to the nearest whole dollar, an overall effective change of +61.6% has been filed for UIM coverage, as shown on page E-10.

Page E-13 displays current and revised Underinsured Motorists rates.

NORTH CAROLINA
 UNDERINSURED MOTORISTS REVIEW
 PRIVATE PASSENGER CARS
 TOTAL LIMITS REVIEW

| All Carriers Voluntary and Ceded Combined | Year Ended 12/31/2002 | Year Ended 12/31/2003 | Year Ended 12/31/2004 |
|--|--------------------------|--------------------------|--------------------------|
| (1) Incurred Losses and ALAE (T/L UIMBI) (a) | 48,881,345 | 43,872,876 | 33,063,185 |
| (2) Loss Development Factor (T/L UIMBI) (b) | 1.096 | 1.297 | 1.999 |
| (3) ULAE Factor (BI) (See page H-687) | 13.4% | 11.9% | 11.3% |
| (4) Developed Losses and LAE (T/L UIMBI) [(1)x(2)x[1+(3)]] | 60,752,864 | 63,674,591 | 73,561,850 |
| (5) Avg Annual Change in Losses and LAE (See page D-8) | 5.0% | 5.0% | 5.0% |
| (6) Years of Trend - Losses (c) | 5.03 | 4.03 | 3.03 |
| (7) Projected Losses and LAE (c) | 77,642,160 | 77,491,977 | 85,258,184 |
| (8) Earned Exposures (a)(e) | 3,512,024 | 3,588,960 | 3,700,760 |
| (9) Developed Incurred Claims (UIMBI) (a) | 1,293 | 1,185 | 1,206 |
| (10) Projected T/L Loss and LAE per exposure [(7)/(8)] | 22.11 | 21.59 | 23.04 |
| (11) Percentage Dividends (d) | 0.0% | 0.0% | 0.0% |
| (12) Permissible Loss and LAE Ratio (See page E-6) | 0.650 | 0.650 | 0.650 |
| (13) Adjustment Factor for Increase in MVR Fee (f) | 1.0058 | 1.0058 | 1.0058 |
| (14) Required T/L Premium per exposure [((10)/((12)-(11)))x(13)] | 34.21 | 33.41 | 35.65 |
| (15) Average (Weighted on exposures in line (8)) | | \$34.44 | |
| (16) Selected | | \$27.00 | |

(a) Based on the statistical plan data reported by member companies.

(b) Loss development factors are based on five-year averages, through 63 months of development for Underinsured Motorists Bodily Injury. See page E-11.

(c) Projected losses and allocated loss adjustment expenses =

$$\frac{(10) \times (1 + (11))^{(12)}}{(12)}$$
], where (12) = the number of years of projection from the average date of accident to 7/12/2007.

(d) Selected value.

(e) UIM earned exposures are estimated to be 59.08% of Bodily Injury Liability earned exposures.

(f) Estimated premium effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA
PERSONAL AUTO INSURANCE

CALCULATION OF FILED RATES FOR
UNDERINSURED MOTORISTS

| LIMITS | (1) % OF EARNED EXPOSURES | (2) PRESENT RATE | (3) FILED RATE [((6)/(5)) x (2)] | (4) PERCENT CHANGE [(3)/(2)] |
|-----------|---------------------------------|------------------------|---|---|
| 50/100 | 42.1% | \$ 4 | \$ 6 | 50.0% |
| 100/200 | 1.2% | 16 | 26 | 62.5% |
| 100/300 | 46.7% | 22 | 36 | 63.6% |
| 300/300 | 2.7% | 33 | 53 | 60.6% |
| 250/500 | 5.3% | 41 | 66 | 61.0% |
| 500/500 | 0.8% | 63 | 102 | 61.9% |
| 500/1000 | 0.5% | 72 | 117 | 62.5% |
| 1000/1000 | 0.7% | 83 | 135 | 62.7% |

| | | |
|-----|--------------------------|----------|
| (5) | AVERAGE PRESENT RATE(a): | \$ 16.66 |
| (6) | SELECTED AVERAGE RATE(b) | \$ 27.00 |
| (7) | AVERAGE FILED RATE(c): | \$ 26.93 |
| (8) | FILED CHANGE[(7)/(5)]: | 61.6% |

Notes:

- (a) Column(2) weighted on Column(1)
- (b) See page E-9.
- (c) Column(3) weighted on Column(1)

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Underinsured Motorists Bodily Injury Total Limits Incurred Losses as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|------------|------------|------------|------------|------------|
| 1991 | | | | | 61,100,043 |
| 1992 | | | | 52,791,861 | 51,536,648 |
| 1993 | | | 47,281,675 | 53,315,874 | 54,043,307 |
| 1994 | | 43,683,302 | 48,959,582 | 50,960,598 | 49,536,274 |
| 1995 | 28,103,058 | 42,931,298 | 48,188,611 | 49,440,697 | 50,080,044 |
| 1996 | 29,860,826 | 45,999,616 | 53,225,170 | 56,489,017 | 57,108,493 |
| 1997 | 28,221,274 | 40,588,590 | 46,794,737 | 50,693,626 | 51,167,907 |
| 1998 | 26,810,519 | 38,014,257 | 45,055,520 | 49,452,500 | 50,577,402 |
| 1999 | 29,181,728 | 43,991,433 | 51,058,110 | 55,197,690 | 55,896,237 |
| 2000 | 31,296,971 | 46,957,194 | 55,327,401 | 58,935,019 | 59,455,128 |
| 2001 | 33,704,324 | 48,251,121 | 57,861,664 | 62,670,797 | |
| 2002 | 32,561,470 | 51,872,076 | 61,831,610 | | |
| 2003 | 33,867,777 | 56,666,590 | | | |
| 2004 | 42,189,407 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.976 |
| 1993 | | | 1.128 | 1.014 |
| 1994 | | 1.121 | 1.041 | 0.972 |
| 1995 | 1.528 | 1.122 | 1.026 | 1.013 |
| 1996 | 1.540 | 1.157 | 1.061 | 1.011 |
| 1997 | 1.438 | 1.153 | 1.083 | 1.009 |
| 1998 | 1.418 | 1.185 | 1.098 | 1.023 |
| 1999 | 1.507 | 1.161 | 1.081 | 1.013 |
| 2000 | 1.500 | 1.178 | 1.065 | 1.009 |
| 2001 | 1.432 | 1.199 | 1.083 | |
| 2002 | 1.593 | 1.192 | | |
| 2003 | 1.673 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.541 | 1.183 | 1.082 | 1.013 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.566 | 1.190 | 1.076 | 1.015 |
|--------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.096 | 1.092 |
| 27 to 63 months: | 1.297 | 1.299 |
| 15 to 63 months: | 1.999 | 2.034 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
 UNDERINSURED MOTORISTS
 PURE PREMIUM TREND

| (1) Accident <u>Year Ended</u> | (2) Total Limit <u>Losses (A)</u> | (3) <u>Exposures</u> | (4) UIM Pure Premium <u>(2) / (3)</u> |
|--------------------------------------|---|-------------------------|---|
| 12/31/2000 | 55,377,602 | 3,346,995 | 16.55 |
| 12/31/2001 | 56,931,338 | 3,417,955 | 16.66 |
| 12/31/2002 | 60,752,864 | 3,512,024 | 17.30 |
| 12/31/2003 | 63,674,591 | 3,588,960 | 17.74 |
| 12/31/2004 | 73,561,850 | 3,700,760 | 19.88 |

Annual Rates of Change based on the Exponential Curve of Best Fit:

| | |
|----------|------|
| 3 points | 7.2% |
| 4 points | 5.7% |
| 5 points | 4.4% |

(A) Includes all loss adjustment expense and loss development for voluntary and ceded business combined.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
UNDERINSURED MOTORISTS COVERAGE

Underinsured Motorists Bodily Injury

| Limit | Present Single Car Policy Rate | Filed Single Car Policy Rate (a) | Filed Multi-Car Policy Rate (b) |
|-----------|--------------------------------------|--|---------------------------------------|
| 50/100 | 4 | 6 | 14 |
| 100/200 | 16 | 26 | 61 |
| 100/300 | 22 | 36 | 85 |
| 300/300 | 33 | 53 | 125 |
| 250/500 | 41 | 66 | 156 |
| 500/500 | 63 | 102 | 241 |
| 500/1000 | 72 | 117 | 276 |
| 1000/1000 | 83 | 135 | 319 |

(a) Filed single car rates are calculated on page E-10.

(b) Filed multi-car policy rates are calculated by multiplying the filed single car policy rates by a factor of 2.36, which is the average number of cars per multi-car policy in North Carolina. This factor was determined from 2000 U.S. census data.

SECTION F
MOTORCYCLE REVIEW

NORTH CAROLINA
RATE LEVEL SUMMARY
MOTORCYCLE INSURANCE

| | EARNED PREMIUMS AT PRESENT RATES | INDICATED AND FILED RATE LEVEL CHANGE |
|-----------|---|--|
| Liability | 21,778 | 2.2% |

(000's omitted)

NORTH CAROLINA

MOTORCYCLE INSURANCE
LIABILITY COVERAGE

STATEWIDE RATE REVIEW

All Carriers

| Voluntary and Ceded Combined | Year Ended 12/31/2002 | Year Ended 12/31/2003 | Year Ended 12/31/2004 |
|--|--------------------------|--------------------------|--------------------------|
| (1) Earned Premiums at Present Rates (a) | \$15,223,179 | \$18,479,464 | \$21,778,264 |
| (2) Incurred Losses (See page H-690) | 7,684,849 | 10,614,863 | 11,368,841 |
| (3) Loss Adjustment Expense Factor (b) | 0.183 | 0.183 | 0.183 |
| (4) Loss Adjustment Expense [(2) x (3)] | 1,406,327 | 1,942,520 | 2,080,498 |
| (5) General & Other Acquisition Expenses (see page H-690) | 2,323,649 | 2,178,176 | 2,631,975 |
| (6) Average Annual Change in Losses (c) (See page F-5) | 0.1% | 0.3% | 1.0% |
| (7) Average Annual Change in Expense Costs (See page D-8) | 3.7% | 3.7% | 3.7% |
| (8) Projected Losses (d) | 7,723,273 | 10,742,241 | 11,721,275 |
| (9) Projected Loss Adjustment Expenses (e) | 1,688,999 | 2,249,438 | 2,321,836 |
| (10) Projected General & Other Acquisition Expenses (f) | 2,760,495 | 2,496,190 | 2,908,332 |
| (11) Projected Losses, LAE and G & OA Expenses [(8)+(9)+(10)] | 12,172,767 | 15,487,869 | 16,951,443 |
| (12) Projected Loss, LAE and G & OA Expense Ratio [(11)/(1)] | 0.800 | 0.838 | 0.778 |
| (13) Permissible Loss, LAE and G & OA Expense Ratio (See page F-4) | 0.782 | 0.789 | 0.801 |
| (14) Adjustment for Increase in MVR Fee (g) | 0.58% | 0.58% | 0.58% |
| (15) Indicated Rate Level Change [((12)/(13)) + (14)] - 1.0 | 2.9% | 6.8% | -2.3% |
| (16) Final selected rate level change (weighted by premium from Line (1)) | | 2.2% | |

NORTH CAROLINA
MOTORCYCLE REVIEW

STATEWIDE RATE REVIEW

Notes

- (a) Based on the earned premiums contained in NCRB expense call and shown on pages H-690, adjusted to current voluntary level.
- (b) Based on the average ratio of loss adjustment expenses to losses over the latest three years. See pages H-690.
- (c) The average annual changes in losses for the Liability coverage is determined by weighting the trends shown on line (12) of pages C-1, C-3 and C-5 on total limits developed losses.
- (d) Projected Losses = $[(2) \times (1 + (6))]^n$, where
n = The number of years of projection from the average date of accident to 7/12/2007 (2002=5.03, 2003=4.03, 2004=3.03).
- (e) Projected Loss Adjustment Expenses = $[(4) \times (1 + (7))]^n$, where
n = The number of years of projection from the average date of accident to 7/12/2007 (2002=5.03, 2003=4.03, 2004=3.03).
- (f) Projected General and Other Acquisition Expenses = $[(5) \times (1 + (7))]^n$, where
n = The number of years of projection to the average date of writing, 4/1/2007 (2002=4.75, 2003=3.75, 2004=2.75).
- (g) Estimated effect of increase in MVR fees from \$5 to \$8, effective 10/1/2005.

NORTH CAROLINA
MOTORCYCLE REVIEW

DETERMINATION OF EXPECTED LOSS RATIO AND PROFIT PROVISION

| | <u>Liability</u> | | |
|--|------------------|-------------|-------------|
| | <u>2002</u> | <u>2003</u> | <u>2004</u> |
| Commission and Brokerage Expense | 0.118 | 0.114 | 0.103 |
| Taxes, etc. to Written Premium | 0.025 | 0.022 | 0.021 |
| Profit | 0.075 | 0.075 | 0.075 |
| Contingencies | 0.000 | 0.000 | 0.000 |
| Total | 0.218 | 0.211 | 0.199 |
| Losses, LAE, General Administration Expenses and Other Acquisition Expenses | 0.782 | 0.789 | 0.801 |

NORTH CAROLINA

Motorcycle Insurance

Calculation of Loss Trend Factors

| | <u>Cov</u> | PP Auto Liability | | <u>Weighted Trend</u> |
|------|------------|--------------------------|-------------------------------------|---------------------------|
| | | <u>Auto Trend(a)</u> | <u>Total Limits Dev. Losses</u> | |
| 2004 | BI | 1.017 | 735,297,006 | 1.010 |
| | PD | 1.000 | 552,697,299 | |
| | MP | 1.009 | 92,785,248 | |
| | | | 1,380,779,553 | |
| 2003 | BI | 1.010 | 703,855,573 | 1.003 |
| | PD | 0.994 | 549,878,797 | |
| | MP | 1.002 | 92,334,556 | |
| | | | 1,346,068,926 | |
| 2002 | BI | 1.007 | 664,227,862 | 1.001 |
| | PD | 0.995 | 532,230,097 | |
| | MP | 0.996 | 90,176,863 | |
| | | | 1,286,634,822 | |

(a) See page D-9.

NORTH CAROLINA
MOTORCYCLE INSURANCE

CALCULATION OF RATE RELATIVITIES

Private Passenger
Liability

| COVERAGE | TOTAL LIMITS PREMIUM WEIGHT | FILED CHANGE |
|--------------------------|--------------------------------|-----------------|
| Bodily Injury | \$1,130,808 | 21.0% |
| Property Damage | 914,631 | 5.7% |
| (1) Liability Total | 2,045,439 | 14.2% |
| (2) Medical Payments | | 32.0% |

Motorcycles

| | FILED CHANGE |
|--|-----------------|
| (3) Liability | 2.2% |
| (4) Motorcycle Liability factor = [(1.0 + (3)) / (1.0 + (1))] | 0.895 |
| (5) Motorcycle Med Pay factor = [(1.0 + (3)) / (1.0 + (2))] | 0.774 |

Liability
Relativities

| | (6) Present | (7) (6) x (4) Revised |
|------------------|----------------|-----------------------------|
| Engine Size (cc) | | |
| 0-499 | 17% | 15% |
| 500-1249 | 28% | 25% |
| 1250-1499 | 38% | 34% |
| 1500-up | 50% | 45% |

| | (8) Present | (9) (8) x (5) Revised |
|---|----------------|-----------------------------|
| Medical Payments <u>Relativities</u> | | |
| All Engine Sizes | 46% | 36% |

NORTH CAROLINA
MOTORCYCLE INSURANCE

CALCULATION OF RATE RELATIVITIES

Private Passenger
Liability

| COVERAGE | TOTAL LIMITS PREMIUM WEIGHT | FILED CHANGE |
|---------------------|--------------------------------|-----------------|
| Bodily Injury | \$1,130,808 | 21.0% |
| Property Damage | 914,631 | 5.7% |
| (1) Liability Total | 2,045,439 | 14.2% |

(2) Medical Payments 8.1%

| Motorcycles | FILED CHANGE |
|---------------|-----------------|
| (3) Liability | 2.2% |

(4) Motorcycle Liability factor = 0.895
 $[(1.0 + (3)) / (1.0 + (1))]$

(5) Motorcycle Med Pay factor = 0.945
 $[(1.0 + (3)) / (1.0 + (2))]$

Liability
Relativities

| | (6) Present | (7) (6) x (4) Revised |
|------------------|----------------|-----------------------------|
| Engine Size (cc) | | |
| 0-499 | 17% | 15% |
| 500-1249 | 28% | 25% |
| 1250-1499 | 38% | 34% |
| 1500-up | 50% | 45% |

| | (8) Present | (9) (8) x (5) Revised |
|---------------------|----------------|-----------------------------|
| Medical Payments | | |
| <u>Relativities</u> | | |
| All Engine Sizes | 46% | 43% |

SECTION G
INCREASED LIMITS REVIEW

NORTH CAROLINA

Increased limits Revision

This filing proposes a change to the increased limits factors for Bodily Injury. This change is based upon a review of experience for Bodily Injury contained on page G-3.

This review produces a uniform indication over all limits of coverage. On an excess limits basis, the indicated change for Bodily Injury is +53.7%. On a total limits basis, the indicated change for Bodily Injury is +8.6%.

The excess indication of +53.7% was applied uniformly to the excess portion of the current Bodily injury increased limits factors resulting in the indicated increased limits factors for Bodily Injury Liability as shown on page G-2.

The total limits effect of the change in BI increased limits relative to a 30/60 base is +8.7% as determined on page G-5. This change, combined with the 30/60 basic limit effective change of +11.3% as shown on page A-2, yields the BI total limits effective change of +21.0% as shown on page A-1.

Pages G-6-7 display the calculation of the average increased limits factors for Bodily Injury and Property Damage on a 30/60/25 basis for use in the determination of the uniform indications shown on pages G-3-4, and for use in the determination of the premium weights shown on page A-1.

The Property Damage total limits indication of -0.3%, determined on page G-4 is applied to the basic limits rates.

Page G-8 displays the calculation of the Medical Payments average increased limits factor. This factor is used in the determination of the distributional adjustment factor on page C-21 and in the determination of the premium weights shown on page A-1.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

SUMMARY OF INCREASED LIMITS FACTORS

Bodily Injury Increased Limits Factors

| | (1) | (2) |
|---------------------|---------------------------------------|--|
| <u>Policy Limit</u> | <u>Current ILF 30/60 Base</u> | <u>Indicated Increased Limits Factor</u> |
| 30/60 | 1.00 | 1.00 |
| 50/100 | 1.15 | 1.23 |
| 100/100 | 1.27 | 1.41 |
| 100/200 | 1.33 | 1.51 |
| 100/300 | 1.35 | 1.54 |
| 300/300 | 1.54 | 1.83 |
| 250/500 | 1.57 | 1.88 |
| 500/1000 | 1.73 | 2.12 |
| 1000/1000 | 1.83 | 2.28 |
| 1000/2000 | 1.88 | 2.35 |

(2) = $(((1)-1.00) \times 1.537) + 1.00$ where +53.7% is the indicated change to excess increments as determined on page G-3.

NORTH CAROLINA
REVIEW OF BODILY INJURY INCREASED LIMITS

| Voluntary and Ceded Business | 12/31/2002 | 12/31/2003 | 12/31/2004 | 3 Years Combined |
|--|-------------|-------------|-------------|---------------------|
| (1) Basic limits losses (a)(b) | 549,157,154 | 559,631,247 | 539,749,128 | 1,648,537,529 |
| (2) Basic limits loss dev. factor (See page D-14) | 1.017 | 1.041 | 1.096 | |
| (3) Basic limits claim cost trend (See page D-8) | 1.9% | 1.9% | 1.9% | |
| (4) Years of trend (See page C-2) | 5.03 | 4.03 | 3.03 | |
| (5) Basic limits trend factor $[1+(3)]^{(4)}$ | 1.099 | 1.079 | 1.059 | |
| (6) Basic limits losses, trended and developed (1)x(2)x(5) | 613,783,615 | 628,599,642 | 626,467,382 | 1,868,850,639 |
| (7) Total limits losses (b) | 650,565,975 | 662,764,193 | 630,074,555 | 1,943,404,723 |
| (8) Total limits loss dev. factor (See page H-538) | 1.021 | 1.062 | 1.167 | |
| (9) Total limits claim cost trend (See page D-8) | 3.5% | 3.5% | 3.5% | |
| (10) Years of trend (See page C-2) | 5.03 | 4.03 | 3.03 | |
| (11) Total limits trend factor $[1+(9)]^{(10)}$ | 1.189 | 1.149 | 1.110 | |
| (12) Total limits losses, trended and developed (7)x(8)x(11) | 789,766,926 | 808,730,053 | 816,179,676 | 2,414,676,655 |
| (13) Indicated average ilf (12)/(6) | 1.287 | 1.287 | 1.303 | 1.292 |
| (14) Average increased limits factor (See page G-6) | 1.191 | 1.186 | 1.194 | 1.190 (c) |
| (15) Indicated change to excess limits increments $\{[(13)-1]/[(14)-1]\}-1$ | | | | 53.7% |
| (16) Indicated total limits change $\{(13)/(14)\}-1$ | | | | 8.6% |

(a) Basic limits are 30/60.

(b) Based on the statistical plan data reported by member companies.

(c) Three Year Average

NORTH CAROLINA
REVIEW OF PROPERTY DAMAGE INCREASED LIMITS

| Voluntary and Ceded Business | 12/31/2002 | 12/31/2003 | 12/31/2004 | 3 Years Combined |
|---|-------------|-------------|-------------|---------------------|
| (1) Basic limits losses (a)(b) | 529,623,030 | 545,744,547 | 539,617,733 | 1,614,985,310 |
| (2) Basic limits loss dev. factor (See page D-15) | 1.001 | 1.001 | 1.017 | |
| (3) Basic limits losses, developed (1)x(2) | 530,152,653 | 546,290,292 | 548,791,234 | 1,625,234,179 |
| (4) Total limits losses (b) | 532,230,097 | 549,878,797 | 544,529,359 | 1,626,638,253 |
| (5) Total limits loss dev. factor (See page H-539) | 1.000 | 1.000 | 1.015 | |
| (6) Total limits losses, developed (4)x(5) | 532,230,097 | 549,878,797 | 552,697,299 | 1,634,806,193 |
| (7) Indicated average increased limits factor (6) / (3) | 1.004 | 1.007 | 1.007 | 1.006 |
| (8) Average increased limits factor (See page G-7) | 1.009 | 1.009 | 1.010 | 1.009 (c) |
| (9) Indicated change to excess limits increments {[(7)-1]/[(8)-1]}-1 | | | | -33.3% |
| (10) Indicated total limits change {(7)/(8)}-1 | | | | -0.3% |

(a) Basic limits are \$25,000.

(b) Based on the statistical plan data reported by member companies.

(c) Three Year Average

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

CALCULATION OF TOTAL LIMITS CHANGES

North Carolina Year Ending 12/31/2004

Voluntary and Ceded Bodily Injury

| Limit Of Liability | (1) Written Premium | (2) Current ILF | (3) (1)/(2) 30/60 Premium | (4) Revised ILF | (5) (3)x(4) T/L Premium | (6) (5)/(1) Percent Change |
|-----------------------|---------------------------|-----------------------|------------------------------------|-----------------------|----------------------------------|-------------------------------------|
| 30/60 | 288,118,515 | 1.00 | 288,118,515 | 1.00 | 288,118,515 | 0.0% |
| 50/100 | 237,536,513 | 1.15 | 206,553,490 | 1.23 | 254,060,793 | 7.0% |
| 100/200 | 6,615,527 | 1.33 | 4,974,080 | 1.51 | 7,510,861 | 13.5% |
| 100/300 | 359,577,569 | 1.35 | 266,353,755 | 1.54 | 410,184,783 | 14.1% |
| 250/500 | 55,120,474 | 1.57 | 35,108,582 | 1.88 | 66,004,134 | 19.7% |
| 300/300 | 35,015,387 | 1.54 | 22,737,264 | 1.83 | 41,609,193 | 18.8% |
| 1000/1000 | 1,496,299 | 1.83 | 817,650 | 2.28 | 1,864,242 | 24.6% |
| All Other | 5,229,531 | 1.193 | 4,383,513 | 1.297 | 5,685,416 | 8.7% |
| | 988,709,815 | | 829,046,849 | | 1,075,037,937 | 8.7% |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS

Year Ending 12/31/2004

Voluntary and Ceded Bodily Injury - 30/60 base

| Limit Of Liability | (1) | (2) | (3) | (4) | (5) |
|--------------------|-----------------|-----------|---------------|-------------|---------------------|
| | Written Premium | Prior ILF | 30/60 Premium | Current ILF | (3)x(4) T/L Premium |
| 30/60 | 288,118,515 | 1.00 | 288,118,515 | 1.00 | 288,118,515 |
| 50/100 | 237,536,513 | 1.14 | 208,365,362 | 1.15 | 239,620,166 |
| 100/200 | 6,615,527 | 1.30 | 5,088,867 | 1.33 | 6,768,193 |
| 100/300 | 359,577,569 | 1.32 | 272,407,249 | 1.35 | 367,749,786 |
| 250/500 | 55,120,474 | 1.52 | 36,263,470 | 1.57 | 56,933,648 |
| 300/300 | 35,015,387 | 1.50 | 23,343,591 | 1.54 | 35,949,130 |
| 1000/1000 | 1,496,299 | 1.76 | 850,170 | 1.83 | 1,555,811 |
| All Other | 5,229,531 | 1.179 | 4,435,565 | 1.194 | 5,296,065 |
| | 988,709,815 | 1.179 | 838,872,789 | 1.194 | 1,001,991,314 |

Year Ending 12/31/2003

Voluntary and Ceded Bodily Injury - 30/60 base

| Limit Of Liability | (1) | (2) | (3) | (4) | (5) |
|--------------------|-----------------|-----------|---------------|-------------|---------------------|
| | Written Premium | Prior ILF | 30/60 Premium | Current ILF | (3)x(4) T/L Premium |
| 30/60 | 277,825,010 | 1.00 | 277,825,010 | 1.00 | 277,825,010 |
| 50/100 | 218,540,083 | 1.14 | 191,701,827 | 1.15 | 220,457,101 |
| 100/300 | 333,573,531 | 1.32 | 252,707,220 | 1.35 | 341,154,747 |
| Over 100/300 | 68,211,768 | 1.52 | 44,876,163 | 1.57 | 70,455,576 |
| All Other | 49,755,306 | 1.171 | 42,489,587 | 1.186 | 50,392,650 |
| | 947,905,698 | 1.171 | 809,599,807 | 1.186 | 960,285,084 |

Year Ending 12/31/2002

Voluntary and Ceded Bodily Injury - 30/60 base

| Limit Of Liability | (1) | (2) | (3) | (4) | (5) |
|--------------------|-----------------|-----------|---------------|-------------|---------------------|
| | Written Premium | Prior ILF | 30/60 Premium | Current ILF | (3)x(4) T/L Premium |
| 30/60 | 258,268,756 | 1.00 | 258,268,756 | 1.00 | 258,268,756 |
| 50/100 | 203,418,802 | 1.12 | 181,623,930 | 1.15 | 208,867,520 |
| 100/300 | 318,846,544 | 1.28 | 249,098,863 | 1.35 | 336,283,465 |
| Over 100/300 | 61,515,444 | 1.38 | 44,576,409 | 1.57 | 69,984,962 |
| All Other | 22,922,689 | 1.148 | 19,967,499 | 1.191 | 23,781,291 |
| | 864,972,235 | 1.148 | 753,535,457 | 1.191 | 897,185,994 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS

Year Ending 12/31/2004

Voluntary and Ceded Property Damage - \$25,000 base

| Limit Of Liability | (1) | (2) | (3) | (4) | (5) |
|--------------------|-----------------|-----------|------------------|-------------|---------------------|
| | Written Premium | Prior ILF | \$25,000 Premium | Current ILF | (3)x(4) T/L Premium |
| 25,000 | 299,455,307 | 1.000 | 299,455,307 | 1.000 | 299,455,307 |
| 50,000 | 377,194,065 | 1.010 | 373,459,470 | 1.010 | 377,194,065 |
| 100,000 | 136,277,988 | 1.030 | 132,308,726 | 1.030 | 136,277,988 |
| 250,000 | 1,868,174 | 1.059 | 1,764,093 | 1.059 | 1,868,174 |
| 300,000 | 179,758 | 1.069 | 168,155 | 1.069 | 179,758 |
| 500,000 | 504,956 | 1.113 | 453,689 | 1.113 | 504,956 |
| 1,000,000 | 177,167 | 1.202 | 147,394 | 1.202 | 177,168 |
| All Other | 17,254,312 | 1.010 | 17,083,477 | 1.010 | 17,254,312 |
| | 832,911,727 | 1.010 | 824,840,311 | 1.010 | 832,911,728 |

Year Ending 12/31/2003

Voluntary and Ceded Property Damage - \$25,000 base

| Limit Of Liability | (1) | (2) | (3) | (4) | (5) |
|--------------------|-----------------|-----------|------------------|-------------|---------------------|
| | Written Premium | Prior ILF | \$25,000 Premium | Current ILF | (3)x(4) T/L Premium |
| 15,000 | (862) | 1.000 | (862) | 1.000 | (862) |
| 25,000 | 311,070,577 | 1.000 | 311,070,577 | 1.000 | 311,070,577 |
| 50,000 | 372,535,864 | 1.010 | 368,847,390 | 1.010 | 372,535,864 |
| 100,000 | 126,516,975 | 1.030 | 122,832,015 | 1.030 | 126,516,975 |
| 250,000 | 1,665,471 | 1.059 | 1,572,683 | 1.059 | 1,665,471 |
| 300,000 | 1,131,899 | 1.069 | 1,058,839 | 1.069 | 1,131,899 |
| All Other | 22,853,709 | 1.009 | 22,649,860 | 1.009 | 22,853,709 |
| | 835,773,633 | 1.009 | 828,030,502 | 1.009 | 835,773,633 |

Year Ending 12/31/2002

Voluntary and Ceded Property Damage - \$25,000 base

| Limit Of Liability | (1) | (2) | (3) | (4) | (5) |
|--------------------|-----------------|-----------|------------------|-------------|---------------------|
| | Written Premium | Prior ILF | \$25,000 Premium | Current ILF | (3)x(4) T/L Premium |
| 15,000 | (1,529) | 1.000 | (1,529) | 1.000 | (1,529) |
| 25,000 | 300,697,893 | 1.000 | 300,697,893 | 1.000 | 300,697,893 |
| 50,000 | 347,023,878 | 1.020 | 340,219,488 | 1.010 | 343,621,683 |
| 100,000 | 115,734,286 | 1.040 | 111,282,967 | 1.030 | 114,621,456 |
| 250,000 | 1,512,254 | 1.070 | 1,413,321 | 1.059 | 1,496,707 |
| 300,000 | 1,590,139 | 1.080 | 1,472,351 | 1.069 | 1,573,943 |
| All Other | 1,964,896 | 1.015 | 1,935,858 | 1.009 | 1,953,281 |
| | 768,521,817 | 1.015 | 757,020,349 | 1.009 | 763,963,434 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS
MEDICAL PAYMENTS

Year Ending 12/31/2004

Voluntary and Ceded Medical Payments - \$500 Base

| Limit | (1) | (2) | (3) |
|-----------|--------------------|--------------|---------------------------|
| | Written Premium | Prior ILF | (1)/(2) B/L Premium |
| \$500 | 1,485,357 | 1.00 | 1,485,357 |
| 750 | 45,247 | 1.33 | 34,020 |
| 1,000 | 37,811,282 | 1.60 | 23,632,051 |
| 2,000 | 40,998,369 | 2.34 | 17,520,671 |
| 3,000 | 179,754 | 2.79 | 64,428 |
| 5,000 | 25,282,858 | 3.38 | 7,480,136 |
| 10,000 | 6,554,508 | 3.86 | 1,698,059 |
| All Other | 3,288,372 | 2.164 | 1,519,580 |
| Total | 115,645,747 | 2.164 | 53,434,302 |

Year Ending 12/31/2003

Voluntary and Ceded Medical Payments - \$500 Base

| Limit | (1) | (2) | (3) |
|-----------|--------------------|--------------|---------------------------|
| | Written Premium | Prior ILF | (1)/(2) B/L Premium |
| \$500 | 1,526,175 | 1.00 | 1,526,175 |
| 750 | 74,041 | 1.33 | 55,670 |
| 1,000 | 36,807,884 | 1.60 | 23,004,928 |
| 2,000 | 38,263,865 | 2.34 | 16,352,079 |
| 3,000 | 117,957 | 2.79 | 42,278 |
| 5,000 | 25,746,030 | 3.38 | 7,617,169 |
| All Other | 3,981,188 | 2.110 | 1,886,819 |
| Total | 106,517,140 | 2.110 | 50,485,118 |

Year Ending 12/31/2002

Voluntary and Ceded Medical Payments - \$500 Base

| Limit | (1) | (2) | (3) |
|-----------|--------------------|--------------|---------------------------|
| | Written Premium | Prior ILF | (1)/(2) B/L Premium |
| \$500 | 1,325,016 | 1.00 | 1,325,016 |
| 750 | 32,595 | 1.33 | 24,508 |
| 1,000 | 33,287,456 | 1.60 | 20,804,660 |
| 2,000 | 34,951,909 | 2.34 | 14,936,713 |
| 3,000 | 61,273 | 2.79 | 21,962 |
| 5,000 | 24,439,648 | 3.38 | 7,230,665 |
| All Other | 2,819,616 | 2.122 | 1,328,754 |
| Total | 96,917,513 | 2.122 | 45,672,278 |

SECTION H
SUPPLEMENTAL MATERIAL

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUPPLEMENTAL MATERIAL

North Carolina G.S. 58-36-15(h) specifies that the following information must be included in all policy form, rule and rate filings filed under Article 12B. 11 NCAC 10.1104 specifies that additional detail be provided under each of these items. These materials are contained on the pages indicated.

| <u>Item</u> | <u>Page</u> |
|---|--------------|
| 1. North Carolina earned premiums at actual and current rate levels; losses and loss adjustment expenses, each on a paid and incurred basis; the loss ratio anticipated at the time rates were promulgated for the experience period. | H-1-525 |
| 2. Credibility factor development and application. | H-526-528 |
| 3. Loss development factor derivation and application on both paid and incurred bases and in both dollars and numbers of claims. | H-529-614 |
| 4. Trending factor development and application. | H-615-680 |
| 5. Changes in premium base resulting from rating exposure trends. | H-681-684 |
| 6. Limiting factor development and application. | H-685 |
| 7. Overhead expense development and application of commission and brokerage, other acquisition expenses, general expenses, taxes, licenses and fees. | H-686-690 |
| 8. Percent rate change. | H-691 |
| 9. Final proposed rates. | H-692 |
| 10. Investment earnings, consisting of investment income and realized plus unrealized capital gains, from loss, loss expense and unearned premium reserves. | H-693-763 |
| 11. Identification of applicable statistical plans and programs and a certification of compliance with them. | H-764-769 |
| 12. Investment earnings on capital and surplus. | H-770 |
| 13. Level of capital and surplus needed to support premium writings without endangering the solvency of member companies. | H-771 |
| 14. Additional supplemental information (as per 11 NCAC 10.1104) | H-772- H-781 |

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

1. NORTH CAROLINA EARNED PREMIUMS AT THE ACTUAL AND CURRENT RATE LEVEL
LOSSES AND LOSS ADJUSTMENT EXPENSES, EACH ON PAID AND INCURRED BASES
WITHOUT TRENDING OR OTHER MODIFICATION FOR THE EXPERIENCE PERIOD
LOSS RATIOS ANTICIPATED AT THE TIME THE RATES WERE PROMULGATED FOR THE
EXPERIENCE PERIOD
- (1) Earned premiums at collected and current levels. H-3-4
 - (1) Paid/incurred losses and loss adjustment expense. H-5
 - (1) Anticipated loss ratios. H-6
 - (a) Companies excluded - rate level, trend, loss development, investment income and expenses. H-7
 - (b) Increased limits factors and deductible credits. H-8
 - (c) Adjustments to premium, losses, loss adjustment expenses and exposures. H-9
 - (d) Calculation of earned premium at present rates. H-10
 - (e) Written and earned premiums and market shares for the ten largest writers. H-11
 - (f) Composite loss and premium information from each of the latest two annual statements for the 50 largest writers.
 - Part 2, lines 19 and 21
 - Part 3, lines 19 and 21
 - Page 15, lines 19.1, 19.2 and 21.1 H-12-20
 - (g) Deviations. H-21-457
 - (h) Dividends. H-458-459
 - (i) Loss and loss adjustment expenses. H-460-463
 - (j) Excess losses (Comprehensive) H-464
 - (k) Territory data. H-465-525

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
EARNED PREMIUM

I. EARNED PREMIUM AT COLLECTED LEVEL (a)

| <u>Coverage</u> | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|------------------------|-------------------|-------------------|-------------------|
| Bodily Injury | \$809,065,213 | \$839,263,920 | \$892,428,877 |
| Property Damage | 790,890,465 | 898,776,072 | 888,550,114 |
| Medical Payments | 95,293,968 | 105,436,734 | 115,895,987 |
| Uninsured Motorists | 111,060,869 | 97,022,544 | 99,620,037 |
| Underinsured Motorists | 53,856,448 | 52,310,743 | 55,690,566 |
| Comprehensive | 521,073,000 | 562,769,694 | 461,374,768 |
| Collision | 1,032,718,345 | 1,142,145,887 | 1,007,450,709 |

II. EARNED PREMIUM AT CURRENT LEVEL (a)

| <u>Coverage</u> | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|------------------------|-------------------|-------------------|-------------------|
| Bodily Injury | \$901,264,580 | \$913,832,666 | \$947,075,111 |
| Property Damage | 862,099,918 | 874,210,750 | 905,574,923 |
| Medical Payments | 115,144,959 | 114,059,643 | 119,050,834 |
| Uninsured Motorists | 95,998,677 | 98,101,662 | 101,157,633 |
| Underinsured Motorists | 58,488,758 | 59,770,044 | 61,631,879 |
| Comprehensive | 462,136,706 | 469,385,457 | 472,536,070 |
| Collision | 937,735,152 | 950,512,968 | 959,175,411 |

- (a) Liability premiums are at 30/60 level for Bodily Injury, \$25,000 for Property Damage, Total Limits for Medical Payments and Underinsured Motorists, and 30/60/25 for Uninsured Motorists. For Comprehensive premiums, Full Coverage, \$50, \$100, \$250, \$500 and \$1,000 Deductibles are included. For Collision, \$50, \$100, \$200, \$250, \$500 and \$1,000 Deductibles are included. Premiums at current level are earned premiums at present voluntary manual rates. Premiums at collected level are the earned premiums at present voluntary manual rates adjusted to a collected level. The collected level factors are as follows:

| | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|------|-------------------|-------------------|-------------------|
| BI | 0.8977 | 0.9184 | 0.9423 |
| PD | 0.9174 | 1.0281 | 0.9812 |
| MP | 0.8276 | 0.9244 | 0.9735 |
| UM | 1.1569 | 0.9890 | 0.9848 |
| UIM | 0.9208 | 0.8752 | 0.9036 |
| Comp | 1.1275 | 1.1990 | 0.9764 |
| Coll | 1.1013 | 1.2016 | 1.0503 |

Physical Damage premiums are untrended.

Liability, Uninsured Motorists, and Underinsured Motorists data is Voluntary and Ceded combined. Physical Damage data is Voluntary and Consent to Rate combined.

REVISED 3/10/06

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
EARNED PREMIUM

I. EARNED PREMIUM AT COLLECTED LEVEL (a)

| <u>Coverage</u> | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|------------------------|-------------------|-------------------|-------------------|
| Bodily Injury | \$809,065,213 | \$839,263,920 | \$892,428,877 |
| Property Damage | 790,890,465 | 898,776,072 | 888,550,114 |
| Medical Payments | 117,865,834 | 132,717,009 | 147,845,723 |
| Uninsured Motorists | 111,060,869 | 97,022,544 | 99,620,037 |
| Underinsured Motorists | 53,856,448 | 52,310,743 | 55,690,566 |
| Comprehensive | 521,073,000 | 562,769,694 | 461,374,768 |
| Collision | 1,032,718,345 | 1,142,145,887 | 1,007,450,709 |

II. EARNED PREMIUM AT CURRENT LEVEL (a)

| <u>Coverage</u> | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|------------------------|-------------------|-------------------|-------------------|
| Bodily Injury | \$901,264,580 | \$913,832,666 | \$947,075,111 |
| Property Damage | 862,099,918 | 874,210,750 | 905,574,923 |
| Medical Payments | 142,418,843 | 143,570,975 | 151,870,286 |
| Uninsured Motorists | 95,998,677 | 98,101,662 | 101,157,633 |
| Underinsured Motorists | 58,488,758 | 59,770,044 | 61,631,879 |
| Comprehensive | 462,136,706 | 469,385,457 | 472,536,070 |
| Collision | 937,735,152 | 950,512,968 | 959,175,411 |

- (a) Liability premiums are at 30/60 level for Bodily Injury, \$25,000 for Property Damage, Total Limits for Medical Payments and Underinsured Motorists, and 30/60/25 for Uninsured Motorists. For Comprehensive premiums, Full Coverage, \$50, \$100, \$250, \$500 and \$1,000 Deductibles are included. For Collision, \$50, \$100, \$200, \$250, \$500 and \$1,000 Deductibles are included. Premiums at current level are earned premiums at present voluntary manual rates. Premiums at collected level are the earned premiums at present voluntary manual rates adjusted to a collected level. The collected level factors are as follows:

| | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|------|-------------------|-------------------|-------------------|
| BI | 0.8977 | 0.9184 | 0.9423 |
| PD | 0.9174 | 1.0281 | 0.9812 |
| MP | 0.8276 | 0.9244 | 0.9735 |
| UM | 1.1569 | 0.9890 | 0.9848 |
| UIM | 0.9208 | 0.8752 | 0.9036 |
| Comp | 1.1275 | 1.1990 | 0.9764 |
| Coll | 1.1013 | 1.2016 | 1.0503 |

Physical Damage premiums are untrended.

Liability, Uninsured Motorists, and Underinsured Motorists data is Voluntary and Ceded combined. Physical Damage data is Voluntary and Consent to Rate combined.

NORTH CAROLINA
MOTORCYCLE INSURANCE

I. EARNED PREMIUM AT COLLECTED LEVEL (a)

| <u>Year</u> | <u>Liability (b)</u> |
|-------------|----------------------|
| 12/31/2002 | 17,226,637 |
| 12/31/2003 | 20,360,578 |
| 12/31/2004 | 23,453,046 |

II. EARNED PREMIUM AT CURRENT LEVEL (a)

| <u>Year</u> | <u>Liability (b)</u> |
|-------------|----------------------|
| 12/31/2002 | 15,223,179 |
| 12/31/2003 | 18,479,464 |
| 12/31/2004 | 21,778,264 |

(a) Earned premium at collected level are the earned premiums shown on page H-690. Earned premium at current level are the earned premium at collected level adjusted to a current level. The factors to convert to a current level are:

| | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|-----------|-------------------|-------------------|-------------------|
| Liability | 0.8837 | 0.9076 | 0.9286 |

(b) Voluntary and ceded business combined.

NORTH CAROLINA
VOLUNTARY AND CEDED
PAID/INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSE

| <u>Year</u> | <u>Paid Losses (a)</u> | <u>Incurred Losses (a)</u> |
|-------------|------------------------|----------------------------|
| | Bodily Injury | |
| 12/31/2002 | \$566,854,291 | \$649,180,664 |
| 12/31/2003 | 491,595,730 | 661,561,109 |
| 12/31/2004 | 265,933,164 | 629,113,561 |
| | Property Damage | |
| 12/31/2002 | \$529,610,870 | \$530,782,496 |
| 12/31/2003 | 546,446,019 | 548,461,046 |
| 12/31/2004 | 529,402,122 | 542,957,949 |
| | Medical Payments | |
| 12/31/2002 | \$88,159,778 | \$88,828,442 |
| 12/31/2003 | 87,467,843 | 89,264,544 |
| 12/31/2004 | 72,451,103 | 84,488,535 |

(a) Paid and incurred losses are undeveloped and on a total limits basis, and do not include unallocated loss adjustment expense. These expenses are reflected via a factor. For Bodily Injury and Medical Payments these factors are 13.4%, 11.9%, and 11.3% for year ended 12/31/2002, 12/31/2003 and 12/31/2004 respectively. For Property Damage, these factors for each year are 11.4%, 12.8%, and 12.6% respectively. See page H-687.

NORTH CAROLINA

ANTICIPATED LOSS AND LOSS ADJUSTMENT EXPENSE RATIOS

PRIVATE PASSENGER AUTO

| <u>Coverage</u> | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|-------------------------|-------------------|-------------------|-------------------|
| Bodily Injury | .648 | .580 | .569 |
| Property Damage | .690 | .635 | .607 |
| Medical Payments | .654 | .614 | .611 |
| Uninsured Motorists (a) | .709 | .664 | .644 |
| Comprehensive | .630 | .605 | .630 |
| Collision | .631 | .610 | .642 |

MOTORCYCLES

| <u>Coverage</u> | <u>12/31/2002</u> | <u>12/31/2003</u> | <u>12/31/2004</u> |
|-----------------|-------------------|-------------------|-------------------|
| Liability (a) | .718 | .650 | .565 |

(a) Voluntary and ceded business combined.

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE

EXCLUDED COMPANIES

(The marketshare for each company mentioned, based on the total 2004 page 15 private passenger automobile written premium unless otherwise indicated, is found in parentheses after the company name.)

Universal Insurance Co. (0.81%) has been excluded from loss development for all years. Their data were inaccurately reported to their statistical agent.

Interstate Casualty Insurance Co., which comprised 2.7% of page 14 written premium in 1988, has been excluded from all loss development due to their insolvency.

ISO Minimum Plan companies have been excluded from trend and loss development. Data reported under this plan is not available in sufficient detail to allow its inclusion. The companies which reported data under this plan for 2004 are American Guaranty Insurance Co. (0.15%), American Southern Insurance Co. (0.23%), Builders Mutual Insurance Company (0.01%), Church Mutual Insurance Company (0.00%), Merastar Insurance Co. (0.04%), and Yasuda Fire and Marine insurance Co. (0.00%).

Ohio Casualty Insurance Co. (0.16%) has been excluded from the loss development split between voluntary and ceded business for the 1993, 1994, and 1995 accident years. They did not properly distinguish between voluntary and ceded business in their reporting of the 1993, 1994, and 1995 accident years.

Great American Insurance Co. (0.00%), American Alliance Insurance Co. (0.00%), American Spirit Insurance Co. (0.00%), Eagle American Insurance Co. (0.00%), American National Fire Insurance Co. (0.00%), Worldwide Insurance Company (0.0%), and Agricultural Insurance Co. (0.00%) have been excluded from loss development for 1989 through 2000. Their data were inaccurately reported to their statistical agent, and corrected data were not provided.

Southern Insurance Company of Virginia (0.07%), companies from White Mountains Insurance Group (0.00%), and companies from Allmerica Financial Group (0.09%), and have been excluded from all Physical Damage rate levels. Their data were inaccurately reported to their statistical agent, and corrected data have not been provided.

American Home Assurance Company (0.24%) and companies from St. Paul Insurance Group (0.01%) have been excluded from all liability rate levels. Their data were inaccurately reported to their statistical agent.

Cincinnati Insurance Co. (0.08%), Insurance Corporation of Hanover (0.00%), Harbor Specialty Insurance Company (0.0%) and Nationwide Property and Casualty Insurance Company (0.14%) have been deleted for all rate levels. Their data were inaccurately reported to their statistical agent.

The deductible relativity review is contained in Section I.

The increased limits review is contained in Section G.

The classification plan review is contained in Section J.

See also prefiled testimony of P. Woods and M. Miller.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
ADJUSTMENTS TO PREMIUMS AND LOSSES

Physical Damage required base class premiums per exposure were adjusted to reflect the effects of model year trend and "symbol drift". The factors used and their application are shown and described on pages C-7 and C-8.

The liability losses were adjusted by loss development factors to place them on an ultimate settlement basis. The factors used and their application are shown on pages C-1, C-3, and C-5.

The Physical Damage losses have been adjusted by a paid-to-incurred factor based on the data contained in Page 15 of the Annual Statement. The factors used and their application are shown on pages C-7, C-9, and C-11.

In addition, the Comprehensive losses have been adjusted to incorporate a long-term excess wind and water factor of 1.064 and to exclude excess wind and water losses in the year in which they occur. The development of the Comprehensive losses is shown on RB-8.

PREMIUM AT PRESENT MANUAL RATES CALCULATION

The liability earned premium at manual rates by coverage is calculated by the following formula within each class, by territory.

EPMR = Exposures by Class x Territory Base Rate x [Class Rating Factor + Safe Driver Insurance Plan Factor] x Average Airbag Discount* x Average Increased Limits Factor*

*For Medical Payments only

These EPMR's are then summed over all classes and territories to generate the statewide earned premium at manual rates shown on page H-3.

The physical damage earned premium at manual rates by coverage is calculated by the following formula within each class, by territory:

EPMR = Exposures by Class x Territory Base Rate x [Class Rating Factor + Safe Driver Insurance Plan Factor] x Territory Average Model Year and Symbol Factor

The EPMR's are then summed over all classes and territories to generate the statewide earned premium at manual rates which is shown on pages H-3. To account for model year trend, the EPMR's are adjusted by a factor of 1.056 for Comprehensive and 1.064 for Collision (see page H-682). To account for "symbol drift", the EPMR's are adjusted by a factor of 1.046 for Comprehensive and 1.031 for Collision (see pages C-8 and H-683-684). The result is trended premium at manual rates.

A hypothetical sample calculation of the earned premium at manual rates for a single class and territory combination is shown below for Bodily Injury and Full Coverage Comprehensive in Territory 11 for Work less than 10 miles and one SDIP point (Class 116101)

Bodily Injury

| | |
|--|---------|
| (1) Earned exposures | 50 |
| (2) Bodily Injury territory 11 base rate | 124 |
| (3) Class rating factor | 1.050 |
| (4) SDIP factor | 0.250 |
| (5) Combined rating factor (3)+(4) | 1.300 |
| (6) Premium at manual rates (1)x(2)x(5) | \$8,060 |

Full Coverage Comprehensive

| | |
|--|---------|
| (1) Earned exposures | 11 |
| (2) Full coverage Comprehensive territory 11 base rate | 40 |
| (3) Class rating factor | 1.200 |
| (4) SDIP factor | 0.250 |
| (5) Combined rating factor (3)+(4) | 1.450 |
| (6) Full coverage Comprehensive, territory 11 average model year and symbol factor | 1.769 |
| (7) Premium at manual rates (1)x(2)x(5)x(6) | \$1,129 |

REVISED 3/10/06

PREMIUM AT PRESENT MANUAL RATES CALCULATION

The liability earned premium at manual rates by coverage is calculated by the following formula within each class, by territory.

EPMR = Exposures by Class x Territory Base Rate x [Class Rating Factor + Safe Driver Insurance Plan Factor]

These EPMR's are then summed over all classes and territories to generate the statewide earned premium at manual rates shown on page H-3.

The physical damage earned premium at manual rates by coverage is calculated by the following formula within each class, by territory:

EPMR = Exposures by Class x Territory Base Rate x [Class Rating Factor + Safe Driver Insurance Plan Factor] x Territory Average Model Year and Symbol Factor

The EPMR's are then summed over all classes and territories to generate the statewide earned premium at manual rates which is shown on pages H-3. To account for model year trend, the EPMR's are adjusted by a factor of 1.056 for Comprehensive and 1.064 for Collision (see page H-682). To account for "symbol drift", the EPMR's are adjusted by a factor of 1.046 for Comprehensive and 1.031 for Collision (see pages C-8 and H-683-684). The result is trended premium at manual rates.

A hypothetical sample calculation of the earned premium at manual rates for a single class and territory combination is shown below for Bodily Injury and Full Coverage Comprehensive in Territory 11 for Work less than 10 miles and one SDIP point (Class 116101)

Bodily Injury

| | |
|--|---------|
| (1) Earned exposures | 50 |
| (2) Bodily Injury territory 11 base rate | 124 |
| (3) Class rating factor | 1.050 |
| (4) SDIP factor | 0.250 |
| (5) Combined rating factor (3)+(4) | 1.300 |
| (6) Premium at manual rates (1)x(2)x(5) | \$8,060 |

Full Coverage Comprehensive

| | |
|--|---------|
| (1) Earned exposures | 11 |
| (2) Full coverage Comprehensive territory 11 base rate | 40 |
| (3) Class rating factor | 1.200 |
| (4) SDIP factor | 0.250 |
| (5) Combined rating factor (3)+(4) | 1.450 |
| (6) Full coverage Comprehensive, territory 11 average model year and symbol factor | 1.769 |
| (7) Premium at manual rates (1)x(2)x(5)x(6) | \$1,129 |

TOP TEN AUTOMOBILE INSURANCE WRITERS

| <u>COMPANY NAME</u> | <u>2004(a) WRITTEN PREMIUM</u> | <u>2004 WRITTEN PREMIUM MARKET SHARE</u> | <u>2004 (a) EARNED PREMIUM</u> | <u>2004 EARNED PREMIUM MARKET SHARE</u> |
|----------------------------------|------------------------------------|--|------------------------------------|---|
| NATIONWIDE MUTUAL INS CO | 568,471,866 | 14.74% | 566,680,881 | 14.89% |
| STATE FARM MUTUAL AUTO INS CO | 542,216,772 | 14.06% | 538,048,826 | 14.14% |
| N C FARM BUREAU MUTUAL INS CO | 333,732,998 | 8.65% | 322,997,255 | 8.49% |
| ALLSTATE INSURANCE COMPANY | 244,612,501 | 6.34% | 244,561,178 | 6.43% |
| INTEGON NATIONAL INS CO | 243,122,139 | 6.30% | 228,410,238 | 6.00% |
| NATIONWIDE MUTUAL FIRE INS CO | 221,809,955 | 5.75% | 219,795,172 | 5.78% |
| ALLSTATE INDEMNITY COMPANY | 203,678,497 | 5.28% | 190,494,417 | 5.01% |
| GOVERNMENT EMPLOYEES INS CO | 112,980,344 | 2.93% | 109,106,877 | 2.87% |
| PROGRESSIVE SOUTHEASTERN INS CO | 107,063,570 | 2.78% | 103,829,048 | 2.73% |
| UNITED SERVICES AUTOMOBILE ASSOC | 94,736,435 | 2.46% | 95,443,859 | 2.51% |
| TOTAL | \$ 2,672,425,077 | 69.28% | \$ 2,619,367,751 | 68.83% |
| Grand Total | \$ 3,857,179,825 | | \$ 3,805,795,604 | |

(a) Per the 2004 Annual Statement, Page 15.

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - PREMIUMS EARNED

| | Net Premiums Written | Unearned Premiums Previous Year | Unearned Premiums Current Year | Net Earned Premiums |
|-------------------------|----------------------------|--|---|---------------------------|
| 1 Fire | 836,990 | 387,747 | 434,034 | 790,704 |
| 2 Allied lines | 567,960 | 231,748 | 262,341 | 537,368 |
| 3 Farmowners | 247,539 | 92,360 | 119,552 | 220,346 |
| 4 Homeowners | 14,446,700 | 6,698,131 | 7,631,119 | 13,513,712 |
| 5 Comm multi peril | 4,533,880 | 1,857,869 | 2,134,204 | 4,257,545 |
| 6 Mortgage guaranty | 0 | 0 | 0 | 0 |
| 8 Ocean marine | 118,691 | 76,712 | 89,785 | 105,618 |
| 9 Inland marine | 868,805 | 437,037 | 440,710 | 865,131 |
| 10 Financial guaranty | 0 | -0 | 0 | -0 |
| 11 Medical malpractice | 64,896 | 18,890 | 12,198 | 71,589 |
| 12 Earthquake | 159,261 | 84,280 | 89,897 | 153,644 |
| 13 Group A & H | 801,482 | 14,981 | 759 | 815,704 |
| 14 Credit A & H | 5,203 | 13,577 | 11,151 | 7,630 |
| 15 Other A & H | 781,540 | 278,006 | 325,773 | 733,773 |
| 16 Worker's comp | 3,653,903 | 479,387 | 424,884 | 3,708,406 |
| 17 Other liability | 1,961,601 | 833,683 | 966,657 | 1,828,627 |
| 18 Products liability | 144,037 | 79,638 | 55,038 | 168,637 |
| 19 Auto liability | 49,895,658 | 13,382,144 | 14,547,489 | 48,730,313 |
| 21 Auto phys. damage | 33,964,020 | 9,318,026 | 9,793,394 | 33,488,653 |
| 22 Aircraft | 54,529 | 13,115 | 7,056 | 60,588 |
| 23 Fidelity | 14,199 | 7,041 | 7,229 | 14,011 |
| 24 Surety | 181,116 | 113,075 | 124,978 | 169,213 |
| 26 Burglary + theft | 4,454 | 2,974 | 2,283 | 5,144 |
| 27 Boiler and machinery | 61,608 | 25,564 | 29,616 | 57,556 |
| 28 Credit | 373 | 1,386 | 801 | 957 |
| 29 International | 100,953 | 12,258 | 47,762 | 65,449 |
| 30 Reinsurance | 751,525 | 40,577 | 39,404 | 752,697 |
| 31 Miscellaneous | -115,073 | 30,552 | 50,284 | -134,806 |
| 32 TOTALS | 114,105,850 | 34,530,756 | 37,648,398 | 110,988,208 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - PREMIUMS EARNED

| | Net Premiums Written | Unearned Premiums Previous Year | Unearned Premiums Current Year | Net Earned Premiums |
|-------------------------|----------------------------|--|---|---------------------------|
| 1 Fire | 1,066,628 | 473,609 | 504,864 | 1,039,078 |
| 2 Allied lines | 649,780 | 285,780 | 307,386 | 628,174 |
| 3 Farmowners | 268,570 | 121,105 | 132,747 | 256,927 |
| 4 Homeowners | 15,987,674 | 7,753,378 | 8,567,880 | 15,173,403 |
| 5 Comm multi peril | 5,422,506 | 2,336,951 | 2,566,509 | 5,192,948 |
| 6 Mortgage guaranty | 1,158 | 0 | 933 | 225 |
| 8 Ocean marine | 201,306 | 109,797 | 116,902 | 194,281 |
| 9 Inland marine | 1,006,188 | 509,331 | 527,557 | 987,962 |
| 10 Financial guaranty | 0 | 0 | 0 | 0 |
| 11 Medical malpractice | 36,121 | 22,710 | 13,459 | 45,748 |
| 12 Earthquake | 169,586 | 92,089 | 98,249 | 163,427 |
| 13 Group A & H | 1,136,484 | 24,868 | 30,495 | 1,137,907 |
| 14 Credit A & H | 5,158 | 11,151 | 11,688 | 4,621 |
| 15 Other A & H | 1,106,388 | 371,545 | 599,927 | 984,344 |
| 16 Worker's comp | 5,992,870 | 1,107,373 | 1,416,391 | 5,683,862 |
| 17 Other liability | 4,694,352 | 2,587,269 | 3,108,611 | 4,447,371 |
| 18 Products liability | 199,010 | 61,232 | 76,377 | 183,865 |
| 19 Auto liability | 52,805,564 | 15,093,937 | 15,648,203 | 52,233,560 |
| 21 Auto phys. damage | 35,747,389 | 9,930,121 | 10,300,854 | 35,376,657 |
| 22 Aircraft | 256,233 | 69,478 | 83,991 | 241,719 |
| 23 Fidelity | 118,251 | 51,975 | 55,038 | 115,187 |
| 24 Surety | 218,079 | 126,218 | 140,750 | 203,547 |
| 26 Burglary + theft | 11,069 | 4,563 | 5,298 | 10,334 |
| 27 Boiler and machinery | 90,410 | 40,789 | 40,476 | 90,724 |
| 28 Credit | 2,703 | 645 | 1,535 | 1,813 |
| 29 International | 52,533 | 47,762 | 26,001 | 74,294 |
| 30 Reinsurance | 633,850 | 38,131 | 22,763 | 649,219 |
| 31 Miscellaneous | 68,831 | 50,284 | 80,949 | 38,167 |
| 32 TOTALS | 127,948,692 | 41,322,091 | 44,485,833 | 125,159,362 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - PREMIUMS EARNED

| | Net Premiums Written | Unearned Premiums Previous Year | Unearned Premiums Current Year | Net Earned Premiums |
|-------------------------|----------------------------|--|---|---------------------------|
| 1 Fire | 934,740 | 409,091 | 473,481 | 870,351 |
| 2 Allied lines | 562,557 | 231,723 | 271,503 | 522,777 |
| 3 Farmowners | 241,326 | 89,828 | 116,595 | 214,559 |
| 4 Homeowners | 14,334,436 | 6,683,585 | 7,603,165 | 13,414,855 |
| 5 Comm multi peril | 4,316,690 | 1,754,392 | 2,037,430 | 4,033,652 |
| 6 Mortgage guaranty | 0 | 0 | 0 | 0 |
| 8 Ocean marine | 135,345 | 79,374 | 98,022 | 116,697 |
| 9 Inland marine | 982,032 | 474,107 | 475,977 | 980,162 |
| 10 Financial guaranty | 0 | -0 | 0 | -0 |
| 11 Medical malpractice | 61,512 | 17,964 | 11,659 | 67,817 |
| 12 Earthquake | 153,238 | 78,609 | 84,955 | 146,891 |
| 13 Group A & H | 799,147 | 15,178 | 852 | 813,472 |
| 14 Credit A & H | 110,759 | 53,216 | 42,191 | 121,785 |
| 15 Other A & H | 786,245 | 274,794 | 324,543 | 736,496 |
| 16 Worker's comp | 3,404,886 | 416,752 | 376,031 | 3,445,608 |
| 17 Other liability | 1,876,343 | 756,963 | 906,466 | 1,726,841 |
| 18 Products liability | 154,669 | 66,308 | 54,076 | 166,901 |
| 19 Auto liability | 49,402,945 | 13,224,403 | 14,389,178 | 48,238,170 |
| 21 Auto phys. damage | 34,014,308 | 9,442,128 | 9,905,378 | 33,551,057 |
| 22 Aircraft | 54,794 | 13,115 | 7,056 | 60,852 |
| 23 Fidelity | 11,704 | 6,117 | 6,247 | 11,574 |
| 24 Surety | 118,220 | 75,275 | 79,708 | 113,787 |
| 26 Burglary + theft | 4,289 | 2,884 | 2,236 | 4,937 |
| 27 Boiler and machinery | 61,355 | 25,399 | 29,611 | 57,143 |
| 28 Credit | 93 | 4,167 | 2,801 | 1,459 |
| 29 International | 100,958 | 12,195 | 47,762 | 65,391 |
| 30 Reinsurance | 741,780 | 38,231 | 37,341 | 742,670 |
| 31 Miscellaneous | 150,098 | 249,414 | 269,267 | 130,245 |
| 32 TOTALS | 113,514,468 | 34,495,213 | 37,653,531 | 110,356,150 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - PREMIUMS EARNED

| | Net Premiums Written | Unearned Premiums Previous Year | Unearned Premiums Current Year | Net Earned Premiums |
|-------------------------|----------------------------|--|---|---------------------------|
| 1 Fire | 970,259 | 458,904 | 495,007 | 934,156 |
| 2 Allied lines | 606,008 | 273,410 | 295,039 | 584,379 |
| 3 Farmowners | 263,453 | 117,877 | 130,147 | 251,183 |
| 4 Homeowners | 15,687,744 | 7,649,953 | 8,433,704 | 14,903,993 |
| 5 Comm multi peril | 4,874,743 | 2,104,381 | 2,309,632 | 4,669,492 |
| 6 Mortgage guaranty | 0 | 0 | 0 | 0 |
| 8 Ocean marine | 149,643 | 99,194 | 104,486 | 144,350 |
| 9 Inland marine | 1,096,665 | 489,166 | 514,235 | 1,071,596 |
| 10 Financial guaranty | 53 | 0 | 0 | 53 |
| 11 Medical malpractice | 8,181 | 11,659 | 1,430 | 18,410 |
| 12 Earthquake | 162,911 | 86,168 | 91,851 | 157,227 |
| 13 Group A & H | 821,509 | 852 | -14 | 822,375 |
| 14 Credit A & H | 85,088 | 33,770 | 34,719 | 84,140 |
| 15 Other A & H | 779,041 | 324,543 | 390,091 | 713,492 |
| 16 Worker's comp | 3,990,594 | 393,310 | 505,794 | 3,878,110 |
| 17 Other liability | 2,221,052 | 930,840 | 1,032,623 | 2,119,269 |
| 18 Products liability | 173,697 | 54,578 | 71,262 | 157,012 |
| 19 Auto liability | 51,593,517 | 14,470,335 | 15,021,216 | 51,042,636 |
| 21 Auto phys. damage | 35,341,701 | 9,959,120 | 10,236,416 | 35,064,406 |
| 22 Aircraft | 43,384 | 7,056 | 12,567 | 37,874 |
| 23 Fidelity | 11,709 | 6,591 | 6,222 | 12,078 |
| 24 Surety | 144,513 | 83,911 | 91,591 | 136,833 |
| 26 Burglary + theft | 4,932 | 2,248 | 2,441 | 4,739 |
| 27 Boiler and machinery | 67,891 | 32,321 | 31,882 | 68,329 |
| 28 Credit | 4,651 | 2,194 | 3,979 | 2,866 |
| 29 International | 52,533 | 47,762 | 26,001 | 74,294 |
| 30 Reinsurance | 630,175 | 38,131 | 24,106 | 644,200 |
| 31 Miscellaneous | 177,717 | 263,766 | 301,524 | 139,959 |
| 32 TOTALS | 119,963,363 | 37,942,041 | 40,167,952 | 117,737,452 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - LOSSES PAID AND INCURRED

| | Losses Paid Less Salvage | | | | Net Losses Unpaid Current Year | Net Losses Unpaid Previous Year | Losses Incurred Current Year |
|-------------------------|--------------------------|------------------------|----------------------|-----------------|---|--|---------------------------------------|
| | Direct Business | Reinsurance Assumed | Reinsurance Ceded | Net Payments | | | |
| 1 Fire | 282,490 | 470,670 | 373,283 | 379,877 | 222,502 | 222,345 | 380,035 |
| 2 Allied lines | 385,808 | 359,154 | 478,487 | 266,474 | 159,712 | 150,985 | 275,201 |
| 3 Farmowners | 123,611 | 73,646 | 78,221 | 119,036 | 70,715 | 56,940 | 132,811 |
| 4 Homeowners | 5,678,524 | 6,663,152 | 5,296,483 | 7,045,193 | 3,835,558 | 3,113,592 | 7,767,159 |
| 5 Comm multi peril | 1,361,864 | 2,418,560 | 1,936,440 | 1,843,984 | 3,342,321 | 3,090,240 | 2,096,065 |
| 6 Mortgage guaranty | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 Ocean marine | 20,418 | 90,289 | 54,515 | 56,193 | 75,167 | 72,509 | 58,851 |
| 9 Inland marine | 282,968 | 258,184 | 246,744 | 294,408 | 162,883 | 158,788 | 298,502 |
| 10 Financial guaranty | -23 | 32 | 1 | 8 | 1,093 | 1,130 | -29 |
| 11 Medical malpractice | 10,395 | 171,724 | 100,717 | 81,402 | 188,638 | 187,611 | 82,429 |
| 12 Earthquake | 22,921 | 20,871 | 12,816 | 30,975 | 35,583 | 44,421 | 22,138 |
| 13 Group A & H | 689,943 | 388,283 | 166,538 | 911,688 | 447,818 | 581,538 | 777,968 |
| 14 Credit A & H | 11,513 | 0 | 5,673 | 5,840 | 6,215 | 8,051 | 4,004 |
| 15 Other A & H | 508,057 | -11,377 | 9,480 | 487,200 | 392,748 | 385,422 | 494,525 |
| 16 Worker's comp | 1,759,038 | 4,133,385 | 3,849,966 | 2,042,457 | 10,333,161 | 9,584,770 | 2,790,847 |
| 17 Other liability | 1,332,923 | 1,375,446 | 1,675,695 | 1,032,673 | 5,164,476 | 4,837,210 | 1,359,939 |
| 18 Products liability | 146,408 | 113,330 | 236,893 | 22,845 | 2,110,265 | 2,150,419 | -17,310 |
| 19 Auto liability | 25,741,782 | 13,218,625 | 8,762,625 | 30,197,782 | 38,201,307 | 36,846,972 | 31,552,118 |
| 21 Auto phys. damage | 17,230,411 | 7,988,161 | 5,260,803 | 19,957,769 | 1,902,549 | 1,823,036 | 20,037,282 |
| 22 Aircraft | 40,836 | 97,791 | 83,478 | 55,149 | 70,242 | 55,633 | 69,758 |
| 23 Fidelity | 6,916 | 174 | 4,239 | 2,852 | 9,938 | 18,596 | -5,806 |
| 24 Surety | 294,750 | 44,425 | 286,323 | 52,852 | 100,135 | 37,637 | 115,350 |
| 26 Burglary + theft | 1,224 | 1,007 | 834 | 1,398 | 3,800 | 3,942 | 1,255 |
| 27 Boiler and machinery | 3,282 | 32,171 | 25,625 | 9,829 | 28,417 | 26,897 | 11,349 |
| 28 Credit | 7,954 | 965 | 9,100 | -181 | -858 | -2,123 | 1,083 |
| 29 International | 29,990 | 7,509 | 524 | 36,975 | 106,716 | 49,567 | 94,124 |
| 30 Reinsurance | 0 | 848,551 | 201,169 | 647,382 | 1,412,820 | 1,233,178 | 827,025 |
| 31 Miscellaneous | 12,569 | 32,466 | 20,628 | 24,407 | 1,754 | 6,102 | 20,058 |
| 32 TOTALS | 55,986,573 | 38,797,194 | 29,177,300 | 65,606,466 | 68,385,676 | 64,745,410 | 69,246,732 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - LOSSES PAID AND INCURRED

| | Losses Paid Less Salvage | | | | Net Losses Unpaid Current Year | Net Losses Unpaid Previous Year | Losses Incurred Current Year |
|-------------------------|--------------------------|------------------------|----------------------|-----------------|---|--|---------------------------------------|
| | Direct Business | Reinsurance Assumed | Reinsurance Ceded | Net Payments | | | |
| 1 Fire | 344,469 | 437,265 | 397,619 | 384,115 | 311,083 | 267,802 | 425,559 |
| 2 Allied lines | 763,883 | 408,136 | 821,682 | 350,337 | 278,538 | 181,053 | 447,822 |
| 3 Farmowners | 127,517 | 80,681 | 83,324 | 124,874 | 77,460 | 71,570 | 130,763 |
| 4 Homeowners | 5,734,139 | 6,503,318 | 4,784,799 | 7,452,658 | 3,754,190 | 3,875,871 | 7,330,977 |
| 5 Comm multi peril | 1,920,163 | 2,965,420 | 2,451,761 | 2,433,822 | 4,098,318 | 3,488,042 | 3,044,048 |
| 6 Mortgage guaranty | 0 | 525 | 0 | 525 | 404 | 622 | 306 |
| 8 Ocean marine | 157,586 | 268,306 | 322,624 | 103,269 | 153,043 | 136,630 | 119,385 |
| 9 Inland marine | 356,701 | 458,512 | 493,727 | 321,487 | 209,737 | 166,332 | 364,892 |
| 10 Financial guaranty | -27 | 0 | 0 | -26 | 2,062 | 2,208 | -173 |
| 11 Medical malpractice | 10,336 | 172,259 | 93,539 | 89,057 | 265,450 | 260,089 | 94,317 |
| 12 Earthquake | 8,766 | 5,759 | 4,703 | 9,822 | 20,795 | 37,577 | -6,961 |
| 13 Group A & H | 648,663 | 1,253,581 | 726,219 | 1,176,025 | 171,362 | 483,086 | 864,301 |
| 14 Credit A & H | 7,498 | 0 | 3,297 | 4,200 | 4,678 | 6,215 | 2,664 |
| 15 Other A & H | 553,293 | 47,839 | 49,120 | 552,012 | 477,327 | 468,916 | 560,408 |
| 16 Worker's comp | 2,049,329 | 4,699,517 | 4,163,029 | 2,585,817 | 12,207,571 | 10,438,684 | 4,297,461 |
| 17 Other liability | 1,422,037 | 3,707,128 | 2,787,506 | 2,341,660 | 9,390,061 | 7,310,405 | 3,600,742 |
| 18 Products liability | 154,377 | 229,949 | 231,794 | 152,532 | 2,654,017 | 2,345,010 | 461,642 |
| 19 Auto liability | 26,005,867 | 15,037,247 | 9,892,659 | 31,150,455 | 39,201,692 | 38,552,337 | 31,830,885 |
| 21 Auto phys. damage | 16,266,602 | 8,068,993 | 5,083,232 | 19,252,363 | 1,972,238 | 1,952,512 | 19,272,120 |
| 22 Aircraft | 97,003 | 240,801 | 248,247 | 89,557 | 263,798 | 230,826 | 122,529 |
| 23 Fidelity | 15,329 | 57,559 | 30,115 | 42,773 | 96,324 | 91,553 | 47,544 |
| 24 Surety | 58,763 | 69,274 | 72,489 | 55,548 | 103,035 | 88,777 | 69,639 |
| 26 Burglary + theft | 1,938 | 2,658 | 2,422 | 2,175 | 6,142 | 4,660 | 3,656 |
| 27 Boiler and machinery | 3,662 | 54,725 | 42,550 | 15,837 | 30,765 | 42,864 | 3,738 |
| 28 Credit | 6,094 | 2,144 | 6,958 | 1,280 | 297 | 225 | 1,352 |
| 29 International | 26,202 | 7,512 | 1,598 | 32,116 | 104,970 | 106,767 | 30,318 |
| 30 Reinsurance | 0 | 1,512,650 | 413,742 | 1,098,908 | 1,159,669 | 1,132,226 | 1,126,351 |
| 31 Miscellaneous | 9,218 | 63,611 | 35,344 | 37,486 | 5,907 | 1,754 | 41,639 |
| 32 TOTALS | 56,749,410 | 46,355,371 | 33,244,099 | 69,860,682 | 77,020,932 | 71,744,613 | 74,287,924 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - LOSSES PAID AND INCURRED

| | Losses Paid Less Salvage | | | | Net Losses Unpaid Current Year | Net Losses Unpaid Previous Year | Losses Incurred Current Year |
|-------------------------|--------------------------|------------------------|----------------------|-----------------|---|--|---------------------------------------|
| | Direct Business | Reinsurance Assumed | Reinsurance Ceded | Net Payments | | | |
| 1 Fire | 339,944 | 480,848 | 412,593 | 408,199 | 228,918 | 221,279 | 415,838 |
| 2 Allied lines | 407,343 | 339,749 | 478,874 | 268,218 | 155,213 | 146,345 | 277,087 |
| 3 Farmowners | 127,063 | 71,127 | 80,680 | 117,509 | 68,923 | 55,739 | 130,693 |
| 4 Homeowners | 5,643,776 | 6,518,307 | 5,190,730 | 6,971,353 | 3,778,455 | 3,047,709 | 7,702,098 |
| 5 Comm multi peril | 1,254,336 | 2,245,758 | 1,722,344 | 1,777,751 | 3,004,475 | 2,742,832 | 2,039,394 |
| 6 Mortgage guaranty | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 Ocean marine | 23,313 | 93,234 | 54,432 | 62,115 | 86,988 | 74,874 | 74,229 |
| 9 Inland marine | 299,813 | 410,562 | 333,127 | 377,248 | 188,161 | 182,045 | 383,364 |
| 10 Financial guaranty | -23 | 32 | 1 | 8 | 1,237 | 1,265 | -20 |
| 11 Medical malpractice | 2,586 | 170,333 | 91,444 | 81,474 | 181,815 | 181,827 | 81,462 |
| 12 Earthquake | 22,862 | 19,797 | 12,108 | 30,551 | 37,050 | 44,204 | 23,398 |
| 13 Group A & H | 658,414 | 398,308 | 129,551 | 927,171 | 409,248 | 563,209 | 773,211 |
| 14 Credit A & H | 71,594 | 9,208 | 53,167 | 27,635 | 20,153 | 26,034 | 21,755 |
| 15 Other A & H | 508,976 | -12,361 | 8,374 | 488,241 | 390,023 | 385,033 | 493,231 |
| 16 Worker's comp | 1,557,551 | 3,978,501 | 3,308,654 | 2,227,398 | 8,554,990 | 8,116,251 | 2,666,136 |
| 17 Other liability | 988,727 | 1,459,782 | 1,300,076 | 1,148,432 | 4,216,731 | 4,240,762 | 1,124,401 |
| 18 Products liability | 155,037 | 161,652 | 203,508 | 113,181 | 2,198,803 | 1,832,342 | 479,642 |
| 19 Auto liability | 25,506,914 | 12,837,545 | 8,432,687 | 29,911,772 | 37,552,771 | 36,179,521 | 31,285,022 |
| 21 Auto phys. damage | 17,375,243 | 7,914,918 | 5,305,714 | 19,984,447 | 1,928,386 | 1,866,617 | 20,046,215 |
| 22 Aircraft | 34,179 | 8,227 | 16,116 | 26,290 | 59,523 | 54,180 | 31,633 |
| 23 Fidelity | 9,802 | 1,191 | 7,127 | 3,866 | 8,566 | 17,760 | -5,327 |
| 24 Surety | 107,335 | 17,578 | 95,464 | 29,449 | 43,680 | 4,220 | 68,909 |
| 26 Burglary + theft | 4,366 | 1,268 | 4,112 | 1,522 | 3,796 | 4,102 | 1,216 |
| 27 Boiler and machinery | 4,005 | 30,384 | 23,220 | 11,168 | 27,307 | 27,601 | 10,874 |
| 28 Credit | 6,312 | 580 | 7,309 | -417 | 410 | 614 | -621 |
| 29 International | 24,068 | 7,173 | -5,353 | 36,594 | 106,435 | 49,254 | 93,774 |
| 30 Reinsurance | 0 | 815,270 | 167,833 | 647,437 | 1,271,665 | 1,157,563 | 761,539 |
| 31 Miscellaneous | 218,634 | 83,579 | 204,954 | 97,259 | 28,077 | 21,589 | 103,747 |
| 32 TOTALS | 55,352,171 | 38,062,549 | 27,638,848 | 65,775,873 | 64,551,797 | 61,244,770 | 69,082,900 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - LOSSES PAID AND INCURRED

| | Losses Paid Less Salvage | | | Net Payments | Net Losses Unpaid Current Year | Net Losses Unpaid Previous Year | Losses Incurred Current Year |
|-------------------------|--------------------------|------------------------|----------------------|-----------------|---|--|---------------------------------------|
| | Direct Business | Reinsurance Assumed | Reinsurance Ceded | | | | |
| 1 Fire | 359,485 | 352,581 | 305,474 | 406,592 | 222,788 | 231,447 | 397,933 |
| 2 Allied lines | 812,357 | 331,054 | 808,312 | 335,099 | 225,287 | 157,613 | 402,773 |
| 3 Farmowners | 139,151 | 78,298 | 90,733 | 126,716 | 76,265 | 70,230 | 132,751 |
| 4 Homeowners | 5,606,235 | 6,276,531 | 4,556,581 | 7,326,185 | 3,672,947 | 3,806,054 | 7,193,079 |
| 5 Comm multi peril | 1,797,739 | 2,738,814 | 2,289,195 | 2,247,358 | 3,631,941 | 3,112,609 | 2,766,690 |
| 6 Mortgage guaranty | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 Ocean marine | 37,291 | 146,676 | 98,470 | 85,498 | 104,689 | 88,379 | 101,808 |
| 9 Inland marine | 310,612 | 499,785 | 387,546 | 422,851 | 183,590 | 191,310 | 415,132 |
| 10 Financial guaranty | -27 | 0 | 0 | -26 | 1,091 | 1,237 | -172 |
| 11 Medical malpractice | -352 | 125,108 | 71,233 | 53,523 | 145,511 | 182,695 | 16,338 |
| 12 Earthquake | 8,737 | 5,635 | 4,674 | 9,698 | 20,679 | 37,263 | -6,886 |
| 13 Group A & H | 577,828 | 1,106,640 | 624,941 | 1,059,527 | 92,052 | 409,248 | 742,331 |
| 14 Credit A & H | 52,055 | 7,175 | 50,689 | 8,542 | 14,574 | 19,276 | 3,840 |
| 15 Other A & H | 479,194 | 3,979 | 4,106 | 479,066 | 390,804 | 390,023 | 479,848 |
| 16 Worker's comp | 1,481,669 | 3,902,176 | 3,545,313 | 1,838,532 | 9,806,254 | 8,789,301 | 2,855,485 |
| 17 Other liability | 964,806 | 1,550,444 | 1,534,069 | 981,181 | 4,895,002 | 4,335,695 | 1,540,488 |
| 18 Products liability | 155,797 | 188,846 | 219,169 | 125,475 | 2,570,245 | 2,258,721 | 436,999 |
| 19 Auto liability | 25,663,763 | 14,002,709 | 9,179,246 | 30,487,226 | 38,268,831 | 37,719,969 | 31,036,088 |
| 21 Auto phys. damage | 16,306,949 | 7,814,748 | 5,016,386 | 19,105,311 | 1,946,203 | 1,935,519 | 19,115,995 |
| 22 Aircraft | 33,148 | 50,129 | 64,247 | 19,029 | 62,100 | 59,617 | 21,512 |
| 23 Fidelity | 8,025 | 1,196 | 7,064 | 2,158 | 10,509 | 8,653 | 4,014 |
| 24 Surety | 63,116 | 43,324 | 65,427 | 41,013 | 60,610 | 45,407 | 56,216 |
| 26 Burglary + theft | 5,790 | 1,362 | 5,927 | 1,225 | 4,358 | 3,833 | 1,751 |
| 27 Boiler and machinery | 3,809 | 47,283 | 37,580 | 13,512 | 23,133 | 29,785 | 6,859 |
| 28 Credit | 8,850 | 2,124 | 9,011 | 1,963 | 568 | 407 | 2,125 |
| 29 International | 26,202 | 7,512 | 1,598 | 32,116 | 104,970 | 106,767 | 30,318 |
| 30 Reinsurance | 0 | 1,511,384 | 242,759 | 1,268,625 | 1,146,629 | 1,295,965 | 1,119,289 |
| 31 Miscellaneous | 197,797 | 98,625 | 189,060 | 107,362 | 22,648 | 28,038 | 101,971 |
| 32 TOTALS | 55,100,026 | 40,894,140 | 29,408,809 | 66,585,357 | 67,704,277 | 65,315,060 | 68,974,573 |

| 2004 NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE (a) | | | |
|--|---------------------|---------------------|---------------------------|
| | Liability (19.1) | Liability (19.2) | Physical Damage (21.1) |
| Written Premium | \$ 348,228 | \$ 2,050,199,314 | \$ 1,626,398,491 |
| Earned Premium | 348,227 | 2,021,056,504 | 1,590,372,585 |
| Dividends | 0 | 3,789,615 | 3,416,966 |
| Unearned Prem Reserves | 0 | 594,185,408 | 477,942,679 |
| Losses Paid | 107,643 | 1,407,024,244 | 879,206,603 |
| Losses Incurred | 97,382 | 1,516,657,858 | 878,133,359 |
| Losses Unpaid | 3,761 | 1,315,948,765 | 87,028,924 |
| Alloc. Adj. Exp. Paid | 3,022 | 32,013,842 | 2,148,706 |
| Alloc Adj. Exp. Incurred | 3,688 | 42,771,755 | 2,380,917 |
| Alloc. Adj. Exp. Unpaid | 665 | 130,850,801 | 4,164,308 |
| Commissions | -25 | 203,776,003 | 165,247,343 |
| Taxes | 37,544 | 46,242,429 | 36,196,410 |

| 2003 NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE (a) | | | |
|--|---------------------|---------------------|---------------------------|
| | Liability (19.1) | Liability (19.2) | Physical Damage (21.1) |
| Written Premium | \$ -18,200 | \$ 2,020,845,127 | \$ 1,630,256,801 |
| Earned Premium | -18,200 | 1,959,328,721 | 1,641,832,238 |
| Dividends | 0 | 5,324,725 | 4,905,132 |
| Unearned Prem Reserves | -1 | 561,918,578 | 442,362,995 |
| Losses Paid | 1,498 | 1,321,967,760 | 966,787,483 |
| Losses Incurred | 5,995 | 1,394,005,303 | 967,673,462 |
| Losses Unpaid | 14,022 | 1,211,947,876 | 90,401,175 |
| Alloc. Adj. Exp. Paid | 172 | 31,935,927 | 3,922,063 |
| Alloc Adj. Exp. Incurred | -245 | 38,283,490 | 3,589,105 |
| Alloc. Adj. Exp. Unpaid | -1 | 120,436,542 | 3,928,534 |
| Commissions | 0 | 190,854,259 | 168,292,809 |
| Taxes | 185 | 47,166,857 | 38,028,476 |

AUTOMOBILE**ACE American Insurance Company**

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

ACE Fire Underwriters Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

ACE Property & Casualty Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

AMEX Assurance Company

- Downward deviation by territory for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & combined UM/UIM by territory: Credit varies by coverage.
- Accident-Free Discount: Applies to non-fleet private passenger auto bodily injury, property damage, medical payment & collision: 3-5 yrs.- 10% credit: 6 yrs. or more- 15% credit.
- Forms 3 & 6: 5% Auto/Homeowner Deviation.
- Downward deviation for single-car & multi-car policyholders for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- 10% Preferred Client Deviation for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Installment Payment Plan: Charge waived for electronic funds transfer or payroll deduction.
- Downward deviation for vehicle usage for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- 1% deviation non-fleet private passenger automobile rates where the named insured has acquired his/her auto policy through the Work Site Marketing Program of AMEX Assurance Company.
- Costco Discount: 3% applies to policies for member insureds of Costco. Eff. 7-2-01

All America Insurance Company

- 10% private passenger auto liability & physical damage whenever Company carries both the homeowners (HO-2, HO-3, HO-3w/15 or HO-6) & auto coverages. Eff. 7-1-86

Allegiance Insurance Company

- Deviation applied to non fleet private passenger auto rates when policy has no chargeable SDIP pts. & no inexperience operator: Credits vary by territory.
- Driving Quality Deviation on non-fleet private passenger when certain criteria is met.
- Deviation on voluntary non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, & collision for principal operators age 55+, no chargeable SDIP pts. & no inexperience.
- 8% deviation on voluntary non-fleet private passenger auto bodily injury, property damage & collision if named insured has homeowners, mobile homeowner, tenant or condo policy with a Horace Mann Company and other criteria met.
- 9% deviation for bodily injury & property damage: 8% deviation for comprehensive & collision if insured is a member of a sponsoring education association & the policy is voluntary.
- 7% deviation on voluntary non-fleet private passenger collision coverage. on model yr. 1993 & up for pickups, vans or utility vehicles.
- Deviation on voluntary non-fleet private passenger comprehensive & collision deductibles with no chargeable SDIP pts. & no inexperience.
- Deviation on one to two point accident, if insured has been insured with one of the Horace Mann Insurance Companies for 5 consecutive yrs. & free of accidents for a 5 yr. period: 25% or 45% surcharge waived.
- Installment fee waived for monthly payments via electronic funds transfer.

- New business policies on an installment payment basis: 1st installment fee waived.
- 4% deviation on voluntary non-fleet private passenger auto bodily injury & property damage for single car. no chargeable SDIP pts. & no inexperience.
- 5% deviation on private passenger auto bodily injury, property damage, comprehensive & collision for insureds in credit rating tiers 1, 2 & 3 when policy has no chargeable SDIP pts. & no inexperience operator. Eff. 3-1-01

Allstate Indemnity Company

Preferred Program

- Territory Deviations: Applies to auto bodily injury, property damage, med pay, collision and comprehensive coverages: Credit varies.
- Tier Deviation: Certain criteria must be met.
- Years Licensed Deviation: Applies to auto bodily injury, property damage, comprehensive & collision coverages: Credit varies by coverage.
- Accident Rating Deviation: Years since last accident 0 - 3+: Factors vary 1.00 – 1.20.
- Anti Lock Brake Discount: 1% credit for collision coverage when factory installed anti lock braking system on all four wheels.
- 55 and Over Discount: 15% credit when principal operator is 55 or less than 71 yrs. of age, 1% credit when 71 yrs. or older: Other criteria apply.
- New Car Discount: 0 – 2+ yrs.: Factors vary .95 – 1.00: Other criteria apply.
- The Good Hands People Discount: 10% credit applies to qualifying named insureds.
- Electronic Funds Transfer Deviation: \$1 installment fee.

Regular Auto Program

- 22.5% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDIP pts. for single car policies.
- 16.0% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDIP pts. for multi-car policies.
- Installment Pay Plan: \$1 per installment by Easy Payment Plan (EZP) Electronic Funds Transfer.
- Installment Pay Plan: Payroll deduction for Allstate Employees (NC); Installment charges waived.
- 10% discount on collision & comprehensive for member of an approved Allstate Corporation and its subsidiaries (The Good Hands People Discount). Eff. 9-17-01

Allstate Insurance Company

- 1%-15% non-fleet private passenger auto comprehensive & collision. Deviation applies if principal operator is 55 yrs. old or older. 1% for principal operator 71 yrs. or older.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage when operators meet Company's eligibility requirements for Allstate Advantage Discount for single car policies. 15% for multi-car policies.
- 1% non-fleet private passenger auto collision rates which is equipped with factory installed anti-lock braking system on all four wheels for 1983 models or later.
- Preferred Driver Discount: 10% non-fleet private passenger auto bodily injury, property damage & medical payment coverage where operators meet company eligibility requirements.
- 10% private passenger auto liability & physical damage whenever Company carries both the Homeowners (HO-2, HO-3, HO-3w/15 or HO-6) & auto coverages.
- Preferred Driver Discount: 10% for non-fleet private passenger auto collision & comprehensive.
- Installment Payment Plan: \$1 - \$6 charge per each installment when policyholder pays through electronic funds transfer. (Allstate Easy Payment Plan).
- Installment Payment Plan: Payroll deduction option for Allstate Employees (NC): Installment charges waived.
- 10% discount on collision & comprehensive for member of an approved Allstate Corporation and its subsidiaries (The Good Hands People Discount). Eff. 10-22-01

American Automobile Insurance Company

- 5% non-fleet private passenger auto comp. coverage for all vehicles equipped with an alarm and/or active device.

- 15% non-fleet private passenger auto comp. coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Comp
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 10-1-00

American Bankers Insurance Company of Florida

- 8% non-fleet private passenger physical damage insurance rates, if liability insurance is provided. Eff. 3-15-86

American Centennial Insurance Company

- 5% non-fleet private passenger auto liability & physical damage rates. Eff. 9-1-85

American Economy Insurance Company

- 10% private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American Employers Insurance Company

- Base rate deviation by territory: Non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates: Variable credits.
- Multi-Policy Credit: 5% when named insured has homeowner policy with Commercial Union Company.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private passenger auto comprehensive when vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Claim Free Discount applies to liability, medical & physical damage: 3% for policies in force 3 yrs., less than 5 yrs. & not an at fault accident in the preceding 3 yrs.: 5% for policies in force 5 yrs. and not an at fault accident.
- Cancellation will be done on a pro-rata basis. Eff. 4-6-98

American Fire & Casualty Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

American & Foreign Insurance Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force a homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 - 65 & no inexperience operator.
- Passive Restraint Discount apply to medical payment rate. Credit varies 20% -40%.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.

- Anti-Theft Device Credit applies to comprehensive coverage: Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer. Eff. 9-21-98

American Home Assurance Company

- 17% - 43% deviation for medical payments & uninsured & combined uninsured/underinsured motorists coverage: All territories: Certain underwriting criteria must be met.
- 0% - 42% deviation for bodily injury, property damage, comprehensive & collision coverages: Certain criteria apply.
- 5% deviation for bodily injury, property damage, medical payments, comprehensive & collision for multi car policies.
- 5% deviation for comprehensive: All vehicles equipped with alarm only and active disabling devices.
- 15% deviation for comprehensive: All vehicles equipped with passive disabling devices.
- 5% deviation for certain coverages: All insureds within sponsored groups.
- Installment fee waived for automatic deductions from a financial account.
- 1st installment fee waived for all multiple payment modes. Eff. 2-23-01

American Insurance Company

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 10-1-00

American Manufacturers Mutual Insurance Company

- 10% non-fleet private passenger auto physical damage for risks with driving pts.
- 30% non-fleet private passenger auto physical damage for risks without driving pts.
- 20% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bag or seat belt in driver-side-only position.
- 30% non-fleet private passenger auto medical payment when vehicle is equipped with either factory installed air bags or seat belts in both front outboard seat positions.
- 40% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bags & seat belts in both front outboard seat positions.
- 5% non-fleet private passenger auto bodily injury & property damage coverage for those vehicles equipped with factory installed four wheel anti-lock braking system (ABS).
- Extended Transportation Expenses Coverage KIP only: Coverage is included at no additional charge.
- Cancellation KIP only: Cancellation will be computed on pro rata basis.
- Deviation non-fleet private passenger auto bodily injury & property damage written voluntary based on territory: Credit varies.
- Experience Driver Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & comprehensive, if principal operator is age 55 or older & no inexperience operators.
- Classic Auto Discount: 80% discount to Miscellaneous Types Rule-19.F. Classic Auto Discount for bodily injury, property damage & medical payments coverages.
- Installment Payment Plan: \$1 charge if paid through electronic funds transfer.
- 7% Kemper Network Deviation: Certain criteria apply. Eff. 9-24-01

American Motorists Insurance Company

- Safety Equipment Discount: Credit varies 20%, 30% or 40% by combinations of equipment.
- Anti-Lock Braking System Discount.

- Extended Transportation Expenses Coverage - KIP only: Coverage included at no additional charge.
- Cancellation - KIP only: Compute return premium on pro rata basis.
- Experienced Operator Credit: Principal Operator is age 55 or older & no inexperienced operators.
- Deferred Premium Payment Plan.
- 7% Kemper Network Deviation: Certain criteria apply. Eff. 9-1-00

American Professionals Insurance Company

- Installment charge waived on initial payment: \$3 charge for each installment thereafter: Applies to all policies. Eff. 7-1-99

American Protection Insurance Company

- 15% non-fleet private passenger auto physical damage for risks with driving pts.
- 42.0% non-fleet private passenger auto physical damage for risks without driving pts.
- 20% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bag or seat belt in driver-side-only position.
- 30% non-fleet private passenger auto medical payment when vehicle is equipped with either factory installed air bags or seat belts in both front outboard seat positions.
- 40% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bags & seat belts in both front outboard seat positions.
- 5% non-fleet private passenger auto bodily injury & property damage coverage for those vehicles equipped with factory installed four wheel anti-lock braking system (ABS).
- Extended Transportation Expenses Coverage KIP only: Coverage is included at no additional charge.
- Cancellation KIP only: Cancellations will be computed pro rata basis.
- Territory Deviation for non-fleet private passenger auto bodily injury & property damage: Credit varies.
- Experience Driver Discount: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & comprehensive if principal operator is age 55 & over & no inexperienced operators.
- Installment Payment Plan: \$1 charge if paid through electronic funds transfer.
- 7% Kemper Network Deviation for bodily injury, property damage, med pay, comprehensive & collision: Certain criteria apply. Eff. 9-1-00

American Security Insurance Company

- Deviation: Charge as premium for comprehensive (full coverage) & collision (\$100 deductible), the NC Rate Bureau base rates, which became effective January 1, 1984 for territory 17, separately for each coverage. Premiums so determined are applied statewide regardless of territory, no primary or secondary rating factors are applied. Eff. 2-1-86

American Southern Insurance Company

- 15% Elite Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 10% Preferred Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 2% AAA Carolina Affinity Group Discount when insured is a member of AAA Carolinas. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- Plus Program Discount: 10% credit applies to non-fleet private passenger auto collision & other than collision when there is a least one driver 55 & over.
- 10% Renewal Discount Program applicable to each vehicle when policy holder has been insured with American Southern the previous 3 yrs. Discount applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, med payments, collision & other than collision premiums. Eff. 12-1-98

American Spirit Insurance Company

- Renewal Homeowner Credit: 3% applies to bodily injury, property damage, med pay, comprehensive & collision. Certain criteria must be met.

- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer Deviation: Installment Fee \$1. Eff. 9-14-01

American States Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American States Preferred Insurance Company

- Preferred Driver Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when all principal operators have no accidents (at-fault or not-at-fault) or violation during the previous 3 yrs. Deviation applicable new policies only & will continue for 3 yrs. unless removed due to a chargeable accident.
- Accident Free Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when principal operator has been written with any of the American States Insurance Companies for a period of 3 or more yrs. & has had no chargeable accidents during the 3 yr. period. 15% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when the principal operator has been written with any of the American States Insurance Companies for 6 or more yrs. & has no chargeable accidents during the 6 yr. period.
- 35% non-fleet private passenger auto physical damage for risks without driving points.
- Deviation by territory: Non-fleet private passenger bodily injury. Credits vary 3%-10%.
- Deviation by territory: 5% non-fleet private passenger auto property damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is age 55 & over with no inexperience operator in the household.
- Passive Restraint Discount: 10% - 40% non-fleet private passenger auto med payments based on type of system. Eff. 12-19-95

AMICA Mutual Insurance Company

- Downward Deviation to Base Rates for BI, PD, med pay, uninsured/underinsured motorists, comprehensive & collision.
- Downward Deviation by Territories for BI, PD, med pay, comprehensive & collision.
- Charge \$2 in lieu of \$3 each installment with certain exceptions.
- Eliminate additional charge \$2 on 1st installment of installment plan.
- Eliminate additional charge \$2 for all installment payments for members of any AMICA Group.
- Eliminate additional charge \$2 for 1st installment payment for insured participating in account billing payment plan. Eff. 9-1-00

Amerisure Mutual Insurance Company

- Multi-Policy Credit: Non-fleet private passenger auto: 10% credit all coverage when insured has primary homeowners coverage for Forms 2, 3 & 6 with Michigan Mutual or any American policy. Eff. 7-1-92

Argonaut Insurance Company

- Advantage Discount: 13.5% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Multi-Car Discount: 23.7% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Preferred Driver Discount: 10% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies. Eff. 4-1-00

Associated Indemnity Corporation

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles

equipped with a factor installed four wheel Anti-Lock Braking System.

- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 10-1-00

Association Insurance Company

- 12.5% non-fleet private passenger auto liability & physical damage insurance rates.
- 32.5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for SAS Institute Employees. Eff. 1-1-96

Assurance Company of America

- 5% non-fleet private passenger auto liability bodily injury, property damage & medical payments.
- 15% non-fleet private passenger auto comprehensive & collision.
- 7.5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for drivers with 30 yrs. driving experience & no inexperience operator on policy.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 3 consecutive yrs. with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 6 consecutive yrs. with "0" SDIP pts.
- 5% non-fleet private passenger auto liability, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury & property if auto has anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 10% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision of insured has homeowners policy with Assurance.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 20% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Atlantic Casualty Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 37% non-fleet private passenger bodily injury & property damage, single car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments: \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts.
 - 33% non-fleet private passenger bodily injury & property damage, multi-car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments, \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts. Eff. 7-1-94

Motorcycle

- 9% average deviation for private passenger motorcycle physical damage.

- 15% average deviation private passenger motorcycle bodily injury & property damage. Eff. 7-1-91

Atlantic Indemnity Company

- 5% non-fleet private passenger auto bodily injury, property damage & medical payments single car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 2.5% non-fleet private passenger auto bodily injury, property damage & medical payments multi-car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 21% average deviation for non-fleet private passenger automobile physical damage with 3 or more SDIP pts.

LIABILITY All deviation applicable to non-fleet private passenger bodily injury, property damage, & medical payment coverages for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. DUI violations involving drugs.
- 55% for single car policies with 12-20 SDIP pts.
 - 45% for multi car policies with 12-20 SDIP pts. Eff. 11-1-95

Auto Owners Insurance Company

Premier Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 - 74 yrs. of age: Credit varies 5% - 20%.
- Multi-Car Discount: 2.5% non-fleet private passenger auto comprehensive & collision coverage: Certain criteria apply.
- Physical Damage Rate Deviation non-fleet private passenger auto: 5% comprehensive: 5% collision, applicants must have at least 14 yrs. driving experience.
- Multi Policy Discount: 5% credit applies to BI, PD, Med Pay, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision for Life/Auto policy.

Standard Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 yrs. of age or older: Credit varies.
- Multi-Car Discount: 2.5% non-fleet private passenger auto comprehensive & collision coverage: Certain criteria apply.
- 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision for Life/Auto policy. Eff. 9-17-01

Automobile Insurance Company of Hartford

- 5% Anti-Lock Brake (ABS): Non-fleet private passenger auto Single Limits Liability (liability & medical payment) or Split Liability (bodily injury, property damage & medical payments).
- 5% or 10% Anti-Theft Device Discount depending on how vehicle is equipped. Applies to non-fleet private passenger auto comprehensive coverage.
- 15% Loss & Conviction Free Renewal Credit for single & multi-car policies. Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage & medical payment; 5% collision; 10% comprehensive.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments.
- 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision. Credit applies multi-car policies that are loss & conviction free.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist,

comprehensive & collision when coverage issued for homeowners (Forms 2, 3 & 6) in any of Aetna Life & Casualty Affiliated Companies. Credit applies to comprehensive & collision coverage for facility policies. Eff. 3-29-96

Bankers Standard Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

Builders Mutual Insurance Company

- 5% deviation on bodily injury, property damage, medical payments, comprehensive, & collision, if primary driver has at least 30 yrs. driving experience.
- Rating plan factor reduced by .05 for comprehensive & collision if the risk qualifies for multi car discount & has no inexperienced operator.
- Rating plan factor reduction by .05 for bodily injury, property damage, medical payments, comprehensive & collision, if the risk is classified as having 0 SDIP pts.
- 5% deviation on bodily injury & property damage, if the vehicle is equipped with anti-lock brakes.
- 5% deviation for comprehensive only, if vehicle is equipped with an active anti-theft device: 10% deviation, if vehicle is equipped with a passive anti-theft device. Eff. 10-1-99

Burlington Insurance Company

- 15% private passenger auto physical damage insurance rates. Eff. 5-28-87

CGU Insurance Company

- 5% Account Credit is applicable to Personal Auto Policies where named insured has his/her Homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes. Eff. 9-15-91

Central Mutual Insurance Company

- 0% -10% non-fleet private passenger auto premium for liability coverage, except uninsured or underinsured motorist coverage when the Company carries both the homeowner & auto coverages. 0% - 20% credit physical damage coverage.
- 5% private passenger auto bodily injury & property damage liability coverage for autos equipped with factory installed four wheel anti-lock braking system (ABS).
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators age 55 or over or has 34-38 yrs. of driving experience with 0 SDIP pts. and no inexperienced operators in household.
- 1%-5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators age 70-74 with 0 SDIP pts., no inexperienced operators in household.
- 5% non-fleet private passenger auto comprehensive for vehicles equipped with alarm only or active anti-theft disabling device. 15% comprehensive for vehicles equipped with passive anti-theft disabling device.
- Deviation for "First Accident Forgiveness" program. Credit varies 25%-65% when criteria is met.
- Installment Payment Plan: No charge for Electronic Fund Transfer.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Deviation for non-fleet private passenger auto: 30% bodily injury, property damage & medical payments: 25% collision: 15% comprehensive.
- 20% deviation for auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met regarding insured & vehicle. Eff. 7-1-01

Century Indemnity Company

- 10% non-fleet private passenger auto comprehensive & collision rates. Eff. 6-1-89

The Charter Oak Fire Insurance Company

- Pricing Factors Deviation: Applies to private passenger auto: 15% for liability coverages: 15% for property damage coverages.
- 9% Account Discount Deviation applies to all insureds who have both an auto & homeowners policy with Travelers.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single car policy & have more than one private passenger auto insured with The Travelers. 15% credit for comprehensive, fire/fire and theft/fire, theft, CAC for single car policy & have more than one private passenger auto insured with The Travelers.
- 3% Renewal Credit applies to private passenger auto rates if insured has maintained an auto policy with Travelers for the last 6 or more consecutive years. Eff. 10-22-00

The Cincinnati Insurance Company

- 20% non-fleet private passenger auto liability rate deviation.
- 40% non-fleet private passenger auto physical damage rate deviation.
- 10% non-fleet private passenger liability & physical damage rate deviation, if policyholder has package policy with Cincinnati Insurance Company.
- Installment Payment Plan charge waived for personal autos & autos written in conjunction with a homeowner policy. Eff. 8-1-01

Citizens Insurance Company of America

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators in household age 55 or older where there are no other operators in household with less than 3 yrs. driving experience. This is a per vehicle credit.
- Account Credit: 5% non-fleet private passenger auto comprehensive & collision coverage if insured has Homeowners policy with The Hanover Insurance Company.
- Non-Smoker Discount: 5% non-fleet private passenger auto comprehensive & collision coverage if no drivers have smoked in the past 15 months.
- 10% deviation for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Renewal Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Less than 3 yrs-0%; 3-5 yrs.-3.0%; 5 yrs or more-6.0%. Eff. 9-1-94

Colonial American Casualty and Surety Company

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Commercial Insurance Company of Newark, New Jersey

Classic Auto Program

- Deviation for bodily injury, property damage & medical payments premium for all territories.
- Comprehensive, collision, fire only & theft only premiums deductible deviation factors for all territories.
- Uninsured motorists coverage, combined uninsured/underinsured motorist coverage deviation for all territories. Eff. 8-1-00

Commercial Union Insurance Company

- Base rate deviation by territory: Factor varies 0.66 - 0.74.
- Multi Policy Credit: 5% credit when named insured has a homeowner policy with Commercial Union.

- 5% Multi-Policy Credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal driver age 55 & over.
- Anti-Theft Device Credit: Credit varies 5% - 10% for comprehensive coverage.
- Claim Free Discount: Credit varies 3% - 5% for non-fleet private passenger liability, medical payments & physical damage when criteria is met.
- Cancellation: Deviation on short rate cancellation resulting in pro-rata cancellation. Eff. 4-6-98

Commercial Union Midwest Insurance Company

- 5% Account Credit on non-fleet private passenger auto total premium when insured also has homeowners policy through Commercial Union Company.
- Base rate deviation by territory: Non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium. Variable credits.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private auto comprehensive who vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Claim Free Discount applies to liability, medical & physical damage: 3% for policies in force 3 yrs. less than 5 yrs. & not an at fault accident in the preceding 3 yrs. 5% for policies in force 5 yrs and not an at fault accident.
- Cancellation will be done on a pro-rata basis. Eff. 4-6-98

Consolidated American Insurance Company

- 10% non-fleet private passenger comprehensive & 15% collision rates. Deviation applies multi-car risk, all classes except farm use classes. No inexperienced operators in household & 0 SDIP pts. applicable. Eff. 12-1-92

Continental Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies if named insured has an homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount. Eff. 7-3-01

Continental National Indemnity Company

- Discount for Qualified Preferred Drivers: 17.5% credit physical damage-5% credit liability when certain criteria is met.
- Discount for Qualified Standard Drivers: 5% credit physical damage when certain criteria is met.
- Account Credit Program: 10% credit when certain criteria is met & both homeowners & auto policies are written through CNIC.
- Anti Lock Braking System Discount: 5% credit.
- Mature Driver Discount: 5% credit when certain criteria is met. Eff. 1-1-01

Eagle American Insurance Company

- Renewal Homeowner Credits: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. 2% comprehensive & collision only: Certain criteria apply.
- Multi-Car Credit: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Married Credit: 2% applies to bodily injury, property damage & medical payments if eligibility requirements are met.
- Mass Marketing Credit: 5% applies to bodily injury; property damage, medical payments, uninsured & underinsured motorist, comprehensive & collision. Credit applied to members of an employer based account written through an agent who has been specifically contracted with our marketing systems division to provide this discount.
- Territory Deviation: 2% credit applies to bodily injury, property damage, medical payment, uninsured/underinsured motorist, comprehensive & collision for garaging location in territory 11,13,15,18, 51 or 52.

- Occurrence Free Credit: 4% credit applies to bodily injury, property damage, medical payments, comprehensive & collision based on SDIP pts. record.
- Companion Policy Credit: 3% credit applies to bodily injury, property damage, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment Fee \$1. Eff. 9-14-01

Economy Premier Assurance Company

- 5% Pak II Package Credit: Applies to comprehensive & collision base premiums when certain criteria is met.
- Pak II Renewal Credit: 3%-5% credit applies to final premium when insured has maintained an auto or homeowners policy written with a Metropolitan Company.
- Age 55 or Older Credit: 1%, 5%, or 10% credit applies to non-fleet private passenger bodily injury and property damage liability, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- 10% Good Driver Credit when certain criteria is met.
- Symbol Relativities Deviation.
- Increased Limits Extended Transportation Deviation: No additional charge when comp coverage is purchased.
- Passive Restraint Credit: 20% for driver side airbag: 30% for both front outboard seat position airbags.
- Anti-Theft Device Credit: 5% applies to alarm only & active disabling devices: 15% for passive disabling devices.
- 5% Anti-Lock Braking System Credit when it's factory installed on all 4 wheels.
- Golfmobile Liability: No additional charge.
- ATV, Minibike & Dune Buggy combined BI & PD liability rates are same as the N.C. Rate Bureau's snowmobile rates.
- ATV, Minibike & Dune Buggy Medical Payment rates will be 23% of territory 11 private passenger auto med pay rates.
- ATV, Minibike & Dune Buggy Collision rates are same as the N.C. Rate Bureau's snowmobile rates.
- 10% Recreational Vehicle Multi-Vehicle Credit: Eligibility requirements must be met.
- Premium Payment Plan Deviation. Eff. 6-01-01

Electric Insurance Company

- Preferred Rate Program Deviation: 8% credit when all program criteria is met.
- 10% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision if principal operator of vehicle is 55 yrs or older. Vehicle with inexperience operator surcharge is not eligible.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision for risks that meet Elfun Society Membership.
- Multi Policy Credit: 5% credit applies when insured has a HO- 2, 3, 4 or 6 policy with Electric Insurance.
- Accident and Violation Free Discount: Credit varies 5% - 15% when criteria is met.
- 5% Mass Marketing Discount. Eff. 5-16-01

Employers Mutual Casualty Company

- Multi-Policy Credit: 10% when auto & homeowners coverage are written with Employers Mutual Casualty Company and/or Emcasco Insurance Company.
- Safety Equipment/Anti-Theft Discount: 20% med pay premium passive restraint on driver side only. 30% med pay premium passive restraint on both sides. 5% on bodily injury & property damage premium for four wheel anti-lock braking system. 5% comprehensive premium for alarm & active disabling devices. 15% comprehensive premium for passive disabling devices.
- Installment Payment Plan: \$3 charge waived when method of payment is through electronic funds transfer. Eff. 5-25-97

Erie Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operators are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 or newer model vehicles with factory-installed anti-lock brake systems on all four wheels.

- 5% non-fleet private passenger comprehensive for all vehicles with etching a vin or serial number or active anti-theft devices.
- 10% non-fleet private passenger comprehensive for all vehicles with alarm or passive anti-theft devices.
- Feature 15: SDIP surcharge will be waived for any at-fault accident presented on an Erie personal auto policy which has been in force 15 or more yrs. Deviation 1 pt. - 15%, 2 pts. - 40%, 3 pts. - 65%.
- Premium Payment Plan Service Charge Installation Payment deviation.
- Non-fleet private passenger auto base rate deviation for bodily injury, property damage, medical payments, comprehensive & collision coverage by territory. Credit varies.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage when insured has both comprehensive & collision.
- Pro rata cancellation for all policies.
- Multi-Policy Discount: 10% credit when Homeowner or Mobile homeowner policy is written with The Erie and named insured must be same on all policies.
- Pioneer Experience Rating Credit Discount: Applies to private passenger auto bodily injury, property damage, comprehensive & collision on a Pioneer Family Auto Policy. Other criteria apply.
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met. Eff. 9-1-01

Erie Insurance Exchange

- Non-fleet private passenger auto base rate deviation for bodily injury, property damage, medical payments, comprehensive & collision by territory. Credit varies..
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principally driven by insureds who are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 & newer model yr. vehicles with factory installed anti-lock brake systems on all four wheels.
- Anti-Theft Device Deviation on comprehensive premiums: 5% for etching identification or an active device: 10% for an alarm or passive device.
- Feature 15: SDIP surcharge will be deviated for following at-fault accidents presented on a personal auto policy which has been in force with Erie Insurance Group for 15 or more yrs. Deviation - 1 pt. - 15%; 2 pts. - 40%; 3 pts. - 65%.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage.
- Pro rata cancellation for all policies.
- Premium Payment Plan: Service charge waived for payment plan B when criteria is met.
- Comprehensive Deductible Factors Deviation: 5% deviation other than full coverage.
- Multi Policy Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- First Accident Forgiveness Deviation: The SDIP surcharge will be deviated for the first at-fault accident presented on an Erie Personal Auto policy: 1 pt. - 15%; 2 pts. - 40%; 3 pts. - 65%. Other criteria apply.
- Pioneer Experience Rating Credit Discount(PERC): Certain criteria apply.
- Driving Experience Factor(DEF) Deviation: Certain criteria apply..
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met. Eff. 9-1-01

Farm Bureau Insurance of North Carolina Inc.

- 45% deviation for chargeable DWI surcharge applicable to bodily injury, property damage, medical payments, comprehensive & collision coverage. Eff. 12-1-96

Farmers Insurance Exchange

- Base Rate Deviations: BI, PD Med Pay, UM/UIM (BI,PD), Collision & other than Collision for Premier & Preferred Rating Plans.
- Auto/Home Discount & Auto/Renters Discount: Certain criteria apply.
- Loss Free Discount: 2% - 7% applies to BI, PD, Med Pay, Comprehensive, UM/UIM, & Collision: Certain criteria applies.
- Anti-Theft Device Discount: 5% discount applies to Comprehensive when a vehicle is equipped with a passive anti-theft device.
- Anti-Lock Brakes Discount: 5% discount applies to BI, PD, Med Pay & Collision: Factory installed ABS, all 4 wheels

- Physical Damage Deductible Deviations: Credit varies.
- SDIP Point Free Credit: 3% discount applies to BI, PD, Med Pay, Comprehensive, & Collision if all operators in household have no SDIP pts.
- Experienced Operator Credit: Varied credits apply to BI, PD Med Pay, Comprehensive & Collision. Eff. 9-1-00

Federal Insurance Company

- Various deviations for bodily injury; property damage, medical payments & uninsured motorist for antique auto.
- Reduced rates for physical damage coverages for antique autos.
- Deviation for Split Limit Bodily Injury Increased Limits. Eff. 9-1-00

Federated Mutual Insurance Company

- 5% non-fleet private passenger liability & physical damage when homeowners & personal umbrella policy is written with Federated Mutual Insurance Company.
- Installment Payment Plan: \$2 charge each installment subject to max. of \$5 per account for all policies. Eff. 4-21-95

Fidelity & Casualty Company of New York

- 10% deviation for non-fleet private passenger auto comprehensive & collision.
- 12% deviation for non-fleet private passenger auto bodily injury, property damage & medical payments.
- Accident/Violation Free Discount: 10% non-fleet private passenger auto bodily injury, property damage, combined single limit, medical payments & collision without points.
- Various Discount for Air Bags.
- Anti-Lock Braking system: 5% non-fleet private passenger bodily injury & property damage.
- Anti Theft Device Discount: Credit varies when criteria is met.
- 5% Daytime Running Light Discount: Credit applies to non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments & collision for private passenger autos equipped with factory installed daytime running lights.
- 5% Companion Policy Discount: Credit applies to non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments, comprehensive & collision if named insured has a homeowner policy with any CNA Insurance Group. Eff. 7-1-98

Classic Auto Program

- Deviations for bodily injury, property damage & medical payments, all territories. Factors vary.
- Deviations for comprehensive, collision, fire only & theft only, all territories. Factors vary.
- Uninsured motorist coverage, combined uninsured/underinsured motorist coverage deviation, all territories. Factors vary. Eff. 4-1-99

Fidelity & Deposit Company of Maryland

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, med pay, comp. & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device: Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Fidelity & Guaranty Insurance Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & homeowners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Fidelity & Guaranty Insurance Underwriters

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & homeowners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Firemans Fund Insurance Company

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 10-1-00

Firemans Fund Insurance Company of Wisconsin

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured/underinsured motorist, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator age 55 and older with no inexperience operators.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator(s) have a minimum of 9 yrs. driving experience.
- 5% non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision for renewal discount where all operators have been written in the Fireman's Fund Direct program for at least 3 yrs. & are free of chargeable accidents & free of convictions. Eff. 11-24-97

Firemen's Insurance Company of Newark, New Jersey

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies when named insured has a homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Preferred-Plus Rating Tier: Certain criteria apply.
- Employee or Affinity Group Discount. Eff. 7-3-01

Firemen's Insurance Company of Washington D.C.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured/underinsured motorist, comprehensive & collision coverage. Eff. 11-1-94

First American Insurance Company

- 15% private passenger auto comprehensive & collision rates. Eff. 9-29-92

First Financial Insurance Company

- 15% non-fleet private passenger physical damage rates. Eff. 12-7-87

First Liberty Insurance Corporation

- Liability Single Limits Deviation by Territory.
- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Liability Split Limits Deviation by Territory.
- Mature Driver Discount Program: 10% when all operators are 55 or older, no inexperienced operators.
- 1% non-fleet private passenger auto bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 on first installment of installment plan.
- Multi Car Discount: 3% for liability coverages.
- Property Damages Limits Deviation by Territory.
- College Education Discount Program: 10% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 4% applies when insured maintains an eligible Homeowners policy. Eff. 5-14-01

First National Insurance Company of America

- 15% Deviation on bodily injury, property damage, and med pay coverages. 10% deviation on comprehensive & collision coverages.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision if policyholder has had auto insurance with any Safeco Company for 3 consecutive yrs.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for having a Safeco homeowners policy in force.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for certain specified 4 door vehicles.
- Additional 10% deviation on comprehensive & collision for mature drivers age 55 or older.
- Checkless Pay Plan: Waive \$3 installment charge.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision for specified territories.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision for owning & occupying a home or condominium.
- Additional 10% deviation on comprehensive & collision for drivers with a driving record sub-classification of 0 and free of violation incidences. Eff. 9-20-01

GEICO Indemnity Company

- Associate Discount: 8% non-fleet private passenger applies to auto total policy premium.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 4-1-00

General Accident Insurance Company

- 20% non-fleet private passenger auto comprehensive & collision rates.
- 5% Account Credit is applicable to all voluntary personal auto policies where named insured has his/her homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident Companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes.
- 15% non-fleet private passenger auto bodily injury, property damage & medical payments. Eff. 3-15-96

General Insurance Company of America

- 5% non-fleet private passenger auto bodily injury, property damage & med pay, comprehensive & collision rates.
- 10% non-fleet private passenger comprehensive & collision rates on policies where all drivers are age 55 or older. There are no inexperienced drivers on policy.

- Checkless Pay Plan: Waive \$3 installment charge.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision, if policyholder has been with any Safeco Company for 3 yrs. without lapse in coverage.
- 5% for multi-policy credit.
- 5% non-fleet private passenger auto BI, PD, medical payments, comprehensive & collision for certain specific vehicles.
- 5% non-fleet private passenger auto bodily injury coverage for territories 13, 14, 16, 18, 24, 31, 32, 51 & 52.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments, comprehensive & collision for insureds who own & occupy a home or condominium.
- 10% non-fleet private passenger auto comprehensive & collision for drivers with a driving record sub-class of 0 and free of violation incidences. Eff. 9-20-01

Generali - U S Branch

- 10% non-fleet private passenger auto liability bodily injury & property damage for operator licensed 15 or more yrs. & all drivers total 7-11 SDIP pts.
- 20% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 15 or more yrs. & all drivers total 12-20 SDIP pts.
- 15% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 10 yrs., but less than 15 yrs. & all drivers total 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 5 yrs., but less than 10 yrs. & all drivers total of 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 11,13,17,31,32,41 or 47.
- 7.5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 24,26,33 or 43. Eff. 2-9-94

Globe Indemnity Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force, a homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operator.
- Passive Restraint Discount: Credit varies.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Installment Payment Plan - Agency Payroll Deduction: Certain criteria apply.
- 10% Mass Marketing Discount: Applies to liability, med pay, comprehensive & collision: Certain criteria has to be met.
- Preferred Program Discount by territory. Eff. 9-1-00

Government Employees Insurance Company

- 5% Base Premium Deviation applicable to comprehensive & collision by territory.
- 10% non-fleet private passenger auto comprehensive & collision coverage for drivers 55 yrs. or older & auto is not surcharged for an inexperienced operator.
- 8% deviation on total policy premium for Sponsored Marketing Group Pricing Track: Certain criteria apply.
- Motorcycle Safety Course Credit: Non-fleet private passenger auto bodily injury, property damage, uninsured motorist, medical payments, personal injury, comprehensive & collision coverage. Certain criteria apply. Credit varies 10% - 20%.

- 5 Year Good Driving Discount: 8% non-fleet private passenger auto bodily injury, property damage, medical payment, collision & comprehensive: Certain criteria apply.
- Associate Discount: 8% credit to total policy premium.
- Military Discount Deviation for members on bodily injury, property damage, medical payment, comprehensive & collision. Credit varies 10%-15%.
- 15% Ultra Preferred Tier(2) Discount: Applies to bodily injury, property damage, collision, comprehensive, medical payments & uninsured/underinsured motorists coverages: Certain criteria apply.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 9-3-01

Grain Dealers Mutual Insurance Company

- Multiple Policy Deviation: 5% non-fleet private passenger auto liability & physical damage if Grain Dealers Mutual writes their homeowners policy.
- 10% credit will apply to rates for non-fleet private passenger bodily injury and property damage liability, medical payments, collision & other than collision applicable to that vehicle, if principal vehicle operator is age 55 or over and there is no inexperienced operator in the household.
- Safe Program Loss Free Discount: 5% credit- 3 yrs. accident free. 10% credit- 5 yrs. accident free, when criteria is met.
- Auto/Commercial Credit: 5% on personal auto policy when commercial risk is placed with Grain Dealers. Certain criteria applies.
- New Policy Credit: 10% credit will apply if all criteria is met. Eff. 7-1-01

Graphic Arts Mutual Insurance Company

- Superior Program Deviation: 5% non-fleet private passenger auto bodily injury, property damage liability & physical damage rates.
- 15% discount on base rates for employees of Utica National Insurance Group.
- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Company.
- Personal Auto Account Credit: 10% credit applied to basic premiums, when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) Program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00

Great American Alliance Insurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Occurrence Free Credit: 4% applies to bodily injury, property damage, medical payments, & comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 9-14-01

Great American Assurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, medical payments, comprehensive &

collision.

- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 9-14-01

Great American Insurance Company

- Various downward deviations for non-fleet private passenger auto bodily injury & property damage by territory. Credit varies. Certain criteria apply.
- Various downward deviations for non-fleet private passenger auto comprehensive & collision for chargeable or no chargeable activity when criteria is met. Credit varies.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with 29-49 driving experience.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviation on bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% downward deviation for non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 9-14-01

Great American Insurance Company of NY

- Various downward deviations on comprehensive & collision for chargeable & no chargeable activity. Certain criteria apply.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviations for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 9-14-01

Guaranty National Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. 37% deviation for single car policies with 12-20 SDIP pts.
- f. 33% deviation for multi-car policies with 12-20 SDIP pts.

Physical Damage

- 21% deviation with 3 or more SDIP pts. Eff. 3-1-99

Motorcycle

- 15% deviation on bodily injury & property damage for all drivers with 15 yrs. or more driving experience.
- 9% deviation on private passenger motorcycle physical damage. Eff. 3-1-99

GuideOne Mutual Insurance Company

- 55% non-fleet private passenger auto liability & physical damage rates on autos rated as Class 3 under Rule 4 of the NC Personal Auto Manual. Eff. 2-1-89

Hanover American Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for operators 55 yrs. of age or older, when no operators in household with less than 3 yrs. driving experience.
- Account Credit Program: 5% non-fleet private passenger auto comprehensive & collision coverage, if insured has homeowners with any of the Hanover Insurance Companies.
- Non-Smoker Discount: 5% non-fleet private passenger auto comprehensive & collision coverage, if no drivers have smoked in the past 12 months.
- Territorial Deviation: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies 10% - 37%.
- Renewal Credit: 3 yrs. to less than 5 yrs. - 3.0%; 5 yrs. or more - 6.0%: Must be insured with Hanover American Insurance Company or within an agency which Hanover represents.
- Installment Pay Plan By Electronic Funds Transfer: Installment charges waived.
- Group Modification Plan: Deviation range 0.5% -31.5%.
- Installment Payment Plan: Four payment plan \$3 per installment excludes first installment charge.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met. Eff. 9-1-00

The Hanover Insurance Company

- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Installment Pay Plan by Electronic Funds Transfer: No service charge.
- Group Modification Plan Deviation: 0% - 31.5%.
- Installment Payment Plan: \$3 charge for each installment, excluding first installment. Eff. 9-1-00

Harbor Specialty Insurance Company

- 10% non-fleet private passenger auto physical damage insurance rates for risks with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates if principal operator of vehicle is age 55 or older.
- 15% non-fleet private passenger auto comprehensive & collision rates for risks with "0" SDIP pts. Policy must be a part of Personal Protection Program.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments rates for risks with "0" SDIP pts. Eff. 2-1-94

Harleysville Mutual Insurance Company

- 10% non-fleet private passenger auto collision & other than collision rates, if insured has more than 6 consecutive loss

free yrs. with our Company.

- 5% non-fleet private passenger collision & other than collision rates, if insured has more than 3, but less than 6 consecutive loss free yrs. with our Company.
- Passive Restraint Discount: Applies to medical payments only. 20% discount for driver side position. 30% discount for both front outboard seat positions.
- Anti-Lock Braking System Discount: 5% non-fleet private passenger auto bodily injury & property damage for aut 4equipped with factory installed four wheel anti-lock brake system.
- Anti-Theft Device Discount: 5% non-fleet private passenger auto comprehensive for vehicles equipped with a disabling device which disables the vehicle by making the fuel, ignition or starting system inoperative.
- Group Mass Marketing Discount: 10% applies to voluntary policies to the liability, medical payments, comprehensive, & collision coverages of eligible employer groups, affinity groups & mass marketing programs. Eff. 9-1-99

Hartford Fire Insurance Company

- Age 55 or Older Deviation: BI, PD, MP - .91 factor: Comp & Collision - .82 factor. All other operators: BI, PD, MP - .96 factor: Comp & Collision - .87 factor.
- Account Credit: 10% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision, if insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.) Eff. 11-15-00

Hartford Underwriters Insurance Company

- Various downward deviations for operators age 55 & over.
- 10% Defensive Driver Discount, if Principal Operator has completion certificate dated within last 36 months, certifying that Principal Operator has both successfully & voluntarily completed course meeting standards of the N. C. Department of Transportation.
- 10% Account Credit, if policyholder has homeowners policy in effect in the AARP Homeowners Insurance Program.
- Renewal Credit Discount: 3-5 yrs. - 2%: 6 or more yrs. - 8%: Certain criteria apply.
- 2% non-fleet private passenger auto bodily injury, property damage & collision coverage when auto is equipped with factory installed anti-lock braking system (ABS).
- 5% Limited Driver Credit applies when principal operator is age 75 or over & such operators use of auto is limited daylight driving.
- Incident Free Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payment: comprehensive & collision: Certain criteria apply.
- Safe Driver Plus Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Advantage Discount: 10% credit when criteria is met. Eff. 9-1-00

Highland Insurance Company

- 15% deviation to bodily injury, property damage, medical payments, uninsured & underinsured motorist base premium.
- 25% deviation to comprehensive & collision base premium.
- Installment Payments Deviation.
- 10% deviation when named insured has a homeowners policy with any company in the Highlands Insurance Group.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Horace Mann Insurance Company

- 25%-45% deviation for waiving SDIP surcharge for 1st chargeable accident, if insured is with company for 5 consecutive yrs., has been free of chargeable accidents during that 5 yr. period.
- 9% non-fleet private passenger auto bodily injury & property damage: 8% comprehensive & collision premiums for insured in good standing of a sponsoring education association & policy is completely voluntary. Discount not applicable if policy is written comprehensive only.
- Driving Quality Deviation: Non-fleet private passenger auto BI, property damage & collision when criteria is met.
- Deviation on non-fleet private passenger: Certain comprehensive & collision deductibles when the insured has no chargeable SDIP pts. & no inexperience.
- Installment Payment Plan: Charge waived when paid by Electronic Funds Transfer.

- Installment Payment Charge: No charge on 1st installment for new business policies written on an installment payment basis.
- 3% Home & Auto Deviation: Non-fleet private passenger auto BI, PD & collision when criteria is met. Eff. 3-1-01

Huron Insurance Company

- Passive Restraint Discount: Medical payments coverage only. 20% when restraint is installed in driver-side position only. 30% when restraints are installed both front outboard seat positions.
- Loss Free Discount: Non-fleet private passenger auto comprehensive & collision. 5% - 10% applies when criteria is met.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision when Homeowners policy form 2, 3 or 6 is in force with Harleysville or Huron Insurance Company.
- 15% non-fleet private passenger auto comprehensive & collision deviation.
- Anti-Lock Braking System Discount: 5% non-fleet private passenger auto bodily injury & property damage for autos equipped with factory installed four wheel anti-lock brake system.
- Anti-Theft Device Discount: 5% non-fleet private passenger auto comprehensive for vehicles equipped with a disabling device which disables the vehicle by making the fuel, ignition or starting system inoperative.
- Multi-Car Discount: Additional 5% credit.
- Group Mass Marketing Discount: 10% applies to voluntary policies to the liability, medical payments, comprehensive, & collision coverages of eligible employer groups, affinity groups & mass marketing programs. Eff. 9-1-99

Indemnity Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Independent Fire Insurance Company

- Deviation non-fleet private passenger auto bodily injury, property damage & medical payments: 15% - 0 SDIP pts.; 10% 1-4 SDIP pts. if certain criteria is met.
- Deviation non-fleet private passenger auto comprehensive & collision coverage: 10% - 0 SDIP pts. if certain criteria is met. Eff. 2-6-95

Insura Property and Casualty Insurance Company

- Multi Policy Discount: 7.5% credit when Homeowners policy is written in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Variable credit.
- Longevity Discount: 5% credit to auto policies that have been in force for past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no driver with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies only.
- Point Factor Discount: Factors vary .00 - 3.90 for 0- 12 pts.
- .837 Discount Factor for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision on all Insura Premier policies. Eff. 11-16-00

Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Insurance Corporation of Hannover

- Discount for Qualified Preferred Drivers: 17.5% applied to physical damage: 5% applied to liability when criteria is met.
- Discount for Qualified Standard Drivers: 5% applied to physical damage when criteria is met.
- Account Credit Program Discount: 10% applies to bodily injury, property damage, med pay, collision & comprehensive when both homeowner & auto policies are written through ICH.
- Anti-Lock Braking System Discount: 5% applies to bodily injury, property damage, & med pay.
- Mature Driver Discount: 5% applies to bodily injury, property damage, med pay, collision & comprehensive when

criteria is met. Eff. 12-8-00

Integon Casualty Insurance Company

LIABILITY All deviation applicable to non fleet private passenger auto bodily injury & property damage coverage for listed components.

12 point violation must not be one of the following;

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 47% deviation, multi-car policies with 15-17 SDIP pts. & 5+ yrs. driving experience.
 - 57% deviation, single car policies with 12-17 SDIP pts. & 5-6 yrs. driving experience.
 - 47% deviation, multi-car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 57% deviation, single car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 25% deviation, multi-car policy & single car policy with 18-20 SDIP pts., unmarried with 5+ yrs. driving experience.
 - 25% deviation, multi-car policy & single car policy with 18-20 SDIP pts., married driver with 39+ yrs. driving experience.
 - 57% deviation, single car policy with 12-17 SDIP pts. & driving experience of 39+ yrs.
 - 61% deviation, single car policies with 15-17 SDIP pts. & driving experience of 7-38 yrs.
 - 47% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 5-6 yrs.
 - 47% deviation, multi-car policies with 12-14 SDIP pts. single driver with 7-38 yrs.
 - 47% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 39+ yrs.
 - 54% deviation, multi-car policies with 12-14 SDIP pts. married drivers with 7-38 yrs driving experience.
 - 65% deviation, single car policies with 12-14 SDIP pts. & driving experience of 7-38 yrs. Eff. 4-29-98

Integon General Insurance Corporation

- 5% non-fleet private passenger bodily injury & property damage liability rates for single car policies with 12-20 pts. with a 12 point violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending motor vehicle to be used in prearranged racing (3) failure to stop & render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 3.3% average deviation on non-fleet private passenger auto physical damage rates for risks with 5 or more SDIP pts. Non-owners policies do not qualify. Eff. 7-1-99

Integon Indemnity Corporation

Preferred Program

- 12.5% non-fleet private passenger auto bodily injury & property damage liability insurance rates on policies issued with "0" SDIP pts. for multi-car risks. In addition, all single car risks with "0" SDIP pts. where an additional vehicle is furnished to insured & available for regular use of the insured by his/her employer. Non-owners do not qualify.

Non Preferred Program

- 7% non-fleet private passenger bodily injury & property damage liability rates for single car policies with 12-20 pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 2% non-fleet private passenger bodily injury & property damage liability rates for multi car policies with 12-20 pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 5.7% average deviation non-fleet private passenger auto physical damage rates-5 or more pts. Non-owners policies do not qualify. Eff. 9-1-00

Integon National Insurance Company

Preferred Program

- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 9-13 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 12% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 14-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 44-48 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "1-4" SDIP points and married drivers with 9-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of prior limits of 100/300 or higher. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 20% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies qualifying for a superior credit score. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more of the following: a) prayer for judgement continued, b) not-at-fault accident, c) comprehensive claim, d) waivable accident or violation, or e) at-fault accident in a company car. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more at fault accident. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.06 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies where there is an operator with less than 9 years driving experience. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an above average credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

Non-Preferred Program

- 7% non fleet private passenger auto BI & PD liability for single car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 2% non fleet private passenger auto BI & PD liability for multi car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 5.7% non fleet private passenger auto physical damage for 5 or more SDIP pts. Non owner policies do not qualify.

Eff. 9-1-00

Integon Specialty Insurance CompanyPreferred Program

- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 9-13 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 12% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 14-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 44-48 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "1-4" SDIP points and married drivers with 9-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of prior limits of 100/300 or higher. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 20% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies qualifying for a superior credit score. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more of the following: a) prayer for judgement continued, b) not-at-fault accident, c) comprehensive claim, d) waivable accident or violation, or e) at-fault accident in a company car. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more at fault accident. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.06 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies where there is an operator with less than 9 years driving experience. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an above average credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation. Eff. 9-1-00

Non-Preferred Program

- 47% non fleet private passenger auto BI & PD liability for single car with 12-16 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 37% non fleet private passenger auto BI & PD liability for single car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in

- prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 42% non fleet private passenger auto BI & PD liability for multi car with 12-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 37% non fleet private passenger auto BI & PD liability for multi car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 10% non fleet private passenger auto BI & PD liability for single & multi car with 5-20 SDIP pts. Non owner policies do not qualify.
- 35% non fleet private passenger auto physical damage for single & multi car with 12-17 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 20% non fleet private passenger auto physical damage for single & multi car with 18-20 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 42% non fleet private passenger auto BI & PD liability for single car with 17-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify. Eff. 9-1-00

Kansas City Fire and Marine Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Group Program Discount. Eff. 9-1-00

LMI Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage & medical payments.
- 15% non-fleet private passenger auto comprehensive & collision. Eff. 8-1-96

Lancer Insurance Company

All deviations applicable to non-fleet private passenger auto comprehensive & collision coverages for single car and the insured may not have one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal liquors by motor vehicle.
- 28% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 3-6 yrs. driving experience.
 - 45% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 48% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 30% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 35% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 20% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 25% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 37% for policies with 8-15 pts.; based on model yr. of auto; driver has at least 3 yrs. driving experience. Eff. 4-1-99

Liberty Mutual Insurance Company

- Liability Single Limits Deviation by Territory.
- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Liability Split Limits Deviation by Territory.
- Mature Driver Discount Program: 10% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision when all operators in household are age 55 or older and there is inexperienced operator in household.
- 1% non-fleet private passenger automobile bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Multi Car Discount: 3% for non-fleet private passenger auto bodily injury & property damage coverage.
- Property Damage Limits Deviation by Territory.
- College Education Discount Program: 10% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 4% applies to liability & physical damage rates when an insured maintains an eligible homeowners policy with the company. Other criteria apply.
- Waive additional charge of \$3 - 1st installment of installment plan. Eff. 5-14-01

Lumbermens Mutual Casualty Company

- 20% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bag or seat belt in driver-side-only position.
- 30% non-fleet private passenger auto medical payment when vehicle is equipped with either factory installed air bags or seat belts in both front outboard seat positions.
- 40% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bags & seat belts in both front outboard seat positions.
- 5% non-fleet private passenger auto bodily injury & property damage for those vehicles equipped with factory installed four wheel anti-lock braking system (ABS).
- Experience Driver Discount: Principal operator is age 55 or older & no inexperienced operator.
- Installment Payment Plan: \$1 charge per billing for electronic funds transfer.
- 7% Kemper Network Deviation: Certain criteria apply. Eff. 9-1-00

Maryland Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with least 30 yrs. driving experience & no inexperienced operator.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 5% non-fleet private passenger auto comprehensive & collision for vehicles with "0" SDIP.
- 5% non-fleet private passenger auto bodily injury, property damage for anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive for active anti-theft disabling devices.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive, collision, uninsured underinsured motorist, towing & labor & all miscellaneous coverage (companion policy). Eff. 2-15-98

Massachusetts Bay Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates, if principal operators are age 55 or older and there are no other operators in household with less than 3 yrs. driving experience.
- Account Credit Program: 5% applies to non-fleet private passenger auto comprehensive & collision rates for insured who have both their private passenger auto & primary homeowners insured with one of Hanover Insurance Companies.
- Non-Smoker Discount: 5% non-fleet private passenger auto comprehensive & collision rates if no drivers have smoked in past 12 months: Certain criteria apply.
- Installment Payment Plan: No service charge by Electronic Funds Transfer.
- Installment Payment Plan: \$3 per installment, excluding first installment.
- Group Modification Plan: Deviation 0.5% - 31.5%.

- Territorial Deviation: 5%- 9% credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met. Eff. 9-1-00

Merastar Insurance Company

- \$2 per installment charge is waived on all policies paid through pre-authorized checking or payroll deduction plans.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments & comprehensive & collision rates if named insured is member of an employer sponsored account or qualifying affinity group.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured is age 55 or older & no operator has less than 9 yrs. driving experience.
- 6% non-fleet private passenger auto comprehensive & collision, if policy qualifies for Company's Safe and Sound Discount.
- 5% non-fleet private passenger auto comprehensive rates for alarm only or other anti-theft system requiring driver to enable system.
- 15% non-fleet private passenger auto comprehensive rates for passive anti-theft system.
- 2% non-fleet private passenger auto collision rate, if vehicle is equipped with factory installed anti-lock braking system. Eff. 3-15-00

Metropolitan Direct Property & Casualty Insurance Company

- Territorial Deviation for bodily injury, property damage, med pay, uninsured motorists, combined uninsured/underinsured motorists, comprehensive, & collision coverages: Credit varies 1%-5%.
- Experience Driver Deviation: Applies to auto liability & physical damage coverages: Certain criteria apply: Credit varies 2%-3%.
- Age 55 & Older Deviation for liability & physical damage coverages: Certain criteria apply: Credit varies 3%-11%.
- Preferred Customer Discount: Certain criteria apply: Credit varies 4%-10%.
- Superior Driver Discount: Certain criteria apply: Credit varies 5%-15%.
- 7% Multi Policy Discount: Applies to insureds who have both auto & homeowners insurance with Metropolitan.
- Mass Merchandising Account Deviation: 7% credit: Certain criteria apply.
- 5% Payroll Deduction Discount: Certain criteria apply.
- Employment Tenure Discount: 4% or 7% credit applies when criteria is met. Eff. 11-2-00

Metropolitan Property & Casualty Insurance Company

- Territory Deviation for BI, PD, Med Payments, Uninsured Motorist, Combined Uninsured/Underinsured Motorist, Comprehensive & Collision coverages: Credit varies 0%-5%.
- 2% Age 55 or Older Deviation: Certain criteria apply.
- Preferred Customer Discount: Certain criteria apply: Credit varies 4%-10%.
- Superior Driver Discount: Credit varies 1%-9% based on driving record.
- 3% Multi Policy Discount: Applies to insureds who have both auto & homeowners insurance with Metropolitan.
- Mass Merchandising Account Deviation: Credit varies 1%-2%.
- 3% Payroll Deduction Discount: Certain criteria apply.
- Employment Tenure Discount: 2% or 4% credit applies when criteria is met.
- Small Employer Group Program: 5% deviation applies when eligibility is met. Eff. 11-2-00

Montgomery Mutual Insurance Company

- 4% Discount on bodily injury, property damage, medical payments, comprehensive & collision for risks with 0 SDIP pts.
- 5% Discount on bodily injury, property damage, medical payments, comprehensive & collision for risks where named insured on a Montgomery Mutual Insurance Company Homeowners policy. Eff. 10-1-00

Motors Insurance Corporation

- Deviation applies under Mechanical Insurance Program & provides for eliminating surcharge on all eligible vehicles equipped with diesel engines. Eff. 10-1-85

Mutual Service Casualty Insurance Company

- 7.5% non-fleet private passenger auto bodily injury & property damage for multi-car policies, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation which is not one of following: A. Manslaughter or negligent homicide: B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death: C. F arranged racing or knowingly lending a vehicle to be used in prearranged racing: D. Transporting illegal intoxicating liquors by motor vehicle.
- 15% non-fleet private passenger auto bodily injury & property damage for single car risk, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation is not one of following: A. Manslaughter or negligent homicide: B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death: C. Pre-arranged racing of knowingly lending a vehicle to be used in pre-arranged racing: D. Transporting illegal intoxicating liquors by motor vehicle. Eff. 6-7-95

National Grange Mutual Insurance Company

- Qualified Preferred Drivers: Non-fleet private passenger auto physical damage- 10%, liability and medical- 5% credit applied to base premiums meeting preferred driver criteria.
- Qualified Standard Drivers: 5% non-fleet private passenger auto physical damage base premium meeting standard driver criteria.
- Combined Personal Protection Program: 10% non-fleet private passenger auto bodily injury, property damage & medical payments, collision & comprehensive when both homeowners & voluntary auto policy is written thru NGM.
- Mature Driver Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments collision & comprehensive when criteria is met.
- Anti-lock Braking System Discount: 5% non-fleet private passenger auto bodily injury, property damage & medical payments when certain criteria is met.
- Installment Payment Plan: \$3 Charge each installment for 1st policy. \$1 Charge each installment for each additional personal lines policy. No service charge if paid via EFT. Eff. 10-29-99

National Surety Corporation

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or anti-theft device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factory installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 10-1-00

Nationwide Mutual Fire Insurance Company

- 47% non-fleet private passenger auto bodily injury & property damage on single car policies & 41% on multi-car policies bodily injury & property damage with a 12 pt. violation that is not one of the following. A. Manslaughter or negligent homicide resulting from the operation of a motor vehicle. B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing. C. Failure to stop & render aid when involved in an accident resulting in bodily injury or death. D. Transporting for the purpose of sale of illegal intoxicating liquors by motor vehicle.
- Policies being rated with 12-20 SDIP pts. without a DWI conviction will be written with 10% deviation for bodily injury & property damage coverage. Eff. 7-5-98

Nationwide Mutual Insurance Company

- Senior Adult Discount Deviation: 2% applies to medical payments only.
- Home and Car Deviation/Homeowner Deviation: Applies to auto bodily injury, property damage, comprehensive & collision: Credit varies depending on combination of deviation & territory.
- 5% Non-fleet private passenger auto bodily injury, property damage, comprehensive & collision. Deviation is applicable to motorcycles, antique or classic autos, or any vehicle not subject to Safe Driver Insurance Plan.

- Long Term Policyholder Deviation: Applies to bodily injury, property damage, comprehensive & collision: Credit varies 1% - 4.5% if insured has had coverage for 3+ yrs. & depending on number of SDIP pts.
- N.C. Rate Bureau Multi-Car Rating Factor shall apply when certain conditions are met.
- Physical Damage Deviation: Applies to non-fleet private passenger auto comprehensive & collision for single car policies & multi-car policies: Credit varies depending on yrs. of driving experience & number of SDIP pts.
- Miscellaneous Vehicle Deviation: 5% applies to bodily injury, property damage, comprehensive & collision. Eff. 3-1-01

Netherlands Insurance Company

- 18% discount bodily injury, property damage & medical payments for risks in territory 52.
- 16% discount bodily injury, property damage & medical payments for risks in territory 15.
- 15% discount bodily injury, property damage & medical payments for risks in territories 11,13,18, 24 & 51.
- 13% discount bodily injury, property damage & medical payments for risks in territory 32.
- 12% discount bodily injury, property damage & medical payments for risks in territory 31.
- 11% discount bodily injury, property damage & medical payments for risks in territories 14,17, & 25.
- 10% discount bodily injury, property damage & medical payments for risks in territories 16, 33, & 47.
- 1% discount bodily injury, property damage & medical payments for risks in territory 26.
- 22% discount comprehensive & collision for risk in territory 52.
- 20% discount comprehensive & collision for risk in territories 11, 13, 18, 24 & 51.
- 19% discount comprehensive & collision for risk in territory 32.
- 18% discount comprehensive & collision for risk in territory 31.
- 17% discount comprehensive & collision for risk in territories 14,17, & 25.
- 15% discount comprehensive & collision for risk in territories 16 & 33.
- 5% discount comprehensive & collision for risk in territory 26.
- 24% discount comprehensive & collision for risk in territory 15.
- 16% discount comprehensive & collision for risk in territory 47.
- 4% discount bodily injury, property damage, medical payment, comprehensive & collision for risk with no SDIP pts.
- 5% discount bodily injury, property damage, medical payments, comprehensive & collision provided the principal operator of vehicle is age 55 or older.
- 5% discount bodily injury, property damage, medical payments, comprehensive & collision for risks part of the Personal Protector Program. Eff. 3-1-01

New South Insurance Company

Preferred Program

- 7.5% non-fleet private passenger auto bodily injury & property damage insurance rates on policies issued with "0" SDIP pts. for multi-car. In addition, all single car risks with "0" SDIP pts. where an additional vehicle is furnished to insured & available for regular use of insured by his/her employer. Non-owner policies do not qualify.

Non-Preferred Program

- 19.5% non-fleet private passenger auto bodily injury & property damage liability rates for single car policies with 12 - 20 SDIP pts. with 12 pt. violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing (3) failure to stop & render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 13% non-fleet private passenger auto bodily injury & property damage liability rates for multi-car policies with 12-20 SDIP pts. with 12 point violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending motor vehicle to be used in prearranged racing (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 6.8% average deviation for non-fleet private passenger auto physical damage rates with 5 or more SDIP pts. Non-owners policies do not qualify. Eff. 9-1-00

New York Central Mutual Fire Insurance Company

- 10% non-fleet private passenger auto liability, bodily injury, property damage & collision coverage. Deviation applies to operators who have had no traffic tickets or been involved in any accidents within past 39 months. Eff. 8-27-90

Newark Insurance Company

- 20% discount for eligible employees. Credit applicable to total personal auto policy premium.
- Companion policy credit: 5% credit when auto & homeowner policy in force in any Royal Insurance.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived. Eff. 1-1-97

Niagara Fire Insurance Company

- 10% non-fleet private passenger auto Personal Comprehensive Protection Program auto physical damage. Eff. 11-7-86

North Carolina Farm Bureau Mutual Insurance Company

All deviation components applicable to bodily injury, property damage, medical payments and physical damage.

- 29% for multi car, with property coverage, all drivers with 34 - 49 yrs. driving experience.
- 16% for multi car, without property coverage, all drivers with 34 - 49 yrs. driving experience.
- 28 % for single car, with property coverage, all drivers with 34 - 49 yrs. driving experience.
- 15% for single car, without property coverage, all drivers with 34 - 49 yrs. driving experience.
- 22% for multi car, with property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 8% for multi car, without property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 19% for single car, with property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 6% for single car, without property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 22% for multi car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a drivers with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.
- 8% for multi car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.
- 19% for single car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.
- 6% for single car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.
- 15% for multi car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yrs. driving experience.
- 5% for multi car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yrs. driving experience.
- 11% for single car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yrs. driving experience.
- 3% single car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yrs. driving experience.
- 15 % for multi car, with property coverage, on no driver with 34 - 49 or 3 - 11 yrs. driving experience & a driver with 11 - 34 or 49 - 54 yrs. driving experience & a driver with less than 3 or more than 54 yrs. driving experience.
- 5% for multi car, without property coverage, on no driver with 34 - 49 or 3 - 11 yrs. driving experience & a driver with 11 - 34 or 49 - 54 yrs. driving experience & a driver with less than 3 or more than 54 yrs. driving experience.
- 11% for single car, with property coverage, on no driver with 34 - 49 or 3 - 11 yrs. driving experience & a driver with 11 - 34 or 49 - 54 yrs. driving experience & a driver with less than 3 or more than 54 yrs. driving experience.
- 3% for single car, without property coverage, on no driver with 34 - 49 or 3 - 11 yrs. driving experience & a driver with 11 - 34 or 49 - 54 yrs. driving experience & a driver with less than 3 or more than 54 yrs. driving experience.
- 15% for multi car, with property coverage, on a driver with more than 54 yrs. driving experience & no driver with 34 - 49 or 3 - 11 yrs. driving experience.
- 5% for multi car, without property coverage, on a driver with more than 54 yrs. driving experience & no driver with 34 - 49 or 3 - 11 yrs. driving experience.

- 11% for single car, with property coverage, on a driver with less than 54 yrs. driving experience & no driver with 34 - 49 or 3 - 11 yrs. driving experience.
- 3% for single car, without property coverage, on a driver with more than 54 yrs. driving experience & no driver with 34 - 49 or 3 - 11 yrs. driving experience.
- 10% for multi car, with property coverage, on only drivers with less than 3 or 3 - 11 yrs. driving experience & no driver with 34 - 49 yrs. driving experience.
- 2% for multi car, without property coverage, on only drivers with less than 3 or 3 - 11 yrs. driving experience & no driver with 34 - 49 yrs. driving experience.
- 6% for single car, with property coverage, on only drivers with less than 3 or 3 - 11 yrs. driving experience & no driver with 34 - 49 yrs. driving experience.
- 2% for single car, without property coverage, on only drivers with less than 3 or 3 - 11 yrs. driving experience & no driver with 34 - 49 yrs. driving experience.
- 6% deviation by territory. Eff. 9-1-00

Northern Insurance Company of New York

- 10% non-fleet private auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier I).
- 6% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all other miscellaneous coverage (Tier II).
- 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier III).
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for operators who have at least 30 yrs. driving experience with no inexperience operators.
- 5% non-fleet private passenger bodily injury & property damage with anti-lock braking system.
- Various deviations for comprehensive with vehicles equipped with anti-theft devices.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, uninsured & underinsured motorist, comprehensive, collision, towing & all miscellaneous coverage for auto & home discount.
- 10% non-fleet private passenger bodily injury, property damage, comprehensive & collision with named insured employed as an educator.
- 12% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where name insured is an employee of Centry Furniture Industries Inc.
- 6% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of Premier, Inc. & its Hospitals & Health Systems & Premier Insurance Management Services, Inc.
- 9% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of American Veterinarians Medical Association Professional Liability Insurance Trust. Eff. 7-19-01

Northwestern National Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist & underinsured motorist coverage.
- 15% non-fleet private passenger auto comprehensive & collision deviation to base premiums.
- Installment Payment Plan: Initial installment waived.
- 10% Account Credit on auto policy when named insured insures a Homeowners policy with State Capital, Northwestern National, or American Professional Insurance Companies.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Ohio Casualty Insurance Company

- 4% credit to all coverages with an operator age 55 or older who purchase Homeowners coverage in Ohio Casualty Group.
- Employee Discount: 15% when criteria is met.
- Anti-Theft Discount: Comprehensive Coverage only: 5% alarm only & active disabling devices; 15% passive disabling devices; Other criteria apply. Eff. 9-1-00

Omni Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving while under the influences of drugs.
 - f. Instructing while under the influence.
 - g. Aiding and abetting or felony using a motor vehicle.
- Deviation for single car, not all operators are married, 12-26 SDIP pts., least experienced operator has 5-60+ yrs. licensed driving experience. Credit varies 5%-52%.
 - Deviation for multi car, not all operators are married, 12-20 SDIP pts., least experienced operator has 5-59 yrs. licensed driving experience. Credit varies 5%-37%.
 - Deviation for single car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-46%.
 - Deviation for multi car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-41%.
 - Deviation for single car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.
 - Deviation for multi car, not all operators, married, 17-26 SDIP pts., least experienced operator has 5-13 yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%-13%.
 - Deviation for multi car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 5% deviation for single car, with 4-6 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 5% deviation for single car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. driver experience.
- 5% deviation for multi car, with 4-6 SDIP pts. where driver with least licensed 4 driving experience has 7-59 yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 6% deviation for multi car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience.
- 5% non fleet private passenger auto bodily injury increase limit of 50/100.
- 5% non fleet private passenger auto bodily injury increase limit of 100/300.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other liability deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford Financial Services Group. Form 4 does not qualify for deviation.
- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation.
- 7.5% deviation for policies obtained through one of the Hartford Financial Services Groups Affinity based marketing channels.
- 20% for policies with 7 or more SDIP pts., where driver with least licensed driving experience has 7+ yrs. of driver experience. Applies to qualifying policies regardless of prior auto insurance or homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.

- d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving while under the influences of drugs.
 - f. Instructing while under the influence.
 - g. Aiding and abetting or felony using a motor vehicle.
- Deviation for single car, unmarried driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5-9 or more yrs. of driver experience. Credit varies 5%-46%.
 - 5% deviation for single car, unmarried driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - Deviation for single car, married driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. or more of driver experience. Credit varies 14%-46%.
 - 5% deviation for single car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - 5%-18% deviation for multi car, unmarried driver with 12-16 SDIP pts. where driver with least licensed driving experience has 5-13 yrs. of driver experience..
 - 5%-10% deviation for multi car, unmarried driver with 17-26 SDIP pts. where driver with least licensed driving experience has 5-13 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - 5%-37% deviation for multi car, unmarried driver with 12-20 SDIP pts. where driver with least licensed driving experience has 14 or more yrs. of driver experience.
 - 14%-41% deviation for multi car, married driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience.
 - 5% deviation for multi car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

- 20% deviation with 7 or more SDIP pts. where driver with least of licensed driving experience has 7 or more yrs. of driver experience. Deviation applies to all qualifying policies regardless of the existence (or non existence) of prior auto insurance or homeownership.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other physical damage deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford Financial Services Group. Form 4 does not qualify for deviation.
- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation. Eff. 2-1-00

Owners Insurance Company

- Mature Driver Discount: Varied credit of 5% - 20% if the operators are age 55 – 74 yrs. of age.
- Multi Car Discount: 5% Comprehensive & Collision: Certain criteria apply.
- Owners Discount: More than 14 yrs. driving experience: 5% BI, PD & MP: 10% Comprehensive: 15% Collision.
- Auto/Home Discount: Certain Criteria Apply: 10% BI, PD, MP, Comprehensive & Collision.
- Life/Auto Discount: Named insured must have a life insurance policy with Auto Owners in addition to auto policy: 5 % BI, PD, MP, Comprehensive & Collision.
- Territory Discount: Credit varies 1% - 2%. Eff. 3-17-01

Pacific Employers Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Pacific Indemnity Company

- 4% deviation on bodily injury, property damage, medical payments, comprehensive & collision.

- Antique Auto: Various deviations on liability & physical damage coverages.
- Increased Limits Deviations. Eff. 9-1-00

Peerless Insurance Company

- 3% non-fleet private passenger auto comprehensive & collision for territories 11, 13, 14, 15, 16, 17, 18, 24, 25, 26, 32, 33, & 51.
- 4% non-fleet private passenger auto comprehensive & collision for territory 52.
- 2% non-fleet private passenger auto comprehensive & collision for territory 47.
- 4% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. All operators must have "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. The policy must be a part of Personal Protector Program.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision with principal operator age 55 or older. Eff. 7-15-01

Pennsylvania National Mutual Casualty Insurance Company

- Account Credit: 5% applied to final auto premium when homeowners is written through the same company & certain criteria is met.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured motorist, comprehensive & collision when principal operator is age 55 or over & all drivers are licensed more than 3 yrs.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Program. Credit varies.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Advantage Program. Credit varies.
- 5% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision if Pennsylvania National Mutual Casualty is unable to write homeowners due to exposure of windstorm or hail. Eff. 9-1-00

Pharmacists Mutual Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured/underinsured motorists, comprehensive & collision.
- Safe Driver Discount Plan: Credit varies 10%-20% when criteria is met.
- Multi-Policy: Credit varies 5%-10% when criteria is met.
- Installment Payments: \$1 charge for installment payments. Eff. 1-1-00

Phoenix Insurance Company

- 9% Account Discount applies when both voluntary non-fleet private passenger auto policy & homeowners policy with The Travelers.
- 5% deviation non-fleet private passenger auto comprehensive & collision insurance rates.
- 3% Renewal Credit for non-fleet private passenger auto rates, if insured has maintained auto coverage with the Travelers for last 6 or more consecutive yrs.
- 9% credit for physical damage coverage: 9% credit all other coverages, all vehicle types for voluntary private passenger auto policies issued to employees of Multi-Line Insurance & Financial Services Institutions. Installment charge for each installment is deleted.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto, pickups, vans & classic auto's bodily injury, property damage, medical payments & collision for single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto, pickups, vans & classic auto's for comprehensive, fire/theft and theft/fire, theft, & CAC coverages for single car policy and have more than one private passenger auto insured with The Travelers.
- 10% deviation non-fleet private passenger auto liability coverage. Eff. 10-22-00

Progressive American Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 10%-22% for single car policies, non standard underwriting with 4-8 SDIP pts.
- 6%-22% for multi car policies, non standard underwriting with 3-8 SDIP pts.
- 5%-32% for single car policies, middle underwriting with 3-8 SDIP pts.
- 3%-33% for multi car policies, middle underwriting with 2-8 SDIP pts.
- 3%-43% for single car policies, standard underwriting with 1-8 SDIP pts.
- 6%-38% for multi car policies, standard underwriting with 2-8 SDIP pts.
- 20%-56% for single car policies, preferred underwriting with 0-8 SDIP pts
- 13%-51% for multi car policies, preferred underwriting with 0-8 SDIP pts.
- 50%-67% for single car policies, ultra-preferred underwriting with 2-8 SDIP pts.
- 44%-63% for multi car policies, ultra preferred underwriting with 2-8 SDIP pts.
- 25% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 31% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 26% for multi car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 34% for multi car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 35% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 38% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 37% for multi car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 43% for multi car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 45% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 47% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 42% for multi car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 58% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 59% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 54% for multi car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 57% for multi car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 68% for single car policies, ultra-preferred underwriting, 9-12 SDIP pts. Other criteria apply..
- 69% for single car policies, ultra-preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 65% for multi car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 67% for multi car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.
- 3%-8% for single car policies, non standard, standard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 2%-6% for multi car policies, standard, non standard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 8% for multi car policies in preferred & ultra preferred underwriting, paid in full, with proof of homeownership.
- \$3 installment fee waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 31%-67%.
 - Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 34%-58%.
 - Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 38%-71%.

- Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 43%-64%.
- Deviation for single car policies, standard underwriting, 12-21 SDIP pts. Credit varies 47%-76%.
- Deviation for multi car policies, standard underwriting, 12-21 SDIP pts. Credit varies 46%-67%.
- Deviation for single car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 59%-82%.
- Deviation for multi car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 57%-74%.
- Deviation for single car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 69%-86%.
- Deviation for multi car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 67%-80%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.01-1.32 factors vary based on risks garaged in certain territories.
- 1.08-3.25 factors vary based on average driver group 1-16.
- 1.10-1.23 factor for single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.12 factor for multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts., or with a driver whose driving record cannot be verified.
- 1.12-1.30 for single car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.06-1.15 for multi car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.05-1.08 factors for single car policies, preferred & ultra preferred underwriting with 1 speed or minor violation per company guidelines.
- 1.03-1.04 factors for multi car policies, preferred & ultra preferred underwriting with 1 speed or minor violation per company guidelines.
- 1.09-1.94 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.16 factor for single car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.29 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is the named insured.
- 1.50 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.02 factor for risks with BI limits of 50/100.
- 1.07 factor for risks with BI limits of 100/300 or 250/500.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage & medical payments with one or more of the following:

- a. At fault accident.
- b. Major violation per company guidelines.
- c. DWI violation class per company guidelines.
- d. Two or more speed or minor violations per company guidelines.
- e. Driver whose driving record cannot be verified.

- 1.13 factor for single car policies, preferred underwriting or 0 SDIP pts.
- 1.33 factor for single car policies, ultra preferred underwriting.
- 1.07 factor for multi car policies, preferred underwriting.
- 1.17 factor for multi car policies, ultra preferred underwriting.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 22%-30% for single car policies, non standard underwriting with 6-8 SDIP pts.
- 23%-31% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6-8 SDIP pts.
- 38%-48% for single car policies, middle underwriting with 5-8 SDIP pts.
- 31%-39% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6-8 SDIP pts.
- 33%-44% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-8 SDIP pts.
- 34%-57% for single car policies, standard underwriting with 2-8 SDIP pts.

- 41%-52% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-8 SDIP pts.
- 20%-51% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-8 SDIP pts.
- 32%-59% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-8 SDIP pts.
- 40%-68% for single car policies, preferred underwriting with 0-8 SDIP pts.
- 38%-64% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 38%-70% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-8 SDIP pts.
- 59%-78% for single car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 58%-77% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle with 1-8 SDIP pts.
- 61%-79% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 1-8 SDIP pts.
- 24% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 33% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 23% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 33% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 36% for multi car policies, non standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 43% for multi car policies, non standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 44% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 49% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 39% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 50% for multi car policies, middle underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies, middle underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 54% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 58% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 47% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 56% for multi car policies, standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 60% for multi car policies, standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 66% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 69% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 61% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 66% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 13-or more SDIP pts. Other criteria apply.
- 68% for multi car policies, preferred underwriting, collision coverage on one vehicle with 9-12 SDIP pts. Other criteria apply.
- 71% for multi car policies, preferred underwriting, collision coverage on one vehicle with 13 or more SDIP pts. Other criteria apply.
- 77% for single car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 79% for single car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 77% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 78% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 80% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other

criteria apply.

- 2%-4% for single car policies standard, non standard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 5%-11% for multi car policies, standard, nonstandard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- 33%-65% single car policies, non standard underwriting with 12-21 SDIP pts.
- 33%-59% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 43%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
- 50%-74% for single car policies, middle underwriting with 12-18 or more SDIP pts.
- 47%-67 for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts.
- 54%-73% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.
- 58%-89% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
- 53%-86% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 60%-89% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.29-1.64 factors apply for risks garaged in certain territories.
- 1.06-3.56 factors vary based on average driver group 1-16.
- 1.10-1.23 single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.20 multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts. or with a driver whose driving record cannot be verified.
- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.08-1.19 factors for single car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.04-1.10 factors for multi car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.07-1.81 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.12 factor for single car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.
- 1.40 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is the principal named insured.
- 1.56 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.

PHYSICAL DAMAGE All deviation applies to non fleet private passenger auto physical damage rates. One or more of the following apply.

- a. At fault accident.
 - b. Major violation per company guidelines.
 - c. DWI violation class per company guidelines.
 - d. Two or more speed or minor violations per company guidelines.
 - e. Driver whose driving record cannot be verified.
- 1.27 factor for single car policies, preferred underwriting.
 - 1.49 factor for single car policies, ultra preferred underwriting.
 - 1.14 factor for multi car policies, preferred underwriting.
 - 1.25 factor for multi car policies, ultra preferred underwriting. Eff. 3-23-01

Progressive Casualty Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 14%-35% for single car policies, non standard underwriting with 5-6 or more SDIP pts.
- 28% for multi car policies, non standard underwriting with 6 or more SDIP pts.
- 15%-36% for single car policies, middle underwriting with 3-6 or more SDIP pts.
- 11%-29% for multi car policies, middle underwriting with 4-6 or more SDIP pts.
- 14%-50% for single car policies, standard underwriting with 0-6 or more SDIP pts.
- 16%-35% for multi car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-53% for single car policies, preferred underwriting with 0-6 or more SDIP pts.
- 25%-39% for multi car policies, preferred underwriting with 0-6 or more SDIP pts.
- 51%-53% for single car policies, ultra-preferred underwriting with 0-6 or more SDIP pts.
- 39%-42% for multi car policies, ultra preferred underwriting with 0-6 or more SDIP pts.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risks meet underwriting guidelines.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, 12-21 SDIP pts, non standard underwriting. Credit varies 58%-74%.
 - Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 44%-63%.
 - Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 48%-66%.
 - Deviation for single car policies, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car policies, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 48%-66%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.14 factor applies single car policies, non standard underwriting for policies without proof of prior auto insurance.
- 1.09 factor applies multi car policies, non standard underwriting for policies without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.05-3.20 factors vary based on average driver group 1-17.
- 1.10-1.45 factors vary for single car policies with 1-3 or more accidents.
- 1.06-1.30 factors vary for multi car policies with 1-3 or more accidents.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 26% for single car policies, non standard underwriting with 6 or more SDIP pts.
- 23% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6 or more SDIP pts.
- 27%-28% for single car policies, middle underwriting with 5-6 or more SDIP pts.
- 37% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6 or more SDIP pts.
- 18%-24% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-6 or more SDIP pts.
- 33%-47% for single car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-38% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-6 or more SDIP pts.
- 22%-40% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-6 or more SDIP pts.
- 24%-47% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-5 or more SDIP pts.
- 26%-47% for single car policies, preferred underwriting with 0-5 or more SDIP pts.
- 23%-40% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-6 or more SDIP pts.
- 23%-47% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 48% single car policies, ultra preferred underwriting.
- 40% multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle.
- 40%-47% multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 5% for policies, non standard, middle and standard underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following;

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- 54%-69% single car policies, non standard underwriting with 12-18 or more SDIP pts.
- 45%-64% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 51%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
- 57%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
- 47%-66% for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts.
- 54%-69% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.
- 57%-71% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
- 47%-66% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-21 SDIP pts.
- 54%-69% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.19 factor applies, single car policies, non standard underwriting for policies without proof of auto insurance.
- 1.15 factor applies, multi car policies, non standard underwriting without proof of auto insurance.
- 1.05-1.20 factors based on territories.

- 1.10-2.75 factors vary based on average driver group 1-16.
- 1.08-1.35 single car policies with 1-3 or more accidents.
- 1.05-1.24 multi car policies with 1-3 or more accidents.
- Installment Payment Plan: \$3 charge waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction. Eff. 7-1-99

Progressive Northern Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 2%-15% for single car policies, non standard underwriting, 5-8 SDIP pts.
- 3%-15% for multi car policies, non standard underwriting, 5-8 SDIP pts.
- 1%-26% for single car policies, middle underwriting, 4-8 SDIP pts.
- 2%-27% for multi car policies, middle underwriting, 4-8 SDIP pts.
- 7%-38% for single car policies, standard underwriting, 2-8 SDIP pts.
- 3%-32% for multi car policies, standard underwriting, 3-8 SDIP pts.
- 13%-52% for single car policies, preferred underwriting, 0-8 SDIP pts.
- 5%-47% for multi car policies, preferred underwriting, 0-8 SDIP pts.
- 35%-64% for single car policies, ultra-preferred underwriting, 0-8 SDIP pts.
- 28%-60% for multi car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 18% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 25% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 19% for multi car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 28% for multi car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 29% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 32% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 31% for multi car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 38% for multi car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 40% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 42% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 37% for multi car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 41% for multi car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 54% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 55% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 50% for multi car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 65% for single car policies, ultra-preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 66% for single car policies, ultra-preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 62% for multi car policies, ultra-preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 64% for multi car policies, ultra-preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 2%-5% for single car policies in standard, preferred, ultra preferred, non-standard & middle underwriting with proof of homeownership & risk meets underwriting guidelines.
- 8% for multi car, preferred & ultra preferred underwriting with proof of homeownership & risk meets underwriting guidelines.
- 4%-5% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.
- \$3 installment fee waived for policies purchased by employees from an approved employer group via payroll deduction.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- Deviation for single car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 25%-64%.
- Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 28%-54%.
- Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 32%-68%.
- Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 38%-61%.
- Deviation for single car policies, standard, preferred & ultra preferred underwriting, 12-21 SDIP pts. Credit varies 42-85%.
- Deviation for multi car policies, standard, preferred & ultra preferred underwriting, 12-21 SDIP pts. Credit varies 41%-78%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.01-1.32 factors vary based on risks garaged in certain territories.
- 1.08-3.25 factors vary based on average driver group 1-16.
- 1.10-1.23 factors vary for single car policies with 1-3 or more accidents, more than 0 SDIP pts.
- 1.06-1.12 factors vary for multi car policies with 1-3 or more accidents, more than 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts., or with a driver whose driving record cannot be verified.
- 1.15 factor for single car policies, 0 SDIP pts., & 1 speed or minor violation per company guidelines.
- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.08 factor for multi car policies, 0 SDIP pts., & 1 speed or minor violation per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. 2 or more speed or minor violation per company guidelines.
- 1.05-1.08 factors for single cars, preferred & ultra preferred underwriting with 1 speed or minor violation per company guidelines.
- 1.03-1.04 factors for multi car policies, preferred & ultra preferred underwriting 1 speed or minor violation per company guidelines.
- 1.09-1.94 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperienced operators.
- 1.16 factor for single car policies with an operator with less than 5 yrs. of licensed driving experience who is not the principal named insured.
- 1.29 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is the principal named insured.
- 1.50 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.02 factor for risks with BI limits of 50/100.
- 1.07 factor for risks with BI limits of 100/300 or 250/500.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage & medical payments with one or more of the following:

- At fault accident.
 - Major violation per company guidelines.
 - DWI violation class per company guidelines.
 - Two or more speed or minor violations per company guidelines.
 - Driver whose driving record cannot be verified.
- 1.13 factor for single car policies, preferred underwriting or 0 SDIP pts.
 - 1.33 factor for single car policies, ultra preferred underwriting.
 - 1.07 factor for multi car policies, preferred underwriting.
 - 1.17 factor for multi car policies, ultra preferred underwriting.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 15%-24% for single car policies, non standard underwriting, 6-8 SDIP pts.
- 17% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 27% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.

- 13%- 23% for multi car policies, non standard underwriting with collision coverage. on more than one vehicle, 6-8 SDIP pts.
- 16% for multi car policies, non standard underwriting with collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 27% for multi car policies, non standard underwriting with collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 32%-43% for single car policies, middle underwriting with 5-8 SDIP pts.
- 39% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 44% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 25%-34% for multi car policies, non standard underwriting with collision coverage on one vehicle, 6-8 SDIP pts.
- 30% for multi car policies, non standard underwriting with collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 38% for multi car policies, non standard underwriting with collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 27%-39% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 5-8 SDIP pts.
- 34% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 41% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 28%-53% for single car policies, standard underwriting with 2-8 SDIP pts.
- 50% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 54% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 36%-48% for multi car policies, middle underwriting, collision coverage on one vehicle, 5-8 SDIP pts.
- 46% for multi car policies, middle underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 49% for multi car policies, middle underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 21%-47% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-8 SDIP pts.
- 42% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 49% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 26%-53% for multi car policies, standard underwriting, collision coverage on one vehicle, 2-8 SDIP pts.
- 52% for multi car policies, standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 56% for multi car policies, standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 35%-65% for single car policies, preferred underwriting, 0-8 SDIP pts.
- 63% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 67% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 32%-61% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 57% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 63% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 32%-67% for multi car policies, preferred underwriting, collision coverage on one vehicle, 0-8 SDIP pts.
- 65% for multi car policies, preferred underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 68% for multi car policies, preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 55%-76% for single car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 75% for single car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 77% for single car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 54%-75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 73% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 54%-78% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 0-8 SDIP pts. Other

criteria apply.

- 76% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 9-12 SDIP pts
- 78% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
- Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- Transporting illegal intoxicating liquors by motor vehicle.

- 27%-62% single car policies, non standard underwriting with 12-18 or more SDIP pts.
- 27%-55% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 38%-64% for multi car policies, non standard underwriting, collision coverage. on one vehicle with 12-18 or more SDIP pts.
- 46%-72% for single car policies, middle underwriting with 12-18 or more SDIP pts.
- 42%-64% for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts..
- 50%-71% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.
- 54%-77% for single car policies, standard underwriting with 12-18 or more SDIP pts.
- 49%-69% for multi car policies, standard underwriting with collision coverage on more than one vehicle, 12-18 or more SDIP pts.
- 56%-75% for multi car policies, standard underwriting with collision coverage on one vehicle, 12-18 or more SDIP pts.
- 67%-83% for single car policies, preferred underwriting with 12-18 or more SDIP pts.
- 63%-77% for multi car policies, preferred underwriting, collision coverage. on more than one vehicle , 12-18 or more SDIP pts.
- 68%-82% for multi car policies, preferred underwriting with collision coverage on one vehicle, 12-18 or more SDIP pts
- 77%-88% for single car policies, ultra preferred underwriting with 12-18 or more SDIP pts.
- 75%-84% for multi car policies, ultra preferred underwriting collision coverage on more than one vehicle, 12-18 or more SDIP pts.
- 78%-88% for multi car policies, ultra preferred underwriting collision coverage on one vehicle, 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.27-1.64 factors based for risks garaged in certain territories.
- 1.06-3.56 factors vary based on average driver group 1-16.
- 1.10-1.23 factors for single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.12 factors for multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.08-1.19 factors for single car policies, preferred or ultra preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.04-1.10 factors for multi car policies, preferred or ultra preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts. or with a driver whose driving record cannot be verified.
- 3%-8% for single car policies in non-standard, standard, middle, preferred & ultra preferred underwriting for policies with proof of homeownership.
- 5%-12% for multi car policies, non standard, standard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 5% for policies paid in full without proof of homeownership.

- 3% for single car policies in standard underwriting, not paid in full, without proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.
- 1.07-1.81 factors for policies, 2-12 or more SDIP pts with 1 or more inexperience operators.
- 1.12 factor for single car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.
- 1.56 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.

PHYSICAL DAMAGE All deviation applies to non fleet private passenger auto physical damage rates. One or more of the following apply.

- a. At fault accident.
 - b. Major violation per company guidelines.
 - c. DWI violation class per company guidelines.
 - d. Two or more speed or minor violations per company guidelines.
 - e. Driver whose driving record cannot be verified.
- 1.27 factor for single car policies, preferred underwriting.
 - 1.49 factor for single car policies, ultra preferred underwriting.
 - 1.14 factor for multi car policies, preferred underwriting.
 - 1.25 factor for multi car policies, ultra preferred underwriting. Eff. 3-23-01

Progressive Preferred Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 14%-35% for single car policies, non standard underwriting with 5-6 or more SDIP pts.
- 28% for multi car policies, non standard underwriting with 6 or more SDIP pts.
- 15%-36% for single car policies, middle underwriting with 3-6 or more SDIP pts.
- 11%-29% for multi car policies, middle underwriting with 4-6 or more SDIP pts.
- 14%-50% for single car policies, standard underwriting with 0-6 or more SDIP pts.
- 16%-35% for multi car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-53% for single car policies, preferred underwriting with 0-6 or more SDIP pts
- 25%-39% for multi car policies, preferred underwriting with 0-6 or more SDIP pts.
- 51%-53% for single car policies, ultra-preferred underwriting with 0-6 or more SDIP pts.
- 39%-42% for multi car policies, ultra preferred underwriting with 0-6 or more SDIP pts.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risks meet underwriting guidelines.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car, non standard underwriting, 12-21 SDIP pts. Credit varies 58%-74%.
 - Deviation for multi car, non standard underwriting, 12-21 SDIP pts. Credit varies 44%-63%.
 - Deviation for single car, middle underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car, middle underwriting, 12-21 SDIP pts. Credit varies 48%-66%.
 - Deviation for single car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 48%-66%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.14 factor applies single car, non standard underwriting for policies without proof of prior auto insurance.
- 1.09 factor applies multi car, non standard underwriting for policies without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.05-3.20 factors vary based on average driver group 1-17.
- 1.10-1.45 factors vary for single car policies with 1-3 or more accidents.
- 1.06-1.30 factors vary for multi car policies with 1-3 or more accidents.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 26% for single car policies, non standard underwriting with 6 or more SDIP pts.
- 23% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6 or more SDIP pts.
- 27%-28% for single car policies, middle underwriting with 5-6 or more SDIP pts.
- 37% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6 or more SDIP pts.
- 18%-24% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-6 or more SDIP pts.
- 33%-47% for single car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-38% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-6 or more SDIP pts.
- 22%-40% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-6 or more SDIP pts.
- 24%-47% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-5 or more SDIP pts.
- 26%-47% for single car policies, preferred underwriting with 0-5 or more SDIP pts.
- 23%-40% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-6 or more SDIP pts.
- 23%-47% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 48% single car policies, ultra preferred underwriting.
- 40% multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle.
- 40%-47% multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 5% for policies, non standard, middle and standard underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 54%-69% single car policies, non standard underwriting with 12-18 or more SDIP pts.
 - 45%-64% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 51%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, middle underwriting with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 54%-69% for multi car policies, middle underwriting with collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than

one vehicle with 12-21 SDIP pts.

- 54%-69% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.19 factor applies, single car policies, non standard underwriting for policies without proof prior of auto insurance.
- 1.15 factor applies, multi car policies, non standard underwriting without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.10-2.75 factors vary based on average driver group 1-16.
- 1.08-1.35 single car policies with 1-3 or more accidents.
- 1.05-1.24 multi car policies with 1-3 or more accidents.
- Installment Payment Plan: \$3 charge waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction. Eff. 7-1-99

Progressive Southeastern Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 5%-22% for single car policies, non standard underwriting with 4-8 SDIP pts.
- 6%-22% for multi car policies, non standard underwriting with 4-8 SDIP pts.
- 5%-32% for single car policies, middle underwriting with 3-8 SDIP pts.
- 3%-33% for multi car policies, middle underwriting with 2-8 SDIP pts.
- 3%-43% for single car policies, standard underwriting with 1-8 SDIP pts.
- 6%-38% for multi car policies, standard underwriting with 2-8 SDIP pts.
- 20%-56% for single car policies, preferred underwriting with 0-8 SDIP pts.
- 13%-51% for multi car policies, preferred underwriting with 0-8 SDIP pts.
- 40%-67% for single car policies, ultra-preferred underwriting with 0-8 SDIP pts.
- 34%-63% for multi car policies, ultra preferred underwriting with 0-8 SDIP pts.
- 25% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 31% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 26% for multi car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 34% for multi car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 35% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 38% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 37% for multi car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 43% for multi car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 45% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 47% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 42% for multi car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 58% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 59% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 54% for multi car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 57% for multi car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 68% for single car policies, ultra-preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 69% for single car policies, ultra-preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 65% for multi car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 67% for multi car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.
- 3%-8% for single car policies, non standard, standard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 2%-6% for multi car policies, standard, non standard, middle, preferred & ultra preferred underwriting with proof of

homeownership.

- \$3 installment fee waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payment coverage for all listed components.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 31%-67%.
 - Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 34%-58%.
 - Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 38%-71%.
 - Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 43%-64%.
 - Deviation for single car policies, standard underwriting, 12-21 SDIP pts. Credit varies 47%-76%.
 - Deviation for multi car policies, standard underwriting, 12-21 SDIP pts. Credit varies 46%-67%.
 - Deviation for single car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 59%-82%.
 - Deviation for multi car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 57%-74%.
 - Deviation for single car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 69%-86%.
 - Deviation for multi car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 67%-80%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.01-1.32 factors vary based on risks garaged in certain territories.
- 1.08-3.25 factors vary based on average driver group 1-16.
- 1.10-1.23 factor for single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.12 factor for multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts., or with a driver whose driving record cannot be verified.
- 1.12-1.30 for single car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.06-1.15 for multi car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.09-1.94 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.16 factor for single car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.29 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is the named insured.
- 1.50 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.02 factor for risks with BI limits of 50/100.
- 1.07 factor for risks with BI limits of 100/300 or 250/500.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage & medical payments with one or more of the following:

- At fault accident.
- Major violation per company guidelines.
- DWI violation class per company guidelines.
- Two or more speed or minor violations per company guidelines.
- Driver whose driving record cannot be verified.
- 1.13 factor for single car policies, preferred underwriting or 0 SDIP pts.
- 1.33 factor for single car policies, ultra preferred underwriting.
- 1.07 factor for multi car policies, preferred underwriting.

- 1.17 factor for multi car policies, ultra preferred underwriting.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 22%-30% for single car policies, non standard underwriting with 6-8 SDIP pts.
- 20%-29% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6-8 SDIP pts.
- 38%-48% for single car policies, middle underwriting with 5-8 SDIP pts.
- 31%-39% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6-8 SDIP pts.
- 33%-44% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-8 SDIP pts.
- 34%-57% for single car policies, standard underwriting with 2-8 SDIP pts.
- 50%-52% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-8 SDIP pts.
- 28%-51% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-8 SDIP pts.
- 32%-59% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-8 SDIP pts.
- 40%-68% for single car policies, preferred underwriting with 0-8 SDIP pts.
- 38%-64% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 38%-70% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-8 SDIP pts.
- 59%-78% for single car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 58%-75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle with 0-8 SDIP pts.
- 58%-79% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-8 SDIP pts.
- 24% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 33% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 23% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 33% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 36% for multi car policies, non standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 43% for multi car policies, non standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 44% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 49% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 39% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 50% for multi car policies, middle underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies, middle underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 54% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 58% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 47% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 56% for multi car policies, standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 60% for multi car policies, standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 66% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 69% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 61% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 66% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 13-or more SDIP pts. Other criteria apply.
- 68% for multi car policies, preferred underwriting, collision coverage on one vehicle with 9-12 SDIP pts. Other criteria

- apply.
- 71% for multi car policies, preferred underwriting, collision coverage on one vehicle with 13 or more SDIP pts. Other criteria apply.
- 77% for single car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 79% for single car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 77% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 78% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 80% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 2%-8% for single car policies standard, non standard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.
- 8% for multi car policies, preferred & ultra preferred underwriting, paid in full, with proof of homeownership.
- 5% for policies paid in full without homeownership.
- 7%-12% for multi car policies, non standard, standard, middle, preferred & ultra preferred underwriting, paid in full, without proof of homeownership.
- 3%-5% for single car policies, non standard, standard, middle, preferred & ultra preferred underwriting, paid in full, without proof of homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 33%-65% single car policies, non standard underwriting with 12-18 or more SDIP pts.
 - 33%-59% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 43%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 50%-74% for single car policies, middle underwriting with 12-18 or more SDIP pts.
 - 47%-67% for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts..
 - 54%-73% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.
 - 58%-89% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
 - 60%-86% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 53%-89% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.37-1.64 factors apply for risks garaged in certain territories.
- 1.06-3.56 factors vary based on average driver group 1-16.
- 1.10-1.23 single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.20 multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts. or with a driver whos driving record cannot be verified.

Deviation effective 9-15-01

- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.08-1.19 factors for single car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.04-1.10 factors for multi car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.07-1.81 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.12 factor for single car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.
- 1.40 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is the principal named insured.
- 1.56 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.

PHYSICAL DAMAGE All deviation applies to non fleet private passenger auto physical damage rates. One or more of the following apply.

- a. At fault accident.
 - b. Major violation per company guidelines.
 - c. DWI violation class per company guidelines.
 - d. Two or more speed or minor violations per company guidelines.
 - e. Driver whose driving record cannot be verified.
- 1.27 factor for single car policies, preferred underwriting.
 - 1.49 factor for single car policies, ultra preferred underwriting.
 - 1.14 factor for multi car policies, preferred underwriting.
 - 1.25 factor for multi car policies, ultra preferred underwriting. Eff. 9-1-00

Providence Washington Insurance Company

Standard Program

- Multi-Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.

Preferred Program

- Territory Deviation: Various credits apply to bodily injury, property damage, medical payments, comprehensive & collision.
- Multi Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. Eff.1-6-00.

Prudential Property & Casualty Insurance Company

- 2% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for Senior Driver Discount. Certain criteria apply.
- 8% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for Long Term Discount, when criteria is met.
- 6% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for New Business Discount.
- 5% Renter's (HO-4) Companion Policy Discount for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- 10% Homeowners (HO-3) or Condominium (HO-6) Companion Policy Discount applicable to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- 5% Companion for Life Discount applicable to non-fleet private passenger auto bodily injury, property damage,

comprehensive & collision.

- Base Rate Deviation for single & multi car policies: Applies to bodily injury, property damage, medical payments, comprehensive, & collision: Credit varies.
- Electronic Funds Transfer Deviation: \$1 service charge deleted.
- Installment Payment Plan: No charge for first installment payment. Eff. 11-13-00

Republic Franklin Insurance Company

- Personal Auto Account Credit: 10% credit applies to basic premium when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Work place Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00

Royal Indemnity Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force, a homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operator.
- Passive Restraint Discount: Credit varies.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Installment Payment Plan-Agency Payroll Deduction: Certain criteria apply.
- 10% Mass Marketing Discount: Applies to liability, med pay, comprehensive & collision: Certain criteria has to be met.
- Preferred Program Discount by territory. Eff. 9-1-00

Royal Insurance Company of America

- 20% Employee Discount for eligible employees. Credit applicable to total personal auto policy premium.
- Companion Policy Credit: 1% credit when auto & homeowner policy in-force with any member of Royal Insurance.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- 5% Good Driver Discount for private passenger auto bodily injury, property damage, medical payments & collision coverage.
- 5% Experience Operator Credit for private passenger auto bodily injury, property damage, medical payments & collision coverage: Certain criteria apply.
- 5% Anti-Lock Braking System Credit for private passenger auto bodily injury & property damage for vehicles equipped with a factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching credit for comprehensive coverage.
- Anti-Theft Device Coverage Credit for comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit for bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Group Mass Marketing Discount: 10% applies to liability, med pay, comp & collision: Certain criteria apply.
- Passive Restraint Discount applicable to med pay only. Eff. 9-1-00

Safeco Insurance Company of America

- Checkless Pay Plan: No service charge if insured makes 1st month's down payment and subsequent payments made through automatic withdrawal. Eff. 9-1-00

Safeguard Insurance Company

- Companion Policy Credit: 1% credit when auto & homeowner policy in-force with any member of Royal Insurance Co.
- 20% Discount for Eligible Employees. Credit applicable to total personal auto policy premium.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- 5% Good Driver Discount applies to bodily injury, property damage, med pay, & collision coverage: Certain criteria apply.
- 5% Experienced Operator Credit applies to bodily injury, property damage, med pay, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operators apply to vehicle.
- Passive Restraint Discount applies to medical payments rate: Credit varies 20% - 40%.
- 5% Anti-Lock Braking System Discount applies to bodily injury & property damage for vehicles equipped with factory installed 4-wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- 5% or 15% Anti-Theft Device Credit applies to comprehensive coverage: Certain criteria apply.
- 10% Company Car Credit applies to bodily injury, property damage, med pay, comprehensive & collision for single car policies when there is a Company car in the household.
- Installment Payment Plan: \$1 each installment for Electronic Funds Transfer.
- 10% Group Discount applies to liability, med pay, comprehensive & collision: Certain criteria apply.
- Preferred Program Discount applies to bodily injury, property damage, med pay, comprehensive & collision by territory.
- Super Preferred Program Discount applies to bodily injury, property damage, med pay, comprehensive & collision for all territories.
- 7% Company Deviation applies to bodily injury, property damage, med pay, comprehensive & collision. Eff. 9-1-00

St. Paul Fire and Marine Insurance Company

- Installment charge deviation: \$2 charge each installment. Eff. 1-1-95

St. Paul Guardian Insurance Company

- 5% base rate comprehensive coverage when policy qualifies for PAK II Program.
- 5% base rate collision coverage when policy qualifies for PAK II Program.
- 10% Mature Operator Credit: Combined single limit bodily injury & property damage, medical payments, comprehensive & collision, when principal operator is age 55 & less than or equal to 64 yrs. of age & no inexperienced operators in household. 5% credit for ages 65-74 & no inexperience operator in household.
- 10% Good Driver Deviation, when certain criteria is met.
- Symbol Reactivities model year 1976-1982, Symbol 14, comprehensive - 7.8% credit; collision - 12.7% credit. Model yrs. 1975 & prior; Values above \$10,000 rated Symbol 7 for comprehensive & collision.
- Increase Limits Extended Transportation Expense Coverage is provided at no charge, when comprehensive coverage is purchased & policy qualifies for PAK II Program.
- Passive Restraint Deviation: 20% when restraint is installed in driver-side only position; 30% when restraint is installed in both front outboard seat positions. If policy qualifies for PAK II Program, airbag discount applies to factory installed automatic occupant restraint. Deviation applies only to medical payments base premium.
- Anti-Theft Device Deviation for PAK II Program: 5% alarm only, 5% active disabling device; 15% passive disabling device. This deviation applies to comprehensive base premium.
- Anti-Lock Braking System Deviation: 5% combined single limit liability, bodily injury & property damage liability base premium when private passenger auto equipped with factory installed four-wheel anti-lock braking system.
- Golfmobile Liability Coverage provided at no additional charge.
- Miscellaneous Types: ATV, minibike & dune buggy, combined bodily injury & property damage liability rates not used for commercial purposes will be same rate as North Carolina Reinsurance Facility. Snowmobile rates, medical payments coverage rate will be 22% of Territory 18 private passenger auto medical payments rate. Collision rates will be same as NC Rate Bureau's snowmobile rates.

- 10% when more than one recreational vehicle is covered under same policy for following miscellaneous types, trailers designed for use with private passenger autos, motorbikes or other similar motor vehicles not used for commercial purposes (excluding motorcycles, motorscooters & mopeds); snowmobiles & golfmobiles.
- Renewal Credit: 0-2 yrs.-0%; 3yrs.-3%; 4yrs.-4%; 5 or more yrs. -5% premium credit when insured maintained consecutive yrs. of coverage with St. Paul. Credit will apply to final premium for each coverage & rounded to nearest dollar.
- Installment charge deviation: \$2 charge each installment unless Electronic Funds Transfer billing option is selected, then no charge.
- Employee Discount: New Business - 20%; Renewals - 15% when criteria is met. Eff. 3-1-00

St. Paul Mercury Insurance Company

- 15% non-fleet private passenger auto liability & physical damage insurance rates. Eff. 1-1-88

Seaton Insurance Company

- 15% non-fleet private passenger auto liability, medical payments & physical damage. "Unimate Plus" in addition to above: (1) Policy in force 3 yrs. & no at-fault accident additional 5% credit liability, medical payments & physical damage; (2) Policy in force 6 yrs. & no at-fault accident; Second 5% credit on coverages listed above.
- 5% non-fleet private passenger auto non-fleet physical damage rates. Discount applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only (no miscellaneous types). Eff. 6-20-88

Security Insurance Company of Hartford

- Territorial Deviation for BI, PD, med pay, uninsured motorists/underinsured motorists, comprehensive & collision: Credits vary.
- Classification Rating Factors Deviation for liability, comprehensive & collision.
- 5%, 10% or 15% Anti-Theft Device Discount: Certain criteria apply.
- 5% Good Drivers Discount.
- 5% Affinity Group Discount.
- Preferred Policy Program Deviation. Eff. 9-1-00

Selective Insurance Company of South Carolina

- Installment Payment Plan: \$2 per each installment.
- 30% deviation applies to liability & physical damage when a commercial package policy is written with the risk. Eff. 6-1-01

Selective Insurance Company of the Southeast

- Installment Payment Plan: \$2 per each installment. Eff. 9-1-98

Shelby Insurance Company

- 7.5% non-fleet private passenger auto liability & physical damage rates when insured has their Homeowners policy in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Discount applies to other than collision coverage only. 5% alarm & active disabling devices; 15% on vehicles equipped with passive disabling devices.
- Longevity Discount: 5% credit applies when policies have been in force past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no drivers with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies.
- Point Factor Discount: Factors vary .00 - 3.90 for 0 - 12 points.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all Shelby Plus policies. Eff. 11-16-00

South Carolina Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-52 yrs. of driving experience. 47%- 60% credit.
 - Deviation for multi- car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-42 yrs. of driving experience. 43% -55% credit.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving motor vehicle while intoxicated.
- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 5% credit.
 - Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 3% credit.
 - Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 3% credit.
 - Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 1.5% credit.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 5% non-fleet private passenger auto comprehensive & collision for policies that are insured with South Carolina Insurance Company with no lapse in coverage between policies & have 12-20 SDIP pts. & all drivers licensed 5-52 yrs.
 - 15% non-fleet private passenger auto comprehensive & collision for policies with 12-20 SDIP pts. & all drivers licensed 5 - 52 yrs.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving motor vehicle while intoxicated.
- 25% non-fleet private passenger auto comprehensive & collision for policies with 12 - 20 SDIP pts., all drivers licensed 5 - 52 yrs. & no driver with an at fault accident within the last 12 months preceding policy effective date. Eff.10-21-98

Southern Fire & Casualty Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage & medical payments.
- 10% non-fleet private passenger auto comprehensive & collision.

- 5% non-fleet private passenger auto comprehensive & collision for drivers age 55 yrs. or older. Eff. 1-1-97

Southern Guaranty Insurance Company

- Exceptional Driver Program: 15% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision when underwriting guidelines are met.
- Exception Plus: Additional 5% credit for private passenger non-fleet auto bodily injury, property damage, medical payments, comprehensive & collision when policy has been in-force at least 3 yrs. & no at-fault accidents in preceding 3 yrs. A second 5% credit for policies in-force at least 6 yrs. & no at-fault accidents in preceding 6 yrs. Maximum Exceptional Driver credit is 25%.
- Mature Driver Discount: 10% non fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & medical payments when underwriting guidelines are met.
- Multi Policy Discount: 5% non-fleet private passenger auto comprehensive & collision base rate if Southern Guaranty Insurance Company insures both homeowner & auto policy.
- 10% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all private passenger auto policies for University of North Carolina Employees. Eff. 7-1-00

Southern Heritage Insurance Company

- Downward deviation by territories: Applies to Comprehensive & Collision coverages: Credit varies 10%-25%.
- Multi-Car Discount: Certain Criteria apply.
- 7% credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for all operators in household who have 14-44 yrs of driving experience.
- Deviation for recreational trailer rate. Rate varies \$3 - \$6 for each \$1,000 in cost over \$10,000.
- Loss Free Renewal Discount: Loss free yrs. 3-5 yrs.: Discount varies 5% - 10% for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- New Business Automobile Discount: 5% deviation applies to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision when criteria are met.
- Airbag Discount: Applies to med pay only: 20% credit when installed driver side only: 30% credit when installed in both front seat positions.
- Anti Lock Braking System Discount: 5% credit for BI and PD coverages when factory installed four wheel ABS.
- Anti Theft Devices Discount: 5% credit applies to comprehensive coverage for alarm only and active disabling device: 15% credit for passive disabling devices. Eff. 10-1-01

Link Plus Only

- Mature Driver Credit: 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision when all operators in household have 29 or more yrs. of driving experience.
- Increased Limit Factor Deviation.
- Preferred Driver Deviation: Non-fleet private passenger auto: 10% bodily injury & property damage: 12% comprehensive & collision. Eff. 3-11-97

Southern Pilot Insurance Company

- 10% credit applies to bodily injury, property damage, medical payments, comprehensive & collision for all Employees of the University of North Carolina - Chapel Hill.
- Exceptional Driver Discount: 15% applies to non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Accident Free Discount: 5% credit shall be applied to bodily injury, property damage, medical payments, comprehensive & collision if insured has had no chargeable accidents in the past three yrs. & insured with Southern Pilot at least three yrs. An additional 5% applies for a six yr. period.
- Mature Driver Discount: 5% discount applies to bodily injury, property damage, comprehensive, collision & medical expense when principal operator has 34+ yrs. driving experience & other operators have no less than 9.
- Multi Policy Discount: 5% applies to bodily injury, property damage, medical payments, comprehensive, & collision coverages when insured has both auto & homeowners with the Company. Eff. 7-1-01

Standard Fire Insurance Company

- 15% non-fleet private passenger auto liability insurance rates.
- 23% non-fleet private passenger auto physical damage rates.
- Loss & Conviction Free Deviation for multi-car policies. 15% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single & multi-car policies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision. 5% for facility issued policies for comprehensive & collision coverage. Eff. 3-29-96

State Auto Property & Casualty Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for operators 0-38 yrs. driving experience or 55 yrs. of age or older.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience & a homeowners policy with State Auto Companies, or 0-38 yrs. driving experience or 55 yrs. of age or older for insured without a homeowners policy with State Auto Companies.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs. driving experience or is 70 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55 yrs. of age or older or 0-38 yrs. driving experience for insured without a homeowners policy.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs. driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55-69 yrs. of age for insured without a homeowners policy.
- 25% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs. driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 30% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 34-38 yrs. driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 35% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured who is 55-69 yrs. of age and has a homeowner policy with State Auto Companies.
- Anti-lock Braking System Discount: 5% deviation on non-fleet private passenger auto BI & property damage or combined single limit liability on private passenger autos equipped with factory installed four wheel anti-lock braking systems.
- Electronic Funds Transfer: \$1 monthly service charge per policy. Eff. 9-1-00

State Automobile Mutual Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no SDIP pts., no inexperienced operators & insured has Homeowners policy with State Auto Companies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided no SDIP pts., no inexperienced operators & all operators in household are age 55 or older.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided there are no SDIP pts., no inexperienced operators, all operators in household are age 55 or older and insured has a Homeowners policy with State Auto Companies.
- Installment Pay Plan charge is reduced to \$1 per installment on all new and renewal business.
- 5% non-fleet private passenger auto bodily injury & property damage liability (or combined single liability) coverage for private passenger auto equipped with factory installed four wheel anti-locking braking systems. Eff. 2-1-93

State Capital Insurance Company

- Installment Payment Plan: Waive initial installment charge.
- 10% credit applicable to auto policy when named insured has Homeowners policy with State Capital, Northwestern National, or American Professionals Insurance Company.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

State Farm Mutual Automobile Insurance Company

- Deviation for non-fleet private passenger automobile rates: Credit varies based on territory.
- 15% on non-fleet private passenger automobile rates applicable to principal operators age 55 & over where there is an inexperienced operator in household. Credit not applicable to motorcycle.
- 10% non-fleet private passenger automobile rates. Applicable to vehicles (not motorcycles) written in State Farm Mutual & free of at-fault accidents for 3 or more yrs.: 6-10 yrs. - 15% credit; 10 or more yrs. - 20%; 9 or more yrs. - 15% or 20% credit continues after first at fault accident.
- Installment Payment Charge: \$1 monthly installment of premium. Charge waived if payment made by electronic funds transfer.
- Multi Policy Discount: 10% credit for non-fleet private passenger automobile rates when criteria is met.
- 5% on non-fleet private passenger automobile rates applicable to new business policies (not motorcycles) when all drivers have been licensed in the U.S. or Canada for 3 yrs. & all driving records combined have no violations & no at-fault accidents during past 5 yrs. Eff. 10-1-01

TIG Premier Insurance Company

- 10.7% non-fleet private passenger auto bodily injury, property damage, medical payments, collision, uninsured BI and combined uninsured/underinsured BI; 15.5% comprehensive.
- Free of at fault accidents: 3-6 yrs.; 10%-non-fleet private passenger auto bodily injury, property damage, medical payments & collision; Over 6 yrs.-15%.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal operators age 55 and over where there is no principal operator in household.
- BMW model yrs. 1995 & newer: 20% comprehensive; 10% collision. Eff. 3-1-98

Teachers Insurance Company

- Deviation on bodily injury, property damage, medical payments, comprehensive & collision coverages when the policy has no chargeable SDIP points & no inexperienced operator. Credit varies by territory.
- Deviation on bodily injury, property damage, medical payments, comprehensive & collision coverages for principal operators age 55 or over, no chargeable SDIP points & no inexperience. Credit is 1% or 3%.
- Deviation for certain comprehensive & collision deductibles, when the insured has no chargeable SDIP pts. & no inexperience.
- Home/Auto Deviation: Certain criteria apply.
- Driving Quality Deviation: Non-fleet private passenger, bodily injury, property damage & collision when criteria is met.
- 9% non-fleet private passenger auto bodily injury & property damage; 8% comprehensive & collision premiums, if insured is a member in good standing of a sponsoring education association & policy is voluntary. No deviation applies if policy has comprehensive only or physical damage only.
- 25% - 45% deviation for first accident if loss free for 5 yrs. & not ceded.
- Installment Payment Plan: Charge waived when paid by Electronic Funds Transfer.
- Installment Payment Charge: No charge on 1st installment for new business policies written on an installment basis.
- 7% non-fleet private passenger collision for utility vehicles, vans or pickups, 1993 or subsequent. Eff. 3-1-01

Travelers Casualty & Surety Company

- Anti-Lock Brake Deviation: 5% non-fleet private passenger auto single limit (liability & medical payments) or bodily injury, property damage & medical payments.
- Anti-Theft Device Deviation: 5% or 10% discount depending on how vehicle is equipped. Applicable to non-fleet private passenger auto comprehensive base premiums.
- 7% Loss & Conviction Free Renewal Deviation: Multi-car policies: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage. Credit applies to voluntary policies.
- Mature Driver Deviation: 3% to non-fleet private passenger auto bodily injury, property damage & medical payments; 5% collision, 10% comprehensive coverage.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments. Credit applies to voluntary policies.
- 7% Loss & Conviction Free Renewal Deviation; Multi-car policies: Applies to collision coverage only when policy ceded to the Facility.

- Mature Driver Deviation: 5% non-fleet private passenger auto collision coverage & 10% comprehensive coverage. Eff. 12-17-93

Travelers Casualty & Surety Company of America

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments rates.
- 15% non-fleet private passenger auto comprehensive & collision rates. Eff. 10-15-92

Travelers Casualty & Surety Company of Illinois

- 30% non-fleet private passenger auto liability & medical payments rates.
- 30% non-fleet private passenger auto physical damage rates. Eff. 10-15-92

Travelers Indemnity Company

- 9% Account Discount when insured has private passenger auto policy & homeowners policy with The Travelers.
- 3% Renewal Credit: Non-fleet private passenger auto rates if insured has maintained auto coverage with the Travelers for last 6 or more consecutive yrs.
- 2% deviation for private passenger auto rates for employees of Multi-Line Insurance and Financial Services Institution.
- 2% for private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted.
- 2% deviation for private passenger auto rates for North Carolina State University employees as part as of an Employer Payroll Deduction Premium Payment Plan. Installment charge deleted.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for insured who have single car policy & have more than one private passenger auto with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- 2% deviation for private passenger auto rates for Members/Customer of A Credit Union Family. Installment charge deleted.
- 2% deviation for private passenger auto rates for Employees of Research and Development Institutions. Installment charge deleted.
- 2% deviation for private passenger auto rates for Members/Customer of AAA Group. Installment charge deleted.
- 2% deviation for private passenger auto rates for employees of Philip Morris Companies as apart as a payroll deduction premium payment plan. Installment charge deleted. Eff. 2-1-01

Travelers Indemnity Company of America

- Installment Payment Charge: Installment charge for each installment is deleted.
- 15% deviation applied to private passenger auto rates for employees of North Carolina State University as part of an employer payroll deduction premium payment plan. Installment charge deleted.
- 14% deviation applied to private passenger auto rates for employees of Multi-Line Insurance & Financial Services Institution. Installment charge deleted.
- 7% deviation applied to private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted.
- 9% Account Discount: Applies to all insureds that have both private passenger auto & homeowners policy with The Travelers.
- Renewal Credit: 3% non-fleet private passenger rates if insured has maintained auto policy with The Travelers for the last 6 or more consecutive yrs.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for insured who have single car policy & have more than one private passenger auto with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- 10% deviation applied to private passenger auto rates for Members/Customers of a Credit Union family. Installment charge deleted.
- 14% non-fleet private passenger insurance rates for all coverages for Employees of Research and Development Institutions. Installment charge deleted.
- 10% deviation applies to private passenger auto rates for members of AAA Groups. Installment charge deleted.
- 12% deviation applies to private passenger auto rates for employees of Philip Morris Companies, Inc. as part of an

The Travelers Indemnity Company of Connecticut

- Account Discount: 9% applies when voluntary private passenger auto & homeowners policy with The Travelers
- Renewal Credit: 3% if insured has maintained auto policy with The Travelers for 6 or more consecutive yrs.
- Contributing Vehicle Credit: 25% non-fleet private passenger autos, pickups, vans & classic autos for bodily injury property damage, medical payments & collision for single car policy yet have more than one private passenger auto insured with The Travelers. 15% for comprehensive, fire/fire & theft/fire, theft & CAC coverages.
- 10% deviation for non-fleet private passenger auto liability and 10% deviation for physical damage to coverages to non-fleet private passenger autos. Eff. 10-22-00

Travelers Indemnity Company of Illinois

- Account Credit: 10% credit when voluntary auto & homeowners policy with The Travelers.
- Careful Driver Credit: 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision that have 0 SDIP pts. for the last 3 consecutive yrs.
- Senior Driver Credit: Credit varies 3% - 6% when criteria is met.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single car policy, yet have more than one auto insured with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insured who have a single car policy, yet have more than one auto insured with The Travelers.
- Highly Preferred Credit: 19% credit when certain criteria is met.
- Preferred Credit: 10% credit when certain criteria is met. Eff. 8-21-99

Travelers Personal Security Insurance Company

- 10% non-fleet private passenger auto liability rates.
- 19% non-fleet private passenger auto physical damage rates.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payment & collision to single & multi-car policies that are loss & conviction free.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist coverage comprehensive & collision coverage, Facility policies: 5% applies comprehensive & collision when named insured also purchases homeowner policy (HO-2, HO-3 or HO-6). Eff. 3-29-96

Twin City Fire Insurance Company

- .94 factor for non-fleet private passenger auto comprehensive & collision rates if principal operator is age 55 or over.
- 4% Account Credit: 4% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates when insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.). Eff. 11-15-00

USAA Casualty Insurance Company

- 4.6% non-fleet private passenger auto liability, physical damage, extended transportation expense, & towing & labor coverages.
- 10% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices & for vehicles equipped with a vehicle recovery system.
- 5% non-fleet private passenger auto other than collision coverage. for vehicles equipped with a window identification system.
- 5% non-fleet private passenger auto other than collision coverage for vehicles with active disabling anti-theft devices.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronics equipment & tapes, records, discs & other media.
- 100% on rates for covered property coverage for trailers insured for other than collision coverage.
- 100% on rates for customizing equipment coverage.
- 30% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bags both sides
- 10% non-fleet private passenger auto medical payments coverage for vehicles equipped with passive seat belt both sides or drivers side only.

- 10% non-fleet private passenger auto liability & physical damage if principal operator is age 55 or older.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverage when criteria is met.
- Deviation on 6 month and annual short rate cancellation tables.
- 20% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bag drivers side only.
- Extended Billing Plan: Regular Plan - no installment charge: Extended Plan - \$3 installment charge. Eff. 7-6-01

USAA General Indemnity Company

- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 100% deviation for trailers insured for other than collision coverage.
- 100% deviation for vehicles insured for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with daytime running light device.
- Deviation on 6 month & annual short rate cancellation tables.
- Installment Payment Plan: Regular Plan - installment charge waived: Extended Plan - \$3 each installment, unless paid by electronic transfer then no charge. Eff. 8-1-00

Underwriters Insurance Company

- 17.5 % Credit Physical Damage and 5% Credit Liability base premiums: Certain Preferred Driver criteria must be met.
- 5% Credit Physical Damage base premiums: Certain Standard Driver criteria must be met.
- Account Credit Program: 10% Credit: Must have Homeowners and Auto policy with UIC.
- 5% Credit for BI, PD and Med Pay for factory installed Anti-Lock Brake System.
- 5% Credit for BI, PD, Med Pay, Collisions, and Comprehensive premiums: Mature Driver Discount: Certain criteria apply. Eff. 10-1-99

Unigard Indemnity Company

- 5% non-fleet private passenger auto physical damage rates. Deviation applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only.
- 10% non-fleet private passenger auto physical damage rates when same insured also has Homeowners Form HO-3 or HO-6. Eff. 9-5-89

Unigard Insurance Company

- 5% non-fleet private passenger auto comprehensive & collision rates drivers 55 yrs. or older.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for multi-car policies, when auto & homeowner policy is written on Uni-Mate Program. Additional 5% for policy written 3 yrs. with no at-fault accidents. Second 5% credit for policies in-force 3 yrs. with no at fault accidents preceding 6 yrs. Maximum Uni-Mate Credit is 25% with no at fault accidents preceding 6 yrs. - Maximum Uni-Mate Credit 25%. Eff. 8-1-94

Union Insurance Company

- Homeowner Credit: 5% non-fleet private passenger auto comprehensive & collision.
- Anti-Theft Devices Credit: 5% alarm only & active disabling devices, 15% passive disabling devices when criteria is met.
- Territorial deviation for non-fleet private passenger auto bodily injury: Credit varies 5% - 22% based on territory.
- Territorial deviation for non-fleet private passenger auto property damage: Credit varies 5% - 15% based on territory.
- Comprehensive & collision deviation non-fleet private passenger auto deviation: 30% if no driving pts. Eff. 9-1-01

Unisun Insurance Company

- Preferred Driver Discount: 10% non-fleet private passenger auto bodily injury , property damage, medical payments, collision & other than collision premium. Credit applies to each vehicles when criteria is met.
- Full Coverage Discount: 3% non-fleet private passenger auto bodily injury, property damage, medical payments collision & other than collision when criteria is met.
- Multi-Vehicle Discount: 5% additional credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Eff. 12-15-96

United Pacific Insurance Company

- 10% non-fleet private passenger auto comprehensive & collision. Eff. 8-8-91

United Services Automobile Association

- 11% non-fleet private passenger auto liability & physical damage; 10% extended transportation expense coverage, towing & labor.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with active anti-theft disabling devices or vehicles using steering wheel bar locks.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with a window identification system.
- 10% non-fleet private passenger auto other than collision coverage for vehicles with passive disabling anti-theft devices & vehicle recovery system.
- 100% private passenger non-fleet auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 30% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bags on both sides.
- 20% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bag on driver side only.
- 10% non-fleet private passenger auto medical payments coverage for vehicles with passive seat belt restraint.
- 10 % non-fleet private passenger auto liability & physical damage rates if principal operator is age 55 & older.
- 100% on rates for covered property for trailers insured for other than collision coverage.
- 100% on rates for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverages.
- Deviation on 6 month & annual short rate cancellation tables.
- Extended Billing Plan: Regular Plan - no installment charge: Extended Plan - \$3 installment charge. Eff. 9-1-00

United States Fidelity & Guaranty Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Universal Insurance Company

- 15.0% non-fleet private passenger auto bodily injury, property damage & medical payments for DWI conviction limited to one lifetime alcohol related conviction per household. Credit applies to single car. SDIP pts. must be between 12-20.
- 7.5% Multi-car, non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI conviction and SDIP pts. are between 12 & 20. There can be no more than one lifetime alcohol related conviction per household.
- 3.5% non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DV & SDIP pts. are between 8 & 14. Credit applies to single or multi-car risk.

- 5% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 10% non-fleet private passenger auto comprehensive & collision with 8-9 SDIP pts. based on model year of auto.
- 25% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 40% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 20% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 52% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, single car risk with 12-20 SDIP pts.
- 42% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, multi-car risk with 12-20 SDIP pts. by at least one driver. Eff. 2-1-98

Utica Mutual Insurance Company

- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Group.
- Personal Auto Account Credit: 5% credit applied to basic premium when auto & homeowner policy is insured by Utica National Insurance Group.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met. Eff. 12-1-00

Valiant Insurance Company

- 5% non-fleet private passenger auto comprehensive & collision insurance rates.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured with 3 years with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured 6 years with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury & property damage for anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive with anti-theft device (active).
- 10% non-fleet private passenger auto comprehensive with anti-theft device (passive).
- 5% non-fleet private passenger auto bodily, property damage, medical payments, comprehensive & collision for mature driver.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for account driver.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 15% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Vigilant Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist coverage for antique autos.
- Reduced rates for physical damage coverage for antique autos.
- Deviation for split limit bodily injury increased limits. Eff. 9-1-00

Virginia Mutual Insurance Company

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments, with "0" SDIP pts. & no inexperience operators.
- 10% non-fleet private passenger auto comprehensive & collision with "0" pts. and no inexperience operators. Eff. 9-1-97

West American Insurance Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.

- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

Windsor Insurance Company

LIABILITY Applicable to non-fleet private passenger auto bodily injury, damage & medical payments coverage for all listed components.

Group I

12 point violation that is not one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 16% - 43%.
 - Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 25% - 70%.
 - Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 22% - 70%.
 - Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 42% - 75%.
 - Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 12% - 43%.
 - Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 22% - 70%.
 - Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 30% - 70%.
 - Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 43% - 75%.
 - 10% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
 - 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
 - 10% deviation applies to auto BI, PD and Med Pay when the total policy premium is paid with the application or renewal quote.
 - 15% auto BI & PD policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
 - 7% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
 - 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
 - 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
 - 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
 - 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance.

Group II

Contain either no 12 point violation or a 12 point violation that is one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.

- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 3% - 30%.
 - Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 2% - 34%.
 - Deviation single-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit 6% - 30%.
 - Deviation single-car policies, unmarried driver, 2-20 SDIP pts. & least experienced operator has 7-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 2% - 25%.
 - Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 3% or 26%.
 - Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 3% - 28%.
 - Deviation multi-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 4% - 20%.
 - Deviation multi-car policies, unmarried driver, 4 - 20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 4% or 20%.
 - 10% deviation applies to auto BI, PD & Med Pay when the total policy premium is paid with the application or renewal quote.
 - 15% auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
 - 10% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
 - 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
 - 7% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
 - 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
 - 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
 - 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
 - 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance. Eff. 9-1-00

Worldwide Insurance Company

- 7.0% non-fleet private passenger auto bodily injury, property damage & medical payments coverage when certain criteria is met.
- 10.0% non-fleet private passenger auto comprehensive & collision coverage if certain criteria is met. Eff. 7-15-96

AUTOMOBILE**ACE American Insurance Company**

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combine uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

ACE Fire Underwriters Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

ACE Property & Casualty Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

AMEX Assurance Company

- Accident-Free Discount: Applies to non-fleet private passenger auto bodily injury, property damage, medical payment & collision: 3-5 yrs.- 10% credit: 6 yrs. or more- 15% credit.
- Auto/Homeowner Discount 5% Forms 3 & 6: with accompanying homeowners policy.
- Downward deviation for single-car & multi-car policyholders for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Preferred Client Deviation 10% for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Installment Payment Plan: Charge waived for electronic funds transfer or payroll deduction.
- Vehicle Usage Discount for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Work Site Discount: 1% deviation non-fleet private passenger automobile rates where the named insured has acquired his/her auto policy through the Work Site Marketing Program of AMEX Assurance Company.
- Costco Discount: 3% applies to policies for member insureds of Costco. Eff. 4-1-02

All America Insurance Company

- 10% private passenger auto liability & physical damage whenever Company carries both the homeowners (HO-2, HO-3, HO-3w/I5 or HO-6) & auto coverages. Eff. 7-1-86

Allstate Indemnity CompanyPreferred Program

- Territory Deviations: Applies to auto bodily injury, property damage, med pay, collision and comprehensive coverages: Credit varies.
- Tier Deviation: Certain criteria must be met.
- Years Licensed Deviation: Applies to auto bodily injury, property damage, comprehensive & collision coverages: Credit varies by coverage.
- Accident Rating Deviation: Years since last accident 0 - 3+: Factors vary 1.00 – 1.20.
- Anti Lock Brake Discount: 1% credit for collision coverage when factory installed anti lock braking system on all four wheels.
- 55 and Over Discount: 15% credit when principal operator is 55 or less than 71 yrs. of age, 1% credit when 71 yrs. or older: Other criteria apply.
- New Car Discount: 0 – 2+ yrs.: Factors vary .95 – 1.00: Other criteria apply.
- The Good Hands People Discount: 10% credit applies to qualifying named insureds.
- Electronic Funds Transfer Deviation: \$1 installment fee.

Regular Auto Program

- 22.5% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDIP pts. for single car policies.
- 16.0% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDIP pts. for multi-car policies.
- Installment Pay Plan: \$1 per installment by Easy Payment Plan (EPP) Electronic Funds Transfer.
- Installment Pay Plan: Payroll deduction for Allstate Employees (NC): Installment charges waived.
- 10% discount on collision & comprehensive for member of an approved Allstate Corporation and its subsidiaries (The Good Hands People Discount). Eff 4-1-02

Allstate Insurance Company

- 15% non-fleet private passenger auto comprehensive & collision. Deviation applies if principal operator is 55 yrs. old or older. 1% for principal operator 71 yrs. or older.
- Credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage when operators meet Company's eligibility requirements for Allstate Advantage Discount for single car policies. Credit for multi-car policies.
- 1% non-fleet private passenger auto collision rates which is equipped with factory installed anti-lock braking system on all four wheels for 1983 models or later.
- Preferred Driver Discount: non-fleet private passenger auto bodily injury, property damage & medical payment coverage where operators meet company eligibility requirements, credit varies.
- 10% private passenger auto liability & physical damage whenever Company carries both the Homeowners (HO-2, HO-3, HO-3w/15 or HO-6) & auto coverages.
- Preferred Driver Discount: non-fleet private passenger auto collision & comprehensive credit varies.
- Installment Payment Plan: \$1 charge per each installment when policyholder pays through electronic funds transfer. (Allstate Easy Payment Plan).
- Installment Payment Plan: Payroll deduction option for Allstate Employees (NC): Installment charges waived.
- 10% discount on collision & comprehensive for member of an approved Allstate Corporation and its subsidiaries (The Good Hands People Discount). Eff. 4-1-02

American Automobile Insurance Company

- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with an alarm device.
- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with active disabling device.
- 15% non-fleet private passenger auto comp. coverage on vehicles equipped with passive disabling device.
- Anti-lock braking system - 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factory installed four wheel Anti-Lock Braking System.
- 5% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 8-1-02

American Bankers Insurance Company of Florida

- 8% non-fleet private passenger physical damage insurance rates, if liability insurance is provided. Eff. 3-15-86

American Centennial Insurance Company

- 5% non-fleet private passenger auto liability & physical damage rates. Eff. 9-1-85

American Economy Insurance Company

- 10% private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American Employers Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.

- Anti-Theft Device Credits: Non-fleet private passenger auto comprehensive when vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis. Eff. 11-20-01
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American Fire & Casualty Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

American & Foreign Insurance Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force a homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 - 65 & no inexperience operator.
- Passive Restraint Discount apply to medical payment rate. Credit varies 20% -40%.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage: Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer. Eff. 9-21-98

American Home Assurance Company

- 8% - 37% deviation for medical payments & uninsured & combined uninsured/underinsured motorists coverage: All territories: Certain underwriting criteria must be met.
- 0% - 48% deviation for bodily injury, property damage, comprehensive & collision coverages: Certain criteria apply.
- 5% deviation for bodily injury, property damage, medical payments, comprehensive & collision for multi car policies.
- 5% deviation for comprehensive: All vehicles equipped with alarm only and active disabling devices.
- 5% deviation for comprehensive: All vehicles equipped with passive disabling devices.
- 5% deviation for certain coverages: All insureds within sponsored groups.
- Installment fee waived for automatic deductions from a financial account.
- 1st installment fee waived for all multiple payment modes. Eff. 07-01-00

American Insurance Company

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factory installed four wheel Anti-Lock Braking System.
- 5% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 8-1-02

American Manufacturers Mutual Insurance Company

- 10% non-fleet private passenger auto physical damage for risks with driving pts.
- 30% non-fleet private passenger auto physical damage for risks without driving pts.
- 20% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bag or seat belt in driver-side-only position.
- 30% non-fleet private passenger auto medical payment when vehicle is equipped with either factory installed air bags or seat belts in both front outboard seat positions.
- 40% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bags & seat belts in both front outboard seat positions.
- 5% non-fleet private passenger auto bodily injury & property damage coverage for those vehicles equipped with factory installed four wheel anti-lock braking system (ABS).
- Extended Transportation Expenses Coverage KIP only: Coverage is included at no additional charge.
- Cancellation KIP only: Cancellation will be computed on pro rata basis.
- Private Passenger Auto Deviation non-fleet private passenger auto bodily injury & property damage written voluntary based on territory: Credit varies.
- Private Passenger Auto Deviation voluntary physical damage deviations by territory credit varies.
- Experience Driver Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & comprehensive, if principal operator is age 55 or older & no inexperience operators.
- Classic Auto Discount: 80% discount to Miscellaneous Types Rule-19.F. Classic Auto Discount for bodily injury, property damage & medical payments coverages.
- Installment Payment Plan: \$1 charge if paid through electronic funds transfer.
- 7% Kemper Network Deviation: Certain criteria apply.
- Anti-Theft Devices Discount credit varies. Eff. 10-05-02

American Motorists Insurance Company

- Safety Equipment Discount: Credit varies 20%, 30% or 40% by combinations of equipment.
- Anti-Lock Braking System Discount.
- Extended Transportation Expenses Coverage - KIP only: Coverage included at no additional charge.
- Cancellation - KIP only: Compute return premium on pro rata basis.
- Experienced Operator Credit: Principal Operator is age 55 or older & no inexperienced operators.
- Deferred Premium Payment Plan.
- 7% Kemper Network Deviation: Certain criteria apply.
- Anti-Theft Device Coverage Credit for comprehensive coverage. Credit varies. Eff. 9-26-01

American Professionals Insurance Company

- Installment charge waived on initial payment: \$3 charge for each installment thereafter: Applies to all policies. Eff. 7-1-99

American Protection Insurance Company

- Physical Damage deviation for risks with/without driving pts based on Tiers credits vary.
- Liability deviations for bodily injury and property damage based on tiers. Credits vary by territories.
- Safety Equipment Discount – Passive Restraint applies to medical payments only: Discount varies by meeting certain criteria..
- 5% non-fleet private passenger auto bodily injury & property damage coverage for those vehicles equipped with factory installed four wheel anti-lock braking system (ABS).
- Extended Transportation Expenses Coverage KIP only: Coverage is included at no additional charge.
- Cancellation KIP only: Cancellations will be computed pro rata basis.
- Territory Deviation for non-fleet private passenger auto bodily injury & property damage: Credit varies based on tiers.
- Experience Driver Discount: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & comprehensive if principal operator is age 55 & over & no inexperience operators.
- Installment Payment Plan: \$1 charge if paid through electronic funds transfer.
- 7% Kemper Network Deviation for bodily injury, property damage, med pay, comprehensive & collision: Certain criteria apply.
- Anti-theft Device Discount – comprehensive coverage only – deviation varies according to anti-theft device installed.

- Eff 10-5-02

American Security Insurance Company

- Deviation: Charge as premium for comprehensive (full coverage) & collision (\$100 deductible), the NC Rate Bureau base rates, which became effective January 1, 1984 for territory 17, separately for each coverage. Premiums so determined are applied statewide regardless of territory, no primary or secondary rating factors are applied. Eff. 2-1-86

American Southern Insurance Company

- 12.5% Elite Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 5% Preferred Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 2% AAA Carolina Affinity Group Discount when insured is a member of AAA Carolinas. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums
- 10% Experienced driver discount applicable to each vehicle when at least one driver has between 39 and 54 years driving experience on a policy. Discount applies to collision and other than collision premiums.
- 10% Renewal Discount Program applicable to each vehicle when policy holder has been insured with American Southern for three continuous years and which is loss free. Discount applies to bodily injury, property damage, med payments, collision & other than collision premiums otherwise applicable to the vehicle.
- 5% Multiple policy discount applicable to each vehicle when the policyholder places both automobile and homeowners coverage through the American Auto Club Insurance Agency. Discount applies to Bodily Injury, Property Damage, Medical Payments, Collision and Other Than Collision premiums. Eff. 8-15-02

American States Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American States Preferred Insurance Company

- Preferred Driver Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when all principal operators have no accidents (at-fault or not-at-fault) or violation during the previous 3 yrs. Deviation applicable new policies only & will continue for 3 yrs. unless removed due to a chargeable accident.
- Accident Free Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when principal operator has been written with any of the American States Insurance Companies for a period of 3 or more yrs. & has had no chargeable accidents during the 3 yr. period. 15% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when the principal operator has been written with any of the American States Insurance Companies for 6 or more yrs. & has no chargeable accidents during the 6 yr. period.
- 35% non-fleet private passenger auto physical damage for risks without driving points.
- Deviation by territory: Non-fleet private passenger bodily injury. Credits vary 3%-10%.
- Deviation by territory: 5% non-fleet private passenger auto property damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is age 55 & over with no inexperience operator in the household.
- Passive Restraint Discount: 10% - 40% non-fleet private passenger auto med payments based on type of system. Eff. 12-19-95

AMICA Mutual Insurance Company

- Downward Deviation to Base Rates for BI, PD, med pay, uninsured/underinsured motorists, comprehensive & collision.
- Downward Deviation by Territories for BI, PD, med pay, comprehensive & collision.
- Charge \$2 in lieu of \$3 each installment with certain exceptions.
- Eliminate additional charge \$2 on 1st installment of installment plan.
- Eliminate additional charge \$2 for all installment payments for members of any AMICA Group.
- Eliminate additional charge \$2 for 1st installment payment for insured participating in account billing payment plan.

Amerisure Mutual Insurance Company

- Multi-Policy Credit: Non-fleet private passenger auto: 10% credit all coverage when insured has primary homeowners coverage for Forms 2, 3 & 6 with Michigan Mutual or any American policy. Eff. 7-1-92

Argonaut Insurance Company

- Advantage Discount: 13.5% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Multi-Car Discount: 23.7% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Preferred Driver Discount: 10% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies. Eff. 4-1-00

Associated Indemnity Corporation

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 5% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 8-1-2

Association Insurance Company

- 12.5% non-fleet private passenger auto liability & physical damage insurance rates.
- 32.5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for SAS Institute Employees. Eff. 1-1-96

Assurance Company of America

- 5% non-fleet private passenger auto liability bodily injury, property damage & medical payments.
- 15% non-fleet private passenger auto comprehensive & collision.
- 7.5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for drivers with 30 yrs. driving experience & no inexperience operator on policy.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 3 consecutive yrs. with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 6 consecutive yrs. with "0" SDIP pts.
- 5% non-fleet private passenger auto liability, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury & property if auto has anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 10% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision of insured has homeowners policy with Assurance.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 20% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Atlantic Casualty Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 37% non-fleet private passenger bodily injury & property damage, single car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments: \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts.
 - 33% non-fleet private passenger bodily injury & property damage, multi-car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments, \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts. Eff. 7-1-94

Motorcycle

- 9% average deviation for private passenger motorcycle physical damage.
- 15% average deviation private passenger motorcycle bodily injury & property damage. Eff. 7-1-91

Atlantic Indemnity Company

- 5% non-fleet private passenger auto bodily injury, property damage & medical payments single car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 2.5% non-fleet private passenger auto bodily injury, property damage & medical payments multi-car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 21% average deviation for non-fleet private passenger automobile physical damage with 3 or more SDIP pts.

LIABILITY All deviation applicable to non-fleet private passenger bodily injury, property damage, & medical payment coverages for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. DUI violations involving drugs.
- 55% for single car policies with 12-20 SDIP pts.
 - 45% for multi car policies with 12-20 SDIP pts. Eff. 11-1-95

Auto Owners Insurance Company

Premier Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 - 74 yrs. of age: Credit varies 5% - 20%.
- Multi-Car Discount: 2.5% non-fleet private passenger auto comprehensive & collision coverage: Certain criteria apply.
- Physical Damage Rate Deviation non-fleet private passenger auto: 5% comprehensive: 5% collision, applicants must have at least 14 yrs. driving experience.
- Multi Policy Discount: 5% credit applies to BI, PD, Med Pay, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision for Life/Auto policy.

Standard Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 yrs. of age or older. Credit varies.
- Multi-Car Discount: 2.5% non-fleet private passenger auto comprehensive & collision coverage. Certain criteria apply.
- 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision for Life/Auto policy. Eff. 9-17-01

Automobile Insurance Company of Hartford

- 5% Anti-Lock Brake (ABS): Non-fleet private passenger auto Single Limits Liability (liability & medical payment) or Split Liability (bodily injury, property damage & medical payments).
- 5% or 10% Anti-Theft Device Discount depending on how vehicle is equipped. Applies to non-fleet private passenger auto comprehensive coverage.
- 15% Loss & Conviction Free Renewal Credit for single & multi-car policies. Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage & medical payment; 5% collision; 10% comprehensive.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments.
- 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision. Credit applies multi-car policies that are loss & conviction free.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision when coverage issued for homeowners (Forms 2, 3 & 6) in any of Aetna Life & Casualty Affiliated Companies. Credit applies to comprehensive & collision coverage for facility policies. Eff. 3-29-96

Bankers Standard Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

Builders Mutual Insurance Company

- 5% deviation on bodily injury, property damage, medical payments, comprehensive, & collision, if primary driver has at least 30 yrs. driving experience.
- Rating plan factor reduced by .05 for comprehensive & collision if the risk qualifies for multi car discount & has no inexperienced operator.
- Rating plan factor reduction by .05 for bodily injury, property damage, medical payments, comprehensive & collision, if the risk is classified as having 0 SDIP pts.
- 5% deviation on bodily injury & property damage, if the vehicle is equipped with anti-lock brakes.
- 5% deviation for comprehensive only, if vehicle is equipped with an active anti-theft device: 10% deviation, if vehicle is equipped with a passive anti-theft device. Eff. 10-1-99

Burlington Insurance Company

- 15% private passenger auto physical damage insurance rates. Eff. 5-28-87

CGU Insurance Company

- 5% Account Credit is applicable to Personal Auto Policies where named insured has his/her Homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes. Eff. 9-15-91

Central Mutual Insurance Company

- 0% -10% non-fleet private passenger auto premium for liability coverage, except uninsured or underinsured motorist coverage when the Company carries both the homeowner & auto coverages. 0% - 20% credit physical damage coverage.
- 5% private passenger auto bodily injury & property damage liability coverage for autos equipped with factory installed four wheel anti-lock braking system (ABS).

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators age 55 or over or has 34-38 yrs. of driving experience with 0 SDIP pts. and no inexperienced operators in household.
- 1%-5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators age 70-74 with 0 SDIP pts., no inexperienced operators in household.
- 5% non-fleet private passenger auto comprehensive for vehicles equipped with alarm only or active anti-theft disabling device. 15% comprehensive for vehicles equipped with passive anti-theft disabling device.
- Deviation for "First Accident Forgiveness" program. Credit varies 25%-65% when criteria is met.
- Installment Payment Plan: No charge for Electronic Fund Transfer.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Deviation for non-fleet private passenger auto: 30% bodily injury, property damage & medical payments: 25% collision: 15% comprehensive.
- 20% deviation for auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met regarding insured & vehicle. Eff. 7-1-01

Century Indemnity Company

- 10% non-fleet private passenger auto comprehensive & collision rates. Eff. 6-1-89

The Charter Oak Fire Insurance Company

- Pricing Factors Deviation: Applies to private passenger auto: 15% for liability coverages: 15% for property damage coverages.
- 9% Account Discount Deviation applies to all insureds who have both an auto & homeowners policy with Travelers.
- Contributing Vehicle Credit: 30% credit private passenger autos, pickups, vans and classic autos for bodily injury, property damage, medical payments coverage for single car policy & have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 25% credit private passenger autos, pickups, vans and classic autos for collision coverages for insured who have a single car policy & have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 15% credit priv pass autos, pickups, vans and classic autos for Comprehensive, Fire/Fire and theft/fire, theft, CAC coverages for insured who have a single car policy and have more than one private passenger auto insured with The Travelers.
- 3% Renewal Credit applies to private passenger auto rates if insured has maintained an auto policy with Travelers for the last 6 or more consecutive years. Eff. 04-01-02

The Cincinnati Insurance Company

- 20% non-fleet private passenger auto liability rate deviation.
- 40% non-fleet private passenger auto physical damage rate deviation.
- 10% non-fleet private passenger liability & physical damage rate deviation, if policyholder has package policy with Cincinnati Insurance Company.
- Installment Payment Plan charge waived for personal autos & autos written in conjunction with a homeowner policy. Eff. 8-1-01

Citizens Insurance Company of America

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators in household age 55 or older where there are no other operators in household with less than 3 yrs. driving experience. This is a per vehicle credit.
- Account Credit: 5% non-fleet private passenger auto comprehensive & collision coverage if insured has Homeowners policy with The Hanover Insurance Company.
- Non-Smoker Discount: 5% non-fleet private passenger auto comprehensive & collision coverage if no drivers have smoked in the past 15 months.
- 10% deviation for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Renewal Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Less than 3 yrs-0%; 3-5 yrs.-3.0%; 5 yrs or more-6.0%. Eff. 9-1-94

Colonial American Casualty and Surety Company

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Commercial Insurance Company of Newark, New Jersey

Classic Auto Program

- Deviation for bodily injury, property damage & medical payments premium for all territories.
- Comprehensive, collision, fire only & theft only premiums deductible deviation factors for all territories.
- Uninsured motorists coverage, combined uninsured/underinsured motorist coverage deviation for all territories. Eff. 8-1-00

Consolidated American Insurance Company

- 10% non-fleet private passenger comprehensive & 15% collision rates. Deviation applies multi-car risk, all classes except farm use classes. No inexperienced operators in household & 0 SDIP pts. applicable. Eff. 12-1-92

Continental Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies if named insured has an homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount. Eff. 7-3-01

Continental National Indemnity Company

- Discount for Qualified Preferred Drivers: 17.5% credit physical damage-5% credit liability when certain criteria is met.
- Discount for Qualified Standard Drivers: 5% credit physical damage when certain criteria is met.
- Account Credit Program: 10% credit when certain criteria is met & both homeowners & auto policies are written through CNIC.
- Anti Lock Braking System Discount: 5% credit.
- Mature Driver Discount: 5% credit when certain criteria is met. Eff. 1-1-01

Economy Premier Assurance Company

- 5% Pak II Package Credit: Applies to comprehensive & collision base premiums when certain criteria is met.
- Pak II Renewal Credit: 3%-5% credit applies to final premium when insured has maintained an auto or homeowners policy written with a Metropolitan Company.
- Age 55 or Older Credit: 1%, 5%, or 10% credit applies to non-fleet private passenger bodily injury and property damage liability, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- 10% Good Driver Credit when certain criteria is met.
- Symbol Relativities Deviation.
- Increased Limits Extended Transportation Deviation: No additional charge when comp coverage is purchased.
- Passive Restraint Credit: 20% for driver side airbag; 30% for both front outboard seat position airbags.

- Anti-Theft Device Credit: 5% applies to alarm only & active disabling devices: 15% for passive disabling devices.
- 5% Anti-Lock Braking System Credit when it's factory installed on all 4 wheels.
- Golfmobile Liability: No additional charge.
- ATV, Minibike & Dune Buggy combined BI & PD liability rates are same as the N.C. Rate Bureau's snowmobile rates.
- ATV, Minibike & Dune Buggy Medical Payment rates will be 23% of territory 11 private passenger auto med pay rate.
- ATV, Minibike & Dune Buggy Collision rates are same as the N.C. Rate Bureau's snowmobile rates.
- 10% Recreational Vehicle Multi-Vehicle Credit: Eligibility requirements must be met.
- Premium Payment Plan Deviation. Eff. 6-01-01

Electric Insurance Company

- Preferred Rate Program Deviation applicable to comprehensive and collision coverages, credit varies by territory when all program criteria is met.
- Super Preferred rate Program Deviation applicable to comprehensive and collision coverages, credit varies by territory when all program criteria is met.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision if principal operator of vehicle is 55 yrs or older. Vehicle with inexperience operator surcharge is not eligible.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision for risks that meet Elfun Society Membership.
- Multi Policy Credit: credit applies when insured has a HO- 2, 3, 4 or 6 policy with Electric Insurance.
- Accident and Violation Free Discount: Credit varies 5% - 15% when criteria is met.
- 5% Mass Marketing Discount.
- Installment Payment through electronic funds transfer Eff. 07-15-02

Employers Mutual Casualty Company

- Multi-Policy Credit: 10% when auto & homeowners coverage are written with Employers Mutual Casualty Company and/or Emcasco Insurance Company.
- Safety Equipment/Anti-Theft Discount: 20% med pay premium passive restraint on driver side only. 30% med pay premium passive restraint on both sides. 5% on bodily injury & property damage premium for four wheel anti-lock braking system. 5% comprehensive premium for alarm & active disabling devices. 15% comprehensive premium for passive disabling devices.
- Installment Payment Plan: \$3 charge waived when method of payment is through electronic funds transfer. Eff. 5-25-97

Erie Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operators are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 or newer model vehicles with factory-installed anti-lock brake systems on all four wheels.
- 5% non-fleet private passenger comprehensive for all vehicles with etching a vin or serial number or active anti-theft devices.
- 10% non-fleet private passenger comprehensive for all vehicles with alarm or passive anti-theft devices.
- Feature 15: SDIP surcharge will be waived for any at-fault accident presented on an Erie personal auto policy which has been in force 15 or more yrs. Deviation 1 pt. - 15%, 2 pts. - 40%, 3 pts. - 65%.
- Premium Payment Plan Service Charge - Installment Payments deviation.
- Non-fleet private passenger auto base rate deviation for bodily injury, property damage, medical payments, comprehensive & collision coverage by territory. Credit varies.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage when insured has both comprehensive & collision.
- Pro rata cancellation for all policies.
- Multi-Policy Discount: 10% credit when Homeowner or Mobile homeowner policy is written with The Erie and named insured must be same on all policies.
- Pioneer Experience Rating Credit Discount: Applies to private passenger auto bodily injury, property damage, comprehensive & collision on a Pioneer Family Auto Policy. Other criteria apply.
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met. Eff. 7-1-02

Erie Insurance Exchange

- Non-fleet private passenger auto base rate deviation for bodily injury, property damage, medical payments, comprehensive & collision by territory. Credit varies..
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principally driven by insureds who are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 & newer model yr. vehicles with factory installed anti-lock brake systems on all four wheels.
- Anti-Theft Device Deviation on comprehensive premiums: 5% for etching identification or an active device: 10% for an alarm or passive device.
- Feature 15: SDIP surcharge will be deviated for following at-fault accidents presented on a personal auto policy which has been in force with Erie Insurance Group for 15 or more yrs. Deviation - 1 pt. - 15%; 2 pts. - 40%; 3 pts. - 65%.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage.
- Pro rata cancellation for all policies.
- Premium Payment Plan: Service charge – Installment payments deviation.
- Comprehensive Deductible Factors Deviation: 5% deviation other than full coverage.
- Multi Policy Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- First Accident Forgiveness Deviation: The SDIP surcharge will be deviated for the first at-fault accident presented on an Erie Personal Auto policy: 1 pt. - 15%; 2 pts - 40%; 3 pts. - 65%. Other criteria apply.
- Pioneer Experience Rating Credit Discount(PERC): Certain criteria apply.
- Driving Experience Factor(DEF) Deviation: Certain criteria apply.
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met. Eff. 7-1-02

Farm Bureau Insurance of North Carolina Inc.

- 45% deviation for chargeable DWI surcharge applicable to bodily injury, property damage, medical payments, comprehensive & collision coverage. Eff. 12-1-96

Farmers Insurance Exchange

- Base Rate Deviations: BI, PD Med Pay, UM/UIM (BI,PD), Collision & other than Collision for Premier & Preferred Rating Plans.
- Auto/Home Discount & Auto/Renters Discount: Certain criteria apply.
- Loss Free Discount: 2% - 7% applies to BI, PD, Med Pay, Comprehensive, UM/UIM, & Collision: Certain criteria applies.
- Anti-Theft Device Discount: 5% discount applies to Comprehensive when a vehicle is equipped with a passive anti-theft device.
- Anti-Lock Brakes Discount: 5% discount applies to BI, PD, Med Pay & Collision: Factory installed ABS, all 4 wheels.
- Physical Damage Deductible Deviations: Credit varies.
- SDIP Point Free Credit: 5% discount applies to BI, PD, Med Pay, Comprehensive, & Collision if all operators in household have no SDIP pts.
- Experienced Operator Credit: Varied credits apply to BI, PD Med Pay, Comprehensive & Collision. Eff. 3-1-02

Federal Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist for antique auto.
- Reduced rates for physical damage coverages for antique autos.
- Deviation for Split Limit Bodily Injury Increased Limits. Eff. 4-1-02

Federated Mutual Insurance Company

- 5% non-fleet private passenger liability & physical damage when homeowners & personal umbrella policy is written with Federated Mutual Insurance Company.
- Installment Payment Plan: \$2 charge each installment subject to max. of \$5 per account for all policies. Eff. 4-21-95

Fidelity & Casualty Company of New York

- 10% deviation for non-fleet private passenger auto comprehensive & collision.
- 12% deviation for non-fleet private passenger auto bodily injury, property damage & medical payments.
- Accident/Violation Free Discount: 10% non-fleet private passenger auto bodily injury, property damage, combined single limit, medical payments & collision without points.
- Various Discount for Air Bags.
- Anti-Lock Braking system: 5% non-fleet private passenger bodily injury & property damage.
- Anti Theft Device Discount: Credit varies when criteria is met.
- 5% Daytime Running Light Discount: Credit applies to non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments & collision for private passenger autos equipped with factory installed daytime running lights.
- 5% Companion Policy Discount: Credit applies to non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments, comprehensive & collision if named insured has a homeowner policy with any CNA Insurance Group. Eff. 7-1-98

Classic Auto Program

- Deviations for bodily injury, property damage & medical payments, all territories. Factors vary.
- Deviations for comprehensive, collision, fire only & theft only, all territories. Factors vary.
- Uninsured motorist coverage, combined uninsured/underinsured motorist coverage deviation, all territories. Factors vary.
Eff. 10-01-99

Fidelity & Deposit Company of Maryland

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, med pay, comp. & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device: Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Fidelity & Guaranty Insurance Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & homeowners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Fidelity & Guaranty Insurance Underwriters

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & homeowners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Firemans Fund Insurance Company

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.

- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 8-1-02

Firemans Fund Insurance Company of Wisconsin

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured/underinsured motorist, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator age 55 and older with no inexperience operators.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator(s) have a minimum of 9 yrs. driving experience.
- 5% non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision for renewal discount where all operators have been written in the Fireman's Fund Direct program for at least 3 yrs. & are free of chargeable accidents & free of convictions. Eff. 11-24-97

Firemen's Insurance Company of Newark, New Jersey

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies when named insured has a homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Preferred-Plus Rating Tier: Certain criteria apply.
- Employee or Affinity Group Discount. Eff. 7-3-01

Firemen's Insurance Company of Washington D.C.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured/underinsured motorist, comprehensive & collision coverage. Eff. 11-1-94

First American Insurance Company

- 15% private passenger auto comprehensive & collision rates. Eff. 9-29-92

First Financial Insurance Company

- 15% non-fleet private passenger physical damage rates. Eff. 12-7-87

First Liberty Insurance Corporation

- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Mature Driver Discount Program: 10% when all operators are 55 or older, no inexperienced operators.
- 1% non-fleet private passenger auto bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 on first installment of installment plan.
- Multi Car Discount: 4% for liability coverages.
- Property Damages Limits Deviation by Territory.
- College Education Discount Program: 10% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.

- Homeowners Discount: 15% applies to liability and 15% applies to phys dam per vehicle when insured maintains an eligible Homeowners policy. Eff. 9-1-02

First National Insurance Company of America

- 15% Deviation on bodily injury, property damage, and med pay coverages. 10% deviation on comprehensive & collision coverages.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision if policyholder has had auto insurance with any Safeco Company for 3 consecutive yrs.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for having a Safeco homeowners policy in force.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for certain specified 4 door vehicles.
- Additional 10% deviation on comprehensive & collision for mature drivers age 55 or older.
- Checkless Pay Plan: Waive \$3 installment charge.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision for specified territories.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision for owning & occupying a home or condominium.
- Additional 10% deviation on comprehensive & collision for drivers with a driving record sub-classification of 0 and free of violation incidences. Eff. 9-20-01

GEICO Indemnity Company

- Associate Discount: 8% non-fleet private passenger applies to auto total policy premium.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 4-1-00

General Insurance Company of America

- 5% non-fleet private passenger auto bodily injury, property damage & med pay, comprehensive & collision rates.
- 10% non-fleet private passenger comprehensive & collision rates on policies where all drivers are age 55 or older. There are no inexperienced drivers on policy.
- Checkless Pay Plan: Waive \$3 installment charge.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision, if policyholder has been with any Safeco Company for 3 yrs. without lapse in coverage.
- 5% for multi-policy credit.
- 5% non-fleet private passenger auto BI, PD, medical payments, comprehensive & collision for certain specified vehicles.
- 5% non-fleet private passenger auto bodily injury coverage for territories 13, 14, 16, 18, 24, 31, 32, 51 & 52.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments, comprehensive & collision for insureds who own & occupy a home or condominium.
- 10% non-fleet private passenger auto comprehensive & collision for drivers with a driving record sub-class of 0 and free of violation incidences. Eff. 9-20-01

Generali - U S Branch

- 10% non-fleet private passenger auto liability bodily injury & property damage for operator licensed 15 or more yrs. & all drivers total 7-11 SDIP pts.
- 20% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 15 or more yrs. & all drivers total 12-20 SDIP pts.
- 15% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 10 yrs., but less than 15 yrs. & all drivers total 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 5 yrs., but less than 10 yrs. & all drivers total of 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 11, 13, 17, 31, 32, 41 or 47.
- 7.5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 24, 26, 33 or 43. Eff. 2-9-94

Globe Indemnity Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force a homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operator.
- Passive Restraint Discount: Credit varies.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Installment Payment Plan - Agency Payroll Deduction: Certain criteria apply.
- 10% Mass Marketing Discount: Applies to liability, med pay, comprehensive & collision: Certain criteria has to be met.
- Preferred Program Discount by territory. Eff. 9-1-00

Government Employees Insurance Company

- Base Premium Deviation applicable to comprehensive & collision by territory, credit varies.
- 10% non-fleet private passenger auto comprehensive & collision coverage for drivers 55 yrs. or older & auto is not surcharged for an inexperienced operator.
- 8% deviation on total policy premium for Sponsored Marketing Group Pricing Track: Certain criteria apply.
- Motorcycle Safety Course Credit: Non-fleet private passenger auto bodily injury, property damage, uninsured motorist, medical payments, personal injury, comprehensive & collision coverage. Certain criteria apply. Credit varies 10% - 20%.
- 5 Year Good Driving Discount: 8% non-fleet private passenger auto bodily injury, property damage, medical payment, collision & comprehensive: Certain criteria apply.
- Associate Discount: 8% credit to total policy premium.
- Military Discount Deviation for members on bodily injury, property damage, medical payment, comprehensive & collision. Credit varies 10%-15%.
- 15% Ultra Preferred Tier (2) Discount: Applies to bodily injury, property damage, collision, comprehensive, medical payments & uninsured/underinsured motorists coverages: Certain criteria apply.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 9-15-02

Grain Dealers Mutual Insurance Company

- Multiple Policy Deviation: 5% non-fleet private passenger auto liability & physical damage if Grain Dealers Mutual writes their homeowners policy.
- 10% credit will apply to rates for non-fleet private passenger bodily injury and property damage liability, medical payments, collision & other than collision applicable to that vehicle, if principal vehicle operator is age 55 or over and there is no inexperienced operator in the household.
- Safe Program Loss Free Discount: 5% credit- 3 yrs. accident free. 10% credit- 5 yrs. accident free, when criteria is met.
- Auto/Commercial Credit: 5% on personal auto policy when commercial risk is placed with Grain Dealers. Certain criteria applies.
- New Policy Credit: 10% credit will apply if all criteria is met. Eff. 7-1-01

Graphic Arts Mutual Insurance Company

- Superior Program Deviation: 5% non-fleet private passenger auto bodily injury, property damage liability & physical damage rates.
- 15% discount on base rates for employees of Utica National Insurance Group.
- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Company.

- Personal Auto Account Credit: 10% credit applied to basic premiums, when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) Program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00

Great American Alliance Insurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Occurrence Free Credit: 4% applies to bodily injury, property damage, medical payments, & comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Assurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, medical payments, comprehensive & collision.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Insurance Company

- Various downward deviations for non-fleet private passenger auto bodily injury & property damage by territory. Credit varies. Certain criteria apply.
- Various downward deviations for non-fleet private passenger auto comprehensive & collision for chargeable or non chargeable activity when criteria is met. Credit varies.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with 29-49 driving experience.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviation on bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% downward deviation for non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive &

- collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Insurance Company of NY

- Various downward deviations on comprehensive & collision for chargeable & no chargeable activity. Certain criteria apply.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviations for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Security Insurance Company

- Renewal Homeowner Credits: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. 2% comprehensive & collision only: Certain criteria apply.
- Multi-Car Credit: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Married Credit: 2% applies to bodily injury, property damage & medical payments if eligibility requirements are met.
- Mass Marketing Credit: 5% applies to bodily injury, property damage, medical payments, uninsured & underinsured motorist, comprehensive & collision. Credit applied to members of an employer based account written through an agent who has been specifically contracted with our marketing systems division to provide this discount.
- Territory Deviation: 2% credit applies to bodily injury, property damage, medical payment, uninsured/underinsured motorist, comprehensive & collision for garaging location in territory 11,13,15,18, 51 or 52.
- Occurrence Free Credit: 4% credit applies to bodily injury, property damage, medical payments, comprehensive & collision based on SDIP pts. record.
- Companion Policy Credit: 3% credit applies to bodily injury, property damage, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment Fee \$1. Eff. 2-15-02

Great American Spirit Insurance Company

- Renewal Homeowner Credit: 3% applies to bodily injury, property damage, med pay, comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer Deviation: Installment Fee \$1. Eff. 2-15-02

Guaranty National Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. 37% deviation for single car policies with 12-20 SDIP pts.
- f. 33% deviation for multi-car policies with 12-20 SDIP pts.

Physical Damage

- 21% deviation with 3 or more SDIP pts. Eff. 3-1-99

Motorcycle

- 15% deviation on bodily injury & property damage for all drivers with 15 yrs. or more driving experience.
- 9% deviation on private passenger motorcycle physical damage. Eff. 3-1-99

GuideOne Mutual Insurance Company

- 55% non-fleet private passenger auto liability & physical damage rates on autos rated as Class 3 under Rule 4 of the NC Personal Auto Manual. Eff. 2-1-89

Hanover American Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for operators 55 yrs. of age or older, when no operators in household with less than 3 yrs. driving experience.
- Account Credit Program: 5% non-fleet private passenger auto comprehensive & collision coverage, if insured has homeowners with any of the Hanover Insurance Companies.
- Territorial Deviation: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Renewal Credit: 3 yrs. to less than 5 yrs. - 3.0%; 5 yrs. or more - 6.0%: Must be insured with Hanover American Insurance Company or within an agency which Hanover represents.
- Installment Pay Plan By Electronic Funds Transfer: Installment charges waived.
- Group Modification Plan: Deviation range 0.5% to 15.5%.
- Installment Payment Plan: Four payment plan \$3 per installment excludes first installment charge.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met. Eff. 4-1-02

The Hanover Insurance Company

- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Installment Pay Plan by Electronic Funds Transfer: No service charge.
- Group Modification Plan Deviation: 0% to 15.5%.
- Installment Payment Plan: \$3 charge for each installment, excluding first installment. Eff. 4-1-02q

Harbor Specialty Insurance Company

- 10% non-fleet private passenger auto physical damage insurance rates for risks with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates if principal operator of vehicle is age 55 or older.
- 15% non-fleet private passenger auto comprehensive & collision rates for risks with "0" SDIP pts. Policy must be a part of Personal Protection Program.
- 5% non-fleet private pass auto BI, PD & Med Pay rates for risks with "0" SPID pts. Eff 2-1-94

Harleysville Preferred Insurance Company

- Preferred Customer Discount applies when the insured meets qualifying rating and/or certain characteristics credit varies. Eff 5-1-02

Hartford Fire Insurance Company

- Age 55 or Older Deviation: BI, PD, MP - .91 factor: Comp & Collision - .82 factor. All other operators: BI, PD, MP - .96 factor: Comp & Collision - .87 factor.
- Account Credit: 10% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision, if insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.) Eff. 11-15-00

Hartford Underwriters Insurance Company

- Various downward deviations for operators age 55 & over.
- 10% Defensive Driver Discount, if Principal Operator has completion certificate dated within last 36 months, certifying that Principal Operator has both successfully & voluntarily completed course meeting standards of the N. C. Department of Transportation.
- 10% Account Credit, if policyholder has homeowners policy in effect in the AARP Homeowners Insurance Program.
- Renewal Credit Discount: 3-5 yrs. - 2%; 6 or more yrs. - 8%; Certain criteria apply.
- 2% non-fleet private passenger auto bodily injury, property damage & collision coverage when auto is equipped with factory installed anti-lock braking system (ABS).
- 5% Limited Driver Credit applies when principal operator is age 75 or over & such operators use of auto is limited to daylight driving.
- Incident Free Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Safe Driver Plus Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Advantage Discount: 10% credit when criteria is met. Eff. 9-1-00

Highland Insurance Company

- 15% deviation to bodily injury, property damage, medical payments, uninsured & underinsured motorist base premium.
- 25% deviation to comprehensive & collision base premium.
- Installment Payments Deviation.
- 10% deviation when named insured has a homeowners policy with any company in the Highlands Insurance Group.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Horace Mann Insurance Company

- 25%-45% deviation for waiving SDIP surcharge for 1st chargeable accident, if insured is with company for 5 consecutive yrs., has been free of chargeable accidents during that 5 yr. period.
- 9% non-fleet private passenger auto bodily injury & property damage: 8% comprehensive & collision premiums for insured in good standing of a sponsoring education association & policy is completely voluntary. Discount not applicable if policy is written comprehensive only.
- Driving Quality Deviation: Non-fleet private passenger auto BI, property damage & collision when criteria is met.
- Deviation on non-fleet private passenger: Certain comprehensive & collision deductibles when the insured has no chargeable SDIP pts. & no inexperience.
- Installment Payment Plan: Charge waived when paid by Electronic Funds Transfer.
- Installment Payment Charge: No charge on 1st installment for new business policies written on an installment payment basis.
- 3% Home & Auto Deviation: Non-fleet private passenger auto BI, PD & collision when criteria is met. Eff. 3-1-01

Horace Mann Property & Casualty Insurance Company

- Deviation applied to non fleet private passenger auto rates when policy has no chargeable SDIP pts. & no inexperience operator: Credits vary by territory.
- Driving Quality Deviation on non-fleet private passenger when certain criteria is met.
- Deviation on voluntary non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, & collision for principal operators age 55+, no chargeable SDIP pts. & no inexperience.
- 8% deviation on voluntary non-fleet private passenger auto bodily injury, property damage & collision if named insured

- has homeowners, mobile homeowner, tenant or condo policy with a Horace Mann Company and other criteria met.
- 9% deviation for bodily injury & property damage: 8% deviation for comprehensive & collision if insured is a member of a sponsoring education association & the policy is voluntary.
- 7% deviation on voluntary non-fleet private passenger collision coverage. on model yr. 1993 & up for pickups, vans or utility vehicles.
- Deviation on voluntary non-fleet private passenger comprehensive & collision deductibles with no chargeable SDIP pts & no inexperience.
- Deviation on one to two point accident, if insured has been insured with one of the Horace Mann Insurance Companies for 5 consecutive yrs. & free of accidents for a 5 yr. period: 25% or 45% surcharge waived.
- Installment fee waived for monthly payments via electronic funds transfer.
- New business policies on an installment payment basis: 1st installment fee waived.
- 4% deviation on voluntary non-fleet private passenger auto bodily injury & property damage for single car, no chargeable SDIP pts. & no inexperience.
- 5% deviation on private passenger auto bodily injury, property damage, comprehensive & collision for insureds in credit rating tiers 1, 2 & 3 when policy has no chargeable SDIP pts. & no inexperience operator. Eff. 01-20-02

Huron Insurance Company

- Passive Restraint Discount: Medical payments coverage only. 20% when restraint is installed in driver-side position only. 30% when restraints are installed both front outboard seat positions.
- Loss Free Discount: Non-fleet private passenger auto comprehensive & collision. 5% - 10% applies when criteria is met.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision when Homeowners policy form 2, 3 or 6 is in force with Harleysville or Huron Insurance Company.
- 15% non-fleet private passenger auto comprehensive & collision deviation.
- Anti-Lock Braking System Discount: 5% non-fleet private passenger auto bodily injury & property damage for autos equipped with factory installed four wheel anti-lock brake system.
- Anti-Theft Device Discount: 5% non-fleet private passenger auto comprehensive for vehicles equipped with a disabling device which disables the vehicle by making the fuel, ignition or starting system inoperative.
- Multi-Car Discount: Additional 5% credit.
- Group Mass Marketing Discount: 10% applies to voluntary policies to the liability, medical payments, comprehensive, & collision coverages of eligible employer groups, affinity groups & mass marketing programs. Eff. 9-1-99

Indemnity Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Insura Property and Casualty Insurance Company

- Multi Policy Discount: 7.5% credit when Homeowners policy is written in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Variable credit.
- Longevity Discount: 5% credit to auto policies that have been in force for past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no driver with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies only.
- Point Factor Discount: Factors vary .00 - 3.90 for 0- 12 pts.
- .837 Discount Factor for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision on all Insura Premier policies. Eff. 11-16-00

Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Insurance Corporation of Hannover

- Discount for Qualified Preferred Drivers: 10% applied to physical damage: 5% applied to liability when criteria is met.
- Discount for Qualified Standard Drivers: 5% applied to physical damage when criteria is met.
- Account Credit Program Discount: 10% applies to bodily injury, property damage, med pay, collision & comprehensive when both homeowner & auto policies are written through ICH.
- Anti-Lock Braking System Discount: 5% applies to bodily injury, property damage, & med pay.
- Mature Driver Discount: 5% applies to bodily injury, property damage, med pay, collision & comprehensive when criteria is met.
- Loss/Incident Free Discount when criteria is met. Eff. 02-01-02

Integon Casualty Insurance Company

LIABILITY All deviation applicable to non fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following;

- Manslaughter or negligent homicide.
 - Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- 47% deviation, multi-car policies with 15-17 SDIP pts. & 5+ yrs. driving experience.
 - 57% deviation, single car policies with 12-17 SDIP pts. & 5-6 yrs. driving experience.
 - 47% deviation, multi-car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 57% deviation, single car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 25% deviation, multi-car policy & single car policy with 18-20 SDIP pts., unmarried with 5+ yrs. driving experience.
 - 25% deviation, multi-car policy & single car policy with 18-20 SDIP pts., married driver with 39+ yrs. driving experience.
 - 57% deviation, single car policy with 12-17 SDIP pts. & driving experience of 39+ yrs.
 - 61% deviation, single car policies with 15-17 SDIP pts. & driving experience of 7-38 yrs.
 - 47% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 5-6 yrs.
 - 47% deviation, multi-car policies with 12-14 SDIP pts. single driver with 7-38 yrs.
 - 47% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 39+ yrs.
 - 54% deviation, multi-car policies with 12-14 SDIP pts. married drivers with 7-38 yrs driving experience.
 - 65% deviation, single car policies with 12-14 SDIP pts. & driving experience of 7-38 yrs.
 - Installment payment plans fees waived for GMAC insurance employees. Eff. 4-1-02

Integon General Insurance Corporation

- 5% non-fleet private passenger bodily injury & property damage liability rates for single car policies with 12-20 pts. with a 12 point violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing (3) failure to stop & render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 3.3% average deviation on non-fleet private passenger auto physical damage rates for risks with 5 or more SDIP pts. Non-owners policies do not qualify.
- Installment payment plans fees waived for GMAC insurance employees. Eff. 4-1-02

Integon Indemnity Corporation

Preferred Program

- 7.5% non-fleet private passenger auto bodily injury & property damage liability insurance rates on policies issued with "0" SDIP pts. for multi-car risks. In addition, all single car risks with "0" SDIP pts. where an additional vehicle is furnished to insured & available for regular use of the insured by his/her employer. Non-owners do not qualify.
- Installment payment plan fees waived for gmac insurance employees.

Non Preferred Program

- 7% non-fleet private passenger bodily injury & property damage liability rates for single car policies with 12-20 pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting

- in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 2% non-fleet private passenger bodily injury & property damage liability rates for multi car policies with 12-20 pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify
- 5.7% average deviation non-fleet private passenger auto physical damage rates-5 or more pts. Non-owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees. Eff. 4-1-20

Integon National Insurance Company

Preferred Program

- 2% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 9-13 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 14-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 2% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 44-48 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "1-4" SDIP points and married drivers with 9-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 7% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of prior limits of 100/300 or higher. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 20% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies qualifying for a superior credit score. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more of the following: a) prayer for judgement continued, b) not-at-fault accident, c) comprehensive claim, d) waivable accident or violation, or e) at-fault accident in a company car. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more at fault accident. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.06 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies where there is an operator with less than 9 years driving experience. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an above average credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 3% factor applies to all non-fleet private passenger auto Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. Applies to 1) GMAC mortgage customers 2) GMAC auto loan customer 3) GMAC

auto lease customer 4) GM Credit card customer 5) GM Demand /Smart Note Customer 6) GM Employee/retire or member of an approved employee group.

- 2.00 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist rates on policies in the ultra preferred underwriting tier. Applies only to policies with no proof of prior insurance. If the resulting rate is equal to or greater than ncrb rates, the policy is ineligible for any deviation.

Non-Preferred Program

- 58% non fleet private passenger auto BI & PD liability for single car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 47% non fleet private passenger auto BI & PD liability for multi car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 5.7% non fleet private passenger auto physical damage for 5 or more SDIP pts. Non owner policies do not qualify.
- Installment Payment plan fees waived for GMAC Insurance employees – both programs.
Eff. 10-01-02

Integon Specialty Insurance Company

Preferred Program

- 2% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 9-13 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 14-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 2% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 44-48 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "1-4" SDIP points and married drivers with 9-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 7% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of prior limits of 100/300 or higher. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 20% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies qualifying for a superior credit score. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more of the following: a) prayer for judgement continued, b) not-at-fault accident, c) comprehensive claim, d) waivable accident or violation, or e) at-fault accident in a company car. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more at fault accident. If

- the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.06 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies where there is an operator with 3 to less than 9 years driving experience. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an above average credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.05 factor applies to all non-fleet private passenger auto bi, pd, med pay, um, uim, comp, coll insurance rates on policies in the ultra preferred underwriting tier. This factor applies only to policies with prior limits of 50/100. If this resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 13% on all non-fleet private passenger auto bi, pd, med pay, um, uim, comp, coll insurance rates on policies in the ultra preferred underwriting tier. This factor applies only to policies with prior proof of limits of 250/500. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 1.05 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies where there is an operator with less than 3 years driving experience. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.05 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an excellent credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.05 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an acceptable credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 25% factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an ultra credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- Installment payment plan fees waived for GMAC Insurance Employees.
- Eff. 4-1-02

Non-Preferred Program

- 47% non fleet private passenger auto BI & PD liability for single car with 12-16 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 37% non fleet private passenger auto BI & PD liability for single car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 42% non fleet private passenger auto BI & PD liability for multi car with 12-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 37% non fleet private passenger auto BI & PD liability for multi car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 5% non fleet private passenger auto BI & PD liability for single & multi car with 5-20 SDIP pts. Non owner policies do not qualify.
- 35% non fleet private passenger auto physical damage for single & multi car with 12-17 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.

- 20% non fleet private passenger auto physical damage for single & multi car with 18-20 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 42% non fleet private passenger auto BI & PD liability for single car with 17-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- Installment payment plans fees waived for GMAC insurance employees Eff. 4-1-02

Kansas City Fire and Marine Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Group Program Discount. Eff. 9-1-00

Lancer Insurance Company

All deviations applicable to non-fleet private passenger auto comprehensive & collision coverages for single car and the insured may not have one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal liquors by motor vehicle.
- 28% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 3-6 yrs. driving experience.
 - 45% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 48% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 30% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 35% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 20% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 25% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 37% for policies with 8-15 pts.; based on model yr. of auto; driver has at least 3 yrs. driving experience. Eff. 4-1-99

Liberty Mutual Insurance Company

- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Mature Driver Discount Program: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when all operators in household are age 55 or older and there is no inexperienced operator in household.
- 1% non-fleet private passenger automobile bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Multi Car Discount: 4% for non-fleet private passenger auto bodily injury & property damage coverage.
- College Education Discount Program: 10% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 15% applies to liability & 15% to physical damage rates when an insured maintains an eligible homeowners policy with any company. Other criteria apply.
- Waive additional charge of \$3 - 1st installment of installment plan. Eff. 9-9-02

Lumbermens Mutual Casualty Company

- 20% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bag or seat belt in driver-side-only position.
- 30% non-fleet private passenger auto medical payment when vehicle is equipped with either factory installed air bags or seat belts in both front outboard seat positions.

- 40% non-fleet private passenger auto medical payments when vehicle is equipped with factory installed air bags & seat belts in both front outboard seat positions.
- 5% non-fleet private passenger auto bodily injury & property damage for those vehicles equipped with factory installed four wheel anti-lock braking system (ABS).
- Experience Driver Discount: Principal operator is age 55 or older & no inexperienced operator.
- Installment Payment Plan: \$1 charge per billing for electronic funds transfer.
- 7% Kemper Network Deviation: Certain criteria apply.
- Anti Theft Device Discount: Credit varies when criteria is met. Eff. 9-26-01

Maryland Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with least 30 yrs. driving experience & no inexperienced operator.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 5% non-fleet private passenger auto comprehensive & collision for vehicles with "0" SDIP.
- 5% non-fleet private passenger auto bodily injury, property damage for anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive for active anti-theft disabling devices.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive, collision, uninsured underinsured motorist, towing & labor & all miscellaneous coverage (companion policy). Eff. 2-15-98

Massachusetts Bay Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates, if principal operators are age 55 or older and there are no other operators in household with less than 3 yrs. driving experience.
- Account Credit Program: 5% applies to non-fleet private passenger auto comprehensive & collision rates for insured who have both their private passenger auto & primary homeowners insured with one of Hanover Insurance Companies.
- Installment Payment Plan: No service charge by Electronic Funds Transfer.
- Installment Payment Plan: \$3 per installment, excluding first installment.
- Group Modification Plan: Deviation 0.0% to 15.5%.
- Territorial Deviation: credit varies for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met. Eff. 12-1-02

Merastar Insurance Company

- \$2 per installment charge is waived on all policies paid through pre-authorized checking or payroll deduction plans.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments & comprehensive & collision rates if named insured is member of an employer sponsored account or qualifying affinity group.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured is age 55 or older & no operator has less than 9 yrs. driving experience.
- 6% non-fleet private passenger auto comprehensive & collision, if policy qualifies for Company's Safe and Sound Discount.
- 5% non-fleet private passenger auto comprehensive rates for alarm only or other anti-theft system requiring driver to enable system.
- 15% non-fleet private passenger auto comprehensive rates for passive anti-theft system.
- 2% non-fleet private passenger auto collision rate, if vehicle is equipped with factory installed anti-lock braking system. Eff. 2-1-02

Metropolitan Direct Property & Casualty Insurance Company

- Territorial Deviation for bodily injury, property damage, med pay, uninsured motorists, combined uninsured/underinsured motorists, comprehensive, & collision coverages: Credit varies 1%-5%.
- Experience Driver Deviation: Applies to auto liability & physical damage coverages: Certain criteria apply: Credit varies 2%-3%.

- Age 55 & Older Deviation for liability & physical damage coverages: Certain criteria apply: Credit varies 3%-11%.
- Preferred Customer Discount: Certain criteria apply: Credit varies 4%-10%.
- Superior Driver Discount: Certain criteria apply: Credit varies 5%-15%.
- 7% Multi Policy Discount: Applies to insureds who have both auto & homeowners insurance with Metropolitan.
- Mass Merchandising Account Deviation: 7% credit: Certain criteria apply.
- 5% Payroll Deduction Discount: Certain criteria apply.
- Employment Tenure Discount: 4% or 7% credit applies when criteria is met. Eff. 11-2-00

Metropolitan Property & Casualty Insurance Company

- Territory Deviation for BI, PD, Med Payments, Uninsured Motorist, Combined Uninsured/Underinsured Motorist, Comprehensive & Collision coverages: Credit varies 0%-5%.
- 2% Age 55 or Older Deviation: Certain criteria apply.
- Preferred Customer Discount: Certain criteria apply: Credit varies 4%-10%.
- Superior Driver Discount: Credit varies 1%-9% based on driving record.
- 3% Multi Policy Discount: Applies to insureds who have both auto & homeowners insurance with Metropolitan.
- Mass Merchandising Account Deviation: Credit varies 1%-2%.
- 3% Payroll Deduction Discount: Certain criteria apply.
- Employment Tenure Discount: 2% or 4% credit applies when criteria is met.
- Small Employer Group Program: 5% deviation applies when eligibility is met. Eff. 11-2-00

Montgomery Mutual Insurance Company

- Deviation Withdrawn Eff. 10-15-02

Motors Insurance Corporation

- Deviation applies under Mechanical Insurance Program & provides for eliminating surcharge on all eligible vehicles equipped with diesel engines. Eff. 10-1-85

Mutual Service Casualty Insurance Company

- 7.5% non-fleet private passenger auto bodily injury & property damage for multi-car policies, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation which is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in prearranged racing; D. Transporting illegal intoxicating liquors by motor vehicle.
- 15% non-fleet private passenger auto bodily injury & property damage for single car risk, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in pre-arranged racing; D. Transporting illegal intoxicating liquors by motor vehicle. Eff. 6-7-95

National Alliance Insurance Company

- Deviation is withdrawn. Eff. 10-16-02

National Grange Mutual Insurance Company

- Qualified Preferred Drivers: Non-fleet private passenger auto physical damage- 10%, liability and medical- 5% credit applied to base premiums meeting preferred driver criteria.
- Qualified Standard Drivers: 5% non-fleet private passenger auto physical damage base premium meeting standard driver criteria.
- Combined Personal Protection Program: 15% non-fleet private passenger auto bodily injury, property damage & medical payments, collision & comprehensive when both homeowners & voluntary auto policy is written thru NGM.
- Mature Driver Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments collision & comprehensive when criteria is met.

- Anti-lock Braking System Discount: 5% non-fleet private passenger auto bodily injury, property damage & medical payments when certain criteria is met.
- Installment Payment Plan: \$3 Charge each installment for 1st policy. \$1 Charge each installment for each additional personal lines policy. No service charge if paid via EFT. Eff. 08-19-02

National Surety Corporation

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 8-1-02

Nationwide Mutual Fire Insurance Company

- 47% non-fleet private passenger auto bodily injury & property damage on single car policies & 41% on multi-car policies bodily injury & property damage with a 12 pt. violation that is not one of the following: A. Manslaughter or negligent homicide resulting from the operation of a motor vehicle. B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing. C. Failure to stop & render aid when involved in an accident resulting in bodily injury or death. D. Transporting for the purpose of sale of illegal intoxicating liquors by motor vehicle.
- Policies being rated with 12-20 SDIP pts. without a DWI conviction will be written with 10% deviation for bodily injury & property damage coverage. Eff. 7-5-98

Nationwide Mutual Insurance Company

- Senior Adult Discount Deviation: 2% applies to medical payments only.
- Long Term Policyholder Deviation: Applies to bodily injury, property damage, comprehensive & collision: Credit varies insured has had coverage for 3+ yrs. & depending on number of SDIP pts.
- Home and Car Deviation/Homeowner Deviation: Applies to auto bodily injury, property damage, comprehensive & collision: Credit varies depending on combination of deviation & territory.
- Physical Damage Deviation: Applies to non-fleet private passenger auto comprehensive & collision for single car policies & multi-car policies: Credit varies depending on yrs. of driving experience & number of SDIP pts.
- Multi-Car Rating Factor N.C. Rate Bureau shall apply when certain conditions are met.
- Miscellaneous Vehicle Deviation: 5% applies to bodily injury, property damage, comprehensive & collision.
- Preferred Driver Deviation 10% applies to BI, PD, Comprehensive and Collision coverages – if certain criteria is met. Eff. 8-12-02

Netherlands Insurance Company

- 10% deviation applies to bodily injury, property damage & medical payments for risks in territory 11, 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51.
- 15% deviation applies to bodily injury, property damage & medical payments for risks in territory 52.
- 15% deviation applies to comprehensive and collision for risks in territories 11, 13, 14, 16, 17, 18, 24, 25, 31, 32, 33, 47.
- 20% deviation applies to comprehensive and collision for risks in territories 15, 51, 52.
- 4% discount bodily injury, property damage & medical payments comprehensive and collision coverages where all operators must have 'O' merit rating points.
- 7% discount bodily injury, property damage & medical payments comprehensive and collision coverages for risks part of the Personal Protectors Program.
- 2% discount for bodily injury, property damage & medical payments comprehensive and collision coverages provided the principal operator of the vehicle is age 55 or older. Eff. 10-15-02

New South Insurance Company

Preferred Program

- 7.5% non-fleet private passenger auto bodily injury & property damage insurance rates on policies issued with "0" SDIP pts. for multi-car. In addition, all single car risks with "0" SDIP pts. where an additional vehicle is furnished to insured & available for regular use of insured by his/her employer. Non-owner policies do not qualify.

Non-Preferred Program

- 19.5% non-fleet private passenger auto bodily injury & property damage liability rates for single car policies with 12 - 20 SDIP pts. with 12 pt. violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing (3) failure to stop & render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 13% non-fleet private passenger auto bodily injury & property damage liability rates for multi-car policies with 12-20 SDIP pts. with 12 point violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending motor vehicle to be used in prearranged racing (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 6.8% average deviation for non-fleet private passenger auto physical damage rates with 5 or more SDIP pts. Non-owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees. Eff. 4-1-02

New York Central Mutual Fire Insurance Company

- 10% non-fleet private passenger auto liability, bodily injury, property damage & collision coverage. Deviation applies to operators who have had no traffic tickets or been involved in any accidents within past 39 months. Eff. 8-27-90

Newark Insurance Company

- 20% discount for eligible employees. Credit applicable to total personal auto policy premium.
- Companion policy credit: 5% credit when auto & homeowner policy in force in any Royal Insurance.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived. Eff. 1-1-97

Niagara Fire Insurance Company

- 10% non-fleet private passenger auto Personal Comprehensive Protection Program auto physical damage. Eff. 11-7-86

North Carolina Farm Bureau Mutual Insurance Company

All deviation components applicable to bodily injury, property damage, medical payments and physical damage.

- 31% for multi car, with property coverage, all drivers with 34 - 49 yrs. driving experience.
- 18% for multi car, without property coverage, all drivers with 34 - 49 yrs. driving experience.
- 27% for single car, with property coverage, all drivers with 34 - 49 yrs. driving experience.
- 14% for single car, without property coverage, all drivers with 34 - 49 yrs. driving experience.
- 24% for multi car, with property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 10% for multi car, without property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 19% for single car, with property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 6% for single car, without property coverage, on a driver with 11 - 34 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience.
- 15% for multi car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a drivers with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.
- 5% for multi car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.
- 10% for single car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.

- 3% for single car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience.
- 12% for multi car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yrs. driving experience.
- 2% for multi car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yr driving experience.
- 6% for single car, with property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yrs. driving experience.
- 2% single car, without property coverage, on a driver with 34 - 49 yrs. driving experience & a driver with 3 - 11 yrs. driving experience.
- Territory deviation – credit varies Eff 4-1-02

Northern Insurance Company of New York

- 10% non-fleet private auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier I).
- 6% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all other miscellaneous coverage (Tier II).
- 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier III).
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for operators who have at least 30 yrs. driving experience with no inexperience operators.
- 5% non-fleet private passenger bodily injury & property damage with anti-lock braking system.
- Various deviations for comprehensive with vehicles equipped with anti-theft devices.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, uninsured & underinsured motorist, comprehensive, collision, towing & all miscellaneous coverage for auto & home discount.
- 10% non-fleet private passenger bodily injury, property damage, comprehensive & collision with named insured employed as an educator.
- 12% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where name insured is an employee of Centry Furniture Industries Inc.
- 6% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of Premier, Inc. & its Hospitals & Health Systems & Premier Insurance Management Services, Inc.
- 9% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of American Veterinarians Medical Association Professional Liability Insurance Trust. Eff. 7-19-01

Northwestern National Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist & underinsured motorist coverage.
- 15% non-fleet private passenger auto comprehensive & collision deviation to base premiums.
- Installment Payment Plan: Initial installment waived.
- 10% Account Credit on auto policy when named insured insures a Homeowners policy with State Capital, Northwestern National, or American Professional Insurance Companies.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Ohio Casualty Insurance Company

- 4% credit to all coverages with an operator age 55 or older who purchase Homeowners coverage in Ohio Casualty Group.
- Employee Discount: 15% when criteria is met.
- Anti-Theft Discount: Comprehensive Coverage only: 5% alarm only & active disabling devices: 15% passive disabling devices: Other criteria apply. Eff. 9-1-00

Omni Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving while under the influences of drugs.
 - f. Instructing while under the influence.
 - g. Aiding and abetting or felony using a motor vehicle.
- Deviation for single car, not all operators are married, 12-26 SDIP pts., least experienced operator has 5-60+ yrs. licensed driving experience. Credit varies 5%-52%.
 - Deviation for multi car, not all operators are married, 12-20 SDIP pts., least experienced operator has 5-59 yrs. licensed driving experience. Credit varies 5%-37%.
 - Deviation for single car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-46%.
 - Deviation for multi car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-41%.
 - Deviation for single car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.
 - Deviation for multi car, not all operators, married, 17-26 SDIP pts., least experienced operator has 5-13 yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%-13%.
 - Deviation for multi car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 5% deviation for single car, with 4-6 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 5% deviation for single car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience.
- 5% deviation for multi car, with 4-6 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 6% deviation for multi car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience.
- 5% non fleet private passenger auto bodily injury increase limit of 50/100.
- 5% non fleet private passenger auto bodily injury increase limit of 100/300.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other liability deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford Financial Services Group. Form 4 does not qualify for deviation.
- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation.
- 7.5% deviation for policies obtained through one of the Hartford Financial Services Groups Affinity based marketing channels.
- 20% for policies with 7 or more SDIP pts., where driver with least licensed driving experience has 7+ yrs. of driver experience. Applies to qualifying policies regardless of prior auto insurance or homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. Driving while under the influences of drugs.
- f. Instructing while under the influence.
- g. Aiding and abetting or felony using a motor vehicle.

- Deviation for single car, unmarried driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5-9 or more yrs. of driver experience. Credit varies 5%-46%.
- 5% deviation for single car, unmarried driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- Deviation for single car, married driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. or more of driver experience. Credit varies 14%-46%.
- 5% deviation for single car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 5%-18% deviation for multi car, unmarried driver with 12-16 SDIP pts. where driver with least licensed driving experience has 5-13 yrs. of driver experience..
- 5%-10% deviation for multi car, unmarried driver with 17-26 SDIP pts. where driver with least licensed driving experience has 5-13 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 5%-37% deviation for multi car, unmarried driver with 12-20 SDIP pts. where driver with least licensed driving experience has 14 or more yrs. of driver experience.
- 14%-41% deviation for multi car, married driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience.
- 5% deviation for multi car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

- 20% deviation with 7 or more SDIP pts. where driver with least of licensed driving experience has 7 or more yrs. of driver experience. Deviation applies to all qualifying policies regardless of the existence (or non existence) of prior auto insurance or homeownership.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other physical damage deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford Financial Services Group. Form 4 does not qualify for deviation.
- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation. Eff. 2-1-00
- Base rate deviation by territory: Factor varies 0.66 - 0.74.

OneBeacon America Insurance Company

- Base rate deviation by territory: Non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium. Variable credits.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private auto comprehensive who vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis. Eff. 11-20-01

OneBeacon Midwest Insurance Company

- 5% Multi-Policy Credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal driver age 55 & over.
- Anti-Theft Device Credit: Credit varies 5% - 10% for comprehensive coverage.
- Cancellation: Deviation on short rate cancellation resulting in pro-rata cancellation. Eff. 11-20-01

Owners Insurance Company

- Mature Driver Discount: Varied credit of 5% - 20% if the operators are age 55 – 74 yrs. of age.
- Multi Car Discount: 5% Comprehensive & Collision: Certain criteria apply.
- Owners Discount: More than 14 yrs. driving experience: 5% BI, PD & MP: 10% Comprehensive: 15% Collision.
- Auto/Home Discount: Certain Criteria Apply: 10% BI, PD, MP, Comprehensive & Collision.

- Life/Auto Discount: Named insured must have a life insurance policy with Auto Owners in addition to auto policy: 5 % BI, PD, MP, Comprehensive & Collision.
- Territory Discount: Credit varies 1% - 2%. Eff. 3-17-01

Pacific Employers Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Pacific Indemnity Company

- 4% deviation on bodily injury, property damage, medical payments, comprehensive & collision.
- Antique Auto: Various deviations on liability & physical damage coverages.
- Increased Limits Deviations. Eff. 4-1-02

Peerless Insurance Company

- 7% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. All operators must have "0" SDIP pts.
- 2% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. The policy must be a part of Personal Protector Program.
- 4% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision with principal operator age 55 or older. Eff. 10-15-02

Pennsylvania General Insurance Company

- 20% non-fleet private passenger auto comprehensive & collision rates.
- 5% Account Credit is applicable to all voluntary personal auto policies where named insured has his/her homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident Companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes.
- 15% non-fleet private passenger auto bodily injury, property damage & medical payments. Eff. 3-15-96

Pennsylvania National Mutual Casualty Insurance Company

- Account Credit: 5% applied to final auto premium when homeowners is written through the same company & certain criteria is met.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured motorist, comprehensive & collision when principal operator is age 55 or over & all drivers are licensed more than 3 yrs.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Program. Credit varies.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Advantage Program. Credit varies.
- 5% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision if Pennsylvania National Mutual Casualty is unable to write homeowners due to exposure of windstorm or hail. Eff. 04-01-02

Pharmacists Mutual Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured/underinsured motorists, comprehensive & collision.
- Safe Driver Discount Plan: Credit varies 10%-20% when criteria is met.
- Multi-Policy: Credit varies 5%-10% when criteria is met.
- Installment Payments: \$1 charge for installment payments. Eff. 1-1-00

Phoenix Insurance Company

- 9% Account Discount applies when both voluntary non-fleet private passenger auto policy & homeowners policy with The Travelers.
- 5% deviation non-fleet private passenger auto comprehensive & collision insurance rates.
- 3% Renewal Credit for non-fleet private passenger auto rates, if insured has maintained auto coverage with The Travelers for last 6 or more consecutive yrs.
- 9% credit for physical damage coverage: 9% credit all other coverages. all vehicle types for voluntary private passenger auto policies issued to employees of Multi-Line Insurance & Financial Services Institutions. Installment charge for each installment is deleted.
- Contributing Vehicle Credit: 30% non-fleet private passenger auto, pickups, vans & classic auto's bodily injury, property damage, medical payments & collision for single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto, pickups, vans & classic auto's for comprehensive, fire/theft and theft/fire, theft, & CAC coverages for single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 15% private passenger autos, pickups, vans and classic autos for comprehensive, fire/theft and theft/fire, theft, CAC coverages for insured who have single car policy and have more than one private passenger auto insured with The Travelers.
- 10% deviation non-fleet private passenger auto liability coverage. Eff. 4-1-02

Progressive American Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 6%-22% for single car policies, non standard underwriting with 4-8 SDIP pts.
- 3%-22% for multi car policies, non standard underwriting with 3-8 SDIP pts.
- 5%-32% for single car policies, middle underwriting with 4-8 SDIP pts.
- 1%-33% for multi car policies, middle underwriting with 2-8 SDIP pts.
- 3%-43% for single car policies, standard underwriting with 1-8 SDIP pts.
- 6%-38% for multi car policies, standard underwriting with 2-8 SDIP pts.
- 20%-56% for single car policies, preferred underwriting with 0-8 SDIP pts
- 13%-51% for multi car policies, preferred underwriting with 0-8 SDIP pts.
- 50%-67% for single car policies, ultra-preferred underwriting with 2-8 SDIP pts.
- 44%-63% for multi car policies, ultra preferred underwriting with 2-8 SDIP pts.
- 21% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 31% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 22% for multi car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 27-30% for multi car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 31% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 38% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 34% for multi car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 34% for multi car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 45% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 47% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 42% for multi car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 58% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 59% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 54% for multi car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 57% for multi car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 68% for single car policies, ultra-preferred underwriting, 9-12 SDIP pts. Other criteria apply..
- 69% for single car policies, ultra-preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 65% for multi car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 67% for multi car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.

- 8% for multi car policies in preferred & ultra preferred underwriting, paid in full, with proof of homeownership (excluding mobile home).
- \$3 installment fee waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.
- 5% without proof of home ownership for policies paid in full.
- 2% - 4% for single car policies, non standard preferred and ultra preferred tiers not paid in full with proof of home ownership (excluding mobile homes).
- 2% for single & multi car policies, standard, non standard, middle, preferred & ultra preferred underwriting with proof of homeownership (excluding mobile homes) when paid in full.
- 2% for single non standard, middle, underwriting tiers with proof of homeownership (excluding mobile homes) when paid in full.
- 3% for single standard tiers with proof of homeownership (excluding mobile homes).
- 2%-6% for multi car standard and non standard, middle, preferred and ultra-preferred underwriting tiers with proof of homeownership (excluding mobile homes).
- 2% for policies paid in full without proof of homeownership (excluding mobile home).

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 27%-67%.
 - Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 30%-58%.
 - Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 34%-71%.
 - Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 39%-64%.
 - Deviation for single car policies, standard underwriting, 12-21 SDIP pts. Credit varies 47%-76%.
 - Deviation for multi car policies, standard underwriting, 12-21 SDIP pts. Credit varies 46%-67%.
 - Deviation for single car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 59%-82%.
 - Deviation for multi car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 57%-74%.
 - Deviation for single car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 69%-86%.
 - Deviation for multi car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 67%-80%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.11-1.31 factors vary based on risks garaged in certain territories.
- 1.08-3.25 factors vary based on average driver group 1-16.
- 1.10-1.23 factor for single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.12 factor for multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts., or with a driver whose driving record cannot be verified.
- 1.12-1.30 for single car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.06-1.15 for multi car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.05-1.08 factors for single car policies, preferred & ultra preferred underwriting with 1 speed or minor violation per company guidelines.
- 1.03-1.04 factors for multi car policies, preferred & ultra preferred underwriting with 1 speed or minor violation per company guidelines.
- 1.09-1.94 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.16 factor for single car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.29 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is the named insured.
- 1.50 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is not the

named insured.

- 1.02 factor for risks with BI limits of 50/100.
- 1.07 factor for risks with BI limits of 100/300 or 250/500.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage & medical payments with one or more of the following:

- a. At fault accident.
 - b. Major violation per company guidelines.
 - c. DWI violation class per company guidelines.
 - d. Two or more speed or minor violations per company guidelines.
 - e. Driver whose driving record cannot be verified.
- 1.13 factor for single car policies, preferred underwriting or 0 SDIP pts.
 - 1.33 factor for single car policies, ultra preferred underwriting.
 - 1.07 factor for multi car policies, preferred underwriting.
 - 1.17 factor for multi car policies, ultra preferred underwriting.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 22%-30% for single car policies, non standard underwriting with 6-8 SDIP pts.
- 23%-31% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6-8 SDIP pts.
- 35%-48% for single car policies, middle underwriting with 5-8 SDIP pts.
- 31%-39% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6-8 SDIP pts.
- 30%-44% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-8 SDIP pts.
- 30%-57% for single car policies, standard underwriting with 2-8 SDIP pts.
- 39%-52% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-8 SDIP pts.
- 20%-51% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-8 SDIP pts.
- 31%-59% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-8 SDIP pts.
- 39%-68% for single car policies, preferred underwriting with 0-8 SDIP pts.
- 38%-64% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 38%-70% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-8 SDIP pts.
- 59%-78% for single car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 58%-77% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle with 1-8 SDIP pts.
- 61%-79% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 1-8 SDIP pts.
- 19% for single car policies, non standard underwriting, 7-12 SDIP pts. Other criteria apply.
- 29% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 19% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 7-12 SDIP pts. Other criteria apply.
- 30% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 33% for multi car policies, non standard underwriting, collision coverage on one vehicle, 7-12 SDIP pts. Other criteria apply.
- 40% for multi car policies, non standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 43% for single car policies, middle underwriting, 7-12 SDIP pts. Other criteria apply.
- 47% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 37% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 7-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 42% for multi car policies, middle underwriting, collision coverage on one vehicle, 7-12 SDIP pts. Other criteria apply.
- 52% for multi car policies, middle underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 42% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.

- 50% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 45% for multi car policies, standard underwriting, collision coverage on more than one vehicle. 9-12 SDIP pts. Other criteria apply.
- 48% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 44% for multi car policies, standard underwriting, collision coverage on one vehicle, 6-12 SDIP pts. Other criteria apply.
- 55% for multi car policies, standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 62% for single car policies, preferred underwriting, 6-12 SDIP pts. Other criteria apply.
- 62% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 59% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 7-12 SDIP pts. Other criteria apply.
- 63% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 13-or more SDIP pts. Other criteria apply.
- 63% for multi car policies, preferred underwriting, collision coverage on one vehicle with 6-12 SDIP pts. Other criteria apply.
- 68% for multi car policies, preferred underwriting, collision coverage on one vehicle with 13 or more SDIP pts. Other criteria apply.
- 65% for single car policies, ultra preferred underwriting, 2-12 SDIP pts. Other criteria apply.
- 76% for single car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 61% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 1-12 SDIP pts. Other criteria apply.
- 74% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 60% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 1-12 SDIP pts. Other criteria apply.
- 76% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 2%-4% for single car policies standard, non standard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 5%-11% for multi car policies, standard, nonstandard, middle, preferred & ultra preferred underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.
- 2%-4% for single car policies standard, non standard, middle, preferred and ultra preferred underwriting tiers with proof of homeownership (excluding mobile home) not paid in full.
- 5%-11% for multi car policies nonstandard, middle, standard preferred and ultra-preferred underwriting with proof of homeownership (excluding mobile home).
- 5%-12+% for single and multi car policies nonstandard, middle, standard preferred and ultra-preferred underwriting with proof of homeownership (excluding mobile home) paid in full.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- 28%-65% single car policies, non standard underwriting with 12-21 SDIP pts.
 - 33%-59% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 43%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 44%-74% for single car policies, middle underwriting with 12-18 or more SDIP pts.
 - 47%-67 for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts.
 - 44%-73% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.

- 49%-89% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
- 53%-86% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 60%-89% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.29-1.77 factors apply for risks garaged in certain territories.
- 1.06-3.56 factors vary based on average driver group 1-16.
- 1.10-1.23 single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.20 multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts. or with a driver whose driving record cannot be verified.
- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.08-1.19 factors for single car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.04-1.10 factors for multi car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.07-1.81 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.12 factor for single car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.
- 1.40 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is the principal named insured.
- 1.56 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.

PHYSICAL DAMAGE All deviation applies to non fleet private passenger auto physical damage rates. One or more of the following apply.

- At fault accident.
 - Major violation per company guidelines.
 - DWI violation class per company guidelines.
 - Two or more speed or minor violations per company guidelines.
 - Driver whose driving record cannot be verified.
- 1.27 factor for single car policies, preferred underwriting.
 - 1.49 factor for single car policies, ultra preferred underwriting.
 - 1.14 factor for multi car policies, preferred underwriting.
 - 1.25 factor for multi car policies, ultra preferred underwriting. Eff. 7-1-02

Progressive Casualty Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 14%-35% for single car policies, non standard underwriting with 5-6 or more SDIP pts.
- 28% for multi car policies, non standard underwriting with 6 or more SDIP pts.
- 15%-36% for single car policies, middle underwriting with 3-6 or more SDIP pts.
- 11%-29% for multi car policies, middle underwriting with 4-6 or more SDIP pts.
- 14%-50% for single car policies, standard underwriting with 0-6 or more SDIP pts.
- 16%-35% for multi car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-53% for single car policies, preferred underwriting with 0-6 or more SDIP pts.
- 25%-39% for multi car policies, preferred underwriting with 0-6 or more SDIP pts.
- 51%-53% for single car policies, ultra-preferred underwriting with 0-6 or more SDIP pts.

- 39%-42% for multi car policies, ultra preferred underwriting with 0-6 or more SDIP pts.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risks meet underwriting guidelines.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, 12-21 SDIP pts, non standard underwriting. Credit varies 58%-74%.
 - Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 44%-63%.
 - Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 48%-66%.
 - Deviation for single car policies, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car policies, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 48%-66%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.14 factor applies single car policies, non standard underwriting for policies without proof of prior auto insurance.
- 1.09 factor applies multi car policies, non standard underwriting for policies without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.05-3.20 factors vary based on average driver group 1-17.
- 1.10-1.45 factors vary for single car policies with 1-3 or more accidents.
- 1.06-1.30 factors vary for multi car policies with 1-3 or more accidents.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 26% for single car policies, non standard underwriting with 6 or more SDIP pts.
- 23% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6 or more SDIP pts.
- 27%-28% for single car policies, middle underwriting with 5-6 or more SDIP pts.
- 37% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6 or more SDIP pts.
- 18%-24% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-6 or more SDIP pts.
- 33%-47% for single car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-38% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-6 or more SDIP pts.
- 22%-40% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-6 or more SDIP pts.
- 24%-47% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-5 or more SDIP pts.
- 26%-47% for single car policies, preferred underwriting with 0-5 or more SDIP pts.
- 23%-40% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-6 or more SDIP pts.
- 23%-47% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 48% single car policies, ultra preferred underwriting.
- 40% multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle.
- 40%-47% multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 5% for policies, non standard, middle and standard underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following;

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 54%-69% single car policies, non standard underwriting with 12-18 or more SDIP pts.
 - 45%-64% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 51%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts.
 - 54%-69% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-21 SDIP pts.
 - 54%-69% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.19 factor applies, single car policies, non standard underwriting for policies without proof of auto insurance.
- 1.15 factor applies, multi car policies, non standard underwriting without proof of auto insurance.
- 1.05-1.20 factors based on territories.
- 1.10-2.75 factors vary based on average driver group 1-16.
- 1.08-1.35 single car policies with 1-3 or more accidents.
- 1.05-1.24 multi car policies with 1-3 or more accidents.
- Installment Payment Plan: \$3 charge waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction. Eff. 7-1-99

Progressive Northern Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 2%-15% for single car policies, non standard underwriting, 5-8 SDIP pts.
- 3%-15% for multi car policies, non standard underwriting, 5-8 SDIP pts.
- 1%-26% for single car policies, middle underwriting, 4-8 SDIP pts.
- 2%-27% for multi car policies, middle underwriting, 4-8 SDIP pts.
- 7%-38% for single car policies, standard underwriting, 2-8 SDIP pts.
- 3%-32% for multi car policies, standard underwriting, 3-8 SDIP pts.
- 13%-52% for single car policies, preferred underwriting, 0-8 SDIP pts.
- 5%-47% for multi car policies, preferred underwriting, 0-8 SDIP pts.
- 35%-64% for single car policies, ultra-preferred underwriting, 0-8 SDIP pts.
- 28%-60% for multi car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 18% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 25% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 19% for multi car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 28% for multi car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 29% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.

- 32% for single car policies. middle underwriting. 13 or more SDIP pts. Other criteria apply
- 31% for multi car policies. middle underwriting. 9-12 SDIP pts. Other criteria apply
- 38% for multi car policies. middle underwriting. 13 or more SDIP pts. Other criteria apply.
- 40% for single car policies. standard underwriting. 9-12 SDIP pts. Other criteria apply.
- 42% for single car policies. standard underwriting. 13 or more SDIP pts. Other criteria apply
- 37% for multi car policies. standard underwriting. 9-12 SDIP pts. Other criteria apply.
- 41% for multi car policies. standard underwriting. 13 or more SDIP pts. Other criteria apply.
- 54% for single car policies. preferred underwriting. 9-12 SDIP pts. Other criteria apply.
- 55% for single car policies. preferred underwriting. 13 or more SDIP pts. Other criteria apply.
- 50% for multi car policies. preferred underwriting. 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies. preferred underwriting. 13 or more SDIP pts. Other criteria apply.
- 65% for single car policies. ultra-preferred underwriting. 9-12 SDIP pts. Other criteria apply.
- 66% for single car policies. ultra-preferred underwriting. 13 or more SDIP pts. Other criteria apply
- 62% for multi car policies. ultra-preferred underwriting. 9-12 SDIP pts. Other criteria apply.
- 64% for multi car policies. ultra-preferred underwriting. 13 or more SDIP pts. Other criteria apply
- 2%-6% for single car policies in standard, preferred, ultra preferred, non-standard & middle underwriting with proof of homeownership (excluding mobile home) & risk meets certain underwriting guidelines.
- 2%-5% for multi car policies in standard, nonstandard, middle underwriting with proof of homeownership (excluding mobile home) & risk meets certain underwriting guidelines.
- 4%-5% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.
- S3 installment fee waived for policies purchased by employees from an approved employer group via payroll deduction.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- Deviation for single car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 18%-57%.
- Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 24%-50%
- Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 27%-61%.
- Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 34%-56%.
- Deviation for single car policies, standard underwriting, 12-21 SDIP pts. Credit varies 42%-74%.
- Deviation for multi car policies, standard underwriting, 12-21 SDIP pts. Credit varies 41%-64%.
- Deviation for single car policies, preferred underwriting 12-21 SDIP pts. Credit varies 55%-80%.
- Deviation for multi car policies, preferred underwriting 12-21 SDIP pts. Credit varies 53%-72%.
- Deviation for single car policies, ultra preferred underwriting 12-21 SDIP pts. Credit varies 66%-85%.
- Deviation for multi car policies, ultra preferred underwriting 12-21 SDIP pts. Credit varies 64%-78%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.08-1.41 factors vary based on risks garaged in certain territories.
- 1.08-3.25 factors vary based on average driver group 1-16.
- 1.10-1.23 factors vary for single car policies with 1-3 or more accidents, more than 0 SDIP pts.
- 1.06-1.12 factors vary for multi car policies with 1-3 or more accidents, more than 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts., or with a driver whose driving record cannot be verified.
- 1.15 factor for single car policies, 0 SDIP pts., & 1 speed or minor violation per company guidelines.
- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.08 factor for multi car policies, 0 SDIP pts., & 1 speed or minor violation per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. 2 or more speed or minor violation per company guidelines.

- 1.05-1.08 factors for single cars, preferred & ultra preferred underwriting with 1 speed or minor violation per company guidelines.
- 1.03-1.04 factors for multi car policies, preferred & ultra preferred underwriting 1 speed or minor violation per company guidelines.
- 1.09-1.94 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperienced operators.
- 1.16 factor for single car policies with an operator with less than 5 yrs. of licensed driving experience who is not the principal named insured.
- 1.29 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is the principal named insured.
- 1.50 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.02 factor for risks with BI limits of 50/100.
- 1.07 factor for risks with BI limits of 100/300 or 250/500.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage & medical payments with one or more of the following:

- a. At fault accident.
 - b. Major violation per company guidelines.
 - c. DWI violation class per company guidelines.
 - d. Two or more speed or minor violations per company guidelines.
 - e. Driver whose driving record cannot be verified.
- 1.13 factor for single car policies, preferred underwriting or 0 SDIP pts.
 - 1.33 factor for single car policies, ultra preferred underwriting.
 - 1.07 factor for multi car policies, preferred underwriting.
 - 1.17 factor for multi car policies, ultra preferred underwriting.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 15%-24% for single car policies, non standard underwriting, 6-8 SDIP pts.
- 17% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 27% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 13%- 23% for multi car policies, non standard underwriting with collision coverage. on more than one vehicle, 6-8 SDIP pts.
- 16% for multi car policies, non standard underwriting with collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 27% for multi car policies, non standard underwriting with collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 32%-43% for single car policies, middle underwriting with 5-8 SDIP pts.
- 39% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 44% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 25%-34% for multi car policies, non standard underwriting with collision coverage on one vehicle, 6-8 SDIP pts.
- 30% for multi car policies, non standard underwriting with collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 38% for multi car policies, non standard underwriting with collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 27%-39% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 5-8 SDIP pts.
- 34% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 41% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 28%-53% for single car policies, standard underwriting with 2-8 SDIP pts.
- 50% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 54% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 36%-48% for multi car policies, middle underwriting, collision coverage on one vehicle, 5-8 SDIP pts.
- 46% for multi car policies, middle underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.

- 49% for multi car policies, middle underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 21%-47% for multi car policies, standard underwriting, collision coverage on more than one vehicle. 2-8 SDIP pts.
- 42% for multi car policies, standard underwriting, collision coverage on more than one vehicle. 9-12 SDIP pts. Other criteria apply.
- 49% for multi car policies, standard underwriting, collision coverage on more than one vehicle. 13 or more SDIP pts. Other criteria apply.
- 26%-53% for multi car policies, standard underwriting, collision coverage on one vehicle, 2-8 SDIP pts.
- 52% for multi car policies, standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 56% for multi car policies, standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 35%-65% for single car policies, preferred underwriting, 0-8 SDIP pts.
- 63% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 67% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 32%-61% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 57% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 63% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 32%-67% for multi car policies, preferred underwriting, collision coverage on one vehicle, 0-8 SDIP pts.
- 65% for multi car policies, preferred underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 68% for multi car policies, preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 55%-76% for single car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 75% for single car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 77% for single car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 54%-75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 73% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 54%-78% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 0-8 SDIP pts. Other criteria apply.
- 76% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 9-12 SDIP pts.
- 78% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- 25%-59% single car policies, non standard underwriting with 12-18 or more SDIP pts.
- 20%-47% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 34%-56% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
- 39%-68% for single car policies, middle underwriting with 12-18 or more SDIP pts.
- 40%-59% for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts.
- 48%-67% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.
- 54%-77% for single car policies, standard underwriting with 12-18 or more SDIP pts.

- 49%-69% for multi car policies, standard underwriting with collision coverage on more than one vehicle, 12-18 or more SDIP pts.
- 56%-75% for multi car policies, standard underwriting with collision coverage on one vehicle, 12-18 or more SDIP pts.
- 67%-83% for single car policies, preferred underwriting with 12-18 or more SDIP pts.
- 63%-77% for multi car policies, preferred underwriting, collision coverage. on more than one vehicle , 12-18 or mor SDIP pts.
- 68%-82% for multi car policies, preferred underwriting with collision coverage on one vehicle, 12-18 or more SDIP pts.
- 77%-88% for single car policies, ultra preferred underwriting with 12-18 or more SDIP pts.
- 75%-84% for multi car policies, ultra preferred underwriting collision coverage on more than one vehicle, 12-18 or more SDIP pts.
- 78%-88% for multi car policies, ultra preferred underwriting collision coverage on one vehicle, 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.29-1.57 factors based for risks garaged in certain territories.
- 1.06-3.56 factors vary based on average driver group 1-16.
- 1.10-1.23 factors for single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.12 factors for multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.08-1.19 factors for single car policies, preferred or ultra preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.04-1.10 factors for multi car policies, preferred or ultra preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts. or with a driver whose driving record cannot be verified.
- 5%-6% for single car policies in non-standard, standard, preferred & ultra preferred underwriting for policies with proof of homeownership and risk meets certain underwriting guidelines.
- 5%-11% for multi car policies, non standard, standard, middle, preferred & ultra preferred underwriting with proof of homeownership and risk meets certain underwriting guidelines.
- 5% for policies paid in full without proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.
- 1.07-1.81 factors for policies, 2-12 or more SDIP pts with 1 or more inexperience operators.
- 1.12 factor for single car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.
- 1.56 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.

PHYSICAL DAMAGE All deviation applies to non fleet private passenger auto physical damage rates. One or more of the following apply.

- At fault accident.
 - Major violation per company guidelines.
 - DWI violation class per company guidelines.
 - Two or more speed or minor violations per company guidelines.
 - Driver whose driving record cannot be verified.
- 1.27 factor for single car policies, preferred underwriting.
 - 1.49 factor for single car policies, ultra preferred underwriting.
 - 1.14 factor for multi car policies, preferred underwriting.
 - 1.25 factor for multi car policies, ultra preferred underwriting. Eff. 7-01-02

Progressive Preferred Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 14%-35% for single car policies, non standard underwriting with 5-6 or more SDIP pts.
- 28% for multi car policies, non standard underwriting with 6 or more SDIP pts.
- 15%-36% for single car policies, middle underwriting with 3-6 or more SDIP pts.
- 11%-29% for multi car policies, middle underwriting with 4-6 or more SDIP pts.
- 14%-50% for single car policies, standard underwriting with 0-6 or more SDIP pts.
- 16%-35% for multi car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-53% for single car policies, preferred underwriting with 0-6 or more SDIP pts
- 25%-39% for multi car policies, preferred underwriting with 0-6 or more SDIP pts.
- 51%-53% for single car policies, ultra-preferred underwriting with 0-6 or more SDIP pts.
- 39%-42% for multi car policies, ultra preferred underwriting with 0-6 or more SDIP pts.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risks meet underwriting guidelines.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car, non standard underwriting, 12-21 SDIP pts. Credit varies 58%-74%.
 - Deviation for multi car, non standard underwriting, 12-21 SDIP pts. Credit varies 44%-63%.
 - Deviation for single car, middle underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car, middle underwriting, 12-21 SDIP pts. Credit varies 48%-66%.
 - Deviation for single car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 48%-66%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.14 factor applies single car, non standard underwriting for policies without proof of prior auto insurance.
- 1.09 factor applies multi car, non standard underwriting for policies without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.05-3.20 factors vary based on average driver group 1-17.
- 1.10-1.45 factors vary for single car policies with 1-3 or more accidents.
- 1.06-1.30 factors vary for multi car policies with 1-3 or more accidents.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 26% for single car policies, non standard underwriting with 6 or more SDIP pts.
- 23% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6 or more SDIP pts.
- 27%-28% for single car policies, middle underwriting with 5-6 or more SDIP pts.
- 37% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6 or more SDIP pts.
- 18%-24% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-6 or more SDIP pts.
- 33%-47% for single car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-38% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-6 or more SDIP pts.
- 22%-40% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-6 or more SDIP pts.
- 24%-47% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-5 or more SDIP pts.
- 26%-47% for single car policies, preferred underwriting with 0-5 or more SDIP pts.

- 23%-40% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-6 or more SDIP pts.
- 23%-47% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 48% single car policies, ultra preferred underwriting.
- 40% multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle.
- 40%-47% multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 5% for policies, non standard, middle and standard underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- 54%-69% single car policies, non standard underwriting with 12-18 or more SDIP pts.
 - 45%-64% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 51%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, middle underwriting with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 54%-69% for multi car policies, middle underwriting with collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-21 SDIP pts.
 - 54%-69% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.19 factor applies, single car policies, non standard underwriting for policies without proof prior of auto insurance.
- 1.15 factor applies, multi car policies, non standard underwriting without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.10-2.75 factors vary based on average driver group 1-16.
- 1.08-1.35 single car policies with 1-3 or more accidents.
- 1.05-1.24 multi car policies with 1-3 or more accidents.
- Installment Payment Plan: \$3 charge waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction. Eff. 7-1-99

Progressive Southeastern Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 5%-22% for single car policies, non standard underwriting with 4-8 SDIP pts.
- 7%-22% for multi car policies, non standard underwriting with 5-8 SDIP pts.
- 5%-32% for single car policies, middle underwriting with 3-8 SDIP pts.
- 3%-33% for multi car policies, middle underwriting with 2-8 SDIP pts.
- 3%-43% for single car policies, standard underwriting with 1-8 SDIP pts.

- 6%-38% for multi car policies, standard underwriting with 2-8 SDIP pts.
- 20%-56% for single car policies, preferred underwriting with 0-8 SDIP pts.
- 13%-51% for multi car policies, preferred underwriting with 0-8 SDIP pts.
- 40%-67% for single car policies, ultra-preferred underwriting with 0-8 SDIP pts.
- 34%-63% for multi car policies, ultra preferred underwriting with 0-8 SDIP pts.
- 25% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 31% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 26% for multi car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 34% for multi car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 35% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 38% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 37% for multi car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 43% for multi car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 45% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 47% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 42% for multi car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 58% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 59% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 54% for multi car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 57% for multi car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 68% for single car policies, ultra-preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 69% for single car policies, ultra-preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 65% for multi car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 67% for multi car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risk meets underwriting guidelines.
- \$3 installment fee waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.
- 5% for single car policies that are paid if full. Applies without proof of homeownership & to risk eligible for voluntary rates.
- 4% for single car policies, voluntary rates, non-standard & middle u/w tiers that are not paid in full, has proof of homeownership (exclude mobile home).
- 5% multi-car policies, non-standard, middle. Single car policies, standard, preferred & ultra preferred underwriting with voluntary rates that are paid in full & has proof of homeownership (exclude mobile home) .
- 6% single car policies, non-standard & middle market u/w tiers with proof of homeownership (excluding mobile home) with voluntary rates that are paid in full.
- 8% multi-car policies, voluntary rates, preferred & ultra-preferred u/w tiers that are paid in full with proof of homeownership (exclude mobile home).
- 3% single car policies, voluntary rates, standard underwriting with proof of homeownership (exclude mobile home).
- 2% single car policies, voluntary rates, preferred & ultra-preferred underwriting that are not paid in full with proof of homeownership (exclude mobile home).
- 2% multi-car policies, voluntary rates, non-standard & middle underwriting with proof of homeownership (exclude mobile home).
- 2% multi-car policies, voluntary rates, standard underwriting with proof of ownership (exclude mobile home).
- 6% multi-car policies, voluntary rates, preferred & ultra-preferred underwriting with proof of homeownership (exclude mobile home).

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 271%-61%.

- Deviation for multi car policies, non standard underwriting, 12-21 SDIP pts. Credit varies 30%-54%.
- Deviation for single car policies, middle underwriting, 12-21 SDIP pts. Credit varies 33%-64%.
- Deviation for multi car policies, middle underwriting, 12-21 SDIP pts. Credit varies 39%-60%.
- Deviation for single car policies, standard underwriting, 12-21 SDIP pts. Credit varies 47%-76%.
- Deviation for multi car policies, standard underwriting, 12-21 SDIP pts. Credit varies 46%-67%.
- Deviation for single car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 59%-82%.
- Deviation for multi car policies, preferred underwriting, 12-21 SDIP pts. Credit varies 57%-74%.
- Deviation for single car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 69%-86%.
- Deviation for multi car policies, ultra preferred underwriting, 12-21 SDIP pts. Credit varies 67%-80%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.08-1.41 factors vary based on risks garaged in certain territories.
- 1.08-3.25 factors vary based on average driver group 1-16.
- 1.10-1.23 factor for single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.12 factor for multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts., or with a driver whose driving record cannot be verified.
- 1.12-1.30 for single car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.06-1.15 for multi car policies, 0-1 SDIP pts. & 1 or more speed or minor violation per company guidelines.
- 1.09-1.94 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.16 factor for single car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.29 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is the named insured.
- 1.50 factor for multi car policies with an operator with less than 5 yrs. of licensed driving experience who is not the named insured.
- 1.02 factor for risks with BI limits of 50/100.
- 1.07 factor for risks with BI limits of 100/300 or 250/500.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage & medical payments with one or more of the following:

- At fault accident.
- Major violation per company guidelines.
- DWI violation class per company guidelines.
- Two or more speed or minor violations per company guidelines.
- Driver whose driving record cannot be verified.
- 1.13 factor for single car policies, preferred underwriting or 0 SDIP pts.
- 1.33 factor for single car policies, ultra preferred underwriting.
- 1.07 factor for multi car policies, preferred underwriting.
- 1.17 factor for multi car policies, ultra preferred underwriting.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 22%-30% for single car policies, non standard underwriting with 6-8 SDIP pts.
- 20%-29% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6-8 SDIP pts.
- 38%-48% for single car policies, middle underwriting with 5-8 SDIP pts.
- 31%-39% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6-8 SDIP pts.
- 33%-44% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-8 SDIP pts.
- 34%-57% for single car policies, standard underwriting with 2-8 SDIP pts.
- 50%-52% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-8 SDIP pts.
- 28%-51% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-8 SDIP pts.
- 32%-59% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-8 SDIP pts.

- 40%-68% for single car policies, preferred underwriting with 0-8 SDIP pts.
- 38%-64% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-8 SDIP pts.
- 38%-70% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-8 SDIP pts.
- 59%-78% for single car policies, ultra preferred underwriting, 0-8 SDIP pts.
- 58%-75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle with 0-8 SDIP pts.
- 58%-79% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-8 SDIP pts.
- 24% for single car policies, non standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 33% for single car policies, non standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 23% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 33% for multi car policies, non standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 36% for multi car policies, non standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 43% for multi car policies, non standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 44% for single car policies, middle underwriting, 9-12 SDIP pts. Other criteria apply.
- 49% for single car policies, middle underwriting, 13 or more SDIP pts. Other criteria apply.
- 39% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 46% for multi car policies, middle underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 50% for multi car policies, middle underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies, middle underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 54% for single car policies, standard underwriting, 9-12 SDIP pts. Other criteria apply.
- 58% for single car policies, standard underwriting, 13 or more SDIP pts. Other criteria apply.
- 47% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 53% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 56% for multi car policies, standard underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 60% for multi car policies, standard underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 66% for single car policies, preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 69% for single car policies, preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 61% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 66% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 68% for multi car policies, preferred underwriting, collision coverage on one vehicle with 9-12 SDIP pts. Other criteria apply.
- 71% for multi car policies, preferred underwriting, collision coverage on one vehicle with 13 or more SDIP pts. Other criteria apply.
- 77% for single car policies, ultra preferred underwriting, 9-12 SDIP pts. Other criteria apply.
- 79% for single car policies, ultra preferred underwriting, 13 or more SDIP pts. Other criteria apply.
- 75% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 9-12 SDIP pts. Other criteria apply.
- 77% for multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle, 13 or more SDIP pts. Other criteria apply.
- 78% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 9-12 SDIP pts. Other criteria apply.
- 80% for multi car policies, ultra preferred underwriting, collision coverage on one vehicle, 13 or more SDIP pts. Other criteria apply.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.
- 5% for policies paid in full without homeownership.

- 5%-11% for multi car policies, non standard, standard, middle, preferred & ultra preferred underwriting, paid in full, with proof of homeownership.
- 5%-6% for single car policies, non standard, standard, middle, preferred & ultra preferred underwriting, paid in full, with proof of homeownership.
- 5% multi-car policies, non-standard, middle underwriting with proof of homeownership (exclude mobile home). Apply to non-consent rates under company's u/w guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- 28%-62% single car policies, non standard underwriting with 12-18 or more SDIP pts.
 - 27%-51% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 39%-60% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 44%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
 - 44%-62% for multi car policies, middle underwriting with collision on more than one vehicle with 12-18 or more SDIP pts..
 - 52%-67% for multi car policies, middle underwriting with collision on one vehicle with 12-18 or more SDIP pts.
 - 58%-79% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
 - 53%-71% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 60%-77% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.29-1.59 factors apply for risks garaged in certain territories.
- 1.06-3.56 factors vary based on average driver group 1-16.
- 1.10-1.23 single car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.06-1.20 multi car policies with 1-3 or more accidents, 0 SDIP pts.
- 1.35 factor for policies with 1 or more major violations per company guidelines, 0 SDIP pts. or with a driver whose driving record cannot be verified.
- 1.12-1.30 factors for single car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.06-1.15 factors for multi car policies, 0-1 SDIP pts. & 1-2 or more speed or minor violations per company guidelines.
- 1.08-1.19 factors for single car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.04-1.10 factors for multi car policies, ultra preferred & preferred underwriting, 1 speed or minor violation per company guidelines.
- 1.07-1.81 factors for policies, 2-12 or more SDIP pts. with 1 or more inexperience operators.
- 1.12 factor for single car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.
- 1.40 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is the principal named insured.
- 1.56 factor for multi car policies with an operator with less than 5 yrs. licensed driving experience who is not the principal named insured.

PHYSICAL DAMAGE All deviation applies to non fleet private passenger auto physical damage rates. One or more of the following apply.

- At fault accident.
- Major violation per company guidelines.

- c. DWI violation class per company guidelines.
 - d. Two or more speed or minor violations per company guidelines.
 - e. Driver whose driving record cannot be verified.
- 1.27 factor for single car policies, preferred underwriting.
 - 1.49 factor for single car policies, ultra preferred underwriting.
 - 1.14 factor for multi car policies, preferred underwriting.
 - 1.25 factor for multi car policies, ultra preferred underwriting. Eff. 2-13-02

Providence Washington Insurance Company

Standard Program

- Multi-Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.

Preferred Program

- Territory Deviation: Various credits apply to bodily injury, property damage, medical payments, comprehensive & collision.
- Multi Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. Eff.7-1-02

Prudential Property & Casualty Insurance Company

- 2% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for Senior Driver Discount. Certain criteria apply.
- 8% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for Long Term Discount, when criteria is met.
- 6% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for New Business Discount.
- 5% Renter's (HO-4) Companion Policy Discount for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- 10% Homeowners (HO-3) or Condominium (HO-6) Companion Policy Discount applicable to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- 5% Companion for Life Discount applicable to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- Base Rate Deviation for single & multi car policies: Applies to bodily injury, property damage, medical payments, comprehensive, & collision: Credit varies.
- Uninsured motorists bodily injury and uninsured/underinsured motorist BI coverage combined - -deviation varies.
- Electronic Funds Transfer Deviation: \$1 service charge deleted.
- Installment Payment Plan: No charge for first installment payment. Eff. 8-28-00

Republic Franklin Insurance Company

- Personal Auto Account Credit: 10% credit applies to basic premium when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Work place Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00

Royal Indemnity Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force, a homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operator.
- Passive Restraint Discount: Credit varies.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Installment Payment Plan-Agency Payroll Deduction: Certain criteria apply.
- 10% Mass Marketing Discount: Applies to liability, med pay, comprehensive & collision: Certain criteria has to be met.
- Preferred Program Discount by territory. Eff. 9-1-00

Royal Insurance Company of America

- 20% Employee Discount for eligible employees. Credit applicable to total personal auto policy premium.
- Companion Policy Credit: 1% credit when auto & homeowner policy in-force with any member of Royal Insurance.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- 5% Good Driver Discount for private passenger auto bodily injury, property damage, medical payments & collision coverage.
- 5% Experience Operator Credit for private passenger auto bodily injury, property damage, medical payments & collision coverage: Certain criteria apply.
- 5% Anti-Lock Braking System Credit for private passenger auto bodily injury & property damage for vehicles equipped with a factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching credit for comprehensive coverage.
- Anti-Theft Device Coverage Credit for comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit for bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Group Mass Marketing Discount: 10% applies to liability, med pay, comp & collision: Certain criteria apply.
- Passive Restraint Discount applicable to med pay only. Eff. 9-1-00

Safeco Insurance Company of America

- Checkless Pay Plan: No service charge if insured makes 1st month's down payment and subsequent payments made through automatic withdrawal. Eff. 9-1-00

Safeguard Insurance Company

- Companion Policy Credit: 1% credit when auto & homeowner policy in-force with any member of Royal Insurance Co.
- 20% Discount for Eligible Employees. Credit applicable to total personal auto policy premium.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- 5% Good Driver Discount applies to bodily injury, property damage, med pay, & collision coverage: Certain criteria apply.
- 5% Experienced Operator Credit applies to bodily injury, property damage, med pay, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operators apply to vehicle.
- Passive Restraint Discount applies to medical payments rate: Credit varies 20% - 40%.
- 5% Anti-Lock Braking System Discount applies to bodily injury & property damage for vehicles equipped with factory

- installed 4-wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- 5% or 15% Anti-Theft Device Credit applies to comprehensive coverage: Certain criteria apply.
- 10% Company Car Credit applies to bodily injury, property damage, med pay, comprehensive & collision for single car policies when there is a Company car in the household.
- Installment Payment Plan: \$1 each installment for Electronic Funds Transfer.
- 10% Group Discount applies to liability, med pay, comprehensive & collision: Certain criteria apply.
- Preferred Program Discount applies to bodily injury, property damage, med pay, comprehensive & collision by territory.
- Super Preferred Program Discount applies to bodily injury, property damage, med pay, comprehensive & collision for all territories.
- 7% Company Deviation applies to bodily injury, property damage, med pay, comprehensive & collision. Eff. 9-1-00

St. Paul Fire and Marine Insurance Company

- Installment charge deviation: \$2 charge each installment. Eff. 1-1-95

St. Paul Guardian Insurance Company

- 5% base rate comprehensive coverage when policy qualifies for PAK II Program.
- 5% base rate collision coverage when policy qualifies for PAK II Program.
- 10% Mature Operator Credit: Combined single limit bodily injury & property damage, medical payments, comprehensive & collision, when principal operator is age 55 & less than or equal to 64 yrs. of age & no inexperienced operators in household. 5% credit for ages 65-74 & no inexperience operator in household.
- 10% Good Driver Deviation, when certain criteria is met.
- Symbol Reactivities model year 1976-1982, Symbol 14, comprehensive - 7.8% credit; collision - 12.7% credit. Model yrs. 1975 & prior; Values above \$10,000 rated Symbol 7 for comprehensive & collision.
- Increase Limits Extended Transportation Expense Coverage is provided at no charge, when comprehensive coverage is purchased & policy qualifies for PAK II Program.
- Passive Restraint Deviation: 20% when restraint is installed in driver-side only position; 30% when restraint is installed in both front outboard seat positions. If policy qualifies for PAK II Program, airbag discount applies to factory installed automatic occupant restraint. Deviation applies only to medical payments base premium.
- Anti-Theft Device Deviation for PAK II Program: 5% alarm only, 5% active disabling device; 15% passive disabling device. This deviation applies to comprehensive base premium.
- Anti-Lock Braking System Deviation: 5% combined single limit liability, bodily injury & property damage liability base premium when private passenger auto equipped with factory installed four-wheel anti-lock braking system.
- Golfmobile Liability Coverage provided at no additional charge.
- Miscellaneous Types: ATV, minibike & dune buggy, combined bodily injury & property damage liability rates not used for commercial purposes will be same rate as North Carolina Reinsurance Facility. Snowmobile rates, medical payments coverage rate will be 22% of Territory 18 private passenger auto medical payments rate. Collision rates will be same as NC Rate Bureau's snowmobile rates.
- 10% when more than one recreational vehicle is covered under same policy for following miscellaneous types, trailers designed for use with private passenger autos, motorbikes or other similar motor vehicles not used for commercial purposes (excluding motorcycles, motorscooters & mopeds); snowmobiles & golfmobiles.
- Renewal Credit: 0-2 yrs.-0%; 3yrs.-3%; 4yrs.-4%; 5 or more yrs. -5% premium credit when insured maintained consecutive yrs. of coverage with St. Paul. Credit will apply to final premium for each coverage & rounded to nearest dollar.
- Installment charge deviation: \$2 charge each installment unless Electronic Funds Transfer billing option is selected, then no charge.
- Employee Discount: New Business - 20%; Renewals - 15% when criteria is met. Eff. 3-1-00

St. Paul Mercury Insurance Company

- 15% non-fleet private passenger auto liability & physical damage insurance rates. Eff. 1-1-88

Seaton Insurance Company

- 15% non-fleet private passenger auto liability, medical payments & physical damage. "Unimate Plus" in addition to above: (1) Policy in force 3 yrs. & no at-fault accident additional 5% credit liability, medical payments & physical damage; (2) Policy in force 6 yrs. & no at-fault accident; Second 5% credit on coverages listed above.

- 5% non-fleet private passenger auto non-fleet physical damage rates. Discount applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older. (3) Private passenger vehicles only (no miscellaneous types). Eff. 6-20-88

Security Insurance Company of Hartford

- Territorial Deviation for BI, PD, med pay, uninsured motorists/underinsured motorists, comprehensive & collision. Credits vary.
- Classification Rating Factors Deviation for liability, comprehensive & collision.
- 5%, 10% or 15% Anti-Theft Device Discount: Certain criteria apply.
- 5% Good Drivers Discount.
- 5% Affinity Group Discount.
- Preferred Policy Program Deviation. Eff. 9-1-00

Selective Insurance Company of South Carolina

- Installment Payment Plan: \$2 per each installment.
- 30% deviation applies to liability & physical damage when a commercial package policy is written with the risk. Eff. 6-1-01

Selective Insurance Company of the Southeast

- Installment Payment Plan: \$2 per each installment. Eff. 9-1-98

Shelby Insurance Company

- 7.5% non-fleet private passenger auto liability & physical damage rates when insured has their Homeowners policy in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Discount applies to other than collision coverage only. 5% alarm & active disabling devices; 15% on vehicles equipped with passive disabling devices.
- Longevity Discount: 5% credit applies when policies have been in force past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no drivers with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies.
- Point Factor Discount: Factors vary .00 - 3.90 for 0 - 12 points.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all Shelby Plus policies. Eff. 11-16-00

South Carolina Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
- Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- Transporting illegal intoxicating liquors by motor vehicle.

- Deviation for single car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-52 yrs. of driving experience. 47%- 60% credit.
- Deviation for multi- car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-42 yrs. of driving experience. 43% -55% credit.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
- Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- Transporting illegal intoxicating liquors by motor vehicle.

- e. Driving motor vehicle while intoxicated.
- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 5% credit.
- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 3% credit.
- Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 3% credit.
- Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 1.5% credit.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing
- d. Transporting illegal intoxicating liquors by motor vehicle.
- 5% non-fleet private passenger auto comprehensive & collision for policies that are insured with South Carolina Insurance Company with no lapse in coverage between policies & have 12-20 SDIP pts. & all drivers licensed 5-52 yrs.
- 15% non-fleet private passenger auto comprehensive & collision for policies with 12-20 SDIP pts. & all drivers licensed 5 - 52 yrs.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. Driving motor vehicle while intoxicated.
- 25% non-fleet private passenger auto comprehensive & collision for policies with 12 - 20 SDIP pts., all drivers licensed 5 - 52 yrs. & no driver with an at fault accident within the last 12 months preceding policy effective date. Eff. 10-21-98

Southern Fire & Casualty Insurance Company – Withdrawn 1-1-03

Southern Guaranty Insurance Company

- Exceptional Driver Program: 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when underwriting guidelines are met.
- Exception Plus: Additional 5% credit for private passenger non-fleet auto bodily injury, property damage, medical payments, comprehensive & collision when policy has been in-force at least 3 yrs. & no at-fault accidents in preceding 3 yrs. A second 5% credit for policies in-force at least 6 yrs. & no at-fault accidents in preceding 6 yrs. Maximum Exceptional Driver credit is 25%.
- Mature Driver Discount: 10% non fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & medical payments when underwriting guidelines are met.
- Multi Policy Discount: 5% non-fleet private passenger auto comprehensive & collision base rate if Southern Guaranty Insurance Company insures both homeowner & auto policy.
- 10% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all private passenger auto policies for University of North Carolina Employees. Eff. 7-1-00

Southern Heritage Insurance Company

- Downward deviation by territories: Applies to Comprehensive & Collision coverages: Credit varies 10%-25%.
- Multi-Car Discount: Certain Criteria apply.
- 7% credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for all operators in household who have 14-44 yrs of driving experience.

- Deviation for recreational trailer rate. Rate varies \$3 - \$6 for each \$1,000 in cost over \$10,000.
- Loss Free Renewal Discount: Loss free yrs. 3-5 yrs.: Discount varies 5% - 10% for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- New Business Automobile Discount: 5% deviation applies to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision when criteria are met.
- Airbag Discount: Applies to med pay only: 20% credit when installed driver side only: 30% credit when installed in both front seat positions.
- Anti Lock Braking System Discount: 5% credit for BI and PD coverages when factory installed four wheel ABS.
- Anti Theft Devices Discount: 5% credit applies to comprehensive coverage for alarm only and active disabling devices: 15% credit for passive disabling devices. Eff. 10-1-01

Link Plus Only

- Mature Driver Credit: 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision when all operators in household have 29 or more yrs. of driving experience.
- Increased Limit Factor Deviation.
- Preferred Driver Deviation: Non-fleet private passenger auto: 10% bodily injury & property damage: 12% comprehensive & collision. Eff. 3-11-97

Southern Pilot Insurance Company

- 10% credit applies to bodily injury, property damage, medical payments, comprehensive & collision for all Employees of the University of North Carolina - Chapel Hill.
- Exceptional Driver Discount: 15% applies to non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Accident Free Discount: 5% credit shall be applied to bodily injury, property damage, medical payments, comprehensive & collision if insured has had no chargeable accidents in the past three yrs. & insured with Southern Pilot at least three yrs. An additional 5% applies for a six yr. period.
- Mature Driver Discount: 5% discount applies to bodily injury, property damage, comprehensive, collision & medical expense when principal operator has 34+ yrs. driving experience & other operators have no less than 9.
- Multi Policy Discount: 5% applies to bodily injury, property damage, medical payments, comprehensive, & collision coverages when insured has both auto & homeowners with the Company. Eff. 7-1-01

Standard Fire Insurance Company

- 15% non-fleet private passenger auto liability insurance rates.
- 23% non-fleet private passenger auto physical damage rates.
- Loss & Conviction Free Deviation for multi-car policies. 15% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single & multi-car policies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision. 5% for facility issued policies for comprehensive & collision coverage. Eff. 3-29-96

State Auto Property & Casualty Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for operators 0-38 yrs. driving experience or 55 yrs. of age or older.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience & a homeowners policy with State Auto Companies, or 0-38 yrs. driving experience or 55 yrs. of age or older for insured without a homeowners policy with State Auto Companies.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs. driving experience or is 70 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55 yrs. of age or older or 0-38 yrs. driving experience for insured without a homeowners policy.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs. driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55-69 yrs. of age for insured without a homeowners policy.

- 25% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs. driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 30% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 34-38 yrs. driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 35% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured who is 55-69 yrs. of age and has a homeowner policy with State Auto Companies.
- Anti-lock Braking System Discount: 5% deviation on non-fleet private passenger auto BI & property damage or combined single limit liability on private passenger autos equipped with factory installed four wheel anti-lock braking systems.
- Electronic Funds Transfer: \$1 monthly service charge per policy. Eff. 9-1-00

State Automobile Mutual Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no SDIP pts., no inexperienced operators & insured has Homeowners policy with State Auto Companies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided no SDIP pts., no inexperienced operators & all operators in household are age 55 or older.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided there are no SDIP pts., no inexperienced operators, all operators in household are age 55 or older and insured has a Homeowners policy with State Auto Companies.
- Installment Pay Plan charge is reduced to \$1 per installment on all new and renewal business.
- 5% non-fleet private passenger auto bodily injury & property damage liability (or combined single liability) coverage for private passenger auto equipped with factory installed four wheel anti-locking braking systems. Eff. 2-1-93

State Capital Insurance Company

- Installment Payment Plan: Waive initial installment charge.
- 10% credit applicable to auto policy when named insured has Homeowners policy with State Capital, Northwestern National, or American Professionals Insurance Company.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

State Farm Mutual Automobile Insurance Company

- Deviation for non-fleet private passenger automobile rates: Credit varies based on territory.
- 15% on non-fleet private passenger automobile rates applicable to principal operators age 55 & over where there is no inexperienced operator in household. Credit not applicable to motorcycle.
- 10% non-fleet private passenger automobile rates. Applicable to vehicles (not motorcycles) written in State Farm Mutual & free of at-fault accidents for 3 or more yrs.: 6-10 yrs. - 15% credit: 10 or more yrs. - 20%: 9 or more yrs. - 15% or 20% credit continues after first at fault accident.
- Installment Payment Charge: \$2 monthly installment of premium. Charge waived if payment made by electronic funds transfer.
- Multi Policy Discount: 10% credit for non-fleet private passenger automobile rates when criteria is met.
- 5% on non-fleet private passenger automobile rates applicable to new business policies (not motorcycles) when all drivers have been licensed in the U.S. or Canada for 3 yrs. & all driving records combined have no violations & no at-fault accidents during past 5 yrs. Eff. 08-19-02

State National Specialty

- Deviation non-fleet private passenger auto bodily injury, property damage & medical payments: 15% - 0 SDIP pts.; 10% 1-4 SDIP pts. if certain criteria is met.
- Deviation non-fleet private passenger auto comprehensive & collision coverage: 10% - 0 SDIP pts. if certain criteria is met. Eff. 2-6-95

TIG Premier Insurance Company

- 10.7% non-fleet private passenger auto bodily injury, property damage, medical payments, collision, uninsured BI and combined uninsured/underinsured BI; 15.5% comprehensive.
- Free of at fault accidents: 3-6 yrs.; 10%-non-fleet private passenger auto bodily injury, property damage, medical payments & collision; Over 6 yrs.-15%.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal operators age 55 and over where there is no principal operator in household.
- BMW model yrs. 1995 & newer: 20% comprehensive; 10% collision. Eff. 3-1-98

Teachers Insurance Company

- Deviation on bodily injury, property damage, medical payments, comprehensive & collision coverages for principal operators age 55 or over, no chargeable SDIP points & no inexperience. Credit is 1% or 3%.
- Deviation for certain comprehensive & collision deductibles, when the insured has no chargeable SDIP pts. & no inexperience.
- Home/Auto Deviation: Certain criteria apply.
- Driving Quality Deviation: Non-fleet private passenger, bodily injury, property damage & collision when criteria is met.
- 9% non-fleet private passenger auto bodily injury & property damage; 8% comprehensive & collision premiums, if insured is a member in good standing of a sponsoring education association & policy is voluntary. No deviation applies if policy has comprehensive only or physical damage only.
- 25% - 45% deviation for first accident if loss free for 5 yrs. & not ceded.
- Installment Payment Plan: Charge waived when paid by Electronic Funds Transfer.
- Installment Payment Charge: No charge on 1st installment for new business policies written on an installment basis.
- 7% non-fleet private passenger collision for utility vehicles, vans or pickups, 1993 or subsequent. Eff. 01-20-02

Travelers Casualty & Surety Company

- Anti-Lock Brake Deviation: 5% non-fleet private passenger auto single limit (liability & medical payments) or bodily injury, property damage & medical payments.
- Anti-Theft Device Deviation: 5% or 10% discount depending on how vehicle is equipped. Applicable to non-fleet private passenger auto comprehensive base premiums.
- 7% Loss & Conviction Free Renewal Deviation: Multi-car policies: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage. Credit applies to voluntary policies.
- Mature Driver Deviation: 3% to non-fleet private passenger auto bodily injury, property damage & medical payments; 5% collision, 10% comprehensive coverage.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments. Credit applies to voluntary policies.
- 7% Loss & Conviction Free Renewal Deviation; Multi-car policies: Applies to collision coverage only when policy is ceded to the Facility.
- Mature Driver Deviation: 5% non-fleet private passenger auto collision coverage & 10% comprehensive coverage. Eff. 12-17-93

Travelers Casualty & Surety Company of America

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments rates.
- 15% non-fleet private passenger auto comprehensive & collision rates. Eff. 10-15-92

Travelers Casualty & Surety Company of Illinois

- 30% non-fleet private passenger auto liability & medical payments rates.
- 30% non-fleet private passenger auto physical damage rates. Eff. 10-15-92

Travelers Indemnity Company

- 9% Account Discount when insured has private passenger auto policy & homeowners policy with The Travelers.
- 3% Renewal Credit: Non-fleet private passenger auto rates if insured has maintained auto coverage with the Travelers for last 6 or more consecutive yrs.
- 2% deviation for private passenger auto rates for employees of Multi-Line Insurance and Financial Services Institution.

- 2% for private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted.
- 2% deviation for private passenger auto rates for North Carolina State University employees as part as of an Employer Payroll Deduction Premium Payment Plan. Installment charge deleted.
- Contributing Vehicle Credit: 30% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for insured who have single car policy & have more than one private passenger auto with The Travelers.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 15% private pass, pickups, vans and classic autos for comp, fire/fire and theft/fire, theft, CAC coverages for insured who have a single car policy yet have more than one priv pass auto insured with The Travelers.
- 2% deviation for private passenger auto rates for Members/Customer of A Credit Union Family. Installment charge deleted.
- 2% deviation for private passenger auto rates for Employees of Research and Development Institutions. Installment charge deleted.
- 2% deviation for private passenger auto rates for Members/Customer of AAA Group. Installment charge deleted.
- 2% deviation for private passenger auto rates for employees of Philip Morris Companies as apart as a payroll deduction premium payment plan. Installment charge deleted. Eff. 4-1-02

Travelers Indemnity Company of America

- Installment Payment Charge: Installment charge for each installment is deleted.
- 15% deviation applied to private passenger auto rates for employees of North Carolina State University as part of an employer payroll deduction premium payment plan. Installment charge deleted.
- 14% deviation applied to private passenger auto rates for employees of Multi-Line Insurance & Financial Services Institution. Installment charge deleted.
- 7% deviation applied to private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted.
- 9% Account Discount: Applies to all insureds that have both private passenger auto & homeowners policy with The Travelers.
- Renewal Credit: 3% non-fleet private passenger rates if insured has maintained auto policy with The Travelers for the last 6 or more consecutive yrs.
- Contributing Vehicle Credit: 30% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for insured who have single car policy & have more than one private passenger auto with The Travelers.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 15% deviation priv pass, pickups, vans and classic autos for Comp, fire/fire and theft/fire, theft, CAC coverages for insureds who have a single car policy and have more than one private pass auto insured with The Travelers.
- 10% deviation applied to private passenger auto rates for Members/Customers of a Credit Union family. Installment charge deleted.
- 14% non-fleet private passenger insurance rates for all coverages for Employees of Research and Development Institutions. Installment charge deleted.
- 10% deviation applies to private passenger auto rates for members of AAA Groups. Installment charge deleted.
- 12% deviation applies to private passenger auto rates for employees of Philip Morris Companies, Inc. as part of an employer payroll deduction premium payment plan. Installment charge deleted. Eff. 4-1-02

The Travelers Indemnity Company of Connecticut

- Account Discount: 9% applies when voluntary private passenger auto & homeowners policy with The Travelers.
- Renewal Credit: 3% if insured has maintained auto policy with The Travelers for 6 or more consecutive yrs.
- Contributing Vehicle Credit: 25% non-fleet private passenger autos, pickups, vans & classic autos for bodily injury property damage, medical payments & collision for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 15% private passenger autos, pickups, vans & classic autos for collision coverage for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 15% private passenger autos, pickups, vans & classic autos for comprehensive, fire/fire & theft/fire, theft & CAC coverages for single car policy yet have more than one private passenger auto insured with The Travelers.

- 10% deviation for non-fleet private passenger auto liability and 10% deviation for physical damage to coverages to non-fleet private passenger autos. Eff. 04-01-02

Travelers Indemnity Company of Illinois

- Account Credit: 10% credit when voluntary auto & homeowners policy with The Travelers.
- Careful Driver Credit: 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision that have 0 SDIP pts. for the last 3 consecutive yrs.
- Senior Driver Credit: Credit varies 3% - 6% when criteria is met.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single car policy, yet have more than one auto insured with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insured who have a single car policy, yet have more than one auto insured with The Travelers.
- Highly Preferred Credit: 19% credit when certain criteria is met.
- Preferred Credit: 10% credit when certain criteria is met. Eff. 8-21-99

Travelers Personal Security Insurance Company

- 10% non-fleet private passenger auto liability rates.
- 19% non-fleet private passenger auto physical damage rates.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payment & collision to single & multi-car policies that are loss & conviction free.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist coverage, comprehensive & collision coverage, Facility policies: 5% applies comprehensive & collision when named insured also purchases homeowner policy (HO-2, HO-3 or HO-6). Eff. 3-29-96

Twin City Fire Insurance Company

- .94 factor for non-fleet private passenger auto comprehensive & collision rates if principal operator is age 55 or over.
- 4% Account Credit: 4% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates when insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.). Eff. 11-15-00

USAA Casualty Insurance Company

- 4.6% non-fleet private passenger auto liability, physical damage, extended transportation expense, & towing & labor coverages.
- 10% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices & for vehicles equipped with a vehicle recovery system.
- 5% non-fleet private passenger auto other than collision coverage. for vehicles equipped with a window identification system.
- 5% non-fleet private passenger auto other than collision coverage for vehicles with active disabling anti-theft devices.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronics equipment & tapes, records, discs & other media.
- 100% on rates for covered property coverage for trailers insured for other than collision coverage.
- 100% on rates for customizing equipment coverage.
- 30% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bags both sides.
- 10% non-fleet private passenger auto medical payments coverage for vehicles equipped with passive seat belt both sides or drivers side only.
- 10% non-fleet private passenger auto liability & physical damage if principal operator is age 55 or older.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverage when criteria is met.
- Deviation on 6 month and annual short rate cancellation tables.
- 20% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bag drivers side only.
- Extended Billing Plan: Regular Plan - no installment charge: Extended Plan - \$3 installment charge. Eff. 7-6-01

USAA General Indemnity Company

- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 100% deviation for trailers insured for other than collision coverage.
- 100% deviation for vehicles insured for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with daytime running light device.
- Deviation on 6 month & annual short rate cancellation tables.
- Installment Payment Plan: Regular Plan - installment charge waived; Extended Plan - \$3 each installment, unless paid by electronic transfer then no charge. Eff. 8-1-00

Underwriters Insurance Company

- 17.5 % Credit Physical Damage and 5% Credit Liability base premiums: Certain Preferred Driver criteria must be met.
- 5% Credit Physical Damage base premiums: Certain Standard Driver criteria must be met.
- Account Credit Program: 10% Credit: Must have Homeowners and Auto policy with UIC.
- 5% Credit for BI, PD and Med Pay for factory installed Anti-Lock Brake System.
- 5% Credit for BI, PD, Med Pay, Collisions, and Comprehensive premiums: Mature Driver Discount: Certain criteria apply. Eff. 10-1-99

Unigard Indemnity Company

- 5% non-fleet private passenger auto physical damage rates. Deviation applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only.
- 10% non-fleet private passenger auto physical damage rates when same insured also has Homeowners Form HO-3 or HO-6. Eff. 9-5-89

Unigard Insurance Company

- 5% non-fleet private passenger auto comprehensive & collision rates drivers 55 yrs. or older.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for multi-car policies, when auto & homeowner policy is written on Uni-Mate Program. Additional 5% for policy written 3 yrs. with no at-fault accidents. Second 5% credit for policies in-force 3 yrs. with no at fault accidents preceding 6 yrs. Maximum Uni-Mate Credit is 25% with no at fault accidents preceding 6 yrs. - Maximum Uni-Mate Credit 25%. Eff. 8-1-94

Unisun Insurance Company

- Preferred Driver Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premium. Credit applies to each vehicles when criteria is met.
- Full Coverage Discount: 3% non-fleet private passenger auto bodily injury, property damage, medical payments collision & other than collision when criteria is met.
- Multi-Vehicle Discount: 5% additional credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Eff. 12-15-96

United Pacific Insurance Company

- 10% non-fleet private passenger auto comprehensive & collision. Eff. 8-8-91

United Services Automobile Association

- 11% non-fleet private passenger auto liability & physical damage; 10% extended transportation expense coverage, towing & labor.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with active anti-theft disabling devices or vehicles using steering wheel bar locks.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with a window identification

system.

- 10% non-fleet private passenger auto other than collision coverage for vehicles with passive disabling anti-theft devices & vehicle recovery system.
- 100% private passenger non-fleet auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 30% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bags on both sides.
- 20% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bag on driver side only.
- 10% non-fleet private passenger auto medical payments coverage for vehicles with passive seat belt restraint.
- 10 % non-fleet private passenger auto liability & physical damage rates if principal operator is age 55 & older.
- 100% on rates for covered property for trailers insured for other than collision coverage.
- 100% on rates for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverages.
- Deviation on 6 month & annual short rate cancellation tables.
- Extended Billing Plan: Regular Plan - no installment charge: Extended Plan - \$3 installment charge. Eff. 9-1-00

United States Fidelity & Guaranty Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Universal Insurance Company

- 15.0% non-fleet private passenger auto bodily injury, property damage & medical payments for DWI conviction limited to one lifetime alcohol related conviction per household. Credit applies to single car. SDIP pts. must be between 12-20.
- 7.5% Multi-car, non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI conviction and SDIP pts. are between 12 & 20. There can be no more than one lifetime alcohol related conviction per household.
- 3.5% non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI & SDIP pts. are between 8 & 14. Credit applies to single or multi-car risk.
- 5% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 10% non-fleet private passenger auto comprehensive & collision with 8-9 SDIP pts. based on model year of auto.
- 25% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 40% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 20% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 52% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, single car risk with 12-20 SDIP pts.
- 42% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, multi-car risk with 12-20 SDIP pts. by at least one driver. Eff. 2-1-98

Utica Mutual Insurance Company

- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Group.
- Personal Auto Account Credit: 5% credit applied to basic premium when auto & homeowner policy is insured by Utica National Insurance Group.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met. Eff. 12-1-00

Valiant Insurance Company

- 5% non-fleet private passenger auto comprehensive & collision insurance rates.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured with 3 years with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured 6 years with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury & property damage for anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive with anti-theft device (active).
- 10% non-fleet private passenger auto comprehensive with anti-theft device (passive).
- 5% non-fleet private passenger auto bodily, property damage, medical payments, comprehensive & collision for mature driver.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for account driver.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 15% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Vigilant Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist coverage for antique autos.
- Reduced rates for physical damage coverage for antique autos.
- Deviation for split limit bodily injury increased limits. Eff. 4-1-02

Virginia Mutual Insurance Company

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments, with "0" SDIP pts. & no inexperience operators.
- 10% non-fleet private passenger auto comprehensive & collision with "0" pts. and no inexperience operators. Eff. 9-1-97

West American Insurance Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

Windsor Insurance Company

LIABILITY Applicable to non-fleet private passenger auto bodily injury, damage & medical payments coverage for all listed components.

Group 1

12 point violation that is not one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 14% - 43%.
 - Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 23% - 70%.
 - Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs.

- licensed driving experience. Credit varies 20% - 70%.
- Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 40% - 75%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 10% - 43%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 20% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 28% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 41% - 75%.
- 7% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 10% deviation applies to auto BI, PD and Med Pay when the total policy premium is paid with the application or renewal quote.
- 12% auto BI & PD policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance.

Group II

Contain either no 12 point violation or a 12 point violation that is one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.
 - Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 2% - 34%.
 - Deviation single-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit 3% - 35%.
 - Deviation single-car policies, unmarried driver, 2-20 SDIP pts. & least experienced operator has 7-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.
 - Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 26%.
 - Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 1% - 28%.
 - Deviation multi-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 3% - 20%.
 - Deviation multi-car policies, unmarried driver, 4 - 20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% or 20%.
 - 10% deviation applies to auto BI, PD & Med Pay when the total policy premium is paid with the application or renewal quote.
 - 15% auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no

- lapse & BI limit on the prior proof are higher than 25/50.
- 10% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance. Eff. 7-22-02

Worldwide Insurance Company

- 7.0% non-fleet private passenger auto bodily injury, property damage & medical payments coverage when certain criteria is met.
- 10.0% non-fleet private passenger auto comprehensive & collision coverage if certain criteria is met. Eff. 7-15-96

AMEX Assurance Company

- Accident-Free Discount: Applies to non-fleet private passenger auto bodily injury, property damage, medical payment & collision: 3-5 yrs.- 10% credit: 6 yrs. or more- 15% credit.
- Auto/Homeowner Discount 5% Forms 3 & 6: with accompanying homeowners policy.
- Downward deviation for single-car & multi-car policyholders for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Preferred Client Deviation 10% for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Installment Payment Plan: Charge waived for electronic funds transfer or payroll deduction.
- Vehicle Usage Discount for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Work Site Discount: 1% deviation non-fleet private passenger automobile rates where the named insured has acquired his/her auto policy through the Work Site Marketing Program of AMEX Assurance Company.
- Costco Discount: 3% applies to policies for member insureds of Costco. Eff. 1-7-03

ACE Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

ACE Fire Underwriters Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

ACE Property & Casualty Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

All America Insurance Company

- 10% private passenger auto liability & physical damage whenever Company carries both the homeowners (HO-2, HO-3, HO-3w/l5 or HO-6) & auto coverages. Eff. 7-1-86

Allstate Indemnity Company**Preferred Program**

- Territory Deviations: Applies to auto bodily injury, property damage, med pay, collision and comprehensive coverages: Credit varies.
- Tier Deviation: Certain criteria must be met.

- Years Licensed Deviation: Applies to auto bodily injury, property damage, comprehensive & collision coverages: Credit varies by coverage.
- Accident Rating Deviation: Years since last accident 0 - 3+: Factors vary 1.00 – 1.20.
- Anti Lock Brake Discount: 1% credit for collision coverage when factory installed anti lock braking system on all four wheels.
- 55 and Over Discount: 15% credit when principal operator is 55 or less than 71 yrs. of age, 1% credit when 71 yrs. or older: Other criteria apply.
- New Car Discount: 0 – 2+ yrs.: Factors vary .95 – 1.00: Other criteria apply.
- The Good Hands People Discount: 10% credit applies to qualifying named insureds.
- Electronic Funds Transfer Deviation: \$1 installment fee.

Regular Auto Program

- 22.5% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDI pts. for single car policies.
- 16.0% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDI pts. for multi-car policies.
- Installment Pay Plan: \$1 per installment by Easy Payment Plan (EPP) Electronic Funds Transfer.
- Installment Pay Plan: Payroll deduction for Allstate Employees (NC); Installment charges waived.
- 10% discount on collision & comprehensive for member of an approved Allstate Corporation and its subsidiaries (The Good Hands People Discount). Eff 12-1-03

Allstate Insurance Company

- Advantage Discount Credit for non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision coverage when operators meet Company's eligibility requirements for Allstate Advantage Discount for single car policies. Credit for multi-car policies.
- Preferred Driver Discount: non-fleet private passenger auto bodily injury, property damage & medical payment coverage where operators meet company eligibility requirements, credit varies.
- Preferred Driver Discount: non-fleet private passenger auto collision & comprehensive credit varies
- Antilock Brake Discount - 1% non-fleet private passenger auto collision rates which is equipped with factory installed anti-lock braking system on all four wheels for 1983 models or later.
- The Good Hands People Discount 10% discount on collision & comprehensive for member of an approved group. Members are: Employees and retirees of qualifying participating employers or members of qualifying participating associations.
- 55 and Over Discount - If the principle operator is at least 55 years old but less than 71 years old, the discount percentage is 15%. If the principal operator is 71 years old or older, the discount percentage is 1%. Only reduce the premium on vehicles which are eligible for the discount as defined.
- Installment Payment Plan: \$1 charge per each installment when policyholder pays through electronic funds transfer. (Allstate Easy Payment Plan). No fee shall be required when the customer is an Allstate employee in North Carolina and the premium is paid under a payroll deduction plan. PC062387. Eff. 7-1-03

American Automobile Insurance Company

- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with an alarm device.
- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with active disabling device.
- 15% non-fleet private passenger auto comp. coverage on vehicles equipped with passive disabling

device.

- Anti-lock braking system - 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factory installed four wheel Anti-Lock Braking System.
- Various deviations on bodily injury, property damage, combined single limits, medical payments extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit
- Installment Payments Eff. 10-01-03

American Bankers Insurance Company of Florida

- 8% non-fleet private passenger physical damage insurance rates, if liability insurance is provided. Eff. 3-15-86

American Centennial Insurance Company

- 5% non-fleet private passenger auto liability & physical damage rates. Eff. 9-1-85

American Economy Insurance Company

- 10% private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American Employers Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private passenger auto comprehensive when vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis. Eff. 11-20-01
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American Fire & Casualty Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

American & Foreign Insurance Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force a homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.

- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 - 65 & no inexperienced operator.
- Passive Restraint Discount apply to medical payment rate. Credit varies 20% -40%.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage: Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer. Eff. 9-21-98

American Home Assurance Company

- 6% - 37% deviation for medical payments & uninsured & combined uninsured/underinsured motorist coverage: All territories: Certain underwriting criteria must be met.
- 1% - 46% deviation for bodily injury, property damage, comprehensive & collision coverages: Certain criteria apply.
- 5% deviation for bodily injury, property damage, medical payments, comprehensive & collision for multi car policies.
- 5% deviation for comprehensive: All vehicles equipped with alarm only and active disabling devices
- 15% deviation for comprehensive: All vehicles equipped with passive disabling devices.
- 5% deviation for certain coverages: All insureds within sponsored groups.
- Installment fee waived for automatic deductions from a financial account.
- 1st installment fee waived for all multiple payment modes. Eff. 12-20-02

American Insurance Company

- Various deviations on Comprehensive for vehicles equipped with Alarm only device.
- Discount on comprehensive for vehicles equipped with Active Disabling devices.
- Discount on Comprehensive for vehicles equipped with Passive Disabling devices.
- Anti-lock brake discount.
- Various deviations on on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit.
- Installment Payments Eff. 10-01-03

American Manufacturers Mutual Insurance Company

- Voluntary deviations without driving points - BI, PD, COMP, COLL credit varies by territory.
- Voluntary deviations with driving points - BI, PD, COMP, COLL credit varies by territory.
- Safety Equipment Discounts - 5% - 15% to Med Pay if qualified.
- Anti-locking braking system discount - 5% for autos equipped with a factory installed four wheel Anti-Lock Braking System.

- Extended Transportation Expenses Coverage - KIP ONLY - \$30/\$900. Increased Transportation Expenses Coverage is included at no additional charge.
- Cancellation - KIP ONLY - return premium is computed on a Pro Rata basis.
- Classifications - Experienced Operator Credit - If the principal operator of the auto is aged 55 and over and no inexperienced operators apply to the vehicle, apply a 3% discount to the BI and PD Liability, Med Pay, Coll and Coll premiums.
- Classic Auto Discount: 80% discount to Miscellaneous Types Rule-19.F. Classic Auto Discount to bodily injury, property damage & medical payments coverages.
- Deferred Premium Payment Plans - a monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a \$1 monthly service charge is applied per billing.
- Kemper Network Deviation 7%: Certain criteria apply.
- Anti Theft Devices Discount - credit varies. Eff 7-1-03

American Motorists Insurance Company

- Extended Transportation Expenses Coverage - KIP only: Coverage included at no additional charge.
- Cancellation - KIP only: Compute return premium on pro rata basis.
- Deferred Premium Payment Plan.
- 7% Kemper Network Deviation: Certain criteria apply. Eff 7-1-03

American Professionals Insurance Company

- Installment charge waived on initial payment: \$3 charge for each installment thereafter: Applies to all policies.
Eff. 7-1-99

American Protection Insurance Company

- Voluntary deviations with driving points - BI, PD, COMP, COLL credit varies by territory.
- Voluntary deviations without driving points - BI, PD, COMP, COLL credit varies by territory.
- Safety Equipment Discounts - 5% - 15% to Med Pay if qualified.
- Anti-locking braking system discount - 5% for autos equipped with a factory installed four wheel Anti-Lock Braking System.
- Extended Transportation Expenses Coverage - KIP ONLY - \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge.
- Cancellation - KIP ONLY - return premium is computed on a Pro Rata basis.
- Classifications - Experienced Operator Credit - If the principal operator of the auto is aged 55 and over and no inexperienced operators apply to the vehicle, apply a 3% discount to the BI and PD Liability, Med Pay, Coll and Coll premiums.
- Deferred Premium Payment Plans - a monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a \$1 monthly service charge is applied per billing.
- Kemper Network Deviation 7%: Certain criteria apply.
- Anti Theft Devices Discount - credit varies. Eff 7-1-03

American Security Insurance Company

- Deviation: Charge as premium for comprehensive (full coverage) & collision (\$100 deductible), the National Rate Bureau base rates, which became effective January 1, 1984 for territory 17, separately for each

coverage. Premiums so determined are applied statewide regardless of territory, no primary secondary rating factors are applied.
Eff. 2-1-86

American Southern Insurance Company

- 12.5% Elite Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 5% Preferred Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 2% AAA Carolina Affinity Group Discount when insured is a member of AAA Carolinas. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 10% Renewal Discount Program applicable to each vehicle when policy holder has been insured with American Southern for three continuous years and which is loss free. Discount applies to bodily injury, property damage, medical payments, collision & other than collision premiums otherwise applicable to the vehicle.
- 5% Multiple policy discount applicable to each vehicle when the policyholder places both automobile and homeowners coverage through the American Auto Club Insurance Agency. Discount applies to Bodily Injury, Property Damage, Medical Payments, Collision and Other Than Collision premiums.
- 10% Super Preferred Driver Discount. Eff. 9-15-03

American States Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American States Preferred Insurance Company

- Preferred Driver Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when all principal operators have no accidents (at-fault or not-at-fault) or violation during the previous 3 yrs. Deviation applicable new policies only & will continue for 3 yrs unless removed due to a chargeable accident.
- Accident Free Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when principal operator has been written with any of the American States Insurance Companies for a period of 3 or more yrs. & has had no chargeable accidents during the 3 yr. period. 15% non-fleet private passenger auto bodily injury, property damage, medical payments & collision when the principal operator has been written with any of the American States Insurance Companies for 6 or more yrs. & has no chargeable accidents during the 6 yr. period.
- 35% non-fleet private passenger auto physical damage for risks without driving points.
- Deviation by territory: Non-fleet private passenger bodily injury. Credits vary 3%-10%.
- Deviation by territory: 5% non-fleet private passenger auto property damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is age 55 & over with no inexperienced operator in the household.

- Passive Restraint Discount: 10% - 40% non-fleet private passenger auto med payments based on type of system.
Eff. 12-19-95

AMICA Mutual Insurance Company

- Downward Deviation to Base Rates for BI, PD, med pay, uninsured/underinsured motorist, comprehensive & collision.
- Downward Deviation by Territories for BI, PD, med pay, comprehensive & collision.
- Charge \$2 in lieu of \$3 each installment with certain exceptions.
- Eliminate additional charge \$2 on 1st installment of installment plan.
- Eliminate additional charge \$2 for all installment payments for members of any AMICA Group.
- Eliminate additional charge \$2 for 1st installment payment for insured participating in account billing payment plan.
Eff. 10-1-03 PC062256

Arch Insurance Company

- 15% private passenger auto comprehensive & collision rates. Eff 9-29-92

Argonaut Insurance Company

- Advantage Discount: 13.5% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Multi-Car Discount: 23.7% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Preferred Driver Discount: 10% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies. Eff. 4-1-00

Associated Indemnity Corporation

- Various deviations on auto comprehensive coverage for all vehicles equipped with an alarm device.
- Discount on auto comprehensive coverage for all vehicles equipped with active disabling devices.
- Discount on comprehensive for vehicles equipped passive disabling devices.
- Anti lock brake discount.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit
- Installment Payments Eff. 10-01-03

Association Insurance Company

- 12.5% non-fleet private passenger auto liability & physical damage insurance rates.
- 32.5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for SAS Institute Employees. Eff. 1-1-96

Assurance Company of America

- 5% non-fleet private passenger auto liability bodily injury, property damage & medical payments.
- 15% non-fleet private passenger auto comprehensive & collision.
- 7.5% non-fleet private passenger auto bodily injury, property damage, medical payment comprehensive & collision coverage for drivers with 30 yrs. driving experience & no inexperienced operator on policy.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for 3 consecutive yrs. with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for 6 consecutive yrs. with "0" SDIP pts.
- 5% non-fleet private passenger auto liability, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury & property if auto has anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 10% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision of insured has homeowners policy with Assurance.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 20% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Atlantic Casualty Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 37% non-fleet private passenger bodily injury & property damage, single car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments: \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts.
 - 33% non-fleet private passenger bodily injury & property damage, multi-car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments, \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts. Eff. 7-1-94

Motorcycle

- 9% average deviation for private passenger motorcycle physical damage.
- 15% average deviation private passenger motorcycle bodily injury & property damage. Eff. 7-1-91

Atlantic Indemnity Company

- 5% non-fleet private passenger auto bodily injury, property damage & medical payments single car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 2.5% non-fleet private passenger auto bodily injury, property damage & medical payments multi-policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 21% average deviation for non-fleet private passenger automobile physical damage with 3 or more SDIP pts.

LIABILITY All deviation applicable to non-fleet private passenger bodily injury, property damage, & medical payment coverages for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. DUI violations involving drugs.
- 55% for single car policies with 12-20 SDIP pts.
 - 45% for multi car policies with 12-20 SDIP pts. Eff. 11-1-95

Auto Owners Insurance Company

Premier Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 - 74 yrs. of age: Credit varies 2%.
- Multi-Car Discount: 2% non-fleet private passenger auto comprehensive & collision coverage: Certain criteria apply.
- Physical Damage Rate Deviation non-fleet private passenger auto: 5% comprehensive: 5% collision, applicants must have at least 14 yrs. driving experience.
- Multi Policy Discount: 5% credit applies to BI, PD, Med Pay, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision for Life/Auto policy.

Standard Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 yrs. of age or older: Credit varies.
- Multi-Car Discount: 9% non-fleet private passenger auto comprehensive & collision coverage: Certain criteria apply.
- 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision for Life/Auto policy. Eff. 7-1-03

Automobile Insurance Company of Hartford

- 5% Anti-Lock Brake (ABS): Non-fleet private passenger auto Single Limits Liability (liability & medical payment) or Split Liability (bodily injury, property damage & medical payments).
- 5% or 10% Anti-Theft Device Discount depending on how vehicle is equipped. Applies to non-fleet private passenger auto comprehensive coverage.
- 15% Loss & Conviction Free Renewal Credit for single & multi-car policies. Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage & medical payment; 5% collision; 10% comprehensive.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments.
- 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision Credit applies multi-car policies that are loss & conviction free.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision when coverage issued for homeowners (Forms 2, 3 & 6) in any of the Aetna Life & Casualty Affiliated Companies. Credit applies to comprehensive & collision coverage for facility policies. Eff. 3-29-96

Bankers Standard Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

Builders Mutual Insurance Company

- 5% deviation on bodily injury, property damage, medical payments, comprehensive, & collision, if primary driver has at least 30 yrs. driving experience.
- Rating plan factor reduced by .05 for comprehensive & collision if the risk qualifies for multi car discount & has no inexperienced operator.
- Rating plan factor reduction by .05 for bodily injury, property damage, medical payments, comprehensive & collision, if the risk is classified as having 0 SDIP pts.
- 5% deviation on bodily injury & property damage, if the vehicle is equipped with anti-lock brakes.
- 5% deviation for comprehensive only, if vehicle is equipped with an active anti-theft device: 10% deviation, if vehicle is equipped with a passive anti-theft device. Eff. 10-1-99

Burlington Insurance Company

- 15% private passenger auto physical damage insurance rates. Eff. 5-28-87

Central Mutual Insurance Company

- 0% -10% non-fleet private passenger auto premium for liability coverage, except uninsured or underinsured motorist coverage when the Company carries both the homeowner & auto coverages. 0% - 20% credit physical damage coverage.
- 5% private passenger auto bodily injury & property damage liability coverage for autos equipped with factory installed four wheel anti-lock braking system (ABS).
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators age 55 or over or has 34-38 yrs. of driving

experience with 0 SDIP pts. and no inexperienced operators in household.

- 1%-5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators age 70-74 with 0 SDIP pts., no inexperienced operators in household.
- 5% non-fleet private passenger auto comprehensive for vehicles equipped with alarm only or active anti-theft disabling device. 15% comprehensive for vehicles equipped with passive anti-theft disabling device.
- Deviation for "First Accident Forgiveness" program. Credit varies 25%-65% when criteria is met.
- Installment Payment Plan: No charge for Electronic Fund Transfer.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Deviation for non-fleet private passenger auto: 30% bodily injury, property damage & medical payments: 25% collision: 15% comprehensive.
- 20% deviation for auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met regarding insured & vehicle. Eff. 7-1-01

Century Indemnity Company

- 10% non-fleet private passenger auto comprehensive & collision rates. Eff. 6-1-89

The Charter Oak Fire Insurance Company

- Pricing Factors Deviation: Applies to private passenger auto: 15% for liability coverages: 15% for property damage coverages.
- 9% Account Discount Deviation applies to all insureds who have both an auto & homeowners policy with Travelers.
- Contributing Vehicle Credit: 35% credit private passenger autos, pickups, vans and classic autos, bodily injury, property damage, medical payments coverage for single car policy & have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 30% credit private passenger autos, pickups, vans and classic autos for collision coverages for insured who have a single car policy & have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% credit priv pass autos, pickups, vans and classic autos for Comprehensive, Fire/Fire and theft/fire, theft, CAC coverages for insured who have a single car policy and have more than one private passenger auto insured with The Travelers.
- 3% Renewal Credit applies to private passenger auto rates if insured has maintained an auto policy with Travelers for the last 6 or more consecutive years. Eff. 7-1-03 PC062965

The Cincinnati Insurance Company

- 0% non-fleet private passenger auto liability rate deviation.
- 40% non-fleet private passenger auto physical damage rate deviation.
- 10% non-fleet private passenger liability & physical damage rate deviation, if policyholder has package policy with Cincinnati Insurance Company.
- Installment Payment Plan charge waived for personal autos & autos written in conjunction with a homeowner policy. Eff. 7-1-03

Citizens Insurance Company of America

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for principal operators in household age 55 or older where there are no other operators in household with less than 3 yrs. driving experience. This is a per vehicle credit.
- Account Credit: 5% non-fleet private passenger auto comprehensive & collision coverage if insured has Homeowners policy with The Hanover Insurance Company.
- Non-Smoker Discount: 5% non-fleet private passenger auto comprehensive & collision coverage if no drivers have smoked in the past 15 months.
- 10% deviation for non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision.
- Renewal Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Less than 3 yrs-0%; 3-5 yrs.-3.0%; 5 yrs or more-6.0%. Eff. 9-1-94

Colonial American Casualty and Surety Company

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Commercial Insurance Company of Newark, New Jersey

Classic Auto Program

- Deviation for bodily injury, property damage & medical payments premium for all territories.
- Comprehensive, collision, fire only & theft only premiums deductible deviation factors for all territories.
- Uninsured motorists coverage, combined uninsured/underinsured motorist coverage deviation for all territories. Eff. 8-1-00

Consolidated American Insurance Company

- 10% non-fleet private passenger comprehensive & 15% collision rates. Deviation applies multi-car risk, all classes except farm use classes. No inexperienced operators in household & 0 SDIP pts. applicable. Eff. 12-1-92

Continental Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.

- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies if named insured has an homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount. Eff. 7-3-01

Continental National Indemnity Company

- Discount for Qualified Preferred Drivers: 17.5% credit physical damage-5% credit liability when certain criteria is met.
- Discount for Qualified Standard Drivers: 5% credit physical damage when certain criteria is met.
- Account Credit Program: 10% credit when certain criteria is met & both homeowners & auto policies are written through CNIC.
- Anti Lock Braking System Discount: 5% credit.
- Mature Driver Discount: 5% credit when certain criteria is met. Eff. 1-1-01

Economy Premier Assurance Company

- 5% Pak II Package Credit: Applies to comprehensive & collision base premiums when certain criteria is met.
- Pak II Renewal Credit: 3%-5% credit applies to final premium when insured has maintained an auto or homeowners policy written with a Metropolitan Company.
- Age 55 or Older Credit: 1%, 5%, or 10% credit applies to non-fleet private passenger bodily injury and property damage liability, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- 10% Good Driver Credit when certain criteria is met.
- Symbol Relativities Deviation.
- Increased Limits Extended Transportation Deviation: No additional charge when comp coverage is purchased.
- Passive Restraint Credit: 20% for driver side airbag: 30% for both front outboard seat position airbags.
- Anti-Theft Device Credit: 5% applies to alarm only & active disabling devices: 15% for passive disabling devices.
- 5% Anti-Lock Braking System Credit when it's factory installed on all 4 wheels.
- Golfmobile Liability: No additional charge.
- ATV, Minibike & Dune Buggy combined BI & PD liability rates are same as the N.C. Rate Bureau's snowmobile rates.
- ATV, Minibike & Dune Buggy Medical Payment rates will be 23% of territory 11 private passenger auto med pay rates.
- ATV, Minibike & Dune Buggy Collision rates are same as the N.C. Rate Bureau's snowmobile rates.
- 10% Recreational Vehicle Multi-Vehicle Credit: Eligibility requirements must be met.
- Premium Payment Plan Deviation. Eff. 6-01-01

Electric Insurance Company

- Preferred Rate Program Deviation applicable to comprehensive and collision coverages, credit varies by territory when all program criteria is met.

- Super Preferred rate Program Deviation applicable to comprehensive and collision coverages, credit varies by territory when all program criteria is met.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision if principal operator of vehicle is 55 yrs or older. Vehicle with inexperienced operator surcharge is not eligible.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision for risks that meet Elfyn Society Membership.
- Multi Policy Credit: credit applies when insured has a HO- 2, 3, 4 or 6 policy with Electric Insurance
- Accident and Violation Free Discount: Credit varies 5% - 15% when criteria is met.
- 5% Mass Marketing Discount.
- Installment Payment through electronic funds transfer Eff. 07-15-02

Employers Mutual Casualty Company

- Multi-Policy Credit: 10% when auto & homeowners coverage are written with Employers Mutual Casualty Company and/or Emcasco Insurance Company.
- Safety Equipment/Anti-Theft Discount: 20% med pay premium passive restraint on driver side only 30% med pay premium passive restraint on both sides. 5% on bodily injury & property damage premium for four wheel anti-lock braking system. 5% comprehensive premium for alarm & active disabling devices. 15% comprehensive premium for passive disabling devices.
- Installment Payment Plan: \$3 charge waived when method of payment is through electronic funds transfer.
Eff. 5-25-97

Erie Insurance Company

- Pioneer Experience Rating Credit Discount: Applies to private passenger auto bodily injury, property damage, comprehensive & collision on a Pioneer Family Auto Policy. Other criteria apply.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operators are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 or newer model vehicles with factory-installed anti-lock brake systems on all four wheels.
- 5% non-fleet private passenger comprehensive for all vehicles with etching a vin or serial number or active anti-theft devices.
- 10% non-fleet private passenger comprehensive for all vehicles with alarm or passive anti-theft devices.
- Feature 15: SDIP surcharge will be waived for any at-fault accident presented on an Erie personal auto policy which has been in force 15 or more yrs. Deviation 1 pt. - 15%, 2 pts. - 40%, 3 pts. - 65%.
- Premium Payment Plan Service Charge - Installment Payments deviation.
- Non-fleet private passenger auto base rate deviation for bodily injury, property damage, medical payments, comprehensive & collision coverage by territory. Credit varies.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage when insured has both comprehensive & collision.
- Pro rata cancellation for all policies.
- Multi-Policy Discount: 10% credit when Homeowner or Mobile homeowner policy is written with The Erie and named insured must be same on all policies.
- Multi Car Risks - Separate Policies: Certain criteria apply.

- Reduced Usage Discount: Certain criteria must be met. Eff. 1-1-04
- PC066417

Erie Insurance Exchange

- Base Rate Deviation by territory for bodily injury, property damage, medical payments, comprehensive & collision territory. Credit varies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principally driven by insureds who are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 & newer model yr. vehicles with factory installed anti-lock brake systems on all four wheels.
- Anti-Theft Device Deviation on comprehensive premiums: 5% for etching identification or an active device; 10% for an alarm or passive device.
- Feature 15: SDIP surcharge will be deviated for following at-fault accidents presented on a personal auto policy which has been in force with Erie Insurance Group for 15 or more yrs. Deviation - 1 pt. - 15%; 2 pts. - 40%; 3 pts. - 65%.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage.
- Pro rata cancellation for all policies.
- Premium Payment Plan: Service charge – Installment payments deviation.
- Comprehensive Deductible Factors Deviation: 5% deviation other than full coverage.
- Multi Policy Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- First Accident Forgiveness Deviation: The SDIP surcharge will be deviated for the first at-fault accident presented on an Erie Personal Auto policy: 1 pt. - 15%; 2 pts - 40%; 3 pts. - 65%. Other criteria apply.
- Pioneer Experience Rating Credit Discount(PERC): Certain criteria apply.
- Driving Experience Factor(DEF) Deviation: Certain criteria apply.
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met. Eff. 7-1-03

Farm Bureau Insurance of North Carolina Inc.

- 45% deviation for chargeable DWI surcharge applicable to bodily injury, property damage, medical payments, comprehensive & collision coverage. Eff. 12-1-96

Farmers Insurance Exchange

- Base Rate Deviations: BI, PD Med Pay, UM/UIM (BI,PD), Collision & other than Collision for Premier & Preferred Rating Plans.
- Auto/Home Discount & Auto/Renters Discount: Certain criteria apply.
- Anti-Theft Device Discount: ½ % discount applies to Comprehensive when a vehicle is equipped with a passive anti-theft device.
- Anti-Lock Brakes Discount: ½ % discount applies to BI, PD, Med Pay & Collision: Factory installed ABS, all 4 wheels.
- SDIP Point Free Credit: ½ % discount applies to BI, PD, Med Pay, Comprehensive, & Collision if all operators in household have no SDIP pts.
- Experienced Operator Credit: Varied credits apply to BI, PD Med Pay, Comprehensive & Collision Eff. 7-1-03

Federal Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist for antique auto.
- Reduced rates for physical damage coverages for antique autos.
- Deviation for Split Limit Bodily Injury Increased Limits. Eff. 7-1-03

Federated Mutual Insurance Company

- 5% non-fleet private passenger liability & physical damage when homeowners & personal umbrella policy is written with Federated Mutual Insurance Company.
- Installment Payment Plan: \$2 charge each installment subject to max. of \$5 per account for a policies. Eff. 4-21-95

Fidelity & Casualty Company of New York

- Deviation on BI, Prop Dam, Medical Payments - factors vary.
- Deviation on Uninsured Motorist and Combined Uninsured/underinsured Motorist Coverage - factors vary. Eff. 1-1-04
- PC063945

Classic Auto Program

- Deviations for bodily injury, property damage & medical payments, all territories. Factors vary.
- Uninsured motorist coverage, combined uninsured/underinsured motorist coverage deviation, all territories. Factors vary.
Eff. 01-01-04
- PC064886

Fidelity & Deposit Company of Maryland

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, med pay, comp. & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device: Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Fidelity & Guaranty Insurance Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.

- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Fidelity & Guaranty Insurance Underwriters

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Firemans Fund Insurance Company

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured w also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 10-1-03 PC064658

Firemans Fund Insurance Company of Wisconsin

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured/underinsured motorist, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator age 55 and older with no inexperience operators.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator(s) have a minimum of 9 yrs. driving experience.
- 5% non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision for renewal discount where all operators have been written in the Fireman's Fund Direct program for at least 3 yrs. & are free of chargeable accidents & free of convictions. Eff. 11-24-97

Firemen's Insurance Company of Newark, New Jersey

- Anti-Theft Device Discount: Certain criteria apply.

- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies when named insured has a homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Preferred-Plus Rating Tier: Certain criteria apply.
- Employee or Affinity Group Discount. Eff. 7-3-01

Firemen's Insurance Company of Washington D.C.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured/underinsured motorist, comprehensive & collision coverage. Eff. 11-1-94

First Financial Insurance Company

- 15% non-fleet private passenger physical damage rates. Eff. 12-7-87

First Liberty Insurance Corporation

- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Mature Driver Discount Program: 5% when all operators are 55 or older, no inexperienced operators
- 1% non-fleet private passenger auto bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 on first installment of installment plan.
- Multi Car Discount: 4% for collision only and 5% for Liability coverage.
- College Education Discount Program: 5% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 18% applies to liability and 18% applies to physical damage per vehicle when insured maintains an eligible Homeowners policy.
- Single liability limits deviation by territory, credit varies.
- Split liability limits deviation by territory, credit varies.
- Property Damage limits deviation by territory, credit varies.
- Comprehensive and collision deviation by territory, credit varies. Eff. 7-1-03 PC062604

First National Insurance Company of America

- 15% Deviation on bodily injury, property damage, and med pay coverages. 10% deviation on comprehensive & collision coverages.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision if policyholder has had auto insurance with any Safeco Company for 3 consecutive yrs.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for having a Safeco homeowners policy in force.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for certain specified 4 door vehicles.

- Additional 10% deviation on comprehensive & collision for mature drivers age 55 or older.
- Checkless Pay Plan: Waive \$3 installment charge.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision for specified territories.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision owning & occupying a home or condominium.
- Additional 10% deviation on comprehensive & collision for drivers with a driving record sub-classification of 0 and free of violation incidences. Eff. 9-20-01

GEICO Indemnity Company

- Associate Discount: 8% non-fleet private passenger applies to auto total policy premium.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 4-1-00

General Insurance Company of America

- 5% non-fleet private passenger auto bodily injury, property damage & med pay, comprehensive & collision rates.
- 10% non-fleet private passenger comprehensive & collision rates on policies where all drivers are age 55 or older. There are no inexperienced drivers on policy.
- Checkless Pay Plan: Waive \$3 installment charge.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision, if policyholder has been with any Safeco Company for 3 yrs. without lapse in coverage.
- 5% for multi-policy credit.
- 5% non-fleet private passenger auto BI, PD, medical payments, comprehensive & collision for certain specified vehicles.
- 5% non-fleet private passenger auto bodily injury coverage for territories 13, 14, 16, 18, 24, 31, 32, 5 & 52.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments, comprehensive & collision for insureds who own & occupy a home or condominium.
- 10% non-fleet private passenger auto comprehensive & collision for drivers with a driving record sub-class of 0 and free of violation incidences. Eff. 9-20-01

Generali - U S Branch

- 10% non-fleet private passenger auto liability bodily injury & property damage for operator licensed 15 or more yrs. & all drivers total 7-11 SDIP pts.
- 20% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 15 or more yrs. & all drivers total 12-20 SDIP pts.
- 15% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 10 yrs., but less than 15 yrs. & all drivers total 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 5 yrs., but less than 10 yrs. & all drivers total of 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 11,13,17,31,32,41 or 47.
- 7.5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicle are garaged in territories 24,26,33 or 43. Eff. 2-9-94

Globe Indemnity Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force, homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operator.
- Passive Restraint Discount: Credit varies.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Installment Payment Plan - Agency Payroll Deduction: Certain criteria apply.
- 10% Mass Marketing Discount: Applies to liability, med pay, comprehensive & collision: Certain criteria has to be met.
- Preferred Program Discount by territory. Eff. 9-1-00

Government Employees Insurance Company

- Base Premium Deviation applicable to comprehensive & collision by territory, credit varies.
- 10% non-fleet private passenger auto comprehensive & collision coverage for drivers 55 yrs. or older & auto is not surcharged for an inexperienced operator.
- 8% deviation on total policy premium for Sponsored Marketing Group Pricing Track: Certain criteria apply.
- Motorcycle Safety Course Credit: Non-fleet private passenger auto bodily injury, property damage, uninsured motorist, medical payments, personal injury, comprehensive & collision coverage. Certain criteria apply. Credit varies 10% - 20%.
- 5 Year Good Driving Discount: 8% non-fleet private passenger auto bodily injury, property damage, medical payment, collision & comprehensive: Certain criteria apply.
- Associate Discount: 8% credit to total policy premium.
- Military Discount Deviation for members on bodily injury, property damage, medical payment, comprehensive & collision. Credit varies 7%-10%.
- 15% Ultra Preferred Tier (2) Discount: Applies to bodily injury, property damage, collision, comprehensive, medical payments & uninsured/underinsured motorists coverages: Certain criteria apply.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 9-1-03

Grain Dealers Mutual Insurance Company - Withdrawn 7-1-03

Graphic Arts Mutual Insurance Company

- Superior Program Deviation: 5% non-fleet private passenger auto bodily injury, property damage liability & physical damage rates.
- 15% discount on base rates for employees of Utica National Insurance Group.
- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Company.
- Personal Auto Account Credit: 10% credit applied to basic premiums, when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) Program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00

Great American Alliance Insurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Occurrence Free Credit: 4% applies to bodily injury, property damage, medical payments, & comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Assurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, medical payments, comprehensive & collision.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Insurance Company

- Various downward deviations for non-fleet private passenger auto bodily injury & property damage territory. Credit varies. Certain criteria apply.

- Various downward deviations for non-fleet private passenger auto comprehensive & collision 1 chargeable or no chargeable activity when criteria is met. Credit varies.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 200
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with 29-49 driving experience.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviation on bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% downward deviation for non-fleet private passenger auto bodily injury property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Insurance Company of NY

- Various downward deviations on comprehensive & collision for chargeable & no chargeable activity. Certain criteria apply.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviations for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Security Insurance Company

- Renewal Homeowner Credits: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. 2% comprehensive & collision only: Certain criteria apply.

- Multi-Car Credit: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Married Credit: 2% applies to bodily injury, property damage & medical payments if eligibility requirements are met.
- Mass Marketing Credit: 5% applies to bodily injury, property damage, medical payments, uninsured underinsured motorist, comprehensive & collision. Credit applied to members of an employer base account written through an agent who has been specifically contracted with our marketing system, division to provide this discount.
- Territory Deviation: 2% credit applies to bodily injury, property damage, medical payment, uninsured/underinsured motorist, comprehensive & collision for garaging location in territory 11,13,15,18, 51 or 52.
- Occurrence Free Credit: 4% credit applies to bodily injury, property damage, medical payments, comprehensive & collision based on SDIP pts. record.
- Companion Policy Credit: 3% credit applies to bodily injury, property damage, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment Fee \$1. Eff. 2-15-02

Great American Spirit Insurance Company

- Renewal Homeowner Credit: 3% applies to bodily injury, property damage, med pay, comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer Deviation: Installment Fee \$1. Eff. 2-15-02

Guaranty National Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. 37% deviation for single car policies with 12-20 SDIP pts.
- f. 33% deviation for multi-car policies with 12-20 SDIP pts.

Physical Damage

- 21% deviation with 3 or more SDIP pts. Eff. 3-1-99

Motorcycle

- 15% deviation on bodily injury & property damage for all drivers with 15 yrs. or more driv experience.
- 9% deviation on private passenger motorcycle physical damage. Eff. 3-1-99

GuideOne Mutual Insurance Company

- 55% non-fleet private passenger auto liability & physical damage rates on autos rated as Class under Rule 4 of the NC Personal Auto Manual. Eff. 2-1-89

Hanover American Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payment comprehensive & collision coverage for operators 55 yrs. of age or older, when no operators household with less than 3 yrs. driving experience.
- Account Credit Program: 5% non-fleet private passenger auto comprehensive & collision coverage insured has homeowners with any of the Hanover Insurance Companies.
- Territorial Deviation: Applies to non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision: Credit varies.
- Renewal Credit: 3 yrs. to less than 5 yrs. - 3.0%; 5 yrs. or more - 6.0%: Must be insured with Hanover American Insurance Company or within an agency which Hanover represents.
- Installment Pay Plan By Electronic Funds Transfer: Installment charges waived.
- Group Modification Plan: Deviation range 0.5% to 15.5%.
- Installment Payment Plan: Four payment plan \$3 per installment excludes first installment charge
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met. Eff. 4-1-02

The Hanover Insurance Company

- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Installment Pay Plan by Electronic Funds Transfer: No service charge.
- Group Modification Plan Deviation: 0% to 15.5%.
- Installment Payment Plan: \$3 charge for each installment, excluding first installment. Eff. 4-1-02

Harbor Specialty Insurance Company

- 10% non-fleet private passenger auto physical damage insurance rates for risks with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision rates if principal operator of vehicle is age 55 or older.
- 15% non-fleet private passenger auto comprehensive & collision rates for risks with "0" SDIP pts Policy must be a part of Personal Protection Program.
- 5% non-fleet private pass auto BI, PD & Med Pay rates for risks with "0" SPID pts. Eff 2-1-94

Harleysville Mutual Insurance Company

- StarPak Program Discount – Certain criteria, credits vary. Eff 7-1-03 PC062196

Harleysville Preferred Insurance Company

- Preferred Customer Discount applies when the insured meets qualifying rating and/or certain characteristics credit varies.

- StarPak Program Discount - Certain criteria, credits vary. Eff 7-1-03 PC062197

Hartford Fire Insurance Company

- Principal Operator age 55-69 Deviation: BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- Principal Operator age 70 or over Deviation: BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- All other operators deviation BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- Account Credit: 14% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision, if insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.) Eff. 4-15-03

Hartford Underwriters Insurance Company

- Defensive Driver Credit 10% if Principal Operator has completion certificate dated within last 36 months, certifying that Principal Operator has both successfully & voluntarily completed course meeting standards of the N. C. Department of Transportation.
- Account Credit, 5% if policyholder has homeowners policy in effect in the AARP Homeowners Insurance Program.
- Renewal Credit Discount: 3-5 yrs. - 2%; 6 or more yrs. - 8%; Certain criteria apply.
- 5% Limited Driver Credit applies when principal operator is age 75 or over & such operators use of auto is limited to daylight driving.
- Anti-lock Braking System (ABS) 2% non-fleet private passenger auto bodily injury, property damage & collision coverage when auto is equipped with factory installed).
- Incident Free Credit: 3% non-fleet private passenger auto bodily injury, property damage, medic payments, comprehensive & collision: Certain criteria apply.
- Safe Driver Plus Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Advantage Discount: 10% credit when criteria is met. Eff. 4-1-03

Highland Insurance Company

- 15% deviation to bodily injury, property damage, medical payments, uninsured & underinsured motorist base premium.
- 25% deviation to comprehensive & collision base premium.
- Installment Payments Deviation.
- 10% deviation when named insured has a homeowners policy with any company in the Highlands Insurance Group.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Horace Mann Insurance Company

- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 2% deviation when certain criteria is met.
- Member Only Deviation 2% deviation when certain criteria is met.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years. Credit Varies

- Electronic Funds Transfer - No installment fee shall be charged.
- Installment Payments - No charge on first installment for new business policies written on an installment payment basis.

Horace Mann Property & Casualty Insurance Company

- Deviation by territory Credit varies.
- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 2% deviation when certain criteria is met.
- Deviation on BI and PD premium 9%; 8% deviation on comp and coll premium if insured is a member in good standing of a sponsoring education association and the policy is completely voluntary. No deviation will apply if the policy has comp & Phys Dam only.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years Credit Varies
- Electronic Funds Transfer - No installment fee shall be charged.
- Installment Payments - No charge on first installment for new business policies written on an installment payment basis.
- Credit Rating Deviation: credit 5% if certain criteria is met.
- Eff. 9-20-03

Indemnity Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Insura Property and Casualty Insurance Company

- Multi Policy Discount: 7.5% credit when Homeowners policy is written in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Variable credit.
- Longevity Discount: 5% credit to auto policies that have been in force for past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no driver with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies only.
- .837 Discount Factor for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision on all Insura Premier policies. Eff. 1-27-03

Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Insurance Corporation of Hannover

- Discount for Qualified Preferred Drivers: 10% applied to physical damage: 5% applied to liability when

criteria is met.

- Discount for Qualified Standard Drivers: 5% applied to physical damage when criteria is met.
- Account Credit Program Discount: 10% applies to bodily injury, property damage, med pay, collision & comprehensive when both homeowner & auto policies are written through ICH.
- Anti-Lock Braking System Discount: 5% applies to bodily injury, property damage, & med pay.
- Mature Driver Discount: 5% applies to bodily injury, property damage, med pay, collision & comprehensive when criteria is met.
- Loss/Incident Free Discount when criteria is met. Eff. 02-01-02

Integon Casualty Insurance Company

LIABILITY All deviation applicable to non fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following;

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 37.6% deviation, multi-car policies with 15-17 SDIP pts. & 5+ yrs. driving experience.
 - 49.4% deviation, single car policies with 12-17 SDIP pts. & 5-6 yrs. driving experience.
 - 37.6% deviation, multi-car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 49.4% deviation, single car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 11.8% deviation, multi-car policy & single car policy with 18-20 SDIP pts., unmarried with 5+ y driving experience.
 - 11.8% deviation, multi-car policy & single car policy with 18-20 SDIP pts., married driver with 39+ yrs. driving experience.
 - 49.4% deviation, single car policy with 12-17 SDIP pts. & driving experience of 39+ yrs.
 - 54.1% deviation, single car policies with 15-17 SDIP pts. & driving experience of 7-38 yrs.
 - 37.6% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 5-6 yrs.
 - 37.6% deviation, multi-car policies with 12-14 SDIP pts. single driver with 7-38 yrs.
 - 37.6% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 39+ yrs.
 - 45.9% deviation, multi-car policies with 12-14 SDIP pts. married drivers with 7-38 yrs driving experience.
 - 58.8% deviation, single car policies with 12-14 SDIP pts. & driving experience of 7-38 yrs.
 - Installment payment plans fees waived for GMAC insurance employees.
 - 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%. Eff. 7-1-03

Integon General Insurance Corporation

- 3.3% average deviation on non-fleet private passenger auto physical damage rates for risks with 5 or more SDIP pts. Non-owners policies do not qualify.
- Installment payment plans fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full

coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav d is equal to or greater than 3%. Eff. 7-1-03

Integon Indemnity Corporation

Non Preferred Program

- 5.7% average deviation non-fleet private passenger auto physical damage rates-5 or more pts. No owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one ft coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav de is equal to or greater than 3%. Eff. 7-1-03

Integon National Insurance Company

Preferred Program

- 6% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "C SDIP points and married drivers with 14-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 10% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation
- 7% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of prior limits of 100/300 or higher. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 20% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies qualifying for a superior credit score. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more of the following: a) prayer for judgement continued, b) not-at-fault accident, c) comprehensive claim, d) waivable accident or violation, or e) at-fault accident in a company car. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more at fault accident. If the resulting rate is equal to or greater than NC Rate Bureau rates the policy is ineligible for any deviation.
- 1.06 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive

and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies where there is an operator with less than 9 years driving experience. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies to policies qualifying for an above average credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 10% factor applies to all non-fleet private passenger auto Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. Applies to 1) GMAC mortgage customers 2) GMAC auto loan customer 3) GMAC auto lease customer 4) GM Credit card customer 5) GM Demand /Smart Note Customer 6) GM Employee/retiree or member of an approved employee group 7) Save our students member.
- 1.05 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with limits of 50/100. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 13% factor applies to all non-fleet private passenger auto BI, PD, Med Pay, uninsured motorist and underinsured motorist comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with limits of 250/500. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, uninsured motorist and underinsured motorist comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies where there is an operator with less than 3 years driving experience. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 1.05 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, uninsured motorist and underinsured motorist rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an excellent credit score. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, uninsured motorist and underinsured motorist rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an acceptable credit score. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 25% applies to all non-fleet private passenger auto BI, PD, Med Pay, uninsured motorist and underinsured motorist rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an ultra credit score. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 2.00 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with no proof of prior insurance. If the resulting rate is equal to or greater than ncrb rates, the policy is ineligible for any deviation.
- 30% factor applies on all non-fleet private passenger auto BI, PD, med pay, UM/UIM in the ultra preferred underwriting tier. This deviation applies only to policies qualifying for an ultra preferred credit score. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto Comp and Coll insurance rates on multi car policies in the ultra preferred u/w tier where the policy has '0' SDIP points and married drivers with 14-43 years of driving experience. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 25% on all non-fleet private passenger auto comp and coll rates on policies in the ultra preferred underwriting

tier. This deviation applies only to policies qualifying for an ultra preferred credit score. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owner policies do not qualify for this deviation.

- 12% on all non-fleet priv pass auto comp and coll rates on policies in the ultra preferred underwriting tier. This deviation applies only to policies qualifying for a superior or ultra credit score. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owner policies do not qualify for this deviation.
- 1.21 factor applies to all non-fleet priv pass auto comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an acceptable or above average credit score. If the resulting rate is equal to or greater than NCRB rates, the policy is ineligible for any deviation.
- 1.10 factor applies to all non-fleet priv pass auto comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an average, excellent or exceptional credit score. If the resulting rate is equal to or greater than NCRB rates, the policy is ineligible for any deviation.
- 2.00 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with limits of 30/60. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- Installment payment plan fees waived for GMAC Insurance employees and affiliates of GMAC Insurance.
- 3% on all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist rates on all policies eligible for voluntary liability under the company's u/w guidelines, with at least one full coverage vehicle. (must have bi/pd and collision) This deviation will not apply if the aggregate of all other liability deviations is equal to or greater than 3%.
- Eff 7-1-03

Non-Preferred Program

- 58% non fleet private passenger auto BI & PD liability for single car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 47% non fleet private passenger auto BI & PD liability for multi car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 5.7% non fleet private passenger auto physical damage for 5 or more SDIP pts. Non owner policies do not qualify.
- Installment Payment plan fees waived for GMAC Insurance employees – both programs.
Eff. 7-1-03

Integon Specialty Insurance Company

- 37.6% non fleet private passenger auto BI & PD liability for single car with 12-16 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by

- motor vehicle (5) Non-owners do not qualify.
- 25.9% non fleet private passenger auto BI & PD liability for single car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 31.8% non fleet private passenger auto BI & PD liability for multi car with 12-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 25.9% non fleet private passenger auto BI & PD liability for multi car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 35% non fleet private passenger auto physical damage for single & multi car with 12-17 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 20% non fleet private passenger auto physical damage for single & multi car with 18-20 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 31.8% non fleet private passenger auto BI & PD liability for single car with 17-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- Installment payment plans fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liab dev is equal to or greater than 3%. Eff. 7-1-03

Kansas City Fire and Marine Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Group Program Discount. Eff. 9-1-00

Lancer Insurance Company

All deviations applicable to non-fleet private passenger auto comprehensive & collision coverages for single car and the insured may not have one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal liquors by motor vehicle.
- 28% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 3-6 yrs. driving experience.
 - 45% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 48% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 30% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 35% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 20% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 25% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 37% for policies with 8-15 pts.; based on model yr. of auto; driver has at least 3 yrs. driving experience. Eff. 4-1-99

Liberty Mutual Insurance Company

- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Mature Driver Discount Program: 5% non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision when all operators in household are age 55 or older and there is no inexperienced operator in household.
- Anti-lock brake system - 1% non-fleet private passenger automobile bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 - 1st installment of installment plan.
- Multi Car Discount: 7% for collision coverage and deviate an additional 5% for liability coverage.
- College Education Discount Program: 5% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 18% applies to liability & 18% to physical damage rates when an insured maintains an eligible homeowners policy with any company. Other criteria apply.
- Liability single limits deviation by territory, credit varies.
- Liability split limits deviation by territory, credit varies.
- Property Damage limits deviation by territory, credit varies.
- Comprehensive and collision deviation, credit varies. Eff. 7-1-03

Lumbermens Mutual Casualty Company

- Deferred Premium Payment Plan - monthly service charge of 3% is applied per billing. If paid through electronic funds transfer, a monthly service charge is applied per billing.
- 7% Kemper Network Deviation: Certain criteria apply. Eff 7-1-03

Maryland Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical paymer comprehensive & collision for drivers with least 30 yrs. driving experience & no inexperience operatu..
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 5% non-fleet private passenger auto comprehensive & collision for vehicles with "0" SDIP.
- 5% non-fleet private passenger auto bodily injury, property damage for anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive for active anti-theft disabling devices.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive, collision, uninsured
- underinsured motorist, towing & labor & all miscellaneous coverage (companion policy). Eff. 2-15-98

Massachusetts Bay Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates, if principal operators are age 55 or older and there are no other operators in household with less than 3 yrs. driving experience.
- Electronic Funds Transfer No service charge for Installment Payment Plan.
- Account Credit Program: 5% applies to non-fleet private passenger auto comprehensive & collision rates for insured who have both their private passenger auto & primary homeowners insured with one of Hanover Insurance Companies.
- Group Modification Plan: Deviation 0.0% to 15.5%.
- Territorial Deviation: credit varies for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Installment Payment Plan: \$3 per installment, excluding first installment.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Budget wise discount of 5-15% for bodily injury, property damage, comp and coll coverages.
- Eff. 04-01-03

Merastar Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments & comprehensive & collision rates if named insured is member of an employer sponsored account or qualifying affinity group.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured is age 55 or older & no operator has less than 9 yrs. driving experience.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured has both auto and homeowners insurance with Merastar.
- 6% non-fleet private passenger auto comprehensive & collision, if policy qualifies for Company's Safe and Sound Discount.
- 2% non-fleet private passenger auto collision rate, if vehicle is equipped with factory installed anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive rates for alarm only or other anti-theft system requiring driver to enable system.

- 15% non-fleet private passenger auto comprehensive rates for passive anti-theft system.
- Waiver of installment charge on policies paid through pre-authorized checking or payroll deduction.
- Eff. 7-1-03

Metropolitan Direct Property & Casualty Insurance Company

- Territorial Deviation for bodily injury, property damage, med pay, uninsured motorists, combine uninsured/underinsured motorists, comprehensive, & collision coverages: Credit varies 1%-5%.
- Experience Driver Deviation: Applies to auto liability & physical damage coverages: Certain criteria apply: Credit varies 2%-3%.
- Age 55 & Older Deviation for liability & physical damage coverages: Certain criteria apply: Credit varies 3%-11%.
- Preferred Customer Discount: Certain criteria apply: Credit varies 4%-10%.
- Superior Driver Discount: Certain criteria apply: Credit varies 5%-15%.
- 7% Multi Policy Discount: Applies to insureds who have both auto & homeowners insurance with Metropolitan.
- Mass Merchandising Account Deviation: 7% credit: Certain criteria apply.
- 5% Payroll Deduction Discount: Certain criteria apply.
- Employment Tenure Discount: 4% or 7% credit applies when criteria is met. Eff. 11-2-00

Metropolitan Property & Casualty Insurance Company

- Mass Merchandising Account Deviation: 1% credit.
- Payroll Deduction Discount 3%: Certain criteria apply.
- Employment Tenure Discount: 2% or 4% credit applies when criteria is met.
- Small Employer Group Program: 5% deviation applies when eligibility is met. Eff. 7-1-03

Montgomery Mutual Insurance Company

- Deviation Withdrawn Eff. 10-15-02

Motors Insurance Corporation

- Deviation applies under Mechanical Insurance Program & provides for eliminating surcharge on all eligible vehicles equipped with diesel engines. Eff. 10-1-85

Mutual Service Casualty Insurance Company

- 7.5% non-fleet private passenger auto bodily injury & property damage for multi-car policies, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation which is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in prearranged racing; D. Transporting illegal intoxicating liquors by motor vehicle.
- 15% non-fleet private passenger auto bodily injury & property damage for single car risk, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in pre-arranged racing; D. Transporting illegal intoxicating liquors by motor vehicle. Eff. 6-7-95

National Alliance Insurance Company

- Deviation is withdrawn. Eff 10-16-02

National Grange Mutual Insurance Company

- Qualified Preferred Drivers: Non-fleet private passenger 10% on auto physical damage and 5% credit on liability and med pay applied to base premiums meeting preferred driver criteria.
- Combined Personal Protection Program: 15% non-fleet private passenger auto bodily injury, property damage & medical payments, collision & comprehensive when both homeowners & voluntary auto policy is written thru NGM.
- Mature Driver Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments collision & comprehensive when criteria is met.
- Anti-lock Braking System Discount: 5% non-fleet private passenger auto bodily injury, property damage & medical payments when certain criteria is met.
- Installment Payment Plan: \$3 Charge each installment for 1st policy. \$1 Charge each installment for each additional personal lines policy. No service charge if paid via EFT. Eff. 1-15-03 PC055154

National Surety Corporation

- Various deviations on Comprehensive for vehicles equipped with Alarm only.
- Discount on Comprehensive for vehicles equipped with Active Disabling devices.
- Discount on Comprehensive for vehicles equipped with Passive Disabling devices.
- Anti-Lock Brake discount.
- Various deviations on BI, PD, Combines Single Limits, Medical Payments, Extended Trans Expense Coll, Comp.
- Electronic funds transfer payment option.
- Account Credit.
- Installment Payments.
- Eff 10-1-03 PC 064662

Nationwide Mutual Fire Insurance Company

- Company Deviation Factor varies by driving record. Eff. 7-1-03

Nationwide Mutual Insurance Company

- Senior Adult Discount Deviation: 1/2% applies to medical payments only.
- Home and Car Deviation/Homeowner Deviation: Applies to auto bodily injury, property damage, comprehensive & collision: Credit varies depending on combination of deviation & territory.
- Multi-Car Rating Factor N.C. Rate Bureau shall apply when certain conditions are met.
- Miscellaneous Vehicle Deviation: 5% applies to bodily injury, property damage, comprehensive & collision.
- Preferred Driver Deviation 10% applies to BI, PD, Comprehensive and Collision coverages – if certain criteria is met.
- Combined deviation: BI, PD, COMP, COLL, AND MED PAY. Not applicable to motorcycles, antique or

classic autos, or any vehicle not subject to the SDIP. Eff. 7-1-03

Netherlands Insurance Company

- 10% deviation applies to bodily injury, property damage & medical payments for risks in territory 1 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51.
- 15% deviation applies to bodily injury, property damage & medical payments for risks in territory 5
- 15% deviation applies to comprehensive and collision for risks in territories 11,13,14, 16, 17,18, 2 25, 31, 32, 33, 47.
- 20% deviation applies to comprehensive and collision for risks in territories 15, 51, 52.
- 4% discount bodily injury, property damage & medical payments comprehensive and collision coverages where all operators must have '0' merit rating points.
- 7% discount bodily injury, property damage & medical payments comprehensive and collision coverages for risks part of the Personal Protectors Program.
- 2% discount for bodily injury, property damage & medical payments comprehensive and collision coverages provided the principal operator of the vehicle is age 55 or older. Eff. 10-15-02

New South Insurance Company

Non-Preferred Program

- 5.3% non-fleet private passenger auto bodily injury & property damage liability rates for single car policies with 12 - 20 SDIP pts. with 12 pt. violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing (3) failure to stop & render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 6.8% average deviation for non-fleet private passenger auto physical damage rates with 5 or more SDIP pts. Non-owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees.
- 3% on all policies eligible for voluntary liability under the company's u/w guidelines, with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the aggregate of all other liav devs is equal to or greater than 3%. Eff. 7-1-03

New York Central Mutual Fire Insurance Company

- Withdrawn Eff 12-8-03

Newark Insurance Company

- Withdrawn Eff. 10-24-03

Niagara Fire Insurance Company

- 10% non-fleet private passenger auto Personal Comprehensive Protection Program auto physical damage.
Eff. 11-7-86

North Carolina Farm Bureau Mutual Insurance Company

All deviation components applicable to bodily injury, property damage, medical payments and physical damage.

- 30% for multi car, with property coverage, all drivers with 29 - 49 yrs. driving experience.
- 12% for multi car, without property coverage, all drivers with 29 - 49 yrs. driving experience.
- 30% for single car, with property coverage, all drivers with 29 - 49 yrs. driving experience.
- 12% for single car, without property coverage, all drivers with 29 - 49 yrs. driving experience.
- 20% for multi car, with property coverage, on a driver with 11 - 29 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience or a driver with 29 - 49 yrs. driving experience & a drivers with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience multi-car, with property.
- 8% for multi car, without property coverage, on a driver with 11 - 29 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience or a driver with 29 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience multi-car, without property.
- 20% for single car, with property coverage, on a driver with 11 - 29 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience or a driver with 29 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience single-car, with property.
- 8% for single car, without property coverage, on a driver with 11 - 29 or 49- 54 yrs. driving experience & no drivers with less than 11 or more than 54 yrs. driving experience or a driver with 29 - 49 yrs. driving experience & a driver with less than 3 yrs. or more than 54 yrs. driving experience & no driver with 3 - 11 yrs. driving experience single-car, without property.
- 6% for multi car, with property coverage, on a driver with 29 - 49 or 3- 11 yrs. driving experience or no drivers with 29 to 49 or 3 to 11 years driving experience and a driver with 11 - 29 or 49 - 54 years driving experience and a driver with less than 3 or more than 54 years driving experience, multi-car, with property or a driver with more than 54 years driving experience and no driver with 29 - 49 or 3 - 11 years driving experience, multi-car, with property.
- 6% for multi car, without property coverage, on a driver with 29 - 49 or 3- 11 yrs. driving experience or no drivers with 29 to 49 or 3 to 11 years driving experience and a driver with 11 - 29 or 49 - 54 years driving experience and a driver with less than 3 or more than 54 years driving experience, multi-car, with property or a driver with more than 54 years driving experience and no driver with 29 - 49 or 3 - 11 years driving experience, multi-car, without property.
- 8% deviation on a driver with 29 - 49 years of driving experience and a driver with 3 to 11 yrs driving experience, multi car, with property; or no driver with 29 to 49 or 3 to 11 years driving experience and a driver with 11 to 29 or 49 to 54 years driving experience and a driver with less than 3 or more than 54 years driving experience, single car, with property; or a driver with more than 54 years driving experience and no driver with 29 to 49 or 3 to 11 years driving experience, single car, with property.
- 4% for territories 13,14,43 and 51; 2% for territories 52. Eff 7-1-03

Northern Insurance Company of New York

- 10% non-fleet private auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier I).
- 6% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all other miscellaneous coverage (Tier II).
- 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier III).
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision for operators who have at least 30 yrs. driving experience with no

inexperience operators.

- 5% non-fleet private passenger bodily injury & property damage with anti-lock braking system.
- Various deviations for comprehensive with vehicles equipped with anti-theft devices.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, uninsured underinsured motorist, comprehensive, collision, towing & all miscellaneous coverage for auto & home discount.
- 10% non-fleet private passenger bodily injury, property damage, comprehensive & collision with named insured employed as an educator.
- 12% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where named insured is an employee of Century Furniture Industries Inc.
- 6% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of Premier, Inc. & its Hospitals & Health Systems & Premier Insurance Management Services, Inc.
- 9% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of American Veterinarians Medical Association Professional Liability Insurance Trust. Eff. 7-19-01

Northwestern National Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist & underinsured motorist coverage.
- 15% non-fleet private passenger auto comprehensive & collision deviation to base premiums.
- Installment Payment Plan: Initial installment waived.
- 10% Account Credit on auto policy when named insured insures a Homeowners policy with State Capital, Northwestern National, or American Professional Insurance Companies.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Ohio Casualty Insurance Company

- 4% credit to all coverages with an operator age 55 or older who purchase Homeowners coverage in Ohio Casualty Group.
- Employee Discount: 15% when criteria is met.
- Anti-Theft Discount: Comprehensive Coverage only: 5% alarm only & active disabling devices: 15% passive disabling devices: Other criteria apply. Eff. 9-1-00

Omni Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. Driving while under the influences of drugs.
- f. Instructing while under the influence.
- g. Aiding and abetting or felony using a motor vehicle.

- Deviation for single car, not all operators are married, 12-26 SDIP pts., least experienced operator has 5-60+ yrs. licensed driving experience. Credit varies 5%-52%.
- Deviation for multi car, not all operators are married, 12-20 SDIP pts., least experienced operator has 5-59 yrs. licensed driving experience. Credit varies 5%-37%.
- Deviation for single car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-46%.
- Deviation for multi car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-41%.
- Deviation for single car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.
- Deviation for multi car, not all operators, married, 17-26 SDIP pts., least experienced operator has 5-13 yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%-13%.
- Deviation for multi car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 5% deviation for single car, with 4-6 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 5% deviation for single car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience.
- 5% deviation for multi car, with 4-6 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 6% deviation for multi car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience.
- 5% non fleet private passenger auto bodily injury increase limit of 50/100.
- 5% non fleet private passenger auto bodily injury increase limit of 100/300.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other liability deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford Financial Services Group. Form 4 does not qualify for deviation.
- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation.
- 7.5% deviation for policies obtained through one of the Hartford Financial Services Groups Affinity based marketing channels.
- 20% for policies with 7 or more SDIP pts., where driver with least licensed driving experience has 7+ yrs. of driver experience. Applies to qualifying policies regardless of prior auto insurance or homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving while under the influences of drugs.
 - f. Instructing while under the influence.
 - g. Aiding and abetting or felony using a motor vehicle.
- Deviation for single car, unmarried driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5-9 or more yrs. of driver experience. Credit varies 5%-46%.
 - 5% deviation for single car, unmarried driver with 21-26 SDIP pts. where driver with least license driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - Deviation for single car, married driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. or more of driver experience. Credit varies 14%-46%.
 - 5% deviation for single car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - 5%-18% deviation for multi car, unmarried driver with 12-16 SDIP pts. where driver with least license driving experience has 5-13 yrs. of driver experience..
 - 5%-10% deviation for multi car, unmarried driver with 17-26 SDIP pts. where driver with least license driving experience has 5-13 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - 5%-37% deviation for multi car, unmarried driver with 12-20 SDIP pts. where driver with least license driving experience has 14 or more yrs. of driver experience.
 - 14%-41% deviation for multi car, married driver with 12-20 SDIP pts. where driver with least license driving experience has 5 or more yrs. of driver experience.
 - 5% deviation for multi car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

- 20% deviation with 7 or more SDIP pts. where driver with least of licensed driving experience has 7 or more yrs. of driver experience. Deviation applies to all qualifying policies regardless of the existence (or non existence) of prior auto insurance or homeownership.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other physical damage deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford Financial Services Group. Form 4 does not qualify for deviation.
- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation.
Eff. 2-1-00
- Base rate deviation by territory: Factor varies 0.66 - 0.74.

OneBeacon America Insurance Company

- Base rate deviation by territory: Non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium. Variable credits.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private auto comprehensive who vehicle is equipped with anti-t' device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis. Eff. 11-20-01

OneBeacon Insurance Company

- 5% Account Credit is applicable to Personal Auto Policies where named insured has his/her Homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes. Eff. 9-15-91

OneBeacon Midwest Insurance Company

- 5% Multi-Policy Credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal driver age 55 & over.
- Anti-Theft Device Credit: Credit varies 5% - 10% for comprehensive coverage.
- Cancellation: Deviation on short rate cancellation resulting in pro-rata cancellation. Eff. 11-20-01

Owners Insurance Company

- Mature Driver Discount: Varied credit of 5% - 15% if the operators are age 55 – 74 yrs. of age.
- Owners Discount: More than 14 yrs. driving experience: 2.5% BI, PD & MP; 2.5% Comprehensive 2.5% Collision.
- Auto/Home Discount: Certain Criteria Apply: 10% BI, PD, MP, Comprehensive & Collision.
- Life/Auto Discount: Named insured must have a life insurance policy with Auto Owners in addition to auto policy: 5 % BI, PD, MP, Comprehensive & Collision. Eff 7-1-03

Pacific Employers Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Pacific Indemnity Company

- Antique Auto: Various deviations on liability & physical damage coverages.
- Increased Limits Deviations. Eff. 7-1-03

Peerless Insurance Company

- 7% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. All operators must have "0" SDIP pts.
- 2% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. The policy must be a part of Personal Protector Program.
- 4% non-fleet private passenger auto bodily injury, property damage, medical payments,

comprehensive & collision with principal operator age 55 or older. Eff. 10-15-02

Pennsylvania General Insurance Company

- 20% non-fleet private passenger auto comprehensive & collision rates.
- 5% Account Credit is applicable to all voluntary personal auto policies where named insured is his/her homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident Company. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brake
- 15% non-fleet private passenger auto bodily injury, property damage & medical payments. Eff. 3-1-96

Pennsylvania National Mutual Casualty Insurance Company

- Account Credit: 5% applied to final auto premium when homeowners is written through the same company & certain criteria is met.
- 5% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision if Pennsylvania National Mutual Casualty is unable to write homeowners due to exposure of windstorm or hail.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured motorist, comprehensive & collision when principal operator is age 55 or over & all drivers are licensed more than 3 yrs.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Program. Credit varies.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Advantage Program. Credit varies. Eff 01-01-04

Pharmacists Mutual Insurance Company

- Safe Driver Discount Plan: Credit varies 10%-20% when criteria is met.
- Multi-Policy: Credit varies 5%-10% when criteria is met.
- Installment Payments: \$1 charge for installment payments. Eff. 7-1-03

Phoenix Insurance Company

- 5% deviation for liability coverages and a 5% deviation for physical damage coverages will be applied to voluntary private passenger automobiles.
- 9% Account Discount applies when both voluntary non-fleet private passenger auto policy & homeowners policy with The Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger auto, pickups, vans & classic auto's bodily injury, property damage, medical payments & collision for single car policy and have more than one private passenger auto insured with The Travelers. 30% deviation on non-fleet private passenger auto, pickups, vans & classic auto's for collision coverage for single car policy and have more than one private passenger auto insured with The Travelers. 10% deviation on non-fleet private passenger auto, pickups, vans & classic auto's for comprehensive, fire/theft and theft/fire, and cac coverages for those insureds who have a single car policy and have more than one private passenger auto insured

with The Travelers.

- 3% credit will be applied to voluntary private passenger automobile rates if the insured has maintained an automobile policy with the Travelers for the last six or more consecutive years. Eff 7-1-03 PC 062966

Progressive American Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 1.05 factor applies to rates for risks garaged in territory 41. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.07 factor applies to rates for risks garaged in territory 47. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.26 factor applies to rates for risks garaged in territory 51. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 2% on rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership (excluding mobilehome). 3% on rates for risks with Bodily Injury Limits of 100/300. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 5% on rates for single car policies in the middle underwriting tier where the policy has 5 SDIP points
- 12% on rates for single car policies in the middle underwriting tier where the policy has 6 SDIP points.
- 9% on rates for risks with Bodily Injury Limits of 250/500. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 15% on rates for multi-car policies in the middle underwriting tier where the policy has 5 SDIP points. 19% on for multi-car policies in the middle underwriting tier where the policy has 6 SDIP points.
- 3% on rates for single car policies in the standard underwriting tier where the policy has 1 SDIP point
- 15% on rates for single car policies in the standard underwriting tier where the policy has 2 SDIP point.
- 11% on rates for single car policies in the standard underwriting tier where the policy has 3 SDIP points.
- 17% on rates for single car policies in the standard underwriting tier where the policy has 4 SDIP points.
- 26% on rates for single car policies in the standard underwriting tier where the policy has 5 SDIP points
- 29% on rates for single car policies in the standard underwriting tier where the policy has 6 SDIP points.
- 42% on rates for single car policies in the standard underwriting tier where the policy has 7 SDIP points.
- 6% on rates for multi-car policies in the standard underwriting tier where the policy has 2 SDIP points.
- 11% on rates for multi-car policies in the standard underwriting tier where the policy has 3 SDIP

- points. .
- 2% on rates for multi-car policies in the standard underwriting tier where the policy has 4 SDIP points.
- 11% on rates for multi-car policies in the standard underwriting tier where the policy has 5 SDIP points.
- 14% on rates for multi-car policies in the standard underwriting tier where the policy has 6 SDIP points.
- 20% on for single car policies in the preferred underwriting tier where the policy has 0 SDIP point
- 25% on rates for single car policies in the preferred underwriting tier where the policy has 1 SDIP point.
- 34% on rates for single car policies in the preferred underwriting tier where the policy has 2 SDIP points.
- 31% on rates for single car policies in the preferred underwriting tier where the policy has 3 SDIP points.
- 36% on rates for single car policies in the preferred underwriting tier where the policy has 4 SDIP points.
- 8% on rates for multi car policies in the preferred underwriting tier where the policy has 0 SDIP points.
- 15% on rates for multi-car policies in the preferred underwriting tier where the policy has 1 SDIP points.
- 22% on rates for multi-car policies in the preferred underwriting tier where the policy has 2 SDIP point.
- 18% on rates for multi-car policies in the preferred underwriting tier where the policy has 3 SDIP points.
- 36% on rates for multi-car policies in the preferred underwriting tier where the policy has 4 SDIP points.
- 40% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points.
- 44% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point.
- 32% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points.
- 37% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage & medical payments that is not one of the following:

- A. Manslaughter or negligent homicide,
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
- D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 60% on rates for single car policies in the non-standard underwriting tier where the policy has 12-17 SDIP points, with a 12 point violation.
- 27% on rates for single car policies in the non-standard underwriting tier where the policy has 18-21 SDIP points, with a 12 point violation.
- 53% on rates for multi-car policies in the non-standard underwriting tier where the policy has 12-17

- SDIP points, with a 12 point violation.
- 28% on rates for multi-car policies in the non-standard underwriting tier where the policy has 18 – 21 SDIP points, with a 12 point violation.
- 64% on rates for single car policies in the middle underwriting tier where the policy has 12-17 SDIP points, with a 12 point violation.
- 34% on rates for single car policies in the middle underwriting tier where the policy has 18-21 SL.. points, with a 12 point violation.
- 59% on rates for multi-car policies in the middle underwriting tier where the policy has 12-17 SDIP points, with a 12 point violation.
- 38% on rates for multi-car policies in the middle underwriting tier, where the policy has 18 -21 SDIP points, with a 12 point violation.
- 76% on rates for single car policies in the standard underwriting tier where the policy has 12-14 SDIP points, with a 12 point violation.
- 70% on rates for single car policies in the standard underwriting tier where the policy has 15-17 SDIP points, with a 12 point violation.
- 47% rates for single car policies in the standard underwriting tier, where the policy has 18-21 SDIP points, with a 12 point violation.
- 66% on rates for multi-car policies in the standard underwriting tier, where the policy has 12-14 SDIP points, with a 12 point violation.
- 65% on rates for multi-car policies in the standard underwriting tier, where the policy has 15-17 SDIP points, with a 12 point violation.
- 45% on rates for multi-car policies in the standard underwriting tier, where the policy has 18-21 SDIP points, with a 12 point violation.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. . If the resulting rate is equal t or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.19 factor applies to rates for risks garaged in territories 11, 18, and 43.
- 1.11 factor applies to rates for risks garaged in territories 13 and 40.
- 1.20 factor applies to rates for risks garaged in territories 14, 26, and 31.
- 1.24 factor applies to rates for risks garaged in territories 17 and 24.
- 1.08 factor applies to rates for policies with an average driver group of 16.
- 1.15 factor applies to rates for policies with an average driver group of 15.
- 1.23 factor applies to rates for policies with an average driver group of 14.
- 1.34 factor applies to rates for policies with an average driver group of 13.
- 1.40 factor applies to rates for policies with an average driver group of 12.
- 1.50 factor applies to rates for policies with an average driver group of 11.
- 1.56 factor applies to rates for policies with an average driver group of 10.
- 1.66 factor applies to rates for policies with an average driver group of 9.
- 1.76 factor applies to rates for policies with an average driver group of 8.
- 1.87 factor applies to rates for policies with an average driver group of 7.
- 1.98 factor applies to rates for policies with an average driver group of 6.
- 2.13 factor applies to rates for policies with an average driver group of 5.
- 2.29 factor applies to rates for policies with an average driver group of 4.
- 2.53 factor applies to rates for policies with an average driver group of 3.
- 2.80 factor applies to rates for policies with an average driver group of 2.

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- 1.10 factor applies to rates for single car policies with one at-fault accident and more than zero SDIP points.
- 1.14 factor applies to rates for single car policies with two at-fault accidents and more than zero SDIP points.
- 1.23 factor applies to rates for single car policies with three or more at-fault accidents and more than zero SDIP points.
- 1.06 factor applies to rates for multi-car policies with one at-fault accident and more than zero SDIP points
- 1.08 factor applies to rates for multi-car policies with two at-fault accidents and more than zero SDIP points.
- 1.12 factor applies to rates for multi-car policies with three or more at-fault accidents and more than zero SDIP points.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 4% on rates for single car policies in the non-standard and middle market underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobilehome).
- 5% on rates. This deviation applies only to risks who are members of qualified participating groups, associations or employees of qualified participating employers.
- 10% on rates. This deviation applies only to risks who are members of qualified participating groups or associations or employees of qualified participating employers.
- 2% on rates for multi-car policies in the non-standard, middle market, and standard underwriting tiers and for single car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobilehome).
- 6% rates for single car policies in the non-standard underwriting tier where the policy has 7 SDIP points.
- 5% on rates for single car policies in the non-standard underwriting tier where the policy has 8 SDIP points.
- 8% on rates for single car policies in the non-standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #37.
- 15% on non-fleet private passenger auto bodily injury, property damage and
- medical payments rates for single car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #37, #38, or #39.
- 2% on rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobilehome).
- 3% on rates for multi-car policies in the non-standard underwriting tier where the policy has 5 SDIP points.
- 15% on rates for multi-car policies in the non-standard underwriting tier where the policy has 7 SDIP points.
- 18% on rates for multi-car policies in the non-standard underwriting tier where the policy has 8 SDIP points.
- 2% on rates for multi-car policies in the non-standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #40.

- 12% on rates for multi-car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #40, #41, or #42.
- 18% on rates for single car policies in the middle underwriting tier where the policy has 7 SDIP points
- 16% on rates for single car policies in the middle underwriting tier where the policy has 8 SDIP points.
- 20% on rates for single car policies in the middle underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #43.
- 23% on rates for single car policies in the middle underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #43, #44, or #45.
- 8% on rates for multi-car policies in the preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobilehome).
- 1% on rates for multi-car policies in the middle underwriting tier where the policy has 3 SDIP points.
- 12% on rates for multi-car policies in the middle underwriting tier where the policy has 7 SDIP points.
- 11% on rates for multi-car policies in the middle underwriting tier where the policy has 8 SDIP points.
- 18% on rates for multi-car policies in the middle underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #46.
- 23% on rates for multi-car policies in the middle underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #46, #47, or #48.
- 34% on rates for single car policies in the standard underwriting tier where the policy has 8 SDIP points.
- 37% on rates for single car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #49.
- 39% on rates for single car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #49, #50, or #51.
- 22% on rates for multi-car policies in the standard underwriting tier where the policy has 7 SDIP points.
- 23% rates for multi-car policies in the standard underwriting tier where the policy has 8 SDIP points
- 27% on rates for multi-car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #52.
- 33% on rates for multi-car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #52, #53, or #54.
- 43% rates for single car policies in the preferred underwriting tier where the policy has 5 SDIP points
- 45% on rates for single car policies in the preferred underwriting tier where the policy has 6 SDIP points
- 49% on rates for single car policies in the preferred underwriting tier where the policy has 7 SDIP points.
- 49% on rates for single car policies in the preferred underwriting tier where the policy has 8 SDIP points.
- 51% on rates for single car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #142.
- 53% on rates for single car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #142, #143, or #144.
- 29% on rates for multi-car policies in the preferred underwriting tier where the policy has 5 SDIP

points.

- 32% on rates for multi-car policies in the preferred underwriting tier where the policy has 6 SDIP points.
- 38% on rates for multi-car policies in the preferred underwriting tier where the policy has 7 SDIP points.
- 39% on rates for multi-car policies in the preferred underwriting tier where the policy has 8 SDIP points.
- 42% on rates for multi-car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #145.
- 47% on rates for multi-car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #145, #146, or #147.
- 50% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points.
- 48% on for single car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points. 52% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points.
- 57% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points.
- 59% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points.
- 62% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points.
- 62% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. 63% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #148.
- 65% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #148, #149, or #150.
- 42% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points.
- 39% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points.
- 41% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points.
- 46% rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points
- 48% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points
- 53% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 54% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 56% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #151.
- 67% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #151, #152, or #153.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines and is not one of the following:

- A. Manslaughter or negligent homicide,
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
- D. Transporting illegal intoxicating liquors by motor vehicle.

- 82% on rates for single car policies in the preferred underwriting tier where the policy has 12-14 SDIP points, with a 12 point violation.
- 77% on rates for single car policies in the preferred underwriting tier where the policy has 15-17 SDIP points, with a 12 point violation.
- 59% on for single car policies in the preferred underwriting tier, where the policy has 18-21 SDIP points, with a 12 point violation.
- 73% on for single car policies in the preferred underwriting tier, where the policy has 18-21 SDIP points, with a 12 point violation.
- 72% on rates for multi-car policies in the preferred underwriting tier where the policy has 15-17 SDIP points, with a 12 point violation.
- 57% on rates for multi-car policies in the preferred underwriting tier, where the policy has 18 -21 SDIP points, with a 12 point violation .
- 86% rates for single car policies in the ultra-preferred underwriting tier where the policy has 12-14 SDIP points, with a 12 point violation.
- 82% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 15 17 SDIP points, with a 12 point violation.
- 69% rates for single car policies in the ultra-preferred underwriting tier where the policy has 18-21 SDIP points, with a 12 point violation.
- 80% on rates for multi-car policies in the ultra-preferred underwriting tier, where the policy has 12-14 SDIP points, with a 12 point violation.
- 78% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 15-17 SDIP points, with a 12 point violation.
- 67% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 18-21 SDIP points, with a 12 point violation.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.18 factor applies to rates for risks garaged in territories 16 and 52.
- 1.22 factor applies to rates for risks garaged in territories 25.
- 1.19 factor applies to rates for single car policies with one or more at-fault accidents and zero SDIP points.
- 1.10 factor applies to rates for multi-car policies with one or more at-fault accidents and zero SDIP points.
- 1.35 factor applies to rates for policies with one or more major violations per company guidelines

which are not assigned SDIP points or with a driver whose driving record cannot be verified.

- 1.15 factor applies to rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines.
- 1.30 factor applies to rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
- 1.12 factor applies to rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
- 1.08 factor applies to rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines.
- 1.15 factor applies to rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
- 1.06 factor applies to rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
- 1.05 factor applies to rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.13 factor applies to rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified.
- 1.08 factor applies to rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.33 factor applies to rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified.
- 1.03 factor applies to rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.07 factor applies to rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified.
- 1.04 factor applies to rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.17 factor applies rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified.
- 1.09 factor applies to rates for policies with 2-3 SDIP points with one or more inexperienced operators.
- 1.28 factor applies to rates for policies with 4-5 SDIP points with one or more inexperienced operators.
- 1.34 factor applies to rates for policies with 6-11 SDIP points with one or more inexperienced operators.
- 1.94 factor applies to rates for policies with 12 or more SDIP points with one or more inexperienced operators.
- 1.16 factor applies to rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 1.29 factor applies to rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured.

- 1.50 factor applies to rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 3% on rates for single car policies in the standard underwriting tier. This deviation applies only to policies with proof of homeownership (excluding mobilehome). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on rates for single car policies in the preferred and ultra-preferred underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobilehome). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on rates for multi-car policies in the non-standard and middle underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobilehome). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 1.16 factor applies to for risks garaged in territories 32. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.13 factor applies to rates for risks garaged in territory 33. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- The \$3 installment fee will be waived for policies purchased by employees
- from an approved employer group if premium is paid via payroll deduction.

PHYSICAL DAMAGE

All deviation applicable to non-fleet private passenger auto physical damage. Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

- 26% on rates for single car policies in the middle underwriting tier where the policy has 5 SDIP points.
- 28% on rates for single car policies in the middle underwriting tier where the policy has 6 SDIP points.
- 15% on rates for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 5 SDIP points.
- 21% on rates for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points.
- 26% on rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 5 SDIP points.
- 30% on rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 6 SDIP points.
- 30% on rates for single car policies in the standard underwriting tier where the policy has 2 SDIP points.
- 30% on rates for single car policies in the standard underwriting tier where the policy has 3 SDIP points.
- 31% on rates for single car policies in the standard underwriting tier where the policy has 4 SDIP points.

- 36% on rates for single car policies in the standard underwriting tier where the policy has 5 SDIP points.
- 40% on rates for single car policies in the standard underwriting tier where the policy has 6 SDIP points.
- 27% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 2 SDIP points.
- 20% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 3 SDIP points.
- 20% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 4 SDIP points.
- 26% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 5 SDIP points.
- 30% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points.
- 31% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 2 SDIP points.
- 26% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 3 SDIP points.
- 29% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 4 SDIP points.
- 36% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 5 SDIP points.
- 39% on rates for single car policies in the preferred underwriting tier where the policy has 0 SDIP points.
- 41% on rates for single car policies in the preferred underwriting tier where the policy has 1 SDIP points.
- 50% on rates for single car policies in the preferred underwriting tier where the policy has 2 SDIP points.
- 48% on rates for single car policies in the preferred underwriting tier where the policy has 3 SDIP points.
- 53% on rates for single car policies in the preferred underwriting tier where the policy has 4 SDIP points.
- 53% on rates for single car policies in the preferred underwriting tier where the policy has 5 SDIP points.
- 34% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 0 SDIP points.
- 38% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 1 SDIP point.
- 44% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 2 SDIP points.
- 40% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 4 SDIP points.
- 44% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 5 SDIP points.
- 49% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points.
- 34% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 0 SDIP points.
- 38% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one

vehicle where the policy has 1 SDIP points.

- 47% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 2 SDIP points.
- 46% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 3 SDIP points.
- 47% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 4 SDIP points.
- 53% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 5 SDIP points.
- 59% on for single car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points.
- 56% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 0 SDIP points.
- 56% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on one vehicle where the policy has 0 SDIP points.
- 66% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on one vehicle where the policy has 4 SDIP points.
- 70% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 5 SDIP points.

Non-fleet private passenger auto physical damage that is not one of the following:

- A. Manslaughter or negligent homicide,
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
- D. Transporting illegal intoxicating liquors by motor vehicle.

- 61% on rates for single car policies in the non-standard underwriting tier, where the policy has 12-17 SDIP points, with a 12 point violation.
- 28% on for single car policies in the non-standard underwriting tier, where the policy has 18 or more SDIP points, with a 12 point violation.
- 50% on rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-17 SDIP points, with a 12 point violation.
- 26% on rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 50% on rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points, with a 12 point violation.
- 38% on rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 71% on rates for single car policies in the middle underwriting tier market where the policy has 12-17 SDIP points, with a 12 point violation.
- 44% on rates for single car policies in the middle underwriting tier, where the policy has 18 or more SDIP points, with a 12 point violation.
- 61% on rates for multi-car policies in the middle underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points, with a 12 point violation.
- 43% on rates for multi-car policies in the middle underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 66% on rates for multi-car policies in the middle underwriting tier, with collision coverage on one vehicle, where the policy has 12-17 SDIP points, with a 12 point violation.

- 51% on rates for multi-car policies in the middle underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 74% on rates for single car policies in the standard underwriting tier, where the policy has 12-17 SDIP points, with a 12 point violation.
- 54% on rates for single car policies in the standard underwriting tier, where the policy has 18 or more SDIP points, with a 12 point violation.
- 64% on rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-17 SDIP points, with a 12 point violation.
- 48% on rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 70% on rates for multi-car policies in the standard underwriting tier, with collision coverage on one vehicle, where the policy has 12-17 SDIP points, with a 12 point violation.
- 55% on rates for multi-car policies in the standard underwriting tiers, with collision coverage on on vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.

All deviations applicable to non-fleet private passenger auto physical damage. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.52 factor applies to rates for risks garaged in territories 11, 41, 43.
- 1.52 factor applies to rates for risks garaged in territories 13.
- 1.06 factor applies to rates for policies with an average driver group of 16.
- 1.11 factor applies to rates for policies with an average driver group of 15.
- 1.18 factor applies to rates for policies with an average driver group of 14.
- 1.25 factor applies to rates for policies with an average driver group of 13.
- 1.31 factor applies to rates for policies with an average driver group of 12.
- 1.40 factor applies to rates for policies with an average driver group of 11.
- 1.48 factor applies to rates for policies with an average driver group of 10.
- 1.56 factor applies to rates for policies with an average driver group of 9.
- 1.64 factor applies to rates for policies with an average driver group of 8.
- 1.76 factor applies to rates for policies with an average driver group of 7.
- 1.84 factor applies to rates for policies with an average driver group of 6.
- 2.17 factor applies to rates for policies with an average driver group of 4.
- 2.62 factor applies to rates for policies with an average driver group of 3.
- 2.83 factor applies to rates for policies with an average driver group of 2.
- 1.10 factor applies to rates for single car policies with one at-fault accident and more than zero SDIP points.
- 1.14 factor applies to rates for single car policies with two at-fault accidents and more than zero SDIP points.
- 1.23 factor applies to rates for single car policies with three or more at-fault accidents and more than zero SDIP points.
- 1.06 factor applies to rates for multi-car policies with one at-fault accident and more than zero SDIP points.
- 1.08 factor applies to rates for multi-car policies with two at-fault accidents and more than zero SDIP points.
- 1.12 factor applies to rates for multi-car policies with three or more at-fault accident and more than zero SDIP points.

All deviation applicable to non-fleet private passenger auto physical damage. Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

- 5% on physical damage rates. This deviation applies only to risks who are members of qualified participating groups, associations or employees of qualified participating employers.
- 10% physical damage rates. This deviation applies only to risks who are members of qualified participating groups or associations or employees of qualified participating employers.
- 10% on rates for single car policies in the non-standard underwriting tier where the policy has 7 SDIP points.
- 14% on rates for single car policies in the non-standard underwriting tier where the policy has 8 SDIP points.
- 6% on rates for single car policies in the non-standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #47.
- 18% on rates for single car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #47, #48, or #49.
- 6% on rates for multi-car policies in the non-standard underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points.
- 26% on rates for multi-car policies in the non-standard underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points.

All deviation applicable to non-fleet private passenger auto physical damage. Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

- 14% on rates for multi-car policies in the non-standard underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #50, #51, or #52.
- 20% on rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points.
- 21% on rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points.
- 18% on rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #53.
- 27% on rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #53, #54, or #55.
- 36% on rates for single car policies in the middle underwriting tier where the policy has 7 SDIP points.
- 38% on rates for single car policies in the middle underwriting tier where the policy has 8 SDIP points.
- 33% on rates for single car policies in the middle underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #56.

- 39% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #56, #57, or #58.
- 26% on for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points.
- 29% on rates for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points.
- 23% on rates for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #59.
- 26% on rates for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #59, #60, or #61.
- 37% on rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points.
- 38% on rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points.
- 36% on rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #62.
- 37% rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #62, #63, or #64.
- 45% on rates for single car policies in the standard underwriting tier where the policy has 7 SDIP points.
- 46% on rates for single car policies in the standard underwriting tier where the policy has 8 SDIP points.
- 42% on rates for single car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #65.
- 45% on rates for single car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #65, #66, or #67.
- 34% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points.
- 36% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points.
- 31% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #68.
- 36% on rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #68, #69, or #70.
- 39% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 6 SDIP points.
- 44% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points.
- 46% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points.
- 42% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation

#71.

- 44% on rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #71, #72, or #73.
- 57% on rates for single car policies in the preferred underwriting tier where the policy has 6 SDIP points.
- 58% on rates for single car policies in the preferred underwriting tier where the policy has 7 SDIP points.
- 60% on rates for single car policies in the preferred underwriting tier where the policy has 8 SDIP points.
- 57% on rates for single car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #180.
- 56% on for single car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #180, #181, or #182.
- 42% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 3 SDIP points.
- 52% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points.
- 53% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points.
- 50% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #183.
- 54% on rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #183, #184, or #185.
- 55% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 6 SDIP points.
- 59% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points.
- 60% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points.
- 58% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #186.
- 60% on rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #186, #187, or #188.
- 63% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point.
- 65% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points.
- 65% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points.
- 68% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points.
- 68% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points.

- 70% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points.
- 72% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points.
- 72% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points.
- 70% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #189.
- 72% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #189, #190, or #191.
- 58% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 1 SDIP point.
- 59% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 2 SDIP points.
- 62% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 3 SDIP points.
- 64% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 4 SDIP points.
- 66% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 5 SDIP points.
- 68% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points.
- 70% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points.
- 71% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points.
- 68% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #192.
- 71% on rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #192, #193, or #194.
- 57% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 1 SDIP point.
- 57% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 2 SDIP points.
- 67% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 3 SDIP points.
- 68% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 6 SDIP points.
- 70% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 7 SDIP points.
- 71% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 8 SDIP points.
- 68% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #195.
- 71% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 13 or more SDIP points and risk is not eligible for physical

damage deviations #195, #196, or #197.

All non-fleet private passenger auto physical damage rates that is not one of the following:

- A. Manslaughter or negligent homicide,
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
- D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 81% on rates for single car policies in the preferred underwriting tier, where the policy has 12-17 SDIP points, with a 12 point violation.
- 66% on rates for single car policies in the preferred underwriting tier, where the policy has 18 or more SDIP points, with a 12 point violation.
- 63% on rates for multi-car policies in the preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 80% on rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 12-17 SDIP points, with a 12 point violation.
- 67% on rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 86% on rates for single car policies in the ultra-preferred underwriting tier, where the policy has 12-17 SDIP points, with a 12 point violation.
- 76% on rates for single car policies in the ultra-preferred underwriting tier, where the policy has 18 or more SDIP points, with a 12 point violation.
- 83% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-17 SDIP points, with a 12 point violation.
- 74% on for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.
- 86% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 12-17 SDIP points, with a 12 point violation.
- 1.58 factor applies to rates for risks garaged in territory 52. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for and deviation.
- 76% on rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation.

All deviations applicable to non-fleet private passenger auto physical damage. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.45 factor applies to rates for risks garaged in the following counties in territory 33. Carteret, Currituck, Dare, Gates, and Pasquotank. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for and deviation.
- 1.34 factor applies to rates for risks garaged in territory 40. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.09 factor applies to rates for risks garaged in territory 41. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.38 factor applies to rates for risks garaged in territories 15, 16, 24, and counties in territory 33

not described in Deviation #172.

- 1.75 factor applies to rates for risks garaged in territory 17.
- 1.47 factor applies to rates for risks garaged in territory 18.
- 1.99 factor applies to rates for policies with an average driver group of 5.
- 1.35 factor applies to rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified.
- 1.15 factor applies to rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines
- 1.30 factor applies to rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
- 1.12 factor applies to rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
- 1.08 factor applies to rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines.
- 1.15 factor applies to rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
- 1.06 factor applies to rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
- 1.08 factor applies to rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.27 factor applies to rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- factor applies to rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.49 factor applies to rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- 1.04 factor applies to rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.14 factor applies to rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- 1.10 factor applies to rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.25 factor applies to rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- 1.07 factor applies to rates for policies with 2-3 SDIP points with one or more inexperienced operators.
- 1.25 factor applies to rates for policies with 4-5 SDIP points with one or more inexperienced operators.
- 1.30 factor applies to rates for policies with 6-11 SDIP points with one or more inexperienced operators.
- 1.81 factor applies to rates for policies with 12 or more SDIP points with one or more

inexperienced operators.

- 1.12 factor applies to rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 1.40 factor applies to rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured.
- 1.56 factor applies to rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 1.10 factor applies to rates for multi-car policies with one or more at-fault accidents and zero SDIP points.
- factor applies to rates for single car policies with one or more at-fault accidents and zero SDIP points.
- factor applies to rates for risks garaged in territory 51.
- factor applies to rates for risks garaged in territory 31.
- 1.44 factor applies to rates for risks garaged in territory 32.
- 1.39 factor applies to rates for risks garaged in territory 33.
- factor applies to rates for risks garaged in territory 40.
- 1.45 factor applies to rates for risks garaged in territory 47.
- 1.54 factor applies to rates for risks garaged in territory 52.
- 1.40 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 26.

All non-fleet private passenger physical damage automobiles.

- 5% on rates for multi-car policies in the nonstandard, middle and standard underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobilehome). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 11% on rates for multi-car policies in the preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobilehome). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 5% on rates for single car policies in the standard, preferred, and ultra-preferred underwriting tiers that are paid in full. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 6% on rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines. Eff. 7-1-03 PC 062191

Progressive Northern Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments.

If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for an deviation.

- 1.11 factor applies to rates for risks garaged in territory 15.
- 1.23 factor applies to rates for risks garaged in territory 17.
- 1.26 factor applies to rates for risks garaged in territory 32 and 47.
- 1.29 factor applies to rates for risks garaged in territory 13 and 52.

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guideline

- 3% on rates for single car policies in the standard underwriting tier where the policy has 4 SDIP points.
- 12% on rates for single car policies in the standard underwriting tier where the policy has 5 SDIP points
- 16% on rates for single car policies in the standard underwriting tier where the policy has 6 SDIP points.
- 23% on rates for single car policies in the standard underwriting tier where the policy has 7 SDIP points.
- 3% on rates for multi-car policies in the standard underwriting tier where the policy has 3 SDIP points.
- 12% on rates for multi-car policies in the standard underwriting tier where the policy has 4 SDIP points.
- 21% on rates for multi-car policies in the standard underwriting tier where the policy has 5 SDIP points.
- 24% on rates for multi-car policies in the standard underwriting tier where the policy has 6 SDIP points.
- 13% on rates for single car policies in the preferred underwriting tier where the policy has 0 SDIP points.
- 13% on rates for single car policies in the preferred underwriting tier where the policy has 1 SDIP point.
- 17% on rates for single car policies in the preferred underwriting tier where the policy has 2 SDIP points.
- 17% on rates for single car policies in the preferred underwriting tier where the policy has 3 SDIP points.
- 25% on rates for single car policies in the preferred underwriting tier where the policy has 4 SDIP points
- 1% on rates for multi-car policies in the preferred underwriting tier where the policy has 2 SDIP point.
- 3% on rates for multi-car policies in the preferred underwriting tier where the policy has 3 SDIP points.
- 11% on rates for multi-car policies in the preferred underwriting tier where the policy has 4 SDIP points.
- 35% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points.
- 35% on rates for single car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point.
- 23% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points
- 23% on rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point.

LIABILITY All deviation applies to non fleet private passenger auto bodily injury, property damage &

medical payments with a 12 point violation that is not one of the following:

- A. Manslaughter or negligent homicide,
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
- D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 55% on rates for single car policies in the non-standard underwriting tier, where the policy has 12-14 SDIP points.
- 45% on rates for single car policies in the non-standard underwriting tier where the policy has 15-17 SDIP points.
- 3% on rates for single car policies in the non-standard underwriting tier, where the policy has 18-21 SDIP points.
- 37% on rates for multi-car policies in the non-standard underwriting tier, where the policy has 12-14 SDIP points.
- 37% on rates for multi-car policies in the non-standard underwriting tier, where the policy has 15-17 SDIP points.
- 2% on rates for multi-car policies in the non-standard underwriting tier, where the policy has 18-21 SDIP points.
- 60% on rates for single car policies in the middle underwriting tier, where the policy has 12-14 SDIP points.
- 51% on rates for single car policies in the middle underwriting tier, where the policy has 15-17 SDIP points.
- 14% on rates for single car policies in the middle underwriting tier, where the policy has 18-21 SDIP points.
- 45% on rates for multi-car policies in the middle underwriting tier, where the policy has 12-14 SDIP points.
- 45% on rates for multi-car policies in the middle underwriting tier, where the policy has 15-17 SDIP points.
- 15% on rates for multi-car policies in the middle underwriting tier, where the policy has 18-21 SDIP points.
- 67% on rates for single car policies in the standard underwriting tier where the policy has 12-14 SDIP points.
- 58% rates for single car policies in the standard underwriting tier where the policy has 15-17 SDIP points.
- 26% on rates for single car policies in the standard underwriting tier, where the policy has 18-21 SDIP points.
- 51% on rates for multi-car policies in the standard underwriting tier, where the policy has 12-14 SDIP points.
- 48% on rates for multi-car policies in the standard underwriting tier, where the policy has 15-17 SDIP points
- 20% on rates for multi-car policies in the standard underwriting tier, where the policy has 18-21 SDIP points.

Deviation applies to non-fleet private passenger auto bodily injury, property damage and medical payments. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation:

- 1.30 factor to risks garaged in territories 40 and 41.
- 1.32 factor to risks garaged in territories 33.
- 1.33 factor to risks garaged in territories 31
- 1.34 factor to risks garaged in territory 18.
- 1.08 factor applies to policies with an average driver group of 16.
- 1.15 factor applies to policies with an average driver group of 15.
- 1.23 factor applies to policies with an average driver group of 14.
- 1.34 factor applies to policies with an average driver group of 13.
- 1.40 factor applies to policies with an average driver group of 12.
- 1.50 factor applies to policies with an average driver group of 11
- 1.56 factor applies to policies with an average driver group of 10.
- 1.66 factor applies to policies with an average driver group of 9.
- 1.76 factor applies to policies with an average driver group of 8.
- 1.87 factor applies to policies with an average driver group of 7.
- 1.98 factor applies to policies with an average driver group of 6.
- 2.13 factor applies to policies with an average driver group of 5.
- 2.29 factor applies to policies with an average driver group of 4.
- 2.53 factor applies to policies with an average driver group of 3.
- 2.80 factor applies to policies with an average driver group of 2.
- 3.25 factor applies to policies with an average driver group of 1.
- 1.10 factor applies to single car policies with one at-fault accident and more than zero SDIP points
- 1.14 factor applies to single car policies with two at-fault accidents and more than zero SDIP points.
- 1.23 factor applies to single car policies with three or more at-fault accidents and more than zero SDIP points.
- 1.06 factor applies to multi-car policies with one at-fault accident and more than zero SDIP points.
- 1.08 factor applies to multi-car policies with two at-fault accidents and more than zero SDIP points.
- 1.12 factor applies to multi-car policies with three or more at-fault accidents and more than zero SDIP points.

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- 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
 - 4% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard and middle market underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
 - 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle market underwriting tiers and for single car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 1% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #34, #35, or #36. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 6% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 7% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle market underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 6% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle market underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 8% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle market underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #40. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 12% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle market underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #40, #41, or #42. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 1% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle market underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle market underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle market underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #43. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 13% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle market underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #43, #44, or #45. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 21% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 24% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #46. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 25% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #46, #47, or #48. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 7% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 9% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 13% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #49. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 18% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #49, #50, or #51. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 32% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 35% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 40% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 39% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 41% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #135. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 42% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #135, #136, or #137. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 17% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 20% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 6 SDIP points.

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 27% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 28% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 31% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #138. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 35% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #138, #139, or #140. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 38% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 38% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 44% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 49% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 51% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 55% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 56% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP

points and risk is not eligible for liability deviation #141. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 56% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #141, #142, or #143. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 24% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 26% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 32% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 37% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 39% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 44% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 45% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 47% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #144. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 50% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #144, #145, or #146. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,

- Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 43% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier, where the policy has 18-21 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 61% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 59% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 36% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier, where the policy has 18-21 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,

- Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 80% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 12-14 SD points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 15-17 SDII points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 57% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 18-21 SDIF points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 71% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,

- Transporting illegal intoxicating liquors by motor vehicle.
- Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 51% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 18-21 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 1.36 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 16. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.37 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 51. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.20 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.35 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.30 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and two or more speed or minor

violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.05 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.13 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.33 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.03 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.07 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.04 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.17 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.09 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 2-3 SDIP points with one or more inexperienced operators. If the

resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.28 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 4-5 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.34 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 6-11 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.94 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 12 or more SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.16 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.29 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.50 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- The \$3 installment fee will be waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred and ultra-preferred underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 3% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 1.38 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 14. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.45 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 14. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.49 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 24. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.46 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 43. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.50 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 11 and 26. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

PHYSICAL DAMAGE

Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

- 1.65 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 11. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
- 50% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 40% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 50% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 51% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 56% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 44% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 48% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 51% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 47% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 49% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 0 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on one vehicle where the policy has 0 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 71% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on one vehicle where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 73% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 62% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,

D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 59% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier, where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 26% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier, where the policy has 18 or more SDIP points, with a 12 point violation that is not one of the following:
 - Manslaughter or negligent homicide,
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - Transporting illegal intoxicating liquors by motor vehicle.Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 53% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:

- A. Manslaughter or negligent homicide,
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
- D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 47% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 24% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 62% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 57% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 34% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 72% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 70% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier, where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 44% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier, where the policy has 18 or more SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 63% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle market underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 39% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points, with a 12 point violation that is not one of the following:
 - A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
 - C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 70% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points, with a 12 point violation that is not one of the following:

Manslaughter or negligent homicide,

Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,

Failure to stop and render aid when involved in an accident resulting in bodily injury or death,

Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

Deviation on a fleet private passenger auto physical damage with a 12 point violation that is not one of the following:

- A. Manslaughter or negligent homicide,

- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,**
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,**
- D. Transporting illegal intoxicating liquors by motor vehicle.**

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 66% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle market underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 48% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.
- 76% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier, where the policy has 12-14 SDIP points.
- 74% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier, where the policy has 15-17 SDIP points.
- 53% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier, where the policy has 18 or more SDIP points.
- 68% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points.
- 63% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points.
- 46% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points.
- 74% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
- 70% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 54% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tiers, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.

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- 1.71 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 16, 40 and 51. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.72 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 17, 25, 32, 41, 47 and 52. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.06 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 16. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.11 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 15. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.18 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 14. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.25 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 13. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.31 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 12. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.40 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 11. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.48 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 10. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.56 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 9. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.64 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 8. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.76 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 7. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.84 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 6. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 2.17 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 4. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 2.62 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 3. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 2.83 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 2. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 3.56 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 1. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.14 factor applies to non-fleet private passenger auto physical damage rates for single car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- factor applies to non-fleet private passenger auto physical damage rates for single car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.12 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with three or more at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 5% on non-fleet private passenger auto physical damage rates. This deviation applies only to risks who are members of qualified participating groups, associations or employees of qualified participating employers. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 10% on non-fleet private passenger auto physical damage rates. This deviation applies only to risks who are members of qualified participating groups or associations or employees of qualified participating employers. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 18% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #47. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 26% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #47, #48, or #49. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 14% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on more than one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #50. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 24% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #50, #51, or #52. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 27% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #53. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 34% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #53, #54, or #55. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 39% on non-fleet private passenger auto physical damage rates for single car policies in the middle market underwriting tier where the policy has 12 SDIP points and risk is not eligible for

physical damage deviation #56. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 43% on non-fleet private passenger auto physical damage rates for single car policies in the middle market underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #56, #57, or #58. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 32% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle market underwriting tier with collision coverage on more than one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #59. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 38% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle market underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #59, #60, or #61. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 43% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle market underwriting tier with collision coverage on one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #62. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 47% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle market underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #62, #63, or #64. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 52% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 50% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #65. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #65, #66, or #67. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 43% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 46% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 40% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #68. Deviation applies only

if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 46% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #68, #69, or #70. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 49% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 53% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 55% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 51% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #71. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #71, #72, or #73. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 61% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 63% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 65% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 61% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #180. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 65% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #180, #181, or #182. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 45% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 56% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 59% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #183. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 59% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #183, #184, or #185. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 61% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 64% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 65% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 62% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #186. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 65% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #186, #187, or #188. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 66% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 70% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 70% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 73% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #189. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #189, #190, or #191. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 62% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 1 SDIP point. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 65% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 66% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 70% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 72% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 73% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 7

SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 72% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #192. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 74% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #192, #193, or #194. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 61% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 1 SDIP point. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 66% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 76% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #195. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #195, #196, or #197. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

Deviation on non-fleet private passenger auto physical damage with a 12 point violation that is not one of the following:

- A. Manslaughter or negligent homicide,
 - B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing
- Failure to stop and render aid when involved in an accident resulting in bodily injury or

death,

Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 81% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier, where the policy has 12-14 SDIP points
- 80% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier, where the policy has 15-17 SDIP points
- 65% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier, where the policy has 18 or more SDIP points
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points.
- 73% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points.
- 59% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points
- 80% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
- 77% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 65% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP Points.
- 89% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier, where the policy has 12-14 SDIP points
- 88% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier, where the policy has 15-17 SDIP points
- 77% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier, where the policy has 18 or more SDIP points
- 84% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points.
- 82% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points
- 74% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-

preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points

- 87% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
- 85% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 77% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.

If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.

- 1.76 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 51.
- 1.77 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 31.
- 1.78 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 16.
- 1.99 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 5.
- 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the nonstandard and middle market underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 1.35 factor applies to non-fleet private passenger auto physical damage rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.30 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.12 factor applies to non-fleet private passenger auto physical damage rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the

resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.08 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.27 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.19 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.49 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.04 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.14 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.25 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.07 factor applies to non-fleet private passenger auto physical damage rates for policies with 2-3 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.25 factor applies to non-fleet private passenger auto physical damage rates for policies with 4-5 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.30 factor applies to non-fleet private passenger auto physical damage rates for policies with 6-1 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.81 factor applies to non-fleet private passenger auto physical damage rates for policies with 12 or more SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.12 factor applies to non-fleet private passenger physical damage rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.40 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.56 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.20 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 5% on non-fleet private passenger auto physical damage rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 5% on non-fleet private passenger auto physical damage rates for single car policies in the standard, preferred, and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 6% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 11% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 1.81 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 41. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.83 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 17 and 52. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.84 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 25 and 47. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.85 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 14 and 15. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.87 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 33. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.93 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 18 and 26. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 1.94 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 24. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
 - 2.02 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 13 and 43. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
- Effective 7-1-03

Progressive Preferred Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 14%-35% for single car policies, non standard underwriting with 5-6 or more SDIP pts.
- 28% for multi car policies, non standard underwriting with 6 or more SDIP pts.
- 15%-36% for single car policies, middle underwriting with 3-6 or more SDIP pts.
- 11%-29% for multi car policies, middle underwriting with 4-6 or more SDIP pts.
- 14%-50% for single car policies, standard underwriting with 0-6 or more SDIP pts.
- 16%-35% for multi car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-53% for single car policies, preferred underwriting with 0-6 or more SDIP pts.
- 25%-39% for multi car policies, preferred underwriting with 0-6 or more SDIP pts.
- 51%-53% for single car policies, ultra-preferred underwriting with 0-6 or more SDIP pts.
- 39%-42% for multi car policies, ultra preferred underwriting with 0-6 or more SDIP pts.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risks meet underwriting guidelines.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car, non standard underwriting, 12-21 SDIP pts. Credit varies 58%-74%.
 - Deviation for multi car, non standard underwriting, 12-21 SDIP pts. Credit varies 44%-63%.
 - Deviation for single car, middle underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car, middle underwriting, 12-21 SDIP pts. Credit varies 48%-66%.
 - Deviation for single car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Cred varies 60%-75%.
 - Deviation for multi car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Cred varies 48%-66%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C Rate Bureau rates, the policy is ineligible for any deviation.

- 1.14 factor applies single car, non standard underwriting for policies without proof of prior auto insurance.
- 1.09 factor applies multi car, non standard underwriting for policies without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.05-3.20 factors vary based on average driver group 1-17.
- 1.10-1.45 factors vary for single car policies with 1-3 or more accidents.
- 1.06-1.30 factors vary for multi car policies with 1-3 or more accidents.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 26% for single car policies, non standard underwriting with 6 or more SDIP pts.
- 23% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6 or more SDIP pts.
- 27%-28% for single car policies, middle underwriting with 5-6 or more SDIP pts.
- 37% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6 or more SDIP pts.
- 18%-24% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-6 or more SDIP pts.
- 33%-47% for single car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-38% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-6 or more SDIP pts.
- 22%-40% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-6 or more SDIP pts.
- 24%-47% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-5 or more SDIP pts.

- 26%-47% for single car policies, preferred underwriting with 0-5 or more SDIP pts.
- 23%-40% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-6 or more SDIP pts.
- 23%-47% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 48% single car policies, ultra preferred underwriting.
- 40% multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle.
- 40%-47% multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 5% for policies, non standard, middle and standard underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- 54%-69% single car policies, non standard underwriting with 12-18 or more SDIP pts.
- 45%-64% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 51%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
- 57%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
- 47%-66% for multi car policies, middle underwriting with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 54%-69% for multi car policies, middle underwriting with collision coverage on one vehicle with 12-18 or more SDIP pts.
- 57%-71% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
- 47%-66% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-21 SDIP pts.
- 54%-69% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.19 factor applies, single car policies, non standard underwriting for policies without proof prior of auto insurance.
- 1.15 factor applies, multi car policies, non standard underwriting without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.10-2.75 factors vary based on average driver group 1-16.
- 1.08-1.35 single car policies with 1-3 or more accidents.

- 1.05-1.24 multi car policies with 1-3 or more accidents.
- Installment Payment Plan: \$3 charge waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction. Eff. 7-1-99

Progressive Southeastern Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage medical payments coverage for all listed components.

LIABILITY

- 1.11 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territory 47. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.23 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territory 15. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.26 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territory 32 and 47. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 1% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 4% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 2 SDIP point. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 3 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 11% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 4 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. 20% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 20% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 40% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 40% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 29% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 29% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

Deviation on non-fleet private passenger auto bodily injury, property damage and medical payments with a 12 point violation that is not one of the following:

- A. Manslaughter or negligent homicide,**
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,**
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,**
- D. Transporting illegal intoxicating liquors by motor vehicle.**

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 59% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard underwriting tier, where the policy has 12-14 SDIP points.
- 49% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard underwriting tier where the policy has 15-17 SDIP points.
- 11% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard underwriting tier, where the policy has 18-21 SDIP points.
- 42% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard underwriting tier, where the policy has 12-14 SDIP points.
- 42% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard underwriting tier, where the policy has 15-17 SDIP points.

- 10% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard underwriting tier, where the policy has 18-21 SDIP points.
- 63% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier, where the policy has 12-14 SDIP points.
- 55% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier, where the policy has 15-17 SDIP points.
- 21% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier, where the policy has 18-21 SDIP points.
- 50% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle underwriting tier, where the policy has 12-14 SDIP points.
- 50% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle underwriting tier, where the policy has 15-17 SDIP points.
- 22% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle underwriting tier, where the policy has 18-21 SDIP points.
- 70% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 12-14 SDIP points.
- 62% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 15-17 SDIP points.
- 32% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier, where the policy has 18-21 SDIP points.
- 55% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier, where the policy has 12-14 SDIP points.
- 53% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier, where the policy has 15-17 SDIP points.
- 26% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier, where the policy has 18-21 SDIP points.

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- 1.29 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 13 and 52. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
 - 1.30 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 40 and 41. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
 - 1.32 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 33. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 3.25 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with an average driver group of 1. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible or any deviation.
- 1.20 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with an average driver group of 1. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible or any deviation.
- 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.14 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.23 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 4% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard and middle market underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates. This deviation applies only to risks who are members of qualified participating groups, associations or employees of qualified participating employers. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 10% on non-fleet private passenger auto bodily injury, property damage and medical payments rates. This deviation applies only to risks who are members of qualified participating groups or associations or employees of qualified participating employers. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle market underwriting tiers and for single car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard underwriting tier where the policy has 7 SDIP points.

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rate for single car policies in the non-standard underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 3% on non-fleet private passenger auto bodily injury, property damage and medical payments rate for single car policies in the non-standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #37. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 9% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #37, #38, or #39. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 6% on non-fleet private passenger auto bodily injury, property damage and medical payments rate for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 8% on non-fleet private passenger auto bodily injury, property damage and medical payments rate for multi-car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #40, #41, or #42. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 15% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 14% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 15% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #43. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 19% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the middle underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #43, #44, or #45. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 9% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 10% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 12% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #46. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 20% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the middle underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #46, #47, or #48. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 28% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 30% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #49. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 31% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #49, #50, or #51. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 15% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 16% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 20% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #52. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 24% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #52, #53, or #54. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 38% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 40% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 45% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 44% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 46% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #142. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 46% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #142, #143, or #144. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 24% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 27% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 33% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 34% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 37% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #145. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 40% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #145, #146, or #147. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 43% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 43% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 48% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 53% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 55% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 59% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 59% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #148. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 60% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #148, #149, or #150. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 30% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 32% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 38% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 42% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 5 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 44% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 6 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 49% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 7 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 50% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 52% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for liability deviation #151. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 55% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for liability deviations #151, #152, or #153. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

Deviation on non-fleet private passenger auto bodily injury, property damage and medical payments with a 12 point violation that is not one of the following:

- Manslaughter or negligent homicide,
- Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,
- Failure to stop and render aid when involved in an accident resulting in bodily injury or death
- Transporting illegal intoxicating liquors by motor vehicle.

Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- 76% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 12-14 SDIP points.
- 71% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier where the policy has 15-17 SDIP points.
- 47% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier, where the policy has 18-21 SDIP points
- 65% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier, where the policy has 12-14 SDIP points
- 63% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier where the policy has 15-17 SDIP points
- 41% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier, where the policy has 18 -21 SDIP points
- 82% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 12-14 SDIP points
- 77% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 15-17 SDIP points
- 61% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier where the policy has 18-21 SDIP points
- 73% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier, where the policy has 12-14 SDIP points
- 71% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 15-17 SDIP points

- 56% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier where the policy has 18-21 SDIP points.

If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for a deviation.

- 1.36 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 16.
- 1.37 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in territories 51.
- 1.20 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one or more at-fault accidents and zero SDIP points.
- 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one or more at-fault accidents and zero SDIP points.
- 1.35 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified.
- 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines.
- 1.30 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
- 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with 1 SDIP point and two or more speed or minor violation per company guidelines
- 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines.
- 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines
- 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines
- 1.05 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.13 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified.
- 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.

- 1.33 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified
- 1.03 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.07 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified
- 1.04 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines
- 1.17 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified.
- 1.09 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 2-3 SDIP points with one or more inexperienced operators.
- 1.28 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 4-5 SDIP points with one or more inexperienced operators.
- 1.34 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 6-11 SDIP points with one or more inexperienced operators.
- 1.94 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 12 or more SDIP points with one or more inexperienced operators.
- 1.16 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 1.29 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured.
- 1.50 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 3% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred and ultra-preferred underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
- 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle underwriting tiers. This deviation applies

only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

- The \$3 installment fee will be waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.
- 1.38 factor applies to non-fleet private passenger auto BI, PD and medical payments rates for risks garaged in territory 14. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.45 factor applies to non-fleet private passenger auto BI, PD and medical payments rates for risks garaged in territory 25. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.46 factor applies to non-fleet private passenger auto BI, PD and medical payments rates for risks garaged in territory 43. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.49 factor applies to non-fleet private passenger auto BI, PD and medical payments rates for risks garaged in territory 24. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.37 factor applies to non-fleet private passenger auto BI, PD and medical payments rates for risks garaged in territory 11 and 26. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

PHYSICAL DAMAGE

Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

- 1.65 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territory 11. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
- 54% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 45% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 55% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 59% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 62% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 49% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 53% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 55% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 51% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 53% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 61% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 62% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 0 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 0 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on one vehicle where the policy has 0 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 73% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on one vehicle where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 5 SDIP

points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

Deviation on non-fleet private passenger auto physical damage with a 12 point violation that is not one of the following:

- A. Manslaughter or negligent homicide,**
- B. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing,**
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death,**
- D. Transporting illegal intoxicating liquors by motor vehicle.**

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 65% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier, where the policy has 12-14 SDIP points.
- 63% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier, where the policy has 15-17 SDIP points.
- 32% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier, where the policy has 18 or more SDIP points.
- 57% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points.
- 52% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points, 30% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points.
- 65% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
- 60% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 39% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.
- 74% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier, where the policy has 12-14 SDIP points.
- 72% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier, where the policy has 15-17 SDIP points.
- 49% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier, where the policy has 18 or more SDIP points.
- 66% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points.
- 62% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points.

- 44% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points.
- 73% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
- 69% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 52% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.
- 78% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier, where the policy has 12-14 SDIP points.
- 75% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier, where the policy has 15-17 SDIP points.
- 57% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier, where the policy has 18 or more SDIP points.
- 71% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points.
- 66% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points.
- 51% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points.
- 76% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
- 72% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 57% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tiers, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.
- 1.71 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 40. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
- 1.72 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 32. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.
- 1.06 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 16. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.11 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 15. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.18 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 14. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.25 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 13. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.31 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 12. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.40 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 11. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.48 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 10. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.56 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 9. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.64 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 8. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.76 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 7. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.84 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 6. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 2.17 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 4. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 2.62 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 3. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 2.83 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 2. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 3.56 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 1. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.14 factor applies to non-fleet private passenger auto physical damage rates for single car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- factor applies to non-fleet private passenger auto physical damage rates for single car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

- 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.12 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with three or more at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 5% on non-fleet private passenger auto physical damage rates. This deviation applies only to risks who are members of qualified participating groups, associations or employees of qualified participating employers. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 10% on non-fleet private passenger auto physical damage rates. This deviation applies only to risks who are members of qualified participating groups or associations or employees of qualified participating employers. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 25% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #47. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 32% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #47, #48, or #49. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 21% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on more than one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #50. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 30% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #50, #51, or #52. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 33% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #53. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 39% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #53, #54, or #55. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 44% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #56. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 48% on non-fleet private passenger auto physical damage rates for single car policies in the middle underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #56, #57, or #58. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 37% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #59. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 43% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #59, #60, or #61. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 48% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #62. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 51% on non-fleet private passenger auto physical damage rates for multi-car policies in the middle underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #62, #63, or #64. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 56% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 54% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 12 SDIP points and risk is not eligible for physical damage deviation #65. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 57% on non-fleet private passenger auto physical damage rates for single car policies in the standard underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #65, #66, or #67. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 48% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 51% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 45% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #68. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 51% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #68, #69, or #70. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 53% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 57% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 55% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #71. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 57% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #71, #72, or #73. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 64% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 66% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 64% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #180. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #180, #181, or #182. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 49% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 60% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 7

SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 62% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 58% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #183. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 63% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #183, #184, or #185. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 64% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 67% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 65% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #186. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with collision coverage on one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #186, #187, or #188. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 69% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 1 SDIP point. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 72% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 73% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 76% on non-fleet private passenger auto physical damage rates for single car policies in the ultra preferred underwriting tier where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for single car policies in the ultra preferred underwriting tier where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 79% on non-fleet private passenger auto physical damage rates for single car policies in the ultra preferred underwriting tier where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 79% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #189. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 79% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #189, #190, or #191. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 65% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 1 SDIP point. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 68% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 69% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines
- 71% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 4 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 73% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 5 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines
- 74% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 76% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra preferred underwriting tier with collision coverage on more than one vehicle where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #192. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with collision coverage on more than one vehicle where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #192, #193, or #194. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 64% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 1 SDIP point. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 69% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 2 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 70% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 3 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 76% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 6 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 78% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 7 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 79% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 8 SDIP points. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 77% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 9-12 SDIP points and risk is not eligible for physical damage deviation #195. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 79% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 13 or more SDIP points and risk is not eligible for physical damage deviations #195, #196, or #197. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

Deviations on non-fleet private passenger auto physical damage with a 12 point violation that is not one of the following:

- A. Manslaughter or negligent homicide,
- B. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
- C. Failure to stop and render aid when involved in an accident resulting in bodily injury or death.
- D. Transporting illegal intoxicating liquors by motor vehicle.

Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

- 83% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier, where the policy has 12-14 SDIP points.
- 82% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier, where the policy has 15-17 SDIP points
- 68% on non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier, where the policy has 18 or more SDIP points
- 77% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points.
- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points.
- 63% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points.
- 81% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
- 79% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- 68% on non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.
- 89% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier, where the policy has 12-14 SDIP points.
- 89% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier, where the policy has 15-17 SDIP points
- 79% on non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier, where the policy has 18 or more SDIP points.
- 85% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 12-14 SDIP points
- 83% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 15-17 SDIP points.

- 75% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on more than one vehicle, where the policy has 18 or more SDIP points.
 - 88% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 12-14 SDIP points.
 - 86% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 15-17 SDIP points.
- **If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.**
- 79% on non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier, with collision coverage on one vehicle, where the policy has 18 or more SDIP points.
 - 1.37 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 14, 15, 31 and 33.
 - 1.76 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 51.
 - 1.77 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 31.
 - 1.78 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 16.
 - 1.99 factor applies to non-fleet private passenger auto physical damage rates for policies with an average driver group of 5.
 - 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the nonstandard and middle market underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
 - 1.35 factor applies to non-fleet private passenger auto physical damage rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified.
 - 1.15 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines .
 - 1.30 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
 - 1.12 factor applies to non-fleet private passenger auto physical damage rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
 - 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines
 - 1.15 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
 - 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.

- 1.08 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.27 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- 1.19 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.
- 1.49 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- 1.04 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. 214. (NC) 1.14 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.25 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified.
- 1.07 factor applies to non-fleet private passenger auto physical damage rates for policies with 2-3 SDIP points with one or more inexperienced operators.
- 1.25 factor applies to non-fleet private passenger auto physical damage rates for policies with 4-5 SDIP points with one or more inexperienced operators.
- 1.30 factor applies to non-fleet private passenger auto physical damage rates for policies with 6-11 SDIP points with one or more inexperienced operators.
- 1.81 factor applies to non-fleet private passenger auto physical damage rates for policies with 12 or more SDIP points with one or more inexperienced operators
- 1.12 factor applies to non-fleet private passenger physical damage rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 1.40 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured.
- 1.56 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.

- 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one or more at-fault accidents and zero SDIP points.
- 1.20 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one or more at-fault accidents and zero SDIP points.
- 5% on non-fleet private passenger auto physical damage rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 5% on non-fleet private passenger auto physical damage rates for single car policies in the standard, preferred, and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 6% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
- 11% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.

If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.

- 1.81 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 41.
- 1.83 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 17 and 52
- 1.84 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 25 and 47
- 1.85 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 14 and 15
- 1.87 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 33.
- 1.93 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 18 and 26
- 1.94 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 24.
- 2.02 factor applies to non-fleet private passenger auto physical damage rates for risks garaged in territories 13 and 43

Effective 7-1-03

Providence Washington Insurance Company

Standard Program

- Multi-Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.

Preferred Program

- Territory Deviation: Various credits apply to bodily injury, property damage, medical payments, comprehensive & collision.
- Multi Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. Eff.7-1-02

Prudential Property & Casualty Insurance Company

- 2% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for Senior Driver Discount. Certain criteria apply.
- 8% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for Long Term Discount, when criteria is met.
- 6% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for New Business Discount.
- 5% Renter's (HO-4) Companion Policy Discount for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- 5% Companion for Life Discount applicable to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- Base Rate Deviation for single & multi car policies: Applies to bodily injury, property damage, medical payments, comprehensive, & collision: Credit varies.
- Electronic Funds Transfer Deviation: \$1 service charge deleted.
- Installment Payment Plan: No charge for first installment payment. Eff. 7-11-03

Republic Franklin Insurance Company

- Personal Auto Account Credit: 10% credit applies to basic premium when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Work place Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.

- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00

Royal Indemnity Company

- 5% Companion Policy Credit for automobile policy, for which on inception date there is in force, homeowners policy covering same insured in any member of Royal Insurance.
- Discount for eligible employee: 20% credit to total personal auto policy premium.
- Installment Payment Plan waiver.
- 5% Good Driver Discount applies to bodily injury, property damage, medical payment & collision coverage.
- 5% Experience Operator Credit applies to bodily injury, property damage, medical payments, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operator.
- Passive Restraint Discount: Credit varies.
- 5% Anti-Lock Braking System credit applies to bodily injury & property damage for vehicles equipped with factory installed 4 wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- Anti-Theft Device Credit applies to comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit applies to bodily injury, property damage, medical payment, comprehensive & collision for single car policies when company car is in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Installment Payment Plan-Agency Payroll Deduction: Certain criteria apply.
- 10% Mass Marketing Discount: Applies to liability, med pay, comprehensive & collision: Certain criteria has to be met.
- Preferred Program Discount by territory. Eff. 9-1-00

Royal Insurance Company of America

- 20% Employee Discount for eligible employees. Credit applicable to total personal auto policy premium.
- Companion Policy Credit: 1% credit when auto & homeowner policy in-force with any member of Royal Insurance.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- 5% Good Driver Discount for private passenger auto bodily injury, property damage, medical payments & collision coverage.
- 5% Experience Operator Credit for private passenger auto bodily injury, property damage, medical payments & collision coverage: Certain criteria apply.
- 5% Anti-Lock Braking System Credit for private passenger auto bodily injury & property damage for vehicles equipped with a factory installed 4 wheel anti-lock breaking system.
- 5% Window Glass Etching credit for comprehensive coverage.
- Anti-Theft Device Coverage Credit for comprehensive coverage. Credit varies 5% - 15%.
- 10% Company Car Credit for bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Installment Payment Plan: \$1 each installment for Electronic Fund Transfer.
- Group Mass Marketing Discount: 10% applies to liability, med pay, comp & collision: Certain criteria apply.
- Passive Restraint Discount applicable to med pay only. Eff. 9-1-00

Safeco Insurance Company of America

- Checkless Pay Plan: No service charge if insured makes 1st month's down payment and subsequent payments made through automatic withdrawal. Eff. 9-1-00

Safeguard Insurance Company

- Companion Policy Credit: 1% credit when auto & homeowner policy in-force with any member of Roy Insurance Co.
- 20% Discount for Eligible Employees. Credit applicable to total personal auto policy premium.
- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- 5% Good Driver Discount applies to bodily injury, property damage, med pay, & collision coverage. Certain criteria apply.
- 5% Experienced Operator Credit applies to bodily injury, property damage, med pay, collision & comprehensive coverage if principal operator is age 55 or older & no inexperienced operators apply to vehicle.
- Passive Restraint Discount applies to medical payments rate: Credit varies 20% - 40%.
- 5% Anti-Lock Braking System Discount applies to bodily injury & property damage for vehicle equipped with factory installed 4-wheel anti-lock braking system.
- 5% Window Glass Etching Credit applies to comprehensive coverage.
- 5% or 15% Anti-Theft Device Credit applies to comprehensive coverage: Certain criteria apply.
- 10% Company Car Credit applies to bodily injury, property damage, med pay, comprehensive & collision for single car policies when there is a Company car in the household.
- Installment Payment Plan: \$1 each installment for Electronic Funds Transfer.
- 10% Group Discount applies to liability, med pay, comprehensive & collision: Certain criteria apply.
- Preferred Program Discount applies to bodily injury, property damage, med pay, comprehensive & collision by territory.
- Super Preferred Program Discount applies to bodily injury, property damage, med pay, comprehensive & collision for all territories.
- 7% Company Deviation applies to bodily injury, property damage, med pay, comprehensive & collision. Eff. 9-1-00

St. Paul Fire and Marine Insurance Company

- Installment charge deviation: \$2 charge each installment. Eff. 1-1-95

St. Paul Guardian Insurance Company

- 5% base rate comprehensive coverage when policy qualifies for PAK II Program.
- 5% base rate collision coverage when policy qualifies for PAK II Program.
- 10% Mature Operator Credit: Combined single limit bodily injury & property damage, medical payments, comprehensive & collision, when principal operator is age 55 & less than or equal to 64 yrs. of age & no inexperienced operators in household. 5% credit for ages 65-74 & no inexperienced operator in household.
- 10% Good Driver Deviation, when certain criteria is met.
- Symbol Reactivities model year 1976-1982, Symbol 14, comprehensive - 7.8% credit; collision - 12.7% credit. Model yrs. 1975 & prior; Values above \$10,000 rated Symbol 7 for comprehensive & collision.

- Increase Limits Extended Transportation Expense Coverage is provided at no charge, when comprehensive coverage is purchased & policy qualifies for PAK II Program.
- Passive Restraint Deviation: 20% when restraint is installed in driver-side only position; 30% when restraint is installed in both front outboard seat positions. If policy qualifies for PAK II Program, airbag discount applies to factory installed automatic occupant restraint. Deviation applies only to medical payments base premium.
- Anti-Theft Device Deviation for PAK II Program: 5% alarm only, 5% active disabling device; 15% passive disabling device. This deviation applies to comprehensive base premium.
- Anti-Lock Braking System Deviation: 5% combined single limit liability, bodily injury & property damage liability base premium when private passenger auto equipped with factory installed four-wheel anti-lock braking system.
- Golfmobile Liability Coverage provided at no additional charge.
- Miscellaneous Types: ATV, minibike & dune buggy, combined bodily injury & property damage liability rates not used for commercial purposes will be same rate as North Carolina Reinsurance Facility. Snowmobile rates, medical payments coverage rate will be 22% of Territory 18 private passenger auto medical payments rate. Collision rates will be same as NC Rate Bureau's snowmobile rates.
- 10% when more than one recreational vehicle is covered under same policy for following miscellaneous types, trailers designed for use with private passenger autos, motorbikes or other similar motor vehicles not used for commercial purposes (excluding motorcycles, motorscooters & mopeds); snowmobiles & golfmobiles.
- Renewal Credit: 0-2 yrs.-0%; 3yrs.-3%; 4yrs.-4%; 5 or more yrs. -5% premium credit when insured maintained consecutive yrs. of coverage with St. Paul. Credit will apply to final premium for each coverage & rounded to nearest dollar.
- Installment charge deviation: \$2 charge each installment unless Electronic Funds Transfer billing option is selected, then no charge.
- Employee Discount: New Business - 20%; Renewals - 15% when criteria is met. Eff. 3-1-00

St. Paul Mercury Insurance Company

- 15% non-fleet private passenger auto liability & physical damage insurance rates. Eff. 1-1-88

Seaton Insurance Company

- 15% non-fleet private passenger auto liability, medical payments & physical damage. "Unimate Plus" in addition to above: (1) Policy in force 3 yrs. & no at-fault accident additional 5% credit liability, medical payments & physical damage; (2) Policy in force 6 yrs. & no at-fault accident; Second 5% credit on coverages listed above.
- 5% non-fleet private passenger auto non-fleet physical damage rates. Discount applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only (no miscellaneous types). Eff. 6-20-88

Security Insurance Company of Hartford

- Territorial Deviation for BI, PD, med pay, uninsured motorists/underinsured motorists, comprehensive & collision: Credits vary.
- Classification Rating Factors Deviation for liability, comprehensive & collision.
- 5%, 10% or 15% Anti-Theft Device Discount: Certain criteria apply.
- 5% Good Drivers Discount.

- 5% Affinity Group Discount.
- Preferred Policy Program Deviation. Eff. 9-1-00

Selective Insurance Company of South Carolina

- Installment Payment Plan: \$2 per each installment.
- 30% deviation applies to liability & physical damage when a commercial package policy is written with the risk.
Eff. 6-1-01

Selective Insurance Company of the Southeast

- Installment Payment Plan: \$2 per each installment. Eff. 9-1-98

Shelby Insurance Company

- 7.5% non-fleet private passenger auto liability & physical damage rates when insured has their Homeowners policy in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Discount applies to other than collision coverage only. 5% alarm & active disabling devices; 15% on vehicles equipped with passive disabling devices.
- Longevity Discount: 5% credit applies when policies have been in force past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no drivers with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision for all Shelby Plus policies. Eff. 1-27-03

South Carolina Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-52 yrs. of driving experience. 47%- 60% credit.
 - Deviation for multi- car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-42 yrs. of driving experience. 43% -55% credit.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
- Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
- Transporting illegal intoxicating liquors by motor vehicle.
- Driving motor vehicle while intoxicated.

- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 5% credit.
- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 3% credit.
- Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 3% credit.
- Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 1.5% credit.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- Manslaughter or negligent homicide.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing
 - Transporting illegal intoxicating liquors by motor vehicle.
- 5% non-fleet private passenger auto comprehensive & collision for policies that are insured with South Carolina Insurance Company with no lapse in coverage between policies & have 12-20 SDIP pts. & all drivers licensed 5-52 yrs.
 - 15% non-fleet private passenger auto comprehensive & collision for policies with 12-20 SDIP pts. & all drivers licensed 5 - 52 yrs.

12 point violation must not be one of the following.

- Manslaughter or negligent homicide.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Transporting illegal intoxicating liquors by motor vehicle.
 - Driving motor vehicle while intoxicated.
- 25% non-fleet private passenger auto comprehensive & collision for policies with 12 - 20 SDIP pts., all drivers licensed 5 - 52 yrs. & no driver with an at fault accident within the last 12 months preceding policy effective date. Eff.10-21-98

outhern Fire & Casualty Insurance Company – Withdrawn 1-1-03

outhern Guaranty Insurance Company

- Exceptional Driver Program: 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when underwriting guidelines are met.
- Exception Plus: Additional 5% credit for private passenger non-fleet auto bodily injury, property damage, medical payments, comprehensive & collision when policy has been in-force at least 3 yrs. & no at-fault accidents in preceding 3 yrs. A second 5% credit for policies in-force at least 6 yrs. & no at-fault accidents in preceding 6 yrs. Maximum Exceptional Driver credit is 25%.
- Mature Driver Discount: 10% non fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & medical payments when underwriting guidelines are met.

- Multi Policy Discount: 5% non-fleet private passenger auto comprehensive & collision base rate Southern Guaranty Insurance Company insures both homeowner & auto policy.
- 10% credit non-fleet private passenger auto bodily injury, property damage, medical payment comprehensive & collision for all private passenger auto policies for University of North Carolina Employees. Eff. 7-1-00

Southern Insurance Company of Virginia

STANDARD PROGRAM

- 3% credit for non-fleet private passenger auto bodily injury, property damage, medical payment comprehensive & collision coverage for all operators in household who have 14-44 yrs of driving experience.
- Multi-Car Discount: Certain Criteria apply.
- Downward deviation by territories: Applies to Comprehensive & Collision coverages: Credit varies
- Recreational trailer rates for collision premium each additional \$1,000 varies per deductible.
- Loss Free Renewal Discount: Loss free yrs. 3-5 yrs.: Discount varies 5% - 10% for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- Passive Restraint - Airbag Discount: Applies to med pay only: 20% credit when installed driver side only: 30% credit when installed in both front seat positions.
- Anti Lock Braking System Discount: 5% credit for BI and PD coverages when factory installed four wheel ABS.
- Anti Theft Devices Discount: 5% credit applies to comprehensive coverage for alarm only and active disabling devices: 15% credit for passive disabling devices.
- Account credit plan 5%

PREFERRED PROGRAM

- Deviation by coverage and territory comp and coll, credit varies.
- 7% credit for non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for all operators in household who have 14-44 yrs of driving experience.
- Multi-Car Discount: Certain Criteria apply.
- Downward deviation by territories: Applies to Comprehensive & Collision coverages: Credit varies 10%-25%.
- Recreational trailer rates for collision premium each additional \$1,000 varies per deductible.
- Loss Free Renewal Discount: Loss free yrs. 3-5 yrs.: Discount varies 5% - 10% for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- New Business Automobile Discount: 5% deviation applies to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision when criteria are met.
- Passive Restraint - Airbag Discount: Applies to med pay only: 20% credit when installed driver side only: 30% credit when installed in both front seat positions.
- Anti Lock Braking System Discount: 5% credit for BI and PD coverages when factory installed four wheel ABS.
- Anti Theft Devices Discount: 5% credit applies to comprehensive coverage for alarm only and active disabling devices: 15% credit for passive disabling devices.
- Account credit plan 5% Eff. 11-15-03

Southern Pilot Insurance Company

- **Exceptional Driver Discount:** 10% applies to non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision premiums on a vehicle insured in the voluntary market and principally driven by an operator with at least nine years of operating experience who has had no chargeable accidents within the past three years resulting in bodily injury or death or more than \$1000 in property damage.
- **University of North Carolina Chapel Hill Employees Discount:** For all private passenger automobile policies issued or renewed in the voluntary market on or after September 1, 1998 covering vehicles owned by employees of the University of North Carolina – Chapel Hill, A 10% credit will be applied to Bodily Injury, Property Damage, Medical Payments, Comprehensive and Collision premiums.
- **Mature Driver Discount:** Principal Operators who have 34 years or more of driving experience that are written in the voluntary market and have no operators in their household with less than nine years driving experience shall receive a 10% discount on Bodily Injury, Property Damage, Comprehensive, Collision & Medical expense premiums for the vehicle they principally operator.
- **Accident Free Discount:** 5% credit shall be applied to BI, PD, Med Pay, Comp and Coll premiums on a vehicle insured in the voluntary market and driven by an operator who has had no chargeable accidents within the past three years and has been continuously insured with Southern Pilot for at least three years. An additional 5% applies for a six yr. period. New Business applicants and Southern Pilot renewal customers insured in the voluntary market who can document continuous coverage with a prior carrier and no chargeable accident for a three or six year period as described above are also eligible for the Southern Pilot Accident Free Discount. Maximum Accident Free Discount is 10%. Accident Free will be removed at the next renewal following the first chargeable accident where \$1000 or more was paid for BI, PD, Med and Coll (combined) for any operator in the household.
- **Multi Policy Discount:** 5% credit shall be applied to bodily injury, property damage, medical payments, comprehensive, & collision premiums developed from the North Carolina Rate Bureau Personal Auto Manual on a vehicle insured in the voluntary market when Southern Pilot Insurance Company insures an individual's home and automobile. Eff. 5-1-03

Standard Fire Insurance Company

- 15% non-fleet private passenger auto liability insurance rates.
- 23% non-fleet private passenger auto physical damage rates.
- **Loss & Conviction Free Deviation** for multi-car policies. 15% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single & multi-car policies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision. 5% for facility issued policies for comprehensive & collision coverage. Eff. 3-29-96

State Auto Property & Casualty Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for operators 0-38 yrs. driving experience or 55 yrs. of age or older.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving

experience & a homeowners policy with State Auto Companies, or 0-38 yrs. driving experience or 5 yrs. of age or older for insured without a homeowners policy with State Auto Companies.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payment comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 70 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55 yrs. of age or older or 0-38 yrs. driving experience for insured without a homeowners policy.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payment: comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55-69 yrs. of age for insured without a homeowners policy.
- 25% non-fleet private passenger auto bodily injury, property damage, medical payments: comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 30% non-fleet private passenger auto bodily injury, property damage, medical payments: comprehensive & collision coverages, no inexperienced operators, for an insured with 34-38 yrs driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 35% non-fleet private passenger auto bodily injury, property damage, medical payments: comprehensive & collision coverages, no inexperienced operators, for an insured who is 55-69 yrs. of age and has a homeowner policy with State Auto Companies.
- Anti-lock Braking System Discount: 5% deviation on non-fleet private passenger auto BI & property damage or combined single limit liability on private passenger autos equipped with factory installed four wheel anti-lock braking systems.
- Electronic Funds Transfer: \$1 monthly service charge per policy. Eff. 9-1-00

State Automobile Mutual Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverages, no SDIP pts., no inexperienced operators & insured has Homeowners policy with State Auto Companies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments: comprehensive & collision coverages provided no SDIP pts., no inexperienced operators & all operators in household are age 55 or older.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments: comprehensive & collision coverages provided there are no SDIP pts., no inexperienced operators, all operators in household are age 55 or older and insured has a Homeowners policy with State Auto Companies.
- Installment Pay Plan charge is reduced to \$1 per installment on all new and renewal business.
- 5% non-fleet private passenger auto bodily injury & property damage liability (or combined single liability) coverage for private passenger auto equipped with factory installed four wheel anti-locking braking systems. Eff. 2-1-93

State Capital Insurance Company

- Installment Payment Plan: Waive initial installment charge.
- 10% credit applicable to auto policy when named insured has Homeowners policy with State Capital, Northwestern National, or American Professionals Insurance Company.

- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

State Farm Mutual Automobile Insurance Company

- Deviation for non-fleet private passenger automobile rates: Credit varies based on territory.
- Deviation applicable to private passenger automobile rates applicable to vehicles continuously in force with the State Farm Mutual Automobile Ins Co and free of at-fault accidents for 3 or more years- 5%-15% - not applicable to motorcycle.
- 9% deviation on non-fleet private passenger automobile rates. Applicable to principal operators aged 55 and over when there is no inexperienced operator in the household. (not motorcycles).
- Multi Policy Discount: 5% credit for non-fleet private passenger automobile rates when criteria is met.
- Installment Payment Charge: \$2 monthly installment of premium. Charge waived if payment made by electronic funds transfer.
- 2% on non-fleet private passenger automobile rates applicable to new business policies (not motorcycles) when all drivers have been licensed in the U.S. or Canada for 3 yrs. & all driving records combined have no violations & no at-fault accidents during past 5 yrs. Eff 7-1-03 · PC062355

State National Specialty

- Deviation non-fleet private passenger auto bodily injury, property damage & medical payments: 15% - 0 SDIP pts.; 10% 1-4 SDIP pts. if certain criteria is met.
- Deviation non-fleet private passenger auto comprehensive & collision coverage: 10% - 0 SDIP pts. if certain criteria is met. Eff. 2-6-95

TIG Premier Insurance Company

- 10.7% non-fleet private passenger auto bodily injury, property damage, medical payments, collision, uninsured BI and combined uninsured/underinsured BI; 15.5% comprehensive.
- Free of at fault accidents: 3-6 yrs.; 10%-non-fleet private passenger auto bodily injury, property damage, medical payments & collision; Over 6 yrs.-15%.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal operators age 55 and over where there is no principal operator in household.
- BMW model yrs. 1995 & newer: 20% comprehensive; 10% collision. Eff. 3-1-98

Teachers Insurance Company

- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 2% deviation when certain criteria is met.
- Member Only Deviation 2% deviation when certain criteria is met.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years: Credit Varies
- Electronic Funds Transfer - No installment fee shall be charged.
- No installment fee charged on first installment for new business policies written on an installment payment basis.
- Eff 9-20-03 PC064365

Travelers Casualty & Surety Company

- Anti-Lock Brake Deviation: 5% non-fleet private passenger auto single limit (liability & medical payments) or bodily injury, property damage & medical payments.
- Anti-Theft Device Deviation: 5% or 10% discount depending on how vehicle is equipped. Applicable to non-fleet private passenger auto comprehensive base premiums.
- 7% Loss & Conviction Free Renewal Deviation: Multi-car policies: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage. Credit applies to voluntary policies.
- Mature Driver Deviation: 3% to non-fleet private passenger auto bodily injury, property damage & medical payments; 5% collision, 10% comprehensive coverage.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments. Credit applies to voluntary policies.
- 7% Loss & Conviction Free Renewal Deviation; Multi-car policies: Applies to collision coverage only when policy is ceded to the Facility.
- Mature Driver Deviation: 5% non-fleet private passenger auto collision coverage & 10% comprehensive coverage.
Eff. 12-17-93

Travelers Casualty & Surety Company of America

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments rates.
- 15% non-fleet private passenger auto comprehensive & collision rates. Eff. 10-15-92

Travelers Casualty & Surety Company of Illinois

- 30% non-fleet private passenger auto liability & medical payments rates.
- 30% non-fleet private passenger auto physical damage rates. Eff. 10-15-92

Travelers Indemnity Company

- 9% Account Discount when insured has private passenger auto policy & homeowners policy with The Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger auto bodily injury, property damage, medical payments; 30% collision; 10% for comprehensive, fire/theft, and theft/fire, theft and CAC coverage for those insureds who have single car policy & have more than one private passenger auto with The Travelers.
- 3% Renewal Credit: Non-fleet private passenger auto rates if insured has maintained auto coverage with the Travelers for last 6 or more consecutive yrs.
- 1% deviation for private passenger auto rates for employees of Multi-Line Insurance and Financial Services Institution.
- 1% for private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted.
- 1% deviation for private passenger auto rates for North Carolina State University employees as part as of an Employer Payroll Deduction Premium Payment Plan. Installment charge deleted.
- 1% deviation for private passenger auto rates for Members/Customer of A Credit Union Family.

- installment charge deleted.
- 1% deviation for private passenger auto rates for Employees of Research and Development Institutions. Installment charge deleted.
- 1% deviation for private passenger auto rates for Members/Customer of AAA Group. Installment charge deleted.
- 1% deviation for private passenger auto rates for employees of Philip Morris Companies as apart a payroll deduction premium payment plan. Installment charge deleted. Eff. 7-1-03

Travelers Indemnity Company of America

- Installment Payments - Installment charge for each installment is deleted.
- Account Discount – 9% account discount will be applied to all insureds that have both a voluntary private passenger automobile policy and a dwelling homeowners policy with the Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for insured who have single car policy & have more than one private passenger auto with The Travelers.
- Contributing Vehicle Credit: 30% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% deviation priv pass, pickups, vans and classic autos for Comp, fire/fire and theft/fire, theft, CAC coverages for insureds who have a single car policy and have more than one private pass auto insured with The Travelers.
- Renewal Credit: 3% non-fleet private passenger rates if insured has maintained auto policy with The Travelers for the last 6 or more consecutive yrs.
- 13% deviation applied to private passenger auto rates for employees of Multi-Line Insurance & Financial Services Institution. Installment charge deleted.
- 13% deviation applied to private passenger auto rates for entities for which there is no specific defined deviation. Installment charge deleted
- Rate Deviation for North Carolina State University - 13% deviation will be applied to voluntary private passenger rates for employees of North Carolina State University as part of an employer payroll deduction premium payment plan. Installment charge deleted.
- 13% deviation applied to private passenger auto rates for Members/Customers of a Credit Union family. Installment charge deleted.
- 13% non-fleet private passenger insurance rates for all coverages for Employees of Research and Development Institutions. Installment charge deleted.
- 13% deviation applies to private passenger auto rates for members of AAA Groups. Installment charge deleted.
- 13% deviation applies to private passenger auto rates for employees of Philip Morris Companies, Inc. as part of an employer payroll deduction premium payment plan. Installment charge deleted. Eff. 7-1-03 PC062256

he Travelers Indemnity Company of Connecticut

- pricing Factors – 10% deviation for liability coverages and 10% deviation for property damage coverages will be applied to voluntary private passenger automobiles.
- Account Discount – 9% discount will be applied to all insureds that have both a voluntary private passenger automobile policy and a dwelling homeowners policy with the Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger autos, pickups, vans & classic autos for bodily injury property damage, medical payments & collision for single car policy yet have more than

- one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 30% private passenger autos, pickups, vans & classic autos for collision coverage for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% private passenger autos, pickups, vans & classic autos for comprehensive, fire/theft & theft/fire, theft & CAC coverages for single car policy yet have more than one private passenger auto insured with The Travelers.
- Renewal Credit – 3% credit will be applied to voluntary private passenger automobile rates if the insured has maintained an automobile policy with the Travelers for the last six (6) or more consecutive years. Eff. 7-1-03

Travelers Indemnity Company of Illinois

- Account Credit: 10% credit when voluntary auto & homeowners policy with The Travelers.
- Careful Driver Credit: 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision that have 0 SDIP pts. for the last 3 consecutive yrs.
- Senior Driver Credit: Credit varies 3% - 6% when criteria is met.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single car policy, yet have more than one auto insured with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto comprehensive, fire/theft & theft/fire, theft, CAC for insured who have a single car policy, yet have more than one auto insured with The Travelers.
- Highly Preferred Credit: 19% credit when certain criteria is met.
- Preferred Credit: 10% credit when certain criteria is met. Eff. 8-21-99

Travelers Personal Security Insurance Company

- 10% non-fleet private passenger auto liability rates.
- 19% non-fleet private passenger auto physical damage rates.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payment & collision for single & multi-car policies that are loss & conviction free.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist coverage, comprehensive & collision coverage, Facility policies: 5% applies comprehensive & collision when named insured also purchases homeowner policy (HO-2, HO-3 or HO-6). Eff. 3-29-96

Twin City Fire Insurance Company

- Principal Operator age 55-69 comp and coll credit varies by territory.
- Principal Operator age 70 comp and coll credit varies by territory.
- All other operators comp and coll credit varies by territory.
- 4% Account Credit: 4% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates when insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.) Eff. 4-15-03

USAA Casualty Insurance Company

- Base Rate Deviation by coverage and by territory - Credit Varies by territory.
- 0% non-fleet private passenger auto liability, physical damage, extended transportation expense, &

owing a labor coverages.

- 5% non-fleet private passenger auto other than collision coverage for vehicles with active disabling anti-theft devices.
- 5% non-fleet private passenger auto other than collision coverage. for vehicles equipped with a window identification system.
- 10% non-fleet private passenger auto other than collision coverage for vehicles equipped with pass. anti-theft disabling devices & for vehicles equipped with a vehicle recovery system.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronics equipment & tapes, records, discs & other media.
- 100% on rates for covered property coverage for trailers insured for other than collision coverage.
- 100% on rates for customizing equipment coverage.
- 30% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bags both sides.
- 10% non-fleet private passenger auto medical payments coverage for vehicles equipped with passive seat belt both sides or drivers side only.
- 10% non-fleet private passenger auto liability & physical damage if principal operator is age 55 or older.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverage when criteria is met.
- Deviation on 6 month and annual short rate cancellation tables.
- 20% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bag drivers side only.
- Extended Billing Plan: Regular Plan - no installment charge: Extended Plan - \$3 installment charge. Eff. 1-1-04

JSAA General Indemnity Company

- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 100% deviation for trailers insured for other than collision coverage.
- 100% deviation for vehicles insured for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with daytime running light device.
- Deviation on 6 month & annual short rate cancellation tables.
- Installment Payment Plan: Regular Plan - installment charge waived: Extended Plan - \$3 each installment, unless paid by electronic transfer then no charge. Eff. 8-1-00

Underwriters Insurance Company

- 17.5 % Credit Physical Damage and 5% Credit Liability base premiums: Certain Preferred Driver criteria must be met.
- 5% Credit Physical Damage base premiums: Certain Standard Driver criteria must be met.
- Account Credit Program: 10% Credit: Must have Homeowners and Auto policy with UIC.
- 5% Credit for BI, PD and Med Pay for factory installed Anti-Lock Brake System.
- 5% Credit for BI, PD, Med Pay, Collisions, and Comprehensive premiums: Mature Driver Discoun

Unigard Indemnity Company

- 5% non-fleet private passenger auto physical damage rates. Deviation applies: (1) All vehicle assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drive are 55 yrs. of age or older, (3) Private passenger vehicles only.
- 10% non-fleet private passenger auto physical damage rates when same insured also has Homeowners Form HO-3 or HO-6. Eff. 9-5-89

Unisun Insurance Company

- Preferred Driver Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premium. Credit applies to each vehicle where criteria is met.
- Full Coverage Discount: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision when criteria is met.
- Multi-Vehicle Discount: 5% additional credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Eff. 12-15-96

United Services Automobile Association

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- Deviation on liability, physical damage, extended transportation and towing & labor coverages - credit varies by territory.
- 5% non-fleet private passenger auto liability & physical damage; 10% extended transportation expense coverage, towing & labor.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with active anti-theft disabling devices or vehicles using steering wheel bar locks.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with a window identification system.
- 10% non-fleet private passenger auto other than collision coverage for vehicles with passive disabling anti-theft devices & vehicle recovery system.
- 100% private passenger non-fleet auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 30% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bags on both sides.
- 20% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bag on driver side only.
- 10% non-fleet private passenger auto medical payments coverage for vehicles with passive seat belt restraint.
- 10% non-fleet private passenger auto liability & physical damage rates if principal operator is age 55 & older.
- 100% on rates for covered property for trailers insured for other than collision coverage.
- 100% on rates for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage,

medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverages.

- Deviation on 6 month & annual short rate cancellation tables.
- Extended Billing Plan: Regular Plan - no installment charge: Extended Plan - \$3 installment charge. Eff. 1-1-04

United States Fidelity & Guaranty Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Jnitrin Auto and Home Insurance Company

- Voluntary Liability Deviation – Bodily Injury and Property Damage credit varies by territory and tiers.
- Voluntary Physical Damage Deviation – Collision and Comprehensive credit varies by territory and tiers.
- Safety Equipment Discounts – Passive Restraint Discount – medical payments only – auto must be equipped with a factory installed automatic occupant restraint, conforming to the federal crash protection requirements. Credit varies according to installed equipment.
- Anti-lock Braking System Discount – 5% discount for single limit liability or bodily injury and property damage liability coverage shall be afforded for those private passenger auto equipped with a factory installed four wheel anti-lock braking system (abs).
- Extended Transportation Expenses Coverage-Package Plus Only \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge.
- Cancellation – Package Plus Only – compute return premium on a Pro Rata basis per chart.
- Classifications – Experienced Operator Credit
- Deferred Premium Payment Plans
- Network Discount – 7% discount applied to BI, PD, Med Pay, Coll & Comp if individual is a member of the Network Group.
- Anti-theft Devices – 5% alarm only and active disabling devices, 15% Passive Disabling Device.

Eff 10-1-03

PC060474, PC062833, PC065530

Universal Insurance Company

- 15.0% non-fleet private passenger auto bodily injury, property damage & medical payments for DWI

conviction limited to one lifetime alcohol related conviction per household. Credit applies to single car SDIP pts. must be between 12- 20.

- 7.5% Multi-car, non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI conviction and SDIP pts. are between 12 & 20. There can be no more than one lifetime alcohol related conviction per household.
- 3.5% non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI & SDIP pts. are between 8 & 14. Credit applies to single or multi-car risk.
- 5% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 10% non-fleet private passenger auto comprehensive & collision with 8-9 SDIP pts. based on model year of auto.
- 25% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 40% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 20% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 52% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, single car risk with 12-20 SDIP pts.
- 42% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, multi-car risk with 12-20 SDIP pts. by at least one driver. Eff. 2-1-98

Utica Mutual Insurance Company

- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Group.
- Personal Auto Account Credit: 5% credit applied to basic premium when auto & homeowner policy is insured by Utica National Insurance Group.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met Eff. 12-1-00

Valiant Insurance Company

- 5% non-fleet private passenger auto comprehensive & collision insurance rates.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured with 3 years with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured 6 years with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury & property damage for anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive with anti-theft device (active).
- 10% non-fleet private passenger auto comprehensive with anti-theft device (passive).
- 5% non-fleet private passenger auto bodily, property damage, medical payments, comprehensive & collision for mature driver.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments,

- comprehensive & collision for account driver.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 15% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Vigilant Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist coverage for antique autos.
- Reduced rates for physical damage coverage for antique autos.
- Deviation for split limit bodily injury increased limits. Eff. 7-1-03

Virginia Mutual Insurance Company

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments, with "0" SDIP pts. & no inexperience operators.
- 10% non-fleet private passenger auto comprehensive & collision with "0" pts. and no inexperience operators.
Eff. 9-1-97

West American Insurance Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

Windsor Insurance Company

LIABILITY Applicable to non-fleet private passenger auto bodily injury, damage & medical payments coverage for all listed components.

Group I

12 point violation that is not one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 14% - 43%.
 - Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 23% - 70%.
 - Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 20% - 70%.
 - Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-

- 48 yrs. licensed driving experience. Credit varies 40% - 75%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 10% - 43%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 20% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 28% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 41% - 75%.
- 7% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 10% deviation applies to auto BI, PD and Med Pay when the total policy premium is paid with the application or renewal quote.
- 12% auto BI & PD policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance.

Group II

Contain either no 12 point violation or a 12 point violation that is one of the following:

- Manslaughter or negligent homicide.
 - Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - Transporting illegal intoxicating liquors by motor vehicle.
- Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.
 - Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 2% - 34%.
 - Deviation single-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit 3% - 35%.
 - Deviation single-car policies, unmarried driver, 2-20 SDIP pts. & least experienced operator has 7-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.
 - Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 5-13 yrs.

- licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 26%.
- Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 1% - 28%.
- Deviation multi-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 3% - 20%.
- Deviation multi-car policies, unmarried driver, 4 - 20 SDIP pts. & least experienced operator has 5- . yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% or 20%.
- 10% deviation applies to auto BI, PD & Med Pay when the total policy premium is paid with the application or renewal quote.
- 15% auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
- 10% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance. Eff. 7-22-02

Worldwide Insurance Company

- 7.0% non-fleet private passenger auto bodily injury, property damage & medical payments coverage when certain criteria is met.
- 10.0% non-fleet private passenger auto comprehensive & collision coverage if certain criteria is met. Eff. 7-15-96

AUTOMOBILE

ACE American Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

ACE Fire Underwriters Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

ACE Property & Casualty Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

AMEX Assurance Company

- Accident-Free Discount: Applies to non-fleet private passenger auto bodily injury, property damage, medical payment & collision: 3-5 yrs.- 10% credit: 6 yrs. or more- 15% credit.
- Auto/Homeowner Discount 5% Forms 3 & 6: with accompanying homeowners policy.
- Deviation for single-car & multi-car policyholders for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Installment Payment Plan: Charge waived for electronic funds transfer or payroll deduction.
- Work Site Discount: 1% deviation non-fleet private passenger automobile rates where the named insured has acquired his/her auto policy through the Work Site Marketing Program of AMEX Assurance Company. Preferred Client Deviation 10% for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Costco Discount: 3% applies to policies for member insureds of Costco. Vehicle Usage Discount for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Multi-car discount for Liability, Comp & coll
- Liability Limits: credit varies by Limit amount. Eff. 5-14-04 pc070179

All America Insurance Company

- Withdrawn

Allstate Indemnity Company

Preferred Program

- Territory Deviations: Applies to auto bodily injury, property damage, med pay, collision and comprehensive coverages: Credit varies.
- Tier Deviation: Certain criteria must be met.
- Years Licensed Deviation: Applies to auto bodily injury, property damage, comprehensive & collision coverages: Credit varies by coverage.
- Accident Rating Deviation: Years since last accident 0 - 3+: Factors vary 1.00 – 1.20.
- Anti Lock Brake Discount: 1% credit for collision coverage when factory installed anti lock braking system on all four wheels.
- 55 and Over Discount: 15% credit when principal operator is 55 or less than 71 yrs. of age, 1% credit when 71 yrs. or older: Other criteria apply.
- New Car Discount: 0 – 2+ yrs.: Factors vary .95 – 1.00: Other criteria apply.
- The Good Hands People Discount: 10% credit applies to qualifying named insureds.
- Electronic Funds Transfer Deviation: \$1 installment fee.

Regular Auto Program

- 22.5% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDIP pts. for single car policies.
- 16.0% non-fleet private passenger auto bodily injury & property damage for policies with 12-15 SDIP pts. for multi-car policies.
- Installment Pay Plan: \$1 per installment by Easy Payment Plan (EZP) Electronic Funds Transfer.
- Installment Pay Plan: Payroll deduction for Allstate Employees (NC); Installment charges waived.
- 10% discount on collision & comprehensive for member of an approved Allstate Corporation and its subsidiaries (The Good Hands People Discount). Eff 7-1-04 PC072275

Allstate Insurance Company

- Installment Payment Fee of \$1.00 for Electronic Fund Transfer. Effective 7-1-04 PC072554

American Automobile Insurance Company

- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with an alarm device.
- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with active disabling device.
- 15% non-fleet private passenger auto comp. coverage on vehicles equipped with passive disabling device.
- Anti-lock braking system - 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factory installed four wheel Anti-Lock Braking System.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit
- Installment Payments Eff. 10-01-03

American Bankers Insurance Company of Florida

- 8% non-fleet private passenger physical damage insurance rates, if liability insurance is provided. Eff. 3-15-86

American Centennial Insurance Company

- 5% non-fleet private passenger auto liability & physical damage rates. Eff. 9-1-85

American Economy Insurance Company

- 10% private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American Employers Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private passenger auto comprehensive when vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis. Eff. 11-20-01
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American Fire & Casualty Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

American & Foreign Insurance Company

- Installment Payment Plan waiver.

Eff. 5-15-04 PC068691

American Home Assurance Company

- 6% - 37% deviation for medical payments & uninsured & combined uninsured/underinsured

- motorists coverage: All territories: Certain underwriting criteria must be met.
- 1% - 46% deviation for bodily injury, property damage, comprehensive & collision coverages: Certain criteria apply.
- 5% deviation for bodily injury, property damage, medical payments, comprehensive & collision for multi car policies.
- 5% deviation for comprehensive: All vehicles equipped with alarm only and active disabling devices.
- 15% deviation for comprehensive: All vehicles equipped with passive disabling devices.
- 5% deviation for certain coverages: All insureds within sponsored groups.
- Installment fee waived for automatic deductions from a financial account.
- 1st installment fee waived for all multiple payment modes. Eff. 12-20-02

American Insurance Company

- Various deviations on Comprehensive for vehicles equipped with Alarm only device.
- Discount on comprehensive for vehicles equipped with Active Disabling devices.
- Discount on Comprehensive for vehicles equipped with Passive Disabling devices.
- Anti-lock brake discount.
- Various deviations on on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit.
- Installment Payments Eff. 10-01-03

American International South Insurance Company

- Deviation applies to non-fleet private passenger Bodily Injury and Property Damage Liability rate that is not one of the following:
 - a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxication liquors by motor vehicle.
- 1. 39% on rates with 12-14 SDIP policy points, multi-car & driving experience of 5-6 years with a 12 point violation.
- 2. 48.0% on rates with 12-14 SDIP policy points, multi-car & married & driving experience of 7-38 years with a 12 point violation.
- 3. 62.0% on rates with 12-14 SDIP policy points, single car with 7-38 years driving experience with a 12 point violation.
- 4. 39% on rates with 12-14 SDIP policy points, multi-car, unmarried with 7-38 years driving experience with a 12 point violation.
- 5. 39% on rates with 12-14 SDIP policy points, multi-car & driving experience of 39+ years with a 12 point violation. v. if ve
- 6. 50% on rates with 12-17 SDIP policy points, single car with 5-6 years driving experience

- with a 12 point violation.
7. 50% on rates with 12-17 SDIP policy points, single car with driving experience of 39+ years with a 12 point violation.
 8. 39% on rates with 15-17 SDIP policy points, multi-car & 5 years of driving experience with a 12 point violation.
 9. 55% on rates with 15-17 SDIP policy points, single car and 5-6 years driving experience with a 12 point violation.
 10. 13% on rates with 18-20 SDIP policy points, multi-car and 5+ years of driving experience with a 12 point violation.
 11. 13% on rates with 18-20 SDIP policy points, single car and 5+ years of driving experience with a 12 point violation.
 12. 50% on rates with 18-20 SDIP policy points, single car, married driver with 5-38 years of driving experience with a 12 point violation.
 13. 39% on rates with 18-20 SDIP policy points, multi-car, married driver with 5-38 years of driving experience with a 12 point violation.
 14. 13% on rates with 18-20 SDIP policy points, single car, married driver with 39+ years of driving experience with a 12 point violation.
 15. 13% on rates with 18-20 SDIP policy points, multi-car, married driver with 39+ years of driving experience with a 12 point violation. Effective 8-27-04 PC073480

American Manufacturers Mutual Insurance Company

- Voluntary deviations without driving points - BI, PD, COMP, COLL credit varies by territory.
- Voluntary deviations with driving points - BI, PD, COMP, COLL credit varies by territory.
- Safety Equipment Discounts - 5% - 15% to Med Pay if qualified.
- Anti-locking braking system discount - 5% for autos equipped with a factory installed four wheel Anti-Lock Braking System.
- Extended Transportation Expenses Coverage - KIP ONLY - \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge.
- Cancellation - KIP ONLY - return premium is computed on a Pro Rata basis.
- Classifications - Experienced Operator Credit - If the principal operator of the auto is aged 55 and over and no inexperienced operators apply to the vehicle, apply a 3% discount to the BI and PD Liability, Med Pay, Coll and Coll premiums.
- Classic Auto Discount: 80% discount to Miscellaneous Types Rule-19.F. Classic Auto Discount for bodily injury, property damage & medical payments coverages.
- Deferred Premium Payment Plans - a monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a \$1 monthly service charge is applied per billing.
- Kemper Network Deviation 7%: Certain criteria apply.
- Anti Theft Devices Discount - credit varies. Eff 7-1-03

American Motorists Insurance Company

- Extended Transportation Expenses Coverage - KIP only: Coverage included at no additional charge.
- Cancellation - KIP only: Compute return premium on pro rata basis.
- Deferred Premium Payment Plan.

- 7% Kemper Network Deviation: Certain criteria apply. Eff 7-1-03

American Professionals Insurance Company

- Installment charge waived on initial payment: \$3 charge for each installment thereafter: Applies to all policies.
Eff. 7-1-99

American Protection Insurance Company

- Voluntary deviations with driving points - BI, PD, COMP, COLL credit varies by territory.
- Voluntary deviations without driving points - BI, PD, COMP, COLL credit varies by territory.
- Safety Equipment Discounts - 5% - 15% to Med Pay if qualified.
- Anti-locking braking system discount - 5% for autos equipped with a factory installed four wheel Anti-Lock Braking System.
- Extended Transportation Expenses Coverage - KIP ONLY - \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge.
- Cancellation - KIP ONLY - return premium is computed on a Pro Rata basis.
- Classifications - Experienced Operator Credit - If the principal operator of the auto is aged 55 and over and no inexperienced operators apply to the vehicle, apply a 3% discount to the BI and PD Liability, Med Pay, Coll and Coll premiums.
- Deferred Premium Payment Plans - a monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a \$1 monthly service charge is applied per billing.
- Kemper Network Deviation 7%: Certain criteria apply.
- Anti Theft Devices Discount - credit varies. Eff 7-1-03

American Security Insurance Company

- Deviation: Charge as premium for comprehensive (full coverage) & collision (\$100 deductible), the NC Rate Bureau base rates, which became effective January 1, 1984 for territory 17, separately for each coverage. Premiums so determined are applied statewide regardless of territory, no primary or secondary rating factors are applied.
Eff. 2-1-86

American Southern Insurance Company

- 12.5% Elite Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 5% Preferred Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 2% AAA Carolina Affinity Group Discount when insured is a member of AAA Carolinas. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments,

collision & other than collision premiums

- 10% Renewal Discount Program applicable to each vehicle when policy holder has been insured with American Southern for three continuous years and which is loss free. Discount applies to bodily injury, property damage, med payments, collision & other than collision premiums otherwise applicable to the vehicle.
- 5% Multiple policy discount applicable to each vehicle when the policyholder places both automobile and homeowners coverage through the American Auto Club Insurance Agency. Discount applies to Bodily Injury, Property Damage, Medical Payments, Collision and Other Than Collision premiums.
- 10% Super Preferred Driver Discount.
- Eff. 6-15-04 PC071954

American States Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is aged 55 & over with no inexperienced operator in household. Eff. 4-19-91

American States Preferred Insurance Company

- See exception pages on the NC Department of Insurance website www.ncdoi.com.
Eff. 8-19-04 PC072161

AMICA Mutual Insurance Company

- Downward Deviation to Base Rates for BI, PD, med pay, uninsured/underinsured motorists, comprehensive & collision.
- Downward Deviation by Territories for BI, PD, med pay, comprehensive & collision.
- Charge \$2 in lieu of \$3 each installment with certain exceptions.
- Eliminate additional charge \$2 on 1st installment of installment plan.
- Eliminate additional charge \$2 for all installment payments for members of any AMICA Group.
- Eliminate additional charge \$2 for 1st installment payment for insured participating in account billing payment plan.
- Downward deviations to one year short-rate cancellation.
Eff. 11-1-04 PC074206

Arch Insurance Company

- 15% private passenger auto comprehensive & collision rates. Eff 9-29-92

Argonaut Insurance Company

- Advantage Discount: 13.5% discount applies to bodily injury, property damage, medical, collision &

comprehensive for single car auto policies.

- Multi-Car Discount: 23.7% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Preferred Driver Discount: 10% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies. Eff. 4-1-00

Associated Indemnity Corporation

- Various deviations on auto comprehensive coverage for all vehicles equipped with an alarm device.
- Discount on auto comprehensive coverage for all vehicles equipped with active disabling devices.
- Discount on comprehensive for vehicles equipped passive disabling devices.
- Anti lock brake discount.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit
- Installment Payments Eff. 10-01-03

Association Insurance Company

- 12.5% non-fleet private passenger auto liability & physical damage insurance rates.
- 32.5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for SAS Institute Employees. Eff. 1-1-96

Assurance Company of America

- 5% non-fleet private passenger auto liability bodily injury, property damage & medical payments.
- 15% non-fleet private passenger auto comprehensive & collision.
- 7.5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for drivers with 30 yrs. driving experience & no inexperience operator on policy.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 3 consecutive yrs. with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 6 consecutive yrs. with "0" SDIP pts.
- 5% non-fleet private passenger auto liability, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury & property if auto has anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 10% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision of insured has homeowners policy with Assurance.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 20% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Atlantic Casualty Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 37% non-fleet private passenger bodily injury & property damage, single car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments: \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts.
 - 33% non-fleet private passenger bodily injury & property damage, multi-car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments, \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts. Eff. 7-1-94

MOTORCYCLE

- 9% average deviation for private passenger motorcycle physical damage.
- 15% average deviation private passenger motorcycle bodily Injury & property damage. Eff. 7-1-91

Atlantic Indemnity Company

- 5% non-fleet private passenger auto bodily injury, property damage & medical payments single car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 2.5% non-fleet private passenger auto bodily injury, property damage & medical payments multi-car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 21% average deviation for non-fleet private passenger automobile physical damage with 3 or more SDIP pts.

LIABILITY All deviation applicable to non-fleet private passenger bodily injury, property damage, & medical payment coverages for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.

- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. DUI violations involving drugs.

- 55% for single car policies with 12-20 SDIP pts.
- 45% for multi car policies with 12-20 SDIP pts. Eff. 11-1-95

Auto Owners Insurance Company

Premier Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 - 74 yrs. of age: Credit varies 2%.
- Multi Policy Discount: 5% credit applies to BI, PD, Med Pay, comprehensive & collision.
- Life/Auto policy 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision.

Standard Program

- Multi Policy Discount: 5% credit applies to BI, PD, Med Pay, comprehensive & collision.
- Life/Auto policy 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision.
- Accidental Death Indemnity
- Total Disability Indemnity
- PC072354 Eff. 7-22-04

Bankers Standard Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision. Eff. 3-18-97

Builders Mutual Insurance Company

- 5% deviation on bodily injury, property damage, medical payments, comprehensive, & collision, if primary driver has at least 30 yrs. driving experience.
- Rating plan factor reduced by .05 for comprehensive & collision if the risk qualifies for multi car discount & has no inexperienced operator.
- Rating plan factor reduction by .05 for bodily injury, property damage, medical payments, comprehensive & collision, if the risk is classified as having 0 SDIP pts.
- 5% deviation on bodily injury & property damage, if the vehicle is equipped with anti-lock brakes.
- 5% deviation for comprehensive only, if vehicle is equipped with an active anti-theft device: 10% deviation, if vehicle is equipped with a passive anti-theft device. Eff. 10-1-99

Burlington Insurance Company

- 15% private passenger auto physical damage insurance rates. Eff. 5-28-87

CGU Insurance Company

- 5% Account Credit is applicable to Personal Auto Policies where named insured has his/her Homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes. Eff. 9-15-91

Central Mutual Insurance Company

- Package credits allowed for both Private Passenger Auto and Homeowners whenever the Central Companies carry both Auto and Homeowners coverages. Certain criteria applies, credits vary.
- Deviation (5%) will apply to BI, PD, Med Pay, Comp and Coll coverages for principal operators age 55-69 or principal operators 34-38 years driving experience with no SDIP points and no inexperienced operators in household.
- Deviation (5%) on Comp coverage for vehicle equipped with alarm only and active anti-theft disabling device; Deviation (15%) on Comp coverage for vehicle equipped with passive anti-theft disabling device.
- Deviation for 'First Accident Forgiveness' program. Certain criteria apply.
- Installment Pay Plan deviation - 100% deviation applies to the North Carolina Rate Bureau's \$3 installment charge when the insured selects an option to electronically transfer the payment from banking account to insurance company account.
- Deviation (7.5%) on BI, PD, Med Pay, Comp and Coll coverages for eligible Exceptional Drivers.
- Deviation for single car risks with additional company-owned vehicles.
- Deviation (12.5%) on BI, PD, Med Pay, Comp and Coll coverages for eligible Superior Drivers. Certain criteria apply.
- Eff 7-1-03 SPC 062332

Century Indemnity Company

- 10% non-fleet private passenger auto comprehensive & collision rates. Eff. 6-1-89

The Charter Oak Fire Insurance Company

- Pricing Factors Deviation: Applies to private passenger auto: 15% for liability coverages: 15% for property damage coverages.
- 9% Account Discount Deviation applies to all insureds who have both an auto & homeowners policy with Travelers.

- Contributing Vehicle Credit: 35% credit private passenger autos, pickups, vans and classic autos for bodily injury, property damage, medical payments coverage for single car policy & have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 30% credit private passenger autos, pickups, vans and classic autos for collision coverages for insured who have a single car policy & have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% credit priv pass autos, pickups, vans and classic autos for Comprehensive, Fire/Fire and theft/fire, theft, CAC coverages for insured who have a single car policy and have more than one private passenger auto insured with The Travelers.
- 3% Renewal Credit applies to private passenger auto rates if insured has maintained an auto policy with Travelers for the last 6 or more consecutive years. Eff. 7-1-03 PC062965

The Cincinnati Insurance Company

- 0% non-fleet private passenger auto liability rate deviation.
- 40% non-fleet private passenger auto physical damage rate deviation.
- 10% non-fleet private passenger liability & physical damage rate deviation, if policyholder has package policy with Cincinnati Insurance Company.
- Installment Payment Plan charge waived for personal autos & autos written in conjunction with a homeowner policy. Eff. 7-1-03

Citizens Insurance Company of America

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators in household age 55 or older where there are no other operators in household with less than 3 yrs. driving experience. This is a per vehicle credit.
- Account Credit: 5% non-fleet private passenger auto comprehensive & collision coverage if insured has Homeowners policy with The Hanover Insurance Company.
- Non-Smoker Discount: 5% non-fleet private passenger auto comprehensive & collision coverage if no drivers have smoked in the past 15 months.
- 10% deviation for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Renewal Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Less than 3 yrs-0%; 3-5 yrs.-3.0%; 5 yrs or more-6.0%. Eff. 9-1-94

Colonial American Casualty and Surety Company

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.

- Anti-Theft Device Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Commercial Insurance Company of Newark, New Jersey

Classic Auto Program

- Deviation for bodily injury, property damage & medical payments premium for all territories.
- Comprehensive, collision, fire only & theft only premiums deductible deviation factors for all territories.
- Uninsured motorists coverage, combined uninsured/underinsured motorist coverage deviation for all territories. Eff. 8-1-00

Consolidated American Insurance Company

- 10% non-fleet private passenger comprehensive & 15% collision rates. Deviation applies multi-car risk, all classes except farm use classes. No inexperienced operators in household & 0 SDIP pts. applicable. Eff. 12-1-92

Continental Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies if named insured has an homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount. Eff. 7-3-01

Continental National Indemnity Company

- Discount for Qualified Preferred Drivers: 17.5% credit physical damage-5% credit liability when certain criteria is met.
- Discount for Qualified Standard Drivers: 5% credit physical damage when certain criteria is met.
- Account Credit Program: 10% credit when certain criteria is met & both homeowners & auto policies are written through CNIC.
- Anti Lock Braking System Discount: 5% credit.
- Mature Driver Discount: 5% credit when certain criteria is met. Eff. 1-1-01

Economy Premier Assurance Company

- 5% Pak II Package Credit: Applies to comprehensive & collision base premiums when certain criteria is met.
- Pak II Renewal Credit: 3%-5% credit applies to final premium when insured has maintained an auto or homeowners policy written with a Metropolitan Company.
- Age 55 or Older Credit: 1%, 5%, or 10% credit applies to non-fleet private passenger bodily injury and property damage liability, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- 10% Good Driver Credit when certain criteria is met.
- Symbol Relativities Deviation.
- Increased Limits Extended Transportation Deviation: No additional charge when comp coverage is purchased.
- Passive Restraint Credit: 20% for driver side airbag: 30% for both front outboard seat position airbags.
- Anti-Theft Device Credit: 5% applies to alarm only & active disabling devices: 15% for passive disabling devices.
- 5% Anti-Lock Braking System Credit when it's factory installed on all 4 wheels.
- Golfmobile Liability: No additional charge.
- ATV, Minibike & Dune Buggy combined BI & PD liability rates are same as the N.C. Rate Bureau's snowmobile rates.
- ATV, Minibike & Dune Buggy Medical Payment rates will be 23% of territory 11 private passenger auto med pay rates.
- ATV, Minibike & Dune Buggy Collision rates are same as the N.C. Rate Bureau's snowmobile rates.
- 10% Recreational Vehicle Multi-Vehicle Credit: Eligibility requirements must be met.
- Premium Payment Plan Deviation. Eff. 6-01-01

Electric Insurance Company

- Preferred Rate Program Deviation applicable to comprehensive and collision coverages, credit varies by territory when all program criteria is met.
- Super Preferred rate Program Deviation applicable to comprehensive and collision coverages, credit varies by territory when all program criteria is met.
- Accident and Violation Free Discount: Credit varies 5% - 15% when criteria is met.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision for risks that meet Elfun Society Membership.
- 5% Mass Marketing Discount.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision if principal operator of vehicle is 55 yrs or older. Vehicle with inexperience operator surcharge is not eligible.
- Multi Policy Credit: credit applies when insured has a HO- 2, 3, 4 or 6 policy with Electric Insurance.
- Installment Payment through electronic funds transfer Eff. 1-20-04 pc066981

Employers Mutual Casualty Company

- Multi-Policy Credit: 10% when auto & homeowners coverage are written with Employers Mutual Casualty Company and/or Emcasco Insurance Company.
- Safety Equipment/Anti-Theft Discount: 20% med pay premium passive restraint on driver side only. 30% med pay premium passive restraint on both sides. 5% on bodily injury & property damage premium for four wheel anti-lock braking system. 5% comprehensive premium for alarm & active disabling devices. 15% comprehensive premium for passive disabling devices.
- Installment Payment Plan: \$3 charge waived when method of payment is through electronic funds transfer.
Eff. 5-25-97

Encompass Indemnity Company

- Anti-Theft Device Discount: Apply factor of .95 to the Comprehensive Premium on vehicles equipped with alarm only device or active disabling device. Apply factor of .85 to the Comprehensive Premium on vehicles equipped with either of the following: a passive disabling device or a retrieval system which incorporates a device installed on the vehicle which emits a signal to allow for the vehicle's tracking and retrieval.
- VIN Etching Discount: Apply a factor of .95 to the Comprehensive Premium for any vehicle when the vehicle id number is etched into all of the windows of the vehicle and must be no smaller than on-eighth of an inch and must be non removable and permanent.
- Accident/Violation Free Discount: 10% discount to BI, PD, MED PAY and Coll provided that risk has not been assigned any driving points (sub-class 0). The discount applies only to private pass autos.
- Daytime Running Light Discount: 5% discount applies to the premium for BI, PD, MED PAY and Coll for autos equipped with factory installed daytime running lights.
- Companion Discount: 10% discount applies to the premiums for BI, PD, MED PAY, Comp and Coll if the named insured is also a named insured on an HO Policy with any of the Encompass Insurance Companies.
- Various Discounts for Airbags: Med Pay only, factory installed airbags which conforms to the federal crash protection requirements and
 - A: 20% discount when installed on driver side only
 - B: 35% discount when installed in both front outboard seat positions
 - C: 35% discount for an automatic belt restraint systemIf the vehicle has both airbags and an automatic belt restraint system, only the higher percentage discount shall apply.
- Anti-Lock Braking System Discount: 5% discount to the premiums for BI, PD for factor installed four wheel anti-lock braking system (ABS). Priv Pass only.
- Preferred Plus Tier: .85 factor applied to all policies written in the Fireman's Insurance Company which meet the certain criteria.
- Group Program Deviation: 5% deviation applies to Auto Liab, Med Pay Comp and Coll when written through CAN's Prop and Cas Group Program to members of any employee or affinity group.
- Effective 10-1-04 PC075213

Encompass Indemnity Company
Antique automobile program

- Deviation for Bodily Injury, Property Damage, Medical Payments – All Territories.
- Deviation for Uninsured/underinsured Motorists – all territories.
- Effective 9-1-04 PC

Encompass Indemnity Company
Classic Automobile Program

- Deviation for Bodily Injury, Property Damage, Medical Payments – All Territories.
- Deviation for Uninsured/underinsured Motorists – all territories.
- Effective 9-1-04 PC 075210

Erie Insurance Company

- Pioneer Experience Rating Credit Discount: Applies to private passenger auto bodily injury, property damage, comprehensive & collision on a Pioneer Family Auto Policy. Other criteria apply.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operators are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 or newer model vehicles with factory-installed anti-lock brake systems on all four wheels.
- 5% non-fleet private passenger comprehensive for all vehicles with etching a vin or serial number or active anti-theft devices.
- 10% non-fleet private passenger comprehensive for all vehicles with alarm or passive anti-theft devices.
- Feature 15: SDIP surcharge will be waived for any at-fault accident presented on an Erie personal auto policy which has been in force 15 or more yrs. Deviation 1 pt. - 15%, 2 pts. - 40%, 3 pts. - 65%.
- Premium Payment Plan Service Charge - Installment Payments deviation.
- Non-fleet private passenger auto base rate deviation for bodily injury, property damage, medical payments, comprehensive & collision coverage by territory. Credit varies.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage when insured has both comprehensive & collision.
- Pro rata cancellation for all policies.
- Multi-Policy Discount: 10% credit when Homeowner or Mobile homeowner policy is written with The Erie and named insured must be same on all policies.

- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met. Eff. 1-1-04
- PC066417

Erie Insurance Exchange

- Base Rate Deviation by territory for bodily injury, property damage, medical payments, comprehensive & collision territory. Credit varies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principally driven by insureds who are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 & newer model yr. vehicles with factory installed anti-lock brake systems on all four wheels.
- Anti-Theft Device Deviation on comprehensive premiums: 5% for etching identification or an active device; 10% for an alarm or passive device.
- Feature 15: SDIP surcharge will be deviated for following at-fault accidents presented on a personal auto policy which has been in force with Erie Insurance Group for 15 or more yrs. Deviation - 1 pt. - 15%; 2 pts. - 40%; 3 pts. - 65%.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage.
- Pro rata cancellation for all policies.
- Premium Payment Plan: Service charge - Installment payments deviation.
- Comprehensive Deductible Factors Deviation: 5% deviation other than full coverage.
- Multi Policy Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- First Accident Forgiveness Deviation: The SDIP surcharge will be deviated for the first at-fault accident presented on an Erie Personal Auto policy: 1 pt. - 15%; 2 pts - 40%; 3 pts. - 65%. Other criteria apply.
- Pioneer Experience Rating Credit Discount(PERC): Certain criteria apply.
- Driving Experience Factor(DEF) Deviation: Certain criteria apply.
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met. Eff. 7-1-03

Farm Bureau Insurance of North Carolina Inc.

- 55% deviation applies to the surcharge on voluntary policies for a 12-point violation that is not one of the following: a) manslaughter or negligent homicide resulting from the operation of a motor vehicle, b) prearranged highway racing or knowingly lending a motor vehicle to be used in prearranged highway racing, c) failure to stop and render aid when involved in an accident resulting in bodily injury or death (hit and run driving), or d) transportation for the sale of illegal intoxicating liquors by motor vehicles.
- Effective 10-1-04 PC073968

Farmers Insurance Exchange

- Base Rate Deviations: BI, PD Med Pay, UM/UIM (BI,PD), Collision & other than Collision for Premier & Preferred Rating Plans.
- Auto/Home Discount & Auto/Renters Discount: Certain criteria apply.
- Anti-Theft Device Discount: ½ % discount applies to Comprehensive when a vehicle is equipped with a passive anti-theft device.
- Anti-Lock Brakes Discount: ½ % discount applies to BI, PD, Med Pay & Collision: Factory installed ABS, all 4 wheels.
- SDIP Point Free Credit: ½ % discount applies to BI, PD, Med Pay, Comprehensive, & Collision if all operators in household have no SDIP pts.
- Experienced Operator Credit: Varied credits apply to BI, PD Med Pay, Comprehensive & Collision. Eff. 7-1-03

Federal Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist for antique auto.
- Reduced rates for physical damage coverages for antique autos.
- Deviation for Split Limit Bodily Injury Increased Limits. Eff. 7-1-03

Federated Mutual Insurance Company

- 5% non-fleet private passenger liability & physical damage when homeowners & personal umbrella policy is written with Federated Mutual Insurance Company.
- Installment Payment Plan: \$2 charge each installment subject to max. of \$5 per account for all policies. Eff. 4-21-95

Fidelity & Casualty Company of New York

- Deviation on BI, Prop Dam, Medical Payments - factors vary.
- Deviation on Uninsured Motorist and Combined Uninsured/underinsured Motorist Coverage - factors vary. Eff. 1-1-04
- PC063945

Classic Auto Program

- Deviations for bodily injury, property damage & medical payments, all territories. Factors vary.
- Uninsured motorist coverage, combined uninsured/underinsured motorist coverage deviation, all territories. Factors vary.
Eff. 01-01-04
- PC064886

Fidelity & Deposit Company of Maryland

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, med pay, comp. & collision

age 55 and over.

- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device: Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive. Eff. 1-1-98

Fidelity & Guaranty Insurance Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Fidelity & Guaranty Insurance Underwriters

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Firemans Fund Insurance Company

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with

American Automobile Insurance Company.

- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge. Eff. 10-1-03 PC064658

Firemans Fund Insurance Company of Wisconsin

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured/underinsured motorist, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator age 55 and older with no inexperience operators.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator(s) have a minimum of 9 yrs. driving experience.
- 5% non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision for renewal discount where all operators have been written in the Fireman's Fund Direct program for at least 3 yrs. & are free of chargeable accidents & free of convictions. Eff. 11-24-97

Firemen's Insurance Company of Newark, New Jersey

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies when named insured has a homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Preferred-Plus Rating Tier: Certain criteria apply.
- Employee or Affinity Group Discount. Eff. 7-3-01

Firemen's Insurance Company of Washington D.C.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured/underinsured motorist, comprehensive & collision coverage. Eff. 11-1-94

First Financial Insurance Company

- 15% non-fleet private passenger physical damage rates. Eff. 12-7-87

First Liberty Insurance Corporation

- Group Savings Plus Discount: 5% credit: Certain criteria apply.

- Mature Driver Discount Program: 5% when all operators are 55 or older, no inexperienced operators.
- 1% non-fleet private passenger auto bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 on first installment of installment plan.
- Multi Car Discount: 4% for collision only and 5% for Liability coverage.
- College Education Discount Program: 5% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 18% applies to liability and 18% applies to phys dam per vehicle when insured maintains an eligible Homeowners policy.
- Single liability limits deviation by territory, credit varies.
- Split liability limits deviation by territory, credit varies.
- Property Damage limits deviation by territory, credit varies.
- Comprehensive and collision deviation by territory, credit varies. Eff. 7-1-03 PC062604

First National Insurance Company of America

- 15% Deviation on bodily injury, property damage, and med pay coverages. 10% deviation on comprehensive & collision coverages.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision if policyholder has had auto insurance with any Safeco Company for 3 consecutive yrs.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for having a Safeco homeowners policy in force.
- Additional 5% Deviation on bodily injury, property damage, med pay, comprehensive & collision for certain specified 4 door vehicles.
- Additional 10% deviation on comprehensive & collision for mature drivers age 55 or older.
- Checkless Pay Plan: Waive \$3 installment charge.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision for specified territories.
- Additional 5% deviation on bodily injury, property damage, med pay, comprehensive & collision for owning & occupying a home or condominium.
- Additional 10% deviation on comprehensive & collision for drivers with a driving record sub-classification of 0 and free of violation incidences. Eff. 9-20-01

GEICO Indemnity Company

- Associate Discount: 8% non-fleet private passenger applies to auto total policy premium.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 11-22-04 PC077136

General Insurance Company of America

- All deviation components under PC043992 have been eliminated. Eff. 10/24/04 PC072365

Generali - U S Branch

- 10% non-fleet private passenger auto liability bodily injury & property damage for operator licensed 15 or more yrs. & all drivers total 7-11 SDIP pts.
- 20% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 15 or more yrs. & all drivers total 12-20 SDIP pts.
- 15% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 10 yrs., but less than 15 yrs. & all drivers total 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 5 yrs., but less than 10 yrs. & all drivers total of 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 11,13,17,31,32,41 or 47.
- 7.5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 24,26,33 or 43. Eff. 2-9-94

Globe Indemnity Company

- Installment Payment Plan - Agency Payroll Deduction: Certain criteria apply.
Eff. 5-15-04 pc069382

Government Employees Insurance Company

- Base Premium Deviation applicable to comprehensive & collision and Liability limit of 300/300 by territory, credit varies.
- 10% non-fleet private passenger auto comprehensive & collision coverage for drivers 55 yrs. or older & auto is not surcharged for an inexperienced operator.
- 8% deviation on total policy premium for Sponsored Marketing Group Pricing Track: Certain criteria apply.
- Motorcycle Safety Course Credit: Non-fleet private passenger auto bodily injury, property damage, uninsured motorist, medical payments, personal injury, comprehensive & collision coverage. Certain criteria apply. Credit varies 10% - 20%.
- 5 Year Good Driving Discount: 8% non-fleet private passenger auto bodily injury, property damage, medical payment, collision & comprehensive: Certain criteria apply.
- Associate Discount: 8% credit to total policy premium.
- Military Discount Deviation for members on bodily injury, property damage, medical payment, comprehensive & collision. Credit varies 7%-10%.
- 15% Ultra Preferred Tier (2) Discount: Applies to bodily injury, property damage, collision, comprehensive, medical payments & uninsured/underinsured motorists coverages: Certain criteria apply.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments. Eff. 11-22-04
PC076001

Grain Dealers Mutual Insurance Company

- Premier Program - 10% deviation will be applied to personal auto base rates that qualify.
- Accident Free 5% credit when a policy has been in force with Grain Dealers for three years and has been accident free for that period.
- Accident Free 10% credit when a policy has been in force with Grain Dealers for five years and has been accident free for that period.
- Eff 10-15-04 PC072536

Graphic Arts Mutual Insurance Company

- Superior Program Deviation: 5% non-fleet private passenger auto bodily injury, property damage liability & physical damage rates.
- 15% discount on base rates for employees of Utica National Insurance Group.
- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Company.
- Personal Auto Account Credit: 10% credit applied to basic premiums, when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) Program or is a member of a company approved affinity group.
- 5% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00 PC036563

Great American Alliance Insurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Occurrence Free Credit: 4% applies to bodily injury, property damage, medical payments, & comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Assurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24,

2000.

- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, medical payments, comprehensive & collision.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Insurance Company

- Various downward deviations for non-fleet private passenger auto bodily injury & property damage by territory. Credit varies. Certain criteria apply.
- Various downward deviations for non-fleet private passenger auto comprehensive & collision for chargeable or no chargeable activity when criteria is met. Credit varies.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with 29-49 driving experience.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviation on bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% downward deviation for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Insurance Company of NY

- Various downward deviations on comprehensive & collision for chargeable & no chargeable activity. Certain criteria apply.

- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviations for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1. Eff. 2-15-02

Great American Security Insurance Company

- Renewal Homeowner Credits: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. 2% comprehensive & collision only: Certain criteria apply.
- Multi-Car Credit: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Married Credit: 2% applies to bodily injury, property damage & medical payments if eligibility requirements are met.
- Mass Marketing Credit: 5% applies to bodily injury, property damage, medical payments, uninsured & underinsured motorist, comprehensive & collision. Credit applied to members of an employer based account written through an agent who has been specifically contracted with our marketing systems division to provide this discount.
- Territory Deviation: 2% credit applies to bodily injury, property damage, medical payment, uninsured/underinsured motorist, comprehensive & collision for garaging location in territory 11,13,15,18, 51 or 52.
- Occurrence Free Credit: 4% credit applies to bodily injury, property damage, medical payments, comprehensive & collision based on SDIP pts. record.
- Companion Policy Credit: 3% credit applies to bodily injury, property damage, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment Fee \$1. Eff. 2-15-02

Great American Spirit Insurance Company

- Renewal Homeowner Credit: 3% applies to bodily injury, property damage, med pay, comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer Deviation: Installment Fee \$1. Eff. 2-15-02

Guaranty National Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. DUI violation involving drugs.

Liability

- 61% deviation to single car with 12 SDIP points
- 50% deviation to single car with 13-15 SDIP points.
- 37% deviation to single car with 16-20 SDIP points.
- 44% deviation to multi car with 12-15 SDIP points
- 33% deviation to multi car with 16-20 SDIP points.

Physical Damage

- 21% deviation with 3 or more SDIP pts. Eff. 1-4-04 pc067647

GuideOne Mutual Insurance Company

- 55% non-fleet private passenger auto liability & physical damage rates on autos rated as Class 3 under Rule 4 of the NC Personal Auto Manual. Eff. 2-1-89

Hanover American Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for operators 55 yrs. of age or older, when no operators in household with less than 3 yrs. driving experience.

- Account Credit Program: 5% non-fleet private passenger auto comprehensive & collision coverage, if insured has homeowners with any of the Hanover Insurance Companies.
- Territorial Deviation: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Renewal Credit: 3 yrs. to less than 5 yrs. - 3.0%; 5 yrs. or more - 6.0%: Must be insured with Hanover American Insurance Company or within an agency which Hanover represents.
- Installment Pay Plan By Electronic Funds Transfer: Installment charges waived.
- Group Modification Plan: Deviation range 0.5% to 15.5%.
- Installment Payment Plan: Four payment plan \$3 per installment excludes first installment charge.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met. Eff. 4-1-02

The Hanover Insurance Company

- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Installment Pay Plan by Electronic Funds Transfer: No service charge.
- Group Modification Plan Deviation: 0% to 15.5%.
- Installment Payment Plan: \$3 charge for each installment, excluding first installment. Eff. 4-1-02q

Harbor Specialty Insurance Company

- 10% non-fleet private passenger auto physical damage insurance rates for risks with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates if principal operator of vehicle is age 55 or older.
- 15% non-fleet private passenger auto comprehensive & collision rates for risks with "0" SDIP pts. Policy must be a part of Personal Protection Program.
- 5% non-fleet private pass auto BI, PD & Med Pay rates for risks with "0" SPID pts. Eff 2-1-94

Harleysville Mutual Insurance Company

- StarPak Program Discount – Certain criteria, credits vary. Eff 7-1-03 PC062196

Harleysville Preferred Insurance Company

- Preferred Customer Discount applies when the insured meets qualifying rating and/or certain characteristics credit varies.
- StarPak Program Discount - Certain criteria, credits vary. Eff 7-1-03 PC062197

Hartford Fire Insurance Company

- Principal Operator age 55-69 Deviation: BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- Principal Operator age 70 or over Deviation: BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- All other operators deviation BI, PD, Med Pay, Comp & Collision – rate factors by territory.

- Account Credit: 14% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision, if insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.) Eff. 4-15-03

Hartford Underwriters Insurance Company

- Defensive Driver Credit 10% if Principal Operator has completion certificate dated within last 36 months, certifying that Principal Operator has both successfully & voluntarily completed course meeting standards of the N. C. Department of Transportation.
- Account Credit, 5% if policyholder has homeowners policy in effect in the AARP Homeowners Insurance Program.
- Renewal Credit Discount: 3-5 yrs. - 2%; 6 or more yrs. - 8%; Certain criteria apply.
- 5% Limited Driver Credit applies when principal operator is age 75 or over & such operators use of auto is limited to daylight driving.
- Anti-lock Braking System (ABS) 2% non-fleet private passenger auto bodily injury, property damage & collision coverage when auto is equipped with factory installed).
- Incident Free Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Safe Driver Plus Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Advantage Discount: 10% credit when criteria is met. Eff. 4-1-03

Highland Insurance Company

- 15% deviation to bodily injury, property damage, medical payments, uninsured & underinsured motorist base premium.
- 25% deviation to comprehensive & collision base premium.
- Installment Payments Deviation.
- 10% deviation when named insured has a homeowners policy with any company in the Highlands Insurance Group.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Horace Mann Insurance Company

- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 2% deviation when certain criteria is met.
- Member Only Deviation 2% deviation when certain criteria is met.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years: Credit Varies
- Electronic Funds Transfer - The installment fees are based on the number of installments.
- Installment Payments - No charge on first installment for new business policies written on an installment Payments basis.
- Eff 7-1-04 PC070873

Horace Mann Property & Casualty Insurance Company

- Deviation on non-fleet private passenger auto rates by territory Credit varies.
- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 6% deviation when certain criteria is met.
- Deviation on BI and PD premium 4%; if insured is a member in good standing of a sponsoring education association and the policy is completely voluntary. No deviation will apply if the policy has comp & Phys Dam only.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years: Credit Varies
- Electronic Funds Transfer - The installment fees are based on the number of installments.
- Installment Payments - No charge on first installment for new business policies written on an installment payment basis.
- Credit Rating Deviation: credit 5% if certain criteria is met.
- Eff. 05-01-04 PC069814

Indemnity Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Insura Property and Casualty Insurance Company

- Multi Policy Discount: 7.5% credit when Homeowners policy is written in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Variable credit.
- Longevity Discount: 5% credit to auto policies that have been in force for past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no driver with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies only.
- .837 Discount Factor for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision on all Insura Premier policies. Eff. 1-27-03

Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Insurance Corporation of Hannover

- Discount for Qualified Preferred Drivers: 10% applied to physical damage: 5% applied to liability when criteria is met.
- Discount for Qualified Standard Drivers: 5% applied to physical damage when criteria is met.
- Account Credit Program Discount: 10% applies to bodily injury, property damage, med pay, collision & comprehensive when both homeowner & auto policies are written through ICH.
- Anti-Lock Braking System Discount: 5% applies to bodily injury, property damage, & med pay.
- Mature Driver Discount: 5% applies to bodily injury, property damage, med pay, collision & comprehensive when criteria is met.
- Loss/Incident Free Discount when criteria is met. Eff. 02-01-02

Integon Casualty Insurance Company

LIABILITY All deviation applicable to non fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following;

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 37.6% deviation, multi-car policies with 15-17 SDIP pts. & 5+ yrs. driving experience.
 - 49.4% deviation, single car policies with 12-17 SDIP pts. & 5-6 yrs. driving experience.
 - 37.6% deviation, multi-car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 49.4% deviation, single car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
 - 11.8% deviation, multi-car policy & single car policy with 18-20 SDIP pts., unmarried with 5+ yrs. driving experience.
 - 11.8% deviation, multi-car policy & single car policy with 18-20 SDIP pts., married driver with 39+ yrs. driving experience.
 - 49.4% deviation, single car policy with 12-17 SDIP pts. & driving experience of 39+ yrs.
 - 54.1% deviation, single car policies with 15-17 SDIP pts. & driving experience of 7-38 yrs.
 - 37.6% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 5-6 yrs.
 - 37.6% deviation, multi-car policies with 12-14 SDIP pts. single driver with 7-38 yrs.
 - 37.6% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 39+ yrs.
 - 45.9% deviation, multi-car policies with 12-14 SDIP pts. married drivers with 7-38 yrs driving experience.
 - 58.8% deviation, single car policies with 12-14 SDIP pts. & driving experience of 7-38 yrs.
 - Installment payment plans fees waived for GMAC insurance employees.
 - 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%. Eff. 7-1-03

Integon General Insurance Corporation

- 3.3% average deviation on non-fleet private passenger auto physical damage rates for risks with 5 or more SDIP pts. Non-owners policies do not qualify.
- Installment payment plans fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%. Eff. 7-1-03

Integon Indemnity Corporation

Non Preferred Program

- 5.7% average deviation non-fleet private passenger auto physical damage rates-5 or more pts. Non-owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%. Eff. 7-1-03

Integon National Insurance Company

Preferred Program

- 6% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on multi-car policies in the ultra-preferred underwriting tier where the policy has "0" SDIP points and married drivers with 14-43 years driving experience. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 6% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies with proof of prior limits of 100/300 or higher. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify for this deviation.
- 20% on all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This deviation applies only to policies qualifying for a superior credit score. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines. Non-owners policies do not qualify

for this deviation.

- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more of the following: a) prayer for judgement continued, b) not-at-fault accident, c) comprehensive claim, d) waivable accident or violation, or e) at-fault accident in a company car. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.15 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier where any driver has one or more at fault accident. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.06 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies where there is an operator with 4 to less than 9 years driving experience. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.10 factor applies to all non-fleet private passenger auto BI, PD, Med Pay, UM, UIM, Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. This factor applies only to policies qualifying for an above average credit score. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 10% factor applies to all non-fleet private passenger auto Comprehensive and Collision insurance rates on policies in the ultra-preferred underwriting tier. Applies to 1) GMAC mortgage customers 2) GMAC auto loan customer 3) GMAC auto lease customer 4) GM Credit card customer 5) GM Demand /Smart Note Customer 6) GM Employee/retire or member of an approved employee group 7) Save our students member.
- 1.08 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with limits of 50/100. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 12% factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with limits of 250/500. Deviation available only is risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 1.15 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies where there is an operator with 2 to less than 3 years driving experience. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 1.05 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an excellent credit score. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 1.15 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an acceptable credit score. If the resulting rate is equal to or greater than

the NCRB rates, the policy is ineligible for any deviation.

- 25% applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an ultra credit score. . Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 2.00 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with no proof of prior insurance. If the resulting rate is equal to or greater than ncrb rates, the policy is ineligible for any deviation.
- 30% factor applies on all non-fleet priv pass auto BI, PD, med pay, UM/UIM in the ultra preferred underwriting tier. This deviation applies only to policies qualifying for an ultra preferred credit score. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 4% on all non-fleet priv pass auto Comp and Coll insurance rates on multi car policies in the ultra preferred u//w tier where the policy has '0' SDIP points and married drivers with 14-43 years of driving experience. . Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 25% on all non-fleet priv pass auto comp and coll rates on policies in the ultra preferred underwriting tier. This deviation applies only to policies qualifying for an ultra preferred credit score. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 12% on all non-fleet priv pass auto comp and coll rates on policies in the ultra preferred underwriting tier. This deviation applies only to policies qualifying for a superior or ultra credit score. Deviation available only if risk is eligible for voluntary liability under the company's u/w guidelines. Non-owners policies do not qualify for this deviation.
- 1.21 factor applies to all non-fleet priv pass auto comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an acceptable or above average credit score. If the resulting rate is equal to or greater than ncrb rates, the policy is ineligible for any deviation.
- 1.10 factor applies to all non-fleet priv pass auto comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies qualifying for an average, excellent or exceptional credit score. If the resulting rate is equal to or greater than NCRB rates, the policy is ineligible for any deviation.
- 2.00 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies with limits of 30/60. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 1.22 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies where there is an operator with less than 1 year driving experience. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.
- 1.18 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies where there is an operator with less than 1 to less than 2 years driving experience. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.

- 1.18 factor applies to all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist, comp and coll rates on policies in the ultra preferred underwriting tier. Applies only to policies where there is an operator with less than 3 to less than 4 years driving experience. If the resulting rate is equal to or greater than the NCRB rates, the policy is ineligible for any deviation.

Non-Preferred Program

- 58% non fleet private passenger auto BI & PD liability for single car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 47% non fleet private passenger auto BI & PD liability for multi car with 12-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 5.7% non fleet private passenger auto physical damage for 5 or more SDIP pts. Non owner policies do not qualify.

Both Preferred and Non-Preferred Programs

- Installment Payment plan fees waived for GMAC Insurance employees – both programs.
- 3% on all non-fleet priv pass auto bi, pd, med pay, uninsured motorist and underinsured motorist rates on all policies eligible for voluntary liav under rthe company's u/w guidelines, with at least one full coverage vehicle. (must have bi/pd and collision) This deviation will not apply if the aggregate of all other liability deviations is equal to or greater than 3%.
- pc066796, pc070782 Eff 04-25-04

Integon Specialty Insurance Company

- 37.6% non fleet private passenger auto BI & PD liability for single car with 12-16 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 25.9% non fleet private passenger auto BI & PD liability for single car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 31.8% non fleet private passenger auto BI & PD liability for multi car with 12-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly

lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.

- 25.9% non fleet private passenger auto BI & PD liability for multi car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 35% non fleet private passenger auto physical damage for single & multi car with 12-17 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 20% non fleet private passenger auto physical damage for single & multi car with 18-20 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 31.8% non fleet private passenger auto BI & PD liability for single car with 17-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- Installment payment plans fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%. Eff. 7-1-03

Kansas City Fire and Marine Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Group Program Discount. Eff. 9-1-00

Lancer Insurance Company

All deviations applicable to non-fleet private passenger auto comprehensive & collision coverages for single car and the insured may not have one of the following:

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.

d. Transporting illegal liquors by motor vehicle.

- 28% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 3-6 yrs. driving experience.
- 45% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
- 48% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
- 30% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
- 35% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
- 20% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
- 25% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
- 37% for policies with 8-15 pts.; based on model yr. of auto; driver has at least 3 yrs. driving experience. Eff. 4-1-99

Liberty Mutual Insurance Company

- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Mature Driver Discount Program: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when all operators in household are age 55 or older and there is no inexperienced operator in household.
- Anti-lock brake system - 1% non-fleet private passenger automobile bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 - 1st installment of installment plan.
- Multi Car Discount: 7% for collision coverage and deviate an additional 5% for liability coverage.
- College Education Discount Program: 5% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 18% applies to liability & 18% to physical damage rates when an insured maintains an eligible homeowners policy with any company. Other criteria apply.
- Liability single limits deviation by territory, credit varies.
- Liability split limits deviation by territory, credit varies.
- Property Damage limits deviation by territory, credit varies.
- Comprehensive and collision deviation, credit varies. Eff. 7-1-03

LM Property & Casualty Insurance Company

- 2% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for Senior Driver Discount. Certain criteria apply.
- 8% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for Long Term Discount, when criteria is met.
- 6% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for

New Business Discount.

- 5% Renter's (HO-4) Companion Policy Discount for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- 5% Companion for Life Discount applicable to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- Base Rate Deviation for single & multi car policies: Applies to bodily injury, property damage, medical payments, comprehensive, & collision: Credit varies.
- Electronic Funds Transfer Deviation: \$1 service charge deleted.
- Installment Payment Plan: No charge for first installment payment. Eff. 7-11-03

Lumbermens Mutual Casualty Company

- Deferred Premium Payment Plan - monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a monthly service charge is applied per billing.
- 7% Kemper Network Deviation: Certain criteria apply. Eff 7-1-03

Maryland Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with least 30 yrs. driving experience & no inexperience operator.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 5% non-fleet private passenger auto comprehensive & collision for vehicles with "0" SDIP.
- 5% non-fleet private passenger auto bodily injury, property damage for anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive for active anti-theft disabling devices.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive, collision, uninsured
- underinsured motorist, towing & labor & all miscellaneous coverage (companion policy). Eff. 2-15-98

Massachusetts Bay Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates, if principal operators are age 55 or older and there are no other operators in household with less than 3 yrs. driving experience.
- Electronic Funds Transfer No service charge for Installment Payment Plan.
- Account Credit Program: 5% applies to non-fleet private passenger auto comprehensive & collision rates for insured who have both their private passenger auto & primary homeowners insured with one of Hanover Insurance Companies.
- Group Modification Plan: Deviation 0.0% to 15.5%.
- Territorial Deviation: credit varies for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Installment Payment Plan: \$3 per installment, excluding first installment.

- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Budget wise discount of 5-15% for bodily injury, property damage, comp and coll coverages.
- Eff. 04-01-03

Merastar Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments & comprehensive & collision rates if named insured is member of an employer sponsored account or qualifying affinity group.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured is age 55 or older & no operator has less than 9 yrs. driving experience.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured has both auto and homeowners insurance with Merastar.
- 6% non-fleet private passenger auto comprehensive & collision, if policy qualifies for Company's Safe and Sound Discount.
- 2% non-fleet private passenger auto collision rate, if vehicle is equipped with factory installed anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive rates for alarm only or other anti-theft system requiring driver to enable system.
- 15% non-fleet private passenger auto comprehensive rates for passive anti-theft system.
- Waiver of installment charge on policies paid through pre-authorized checking or payroll deduction.
- Eff. 7-1-03

Metropolitan Direct Property & Casualty Insurance Company

- Territorial Deviation for bodily injury, property damage, med pay, uninsured motorists, combined uninsured/underinsured motorists, comprehensive, & collision coverages: Credit varies 1%-5%.
- Experience Driver Deviation: Applies to auto liability & physical damage coverages: Certain criteria apply: Credit varies 2%-3%.
- Age 55 & Older Deviation for liability & physical damage coverages: Certain criteria apply: Credit varies 3%-11%.
- Preferred Customer Discount: Certain criteria apply: Credit varies 4%-10%.
- Superior Driver Discount: Certain criteria apply: Credit varies 5%-15%.
- 7% Multi Policy Discount: Applies to insureds who have both auto & homeowners insurance with Metropolitan.
- Mass Merchandising Account Deviation: 7% credit: Certain criteria apply.
- 5% Payroll Deduction Discount: Certain criteria apply.
- Employment Tenure Discount: 4% or 7% credit applies when criteria is met. Eff. 11-2-00

Metropolitan Property & Casualty Insurance Company

- Mass Merchandising Account Deviation: 1% credit.
- Payroll Deduction Discount 3%: Certain criteria apply.
- Employment Tenure Discount: 2% or 4% credit applies when criteria is met.
- Small Employer Group Program: 5% deviation applies when eligibility is met. Eff. 7-1-03

Montgomery Mutual Insurance Company

- Deviation Withdrawn Eff. 10-15-02

Motors Insurance Corporation

- Deviation applies under Mechanical Insurance Program & provides for eliminating surcharge on all eligible vehicles equipped with diesel engines. Eff. 10-1-85

Mutual Service Casualty Insurance Company

- 7.5% non-fleet private passenger auto bodily injury & property damage for multi-car policies, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation which is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in prearranged racing; D. Transporting illegal intoxicating liquors by motor vehicle.
- 15% non-fleet private passenger auto bodily injury & property damage for single car risk, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in pre-arranged racing; D. Transporting illegal intoxicating liquors by motor vehicle. Eff. 6-7-95

National Alliance Insurance Company

- Deviation is withdrawn. Eff 10-16-02

National Grange Mutual Insurance Company

- 12% Preferred Plus and 8% Preferred Driver Discounts: Discount on Collision and Comprehensive premiums. Certain criteria apply.
- Various discounts for named insured insurance score.
- Installment Payment Plan: \$3 Charge each installment for 1st policy. \$1 Charge each installment for each additional personal lines policy. No service charge if paid via EFT
- Combined Personal Protection Program: 10% non-fleet private passenger auto bodily injury, property damage & medical payments, collision & comprehensive when both homeowners & voluntary auto policy is written thru NGM.
- Eff. 9/1/04 PC071955

National Specialty Insurance Company

- Deviation non-fleet private passenger auto bodily injury, property damage & medical payments: 15% - 0 SDIP pts.; 10% 1-4 SDIP pts. if certain criteria is met.
- Deviation non-fleet private passenger auto comprehensive & collision coverage: 10% - 0 SDIP pts. if certain criteria is met. Eff. 2-6-95
- *Name changed from State National Specialty Insurance Company effective 3/16/04*

National Surety Corporation

- Various deviations on Comprehensive for vehicles equipped with Alarm only.
- Discount on Comprehensive for vehicles equipped with Active Disabling devices.
- Discount on Comprehensive for vehicles equipped with Passive Disabling devices.
- Anti-Lock Brake discount.
- Various deviations on BI, PD, Combines Single Limits, Medical Payments, Extended Trans Expense, Coll, Comp.
- Electronic funds transfer payment option.
- Account Credit.
- Installment Payments.
- Eff 10-1-03 PC 064662

Nationwide Mutual Fire Insurance Company

- Company Deviation Factor varies by driving record.
- Unverifiable Driving History Deviation.
- Eff. 12/6/04 PC 077167

Nationwide Mutual Insurance Company

- Senior Adult Discount Deviation: 1/2% applies to medical payments only.
- Home and Car Deviation/Homeowner Deviation: Applies to auto bodily injury, property damage, comprehensive & collision: Credit varies depending on combination of deviation & territory.
- Multi-Car Rating Factor N.C. Rate Bureau shall apply when certain conditions are met.
- Miscellaneous Vehicle Deviation: 5% applies to bodily injury, property damage, comprehensive & collision.
- Preferred Driver Deviation 10% applies to BI, PD, Comprehensive and Collision coverages – if certain criteria is met.
- Combined deviation: BI, PD, COMP, COLL, AND MED PAY. Not applicable to motorcycles, antique or classic autos, or any vehicle not subject to the SDIP. Eff. 7-1-03

Nationwide Property and Casualty Insurance Company

- Financial Responsibility Deviation – applies to new private passenger auto business for BI, PD,

Med Pay and Collision coverages. Based on credit scoring. Credit varies.

- Territory Deviation – applies to BI and PD for private passenger autos. Credit varies by territory.
- Nationwide Affinity Deviation – 3% deviation applies to BI, PD, Med Pay, Coll, Uninsured Motorist-BI, Underinsured Motorist-PD, Loss of Use, and Towing & Labor coverages when the named insured is a member of a Nationwide Affinity Group. It will apply to all Autos, Motorcycles, Antiques and any vehicles not subject to the Safe Driver Insurance Plan.
- Preferred Driver Deviation – applies to BI, PD, Med Pay, and Coll according to certain criteria.
- Intra-Agency Transfer Deviation – 6% deviation applies to BI, PD, and Coll for the first three terms insured in the Nationwide Property and Casualty Ins Company or Nationwide Mutual Ins Company and 3% dev for the next three terms when certain conditions are met.
- Matrix Deviation – deviation based on a combination of prior BI limits, Major Homeowners status and number of vehicles insured with Nationwide. Applies to BI, PD, Med Pay, and Coll for priv pass.
- Non-Nationwide Homeowner Deviation – 4% applies to BI, PD, Med Pay and Coll if the named insured is an owner of a home but is not the named insured in any of the Nationwide Companies for said home.
- Auto Financial Deviation – 4% applies to BI, PD, Med Pay and Coll if a resident relative of the household is the owner of a Nationwide Financial Services' Life, Annuity, or Health policy written and/or serviced by a Nationwide Exclusive Agency.
- Miscellaneous Vehicle Deviation – 5% deviation applies to BI, PD, Comp, Coll for Motorcycles, , Antiques, Classic Autos and any vehicles not subject to the Safe Driver Insurance Plan.
- Driver Class Deviation – based on a combination of years of driving experience, operator status of the driver, marital status, number of vehicles insured with Nationwide, and use of the vehicle. This deviation applies to BI, PD, Med Pay, and Coll for Priv Pass Autos. Credit varies.
- Home and Car Deviation – 4% deviation to BI, PD, Med Pay and Coll for Priv Pass if the named insured is also the named insured in any of the Nationwide Companies insured for a HO-4, HO-6, or Mobile Homeowners Policy.
- Effective 11-1-04 PC074176

Netherlands Insurance Company

- 10% deviation applies to bodily injury, property damage & medical payments for risks in territory 11, 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51.
- 15% deviation applies to bodily injury, property damage & medical payments for risks in territory 52.
- 15% deviation applies to comprehensive and collision for risks in territories 11,13,14, 16, 17,18, 24, 25, 31, 32, 33, 47.
- 20% deviation applies to comprehensive and collision for risks in territories 15, 51, 52.
- 4% discount bodily injury, property damage & medical payments comprehensive and collision coverages where all operators must have '0' merit rating points.
- 7% discount bodily injury, property damage & medical payments comprehensive and collision coverages for risks part of the Personal Protectors Program.
- 2% discount for bodily injury, property damage & medical payments comprehensive and collision coverages provided the principal operator of the vehicle is age 55 or older. Eff. 10-15-02

New South Insurance Company

Non-Preferred Program

- 5.3% non-fleet private passenger auto bodily injury & property damage liability rates for single car policies with 12 - 20 SDIP pts. with 12 pt. violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing (3) failure to stop & render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 6.8% average deviation for non-fleet private passenger auto physical damage rates with 5 or more SDIP pts. Non-owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees.
- 3% on all policies eligible for voluntary liability under the company's u/w guidelines, with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the aggregate of all other liav devs is equal to or greater than 3%.
- Eff. 7-1-03

New York Central Mutual Fire Insurance Company

- Withdrawn Eff 12-8-03

Newark Insurance Company

- Withdrawn Eff. 10-24-03

Niagara Fire Insurance Company

- 10% non-fleet private passenger auto Personal Comprehensive Protection Program auto physical damage.
Eff. 11-7-86

North Carolina Farm Bureau Mutual Insurance Company

- See exceptions pages 1-30 on file with the NC Department of Insurance.
- Effective 10-1-04 PC073969

Northern Insurance Company of New York

- 10% non-fleet private auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier I).
- 6% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all other miscellaneous coverage (Tier II).
- 3% non-fleet private passenger auto bodily injury, property damage, medical payments,

- comprehensive, collision & all miscellaneous coverage (Tier III).
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision for operators who have at least 30 yrs. driving experience with no inexperience operators.
- 5% non-fleet private passenger bodily injury & property damage with anti-lock braking system.
- Various deviations for comprehensive with vehicles equipped with anti-theft devices.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, uninsured & underinsured motorist, comprehensive, collision, towing & all miscellaneous coverage for auto & home discount.
- 10% non-fleet private passenger bodily injury, property damage, comprehensive & collision with named insured employed as an educator.
- 12% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where name insured is an employee of Centry Furniture Industries Inc.
- 6% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of Premier, Inc. & its Hospitals & Health Systems & Premier Insurance Management Services, Inc.
- 9% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of American Veterinarians Medical Association Professional Liability Insurance Trust. Eff. 7-19-01

Northwestern National Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist & underinsured motorist coverage.
- 15% non-fleet private passenger auto comprehensive & collision deviation to base premiums.
- Installment Payment Plan: Initial installment waived.
- 10% Account Credit on auto policy when named insured insures a Homeowners policy with State Capital, Northwestern National, or American Professional Insurance Companies.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

Ohio Casualty Insurance Company

- 4% credit to all coverages with an operator age 55 or older who purchase Homeowners coverage in Ohio Casualty Group.
- Employee Discount: 15% when criteria is met.
- Anti-Theft Discount: Comprehensive Coverage only: 5% alarm only & active disabling devices: 15% passive disabling devices: Other criteria apply. Eff. 9-1-00

Omni Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving while under the influences of drugs.
 - f. Instructing while under the influence.
 - g. Aiding and abetting or felony using a motor vehicle.
- Deviation for single car, not all operators are married, 12-26 SDIP pts., least experienced operator has 5-60+ yrs. licensed driving experience. Credit varies 5%-52%.
 - Deviation for multi car, not all operators are married, 12-20 SDIP pts., least experienced operator has 5-59 yrs. licensed driving experience. Credit varies 5%-37%.
 - Deviation for single car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-46%.
 - Deviation for multi car, married, 12-20 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Credit varies 14%-41%.
 - Deviation for single car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.
 - Deviation for multi car, not all operators, married, 17-26 SDIP pts., least experienced operator has 5-13 yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%-13%.
 - Deviation for multi car, married, 21-26 SDIP pts., least experienced operator has 5+ yrs. licensed driving experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership. Credit 5%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 5% deviation for single car, with 4-6 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 5% deviation for single car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience.
- 5% deviation for multi car, with 4-6 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
- 6% deviation for multi car, with 7-12 SDIP pts. where driver with least licensed driving experience has 7-59 yrs. of driver experience.
- 5% non fleet private passenger auto bodily injury increase limit of 50/100.
- 5% non fleet private passenger auto bodily injury increase limit of 100/300.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other liability deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford

Financial Services Group. Form 4 does not qualify for deviation.

- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation.
- 7.5% deviation for policies obtained through one of the Hartford Financial Services Groups Affinity based marketing channels.
- 20% for policies with 7 or more SDIP pts., where driver with least licensed driving experience has 7+ yrs. of driver experience. Applies to qualifying policies regardless of prior auto insurance or homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving while under the influences of drugs.
 - f. Instructing while under the influence.
 - g. Aiding and abetting or felony using a motor vehicle.
- Deviation for single car, unmarried driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5-9 or more yrs. of driver experience. Credit varies 5%-46%.
 - 5% deviation for single car, unmarried driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - Deviation for single car, married driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. or more of driver experience. Credit varies 14%-46%.
 - 5% deviation for single car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - 5%-18% deviation for multi car, unmarried driver with 12-16 SDIP pts. where driver with least licensed driving experience has 5-13 yrs. of driver experience..
 - 5%-10% deviation for multi car, unmarried driver with 17-26 SDIP pts. where driver with least licensed driving experience has 5-13 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.
 - 5%-37% deviation for multi car, unmarried driver with 12-20 SDIP pts. where driver with least licensed driving experience has 14 or more yrs. of driver experience.
 - 14%-41% deviation for multi car, married driver with 12-20 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience.
 - 5% deviation for multi car, married driver with 21-26 SDIP pts. where driver with least licensed driving experience has 5 or more yrs. of driver experience. Applies to policies, six months proof of prior auto insurance or proof of homeownership.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger other than collision & collision.

- 20% deviation with 7 or more SDIP pts. where driver with least of licensed driving experience has 7 or more yrs. of driver experience. Deviation applies to all qualifying policies regardless of the existence (or non existence) of prior auto insurance or homeownership.
- 15%, if insured presents six months proof of prior auto insurance or proof of homeownership. The cumulative deviation only applies to policies that qualify for any other physical damage deviation that does not require the existence of prior insurance or homeownership.
- 5% if the insured has a qualifying homeowners policy with a member company of The Hartford Financial Services Group. Form 4 does not qualify for deviation.
- 5% if the insured pays their policy in full. Premium financed business does not qualify for the deviation. Eff. 2-1-00
- Base rate deviation by territory: Factor varies 0.66 - 0.74.

OneBeacon America Insurance Company

- Base rate deviation by territory: Non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium. Variable credits.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private auto comprehensive who vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis. Eff. 11-20-01

OneBeacon Midwest Insurance Company

- 5% Multi-Policy Credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal driver age 55 & over.
- Anti-Theft Device Credit: Credit varies 5% - 10% for comprehensive coverage.
- Cancellation: Deviation on short rate cancellation resulting in pro-rata cancellation. Eff. 11-20-01

Owners Insurance Company

- Mature Driver Discount: Varied credit of 5% - 15% if the operators are age 55 – 74 yrs. of age.
- Multi-Car deviation, comprehensive and collision.
- Owners Discount: More than 14 yrs. driving experience: 2.5% BI, PD & MP: 2.5% Comprehensive: 2.5% Collision.
- Auto/Home Discount: Certain Criteria Apply: 10% BI, PD, MP, Comprehensive & Collision.
- Life/Auto Discount: Named insured must have a life insurance policy with Auto Owners in addition to auto policy: 5 % BI, PD, MP, Comprehensive & Collision.
- Accidental Death Indemnity.
- Total Disability Indemnity.
- PC072355 Eff 7-22-04

Pacific Employers Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments,

uninsured motorists, combined uninsured & underinsured, comprehensive & collision. Eff. 3-18-97

Pacific Indemnity Company

- Antique Auto: Various deviations on liability & physical damage coverages.
- Increased Limits Deviations. Eff. 7-1-03

Peerless Insurance Company

- 7% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. The policy must be a part of Personal Protector Program.
- 6% discount on BI, PD, and MED PAY coverages on risks in territories 11,13,14,16,17,18,24,25,31,32,33,47,51, and 77 in the Supreme Tier.
- 10% discount on BI, PD, AND MED PAY coverages on risks in terr 15 and 52 in the Supreme Tier
- 5% discount on Comp and Coll coverages on risks in terr 11,13,14,16,17,18,24,25,31,32,33,47,51,77 in the Supreme Tier.
- 8% discount on Comp and Coll coverages on risks in terr 15 and 52 in the Supreme Tier.
- 10% discount on BI PD Med Pay Comp and Coll coverages on risks with a cpattract score greater than 824 in the Supreme Tier.
- 6.4% discount on BI, PD, m Med Pay, Comp and Coll, coverages on risks with a cpattract scored greater than 824 in the Standard Tier.
- Installment Payment Plan: Policies billed by the agent through account payroll deduction program are not subject to installment fees. \$2 charge for each installment for Electronic Fund Transfer.
- Eff. 08-1-04 PC070955

Pennsylvania General Insurance Company

- 20% non-fleet private passenger auto comprehensive & collision rates.
- 5% Account Credit is applicable to all voluntary personal auto policies where named insured has his/her homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident Companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes.
- 15% non-fleet private passenger auto bodily injury, property damage & medical payments. Eff. 3-15-96

Pennsylvania National Mutual Casualty Insurance Company

- Account Credit: 5% applied to final auto premium when homeowners is written through the same company & certain criteria is met.

- 5% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision if Pennsylvania National Mutual Casualty is unable to write homeowners due to exposure of windstorm or hail.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured motorist, comprehensive & collision when principal operator is age 55 or over & all drivers are licensed more than 3 yrs.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Program. Credit varies.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Advantage Program. Credit varies. Eff 01-01-04 pc065111

Pharmacists Mutual Insurance Company

- Safe Driver Discount Plan: Credit varies 10%-20% when criteria is met.
- Multi-Policy: Credit varies 5%-10% when criteria is met.
- Installment Payments: \$1 charge for installment payments. Eff. 7-1-03

Phoenix Insurance Company

- 5% deviation for liability coverages and a 5% deviation for physical damage coverages will be applied to voluntary private passenger automobiles.
- 9% Account Discount applies when both voluntary non-fleet private passenger auto policy & homeowners policy with The Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger auto, pickups, vans & classic auto's bodily injury, property damage, medical payments & collision for single car policy and have more than one private passenger auto insured with The Travelers. 30% deviation on non-fleet private passenger auto, pickups, vans & classic auto's for collision coverage for single car policy and have more than one private passenger auto insured with The Travelers. 10% deviation on non-fleet private passenger auto, pickups, vans & classic auto's for comprehensive, fire/theft and theft/fire, and cac coverages for those insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- 3% credit will be applied to voluntary private passenger automobile rates if the insured has maintained an automobile policy with the Travelers for the last six or more consecutive years. Eff 7-1-03 PC 062966

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Progressive American Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.

1. 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one at fault accident and more than zero SDIP points.
2. 1.14 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with two at fault accidents and more than zero SDIP points.
3. 1.23 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with three or more at fault accidents and more than zero SDIP points.
4. 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one at fault accident and more than zero SDIP points.
5. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with two at fault accidents and more than zero SDIP points.
6. 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with three or more at fault accidents and more than zero SDIP points
7. 1.20 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one or more at-fault accidents and zero SDIP points.
8. 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one or more at-fault accidents and zero SDIP points.
9. 1.35 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified.
10. 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines.
11. 1.30 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
12. 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
13. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines.
14. 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines
15. 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.

16. 1.05 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
17. 1.13 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines; or with a driver whose driving record cannot be verified.
18. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.
19. 1.33 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines; or with a driver whose driving record cannot be verified
20. 1.03 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines.
21. 1.07 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines; or with a driver whose driving record cannot be verified.
22. 1.04 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines.
23. 1.17 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines; or with a driver whose driving record cannot be verified.
24. 1.09 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 2-3 SDIP points with one or more inexperienced operators.
25. 1.28 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 4-5 SDIP points with one or more inexperienced operators.
26. 1.34 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 6-11 SDIP points with one or more inexperienced operators.
27. 1.94 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 12 or more SDIP points with one or more inexperienced operators.

- 28. 1.16 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 29. 1.29 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured.
- 30. 1.50 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured.
- 31. Territory factors for non-fleet private passenger auto bodily injury, property damage and medical payments rates:

| <u>Territory</u> | <u>Factor</u> |
|------------------|---------------|
| 11 | 1.21 |
| 13 | 1.07 |
| 14 | 1.11 |
| 15 | 1.00 |
| 16 | 1.14 |
| 17 | 1.19 |
| 18 | 1.17 |
| 24 | 1.21 |
| 25 | 1.24 |
| 26 | 1.18 |
| 31 | 1.20 |
| 32 | 1.19 |
| 33 | 1.12 |
| 40 | 1.10 |
| 41 | 1.04 |
| 43 | 1.21 |
| 47 | 1.09 |
| 51 | 1.25 |
| 52 | 1.13 |

- 32. The \$3 installment fee will be waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.
- 33. Policies paying installment fees by electronic funds transfer will receive a \$1 installment fee instead of the \$3 installment fee.
- 34. Driver group factors for non-fleet private passenger auto bodily injury, property damage and medical payments rates:

| <u>Driver Group</u> | <u>Factor</u> |
|---------------------|---------------|
| 16 | 1.08 |
| 15 | 1.15 |
| 14 | 1.23 |
| 13 | 1.34 |
| 12 | 1.40 |

| | |
|----|------|
| 11 | 1.50 |
| 10 | 1.56 |
| 9 | 1.66 |
| 8 | 1.76 |
| 7 | 1.87 |
| 6 | 1.98 |
| 5 | 2.13 |
| 4 | 2.29 |
| 3 | 2.53 |
| 2 | 2.80 |
| 1 | 3.25 |

- 35. Deviations for Non-Credit Class, Financial Responsibility Tier, and SDIP points for single car policies. These deviations apply to risks with 12 or more SDIP points only when those risks are not eligible for liability deviation 37. See chart on file with the North Carolina Department of Insurance PC072283.
- 36. Deviations for Non-Credit Class, Financial Responsibility Tier, and SDIP points for multi-car policies. These deviations apply to risks with 12 or more SDIP points only when those risks are not eligible for liability deviation 37. See chart on file with the North Carolina Department of Insurance PC072283.
- 37. Deviations for Non-Credit Class, Financial Responsibility Tier, and SDIP points for multi-car policies. These deviations apply to risks with 12 or more SDIP point violation that is not one of the following:
 - a. manslaughter or negligent homicide,
 - b. prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing,
 - c. failure to stop and render aid when involved in an accident resulting in bodily injury or death,
 - d. transporting illegal intoxicating liquors by motor vehicle.

See chart on file with the North Carolina Department of Insurance PC072283.

- 38. Deviations for proof of homeownership and/or payment in full on non-fleet private passenger auto bodily injury, property damage and medical payments rates.

Single Car

| | Paid in Full only | Home Ownership only (excluding mobile home) | Paid in Full and Home Ownership |
|----------------------------|-------------------|---|---------------------------------|
| <u>Underwriting Market</u> | | | |
| Ultra-preferred | 8% | 2% | 8% |
| Preferred | 8% | 2% | 8% |
| Standard | 8% | 3% | 8% |
| Middle | 8% | 4% | 9% |

| | | | |
|---------------------|----|----|----|
| Market Non-Standard | 8% | 4% | 9% |
|---------------------|----|----|----|

Multi Car

| <u>Underwriting Tier</u> | <u>Paid in Full only</u> | <u>Home Ownership only (excluding mobile home)</u> | <u>Paid in Full and Home Ownership</u> |
|--------------------------|--------------------------|--|--|
| Ultra-preferred | 8% | none | 8% |
| Preferred | 8% | none | 8% |
| Standard | 8% | none | 8% |
| Middle Market | 8% | 2% | 8% |
| Non-Standard | 8% | 2% | 8% |

PHYSICAL DAMAGE

Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

1. 1.10 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one at-fault accident and more than zero SDIP points.
2. 1.14 factor applies to non-fleet private passenger auto physical damage rates for single car policies with two at-fault accidents and more than zero SDIP points.
3. 1.23 factor applies to non-fleet private passenger auto physical damage rates for single car policies with three or more at-fault accident and more than zero SDIP points.
4. 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one at-fault accident and more than zero SDIP points.
5. 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with two at-fault accidents and more than zero SDIP points.
6. 1.12 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with three or more at-fault accident and more than zero SDIP points.

7. 1.35 factor applies to non-fleet private passenger auto physical damage rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified.
8. 1.15 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines.
9. 1.30 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
10. 1.12 factor applies to non-fleet private passenger auto physical damage rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
11. 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines.
12. 1.15 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines.
13. 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines.
14. 1.07 factor applies to non-fleet private passenger auto physical damage rates for policies with 2-3 SDIP points with one or more inexperienced operators.
15. 1.25 factor applies to non-fleet private passenger auto physical damage rates for policies with 4-5 SDIP points with one or more inexperienced operators.
16. 1.30 factor applies to non-fleet private passenger auto physical damage rates for policies with 6-11 SDIP points with one or more inexperienced operators.
17. 1.81 factor applies to non-fleet private passenger auto physical damage rates for policies with 12 or more SDIP points with one or more inexperienced operators.
18. 1.12 factor applies to non-fleet private passenger auto physical damage rates for single car policies with an operator with less than 5 years licensed driving experience who is not the principal named insured.
19. 1.56 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years licensed driving experience who is not the principal named insured.
20. 1.40 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years licensed driving experience who is the principal named insured.
21. 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one or more at-fault accident and more than zero SDIP points.
22. 1.20 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one or more at-fault accident and more than zero SDIP points.
23. 3% on non-fleet private passenger auto physical damage rates for policies with proof of home ownership (excluding mobile home). This deviation does not apply to policies that are paid in full.
24. Driver group factors for non-fleet private passenger auto physical damage rates:

| <u>Driver</u> | <u>Factor</u> |
|---------------|---------------|
| 1 | 3.50 |

| | |
|----|------|
| 2 | 2.80 |
| 3 | 2.32 |
| 4 | 1.82 |
| 5 | 1.65 |
| 6 | 1.65 |
| 7 | 1.65 |
| 8 | 1.57 |
| 9 | 1.53 |
| 10 | 1.42 |
| 11 | 1.41 |
| 12 | 1.41 |
| 13 | 1.28 |
| 14 | 1.16 |
| 15 | 1.16 |
| 16 | 1.10 |

25. Deviations for Non-Credit Class, Financial Responsibility Tier, and SDIP points for single car policies. These deviations apply to risks with 12 or more SDIP points only when those risks are not eligible for physical damage deviation 30. (on file with the North Carolina Rate Bureau and the North Carolina Department of Insurance PC067187).

26. 9% on non-fleet private passenger auto physical damage rates for policies that are paid in full. This deviation does not apply to policies with proof of home ownership.

27. 12% on non-fleet private passenger auto physical damage rates for policies that are paid in full and have proof of home ownership (excluding mobile home).

28. Territory factors for non-fleet private passenger auto physical damage rates:

| <u>Territory</u> | <u>Factor</u> |
|------------------|---------------|
| 11 | 1.54 |
| 13 | 1.35 |
| 14 | 1.33 |
| 15 | 1.31 |
| 16 | 1.38 |
| 17 | 1.82 |
| 18 | 1.47 |
| 24 | 1.38 |
| 25 | 1.38 |
| 26 | 1.34 |
| 31 | 1.45 |
| 32 | 1.42 |
| 33 | 1.38 |
| 40 | 1.29 |
| 41 | 1.01 |
| 43 | 1.23 |
| 47 | 1.16 |
| 51 | 1.44 |

52 1.46

- 29. Deviations for Non-Credit Class, Financial Responsibility Tier, and SDIP points for single car policies. These deviations apply to risks with 12 or more SDIP points only when those risks are not eligible for physical damage deviation 25. See chart on file with the North Carolina Department of Insurance PC072283
- 30. Deviations for Non-Credit Class, Financial Responsibility Tier, and SDIP points for multi-car policies. These deviations apply to risks with 12 or more SDIP points only when those risks are not eligible for physical damage deviation 25. See chart on file with the North Carolina Department of Insurance PC072283)

Eff 7-1-04 PC072283

Progressive Northern Insurance Company

LIABILITY

- 1. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in the territories listed in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

| Territory | Factor |
|-----------|--------|
| 11 | 2.09 |
| 13 | 1.80 |
| 14 | 1.92 |
| 15 | 1.55 |
| 16 | 1.90 |
| 17 | 1.71 |
| 18 | 1.86 |
| 24 | 2.07 |
| 25 | 1.94 |
| 26 | 2.09 |
| 31 | 1.85 |
| 32 | 1.75 |
| 33 | 1.84 |
| 40 | 1.81 |
| 41 | 1.81 |
| 43 | 2.04 |
| 47 | 1.75 |
| 51 | 1.91 |
| 52 | 1.80 |

2. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with the average driver groups shown in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

| Average Driver Group | Factor |
|----------------------|--------|
| 1 | 3.25 |
| 2 | 2.80 |
| 3 | 2.53 |
| 4 | 2.29 |
| 5 | 2.13 |
| 6 | 1.98 |
| 7 | 1.87 |
| 8 | 1.76 |
| 9 | 1.66 |
| 10 | 1.56 |
| 11 | 1.50 |
| 12 | 1.40 |
| 13 | 1.34 |
| 14 | 1.23 |
| 15 | 1.15 |
| 16 | 1.08 |

3. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies not eligible for liability deviation component # 5 which have no DWI, a single car, and the SDIP points shown in the table "Liability Single Car, No DWI" (see chart). If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation: Chart on file with the North Carolina Department of Insurance PC072284.
4. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies not eligible for liability deviation component # 5 which have no DWI, multiple cars, and the SDIP points in Table "Liability – Multi-Car, No DWI" (see chart). If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation: Chart on file with the North Carolina Department of Insurance PC072284.

5. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with DWI, single car & multiple cars, and the SDIP points shown in table "Liability - Single and Multi-car with DWI" (see chart). If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation: Chart on file with the North Carolina Department of Insurance PC072284.
6. 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
7. 4% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard and middle market underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
8. 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle market underwriting tiers and for single car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
9. 6% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
10. 3% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
11. 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred and ultra-preferred underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
12. 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
13. 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

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14. 1.14 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
15. 1.23 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
16. 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
17. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
18. 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
19. 1.20 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
20. 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
21. 1.35 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
22. 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
23. 1.30 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
24. 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

25. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
26. 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
27. 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
28. 1.05 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
29. 1.13 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
30. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
31. 1.33 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
32. 1.03 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
33. 1.07 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
34. 1.04 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

35. 1.17 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
36. 1.09 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 2-3 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
37. 1.28 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 4-5 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
38. 1.34 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 6-11 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
39. 1.94 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 12 or more SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
40. 1.16 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
41. 1.29 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
42. 1.50 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
46. There will be a \$1 per installment fee for policies utilizing electronic funds transfer as the method of payment.

PHYSICAL DAMAGE

Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

1. The following factors apply to non-fleet private passenger auto physical damage rates for risks garaged in territories listed in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.

| Territory | Factor |
|-----------|--------|
| 11 | 1.92 |
| 13 | 2.35 |
| 14 | 2.16 |
| 15 | 2.16 |
| 16 | 2.07 |
| 17 | 2.14 |
| 18 | 2.25 |
| 24 | 2.26 |
| 25 | 2.06 |
| 26 | 2.25 |
| 31 | 2.06 |
| 32 | 2.01 |
| 33 | 2.18 |
| 40 | 1.99 |
| 41 | 2.11 |
| 43 | 2.35 |
| 47 | 2.15 |
| 51 | 2.05 |
| 52 | 2.14 |

2. The following factors apply to non-fleet private passenger auto physical damage rates for policies with the average driver groups shown in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

| Average Driver Group | Factor |
|----------------------|--------|
| 1 | 3.56 |
| 2 | 2.83 |
| 3 | 2.62 |
| 4 | 2.17 |
| 5 | 1.99 |
| 6 | 1.84 |
| 7 | 1.76 |
| 8 | 1.64 |
| 9 | 1.56 |
| 10 | 1.48 |
| 11 | 1.40 |
| 12 | 1.31 |
| 13 | 1.25 |
| 14 | 1.18 |
| 15 | 1.11 |
| 16 | 1.06 |

3. The following factors apply to non-fleet private passenger auto physical damage rates for policies not eligible for Physical Damage deviation component # 6 which have a single car, No DWI, & the SDIP points shown in the table "Physical Damage – Single Car, No DWI" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072284.

4. The following factors apply to non-fleet private passenger auto physical damage rates for policies not eligible for Physical Damage deviation component # 6 which have No DWI, multiple cars, 1 vehicle with collision coverage, & the SDIP points shown in Table "Physical Damage Multi-car, No DWI, 1 vehicle with Collision Coverage" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072284.

5. The following factors apply to non-fleet private passenger auto physical damage rates for policies not eligible for Physical Damage deviation component # 6 with No DWI, multiple cars, 2+ vehicles with collision coverage & the SDIP points shown in table "Physical Damage Multi-car, No DWI, 2+ vehicles with Collision Coverage" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072284.

6. The following factors apply to non-fleet private passenger auto physical damage rates for policies with DWI, a single car & the SDIP points shown in table "Physical Damage Single Car with DWI" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072284.

7. The following factors apply to non-fleet private passenger auto physical damage rates for policies with DWI, multiple cars, 1 or more vehicles with collision coverage, & the SDIP points shown in table "Physical Damage, Multi-car with DWI, 1 or 2+ vehicles with Collision Coverage" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072284.

8. 5% on non-fleet private passenger auto physical damage rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
9. 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
10. 5% on non-fleet private passenger auto physical damage rates for single car policies in the standard, preferred, and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
11. 6% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
12. 11% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
13. 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the nonstandard and middle market underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
14. 1.10 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
15. 1.14 factor applies to non-fleet private passenger auto physical damage rates for single car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
16. 1.23 factor applies to non-fleet private passenger auto physical damage rates for single car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
17. 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
18. 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
19. 1.12 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with three or more at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

20. 1.35 factor applies to non-fleet private passenger auto physical damage rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
21. 1.15 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
22. 1.30 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
23. 1.12 factor applies to non-fleet private passenger auto physical damage rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
24. 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
25. 1.15 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
26. 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
27. 1.08 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
28. 1.27 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
29. 1.19 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

30. 1.49 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
31. 1.04 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
32. 1.14 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
33. 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
34. 1.25 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
35. 1.07 factor applies to non-fleet private passenger auto physical damage rates for policies with 2-3 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
36. 1.25 factor applies to non-fleet private passenger auto physical damage rates for policies with 4-5 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
37. 1.30 factor applies to non-fleet private passenger auto physical damage rates for policies with 6-11 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
38. 1.81 factor applies to non-fleet private passenger auto physical damage rates for policies with 12 or more SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
39. 1.12 factor applies to non-fleet private passenger physical damage rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
40. 1.40 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

41. 1.56 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
42. 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
43. 1.20 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

Effective 7-1-04 PC072284

Progressive Preferred Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 14%-35% for single car policies, non standard underwriting with 5-6 or more SDIP pts.
- 28% for multi car policies, non standard underwriting with 6 or more SDIP pts.
- 15%-36% for single car policies, middle underwriting with 3-6 or more SDIP pts.
- 11%-29% for multi car policies, middle underwriting with 4-6 or more SDIP pts.
- 14%-50% for single car policies, standard underwriting with 0-6 or more SDIP pts.
- 16%-35% for multi car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-53% for single car policies, preferred underwriting with 0-6 or more SDIP pts
- 25%-39% for multi car policies, preferred underwriting with 0-6 or more SDIP pts.
- 51%-53% for single car policies, ultra-preferred underwriting with 0-6 or more SDIP pts.
- 39%-42% for multi car policies, ultra preferred underwriting with 0-6 or more SDIP pts.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risks meet underwriting guidelines.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car, non standard underwriting, 12-21 SDIP pts. Credit varies 58%-74%.

- Deviation for multi car, non standard underwriting, 12-21 SDIP pts. Credit varies 44%-63%.
- Deviation for single car, middle underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
- Deviation for multi car, middle underwriting, 12-21 SDIP pts. Credit varies 48%-66%.
- Deviation for single car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
- Deviation for multi car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 48%-66%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.14 factor applies single car, non standard underwriting for policies without proof of prior auto insurance.
- 1.09 factor applies multi car, non standard underwriting for policies without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.05-3.20 factors vary based on average driver group 1-17.
- 1.10-1.45 factors vary for single car policies with 1-3 or more accidents.
- 1.06-1.30 factors vary for multi car policies with 1-3 or more accidents.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 26% for single car policies, non standard underwriting with 6 or more SDIP pts.
- 23% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6 or more SDIP pts.
- 27%-28% for single car policies, middle underwriting with 5-6 or more SDIP pts.
- 37% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6 or more SDIP pts.
- 18%-24% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-6 or more SDIP pts.
- 33%-47% for single car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-38% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-6 or more SDIP pts.
- 22%-40% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-6 or more SDIP pts.
- 24%-47% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-5 or more SDIP pts.
- 26%-47% for single car policies, preferred underwriting with 0-5 or more SDIP pts.
- 23%-40% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-6 or more SDIP pts.
- 23%-47% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 48% single car policies, ultra preferred underwriting.

- 40% multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle.
- 40%-47% multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 5% for policies, non standard, middle and standard underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 54%-69% single car policies, non standard underwriting with 12-18 or more SDIP pts.
 - 45%-64% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 51%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, middle underwriting with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
 - 54%-69% for multi car policies, middle underwriting with collision coverage on one vehicle with 12-18 or more SDIP pts.
 - 57%-71% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
 - 47%-66% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-21 SDIP pts.
 - 54%-69% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.19 factor applies, single car policies, non standard underwriting for policies without proof prior of auto insurance.
- 1.15 factor applies, multi car policies, non standard underwriting without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.10-2.75 factors vary based on average driver group 1-16.
- 1.08-1.35 single car policies with 1-3 or more accidents.
- 1.05-1.24 multi car policies with 1-3 or more accidents.

- Installment Payment Plan: \$3 charge waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction. Eff. 7-1-99

Progressive Southeastern Insurance Company

LIABILITY

1. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for risks garaged in the territories listed in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

| Territory | Factor |
|-----------|--------|
| 11 | 2.04 |
| 13 | 1.75 |
| 14 | 1.87 |
| 15 | 1.51 |
| 16 | 1.8 |
| 17 | 1.66 |
| 18 | 1.81 |
| 24 | 2.01 |
| 25 | 1.89 |
| 26 | 2.04 |
| 31 | 1.80 |
| 32 | 1.71 |
| 33 | 1.79 |
| 40 | 1.76 |
| 41 | 1.76 |
| 43 | 1.98 |
| 47 | 1.7 |
| 51 | 1.86 |
| 52 | 1.75 |

2. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with the average driver groups shown in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

| Average Driver Group | Factor |
|----------------------|--------|
| 1 | 3.25 |
| 2 | 2.80 |

| | |
|----|------|
| 3 | 2.53 |
| 4 | 2.29 |
| 5 | 2.13 |
| 6 | 1.98 |
| 7 | 1.87 |
| 8 | 1.76 |
| 9 | 1.66 |
| 10 | 1.56 |
| 11 | 1.50 |
| 12 | 1.40 |
| 13 | 1.34 |
| 14 | 1.23 |
| 15 | 1.15 |
| 16 | 1.08 |

3. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies not eligible for liability deviation component # 5 which have no DWI, a single car, and the SDIP points shown in the table "Liability Single Car, No DWI" (see chart). If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation: Chart on file with the North Carolina Department of Insurance PC072285.
4. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies not eligible for liability deviation component # 5 which have no DWI, multiple cars, and the SDIP points in Table "Liability – Multi-Car, No DWI" (see chart). If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation: Chart on file with the North Carolina Department of Insurance PC072285.

5. The following factors apply to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with DWI, single car & multiple cars, and the SDIP points shown in table "Liability – Single and Multi-car with DWI" (see chart). If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation: Chart on file with the North Carolina Department of Insurance PC072285.
6. 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
7. 4% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard and middle market underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
8. 5% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle market underwriting tiers and for single car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
9. 6% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
10. 3% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the standard underwriting tier. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
11. 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred and ultra-preferred underwriting tiers that are not paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
12. 2% on non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the non-standard and middle underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation available only if risk is eligible for voluntary liability under the company's underwriting guidelines.
13. 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

14. 1.14 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
15. 1.23 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
16. 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
17. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
18. 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
19. 1.20 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
20. 1.10 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
21. 1.35 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
22. 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
23. 1.30 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
24. 1.12 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

25. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
26. 1.15 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
27. 1.06 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
28. 1.05 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
29. 1.13 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
30. 1.08 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
31. 1.33 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
32. 1.03 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
33. 1.07 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

34. 1.04 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates; the policy is ineligible for any deviation.
35. 1.17 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines, or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
36. 1.09 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 2-3 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
37. 1.28 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 4-5 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
38. 1.34 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 6-11 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
39. 1.94 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for policies with 12 or more SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
40. 1.16 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
41. 1.29 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
42. 1.50 factor applies to non-fleet private passenger auto bodily injury, property damage and medical payments rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
43. There will be a \$1 per installment fee for policies utilizing electronic funds transfer as the method of payment.

PHYSICAL DAMAGE

Physical damage deviations are available only if a risk is eligible for non-consent physical damage under the company's underwriting guidelines.

1. The following factors apply to non-fleet private passenger auto physical damage rates for risks garaged in territories listed in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the risk is ineligible for any deviation.

| Territory | Factor |
|-----------|--------|
| 11 | 1.76 |
| 13 | 2.16 |
| 14 | 1.98 |
| 15 | 1.98 |
| 16 | 1.90 |
| 17 | 1.96 |
| 18 | 2.06 |
| 24 | 2.07 |
| 25 | 1.89 |
| 26 | 2.06 |
| 31 | 1.89 |
| 32 | 1.84 |
| 33 | 2.00 |
| 40 | 1.83 |
| 41 | 1.94 |
| 43 | 2.16 |
| 47 | 1.97 |
| 51 | 1.88 |
| 52 | 1.96 |

2. The following factors apply to non-fleet private passenger auto physical damage rates for policies with the average driver groups shown in the table below. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

| Average Driver Group | Factor |
|----------------------|--------|
| 1 | 3.56 |
| 2 | 2.83 |
| 3 | 2.62 |
| 4 | 2.17 |
| 5 | 1.99 |
| 6 | 1.84 |
| 7 | 1.76 |
| 8 | 1.64 |
| 9 | 1.56 |
| 10 | 1.48 |
| 11 | 1.40 |
| 12 | 1.31 |
| 13 | 1.25 |
| 14 | 1.18 |

| | |
|----|------|
| 15 | 1.11 |
| 16 | 1.06 |

3. The following factors apply to non-fleet private passenger auto physical damage rates for policies not eligible for Physical Damage deviation component # 6 which have a single car, No DWI, & the SDIP points shown in the table "Physical Damage – Single Car, No DWI" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072285.
4. The following factors apply to non-fleet private passenger auto physical damage rates for policies not eligible for Physical Damage deviation component # 6 which have No DWI, multiple cars, 1 vehicle with collision coverage, & the SDIP points shown in Table "Physical Damage Multi-car, No DWI, 1 vehicle with Collision Coverage" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072285.
5. The following factors apply to non-fleet private passenger auto physical damage rates for policies not eligible for Physical Damage deviation component # 6 with No DWI, multiple cars, 2+ vehicles with collision coverage & the SDIP points shown in table "Physical Damage Multi-car, No DWI, 2+ vehicles with Collision Coverage" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072285.
6. The following factors apply to non-fleet private passenger auto physical damage rates for policies with DWI, a single car & the SDIP points shown in table "Physical Damage Single Car with DWI" (next 2 pages). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072285.

7. The following factors apply to non-fleet private passenger auto physical damage rates for policies with DWI, multiple cars, 1 or more vehicles with collision coverage, & the SDIP points shown in table "Physical Damage, Multi-car with DWI, 1 or 2+ vehicles with Collision Coverage" (see chart). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines: Chart on file with the North Carolina Department of Insurance PC072285.
8. 5% on non-fleet private passenger auto physical damage rates for policies that are paid in full. This deviation applies only to policies without proof of homeownership. Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
9. 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
10. 5% on non-fleet private passenger auto physical damage rates for single car policies in the standard, preferred, and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
11. 6% on non-fleet private passenger auto physical damage rates for single car policies in the non-standard and middle market underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
12. 11% on non-fleet private passenger auto physical damage rates for multi-car policies in the standard, preferred and ultra-preferred underwriting tiers that are paid in full. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
13. 5% on non-fleet private passenger auto physical damage rates for multi-car policies in the nonstandard and middle market underwriting tiers. This deviation applies only to policies with proof of homeownership (excluding mobile home). Deviation applies only if the risk qualifies for non-consent physical damage rates under the company's underwriting guidelines.
14. 1.10 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
15. 1.14 factor applies to non-fleet private passenger auto physical damage rates for single car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
16. 1.23 factor applies to non-fleet private passenger auto physical damage rates for single car policies with three or more at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
17. 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
18. 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with two at-fault accidents and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

19. 1.12 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with three or more at-fault accident and more than zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
- 1.35 factor applies to non-fleet private passenger auto physical damage rates for policies with one or more major violations per company guidelines which are not assigned SDIP points or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
21. 1.15 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
22. 1.30 factor applies to non-fleet private passenger auto physical damage rates for single car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
23. 1.12 factor applies to non-fleet private passenger auto physical damage rates for single car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
24. 1.08 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
25. 1.15 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with zero SDIP points and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
26. 1.06 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with 1 SDIP point and two or more speed or minor violations per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
27. 1.08 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
28. 1.27 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
29. 1.19 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
30. 1.49 factor applies to non-fleet private passenger auto physical damage rates for single car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

31. 1.04 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
32. 1.14 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
33. 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one speed or minor violation per company guidelines. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
34. 1.25 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies in the ultra-preferred underwriting tier with one or more of the following: at-fault accident, major violation per company guidelines, DWI violation class per company guidelines; or with two or more speed or minor violations per company guidelines or with a driver whose driving record cannot be verified. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
35. 1.07 factor applies to non-fleet private passenger auto physical damage rates for policies with 2-3 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
36. 1.25 factor applies to non-fleet private passenger auto physical damage rates for policies with 4-5 SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
37. 1.30 factor applies to non-fleet private passenger auto physical damage rates for policies with 6- SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
38. 1.81 factor applies to non-fleet private passenger auto physical damage rates for policies with 12 or more SDIP points with one or more inexperienced operators. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
39. 1.12 factor applies to non-fleet private passenger physical damage rates for single car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
40. 1.40 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
41. 1.56 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with an operator with less than 5 years of licensed driving experience who is not the principal named insured. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.
42. 1.10 factor applies to non-fleet private passenger auto physical damage rates for multi-car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

43. 1.20 factor applies to non-fleet private passenger auto physical damage rates for single car policies with one or more at-fault accidents and zero SDIP points. If the resulting rate is equal to or greater than NC Rate Bureau rates, the policy is ineligible for any deviation.

Effective 7-1-04 PC072285

Providence Washington Insurance Company

Standard Program

- Multi-Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.

Preferred Program

- Territory Deviation: Various credits apply to bodily injury, property damage, medical payments, comprehensive & collision.
- Multi Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. Eff.7-1-02

Republic Franklin Insurance Company

- Personal Auto Account Credit: 10% credit applies to basic premium when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Work place Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11. Eff. 12-1-00
PC 036564

Response Worldwide Insurance Company

- 7.0% non-fleet private passenger auto bodily injury, property damage & medical payments coverage when certain criteria is met.
- 10.0% non-fleet private passenger auto comprehensive & collision coverage if certain criteria is met
Eff. 7-15-96 PC 034398

Royal Indemnity Company

- Installment Payment Plan-Agency Payroll Deduction: Certain criteria apply.

Effective 5-15-04 pc069376

Royal Insurance Company of America

- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
Eff. 5-15-04 pc069375

Safeco Insurance Company of America

For deviations see North Carolina Department of Insurance Website www.ncdoi.com PC072366.
Eff. 10/24/04

Safeguard Insurance Company

- Installment Payment Plan Payroll Deduction: \$3 charge waived.

Effective 5-15-03 pc069383

St. Paul Fire and Marine Insurance Company

- Installment charge deviation: \$2 charge each installment. Eff. 1-1-95

St. Paul Guardian Insurance Company

- 5% base rate comprehensive coverage when policy qualifies for PAK II Program.
- 5% base rate collision coverage when policy qualifies for PAK II Program.
- 10% Mature Operator Credit: Combined single limit bodily injury & property damage, medical payments, comprehensive & collision, when principal operator is age 55 & less than or equal to 64 yrs. of age & no inexperienced operators in household. 5% credit for ages 65-74 & no inexperience operator in household.
- 10% Good Driver Deviation, when certain criteria is met.
- Symbol Reactivities model year 1976-1982, Symbol 14, comprehensive - 7.8% credit; collision - 12.7% credit. Model yrs. 1975 & prior; Values above \$10,000 rated Symbol 7 for comprehensive & collision.
- Increase Limits Extended Transportation Expense Coverage is provided at no charge, when comprehensive coverage is purchased & policy qualifies for PAK II Program.
- Passive Restraint Deviation: 20% when restraint is installed in driver-side only position; 30% when

restraint is installed in both front outboard seat positions. If policy qualifies for PAK II Program, airbag discount applies to factory installed automatic occupant restraint. Deviation applies only to medical payments base premium.

- Anti-Theft Device Deviation for PAK II Program: 5% alarm only, 5% active disabling device: 15% passive disabling device. This deviation applies to comprehensive base premium.
- Anti-Lock Braking System Deviation: 5% combined single limit liability, bodily injury & property damage liability base premium when private passenger auto equipped with factory installed four-wheel anti-lock braking system.
- Golfmobile Liability Coverage provided at no additional charge.
- Miscellaneous Types: ATV, minibike & dune buggy, combined bodily injury & property damage liability rates not used for commercial purposes will be same rate as North Carolina Reinsurance Facility. Snowmobile rates, medical payments coverage rate will be 22% of Territory 18 private passenger auto medical payments rate. Collision rates will be same as NC Rate Bureau's snowmobile rates.
- 10% when more than one recreational vehicle is covered under same policy for following miscellaneous types, trailers designed for use with private passenger autos, motorbikes or other similar motor vehicles not used for commercial purposes (excluding motorcycles, motorscooters & mopeds); snowmobiles & golfmobiles.
- Renewal Credit: 0-2 yrs.-0%; 3yrs.-3%; 4yrs.-4%; 5 or more yrs. -5% premium credit when insured maintained consecutive yrs. of coverage with St. Paul. Credit will apply to final premium for each coverage & rounded to nearest dollar.
- Installment charge deviation: \$2 charge each installment unless Electronic Funds Transfer billing option is selected, then no charge.
- Employee Discount: New Business - 20%; Renewals - 15% when criteria is met. Eff. 3-1-00

St. Paul Mercury Insurance Company

- 15% non-fleet private passenger auto liability & physical damage insurance rates. Eff. 1-1-88

Seaton Insurance Company

- 15% non-fleet private passenger auto liability, medical payments & physical damage. "Unimate Plus" in addition to above: (1) Policy in force 3 yrs. & no at-fault accident additional 5% credit liability, medical payments & physical damage; (2) Policy in force 6 yrs. & no at-fault accident; Second 5% credit on coverages listed above.
- 5% non-fleet private passenger auto non-fleet physical damage rates. Discount applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only (no miscellaneous types). Eff. 6-20-88

Security Insurance Company of Hartford

- Territorial Deviation for BI, PD, med pay, uninsured motorists/underinsured motorists, comprehensive & collision: Credits vary.
- Classification Rating Factors Deviation for liability, comprehensive & collision.
- 5%, 10% or 15% Anti-Theft Device Discount: Certain criteria apply.
- 5% Good Drivers Discount.
- 5% Affinity Group Discount.
- Preferred Policy Program Deviation. Eff. 9-1-00

Selective Insurance Company of South Carolina

- Installment Payment Plan: \$2 per each installment.
- 30% deviation applies to liability & physical damage when a commercial package policy is written w the risk.
Eff. 6-1-01

Selective Insurance Company of the Southeast

- Installment Payment Plan: \$2 per each installment. Eff. 9-1-98

Shelby Insurance Company

- 7.5% non-fleet private passenger auto liability & physical damage rates when insured has their Homeowners policy in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Discount applies to other than collision coverage only. 5% alarm & active disabling devices; 15% on vehicles equipped with passive disabling devices.
- Longevity Discount: 5% credit applies when policies have been in force past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no drivers with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all Shelby Plus policies. Eff. 1-27-03

South Carolina Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage, medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-52 yrs. of driving experience. 47%- 60% credit.
 - Deviation for multi- car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-42 yrs. of driving experience. 43% -55% credit.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving motor vehicle while intoxicated.
- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience

- has from 7-52 yrs. of driving experience with no accidents or claims. 5% credit.
- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 3% credit.
- Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 3% credit.
- Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 1.5% credit.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 5% non-fleet private passenger auto comprehensive & collision for policies that are insured with South Carolina Insurance Company with no lapse in coverage between policies & have 12-20 SDIP pts. & all drivers licensed 5-52 yrs.
 - 15% non-fleet private passenger auto comprehensive & collision for policies with 12-20 SDIP pts. & all drivers licensed 5 - 52 yrs.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving motor vehicle while intoxicated.
- 25% non-fleet private passenger auto comprehensive & collision for policies with 12 - 20 SDIP pts., all drivers licensed 5 - 52 yrs. & no driver with an at fault accident within the last 12 months preceding policy effective date. Eff.10-21-98

Southern Fire & Casualty Insurance Company – Withdrawn 1-1-03

Southern Guaranty Insurance Company

- Exceptional Driver Program: 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when underwriting guidelines are met.
- Exception Plus: Additional 5% credit for private passenger non-fleet auto bodily injury, property damage, medical payments, comprehensive & collision when policy has been in-force at least 3 yrs. & no at-fault accidents in preceding 3 yrs. A second 5% credit for policies in-force at least 6 yrs. & no at-fault accidents in preceding 6 yrs. Maximum Exceptional Driver credit is 25%.
- Mature Driver Discount: 10% non fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & medical payments when underwriting guidelines are met.
- Multi Policy Discount: 5% non-fleet private passenger auto comprehensive & collision base rate if Southern Guaranty Insurance Company insures both homeowner & auto policy.

- 10% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all private passenger auto policies for University of North Carolina Employees. Eff. 7-1-00

Southern Insurance Company of Virginia

STANDARD PROGRAM

- 3% credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for all operators in household who have 14-44 yrs of driving experience.
- Multi-Car Discount: Certain Criteria apply.
- Downward deviation by territories: Applies to Comprehensive & Collision coverages: Credit varies
- Recreational trailer rates for collision premium each additional \$1,000 varies per deductible.
- Loss Free Renewal Discount: Loss free yrs. 3-5 yrs.: Discount varies 5% - 10% for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- Passive Restraint - Airbag Discount: Applies to med pay only: 20% credit when installed driver side only: 30% credit when installed in both front seat positions.
- Anti Lock Braking System Discount: 5% credit for BI and PD coverages when factory installed four wheel ABS.
- Anti Theft Devices Discount: 5% credit applies to comprehensive coverage for alarm only and active disabling devices: 15% credit for passive disabling devices.
- Account credit plan 5%

PREFERRED PROGRAM

- Deviation by coverage and territory comp and coll, credit varies.
- 7% credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for all operators in household who have 14-44 yrs of driving experience.
- Multi-Car Discount: Certain Criteria apply.
- Downward deviation by territories: Applies to Comprehensive & Collision coverages: Credit varies 10%-25%.
- Recreational trailer rates for collision premium each additional \$1,000 varies per deductible.
- Loss Free Renewal Discount: Loss free yrs. 3-5 yrs.: Discount varies 5% - 10% for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- New Business Automobile Discount: 5% deviation applies to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision when criteria are met.
- Passive Restraint - Airbag Discount: Applies to med pay only: 20% credit when installed driver side only: 30% credit when installed in both front seat positions.
- Anti Lock Braking System Discount: 5% credit for BI and PD coverages when factory installed four wheel ABS.
- Anti Theft Devices Discount: 5% credit applies to comprehensive coverage for alarm only and active disabling devices: 15% credit for passive disabling devices.
- Account credit plan 5% Eff. 11-15-03

Southern Pilot Insurance Company

- Exceptional Driver Discount: 10% applies to non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision premiums on a vehicle insured in the voluntary market and principally driven by an operator with at least nine years of operating experience who has had no chargeable accidents within the past three years resulting in bodily injury or death or more than \$1000 in property damage.
- University of North Carolina Chapel Hill Employees Discount: For all private passenger automobile policies issued or renewed in the voluntary market on or after September 1, 1998 covering vehicles owned by employees of the University of North Carolina – Chapel Hill, A 10% credit will be applied to Bodily Injury, Property Damage, Medical Payments, Comprehensive and Collision premiums.
- Mature Driver Discount: Principal Operators who have 34 years or more of driving experience that are written in the voluntary market and have no operators in their household with less than nine years driving experience shall receive a %% discount on Bodily Injury, Property Damage, Comprehensive, Collision & Medical expense premiums for the vehicle they principally operator.
- Accident Free Discount: 5% credit shall be applied to BI, PD, Med Pay, Comp and Coll premiums on a veicle insured in the voluntary market and driven by an operator who has had no chargeable accidents within the past three years and has been continuously insured with Southern Pilot for at least three years. An additional 5% applies for a six yr. period. New Business applicants and Southern Pilot renewal customers insured in the voluntary market who can document continuous coverage with a prior carrier and no chargeable accident for a three or six year period as described above are also eligible for the Southern Pilot Accident Free Discount. Maximum Accident Free Discount is 10%. Accident Free will be removed at the next renewal following the first chargeable accident where \$1000 or more was paid for BI, PD, Med and Coll (combined) for any operator in the household.
- Multi Policy Discount: 5% credit shall be applied to bodily injury, property damage, medical payments, comprehensive, & collision premiums developed from the North Carolina Rate Bureau Personal Auto Manual on a vehicle insured in the voluntary market when Southern Pilot Insurance Company insures an individual's home and automobile. Eff. 5-1-03

Standard Fire Insurance Company

- Territorial Deviations - Credit varies by Territory.
- IS/Level Multiplier without Inexperienced Operator - Multiplier varies.
- IS/Level Multiplier for Inexperienced Operator - Multiplier varies.
- Account Discount - 11% when both voluntary private passenger automobile policy and a dwelling homeowners policy with Travelers.
- Contributing Vehicle Credit - credit varies.
- Effective 9-1-04 PC074485

State Auto Property & Casualty Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for operators 0-38 yrs. driving experience or 55 yrs. of age or older.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving

experience & a homeowners policy with State Auto Companies, or 0-38 yrs. driving experience or 55 yrs. of age or older for insured without a homeowners policy with State Auto Companies.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 70 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55 yrs. of age or older or 0-38 yrs. driving experience for insured without a homeowners policy.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55-69 yrs. of age for insured without a homeowners policy.
- 25% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 30% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 35% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured who is 55-69 yrs. of age and has a homeowner policy with State Auto Companies.
- Anti-lock Braking System Discount: 5% deviation on non-fleet private passenger auto BI & property damage or combined single limit liability on private passenger autos equipped with factory installed four wheel anti-lock braking systems.
- Electronic Funds Transfer: \$1 monthly service charge per policy. Eff. 9-1-00

State Automobile Mutual Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no SDIP pts., no inexperienced operators & insured has Homeowners policy with State Auto Companies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided no SDIP pts., no inexperienced operators & all operators in household are age 55 or older.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided there are no SDIP pts., no inexperienced operators, all operators in household are age 55 or older and insured has a Homeowners policy with State Auto Companies.
- Installment Pay Plan charge is reduced to \$1 per installment on all new and renewal business.
- 5% non-fleet private passenger auto bodily injury & property damage liability (or combined single liability) coverage for private passenger auto equipped with factory installed four wheel anti-locking braking systems. Eff. 2-1-93

State Capital Insurance Company

- Installment Payment Plan: Waive initial installment charge.
- 10% credit applicable to auto policy when named insured has Homeowners policy with State Capital.

Northwestern National, or American Professionals Insurance Company.

- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met. Eff. 1-1-01

State Farm Mutual Automobile Insurance Company

- Deviation for non-fleet private passenger automobile rates: Credit varies based on territory.
- Deviation applicable to private passenger automobile rates applicable to vehicles continuously in force with the State Farm Mutual Automobile Ins Co and free of at-fault accidents for 3 or more years- 5%-15% - not applicable to motorcycle.
- 9% deviation on non-fleet private passenger automobile rates. Applicable to principal operators aged 55 and over when there is no inexperienced operator in the household. (not motorcycles).
- Multi Policy Discount: 5% credit for non-fleet private passenger automobile rates when criteria is met.
- Installment Payment Charge: \$2 monthly installment of premium. Charge waived if payment made by electronic funds transfer.
- 2% on non-fleet private passenger automobile rates applicable to new business policies (not motorcycles) when all drivers have been licensed in the U.S. or Canada for 3 yrs. & all driving records combined have no violations & no at-fault accidents during past 5 yrs.
- Additional Deviation applicable to Classic vehicles for BI/PD, Med Pay, and Collision: 30%
- Eff 8-15-04 PC073540

TIG Premier Insurance Company

- 10.7% non-fleet private passenger auto bodily injury, property damage, medical payments, collision, uninsured BI and combined uninsured/underinsured BI; 15.5% comprehensive.
- Free of at fault accidents: 3-6 yrs.; 10%-non-fleet private passenger auto bodily injury, property damage, medical payments & collision; Over 6 yrs.-15%.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal operators age 55 and over where there is no principal operator in household.
- BMW model yrs. 1995 & newer: 20% comprehensive; 10% collision. Eff. 3-1-98

Teachers Insurance Company

- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 3% deviation when certain criteria is met.
- Member Only Deviation 1% deviation when certain criteria is met.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years: Credit Varies
- Electronic Funds Transfer - The installment payments by Electronic Funds Transfer shall be made on a monthly basis. For new business, the initial payment are 1/3 of the 6 month premium: the remaining monthly payment are of equal amounts. For renewals, there are equal monthly payments. The installment fees are based on the number of installments.
- Eff 7-1-04 PC070874

Travelers Casualty & Surety Company

- Anti-Lock Brake Deviation: 5% non-fleet private passenger auto single limit (liability & medical payments) or bodily injury, property damage & medical payments.
- Anti-Theft Device Deviation: 5% or 10% discount depending on how vehicle is equipped. Applicable to non-fleet private passenger auto comprehensive base premiums.
- 7% Loss & Conviction Free Renewal Deviation: Multi-car policies: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage. Credit applies to voluntary policies.
- Mature Driver Deviation: 3% to non-fleet private passenger auto bodily injury, property damage & medical payments; 5% collision, 10% comprehensive coverage.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments. Credit applies to voluntary policies.
- 7% Loss & Conviction Free Renewal Deviation; Multi-car policies: Applies to collision coverage only when policy is ceded to the Facility.
- Mature Driver Deviation: 5% non-fleet private passenger auto collision coverage & 10% comprehensive coverage.
Eff. 12-17-93

Travelers Casualty & Surety Company of America

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments rates.
- 15% non-fleet private passenger auto comprehensive & collision rates. Eff. 10-15-92

Travelers Casualty Insurance Company of America

- 30% non-fleet private passenger auto liability & medical payments rates.
- 30% non-fleet private passenger auto physical damage rates. Eff. 10-15-92
- Name Changed from Travelers Casualty & Surety Company of Illinois effective 1/1/04

Travelers Indemnity Company

- 9% Account Discount when insured has private passenger auto policy & homeowners policy with The Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger auto bodily injury, property damage, medical payments; 30% collision; 10% for comprehensive, fire/fire, and theft/fire, theft and CAC coverage for those insureds who have single car policy & have more than one private passenger auto with The Travelers.
- 3% Renewal Credit: Non-fleet private passenger auto rates if insured has maintained auto coverage with the Travelers for last 6 or more consecutive yrs.
- 1% deviation for private passenger auto rates for employees of Multi-Line Insurance and Financial Services Institution.
- 1% for private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted.
- 1% deviation for private passenger auto rates for North Carolina State University employees as part as of an Employer Payroll Deduction Premium Payment Plan. Installment charge deleted.

- 1% deviation for private passenger auto rates for Members/Customer of A Credit Union Family. Installment charge deleted.
- 1% deviation for private passenger auto rates for Employees of Research and Development Institutions. Installment charge deleted.
- 1% deviation for private passenger auto rates for Members/Customer of AAA Group. Installment charge deleted.
- 1% deviation for private passenger auto rates for employees of Philip Morris Companies as apart as a payroll deduction premium payment plan. Installment charge deleted. Eff. 7-1-03

Travelers Indemnity Company of America

- Installment Payments - Installment charge for each installment is deleted.
- Account Discount – 9% account discount will be applied to all insureds that have both a voluntary private passenger automobile policy and a dwelling homeowners policy with the Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for insured who have single car policy & have more than one private passenger auto with The Travelers.
- Contributing Vehicle Credit: 30% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% deviation priv pass, pickups, vans and classic autos for Comp, fire/fire and theft/fire, theft, CAC coverages for insureds who have a single car policy and have more than one private pass auto insured with The Travelers.
- Renewal Credit: 3% non-fleet private passenger rates if insured has maintained auto policy with The Travelers for the last 6 or more consecutive yrs.
- 13% deviation applied to private passenger auto rates for employees of Multi-Line Insurance & Financial Services Institution. Installment charge deleted.
- 13% deviation applied to private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted
- Rate Deviation for North Carolina State University - 13% deviation will be applied to voluntary private passenger rates for employees of North Carolina State University as part of an employer payroll deduction premium payment plan. Installment charge deleted.
- 13% deviation applied to private passenger auto rates for Members/Customers of a Credit Union family. Installment charge deleted.
- 13% non-fleet private passenger insurance rates for all coverages for Employees of Research and Development Institutions. Installment charge deleted.
- 13% deviation applies to private passenger auto rates for members of AAA Groups. Installment charge deleted.
- 13% deviation applies to private passenger auto rates for employees of Philip Morris Companies, Inc. as part of an employer payroll deduction premium payment plan. Installment charge deleted. Eff. 7-1-03 PC062256

The Travelers Indemnity Company of Connecticut

- pricing Factors – 10% deviation for liability coverages and 10% deviation for property damage coverages will be applied to voluntary private passenger automobiles.
- Account Discount – 9% discount will be applied to all insureds that have both a voluntary private passenger automobile policy and a dwelling homeowners policy with the Travelers.

- Contributing Vehicle Credit: 35% non-fleet private passenger autos, pickups, vans & classic autos for bodily injury property damage, medical payments & collision for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 30% private passenger autos, pickups, vans & classic autos for collision coverage for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% private passenger autos, pickups, vans & classic autos for comprehensive, fire/fire & theft/fire, theft & CAC coverages for single car policy yet have more than one private passenger auto insured with The Travelers.
- Renewal Credit – 3% credit will be applied to voluntary private passenger automobile rates if the insured has maintained an automobile policy with the Travelers for the last six (6) or more consecutive years. Eff. 7-1-03

Travelers Property Casualty Company of America

- Account Credit: 10% credit when voluntary auto & homeowners policy with The Travelers.
- Careful Driver Credit: 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision that have 0 SDIP pts. for the last 3 consecutive yrs.
- Senior Driver Credit: Credit varies 3% - 6% when criteria is met.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single car policy, yet have more than one auto insured with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insured who have a single car policy, yet have more than one auto insured with The Travelers.
- Highly Preferred Credit: 19% credit when certain criteria is met.
- Preferred Credit: 10% credit when certain criteria is met. Eff. 8-21-99
- Name changed from Travelers Indemnity Company of Illinois effective 1/1/04.

Travelers Personal Security Insurance Company

- Territorial Deviations - Credit varies by Territory.
- IS/Level Multiplier without Inexperienced Operator - Multiplier varies.
- IS/Level Multiplier for Inexperienced Operator - Multiplier varies.
- Account Discount - 11% when both voluntary private passenger automobile policy and a dwelling homeowners policy with Travelers.
- Contributing Vehicle Credit - 35% credit for collision coverage for single car and more than one private passenger auto with the Travelers.
- Effective 9-1-04 PC074486

Twin City Fire Insurance Company

- Principal Operator age 55-69 comp and coll credit varies by territory.
- Principal Operator age 70 comp and coll credit varies by territory.
- All other operators comp and coll credit varies by territory.
- 4% Account Credit: 4% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates when insured has qualifying homeowners policy in effect

with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.). Eff.4-15-03

USAA Casualty Insurance Company

- Base Rate Deviation for liability and physical damage, extended transportation and towing & labor, and employee non-owned auto coverages - credit varies by territory.
- 5% non-fleet private passenger auto other than collision coverage for vehicles with active disabling anti-theft devices.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with a window identification system.
- 10% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices & for vehicles equipped with a vehicle recovery system.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronics equipment & tapes, records, discs & other media.
- 100% on rates for covered property coverage for trailers insured for other than collision coverage.
- 100% on rates for customizing equipment coverage.
- 30% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bags both sides.
- 10% non-fleet private passenger auto medical payments coverage for vehicles equipped with passive seat belt both sides or drivers side only.
- 10% non-fleet private passenger auto liability & physical damage if principal operator is age 55 or older.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverage when criteria is met.
- Deviation on 6 month and annual short rate cancellation tables.
- 20% non-fleet private passenger auto medical payments coverage for vehicles equipped with air bag drivers side only.
- Extended Billing Plan and Regular Plan - no installment charge:
- Eff 9-28-04 PC074435

USAA General Indemnity Company

- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 100% deviation for trailers insured for other than collision coverage.
- 100% deviation for vehicles insured for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with daytime running light device.
- Deviation on 6 month & annual short rate cancellation tables.
- Installment Payment Plan: Regular Plan and Extended Plan - installment charge waived.
- PC071545 Eff 5-1-04

Underwriters Insurance Company

- 17.5 % Credit Physical Damage and 5% Credit Liability base premiums: Certain Preferred Driver criteria must be met.
- 5% Credit Physical Damage base premiums: Certain Standard Driver criteria must be met.
- Account Credit Program: 10% Credit: Must have Homeowners and Auto policy with UIC.
- 5% Credit for BI, PD and Med Pay for factory installed Anti-Lock Brake System.
- 5% Credit for BI, PD, Med Pay, Collisions, and Comprehensive premiums: Mature Driver Discount: Certain criteria apply. Eff. 10-1-99

Unigard Indemnity Company

- 5% non-fleet private passenger auto physical damage rates. Deviation applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only.
- 10% non-fleet private passenger auto physical damage rates when same insured also has Homeowners Form HO-3 or HO-6. Eff. 9-5-89

Unisun Insurance Company

- Preferred Driver Discount: 10% non-fleet private passenger auto bodily injury , property damage, medical payments, collision & other than collision premium. Credit applies to each vehicles when criteria is met.
- Full Coverage Discount: 3% non-fleet private passenger auto bodily injury, property damage, medical payments collision & other than collision when criteria is met.
- Multi-Vehicle Discount: 5% additional credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Eff. 12-15-96

United Services Automobile Association

- Base Rate Deviation for liability and physical damage, extended transportation and towing & labor, and employees non-owned auto coverages - credit varies by territory.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with active anti-theft disabling devices or vehicles using steering wheel bar locks.
- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with a window identification system.
- 10% non-fleet private passenger auto other than collision coverage for vehicles with passive disabling anti-theft devices & vehicle recovery system.
- 100% private passenger non-fleet auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 10% non-fleet private passenger auto medical payments coverage for vehicles with passive seat belt restraint.
- 10 % non-fleet private passenger auto liability & physical damage rates if principal operator is age 55 & older.
- 100% on rates for covered property for trailers insured for other than collision coverage.

Deviation as of Dec 15, 2004

- Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 2% - 34%.
- Deviation single-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit 3% - 35%.
- Deviation single-car policies, unmarried driver, 2-20 SDIP pts. & least experienced operator has 7-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.
- Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 26%.
- Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 1% - 28%.
- Deviation multi-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 3% - 20%.
- Deviation multi-car policies, unmarried driver, 4 - 20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% or 20%.
- 10% deviation applies to auto BI, PD & Med Pay when the total policy premium is paid with the application or renewal quote.
- 15% auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
- 10% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance. Eff. 7-22-02

comprehensive & collision for loss free credit insured 6 years with "0" SDIP pts.

- 5% non-fleet private passenger auto bodily injury & property damage for anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive with anti-theft device (active).
- 10% non-fleet private passenger auto comprehensive with anti-theft device (passive).
- 5% non-fleet private passenger auto bodily, property damage, medical payments, comprehensive & collision for mature driver.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for account driver.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 15% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Vigilant Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist coverage for antique autos.
- Reduced rates for physical damage coverage for antique autos.
- Deviation for split limit bodily injury increased limits. Eff. 7-1-03

Virginia Mutual Insurance Company

- Multi-car risk and drivers either occasional or principle having more than 10 years but less than 49 yrs driving experience and zero SDIP driving record points. Credit varies according to coverage. Eff. 2-15-04

West American Insurance Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

Windsor Insurance Company

LIABILITY Applicable to non-fleet private passenger auto bodily injury, damage & medical payments coverage for all listed components.

Group I

12 point violation that is not one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-

- 13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 14% - 43%.
- Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 23% - 70%
- Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 20% - 70%.
- Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 40% - 75%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 10% - 43%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 20% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 28% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 41% - 75%.
- 7% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 10% deviation applies to auto BI, PD and Med Pay when the total policy premium is paid with the application or renewal quote.
- 12% auto BI & PD policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership w homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance.

Group II

Contain either no 12 point violation or a 12 point violation that is one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.

- 100% on rates for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with a daytime running light device.
- Safe Driver Incentive Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, other than collision, collision uninsured motorist, fire, theft & combined additional coverages.
- Deviation on 6 month & annual short rate cancellation tables.
- Extended Billing Plan: No service charge for Regular Plan or Extended Plan.
- Eff. 9-28-04 PC074434

United States Fidelity & Guaranty Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans. Eff. 9-1-00

Unitrin Auto and Home Insurance Company

- Voluntary Liability Deviation – Bodily Injury and Property Damage credit varies by territory and tiers.
- Voluntary Physical Damage Deviation – Collision and Comprehensive credit varies by territory and tiers.
- Safety Equipment Discounts – Passive Restraint Discount – medical payments only – auto must be equipped with a factory installed automatic occupant restraint, conforming to the federal crash protection requirements. Credit varies according to installed equipment.
- Anti-lock Braking System Discount – 5% discount for single limit liability or bodily injury and property damage liability coverage shall be afforded for those private passenger auto equipped with a factory installed four wheel anti-lock braking system (abs).
- Extended Transportation Expenses Coverage-Package Plus Only \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge, \$50/\$1500 increased transportation expenses coverage may be substituted for the \$30/\$900 limit on the package plus policy for an additional charge of \$12..
- Cancellation – Package Plus Only – compute return premium on a Pro Rata basis per chart.
- Classifications – Experienced Operator Credit
- Deferred Premium Payment Plans
- Network Discount – 7% discount applied to BI, PD, Med Pay, Coll & Comp if individual is a member of the Network Group.
- Anti-theft Devices – 5% alarm only and active disabling devices, 15% Passive Disabling Device.
- Premium Determination - Package Plus Only certain criteria apply, credit varies.
Eff 05-3-04 pc071376

Universal Insurance Company

- 15.0% non-fleet private passenger auto bodily injury, property damage & medical payments for DWI conviction limited to one lifetime alcohol related conviction per household. Credit applies to single car. SDIP pts. must be between 12- 20.
- 7.5% Multi-car, non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI conviction and SDIP pts. are between 12 & 20. There can be no more than one lifetime alcohol related conviction per household.
- 3.5% non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI & SDIP pts. are between 8 & 14. Credit applies to single or multi-car risk.
- 5% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 10% non-fleet private passenger auto comprehensive & collision with 8-9 SDIP pts. based on model year of auto.
- 25% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 40% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 20% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 52% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, single car risk with 12-20 SDIP pts.
- 42% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, multi-car risk with 12-20 SDIP pts. by at least one driver. Eff. 2-1-98

Utica Mutual Insurance Company

- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Group.
- Personal Auto Account Credit: 5% credit applied to basic premium when auto & homeowner policy is insured by Utica National Insurance Group.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met. Eff. 12-1-00

Valiant Insurance Company

- 5% non-fleet private passenger auto comprehensive & collision insurance rates.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured with 3 years with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments

comprehensive & collision for loss free credit insured 6 years with "0" SDIP pts.

- 5% non-fleet private passenger auto bodily injury & property damage for anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive with anti-theft device (active).
- 10% non-fleet private passenger auto comprehensive with anti-theft device (passive).
- 5% non-fleet private passenger auto bodily, property damage, medical payments, comprehensive & collision for mature driver.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for account driver.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 15% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts. Eff. 2-15-98

Vigilant Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist coverage for antique autos.
- Reduced rates for physical damage coverage for antique autos.
- Deviation for split limit bodily injury increased limits. Eff. 7-1-03

Virginia Mutual Insurance Company

- Multi-car risk and drivers either occasional or principle having more than 10 years but less than 49 yrs driving experience and zero SDIP driving record points. Credit varies according to coverage. Eff. 2-15-04

Vest American Insurance Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply. Eff. 9-1-00

Windsor Insurance Company

LIABILITY Applicable to non-fleet private passenger auto bodily injury, damage & medical payments coverage for all listed components.

Group I

12 point violation that is not one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-

- 13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 14% - 43%.
- Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 23% - 70%.
- Deviation for single car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 20% - 70%.
- Deviation for single car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 40% - 75%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 10% - 43%.
- Deviation multi-car policies, unmarried driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 20% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 28% - 70%.
- Deviation multi-car policies, married driver, 12-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 41% - 75%.
- 7% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 10% deviation applies to auto BI, PD and Med Pay when the total policy premium is paid with the application or renewal quote.
- 12% auto BI & PD policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance.

Group II

Contain either no 12 point violation or a 12 point violation that is one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.

- Deviation single-car policies, married driver, 2-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 2% - 34%.
- Deviation single-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit 3% - 35%.
- Deviation single-car policies, unmarried driver, 2-20 SDIP pts. & least experienced operator has 7-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 30%.
- Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% - 26%.
- Deviation multi-car policies, married driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 1% - 28%.
- Deviation multi-car policies, unmarried driver, 3-20 SDIP pts. & least experienced operator has 14-48 yrs. licensed driving experience. Credit varies 3% - 20%.
- Deviation multi-car policies, unmarried driver, 4 - 20 SDIP pts. & least experienced operator has 5-13 yrs. licensed driving experience or 49-53 yrs. licensed driving experience. Credit varies 1% or 20%.
- 10% deviation applies to auto BI, PD & Med Pay when the total policy premium is paid with the application or renewal quote.
- 15% auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse & BI limit on the prior proof are higher than 25/50.
- 10% deviation applies to auto BI & PD on Basic Program risks to policies with proof of 6 months prior auto insurance coverage with no lapse.
- 3% deviation to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto insurance coverage with no lapse.
- 8% deviation applies to BI & PD coverages on Elite Program risks presenting proof of 6 months prior auto coverage with no lapse & the BI limits on the prior proof are higher than 30/60.
- 8% deviation applies to BI & PD coverages on risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 8% deviation applies to BI & PD coverage on Elite Program risks presenting proof of home ownership with homeowners dec page, a homeowners dec page with expiration date less than 24 months old, property tax records, mortgage payment coupons or property deeds. Address listed on any form must match address on Windsor policy.
- 5% deviation applies to BI, PD & med pay coverages on Elite Program risks when the total premium is paid with the application or the renewal quote.
- 2% deviation applies to BI & PD coverages on Elite Program risks must reside in rented residence for which he or she can provide proof of contents insurance or must reside in an owned mobile home for which he or she can provide proof of homeowners insurance. Eff. 7-22-02

AUTOMOBILE

ACE American Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured, comprehensive & collision.
- Eff. 3-18-97

ACE Fire Underwriters Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision.
- Eff. 3-18-97

ACE Property & Casualty Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision.
- Eff. 3-18-97

AMEX Assurance Company

- Accident-Free Discount: Applies to non-fleet private passenger auto bodily injury, property damage, medical payment & collision: 3-5 yrs.- 10% credit: 6 yrs. or more- 15% credit.
- Auto/Homeowner Discount 5% Forms 3 & 6: with accompanying homeowners policy.
- Deviation for single-car & multi-car policyholders for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Installment Payment Plan: Charge waived for electronic funds transfer or payroll deduction.
- Work Site Discount: 1% deviation non-fleet private passenger automobile rates where the named insured has acquired his/her auto policy through the Work Site Marketing Program of AMEX Assurance Company. Preferred Client Deviation 10% for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Costco Discount: 3% applies to policies for member insureds of Costco. Vehicle Usage Discount for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Multi-car discount for Liability, Comp & coll
- Liability Limits: credit varies by Limit amount.
- Eff. 5-14-04 PC070179 Filing Detail

All America Insurance Company

- Withdrawn

Allstate Indemnity Company

Preferred Program

- Territory Deviations

- Tier Deviation: Certain criteria must be met.
- Years Licensed Deviation
- Accident Rating Deviation: Years since last accident 0 - 3+
- Anti Lock Brake Discount: 1% credit for collision coverage when factory installed anti lock braking system on all four wheels.
- 55 and Over Discount
- New Car Discount
- The Good Hands People Discount
- Installment Payment Fee for Electronic Funds Transfer Deviation

Regular Auto Program

- Liability Coverage Deviations
- Pay Fee Deviation
- The Good Hands People Discount

- Eff 6/13/05 PC081967 [Filing Detail](#)

Allstate Insurance Company

- Installment Payment Fee of \$1.00 for Electronic Fund Transfer.
- Effective 7-1-04 PC072554 [Filing Detail](#)

American Automobile Insurance Company

- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with an alarm device.
- 5% non-fleet private passenger auto comp. coverage on vehicles equipped with active disabling device.
- 15% non-fleet private passenger auto comp. coverage on vehicles equipped with passive disabling device.
- Anti-lock braking system - 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factory installed four wheel Anti-Lock Braking System.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit
- Installment Payments
- Eff. 10-01-03 PC 064659 [Filing Detail](#)

American Bankers Insurance Company of Florida

- 8% non-fleet private passenger physical damage insurance rates, if liability insurance is provided.
- Eff. 3-15-86

American Centennial Insurance Company

- 5% non-fleet private passenger auto liability & physical damage rates.

- Eff. -1-85

American Economy Insurance Company

- 10% private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates where principal operator is aged 55 & over with no inexperienced operator in household.
- Eff. 4-19-91

American Employers Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private passenger auto comprehensive when vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis.
- Eff. 11-20-01 PC045268 [Filing Detail](#)

American Fire & Casualty Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medl pay, uninsured motorists, comp & coll coverages.
- Anti-Theft Discount: Com Coverage only: 5% & 15% credit: Certain criteria apply.
- Eff. 9-1-00 PC 035767 [Filing Detail](#)

American & Foreign Insurance Company

- Installment Payment Plan waiver.
- Eff. 5-15-04 PC068691 [Filing Detail](#)

American Home Assurance Company

- 6% - 37% deviation for medical payments & uninsured & combined uninsured/underinsured motorists coverage: All territories: Certain underwriting criteria must be met.
- 1% - 46% deviation for bodily injury, property damage, comprehensive & collision coverages: Certain criteria apply.
- 5% deviation for bodily injury, property damage, medical payments, comprehensive & collision for multi car policies.
- 5% deviation for comprehensive: All vehicles equipped with alarm only and active disabling devices.
- 15% deviation for comprehensive: All vehicles equipped with passive disabling devices.
- 5% deviation for certain coverages: All insureds within sponsored groups.
- Installment fee waived for automatic deductions from a financial account.
- 1st installment fee waived for all multiple payment modes.
- Eff. 12-20-02 PC054433 [Filing Detail](#)

American Insurance Company

- See Progressive American Insurance Company

American International South Insurance Company

- Deviation applies to non-fleet private passenger Bodily Injury and Property Damage Liability rate that is not one of the following:
 - a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxication liquors by motor vehicle.
- 39% on rates with 12-14 SDIP policy points, multi-car & driving experience of 5-6 years with a 12 point violation.
- 48.0% on rates with 12-14 SDIP policy points, multi-car & married & driving experience of 7-38 years with a 12 point violation.
- 62.0% on rates with 12-14 SDIP policy points, single car with 7-38 years driving experience with a 12 point violation.
- 39% on rates with 12-14 SDIP policy points, multi-car, unmarried with 7-38 years driving experience with a 12 point violation.
- 39% on rates with 12-14 SDIP policy points, multi-car & driving experience of 39+ years with a 12 point violation.
- 50% on rates with 12-17 SDIP policy points, single car with 5-6 years driving experience with a 12 point violation.
- 50% on rates with 12-17 SDIP policy points, single car with driving experience of 39+ years with a 12 point violation.
- 39% on rates with 15-17 SDIP policy points, multi-car & 5 years of driving experience with a 12 point violation.
- 55% on rates with 15-17 SDIP policy points, single car and 5-6 years driving experience with a 12 point violation.
- 13% on rates with 18-20 SDIP policy points, multi-car and 5+ years of driving experience with a 12 point violation.
- 13% on rates with 18-20 SDIP policy points, single car and 5+ years of driving experience with a 12 point violation.
- 50% on rates with 18-20 SDIP policy points, single car, married driver with 5-38 years of driving experience with a 12 point violation.
- 39% on rates with 18-20 SDIP policy points, multi-car, married driver with 5-38 years of driving experience with a 12 point violation.
- 13% on rates with 18-20 SDIP policy points, single car, married driver with 39+ years of driving experience with a 12 point violation.
- 13% on rates with 18-20 SDIP policy points, multi-car, married driver with 39+ years of driving experience with a 12 point violation.
- Effective 8-27-04 PC073480 [Filing Detail](#)

American Manufacturers Mutual Insurance Company

- Voluntary deviations without driving points - BI, PD, COMP, COLL credit varies by territory.

Deviation as of Nov 15, 2005

- Voluntary deviations with driving points - BI, PD, COMP, COLL credit varies by territory.
- Safety Equipment Discounts - 5% - 15% to Med Pay if qualified.
- Anti-locking braking system discount - 5% for autos equipped with a factory installed four wheel Anti-Lock Braking System.
- Extended Transportation Expenses Coverage - KIP ONLY - \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge.
- Cancellation - KIP ONLY - return premium is computed on a Pro Rata basis.
- Classifications - Experienced Operator Credit - If the principal operator of the auto is aged 55 and over and no inexperienced operators apply to the vehicle, apply a 3% discount to the BI and PD Liability, Med Pay, Coll and Coll premiums.
- Classic Auto Discount: 80% discount to Miscellaneous Types Rule-19.F. Classic Auto Discount for bodily injury, property damage & medical payments coverages.
- Deferred Premium Payment Plans - a monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a \$1 monthly service charge is applied per billing.
- Kemper Network Deviation 7%: Certain criteria apply.
- Anti Theft Devices Discount - credit varies.
- Eff 7-1-03

American Motorists Insurance Company

- Extended Transportation Expenses Coverage - KIP only: Coverage included at no additional charge.
- Cancellation - KIP only: Compute return premium on pro rata basis.
- Deferred Premium Payment Plan.
- 7% Kemper Network Deviation: Certain criteria apply.
- Eff 7-1-03

American Professionals Insurance Company

- Installment charge waived on initial payment: \$3 charge for each installment thereafter: Applies to all policies.
Eff. 7-1-99

American Protection Insurance Company

- Voluntary deviations with driving points - BI, PD, COMP, COLL credit varies by territory.
- Voluntary deviations without driving points - BI, PD, COMP, COLL credit varies by territory.
- Safety Equipment Discounts - 5% - 15% to Med Pay if qualified.
- Anti-locking braking system discount - 5% for autos equipped with a factory installed four wheel Anti-Lock Braking System.
- Extended Transportation Expenses Coverage - KIP ONLY - \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge.
- Cancellation - KIP ONLY - return premium is computed on a Pro Rata basis.
- Classifications - Experienced Operator Credit - If the principal operator of the auto is aged 55 and over and no inexperienced operators apply to the vehicle, apply a 3% discount to the BI and PD Liability, Med Pay, Coll and Coll premiums.
- Deferred Premium Payment Plans - a monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a \$1 monthly service charge is applied per billing.

- Kemper Network Deviation 7%: Certain criteria apply.
- Anti Theft Devices Discount - credit varies.
- Eff 7-1-03

American Security Insurance Company

- Deviation: Charge as premium for comprehensive (full coverage) & collision (\$100 deductible), the NC Rate Bureau base rates, which became effective January 1, 1984 for territory 17, separately for each coverage. Premiums so determined are applied statewide regardless of territory, no primary or secondary rating factors are applied.
Eff. 2-1-86

American Southern Insurance Company

- 12.5% Elite Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 5% Preferred Driver Discount: Applies to each vehicle, each driver when meeting criteria. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums.
- 2% AAA Carolina Affinity Group Discount when insured is a member of AAA Carolinas. Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premiums
- 10% Renewal Discount Program applicable to each vehicle when policy holder has been insured with American Southern for three continuous years and which is loss free. Discount applies to bodily injury, property damage, med payments, collision & other than collision premiums otherwise applicable to the vehicle.
- 5% Multiple policy discount applicable to each vehicle when the policyholder places both automobile and homeowners coverage through the American Auto Club Insurance Agency. Discount applies to Bodily Injury, Property Damage, Medical Payments, Collision and Other Than Collision premiums.
- 10% Super Preferred Driver Discount.
- Eff. 6-15-04 PC071954 [Filing Detail](#)

American States Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where principal operator is aged 55 & over with no inexperienced operator in household.
- Eff. 4-19-91

American States Preferred Insurance Company

For deviations see North Carolina Department of Insurance Website
Eff. 10-1-05 **PC085790** [Filing Detail](#)

AMICA Mutual Insurance Company

Deviation as of Nov 15, 2005

- Downward Deviation to Base Rates for BI, PD, med pay, uninsured/underinsured motorists, comprehensive & collision.
Downward Deviation by Territories for BI, PD, med pay, comprehensive & collision.
- Charge \$2 in lieu of \$3 each installment with certain exceptions.
- Eliminate additional charge \$2 on 1st installment of installment plan.
- Eliminate additional charge \$2 for all installment payments for members of any AMICA Group.
- Eliminate additional charge \$2 for 1st installment payment for insured participating in account billing payment plan.
- Downward deviations to one year short-rate cancellation.
- Eff. 11-1-04 PC074206 [Filing Detail](#)

Arch Insurance Company

- 15% private passenger auto comprehensive & collision rates.
- Eff 9-29-92

Argonaut Insurance Company

- Advantage Discount: 13.5% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Multi-Car Discount: 23.7% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Preferred Driver Discount: 10% discount applies to bodily injury, property damage, medical, collision & comprehensive for single car auto policies.
- Eff. 4-1-00

Associated Indemnity Corporation

- Various deviations on auto comprehensive coverage for all vehicles equipped with an alarm device.
- Discount on auto comprehensive coverage for all vehicles equipped with active disabling devices.
- Discount on comprehensive for vehicles equipped passive disabling devices.
- Anti lock brake discount.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Account Credit
- Installment Payments.
- Eff. 10-01-03

Association Insurance Company

- 12.5% non-fleet private passenger auto liability & physical damage insurance rates.
- 32.5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for SAS Institute Employees.
- Eff. 1-1-96

Assurance Company of America

- 5% non-fleet private passenger auto liability bodily injury, property damage & medical payments.
- 15% non-fleet private passenger auto comprehensive & collision.
- 7.5% non-fleet private passenger auto bodily injury, property damage, medical payments comprehensive & collision coverage for drivers with 30 yrs. driving experience & no inexperience operator on policy.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 3 consecutive yrs. with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for 6 consecutive yrs. with "0" SDIP pts.
- 5% non-fleet private passenger auto liability, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury & property if auto has anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 10% non-fleet private passenger auto comprehensive if auto has anti-theft device.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision of insured has homeowners policy with Assurance.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 20% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts.
- Eff. 2-15-98

Atlantic Casualty Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 37% non-fleet private passenger bodily injury & property damage, single car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments: \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts.
 - 33% non-fleet private passenger bodily injury & property damage, multi-car policies with limits of liability that do not exceed \$25,000/\$50,000 bodily injury, \$25,000 property damage, \$2,000 medical payments, \$25,000/\$50,000/\$25,000 uninsured motorists for operators with 3 yrs. or more driving experience & limits of \$50,000/\$100,000 bodily injury, \$50,000 property damage, \$2,000 medical payments, \$50,000/\$100,000/\$50,000 UM/UIM for operators with 5 yrs. or more driving experience with 12-20 SDIP pts.
 - Eff. 7-1-94

MOTORCYCLE

Deviation as of Nov 15, 2005

- 9% average deviation for private passenger motorcycle physical damage.
- 15% average deviation private passenger motorcycle bodily Injury & property damage.
- Eff. 7-1-91

Atlantic Indemnity Company

- 5% non-fleet private passenger auto bodily injury, property damage & medical payments single car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 2.5% non-fleet private passenger auto bodily injury, property damage & medical payments multi-car policies with 6-20 SDIP pts. that do not include a Driving While Intoxicated conviction.
- 21% average deviation for non-fleet private passenger automobile physical damage with 3 or more SDIP pts.

LIABILITY All deviation applicable to non-fleet private passenger bodily injury, property damage, & medical payment coverages for all listed components.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Pre-arranged racing or knowingly lending a motor vehicle to be used in pre-arranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. DUI violations involving drugs.
- 55% for single car policies with 12-20 SDIP pts.
 - 45% for multi car policies with 12-20 SDIP pts.
 - Eff. 11-1-95

Auto Owners Insurance Company

Premier Program

- Mature Driver Discount: Applies to non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision coverages for insureds 55 - 74 yrs. of age: Credit varies 2%.
- Multi Policy Discount Auto/Home: BI, PD, Med Pay, comprehensive & collision.
- Multi Policy Life/Auto policy 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision.
- Premier Discount, bi, pd, med pay, comp and coll.
- Insurance Scoring Discount on all coverages.
- Eff 8-1-05 PC084831 Filing Detail

Standard Program

- Multi Policy Discount: 5% credit applies to BI, PD, Med Pay, comprehensive & collision.
- Life/Auto policy 5% non-fleet private passenger auto bodily injury, physical damage, med payments, comprehensive & collision.
- Accidental Death Indemnity
- Total Disability Indemnity
- Eff. 7-22-04 PC072354 Filing Detail

Bankers Standard Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payment, uninsured motorist, combined uninsured motorist & underinsured motorist, comprehensive & collision.
- Eff. 3-18-97

Builders Mutual Insurance Company

- 5% deviation on bodily injury, property damage, medical payments, comprehensive, & collision, if primary driver has at least 30 yrs. driving experience.
- Rating plan factor reduced by .05 for comprehensive & collision if the risk qualifies for multi car discount & has no inexperienced operator.
- Rating plan factor reduction by .05 for bodily injury, property damage, medical payments, comprehensive & collision, if the risk is classified as having 0 SDIP pts.
- 5% deviation on bodily injury & property damage, if the vehicle is equipped with anti-lock brakes.
- 5% deviation for comprehensive only, if vehicle is equipped with an active anti-theft device: 10% deviation, if vehicle is equipped with a passive anti-theft device.
- Eff. 10-1-99

Burlington Insurance Company

- 15% private passenger auto physical damage insurance rates.
- Eff. 5-28-87

CGU Insurance Company

- 5% Account Credit is applicable to Personal Auto Policies where named insured has his/her Homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident companies. Credit applies to total premium for each coverage.
- 5% Anti-Lock Brake Discount: Bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes.
- Eff. 9-15-91

Central Mutual Insurance Company

- Package credits allowed for both Private Passenger Auto and Homeowners whenever the Central Companies carry both Auto and Homeowners coverages. Certain criteria applies, credits vary.
- Deviation (5%) will apply to BI, PD, Med Pay, Comp and Coll coverages for principal operators age 55-69 or principal operators 34-38 years driving experience with no SDIP points and no inexperienced operators in household.
- Deviation (5%) on Comp coverage for vehicle equipped with alarm only and active anti-theft disabling device; Deviation (15%) on Comp coverage for vehicle equipped with passive anti-theft disabling device.
- Deviation for 'First Accident Forgiveness' program. Certain criteria apply.
- Installment Charge Deviation For Electronic Funds Transfer Option – A 100% deviation applies to the North Carolina Rate Bureau's \$3 installment charge when the insured selects an option to

Deviation as of Nov 15, 2005

electronically transfer the payment from his banking account to our account. The fee for the automatic withdrawal would then be \$0 instead of \$3 per installment / withdrawal.

Deviation (7.5%) on BI, PD, Med Pay, Comp and Coll coverages for eligible Exceptional Drivers.

- Deviation for single car risks with additional company-owned vehicles.
- Deviation (12.5%) on BI, PD, Med Pay, Comp and Coll coverages for eligible Superior Drivers. Certain criteria apply.
- Eff 7-1-03 PC062332 [Filing Detail](#)

Century Indemnity Company

- 10% non-fleet private passenger auto comprehensive & collision rates.
- Eff. 6-1-89

The Charter Oak Fire Insurance Company

- Pricing Factors –deviation varying by coverage will be applied to voluntary private passenger automobiles.
- Account Discount – varying by territory and coverage will be applied to all insureds that have both a voluntary private passenger automobile policy and a dwelling homeowners policy with the Travelers.
- Contributing Vehicle Credit: 35% deviation will be applied on non-fleet private passenger autos, pickups, vans & classic autos for bodily injury property damage, medical payments & collision for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 30% private passenger autos, pickups, vans & classic autos for collision coverage for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% private passenger autos, pickups, vans & classic autos for comprehensive, fire/fire & theft/fire, theft & CAC coverages for single car policy yet have more than one private passenger auto insured with The Travelers.
- Renewal Credit – varying by territory and coverage will be applied to voluntary private passenger automobile rates if the insured has maintained an automobile policy with the Travelers for the last six (6) or more consecutive years.
- Eff 3-20-05 PC079542 [Filing Detail](#)

The Cincinnati Insurance Company

- 0% non-fleet private passenger auto liability rate deviation.
- 40% non-fleet private passenger auto physical damage rate deviation.
- 10% non-fleet private passenger liability & physical damage rate deviation, if policyholder has package policy with Cincinnati Insurance Company.
- Installment Payment Plan charge waived for personal autos & autos written in conjunction with a homeowner policy.
- Eff. 7-1-03

Citizens Insurance Company of America

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for principal operators in household age 55 or older where there are no other operators in household with less than 3 yrs. driving experience. This is a per vehicle

credit.

- Account Credit: 5% non-fleet private passenger auto comprehensive & collision coverage if insured has Homeowners policy with The Hanover Insurance Company.
- Non-Smoker Discount: 5% non-fleet private passenger auto comprehensive & collision coverage if no drivers have smoked in the past 15 months.
- 10% deviation for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Renewal Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Less than 3 yrs-0%; 3-5 yrs.-3.0%; 5 yrs or more-6.0%.
- Eff. 9-1-94

Colonial American Casualty and Surety Company

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive.
- Eff. 1-1-98

Commercial Insurance Company of Newark, New Jersey

Classic Auto Program

- Deviation for bodily injury, property damage & medical payments premium for all territories.
- Comprehensive, collision, fire only & theft only premiums deductible deviation factors for all territories.
- Uninsured motorists coverage, combined uninsured/underinsured motorist coverage deviation for all territories.
- Eff. 8-1-00

Consolidated American Insurance Company

- 10% non-fleet private passenger comprehensive & 15% collision rates. Deviation applies multi-car risk, all classes except farm use classes. No inexperienced operators in household & 0 SDIP pts. applicable.
- Eff. 12-1-92

Continental Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies if named insured has an homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.

- Anti-Lock Braking System Discount.
- Eff. 7-3-01

Continental National Indemnity Company

- Discount for Qualified Preferred Drivers: 17.5% credit physical damage-5% credit liability when certain criteria is met.
- Discount for Qualified Standard Drivers: 5% credit physical damage when certain criteria is met.
- Account Credit Program: 10% credit when certain criteria is met & both homeowners & auto policies are written through CNIC.
- Anti Lock Braking System Discount: 5% credit.
- Mature Driver Discount: 5% credit when certain criteria is met.
- Eff. 1-1-01

Economy Premier Assurance Company

- 5% Pak II Package Credit: Applies to comprehensive & collision base premiums when certain criteria is met.
- Pak II Renewal Credit: 3%-5% credit applies to final premium when insured has maintained an auto or homeowners policy written with a Metropolitan Company.
- Age 55 or Older Credit: 1%, 5%, or 10% credit applies to non-fleet private passenger bodily injury and property damage liability, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- 10% Good Driver Credit when certain criteria is met.
- Symbol Relativities Deviation.
- Increased Limits Extended Transportation Deviation: No additional charge when comp coverage is purchased.
- Passive Restraint Credit: 20% for driver side airbag: 30% for both front outboard seat position airbags.
- Anti-Theft Device Credit: 5% applies to alarm only & active disabling devices: 15% for passive disabling devices.
- 5% Anti-Lock Braking System Credit when it's factory installed on all 4 wheels.
- Golfmobile Liability: No additional charge.
- ATV, Minibike & Dune Buggy combined BI & PD liability rates are same as the N.C. Rate Bureau's snowmobile rates.
- ATV, Minibike & Dune Buggy Medical Payment rates will be 23% of territory 11 private passenger auto med pay rates.
- ATV, Minibike & Dune Buggy Collision rates are same as the N.C. Rate Bureau's snowmobile rates.
- 10% Recreational Vehicle Multi-Vehicle Credit: Eligibility requirements must be met.
- Premium Payment Plan Deviation.
- Eff. 6-01-01

Electric Insurance Company

- Preferred Rate Program Deviation applicable to comprehensive and collision coverages, credit varies by territory when all program criteria is met.
- Super Preferred rate Program Deviation applicable to comprehensive and collision coverages, credit

Deviation as of Nov 15, 2005

varies by territory when all program criteria is met.

- Accident and Violation Free Discount: Credit varies 5% - 15% when criteria is met.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision for risks that meet Elfun Society Membership.
- 5% Mass Marketing Discount.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision if principal operator of vehicle is 55 yrs or older. Vehicle with inexperience operator surcharge is not eligible.
- Multi Policy Credit: credit applies when insured has a HO- 2, 3, 4 or 6 policy with Electric Insurance.
- Installment Payment through electronic funds transfer.
- Eff. 1-20-04 PC066981 [Filing Detail](#)

Employers Mutual Casualty Company

- Multi-Policy Credit: 10% when auto & homeowners coverage are written with Employers Mutual Casualty Company and/or Emcasco Insurance Company.
- Safety Equipment/Anti-Theft Discount: 20% med pay premium passive restraint on driver side only. 30% med pay premium passive restraint on both sides. 5% on bodily injury & property damage premium for four wheel anti-lock braking system. 5% comprehensive premium for alarm & active disabling devices. 15% comprehensive premium for passive disabling devices.
- Installment Payment Plan: \$3 charge waived when method of payment is through electronic funds transfer.
- Eff. 5-25-97

Encompass Indemnity Company

- Effective 10-1-04 PC075213 [Filing Detail](#)

Encompass Indemnity Company Antique automobile program

- Deviation for Bodily Injury, Property Damage, Medical Payments – All Territories.
- Deviation for Uninsured/underinsured Motorists – all territories.
- Effective 9-1-04 PC

Encompass Indemnity Company Classic Automobile Program

- Deviation for Bodily Injury, Property Damage, Medical Payments – All Territories.
- Deviation for Uninsured/underinsured Motorists – all territories.
- Eff 9-1-04 PC 075210 [Filing Detail](#)

Erie Insurance Company

- Pioneer Experience Rating Credit Discount: Applies to private passenger auto bodily injury, property

Deviation as of Nov 15, 2005

damage, comprehensive & collision on a Pioneer Family Auto Policy. Other criteria apply.

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operators are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 or newer model vehicles with factory-installed anti-lock brake systems on all four wheels.
- 5% non-fleet private passenger comprehensive for all vehicles with etching a vin or serial number or active anti-theft devices.
- 10% non-fleet private passenger comprehensive for all vehicles with alarm or passive anti-theft devices.
- Feature 15: SDIP surcharge will be waived for any at-fault accident presented on an Erie personal auto policy which has been in force 15 or more yrs. Deviation 1 pt. - 15%, 2 pts. - 40%, 3 pts. - 65%.
- Premium Payment Plan Service Charge - Installment Payments deviation.
- Non-fleet private passenger auto base rate deviation for bodily injury, property damage, medical payments, comprehensive & collision coverage by territory. Credit varies.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage when insured has both comprehensive & collision.
- Pro rata cancellation for all policies.
- Multi-Policy Discount: 10% credit when Homeowner or Mobile homeowner policy is written with The Erie and named insured must be same on all policies.
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met.
- Tiered Rating
- Effective 3-1-05 PC079920 [Filing Detail](#)

Erie Insurance Exchange

- Base Rate Deviation by territory for bodily injury, property damage, medical payments, comprehensive & collision territory. Credit varies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principally driven by insureds who are age 55 or older & there is no inexperienced operator in household.
- 8% non-fleet private passenger automobile bodily injury & property damage for 1983 & newer model yr. vehicles with factory installed anti-lock brake systems on all four wheels.
- Anti-Theft Device Deviation on comprehensive premiums: 5% for etching identification or an active device: 10% for an alarm or passive device.
- Feature 15: SDIP surcharge will be deviated for following at-fault accidents presented on a personal auto policy which has been in force with Erie Insurance Group for 15 or more yrs. Deviation - 1 pt. - 15%; 2 pts. - 40%; 3 pts. - 65%.
- Coverage for Rented Vehicles: Waive \$4 charge for coverage.
- Pro rata cancellation for all policies.
- Premium Payment Plan: Service charge – Installment payments deviation.
- Comprehensive Deductible Factors Deviation: 5% deviation other than full coverage.
- Multi Policy Discount: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- First Accident Forgiveness Deviation: The SDIP surcharge will be deviated for the first at-fault accident presented on an Erie Personal Auto policy: 1 pt. - 15%; 2 pts - 40%; 3 pts. - 65%. Other criteria apply.

Deviation as of Nov 15, 2005

- Pioneer Experience Rating Credit Discount(PERC): Certain criteria apply.
- Driving Experience Factor(DEF) Deviation: Certain criteria apply.
- Multi Car Risks - Separate Policies: Certain criteria apply.
- Reduced Usage Discount: Certain criteria must be met.
- Tiered Rating
- Eff 3-1-05 PC079918 [Filing Detail](#)

Farm Bureau Insurance of North Carolina Inc.

- 55% deviation applies to the surcharge on voluntary policies for a 12-point violation that is not one of the following: a) manslaughter or negligent homicide resulting from the operation of a motor vehicle, b) prearranged highway racing or knowingly lending a motor vehicle to be used in prearranged highway racing, c) failure to stop and render aid when involved in an accident resulting in bodily injury or death (hit and run driving), or d) transportation for the sale of illegal intoxicating liquors by motor vehicles.
- Effective 10-1-04 PC073968 [Filing Detail](#)

Farmers Insurance Exchange

- Ultra Premier Rating Plan Deviation
- Base Rate Deviations: BI, PD Med Pay, UM/UIM (BI,PD), Collision & other than Collision for Premier & Preferred Rating Plans.
- Auto/Home Discount & Auto/Renters Discount: Certain criteria apply.
- Anti-Theft Device Discount: ½ % discount applies to Comprehensive when a vehicle is equipped with a passive anti-theft device.
- Anti-Lock Brakes Discount: ½ % discount applies to BI, PD, Med Pay & Collision: Factory installed ABS, all 4 wheels.
- SDIP Point Free Credit: ½ % discount applies to BI, PD, Med Pay, Comp, & Collision if all operators in household have no SDIP pts.
- Experienced Operator Credit: Varied credits apply to BI, PD Med Pay, Comprehensive & Collision.
- Eff. 9/1/05 PC082833 [Filing Detail](#)

Federal Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist for antique auto.
- Reduced rates for physical damage coverages for antique autos.
- Deviation for Split Limit Bodily Injury Increased Limits.
- Eff. 7-1-03

Federated Mutual Insurance Company

- 5% non-fleet private passenger liability & physical damage when homeowners & personal umbrella policy is written with Federated Mutual Insurance Company.
- Installment Payment Plan: \$2 charge each installment subject to max. of \$5 per account for all policies.
- Eff. 4-21-95

Fidelity & Casualty Company of New York

Deviation on BI, Prop Dam, Medical Payments - factors vary.

- Deviation on Uninsured Motorist and Combined Uninsured/underinsured Motorist Coverage - factors vary.
- Eff. 1-1-04 PC063945 [Filing Detail](#)

Classic Auto Program

- Deviations for bodily injury, property damage & medical payments, all territories. Factors vary.
- Uninsured motorist coverage, combined uninsured/underinsured motorist coverage deviation, all territories. Factors vary.
- Eff. 01-01-04 PC064886 [Filing Detail](#)

Fidelity & Deposit Company of Maryland

- 20% non-fleet private passenger auto bodily injury and property damage. 30% physical damage.
- 10% non-fleet private passenger auto bodily injury, property damage, med pay, comp. & collision age 55 and over.
- Good Driver Discount: 10% non-fleet private passenger auto liability, property damage, medical payments, comprehensive & collision when principal operator(s) has no fault accidents & no moving violation in past 3 yrs.
- Anti-Theft Device: Deviation varies 5% - 10% for non-fleet private passenger auto comprehensive.
- Eff. 1-1-98

Fidelity & Guaranty Insurance Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting guidelines.
- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans.
- Eff. 9-1-00

Fidelity & Guaranty Insurance Underwriters

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting

guidelines.

- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans.
- Eff. 9-1-00

Firemans Fund Insurance Company

- 5% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with an alarm and/or active device.
- 15% non-fleet private passenger auto comprehensive coverage for all vehicles equipped with passive disabling device.
- 5% non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all vehicles equipped with a factor installed four wheel Anti-Lock Braking System.
- 10% non-fleet private passenger auto to all coverage, except uninsured motorist, to auto insured who also maintained homeowners, condominium or tenants policy for primary residence with American Automobile Insurance Company.
- Various deviations on bodily injury, property damage, combined single limits, medical payments, extended transportation expense, collision, & comprehensive coverages.
- Electronic Funds Transfer Program: No charge.
- Eff. 10-1-03 PC064658 Filing Detail

Firemans Fund Insurance Company of Wisconsin

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured/underinsured motorist, comprehensive & collision.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator age 55 and older with no inexperience operators.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when principal operator(s) have a minimum of 9 yrs. driving experience.
- 5% non-fleet private passenger auto bodily injury, property damage medical payments, comprehensive & collision for renewal discount where all operators have been written in the Fireman's Fund Direct program for at least 3 yrs. & are free of chargeable accidents & free of convictions.
- Eff. 11-24-97

Firemen's Insurance Company of Newark, New Jersey

- Anti-Theft Device Discount: Certain criteria apply.
- Vin Etching Discount: 5% credit applies when criteria are met.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Companion Policy Discount: 10% credit applies when named insured has a homeowners policy with any Encompass Insurance Company.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Preferred-Plus Rating Tier: Certain criteria apply.
- Employee or Affinity Group Discount
- Eff. 7-3-01

Firemen's Insurance Company of Washington D.C.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured/underinsured motorist, comprehensive & collision coverage.
- Eff. 11-1-94

First Financial Insurance Company

- 15% non-fleet private passenger physical damage rates.
- Eff. 12-7-87

First Liberty Insurance Corporation

- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Mature Driver Discount Program: 5% when all operators are 55 or older, no inexperienced operators.
- 1% non-fleet private passenger auto bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 on first installment of installment plan.
- Multi Car Discount: 4% for collision only and 5% for Liability coverage.
- College Education Discount Program: 5% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 18% applies to liability and 18% applies to phys dam per vehicle when insured maintains an eligible Homeowners policy.
- Single liability limits deviation by territory, credit varies.
- Split liability limits deviation by territory, credit varies.
- Property Damage limits deviation by territory, credit varies.
- Comprehensive and collision deviation by territory, credit varies.
- Short Rate Cancellation Deviation.
- Eff. 9-26-05 PC086161 [Filing Detail](#)

First National Insurance Company of America

- For deviations see North Carolina Department of Insurance Website
- Eff. 10-1-05 PC085787 [Filing Detail](#)

GEICO Indemnity Company

- Associate Discount: 8% non-fleet private passenger applies to auto total policy premium.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments.
- Eff. 5-1-05 PC081831 [Filing Detail](#)

General Insurance Company of America

- For deviations see North Carolina Department of Insurance Website.
- Effective 10-1-05 **PC085788** [Filing Detail](#)

Generali - U S Branch

- 10% non-fleet private passenger auto liability bodily injury & property damage for operator licensed 15 or more yrs. & all drivers total 7-11 SDIP pts.
- 20% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 15 or more yrs. & all drivers total 12-20 SDIP pts.
- 15% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 10 yrs., but less than 15 yrs. & all drivers total 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage for operators licensed 5 yrs., but less than 10 yrs. & all drivers total of 12-20 SDIP pts.
- 5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 11,13,17,31,32,41 or 47.
- 7.5% non-fleet private passenger auto liability bodily injury & property damage rates where vehicles are garaged in territories 24,26,33 or 43.
- Eff. 2-9-94

Globe Indemnity Company

- Installment Payment Plan - Agency Payroll Deduction: Certain criteria apply.
- Eff. 5-15-04 PC069382 [Filing Detail](#)

Government Employees Insurance Company

- Base Premium Deviation applicable to comprehensive & collision and Liability limit of 300/300 by territory, credit varies.
- 10% non-fleet private passenger auto comprehensive & collision coverage for drivers 55 yrs. or older & auto is not surcharged for an inexperienced operator.
- 8% deviation on total policy premium for Sponsored Marketing Group Pricing Track: Certain criteria apply.
- Motorcycle Safety Course Credit: Non-fleet private passenger auto bodily injury, property damage, uninsured motorist, medical payments, personal injury, comprehensive & collision coverage. Certain criteria apply. Credit varies 10% - 20%.
- 5 Year Good Driving Discount: 8% non-fleet private passenger auto bodily injury, property damage, medical payment, collision & comprehensive: Certain criteria apply.
- Associate Discount: 8% credit to total policy premium.
- Military Discount Deviation for members on bodily injury, property damage, medical payment, comprehensive & collision. Credit varies 7%-10%.
- 15% Ultra Preferred Tier (2) Discount: Applies to bodily injury, property damage, collision, comprehensive, medical payments & uninsured/underinsured motorists coverages: Certain criteria apply.
- Installment Payment Plan: \$1.50 for Electronic Fund Transfer payments.
- Primary Classification Rating Factors.
- Eff. 5-1-05 PC081830 [Filing Detail](#)

Grain Dealers Mutual Insurance Company

- Premier Program - 10% deviation will be applied to personal auto base rates that qualify.
- Accident Free 5% credit when a policy has been in force with Grain Dealers for three years and has

Deviation as of Nov 15, 2005

been accident free for that period.

- Accident Free 10% credit when a policy has been in force with Grain Dealers for five years and has been accident free for that period.
- New Policy Credit.
- Eff 9-15-05 PC085131 [Filing Detail](#)

Graphic Arts Mutual Insurance Company

- Superior Program Deviation: 5% non-fleet private passenger auto bodily injury, property damage liability & physical damage rates.
- 15% discount on base rates for employees of Utica National Insurance Group.
- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Company.
- Personal Auto Account Credit: 10% credit applied to basic premiums, when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) Program or is a member of a company approved affinity group.
- 5% Mature Driver Credit: Certain criteria apply.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11.
- Eff. 12-1-00 PC036563 [Filing Detail](#)

Great American Alliance Insurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Occurrence Free Credit: 4% applies to bodily injury, property damage, medical payments, & comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1.
- Eff. 2-15-02

Great American Assurance Company

- Renewal Policy Credit: 3% on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Credit applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, medical payments, comprehensive & collision.

Deviation as of Nov 15, 2005

- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1.
- Eff. 2-15-02 PC043048 Filing Detail

Great American Insurance Company

- Various downward deviations for non-fleet private passenger auto bodily injury & property damage by territory. Credit varies. Certain criteria apply.
- Various downward deviations for non-fleet private passenger auto comprehensive & collision for chargeable or no chargeable activity when criteria is met. Credit varies.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mature Driver Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with 29-49 driving experience.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviation on bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% downward deviation for non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision. Certain criteria apply.
- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1.
- Eff. 2-15-02

Great American Insurance Company of NY

- Various downward deviations on comprehensive & collision for chargeable & no chargeable activity. Certain criteria apply.
- 3% downward deviation on bodily injury, property damage, medical payments, comprehensive & collision for insured who has had in force a homeowners HO-3 or HO-6 policy as of June 24, 2000.
- Companion Policy Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Company Car Credit: 8% non-fleet private passenger auto bodily injury, property damage, med payments, comprehensive & collision for single car policies when there is a company car in the household.
- Loss Free Renewal Credit: Various downward deviations for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.
- Mass Marketing Credit: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision. Certain criteria apply.

Deviation as of Nov 15, 2005

- Physical Damage Symbol Deviation: Downward deviation for physical damage, comprehensive and collision coverages.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment fee \$1.
- Eff. 2-15-02

Great American Security Insurance Company

- Renewal Homeowner Credits: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply. 2% comprehensive & collision only: Certain criteria apply.
- Multi-Car Credit: 3% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Married Credit: 2% applies to bodily injury, property damage & medical payments if eligibility requirements are met.
- Mass Marketing Credit: 5% applies to bodily injury, property damage, medical payments, uninsured & underinsured motorist, comprehensive & collision. Credit applied to members of an employer based account written through an agent who has been specifically contracted with our marketing systems division to provide this discount.
- Territory Deviation: 2% credit applies to bodily injury, property damage, medical payment, uninsured/underinsured motorist, comprehensive & collision for garaging location in territory 11,13,15,18, 51 or 52.
Occurrence Free Credit: 4% credit applies to bodily injury, property damage, medical payments, comprehensive & collision based on SDIP pts. record.
- Companion Policy Credit: 3% credit applies to bodily injury, property damage, medical payments, comprehensive & collision for drivers meeting eligibility requirements.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer: Installment Fee \$1.
- Eff. 2-15-02

Great American Spirit Insurance Company

- Renewal Homeowner Credit: 3% applies to bodily injury, property damage, med pay, comprehensive & collision: Certain criteria must be met.
- Miscellaneous Coverage Deviation for vehicles that carry comprehensive & collision.
- Full Pay Deviation: Applies to bodily injury, property damage, med payments, uninsured motorists, comprehensive & collision when insured elects to pay premium in full up front.
- Electronic Funds Transfer Deviation: Installment Fee \$1.
- Eff. 2-15-02

Guaranty National Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- c. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
- d. Transporting illegal intoxicating liquors by motor vehicle.
- e. DUI violation involving drugs.

Liability

- 61% deviation to single car with 12 SDIP points
- 50% deviation to single car with 13-15 SDIP points.
- 37% deviation to single car with 16-20 SDIP points.
- 44% deviation to multi car with 12-15 SDIP points
- 33% deviation to multi car with 16-20 SDIP points.

Physical Damage

- 21% deviation with 3 or more SDIP pts.
- Eff. 1-4-04 PC067647 Filing Detail

GuideOne Mutual Insurance Company

- 55% non-fleet private passenger auto liability & physical damage rates on autos rated as Class 3 under Rule 4 of the NC Personal Auto Manual.
- Eff. 2-1-89

Hanover American Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverage for operators 55 yrs. of age or older, when no operators in household with less than 3 yrs. driving experience.
- Account Credit Program: 5% non-fleet private passenger auto comprehensive & collision coverage, if insured has homeowners with any of the Hanover Insurance Companies.
- Territorial Deviation: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Credit varies.
- Renewal Credit: 3 yrs. to less than 5 yrs. - 3.0%; 5 yrs. or more - 6.0%: Must be insured with Hanover American Insurance Company or within an agency which Hanover represents.
- Installment Pay Plan By Electronic Funds Transfer: Installment charges waived.
- Group Modification Plan: Deviation range 0.5% to 15.5%.
- Installment Payment Plan: Four payment plan \$3 per installment excludes first installment charge.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Eff. 4-1-02

The Hanover Insurance Company

Deviation as of Nov 15, 2005

- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Installment Pay Plan by Electronic Funds Transfer: No service charge.
Group Modification Plan Deviation: 0% to 15.5%.
- Installment Payment Plan: \$3 charge for each installment, excluding first installment.
- Eff. 4-1-02q

Harbor Specialty Insurance Company

- 10% non-fleet private passenger auto physical damage insurance rates for risks with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates if principal operator of vehicle is age 55 or older.
- 15% non-fleet private passenger auto comprehensive & collision rates for risks with "0" SDIP pts. Policy must be a part of Personal Protection Program.
- 5% non-fleet private pass auto BI, PD & Med Pay rates for risks with "0" SPID pts.
- Eff 2-1-94

Harleysville Mutual Insurance Company

- StarPak Program Discount – Certain criteria, credits vary.
- Eff 7-1-03 PC062196

Harleysville Preferred Insurance Company

- Preferred Customer Discount applies when the insured meets qualifying rating and/or certain characteristics credit varies.
- StarPak Program Discount - Certain criteria, credits vary.
- Eff 7-1-03 PC062197 [Filing Detail](#)

Hartford Casualty Insurance Company

- Agency Book Transfer credit, HC-3
- Eff 3-1-05 PC079093 [Filing Detail](#)

Hartford Fire Insurance Company

- Principal Operator age 55-69 Deviation: BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- Principal Operator age 70 or over Deviation: BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- All other operators deviation BI, PD, Med Pay, Comp & Collision – rate factors by territory.
- Account Credit: 14% non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision, if insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.)
- Agency Book Transfer Credit.
- Eff 3-1-05 PC079091 [Filing Detail](#)

Hartford Underwriters Insurance Company

Defensive Driver Credit 10% if Principal Operator has completion certificate dated within last 36

Deviation as of Nov 15, 2005

months, certifying that Principal Operator has both successfully & voluntarily completed course meeting standards of the N. C. Department of Transportation.

- Account Credit, 5% if policyholder has homeowners policy in effect in the AARP Homeowners Insurance Program.
- Renewal Credit Discount: 3-5 yrs. - 2%: 6 or more yrs. - 8%: Certain criteria apply.
- 5% Limited Driver Credit applies when principal operator is age 75 or over & such operators use of auto is limited to daylight driving.
- Anti-lock Braking System (ABS) 2% non-fleet private passenger auto bodily injury, property damage & collision coverage when auto is equipped with factory installed).
- Incident Free Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Safe Driver Plus Credit: 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when criteria is met.
- Advantage Discount: 10% credit when criteria is met.
- Eff. 4-1-03

Highland Insurance Company

- 15% deviation to bodily injury, property damage, medical payments, uninsured & underinsured motorist base premium.
- 25% deviation to comprehensive & collision base premium.
- Installment Payments Deviation.
- 10% deviation when named insured has a homeowners policy with any company in the Highlands Insurance Group.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met.
- Eff. 1-1-01

Horace Mann Insurance Company

- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 2% deviation when certain criteria is met.
- Member Only Deviation 2% deviation when certain criteria is met.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years: Credit Varies
- Electronic Funds Transfer - The installment fees are based on the number of installments.
- Installment Payments - No charge on first installment for new business policies written on an installment Payments basis.
- Eff 7-1-04 PC070873 Filing Detail

Horace Mann Property & Casualty Insurance Company

- Territory Deviation
- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation
- Member only Deviation

Deviation as of Nov 15, 2005

- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years:
Credit Varies
- Electronic Funds Transfer - The installment fees are based on the number of installments.
- Installment Payments - No charge on first installment for new business policies written on an installment payment basis.
- Credit Rating Deviation: credit 5% if certain criteria is met.
- Eff. 6/15/05 PC081334 [Filing Detail](#)

IDS Property

- Accident Free Discount.
- Auto/Homeowner Discount
- Comprehensive and Collision Discount.
- Installment Pay Plan.
- Work Site Discount.
- Costco Member Discount.
- Multi-car Discount.
- Bodily Injury and Property Damage base rate Discount.
- Eff 9/1/06 [Filing Detail](#)

Indemnity Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision.
- Eff. 3-18-97

Insura Property and Casualty Insurance Company

- Multi Policy Discount: 7.5% credit when Homeowners policy is written in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Variable credit.
- Longevity Discount: 5% credit to auto policies that have been in force for past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no driver with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies only.
- .837 Discount Factor for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision on all Insura Premier policies.
- Eff. 1-27-03

Insurance Company of North America

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision.
- Eff. 3-18-97

Insurance Corporation of Hannover

Deviation as of Nov 15, 2005

- Discount for Qualified Preferred Drivers: 10% applied to physical damage: 5% applied to liability when criteria is met.
- Discount for Qualified Standard Drivers: 5% applied to physical damage when criteria is met.
- Account Credit Program Discount: 10% applies to bodily injury, property damage, med pay, collision & comprehensive when both homeowner & auto policies are written through ICH.
- Anti-Lock Braking System Discount: 5% applies to bodily injury, property damage, & med pay.
- Mature Driver Discount: 5% applies to bodily injury, property damage, med pay, collision & comprehensive when criteria is met.
- Loss/Incident Free Discount when criteria is met.
- Eff. 02-01-02

Integon Casualty Insurance Company

LIABILITY All deviation applicable to non fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following;

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- 37.6% deviation, multi-car policies with 15-17 SDIP pts. & 5+ yrs. driving experience.
- 49.4% deviation, single car policies with 12-17 SDIP pts. & 5-6 yrs. driving experience.
- 37.6% deviation, multi-car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
- 49.4% deviation, single car policies with 18-20 SDIP pts., married driver with 5-38 yrs. driving experience.
- 11.8% deviation, multi-car policy & single car policy with 18-20 SDIP pts., unmarried with 5+ yrs. driving experience.
- 11.8% deviation, multi-car policy & single car policy with 18-20 SDIP pts., married driver with 39+ yrs. driving experience.
- 49.4% deviation, single car policy with 12-17 SDIP pts. & driving experience of 39+ yrs.
- 54.1% deviation, single car policies with 15-17 SDIP pts. & driving experience of 7-38 yrs.
- 37.6% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 5-6 yrs.
- 37.6% deviation, multi-car policies with 12-14 SDIP pts. single driver with 7-38 yrs.
- 37.6% deviation, multi-car policies with 12-14 SDIP pts. & driving experience of 39+ yrs.
- 45.9% deviation, multi-car policies with 12-14 SDIP pts. married drivers with 7-38 yrs driving experience.
- 58.8% deviation, single car policies with 12-14 SDIP pts. & driving experience of 7-38 yrs.
- Installment payment plans fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%.
- Eff. 7-1-03

Integon General Insurance Corporation

Deviation as of Nov 15, 2005

- 3.3% average deviation on non-fleet private passenger auto physical damage rates for risks with 5 or more SDIP pts. Non-owners policies do not qualify.
Installment payment plans fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%.
- Eff. 7-1-03

Integon Indemnity Corporation

Non Preferred Program

- 5.7% average deviation non-fleet private passenger auto physical damage rates-5 or more pts. Non-owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%.
- Eff. 7-1-03

Integon National Insurance Company

- For deviations see the North Carolina Department of Insurance website.
• Eff 10-01-05 **PC085453** Filing Detail

Integon Specialty Insurance Company

- 37.6% non fleet private passenger auto BI & PD liability for single car with 12-16 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 25.9% non fleet private passenger auto BI & PD liability for single car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 31.8% non fleet private passenger auto BI & PD liability for multi car with 12-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 25.9% non fleet private passenger auto BI & PD liability for multi car with 19-20 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.

Deviation as of Nov 15, 2005

- 35% non fleet private passenger auto physical damage for single & multi car with 12-17 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 20% non fleet private passenger auto physical damage for single & multi car with 18-20 SDIP pts. that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- 31.8% non fleet private passenger auto BI & PD liability for single car with 17-18 SDIP pts. with a 12 pt. violation that is not (1) manslaughter or negligent homicide. (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing. (3) failure to stop and render aid when involved in an accident resulting in bodily injury or death. (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners do not qualify.
- Installment payment plans fees waived for GMAC insurance employees.
- 3% on all policies eligible for vol liab under the company's u/w guidelines with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the agg of all other liav dev is equal to or greater than 3%.
- Eff. 7-1-03

Kansas City Fire and Marine Insurance Company

- Anti-Theft Device Discount: Certain criteria apply.
- Accident/Violation Free Discount.
- Daytime Running Light Discount.
- Airbag Discount: Credit varies when certain criteria is met.
- Anti-Lock Braking System Discount.
- Group Program Discount.
- Eff. 9-1-00

Lancer Insurance Company

All deviations applicable to non-fleet private passenger auto comprehensive & collision coverages for single car and the insured may not have one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal liquors by motor vehicle.
- 28% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 3-6 yrs. driving experience.
 - 45% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
 - 48% for policies with 12-15 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
 - 30% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.

Deviation as of Nov 15, 2005

- 35% for policies with 10-11 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
- 20% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 7-14 yrs. driving experience.
- 25% for policies with 8-9 pts.; based on model yr. of auto; driver has at least 15-45 yrs. driving experience.
- 37% for policies with 8-15 pts.; based on model yr. of auto; driver has at least 3 yrs. driving experience.
- Eff. 4-1-99

Liberty Mutual Insurance Company

- Group Savings Plus Discount: 5% credit: Certain criteria apply.
- Mature Driver Discount Program: 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when all operators in household are age 55 or older and there is no inexperienced operator in household.
- Anti-lock brake system - 1% non-fleet private passenger automobile bodily injury & property damage equipped with factory installed anti-lock braking system on all four wheels.
- Waive additional charge of \$3 - 1st installment of installment plan.
- Multi Car Discount: 7% for collision coverage and deviate an additional 5% for liability coverage.
- College Education Discount Program: 5% applies to bodily injury, property damage, med pay, & physical damage: Certain criteria apply.
- Homeowners Discount: 18% applies to liability & 18% to physical damage rates when an insured maintains an eligible homeowners policy with any company. Other criteria apply.
- Liability single limits deviation by territory, credit varies.
- Liability split limits deviation by territory, credit varies.
- Property Damage limits deviation by territory, credit varies.
- Comprehensive and collision deviation, credit varies.
- Short Rate Cancellation deviation.
- Eff. 9-26-05 PC086160 [Filing Detail](#)

LM Property & Casualty Insurance Company

- 2% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for Senior Driver Discount. Certain criteria apply.
- 8% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for Long Term Discount, when criteria is met.
- 6% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision for New Business Discount.
- 5% Renter's (HO-4) Companion Policy Discount for non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- 5% Companion for Life Discount applicable to non-fleet private passenger auto bodily injury, property damage, comprehensive & collision.
- Base Rate Deviation for single & multi car policies: Applies to bodily injury, property damage, medical payments, comprehensive, & collision: Credit varies.
- Electronic Funds Transfer Deviation: \$1 service charge deleted.
- Installment Payment Plan: No charge for first installment payment.
- Eff. 7-11-03

Lumbermens Mutual Casualty Company

- Deferred Premium Payment Plan - monthly service charge of 3\$ is applied per billing. If paid through electronic funds transfer, a monthly service charge is applied per billing.
- 7% Kemper Network Deviation: Certain criteria apply.
- Eff 7-1-03

Maryland Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for drivers with least 30 yrs. driving experience & no inexperienced operator.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 5% non-fleet private passenger auto comprehensive & collision for vehicles with "0" SDIP.
- 5% non-fleet private passenger auto bodily injury, property damage for anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive for active anti-theft disabling devices.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive, collision, uninsured
- underinsured motorist, towing & labor & all miscellaneous coverage (companion policy).
- Eff. 2-15-98

Massachusetts Bay Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates, if principal operators are age 55 or older and there are no other operators in household with less than 3 yrs. driving experience.
- Electronic Funds Transfer No service charge for Installment Payment Plan.
- Account Credit Program: 5% applies to non-fleet private passenger auto comprehensive & collision rates for insured who have both their private passenger auto & primary homeowners insured with one of Hanover Insurance Companies.
- Group Modification Plan: Deviation 0.0% to 15.5%.
- Territorial Deviation: credit varies for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Installment Payment Plan: \$3 per installment, excluding first installment.
- Anti-Theft Discount Deviation: 5%-10% when certain criteria is met.
- Budget wise discount of 5-15% for bodily injury, property damage, comp and coll coverages.
- Eff. 04-01-03

Merastar Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments & comprehensive & collision rates if named insured is member of an employer sponsored account or qualifying affinity group.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured is age 55 or older & no operator has less than 9 yrs. driving experience.

Deviation as of Nov 15, 2005

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision if named insured has both auto and homeowners insurance with Merastar or its designated joint venture business partners.
- 6% non-fleet private passenger auto comprehensive & collision, if policy qualifies for Company's Safe and Sound Discount.
- 2% non-fleet private passenger auto collision rate, if vehicle is equipped with factory installed anti-lock braking system.
- 5% non-fleet private passenger auto comprehensive rates for alarm only or other anti-theft system requiring driver to enable system.
- 15% non-fleet private passenger auto comprehensive rates for passive anti-theft system.
- Waiver of installment charge on policies paid through pre-authorized checking or payroll deduction; \$1.00 installment charge for policies paid by Auto Bank Draft.
- Eff. 11/15/05 PC088277 [Filing Detail](#)

Metropolitan Direct Property & Casualty Insurance Company

- Territorial Deviation for bodily injury, property damage, med pay, uninsured motorists, combined uninsured/underinsured motorists, comprehensive, & collision coverages: Credit varies 1%-5%.
- Experience Driver Deviation: Applies to auto liability & physical damage coverages: Certain criteria apply: Credit varies 2%-3%.
- Age 55 & Older Deviation for liability & physical damage coverages: Certain criteria apply: Credit varies 3%-11%.
- Preferred Customer Discount: Certain criteria apply: Credit varies 4%-10%.
- Superior Driver Discount: Certain criteria apply: Credit varies 5%-15%.
- 7% Multi Policy Discount: Applies to insureds who have both auto & homeowners insurance with Metropolitan.
- Mass Merchandising Account Deviation: 7% credit: Certain criteria apply.
- 5% Payroll Deduction Discount: Certain criteria apply.
- Employment Tenure Discount: 4% or 7% credit applies when criteria is met.
- Eff 1-10-05 PC 078576 [Filing Detail](#)

Metropolitan Property & Casualty Insurance Company

- Mass Merchandising Account Deviation: 1% credit.
- Payroll Deduction Discount 3%: Certain criteria apply.
- Employment Tenure Discount: 2% or 4% credit applies when criteria is met.
- Small Employer Group Program: 5% deviation applies when eligibility is met.
- Eff. 7-1-03

Montgomery Mutual Insurance Company

- Deviation Withdrawn
- Eff. 10-15-02

Motors Insurance Corporation

- Deviation applies under Mechanical Insurance Program & provides for eliminating surcharge on all eligible vehicles equipped with diesel engines.

- Eff. 10-1-85

Mutual Service Casualty Insurance Company

- 7.5% non-fleet private passenger auto bodily injury & property damage for multi-car policies, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation which is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in prearranged racing; D. Transporting illegal intoxicating liquors by motor vehicle.
- 15% non-fleet private passenger auto bodily injury & property damage for single car risk, where all drivers on policy together have 12-20 SDIP pts. with one 12 pt. violation is not one of following: A. Manslaughter or negligent homicide; B. Failure to stop & render aid when involved in an accident resulting in bodily injury or death; C. Pre-arranged racing or knowingly lending a vehicle to be used in pre-arranged racing; D. Transporting illegal intoxicating liquors by motor vehicle.
- Eff. 6-7-95

National Alliance Insurance Company

- Deviation is withdrawn.
- Eff 10-16-02

National Grange Mutual Insurance Company

- 12% Preferred Plus and 8% Preferred Driver Discounts: Discount on Collision and Comprehensive premiums. Certain criteria apply.
- Various discounts for named insured insurance score.
- Installment Payment Plan: \$3 Charge each installment for 1st policy. \$1 Charge each installment for each additional personal lines policy. No service charge if paid via EFT
- Combined Personal Protection Program: 10% non-fleet private passenger auto bodily injury, property damage & medical payments, collision & comprehensive when both homeowners & voluntary auto policy is written thru NGM.
- Eff. 9/1/04 PC071955 [Filing Detail](#)

National Specialty Insurance Company

- Deviation non-fleet private passenger auto bodily injury, property damage & medical payments: 15% - 0 SDIP pts.; 10% 1-4 SDIP pts. if certain criteria is met.
- Deviation non-fleet private passenger auto comprehensive & collision coverage: 10% - 0 SDIP pts. if certain criteria is met.
- Eff. 2-6-95 *Name changed from State National Specialty Insurance Company effective 3/16/04*

National Surety Corporation

- Various deviations on Comprehensive for vehicles equipped with Alarm only.
- Discount on Comprehensive for vehicles equipped with Active Disabling devices.
- Discount on Comprehensive for vehicles equipped with Passive Disabling devices.

Deviation as of Nov 15, 2005

- Anti-Lock Brake discount.
- Various deviations on BI, PD, Combines Single Limits, Medical Payments, Extended Trans Expense, Coll, Comp.
- Electronic funds transfer payment option.
- Account Credit.
- Installment Payments.
- Eff 10-1-03 PC 064662 [Filing Detail](#)

Nationwide Mutual Fire Insurance Company

- Company Deviation Factor varies by driving record.
- Unverifiable Driving History Deviation.
- Eff. 11-1-05 PC085030 [Filing Detail](#)

Nationwide Mutual Insurance Company

- Senior Adult Discount Deviation:
- Home and Car Deviation/Homeowner Deviation
- Miscellaneous Vehicle Deviation
- Preferred Driver Deviation.
- Combined deviation
- Affinity Deviation
- Intra-agency transfer Deviation
- Payment Plan Deviation
- Eff. 11-1-05 PC085030 [Filing Detail](#)

Nationwide Property and Casualty Insurance Company

- Financial Responsibility Deviation – applies to new private passenger auto business for BI, PD, Med Pay and Collision coverages. Based on credit scoring. Credit varies.
- Territory Deviation – applies to BI and PD for private passenger autos. Credit varies by territory.
- Nationwide Affinity Deviation – 3% deviation applies to BI, PD, Med Pay, Coll, Uninsured Motorist-BI, Underinsured Motorist-PD, Loss of Use, and Towing & Labor coverages when the named insure is a member of a Nationwide Affinity Group. It will apply to all Autos, Motorcycles, Antiques and any vehicles not subject to the Safe Driver Insurance Plan.
- Preferred Driver Deviation – applies to BI, PD, Med Pay, and Coll according to certain criteria.
- Intra-Agency Transfer Deviation – 6% deviation applies to BI, PD, and Coll for the first three terms insured in the Nationwide Property and Casualty Ins Company or Nationwide Mutual Ins Company and 3% dev for the next three terms when certain conditions are met.
- Matrix Deviation – deviation based on a combination of prior BI limits, Major Homeowners status and number of vehicles insured with Nationwide. Applies to BI, PD, Med Pay, and Coll for priv pass.
- Non-Nationwide Homeowner Deviation – 4% applies to BI, PD, Med Pay and Coll if the named insured is an owner of a home but is not the named insured in any of the Nationwide Companies for said home.
- Auto Financial Deviation – 4% applies to BI, PD, Med Pay and Coll if a resident relative of the household is the owner of a Nationwide Financial Services' Life, Annuity, or Health policy written and/or serviced by a Nationwide Exclusive Agency.

Deviation as of Nov 15, 2005

- Miscellaneous Vehicle Deviation – 5% deviation applies to BI, PD, Comp, Coll for Motorcycles, , Antiques, Classic Autos and any vehicles not subject to the Safe Driver Insurance Plan.
- Driver Class Deviation – based on a combination of years of driving experience, operator status of the driver, marital status, number of vehicles insured with Nationwide, and use of the vehicle. This deviation applies to BI, PD, Med Pay, and Coll for Priv Pass Autos. Credit varies.
- Home and Car Deviation – 4% deviation to BI, PD, Med Pay and Coll for Priv Pass if the named insured is also the named insured in any of the Nationwide Companies insured for a HO-4, HO-6, or Mobile Homeowners Policy.
- Motorcycle Deviation – 35% deviation applies to Collision for Motorcycles if the driver has 17 or more years of driving experience and operates certain motorcycle types.
- Effective 4-1-05 PC080609 [Filing Detail](#)

Netherlands Insurance Company

- 10% deviation applies to bodily injury, property damage & medical payments for risks in territory 11, 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51.
- 15% deviation applies to bodily injury, property damage & medical payments for risks in territory 52.
- 15% deviation applies to comprehensive and collision for risks in territories 11,13,14, 16, 17,18, 24, 25, 31, 32, 33, 47.
- 20% deviation applies to comprehensive and collision for risks in territories 15, 51, 52.
- 4% discount bodily injury, property damage & medical payments comprehensive and collision coverages where all operators must have '0' merit rating points.
- 7% discount bodily injury, property damage & medical payments comprehensive and collision coverages for risks part of the Personal Protectors Program.
- 2% discount for bodily injury, property damage & medical payments comprehensive and collision coverages provided the principal operator of the vehicle is age 55 or older.
- Eff. 10-15-02

New South Insurance Company

Non-Preferred Program

- 5.3% non-fleet private passenger auto bodily injury & property damage liability rates for single car policies with 12 - 20 SDIP pts. with 12 pt. violation that is not (1) manslaughter or negligent homicide (2) prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing (3) failure to stop & render aid when involved in an accident resulting in bodily injury or death (4) transporting illegal intoxicating liquors by motor vehicle (5) Non-owners policies do not qualify.
- 6.8% average deviation for non-fleet private passenger auto physical damage rates with 5 or more SDIP pts. Non-owners policies do not qualify.
- Installment payment plan fees waived for GMAC insurance employees.
- 3% on all policies eligible for voluntary liability under the company's u/w guidelines, with at least one full coverage vehicle. (must have bi/pd and collision) this dev will not apply if the aggregate of all other liav devs is equal to or greater than 3%.
- Eff. 7-1-03

New York Central Mutual Fire Insurance Company

- Withdrawn

- Eff 12-8-03

Jewark Insurance Company

- Withdrawn
- Eff. 10-24-03

Niagara Fire Insurance Company

- 10% non-fleet private passenger auto Personal Comprehensive Protection Program auto physical damage.
- Eff. 11-7-86

North Carolina Farm Bureau Mutual Insurance Company

- See exceptions pages 1-30 on file with the NC Department of Insurance.
- Eff 10-1-04 PC073969 Filing Detail

Northern Insurance Company of New York

- 10% non-fleet private auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier I).
- 6% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all other miscellaneous coverage (Tier II).
- 3% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & all miscellaneous coverage (Tier III).
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for operators who have at least 30 yrs. driving experience with no inexperience operators.
- 5% non-fleet private passenger bodily injury & property damage with anti-lock braking system.
- Various deviations for comprehensive with vehicles equipped with anti-theft devices.
- 5% non-fleet private passenger bodily injury, property damage, medical payments, uninsured & underinsured motorist, comprehensive, collision, towing & all miscellaneous coverage for auto & home discount.
- 10% non-fleet private passenger bodily injury, property damage, comprehensive & collision with named insured employed as an educator.
- 12% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision where name insured is an employee of Centry Furniture Industries Inc.
- 6% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of Premier, Inc. & its Hospitals & Health Systems & Premier Insurance Management Services, Inc.
- 9% deviation on bodily injury, property damage, comprehensive & collision if named insured is an employee of American Veterinarians Medical Association Professional Liability Insurance Trust.
- Eff. 7-19-01

Northwestern National Casualty Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured

motorist & underinsured motorist coverage.

- 15% non-fleet private passenger auto comprehensive & collision deviation to base premiums.
- Installment Payment Plan: Initial installment waived.
- 10% Account Credit on auto policy when named insured insures a Homeowners policy with State Capital, Northwestern National, or American Professional Insurance Companies.
- 5%-10% deviation for Renewal/Transfer Credit to bodily injury, property damage, medical payments & collision coverage when certain criteria is met.
- Eff. 1-1-01

Ohio Casualty Insurance Company

- 4% credit to all coverages with an operator age 55 or older who purchase Homeowners coverage in Ohio Casualty Group.
- Employee Discount: 15% when criteria is met.
- Anti-Theft Discount: Comprehensive Coverage only: 5% alarm only & active disabling devices: 15% passive disabling devices: Other criteria apply.
- Eff. 9-1-00

Omni Insurance Company

- For deviations see the North Carolina Department of Insurance website.
- Eff 5-28-01 **PC041974** Filing Detail

OneBeacon America Insurance Company

- Base rate deviation by territory: Non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium. Variable credits.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision driven by insured who reached age 55.
- Anti-Theft Device Credits: Non-fleet private auto comprehensive who vehicle is equipped with anti-theft device. 5% alarm only, active disabling device. 10% passive disabling device.
- Cancellation will be done on a pro-rata basis.
- Eff. 11-20-01

OneBeacon Midwest Insurance Company

- 5% Multi-Policy Credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal driver age 55 & over.
- Anti-Theft Device Credit: Credit varies 5% - 10% for comprehensive coverage.
- Cancellation: Deviation on short rate cancellation resulting in pro-rata cancellation.
- Eff. 11-20-01

Owners Insurance Company

- Mature Driver Discount: Varied credit of 5% - 15% if the operators are age 55 – 74 yrs. of age.
- Multi Policy Auto/Home Discount: BI, PD, MP, Comprehensive & Collision.
- Multi policy Life/Auto Discount for BI, PD, MP, Comprehensive & Collision.
- Owners Deviation for bi, pd, med pay, comp and coll.
- Insurance Scoring Discount on all coverages.

- Eff 8-1-05 PC084832 [Filing Detail](#)

Pacific Employers Insurance Company

- 17% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorists, combined uninsured & underinsured, comprehensive & collision.
- Eff. 3-18-97

Pacific Indemnity Company

- Antique Auto: Various deviations on liability & physical damage coverages.
- Increased Limits Deviations.
- Eff. 7-1-03

Peak Insurance Company

Liability – All deviation applicable to no-fleet private passenger auto bodily injury & property damage coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 65% deviation to single car with 12 SDIP points.
 - 50% deviation to single car with 13-15 SDIP points.
 - 30% deviation to single car with 16-20 SDIP points.
 - 49% deviation to single car with 12-15 SDIP points.
 - 33% deviation to single car with 16-20 SDIP points.
 - Eff 2-28-05 PC079090 [Filing Detail](#)

Peerless Insurance Company

- 12% discount on Bodily Injury, Property Damage, Medical Payments, Comprehensive and Collision coverages for risks written with forms HO-3, HO-5, or any HE-7 that are part of the Personal Protector Program
- 6.1% discount on Bodily Injury, Property Damage, and Medical Payments coverages on risks in territory 11, 13, 14, 16, 17, 18, 25, 31, 33, 47, 51, and 77 in the Supreme Tier for CPAtract scores greater than 824.
- 12.2% discount on Bodily Injury, Property Damage, and Medical Payments coverages on risks in territory 52 in the Supreme Tier for CPAtract scores greater than 824.
- 4.9% discount on Comprehensive and Collision coverages on risks in territories 11, 13, 14, 16, 17, 18, 25, 31, 33, 47, 51, 77 in the Supreme Tier for CPAtract scores greater than 824.
- 10.2% discount on Comprehensive and Collision coverages on risks in territories 52 in the Supreme Tier for CPAtract scores greater than 824.
- 7.6% discount on Bodily Injury, Property Damage, Medical Payments, Comprehensive and Collision coverages on risks with a CPAtract score greater than 824 in the Supreme Tier.

Deviation as of Nov 15, 2005

- 3.9% discount on Bodily Injury, Property Damage and Medical Payments, coverages on risks with a CPAttract score greater than 824 in the Standard Tier.
- 1.1% discount on Comprehensive and Collision coverages on risks in the Supreme Tier with CPAttract scores greater than 824.
- 4.9% discount on Comprehensive and Collision coverages on risks in the Standard Tier with CPAttract scores greater than 824.
- 10.1 discount on Bodily Injury, Property Damage, and Medical Payments in territory 15 in the Supreme Tier with CPAttract scores greater than 824.
- 8.0% discount on Comprehensive and Collision coverages on risks in territory 15 in the Supreme Tier with CPAttract scores greater than 824.
- 4.1% discount on Bodily Injury, Property Damage, and Medical Payments in territory 24 in the Supreme Tier with CPAttract scores greater than 824.
- 2.9% discount on Comprehensive and Collision coverages on risks in the Supreme Tier with CPAttract scores greater than 824.
- 8.3% discount on Bodily Injury, Property Damage, and Medical Payments in territory 32 in the Supreme Tier with CPAttract scores greater than 824.
- 7.3% discount on Comprehensive and Collision coverages in territory 32 in the Supreme Tier with CPAttract scores greater than 824.
- 3.0% discount on Comprehensive and Collision coverages for risks in the Standard Tier with CPAttract scores between and including 725 and 824.
- 4.3% discount on Bodily Injury, Property Damage, and Medical Payments coverages on risks in territories 15 and 52 in the Supreme Tier with CPAttract scores between and including 650 and 824.
- 3.2% discount on Comprehensive and Collision coverages on risk in territories 15 and 52 in the Supreme Tier with CPAttract scores between and including 650 and 824.
- 6.0% discount on Bodily Injury, Property Damage, and Medical Payments coverages on risks in territories 11, 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51, 52, and 77 in the Supreme Tier with CPAttract scores between and including 725 and 824.
- 5.9% discount on Comprehensive and Collision coverages on risks in territories 11, 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51, 52, and 77 in the Supreme Tier with CPAttract scores between and including 725 and 824.
- 1.0% discount on Comprehensive and Collision coverages on risks in territories 40, 41, 43, and 76 in the Supreme Tier with CPAttract scores between and including 725 and 824.
- 3.5% discount on Bodily Injury, Property Damage, and Medical Payments coverages on risks in territories 11, 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51, 52, and 77 in the Supreme Tier with CPAttract scores between and including 650 and 724.
- 2.5% discount on Comprehensive and Collision coverages on risks in territories 11, 13, 14, 15, 16, 17, 18, 24, 25, 31, 32, 33, 47, 51, 52, and 77 in the Supreme Tier with CPAttract scores between and including 650 and 724.
- 7.0 % discount on Bodily Injury, Property Damage, Medical Payments, Comprehensive and Collision coverages for risks written with form HO-6 that are part of the Personal Protector Program.
- Installment Payment Plan: Policies billed by the agent through account payroll deduction program are not subject to installment fees. \$2 charge for each installment for Electronic Fund Transfer.
- Effective 4-1-05 PC079505 Filing Detail

Pennsylvania General Insurance Company

- 20% non-fleet private passenger auto comprehensive & collision rates.
- 5% Account Credit is applicable to all voluntary personal auto policies where named insured has

Deviation as of Nov 15, 2005

his/her homeowners (except Forms HO-1 & HO-4) insurance in any of General Accident Companies. Credit applies to total premium for each coverage.

- 5% Anti-Lock Brake Discount: Non-fleet private passenger auto bodily injury, property damage, single limit liability, medical payments & collision if vehicle is equipped with factory installed anti-lock brakes.
- 15% non-fleet private passenger auto bodily injury, property damage & medical payments.
- Eff. 3-15-96

Pennsylvania National Mutual Casualty Insurance Company

- Account Credit: 5% applied to final auto premium when homeowners is written through the same company & certain criteria is met.
- 5% deviation non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, comprehensive & collision if Pennsylvania National Mutual Casualty is unable to write homeowners due to exposure of windstorm or hail.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, uninsured motorist, combined uninsured & underinsured motorist, comprehensive & collision when principal operator is age 55 or over & all drivers are licensed more than 3 yrs.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Program. Credit varies.
- Deviation on non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for risk eligible for the Personal Auto Preferred Advantage Program. Credit varies.
- Eff 01-01-04 PC065111 [Filing Detail](#)

Pharmacists Mutual Insurance Company

- Safe Driver Discount Plan: Credit varies 10%-20% when criteria is met.
- Personal Auto and Homeowners/Mobile Homeowners Combination Premium Credit
- Installment Payments: \$1 charge for installment payments.
- Eff 7-1-03 PC061809 [Filing Detail](#)

Philadelphia Indemnity Insurance Company

- Liability coverage Only
- Physical Damage Coverage only
- Eff 1-1-06 PC087035 [Filing Detail](#)

Phoenix Insurance Company

- Pricing Factors –deviation varying by coverage will be applied to voluntary private passenger automobiles.
- Account Discount – varying by territory and coverage will be applied to all insureds that have both a voluntary private passenger automobile policy and a dwelling homeowners policy with the Travelers.
- Contributing Vehicle Credit: 35% deviation will be applied on non-fleet private passenger autos, pickups, vans & classic autos for bodily injury property damage, medical payments & collision for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 30% private passenger autos, pickups, vans & classic autos for collision coverage for single car policy yet have more than one private passenger auto insured with The

Travelers.

- Contributing Vehicle Credit: 10% private passenger autos, pickups, vans & classic autos for comprehensive, fire/theft & theft/fire, theft & CAC coverages for single car policy yet have more than one private passenger auto insured with The Travelers.
- Renewal Credit – varying by territory and coverage will be applied to voluntary private passenger automobile rates if the insured has maintained an automobile policy with the Travelers for the last six (6) or more consecutive years.
- Effective 3-20-05 PC079540 [Filing Detail](#)

Progressive American Insurance Company

For deviations see North Carolina Department of Insurance Website
Effective 4-1-05 **PC080249** [Filing Detail](#)

Progressive Northern Insurance Company

For Deviations see North Carolina Department of Insurance Website.
Eff 1-1-05 **PC077563** [Filing Detail](#)

Progressive Premier Insurance Company of Illinois

For deviations see North Carolina Department of Insurance Website
Eff. 4-1-05 **PC080250** [Filing Detail](#)

Progressive Preferred Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

- 14%-35% for single car policies, non standard underwriting with 5-6 or more SDIP pts.
- 28% for multi car policies, non standard underwriting with 6 or more SDIP pts.
- 15%-36% for single car policies, middle underwriting with 3-6 or more SDIP pts.
- 11%-29% for multi car policies, middle underwriting with 4-6 or more SDIP pts.
- 14%-50% for single car policies, standard underwriting with 0-6 or more SDIP pts.
- 16%-35% for multi car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-53% for single car policies, preferred underwriting with 0-6 or more SDIP pts
- 25%-39% for multi car policies, preferred underwriting with 0-6 or more SDIP pts.
- 51%-53% for single car policies, ultra-preferred underwriting with 0-6 or more SDIP pts.
- 39%-42% for multi car policies, ultra preferred underwriting with 0-6 or more SDIP pts.
- 5% for policies in non-standard, middle & standard underwriting to policies with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employer when risks meet underwriting guidelines.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Prearranged racing or knowingly lending a motor vehicle to be used in prearranged racing.
 - c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car, non standard underwriting, 12-21 SDIP pts. Credit varies 58%-74%.
 - Deviation for multi car, non standard underwriting, 12-21 SDIP pts. Credit varies 44%-63%.
 - Deviation for single car, middle underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car, middle underwriting, 12-21 SDIP pts. Credit varies 48%-66%.
 - Deviation for single car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 60%-75%.
 - Deviation for multi car, standard, preferred and ultra preferred underwriting, 12-21 SDIP pts. Credit varies 48%-66%.

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components. If the resulting rate is equal to or greater than N.C. Rate Bureau rates, the policy is ineligible for any deviation.

- 1.14 factor applies single car, non standard underwriting for policies without proof of prior auto insurance.
- 1.09 factor applies multi car, non standard underwriting for policies without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.05-3.20 factors vary based on average driver group 1-17.
- 1.10-1.45 factors vary for single car policies with 1-3 or more accidents.
- 1.06-1.30 factors vary for multi car policies with 1-3 or more accidents.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

- 26% for single car policies, non standard underwriting with 6 or more SDIP pts.
- 23% for multi car policies, non standard underwriting with collision coverage on more than one vehicle with 6 or more SDIP pts.
- 27%-28% for single car policies, middle underwriting with 5-6 or more SDIP pts.
- 37% for multi car policies, non standard underwriting with collision coverage on one vehicle with 6 or more SDIP pts.
- 18%-24% for multi car policies, middle underwriting, collision coverage on more than one vehicle 5-6 or more SDIP pts.
- 33%-47% for single car policies, standard underwriting with 2-6 or more SDIP pts.
- 31%-38% for multi car policies, middle underwriting, collision coverage on one vehicle with 5-6 or more SDIP pts.
- 22%-40% for multi car policies, standard underwriting, collision coverage on more than one vehicle, 2-6 or more SDIP pts.
- 24%-47% for multi car policies, standard underwriting, collision coverage on one vehicle with 2-5 or more SDIP pts.
- 26%-47% for single car policies, preferred underwriting with 0-5 or more SDIP pts.
- 23%-40% for multi car policies, preferred underwriting, collision coverage on more than one vehicle, 0-

6 or more SDIP pts.

- 23%-47% for multi car policies, preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 48% single car policies, ultra preferred underwriting.
- 40% multi car policies, ultra preferred underwriting, collision coverage on more than one vehicle.
- 40%-47% multi car policies, ultra preferred underwriting, collision coverage on one vehicle with 0-5 or more SDIP pts.
- 5% for policies, non standard, middle and standard underwriting with proof of homeownership.
- 5%-10% for risks who are members of qualified participating groups, associations or employees of qualified participating employers when risks meet underwriting guidelines.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components, unless otherwise stated below.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
- b. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
- c. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
- d. Transporting illegal intoxicating liquors by motor vehicle.

- 54%-69% single car policies, non standard underwriting with 12-18 or more SDIP pts.
- 45%-64% for multi car policies, non standard underwriting, with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 51%-67% for multi car policies, non standard underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.
- 57%-71% for single car policies, middle underwriting with 12-18 or more SDIP pts.
- 47%-66% for multi car policies, middle underwriting with collision coverage on more than one vehicle with 12-18 or more SDIP pts.
- 54%-69% for multi car policies, middle underwriting with collision coverage on one vehicle with 12-18 or more SDIP pts.
- 57%-71% for single car policies, standard, preferred and ultra preferred underwriting with 12-18 or more SDIP pts.
- 47%-66% for multi car policies, standard, preferred and ultra preferred underwriting, collision coverage on more than one vehicle with 12-21 SDIP pts.
- 54%-69% for multi car policies, standard, preferred and ultra-preferred underwriting, collision coverage on one vehicle with 12-18 or more SDIP pts.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto physical damage coverage for all listed deviation components. If the resulting rate is equal to or greater than the N.C. Rate Bureau, the policy is ineligible for any deviation.

- 1.19 factor applies, single car policies, non standard underwriting for policies without proof prior of auto insurance.
- 1.15 factor applies, multi car policies, non standard underwriting without proof of prior auto insurance.
- 1.05-1.20 factors vary based on territories.
- 1.10-2.75 factors vary based on average driver group 1-16.
- 1.08-1.35 single car policies with 1-3 or more accidents.
- 1.05-1.24 multi car policies with 1-3 or more accidents.

Deviation as of Nov 15, 2005

- Installment Payment Plan: \$3 charge waived for policies purchased by employees from an approved employer group if premium is paid via payroll deduction.
Eff. 7-1-99

Progressive Southeastern Insurance Company

- For deviations see North Carolina Department of Insurance Website
- Eff 1-1-05 **PC077564** Filing Detail

Progressive Universal Insurance Company of Illinois

- For deviations see North Carolina Department of Insurance Website
- Eff 4-1-05 **PC080248** Filing Detail

Providence Washington Insurance Company

Standard Program

- Multi-Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.

Preferred Program

- Territory Deviation: Various credits apply to bodily injury, property damage, medical payments, comprehensive & collision.
- Multi Policy Credit: 10% applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Mature Driver Credit: Applies to bodily injury, property damage, medical payments, comprehensive & collision.
- Multiple Automobile Credit: 5% applies to bodily injury, property damage, medical payments, comprehensive & collision: Certain criteria apply.
- Eff.7-1-02

Republic Franklin Insurance Company

- Personal Auto Account Credit: 10% credit applies to basic premium when auto & homeowner policy is insured by Utica Mutual Insurance Company or Graphic Arts Mutual Insurance Company.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Work place Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- 10% Mature Driver Credit: Certain criteria apply.

Deviation as of Nov 15, 2005

- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- 9% Territory 11 Deviation: Vehicles must be principally garaged in territory 11.
- Eff. 12-1-00 PC 036564 [Filing Detail](#)

Response Worldwide Insurance Company

- 7.0% non-fleet private passenger auto bodily injury, property damage & medical payments coverage when certain criteria is met.
- 10.0% non-fleet private passenger auto comprehensive & collision coverage if certain criteria is met.
- Eff. 7-15-96 PC 034398 [Filing Detail](#)

Royal Indemnity Company

- Installment Payment Plan-Agency Payroll Deduction: Certain criteria apply.
- Eff 5-15-04 PC069376 [Filing Detail](#)

Royal Insurance Company of America

- Installment payment plan waived for employees.
- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- Eff. 5-15-04 PC069375 [Filing Detail](#)

Safeco Insurance Company of America

- For deviations see North Carolina Department of Insurance Website
- Eff 10-1-05 **PC085789** [Filing Detail](#)

Safeguard Insurance Company

- Installment Payment Plan Payroll Deduction: \$3 charge waived.
- Eff 5-15-03 PC069383

St. Paul Fire and Marine Insurance Company

- Installment charge deviation: \$2 charge each installment.
- Eff. 1-1-95

St. Paul Guardian Insurance Company

- 5% base rate comprehensive coverage when policy qualifies for PAK II Program.
- 5% base rate collision coverage when policy qualifies for PAK II Program.
- 10% Mature Operator Credit: Combined single limit bodily injury & property damage, medical payments, comprehensive & collision, when principal operator is age 55 & less than or equal to 64 yrs. of age & no inexperienced operators in household. 5% credit for ages 65-74 & no inexperienced operator in household.
- 10% Good Driver Deviation, when certain criteria is met.
- Symbol Reactivities model year 1976-1982, Symbol 14, comprehensive - 7.8% credit; collision - 12.7% credit. Model yrs. 1975 & prior; Values above \$10,000 rated Symbol 7 for comprehensive & collision.

Deviation as of Nov 15, 2005

- Increase Limits Extended Transportation Expense Coverage is provided at no charge, when comprehensive coverage is purchased & policy qualifies for PAK II Program.
Passive Restraint Deviation: 20% when restraint is installed in driver-side only position; 30% when restraint is installed in both front outboard seat positions. If policy qualifies for PAK II Program, airbag discount applies to factory installed automatic occupant restraint. Deviation applies only to medical payments base premium.
- Anti-Theft Device Deviation for PAK II Program: 5% alarm only, 5% active disabling device; 15% passive disabling device. This deviation applies to comprehensive base premium.
- Anti-Lock Braking System Deviation: 5% combined single limit liability, bodily injury & property damage liability base premium when private passenger auto equipped with factory installed four-wheel anti-lock braking system.
- Golfmobile Liability Coverage provided at no additional charge.
- Miscellaneous Types: ATV, minibike & dune buggy, combined bodily injury & property damage liability rates not used for commercial purposes will be same rate as North Carolina Reinsurance Facility. Snowmobile rates, medical payments coverage rate will be 22% of Territory 18 private passenger auto medical payments rate. Collision rates will be same as NC Rate Bureau's snowmobile rates.
- 10% when more than one recreational vehicle is covered under same policy for following miscellaneous types, trailers designed for use with private passenger autos, motorbikes or other similar motor vehicles not used for commercial purposes (excluding motorcycles, motorscooters & mopeds); snowmobiles & golfmobiles.
- Renewal Credit: 0-2 yrs.-0%; 3yrs.-3%; 4yrs.-4%; 5 or more yrs. -5% premium credit when insured maintained consecutive yrs. of coverage with St. Paul. Credit will apply to final premium for each coverage & rounded to nearest dollar.
- Installment charge deviation: \$2 charge each installment unless Electronic Funds Transfer billing option is selected, then no charge.
Employee Discount: New Business - 20%; Renewals - 15% when criteria is met.
- Eff. 3-1-00

St. Paul Mercury Insurance Company

- 15% non-fleet private passenger auto liability & physical damage insurance rates.
- Eff. 1-1-88

Seaton Insurance Company

- 15% non-fleet private passenger auto liability, medical payments & physical damage. "Unimate Plus" in addition to above: (1) Policy in force 3 yrs. & no at-fault accident additional 5% credit liability, medical payments & physical damage; (2) Policy in force 6 yrs. & no at-fault accident; Second 5% credit on coverages listed above.
- 5% non-fleet private passenger auto non-fleet physical damage rates. Discount applies: (1) All vehicles assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only (no miscellaneous types).
- Eff. 6-20-88

Security Insurance Company of Hartford

- Territorial Deviation for BI, PD, med pay, uninsured motorists/underinsured motorists, comprehensive & collision: Credits vary.

Deviation as of Nov 15, 2005

- Classification Rating Factors Deviation for liability, comprehensive & collision.
- 5%, 10% or 15% Anti-Theft Device Discount: Certain criteria apply.
- 5% Good Drivers Discount.
- 5% Affinity Group Discount.
- Preferred Policy Program Deviation.
- Eff. 9-1-00

Selective Insurance Company of South Carolina

- Installment Payment Plan: \$2 per each installment.
- 30% deviation applies to liability & physical damage when a commercial package policy is written with the risk.
- Eff. 6-1-01

Selective Insurance Company of the Southeast

- Installment Payment Plan: \$2 per each installment.
- Eff. 9-1-98

Shelby Insurance Company

- 7.5% non-fleet private passenger auto liability & physical damage rates when insured has their Homeowners policy in the Anthem Casualty Insurance Group.
- Anti-Theft Discount: Discount applies to other than collision coverage only. 5% alarm & active disabling devices; 15% on vehicles equipped with passive disabling devices.
- Longevity Discount: 5% credit applies when policies have been in force past 5 yrs. Credit applies to Plus & Premier policies only.
- Mature Operator Discount: 5% discount for drivers age 55 to 69 yrs. old with no drivers with less than 5 yrs. driving experience. Credit applies to Plus & Premier policies.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all Shelby Plus policies.
- Eff. 1-27-03

South Carolina Insurance Company

LIABILITY All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- Deviation for single car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-52 yrs. of driving experience. 47%- 60% credit.
 - Deviation for multi- car policies with 12-20 SDIP points where driver with least licensed driving experience has 5-42 yrs. of driving experience. 43% -55% credit.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving motor vehicle while intoxicated.
- Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 5% credit.
 - Deviation for single-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 3% credit.
 - Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with no accidents or claims. 3% credit.
 - Deviation for multi-car policies with 6-20 SDIP pts. where driver with least licensed driving experience has from 7-52 yrs. of driving experience with one accident or claim. 1.5% credit.

PHYSICAL DAMAGE All deviation applicable to non-fleet private passenger auto bodily injury, property damage & medical payments coverage for all listed components.

12 point violation must not be one of the following:

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing
 - d. Transporting illegal intoxicating liquors by motor vehicle.
- 5% non-fleet private passenger auto comprehensive & collision for policies that are insured with South Carolina Insurance Company with no lapse in coverage between policies & have 12-20 SDIP pts. & all drivers licensed 5-52 yrs.
 - 15% non-fleet private passenger auto comprehensive & collision for policies with 12-20 SDIP pts. & all drivers licensed 5 - 52 yrs.

12 point violation must not be one of the following.

- a. Manslaughter or negligent homicide.
 - b. Failure to stop & render aid when involved in an accident resulting in bodily injury or death.
 - c. Prearranged racing or knowing lending a motor vehicle to be used in prearranged racing.
 - d. Transporting illegal intoxicating liquors by motor vehicle.
 - e. Driving motor vehicle while intoxicated.
- 25% non-fleet private passenger auto comprehensive & collision for policies with 12 - 20 SDIP pts., all drivers licensed 5 - 52 yrs. & no driver with an at fault accident within the last 12 months preceding policy effective date.
 - Eff.10-21-98

Southern Fire & Casualty Insurance Company

- Withdrawn 1-1-03

Southern Guaranty Insurance Company

- Exceptional Driver Program: 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision when underwriting guidelines are met.
- Exception Plus: Additional 5% credit for private passenger non-fleet auto bodily injury, property damage, medical payments, comprehensive & collision when policy has been in-force at least 3 yrs. & no at-fault accidents in preceding 3 yrs. A second 5% credit for policies in-force at least 6 yrs. & no at-fault accidents in preceding 6 yrs. Maximum Exceptional Driver credit is 25%.
- Mature Driver Discount: 10% non fleet private passenger auto bodily injury, property damage, medical payments, comprehensive, collision & medical payments when underwriting guidelines are met.
- Multi Policy Discount: 5% non-fleet private passenger auto comprehensive & collision base rate if Southern Guaranty Insurance Company insures both homeowner & auto policy.
- 10% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for all private passenger auto policies for University of North Carolina Employees.
- Eff. 7-1-00

Southern Insurance Company of Virginia

STANDARD PROGRAM

- Experienced Operator Discount
- Multi-Car Discount
- Recreational trailer rates
- Loss Free Renewal Discount
- Passive Restraint - Airbag Discount
- Anti Lock Braking System Discount
- Anti Theft Devices Discount
- Southern Automobile Account credit plan 5%
- Automatic Payment Plan
- Eff 8-1-05 PC083400 [Filing Detail](#)

PREFERRED PROGRAM

- Deviation by coverage and territory comp and coll, credit varies.
- Experienced Operator Discount
- Multi-Car Discount: Certain Criteria apply.
- Recreational trailer rates
- Loss Free Renewal Discount
- New Business Automobile Discount
- Airbag Discount
- Anti Lock Braking System Discount
- Anti Theft Devices Discount
- Account credit plan 5%
- Automatic Payment Plan
- Eff. 8-1-05 PC083399 [Filing Detail](#)

Southern Pilot Insurance Company

Exceptional Driver Discount: 10% applies to non-fleet private passenger bodily injury, property damage, medical payments, comprehensive & collision premiums on a vehicle insured in the voluntary market and principally driven by an operator with at least nine years of operating experience who has had no chargeable accidents within the past three years resulting in bodily injury or death or more than \$1000 in property damage.

- University of North Carolina Chapel Hill Employees Discount: For all private passenger automobile policies issued or renewed in the voluntary market on or after September 1, 1998 covering vehicles owned by employees of the University of North Carolina – Chapel Hill, A 10% credit will be applied to Bodily Injury, Property Damage, Medical Payments, Comprehensive and Collision premiums.
- Mature Driver Discount: Principal Operators who have 34 years or more of driving experience that are written in the voluntary market and have no operators in their household with less than nine years driving experience shall receive a %% discount on Bodily Injury, Property Damage, Comprehensive, Collision & Medical expense premiums for the vehicle they principally operator.
- Accident Free Discount: 5% credit shall be applied to BI, PD, Med Pay, Comp and Coll premiums on a veicle insured in the voluntary market and driven by an operator who has had no chargeable accidents within the past three years and has been continuously insured with Southern Pilot for at least three years. An additional 5% applies for a six yr. period. New Business applicants and Southern Pilot renewal customers insured in the voluntary market who can document continuous coverage with a prior carrier and no chargeable accident for a three or six year period as described above are also eligible for the Southern Pilot Accident Free Discount. Maximum Accident Free Discount is 10%. Accident Free will be removed at the next renewal following the first chargeable accident where \$1000 or more was paid for BI, PD, Med and Coll (combined) for any operator in the household.

Multi Policy Discount: 5% credit shall be applied to bodily injury, property damage, medical payments, comprehensive, & collision premiums developed from the North Carolina Rate Bureau Personal Auto Manual on a vehicle insured in the voluntary market when Southern Pilot Insurance Company insures an individual's home and automobile.

- Eff. 5-1-03

Standard Fire Insurance Company

- Territorial Deviations - Credit varies by Territory.
- IS/Level Multiplier without Inexperienced Operator - Multiplier varies.
- IS/Level Multiplier for Inexperienced Operator - Multiplier varies.
- Account Discount - when both voluntary private passenger automobile policy and a dwelling homeowners policy with Travelers.
- Contributing Vehicle Credit - credit varies.
- Eff 8-15-05 PC085622 [Filing Detail](#)

State Auto Property & Casualty Insurance Company

- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for operators 0-38 yrs. driving experience or 55 yrs. of age or older.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving

Deviation as of Nov 15, 2005

experience & a homeowners policy with State Auto Companies, or 0-38 yrs. driving experience or 55 yrs. of age or older for insured without a homeowners policy with State Auto Companies.

- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 70 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55 yrs. of age or older or 0-38 yrs. driving experience for insured without a homeowners policy.
- 20% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies, or 55-69 yrs. of age for insured without a homeowners policy.
- 25% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 0-33 yrs. driving experience, 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 30% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured with 34-38 yrs, driving experience or is 55 yrs. of age or older and has a homeowner policy with State Auto Companies.
- 35% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no inexperienced operators, for an insured who is 55-69 yrs. of age and has a homeowner policy with State Auto Companies.
- Anti-lock Braking System Discount: 5% deviation on non-fleet private passenger auto BI & property damage or combined single limit liability on private passenger autos equipped with factory installed four wheel anti-lock braking systems.
- Electronic Funds Transfer: \$1 monthly service charge per policy.
- Eff. 9-1-00

State Automobile Mutual Insurance Company

- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages, no SDIP pts., no inexperienced operators & insured has Homeowners policy with State Auto Companies.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided no SDIP pts., no inexperienced operators & all operators in household are age 55 or older.
- 15% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision coverages provided there are no SDIP pts., no inexperienced operators, all operators in household are age 55 or older and insured has a Homeowners policy with State Auto Companies.
- Installment Pay Plan charge is reduced to \$1 per installment on all new and renewal business.
- 5% non-fleet private passenger auto bodily injury & property damage liability (or combined single liability) coverage for private passenger auto equipped with factory installed four wheel anti-locking braking systems.
- Eff. 2-1-93

State Capital Insurance Company

- Withdrawn Effective 2-15-02 PC047795 Filing Detail

State Farm Mutual Automobile Insurance Company

- Deviation for non-fleet private passenger automobile rates: Credit varies based on territory.
- Deviation applicable to private passenger automobile rates applicable to vehicles continuously in force with the State Farm Mutual Automobile Ins Co and free of at-fault accidents for 3 or more years- credit varies- not applicable to motorcycle.
- Various deviation on non-fleet private passenger automobile rates. Applicable to principal operators aged 55 and over when there is no inexperienced operator in the household. (not motorcycles).
- Multi Policy Discount: credit for non-fleet private passenger automobile rates when criteria is met.
- Installment Payment Charge: \$2 monthly installment of premium. Charge waived if payment made by electronic funds transfer.
- Deviation on non-fleet private passenger automobile rates applicable to new business policies (not motorcycles) when all drivers have been licensed in the U.S. or Canada for 3 yrs. & all driving records combined have no violations & no at-fault accidents during past 5 yrs.
- Additional Deviation applicable to Classic vehicles for BI/PD, Med Pay, and Collision.
- Eff 4-15-05 PC081009 [Filing Detail](#)

TIG Premier Insurance Company

- 10.7% non-fleet private passenger auto bodily injury, property damage, medical payments, collision, uninsured BI and combined uninsured/underinsured BI; 15.5% comprehensive.
- Free of at fault accidents: 3-6 yrs.; 10%-non-fleet private passenger auto bodily injury, property damage, medical payments & collision; Over 6 yrs.-15%.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for principal operators age 55 and over where there is no principal operator in household.
- BMW model yrs. 1995 & newer: 20% comprehensive; 10% collision.
- Eff. 3-1-98

Teachers Insurance Company

- Driving Quality Deviation Must meet certain criteria Credit varies.
- Home and Auto Deviation 3% deviation when certain criteria is met.
- Member Only Deviation 1% deviation when certain criteria is met.
- Surcharge Forgiveness policy has been free of chargeable accidents during 5 consecutive years: Credit Varies
- Electronic Funds Transfer - The installment payments by Electronic Funds Transfer shall be made on a monthly basis. For new business, the initial payment are 1/3 of the 6 month premium: the remaining monthly payment are of equal amounts. For renewals, there are equal monthly payments. The installment fees are based on the number of installments.
- Eff 7-1-04 PC070874 [Filing Detail](#)

Travelers Casualty & Surety Company

- Anti-Lock Brake Deviation: 5% non-fleet private passenger auto single limit (liability & medical payments) or bodily injury, property damage & medical payments.
- Anti-Theft Device Deviation: 5% or 10% discount depending on how vehicle is equipped. Applicable to

non-fleet private passenger auto comprehensive base premiums.

- 7% Loss & Conviction Free Renewal Deviation: Multi-car policies: Applies to non-fleet private passenger auto bodily injury, property damage, medical payments & collision coverage. Credit applies to voluntary policies.
- Mature Driver Deviation: 3% to non-fleet private passenger auto bodily injury, property damage & medical payments; 5% collision, 10% comprehensive coverage.
- Passive Restraint Discount: 1% non-fleet private passenger auto bodily injury, property damage & medical payments. Credit applies to voluntary policies.
- 7% Loss & Conviction Free Renewal Deviation; Multi-car policies: Applies to collision coverage only when policy is ceded to the Facility.
- Mature Driver Deviation: 5% non-fleet private passenger auto collision coverage & 10% comprehensive coverage.
- Eff. 12-17-93

Travelers Casualty & Surety Company of America

- 15% non-fleet private passenger auto bodily injury, property damage & medical payments rates.
- 15% non-fleet private passenger auto comprehensive & collision rates.
- Eff. 10-15-92

Travelers Casualty Insurance Company of America

- 30% non-fleet private passenger auto liability & medical payments rates.
- 30% non-fleet private passenger auto physical damage rates.
- Eff. 10-15-92
- Name Changed from Travelers Casualty & Surety Company of Illinois effective 1/1/04

Travelers Indemnity Company

- Contributing Vehicle Credit: 35% non-fleet private passenger auto bodily injury, property damage, medical payments; 30% collision; 10% for comprehensive, fire/fire, and theft/fire, theft and CAC coverage for those insureds who have single car policy & have more than one private passenger auto with The Travelers.
- 1% deviation for private passenger auto rates for employees of Multi-Line Insurance and Financial Services Institution.
- 1% for private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted.
- 1% deviation for private passenger auto rates for North Carolina State University employees as part as of an Employer Payroll Deduction Premium Payment Plan. Installment charge deleted.
- 1% deviation for private passenger auto rates for Members/Customer of A Credit Union Family. Installment charge deleted.
- 1% deviation for private passenger auto rates for Employees of Research and Development Institutions. Installment charge deleted.
- 1% deviation for private passenger auto rates for Members/Customer of AAA Group. Installment charge deleted.
- 1% deviation for private passenger auto rates for employees of Philip Morris Companies as apart as a payroll deduction premium payment plan. Installment charge deleted.
- Eff. 3-20-05 PC079543 [Filing Detail](#)

Travelers Indemnity Company of America

- Installment Payments - Installment charge for each installment is deleted.
- Account Discount – varying by territory and coverage will be applied to all insureds that have both a vol priv pass auto policy and a dwelling homeowners policy with the Travelers.
- Contributing Vehicle Credit: 35% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for insured who have single car policy & have more than one private passenger auto with The Travelers.
- Contributing Vehicle Credit: 30% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insureds who have a single car policy and have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% deviation priv-pass, pickups, vans and classic autos for Comp, fire/fire and theft/fire, theft, CAC coverages for insureds who have a single car policy and have more than one private pass auto insured with The Travelers.
- Renewal Credit: varying by territory and coverage applied to non-fleet private passenger rates if insured has maintained auto policy with The Travelers for the last 6 or more consecutive yrs.
- 13% deviation applied to private passenger auto rates for employees of Multi-Line Insurance & Financial Services Institution. Installment charge deleted.
- 13% deviation applied to private passenger auto rates for entities for which there is no specifically defined deviation. Installment charge deleted
- Rate Deviation for North Carolina State University - 13% deviation will be applied to voluntary private passenger rates for employees of North Carolina State University as part of an employer payroll deduction premium payment plan. Installment charge deleted.
- 13% deviation applied to private passenger auto rates for Members/Customers of a Credit Union family. Installment charge deleted.
- 13% non-fleet private passenger insurance rates for all coverages for Employees of Research and Development Institutions. Installment charge deleted.
- 13% deviation applies to private passenger auto rates for members of AAA Groups. Installment charge deleted.
- 13% deviation applies to private passenger auto rates for employees of Philip Morris Companies, Inc. as part of an employer payroll deduction premium payment plan. Installment charge deleted.
- Eff 3-20-05 PC079545 [Filing Detail](#)

The Travelers Indemnity Company of Connecticut

- Pricing Factors –deviation varying by coverage will be applied to voluntary private passenger automobiles.
- Account Discount – varying by territory and coverage will be applied to all insureds that have both a voluntary private passenger automobile policy and a dwelling homeowners policy with the Travelers.
- Contributing Vehicle Credit: 35% deviation will be applied on non-fleet private passenger autos, pickups, vans & classic autos for bodily injury property damage, medical payments & collision for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 30% private passenger autos, pickups, vans & classic autos for collision coverage for single car policy yet have more than one private passenger auto insured with The Travelers.
- Contributing Vehicle Credit: 10% private passenger autos, pickups, vans & classic autos for comprehensive, fire/fire & theft/fire, theft & CAC coverages for single car policy yet have more than

Deviation as of Nov 15, 2005

one private passenger auto insured with The Travelers.

- Renewal Credit – varying by territory and coverage will be applied to voluntary private passenger automobile rates if the insured has maintained an automobile policy with the Travelers for the last six (6) or more consecutive years.
- Effective 3-20-05 PC079544 [Filing Detail](#)

Travelers Property Casualty Company of America

- Account Credit: 10% credit when voluntary auto & homeowners policy with The Travelers.
- Careful Driver Credit: 7% non-fleet private passenger auto bodily injury, property damage, medical payments & collision that have 0 SDIP pts. for the last 3 consecutive yrs.
- Senior Driver Credit: Credit varies 3% - 6% when criteria is met.
- Contributing Vehicle Credit: 25% non-fleet private passenger auto bodily injury, property damage, medical payments & collision for single car policy, yet have more than one auto insured with The Travelers.
- Contributing Vehicle Credit: 15% non-fleet private passenger auto comprehensive, fire/fire & theft/fire, theft, CAC for insured who have a single car policy, yet have more than one auto insured with The Travelers.
- Highly Preferred Credit: 19% credit when certain criteria is met.
- Preferred Credit: 10% credit when certain criteria is met.
- Eff. 8-21-99
- Name changed from Travelers Indemnity Company of Illinois effective 1/1/04.

Travelers Personal Security Insurance Company

- Territorial Deviations - Credit varies by Territory.
- IS/Level Multiplier without Inexperienced Operator - Multiplier varies.
- IS/Level Multiplier for Inexperienced Operator - Multiplier varies.
- Account Discount - when both voluntary private passenger automobile policy and a dwelling homeowners policy with Travelers.
- Contributing Vehicle Credit - 35% credit for collision coverage for single car and more than one private passenger auto with the Travelers.
- Company Pricing Factor
- Eff 08-15-05 PC085623 [Filing Detail](#)

Twin City Fire Insurance Company

- Principal Operator age 55-69 comp and coll credit varies by territory.
- Principal Operator age 70 comp and coll credit varies by territory.
- All other operators comp and coll credit varies by territory.
- 4% Account Credit: 4% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision rates when insured has qualifying homeowners policy in effect with one of the Hartford Group Companies. (The HO-4 policy qualifies for a 5% credit.).
- Agency Book Transfer Credit
- Eff 3-1-05 PC079092 [Filing Detail](#)

USAA Casualty Insurance Company

Deviation as of Nov 15, 2005

- Deviation on liability, physical damage, med pays, uninsured motorist coverage, extended transportation and towing & labor, and extended non-owned auto coverage.
- Deviation on Other Than Collision coverage for vehicles equipped with active disabling anti-theft devices.
- Deviation on Other Than Collision coverage for vehicles equipped with a window identification system.
- Deviation on Other Than Collision coverage for vehicles equipped with passive anti-theft disabling devices.
- Deviation on Other Than Collision coverage for audio, visual & data electronics equipment & tapes, records, discs & other media.
- Deviation on med pay coverage for vehicles equipped with passive restraints (seat belts).
- Age 55 and over discount.
- Discount for trailers insured for other than collision coverage.
- Discount for customizing equipment coverage.
- Discount collision for vehicles equipped with a daytime running light device.
- Deviation for Safe Driver Incentive Discount.
- Deviation on 6 month and annual short rate cancellation tables.
- Installment Payment Plan.
- Eff 8-2-05 PC081214 [Filing Detail](#)

USAA General Indemnity Company

- 5% non-fleet private passenger auto other than collision coverage for vehicles equipped with passive anti-theft disabling devices.
- 100% non-fleet private passenger auto other than collision coverage for audio, visual & data electronic equipment & tapes, records, discs & other media.
- 100% deviation for trailers insured for other than collision coverage.
- 100% deviation for vehicles insured for customizing equipment coverage.
- 5% non-fleet private passenger auto collision for vehicles equipped with daytime running light device.
- Deviation on 6 month & annual short rate cancellation tables.
- Installment Payment Plan: Regular Plan and Extended Plan - installment charge waived.
- Eff 5-1-04 PC071545 [Filing Detail](#)

Underwriters Insurance Company

- 17.5 % Credit Physical Damage and 5% Credit Liability base premiums: Certain Preferred Driver criteria must be met.
- 5% Credit Physical Damage base premiums: Certain Standard Driver criteria must be met.
- Account Credit Program: 10% Credit: Must have Homeowners and Auto policy with UIC.
- 5% Credit for BI, PD and Med Pay for factory installed Anti-Lock Brake System.
- 5% Credit for BI, PD, Med Pay, Collisions, and Comprehensive premiums: Mature Driver Discount: Certain criteria apply.
- Eff. 10-1-99

Unigard Indemnity Company

- 5% non-fleet private passenger auto physical damage rates. Deviation applies: (1) All vehicles

Deviation as of Nov 15, 2005

assigned to driver 55 yrs. of age or older, (2) All vehicles on policy, regardless of number, if all drivers are 55 yrs. of age or older, (3) Private passenger vehicles only.

- 10% non-fleet private passenger auto physical damage rates when same insured also has Homeowners Form HO-3 or HO-6.
- Eff. 9-5-89

Unisun Insurance Company

- Preferred Driver Discount: 10% non-fleet private passenger auto bodily injury, property damage, medical payments, collision & other than collision premium. Credit applies to each vehicles when criteria is met.
- Full Coverage Discount: 3% non-fleet private passenger auto bodily injury, property damage, medical payments collision & other than collision when criteria is met.
- Multi-Vehicle Discount: 5% additional credit for non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision.
- Eff. 12-15-96

United Services Automobile Association

- Deviation on liability, physical damage, med pays, uninsured motorist coverage, extended transportation and towing & labor, and extended non-owned auto coverage.
- Deviation on Other Than Collision coverage for vehicles equipped with active disabling anti-theft devices.
- Deviation on Other Than Collision coverage for vehicles equipped with a window identification system.
- Deviation on Other Than Collision coverage for vehicles equipped with passive anti-theft disabling devices.
- Deviation on Other Than Collision coverage for audio, visual & data electronics equipment & tapes, records, discs & other media.
- Deviation on med pay coverage for vehicles equipped with passive restraints (seat belts).
- Age 55 and over discount.
- Discount for trailers insured for other than collision coverage.
- Discount for customizing equipment coverage.
- Discount collision for vehicles equipped with a daytime running light device.
- Deviation for Safe Driver Incentive Discount.
- Deviation on 6 month and annual short rate cancellation tables.
- Installment Payment Plan.
- Eff. 8/2/05 PC081215 Filing Detail

United States Fidelity & Guaranty Company

- Multi-Policy Discount: 2% credit to total non-fleet private passenger auto insurance premium when both auto & home-owners policies are purchased through USF&G Group when certain criteria is met.
- 2% credit non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision premium when principal operator is age 55 & over and there are no inexperienced operators in household.
- Physical Damage Deviation: 6% applies to comprehensive & collision.
- Special Package Discount: 5% credit total policy premium for insured who meet specified underwriting

guidelines.

- 15% non-fleet private passenger auto total premium for insureds who are a participant through any of the USF&G Group Marketing Plans.
- Eff. 9-1-00

Unitrin Auto and Home Insurance Company

- Voluntary Liability Deviation – Bodily Injury and Property Damage credit varies by territory and tiers.
- Voluntary Physical Damage Deviation – Collision and Comprehensive credit varies by territory and tiers.
- Safety Equipment Discounts – Passive Restraint Discount – medical payments only – auto must be equipped with a factory installed automatic occupant restraint, conforming to the federal crash protection requirements. Credit varies according to installed equipment.
- Anti-lock Braking System Discount – 5% discount for single limit liability or bodily injury and property damage liability coverage shall be afforded for those private passenger auto equipped with a factory installed four wheel anti-lock braking system (abs).
- Extended Transportation Expenses Coverage-Package Plus Only \$30/\$900 Increased Transportation Expenses Coverage is included at no additional charge, \$50/\$1500 increased transportation expenses coverage may be substituted for the \$30/\$900 limit on the package plus policy for an additional charge of \$12..
- Cancellation – Package Plus Only – compute return premium on a Pro Rata basis per chart.
- Classifications – Experienced Operator Credit
- Deferred Premium Payment Plans
- Network Discount – 7% discount applied to BI, PD, Med Pay, Coll & Comp if individual is a member of the Network Group.
- Anti-theft Devices – 5% alarm only and active disabling devices, 15% Passive Disabling Device.
- Premium Determination - Package Plus Only certain criteria apply, credit varies.
- Eff 05-3-04 PC071376 Filing Detail

Universal Insurance Company

- 15.0% non-fleet private passenger auto bodily injury, property damage & medical payments for DWI conviction limited to one lifetime alcohol related conviction per household. Credit applies to single car. SDIP pts. must be between 12- 20.
- 7.5% Multi-car, non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI conviction and SDIP pts. are between 12 & 20. There can be no more than one lifetime alcohol related conviction per household.
- 3.5% non-fleet private passenger auto bodily injury, property damage & medical payments when an insured has a DWI & SDIP pts. are between 8 & 14. Credit applies to single or multi-car risk.
- 5% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 10% non-fleet private passenger auto comprehensive & collision with 8-9 SDIP pts. based on model year of auto.
- 25% non-fleet private passenger auto comprehensive & collision with 10-18 SDIP pts. based on model year of auto.
- 40% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.

Deviation as of Nov 15, 2005

- 20% non-fleet private passenger auto comprehensive & collision with 12-14 SDIP pts. based on model year of auto.
- 52% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, single car risk with 12-20 SDIP pts.
- 42% non-fleet private passenger auto bodily injury, property damage & medical payments for experience drivers, multi-car risk with 12-20 SDIP pts. by at least one driver.
- Eff. 2-1-98

Utica Mutual Insurance Company

- Mass Merchandising Plan: 15% discount on base rates for employees of Utica National Insurance Group.
- Personal Auto Account Credit: 5% credit applied to basic premium when auto & homeowner policy is insured by Utica National Insurance Group.
- 5% payroll deduction provided the named insured is employed through an employer enrolled in the Company Workplace Insurance Service for Employees (W.I.S.E.) program or is a member of a company approved affinity group.
- Company Car Discount: Apply multi-car rating factor to single car policies when certain criteria is met.
- Eff. 12-1-00

Valiant Insurance Company

- 5% non-fleet private passenger auto comprehensive & collision insurance rates.
- 5% non-fleet private passenger auto bodily injury, property damage, comprehensive & collision coverage if named insured is an educator.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured with 3 years with "0" SDIP pts.
- 10% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for loss free credit insured 6 years with "0" SDIP pts.
- 5% non-fleet private passenger auto bodily injury & property damage for anti-lock brakes.
- 5% non-fleet private passenger auto comprehensive with anti-theft device (active).
- 10% non-fleet private passenger auto comprehensive with anti-theft device (passive).
- 5% non-fleet private passenger auto bodily, property damage, medical payments, comprehensive & collision for mature driver.
- 5% non-fleet private passenger auto bodily injury, property damage, medical payments, comprehensive & collision for account driver.
- 5% non-fleet private passenger auto comprehensive & collision for multi-car policies.
- 15% non-fleet private passenger auto comprehensive & collision for cars with "0" SDIP pts.
- Eff. 2-15-98

Vigilant Insurance Company

- Various deviations for bodily injury, property damage, medical payments & uninsured motorist coverage for antique autos.
- Reduced rates for physical damage coverage for antique autos.
- Deviation for split limit bodily injury increased limits.
- Eff. 7-1-03

Deviation as of Nov 15, 2005

Virginia Mutual Insurance Company

Multi-car risk and drivers either occasional or principle having more than 10 years but less than 49 yrs driving experience and zero SDIP driving record points. Credit varies according to coverage.

- Eff. 2-15-04

West American Insurance Company

- Fampak Discount: 5% credit for all coverages.
- Prime Life Discount: 4% credit for all coverages: Certain criteria must be met.
- Employee Discount: 15% credit for all coverages.
- Base Rate Deviation by territory for bodily injury, property damage, medical payments, uninsured motorists, comprehensive & collision coverages.
- Anti-Theft Discount: Comprehensive Coverage only: 5% & 15% credit: Certain criteria apply.
- Eff. 9-1-00

Windsor Insurance Company

For Deviations see the North Carolina Department of Insurance Website.

Eff 9-1-00 **PC035427** Filing Detail

- (ii) The Rate Bureau does not have appropriate data upon which to base an estimate of the amount of premium written at deviated rates. The total amount of premium written by companies that deviate on any portion of their policies is as follows:

| <u>Year</u> | <u>Liability (a)</u> | <u>Physical Damage (b)</u> |
|-------------|----------------------|----------------------------|
| 2000 | 1,296,961,922 | 1,089,684,373 |
| 2001 | 1,252,982,197 | 1,052,282,621 |
| 2002 | 1,377,262,624 | 1,185,992,583 |
| 2003 | 1,444,241,105 | 1,182,722,887 |
| 2004 | 1,465,259,834 | 1,143,847,117 |

- (iii) The Rate Bureau does not have appropriate data upon which to base an estimate of the percentage of statewide premium written at deviated rates. The estimated percentage of statewide premium written by companies that deviate on any portion of their policies is as follows:

| <u>Year</u> | <u>Liability (a)</u> | <u>Physical Damage (b)</u> |
|-------------|----------------------|----------------------------|
| 2000 | 92.0 | 97.6 |
| 2001 | 92.9 | 91.2 |
| 2002 | 99.1 | 93.4 |
| 2003 | 97.4 | 95.7 |
| 2004 | 92.8 | 95.9 |

- (iv) See RB-5 for the amount of deviations in dollars.

- (v) The Rate Bureau does not have appropriate data upon which to base an estimate of the average percentage deviation on policies written by companies at deviated rates. The estimated average percentage deviation for companies that deviate on any portion of their policies, as a percentage of the total premium written by such companies, is as follows:

| <u>Year</u> | <u>Liability (a)</u> | <u>Physical Damage (c)</u> |
|-------------|----------------------|----------------------------|
| 2000 | 15.4 | 21.2 |
| 2001 | 16.0 | 17.1 |
| 2002 | 16.1 | 19.2 |
| 2003 | 13.0 | 15.5 |
| 2004 | 10.8 | 9.3 |

- (vi) The average percentage deviation for all companies, as a percentage of the total premium written by all companies (whether they grant deviations or not), is shown on Exhibit RB-5.

- (a) Based on NCRB Special Call and adjusted for business ceded to the North Carolina Reinsurance Facility.
- (b) Based on NCRB Special Call excluding consent-to-rate business.
- (c) Based on Page 15 Annual Statement written premiums excluding consent-to-rate business.

COMPANIES PAYING PRIVATE PASSENGER AUTOMOBILE INSURANCE DIVIDENDS

| | | |
|---|-------------|---|
| | <u>2004</u> | |
| <u>Liability</u> | | <u>Physical Damage</u> |
| United Services Automobile Association Metropolitan Direct P & C Insurance Co | | United Services Automobile Association St Paul Fire & Marine Metropolitan Direct P & C Insurance Co Metropolitan P & C |
| | <u>2003</u> | |
| <u>Liability</u> | | <u>Physical Damage</u> |
| USAA Casualty Insurance Co United Services Automobile Association American Protection Insurance Company | | St Paul Fire & Marine St Paul Guardian Ins Co St Paul Mercury Ins Co United Services Automobile Association USAA Casualty Insurance Company |
| | <u>2002</u> | |
| <u>Liability</u> | | <u>Physical Damage</u> |
| Amica Mutual Insurance Company United Services Automobile Association | | St Paul Mercury Ins Co St Paul Guardian Ins Co United Services Automobile Association |
| | <u>2001</u> | |
| <u>Liability</u> | | <u>Physical Damage</u> |
| Amica Mutual Insurance Company Metropolitan Direct P & C Insurance Co Metropolitan Property & Casualty Ins Co State Farm Mutual Auto Insurance Co USAA Casualty Insurance Company United Services Automobile Association | | Amica Mutual Insurance Company Metropolitan Direct P & C Insurance Co Metropolitan Property & Casualty Ins Co State Farm Mutual Auto Insurance Co USAA Casualty Insurance Company United Services Automobile Association |
| | <u>2000</u> | |
| <u>Liability</u> | | <u>Physical Damage</u> |
| Amica Mutual Insurance Company Metropolitan Direct P & C Insurance Co Metropolitan Property & Casualty Ins Co State Farm Mutual Auto Insurance Co USAA Casualty Insurance Company United Services Automobile Association | | Amica Mutual Insurance Company Metropolitan Direct P & C Insurance Co Metropolitan Property & Casualty Ins Co State Farm Mutual Auto Insurance Co USAA Casualty Insurance Company United Services Automobile Ins Co |

(ii) Estimated premium of companies issuing dividends

| <u>Year</u> | <u>Liability (a)</u> | <u>Physical Damage (b)</u> |
|-------------|----------------------|----------------------------|
| 2000 | 290,460,418 | 287,599,627 |
| 2001 | 311,463,321 | 305,221,071 |
| 2002 | 45,133,242 | 42,582,682 |
| 2003 | 82,663,105 | 77,586,251 |
| 2004 | 58,285,510 | 48,032,465 |

(iii) Estimated percentage of statewide premium written by companies issuing dividends

| <u>Year</u> | <u>Liability (a)</u> | <u>Physical Damage (b)</u> |
|-------------|----------------------|----------------------------|
| 2000 | 20.6 | 25.7 |
| 2001 | 23.1 | 26.5 |
| 2002 | 3.2 | 3.4 |
| 2003 | 5.6 | 6.3 |
| 2004 | 3.7 | 4.0 |

(iv) See RB-5 for the amount of dividends in dollars.

(v) The Rate Bureau does not have appropriate data upon which to base an estimate of the average percentage dividend on policies receiving dividends by all companies issuing dividends. The average percentage dividend issued by all companies issuing dividends, as a percentage of the total premium written by such companies, is as follows:

| <u>Year</u> | <u>Liability (a)</u> | <u>Physical Damage (b)</u> |
|-------------|----------------------|----------------------------|
| 2000 | 3.6 | 3.9 |
| 2001 | 1.4 | 1.1 |
| 2002 | 6.5 | 5.9 |
| 2003 | 6.4 | 6.3 |
| 2004 | 6.5 | 7.1 |

(vi) The average percentage dividend issued by all companies, as a percentage of the total premium written by all companies (whether they issue dividends or not), is shown on Exhibit RB-5. The average percentage dividend issued by all companies is shown on Exhibit RB-5.

(a) Based on Page 15 Annual Statement written premiums excluding the North Carolina Reinsurance Facility.

(b) Based on Page 15 Annual Statement written premiums excluding consent-to-rate business.

NORTH CAROLINA
COMPARISON OF ANNUAL STATEMENT AND FILING INFORMATION

LIABILITY

| <u>Year</u> | <u>Annual Statement</u> | | <u>Filing</u> | |
|-------------|-------------------------|----------------|---------------|----------------|
| | <u>Losses</u> | <u>Premium</u> | <u>Losses</u> | <u>Premium</u> |
| 2002 | 1,388,594,207 | 1,957,059,172 | 1,300,475,488 | 2,032,996,892 |
| 2003 | 1,501,859,410 | 2,101,843,329 | 1,346,849,214 | 2,059,974,765 |
| 2004 | 1,598,924,786 | 2,119,188,172 | 1,363,676,855 | 2,134,490,380 |

The data are not comparable for the following reasons:

- Annual Statement premium is at total limits collected level. Filing premium is at a basic limits current level for Bodily Injury, Property Damage, and Uninsured Motorists, and at a total limits level for Medical Payments and Underinsured Motorists.
- Annual Statement losses are on a total limits basis and do not include any loss adjustment expenses. Filing losses are on a basic limits basis for all coverages other than Medical Payments and Underinsured Motorists. Losses include allocated loss adjustment expense only for Bodily Injury, Property Damage and Medical Payments, and all loss adjustment expenses for Uninsured Motorists and Underinsured Motorists.
- Annual statement losses include reserves for incurred but not reported claims. Filing losses are developed to an ultimate basis and therefore reflect reserves for incurred but not reported claims.

PHYSICAL DAMAGE

| <u>Year</u> | <u>Annual Statement</u> | | <u>Filing</u> | |
|-------------|-------------------------|----------------|---------------|----------------|
| | <u>Losses</u> | <u>Premium</u> | <u>Losses</u> | <u>Premium</u> |
| 2002 | 945,858,497 | 1,696,342,597 | 873,230,120 | 1,399,871,858 |
| 2003 | 1,043,631,340 | 1,787,576,046 | 916,243,717 | 1,419,898,425 |
| 2004 | 934,796,980 | 1,686,955,656 | 843,001,943 | 1,431,711,481 |

The data are not comparable for the following reasons:

- Annual Statement premium is on a collected basis. Filing premium is at current level.
- Annual Statement data includes catastrophe losses for the Comprehensive coverage. Filing losses replace actual catastrophe losses with a long-term wind and water provision.

NORTH CAROLINA
COMPARISON OF ANNUAL STATEMENT AND FILING INFORMATION

LIABILITY

| <u>Year</u> | <u>Annual Statement</u> | | <u>Filing</u> | |
|-------------|-------------------------|----------------|---------------|----------------|
| | <u>Losses</u> | <u>Premium</u> | <u>Losses</u> | <u>Premium</u> |
| 2002 | 1,388,594,207 | 1,957,059,172 | 1,300,475,488 | 2,060,270,776 |
| 2003 | 1,501,859,410 | 2,101,843,329 | 1,346,849,214 | 2,089,486,097 |
| 2004 | 1,598,924,786 | 2,119,188,172 | 1,363,676,855 | 2,167,309,832 |

The data are not comparable for the following reasons:

- Annual Statement premium is at total limits collected level. Filing premium is at a basic limits current level for Bodily Injury, Property Damage, Medical Payments and Uninsured Motorists, and at a total limits level for Underinsured Motorists.
- Annual Statement losses are on a total limits basis and do not include any loss adjustment expenses. Filing losses are on a basic limits basis for all coverages other than Underinsured Motorists. Losses include allocated loss adjustment expense only for Bodily Injury, Property Damage and Medical Payments, and all loss adjustment expenses for Uninsured Motorists and Underinsured Motorists.
- Annual statement losses include reserves for incurred but not reported claims. Filing losses are developed to an ultimate basis and therefore reflect reserves for incurred but not reported claims.

PHYSICAL DAMAGE

| <u>Year</u> | <u>Annual Statement</u> | | <u>Filing</u> | |
|-------------|-------------------------|----------------|---------------|----------------|
| | <u>Losses</u> | <u>Premium</u> | <u>Losses</u> | <u>Premium</u> |
| 2002 | 945,858,497 | 1,696,342,597 | 873,230,120 | 1,399,871,858 |
| 2003 | 1,043,631,340 | 1,787,576,046 | 916,243,717 | 1,419,898,425 |
| 2004 | 934,796,980 | 1,686,955,656 | 843,001,943 | 1,431,711,481 |

The data are not comparable for the following reasons:

- Annual Statement premium is on a collected basis. Filing premium is at current level.
- Annual Statement data includes catastrophe losses for the Comprehensive coverage. Filing losses replace actual catastrophe losses with a long-term wind and water provision.

NORTH CAROLINA
VOLUNTARY FILING
EXPECTED LOSS RATIOS

| | 7/1/2003 Implementation | 1/1/2005 Implementation | 5/15/2006 Implementation |
|-------------------------|----------------------------|----------------------------|-----------------------------|
| Bodily Injury | .569 | .612 | .713 |
| Property Damage | .607 | .617 | .747 |
| Medical Payments | .611 | .702 | .735 |
| Uninsured Motorists (a) | .644 | .644 | .643 |
| Comprehensive | .630 | .640 | .723 |
| Collision | .642 | .658 | .724 |

(a) Voluntary and ceded business combined.

NORTH CAROLINA
MOTORCYCLES
EXPECTED LOSS RATIOS

| | 7/1/2003 Implementation | 1/1/2005 Implementation | 5/15/2006 Implementation |
|---------------|----------------------------|----------------------------|-----------------------------|
| Coverage | | | |
| Liability (a) | .565 | .557 | .705 |

(a) Voluntary and ceded business combined.

Bodily Injury

| <u>Accident Year</u> | <u>Total Limits Paid Losses(a)</u> | <u>Total Limits Reserves(a)</u> | <u>Total Limits Loss Dev. (b)</u> | <u>Total Limits Dev. Losses</u> |
|----------------------|------------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| 12/31/2002 | \$566,854,291 | \$ 82,326,373 | 1.021 | \$662,813,458 |
| 12/31/2003 | 491,595,730 | 169,965,379 | 1.062 | 702,577,898 |
| 12/31/2004 | 265,933,164 | 363,180,397 | 1.167 | 734,175,526 |

| <u>Accident Year</u> | <u>Unallocated Loss Adj. Exp. (c)</u> | <u>Loss Trend Factors (d)</u> | <u>LAE Trend Factors (d)</u> | <u>Trended Incurred Losses and LAE</u> |
|----------------------|---------------------------------------|-------------------------------|------------------------------|--|
| 12/31/2002 | \$74,838,039 | 1.036 | 1.201 | \$776,555,227 |
| 12/31/2003 | 69,326,559 | 1.041 | 1.158 | 811,663,747 |
| 12/31/2004 | 66,846,850 | 1.052 | 1.116 | 846,953,738 |

Property Damage

| <u>Accident Year</u> | <u>Total Limits Paid Losses(a)</u> | <u>Total Limits Reserves(a)</u> | <u>Total Limits Loss Dev. (b)</u> | <u>Total Limits Dev. Losses</u> |
|----------------------|------------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| 12/31/2002 | \$529,610,870 | \$1,171,626 | 1.000 | \$530,782,496 |
| 12/31/2003 | 546,446,019 | 2,015,027 | 1.000 | 548,461,046 |
| 12/31/2004 | 529,402,122 | 13,555,827 | 1.015 | 551,102,318 |

| <u>Accident Year</u> | <u>Unallocated Loss Adj. Exp. (c)</u> | <u>Loss Trend Factors (d)</u> | <u>LAE Trend Factors (d)</u> | <u>Trended Incurred Losses and LAE</u> |
|----------------------|---------------------------------------|-------------------------------|------------------------------|--|
| 12/31/2002 | \$60,437,402 | 0.975 | 1.201 | \$590,098,253 |
| 12/31/2003 | 69,925,158 | 0.976 | 1.158 | 616,271,314 |
| 12/31/2004 | 69,147,696 | 1.000 | 1.116 | 628,271,147 |

Medical Payments

| <u>Accident Year</u> | <u>Total Limits Paid Losses(a)</u> | <u>Total Limits Reserves(a)</u> | <u>Total Limits Loss Dev. (b)</u> | <u>Total Limits Dev. Losses</u> |
|----------------------|------------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| 12/31/2002 | \$88,159,778 | \$ 668,664 | 1.012 | \$89,894,383 |
| 12/31/2003 | 87,467,843 | 1,796,701 | 1.030 | 91,942,480 |
| 12/31/2004 | 72,451,103 | 12,037,432 | 1.095 | 92,514,946 |

| <u>Accident Year</u> | <u>Unallocated Loss Adj. Exp. (c)</u> | <u>Loss Trend Factors (d)</u> | <u>LAE Trend Factors (d)</u> | <u>Trended Incurred Losses and LAE</u> |
|----------------------|---------------------------------------|-------------------------------|------------------------------|--|
| 12/31/2002 | \$12,083,700 | 0.980 | 1.201 | \$102,609,019 |
| 12/31/2003 | 10,987,812 | 1.008 | 1.158 | 105,401,906 |
| 12/31/2004 | 10,484,733 | 1.028 | 1.116 | 106,806,327 |

- (a) Data on a paid/reserve basis is available only for total limits. See page H-5.
- (b) See Section H - Loss Development.
- (c) See pages C-1, C-3, and C-5 for the unallocated loss adjustment expense factors.
- (d) Using selected trends on page D-8.

See page D-13 and prefiled testimony of P. Woods and M. Miller.

The following pages H-466-525 contain North Carolina private passenger data by territory for years ended December 31, 2002, 2003 and 2004.

Liability data is for voluntary and ceded risks. Losses are not developed and include allocated loss adjustment expense only. Excess is calculated on a 30/60/25 basis.

Physical Damage data is for voluntary and consent to rate risks on a paid basis and does not include loss adjustment expense. Coverage codes are defined as follows:

- 001 Full Coverage Comprehensive
- 003 \$50 Deductible Comprehensive
- 010 \$100 Deductible Comprehensive
- 055 \$250 Deductible Comprehensive
- 726 \$500 Deductible Comprehensive
- 727 \$1,000 Deductible Comprehensive
- 072 \$50 Deductible Collision
- 073 \$200 Deductible Collision
- 074 \$100 Deductible Collision
- 076 \$250 Deductible Collision
- 077 \$500 Deductible Collision
- 078 \$1,000 Deductible Collision

See also pages C-13-16.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | Incurred Losses (5) | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|------------------------------|---------------|------------------|------------------------------|---------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 11 Asheville | 2002 | 97312 | 10746165 | 6513866 | 1433098 | 1200 | 5428 | 1.23 | 66.94 |
| | 2003 | 100528 | 11543111 | 6810122 | 1495366 | 1277 | 5333 | 1.27 | 67.74 |
| | 2004 | 104077 | 12797637 | 7158691 | 1189044 | 1418 | 5048 | 1.36 | 68.78 |
| | Total | 301917 | 35086913 | 20482679 | 4117508 | 3895 | 5259 | 1.29 | 67.84 |
| 13 Durham | 2002 | 127814 | 22372626 | 13664220 | 1656741 | 2552 | 5354 | 2.00 | 106.91 |
| | 2003 | 129744 | 23019584 | 13973449 | 1628559 | 2402 | 5817 | 1.85 | 107.70 |
| | 2004 | 132416 | 24614614 | 14388692 | 2376400 | 2587 | 5562 | 1.95 | 108.66 |
| | Total | 389974 | 70006824 | 42026361 | 5661700 | 7541 | 5573 | 1.93 | 107.77 |
| 14 Greensboro-Hamilton Lakes | 2002 | 143317 | 22384491 | 14168977 | 2203365 | 2594 | 5462 | 1.81 | 98.86 |
| | 2003 | 145712 | 23914528 | 14608232 | 2249711 | 2706 | 5398 | 1.86 | 100.25 |
| | 2004 | 148519 | 26387018 | 15385470 | 2702749 | 2749 | 5597 | 1.85 | 103.59 |
| | Total | 437548 | 72686037 | 44162679 | 7155825 | 8049 | 5487 | 1.84 | 100.93 |
| 15 High Point | 2002 | 48038 | 8113544 | 4983535 | 468114 | 1011 | 4929 | 2.10 | 103.74 |
| | 2003 | 48975 | 8763740 | 5497465 | 560412 | 994 | 5531 | 2.03 | 112.25 |
| | 2004 | 50031 | 9441723 | 5481220 | 1209843 | 1069 | 5127 | 2.14 | 109.56 |
| | Total | 147044 | 26319007 | 15962220 | 2238369 | 3074 | 5193 | 2.09 | 108.55 |
| 16 Raleigh | 2002 | 337114 | 52669091 | 30051165 | 5910920 | 5070 | 5927 | 1.50 | 89.14 |
| | 2003 | 347817 | 55520668 | 32571334 | 6267477 | 5486 | 5937 | 1.58 | 93.65 |
| | 2004 | 362640 | 61096571 | 33865010 | 5416835 | 6039 | 5608 | 1.67 | 93.38 |
| | Total | 1047571 | 169286330 | 96487509 | 17595232 | 16595 | 5814 | 1.58 | 92.11 |

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|-------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 17 Wilmington | 2002 | 121207 | 22536118 | 14295318 | 1894569 | 2296 | 6226 | 1.89 | 117.94 |
| | 2003 | 126259 | 23634671 | 15087829 | 1878826 | 2376 | 6350 | 1.88 | 119.50 |
| | 2004 | 132923 | 26486565 | 14445268 | 2590109 | 2572 | 5616 | 1.93 | 108.67 |
| | Total | 380389 | 72657354 | 43828415 | 6363504 | 7244 | 6050 | 1.90 | 115.22 |
| 18 Winston-Salem | 2002 | 149092 | 19002586 | 12847606 | 2154108 | 2350 | 5467 | 1.58 | 86.17 |
| | 2003 | 151528 | 20405271 | 12418227 | 2008790 | 2253 | 5512 | 1.49 | 81.95 |
| | 2004 | 153327 | 21925479 | 12381670 | 3050848 | 2373 | 5218 | 1.55 | 80.75 |
| | Total | 453947 | 61333336 | 37647503 | 7213746 | 6976 | 5397 | 1.54 | 82.93 |
| 24 Western Territories | 2002 | 1934118 | 235721875 | 143373093 | 36397010 | 24131 | 5941 | 1.25 | 74.13 |
| | 2003 | 1965342 | 250177721 | 146058717 | 35111493 | 24601 | 5937 | 1.25 | 74.32 |
| | 2004 | 2012231 | 269694011 | 134845318 | 25309236 | 25327 | 5324 | 1.26 | 67.01 |
| | Total | 5911691 | 755593607 | 424277128 | 96817739 | 74059 | 5729 | 1.25 | 71.77 |
| 25 Gaston County | 2002 | 127785 | 19265060 | 12542148 | 1425436 | 2357 | 5321 | 1.84 | 98.15 |
| | 2003 | 128623 | 19762486 | 12612771 | 1746222 | 2440 | 5169 | 1.90 | 98.06 |
| | 2004 | 132005 | 21161667 | 13108315 | 1318436 | 2547 | 5147 | 1.93 | 99.30 |
| | Total | 388413 | 60189213 | 38263234 | 4490094 | 7344 | 5210 | 1.89 | 98.51 |
| 26 Southern Territories | 2002 | 405001 | 71657423 | 54610154 | 9127875 | 7518 | 7264 | 1.86 | 134.84 |
| | 2003 | 415957 | 77073979 | 52934378 | 9099675 | 7566 | 6996 | 1.82 | 127.26 |
| | 2004 | 432765 | 82148950 | 49225959 | 8022442 | 7856 | 6266 | 1.82 | 113.75 |
| | Total | 1253723 | 230880352 | 156770491 | 26249992 | 22940 | 6834 | 1.83 | 125.04 |

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurring Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|------------------------------|---------------|------------------|------------------------------|-----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 31 Wilson, Rocky Mount, etc. | 2002 | 264918 | 45901126 | 27534660 | 4498595 | 4369 | 6302 | 1.65 | 103.94 |
| | 2003 | 273627 | 47342061 | 27549677 | 4943262 | 4536 | 6074 | 1.66 | 100.68 |
| | 2004 | 288286 | 50969044 | 27250299 | 3668533 | 4854 | 5614 | 1.68 | 94.53 |
| | Total | 826831 | 144212231 | 82334636 | 13110390 | 13759 | 5984 | 1.66 | 99.58 |
| 32 Guilford, Buncombe, etc. | 2002 | 609041 | 78262641 | 45486415 | 8297390 | 8242 | 5519 | 1.35 | 74.69 |
| | 2003 | 620077 | 84013056 | 48829905 | 10466204 | 8795 | 5552 | 1.42 | 78.75 |
| | 2004 | 635244 | 91108393 | 47211733 | 8765483 | 9100 | 5188 | 1.43 | 74.32 |
| | Total | 1864362 | 253384090 | 141528053 | 27529077 | 26137 | 5415 | 1.40 | 75.91 |
| 33 Eastern Territories | 2002 | 698850 | 106956739 | 70406446 | 12062031 | 10570 | 6661 | 1.51 | 100.75 |
| | 2003 | 718260 | 114632057 | 70867881 | 13847542 | 10513 | 6741 | 1.46 | 98.67 |
| | 2004 | 741118 | 123308491 | 65637279 | 10958440 | 11155 | 5884 | 1.51 | 88.57 |
| | Total | 2158228 | 344897287 | 206911606 | 36868013 | 32238 | 6418 | 1.49 | 95.87 |
| 40 Fayetteville | 2002 | 173197 | 32491595 | 23171198 | 1497705 | 4373 | 5299 | 2.52 | 133.79 |
| | 2003 | 177499 | 35622650 | 21773231 | 1392314 | 4153 | 5243 | 2.34 | 122.67 |
| | 2004 | 183545 | 38312235 | 22808136 | 2277710 | 4459 | 5115 | 2.43 | 124.26 |
| | Total | 534241 | 106426480 | 67752565 | 5167729 | 12985 | 5218 | 2.43 | 126.82 |
| 41 Onslow County | 2002 | 92380 | 16656607 | 10964720 | 1780337 | 1647 | 6657 | 1.78 | 118.69 |
| | 2003 | 94094 | 17257280 | 9937846 | 752747 | 1585 | 6270 | 1.68 | 105.62 |
| | 2004 | 98858 | 18702989 | 10156280 | 724804 | 1660 | 6118 | 1.68 | 102.74 |
| | Total | 285332 | 52616876 | 31058846 | 3257888 | 4892 | 6349 | 1.71 | 108.85 |

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

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NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | Incurred Losses (5) | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|---------------------------------|---------------|------------------|------------------------------|---------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 43 Craven County | 2002 | 67815 | 10349739 | 6390649 | 538999 | 1015 | 6296 | 1.50 | 94.24 |
| | 2003 | 70040 | 11416515 | 6972143 | 593872 | 1058 | 6590 | 1.51 | 99.55 |
| | 2004 | 72209 | 12008445 | 7487873 | 1266311 | 1142 | 6557 | 1.58 | 103.70 |
| | Total | 210064 | 33774699 | 20850665 | 2399182 | 3215 | 6485 | 1.53 | 99.26 |
| 47 Wayne County | 2002 | 79169 | 12580920 | 7442144 | 1265988 | 1300 | 5725 | 1.64 | 94.00 |
| | 2003 | 76766 | 12719404 | 8336887 | 2017067 | 1271 | 6559 | 1.66 | 108.60 |
| | 2004 | 82785 | 13934692 | 7147594 | 957374 | 1284 | 5567 | 1.55 | 86.34 |
| | Total | 238720 | 39235016 | 22926625 | 4240429 | 3855 | 5947 | 1.61 | 96.04 |
| 51 Mecklenburg County Remainder | 2002 | 48148 | 6903011 | 4287583 | 1394232 | 757 | 5664 | 1.57 | 89.05 |
| | 2003 | 52063 | 7452861 | 3782812 | 1150996 | 768 | 4926 | 1.48 | 72.66 |
| | 2004 | 55873 | 8230267 | 3935250 | 725223 | 764 | 5151 | 1.37 | 70.43 |
| | Total | 156084 | 22586139 | 12005645 | 3270451 | 2289 | 5245 | 1.47 | 76.92 |
| 52 Charlotte | 2002 | 406040 | 76922785 | 45171115 | 7269139 | 9127 | 4949 | 2.25 | 111.25 |
| | 2003 | 416967 | 77903531 | 47829155 | 5898513 | 9589 | 4988 | 2.30 | 114.71 |
| | 2004 | 430128 | 83283720 | 46886904 | 7776780 | 9648 | 4860 | 2.24 | 109.01 |
| | Total | 1253135 | 238110036 | 139887174 | 20944432 | 28364 | 4932 | 2.26 | 111.63 |
| Statewide Totals | 2002 | 5930356 | 871494142 | 547905012 | 101275652 | 92479 | 5925 | 1.56 | 92.39 |
| | 2003 | 6059878 | 922175174 | 558452061 | 103109048 | 94369 | 5918 | 1.56 | 92.16 |
| | 2004 | 6248980 | 995612511 | 538806961 | 90306600 | 98603 | 5464 | 1.58 | 86.22 |
| | Total | 18239214 | 2789281827 | 1645164034 | 294691300 | 285451 | 5763 | 1.57 | 90.20 |

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|------------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 11 Asheville | 2002 | 97312 | 11840327 | 8747155 | 47506 | 3918 | 2233 | 4.03 | 89.89 |
| | 2003 | 100528 | 13467304 | 9185862 | 42826 | 4240 | 2166 | 4.22 | 91.38 |
| | 2004 | 104077 | 13800916 | 9262655 | 99130 | 4457 | 2078 | 4.28 | 89.00 |
| | Total | 301917 | 39108547 | 27195672 | 189462 | 12615 | 2156 | 4.18 | 90.08 |
| 13 Durham | 2002 | 127814 | 18982347 | 14703857 | 27694 | 6270 | 2345 | 4.91 | 115.04 |
| | 2003 | 129744 | 21398967 | 14706878 | 38809 | 6361 | 2312 | 4.90 | 113.35 |
| | 2004 | 132416 | 21596081 | 14468267 | 140499 | 6359 | 2275 | 4.80 | 109.26 |
| | Total | 389974 | 61977395 | 43879002 | 207002 | 18990 | 2311 | 4.87 | 112.52 |
| 14 Greensboro-Hamilton Lakes | 2002 | 143317 | 21199409 | 15770116 | 102858 | 7143 | 2208 | 4.98 | 110.04 |
| | 2003 | 145712 | 23823475 | 16590586 | 44090 | 7476 | 2219 | 5.13 | 113.86 |
| | 2004 | 148519 | 23911003 | 15371804 | 134450 | 7072 | 2174 | 4.76 | 103.50 |
| | Total | 437548 | 68933887 | 47732506 | 281398 | 21691 | 2201 | 4.96 | 109.09 |
| 15 High Point | 2002 | 48038 | 6846976 | 5239075 | 28051 | 2320 | 2258 | 4.83 | 109.06 |
| | 2003 | 48975 | 7695755 | 5248778 | 7870 | 2436 | 2155 | 4.97 | 107.17 |
| | 2004 | 50031 | 7713346 | 4949715 | 44432 | 2358 | 2099 | 4.71 | 98.93 |
| | Total | 147044 | 22256077 | 15437568 | 80353 | 7114 | 2170 | 4.84 | 104.99 |
| 16 Raleigh | 2002 | 337114 | 52398252 | 37414424 | 251690 | 15110 | 2476 | 4.48 | 110.98 |
| | 2003 | 347817 | 58891972 | 38824341 | 216268 | 15553 | 2496 | 4.47 | 111.62 |
| | 2004 | 362640 | 59827503 | 38968072 | 299423 | 16221 | 2402 | 4.47 | 107.46 |
| | Total | 1047571 | 171117727 | 115206837 | 767381 | 46884 | 2457 | 4.48 | 109.98 |

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|-------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 17 Wilmington | 2002 | 121207 | 18178395 | 13045329 | 58256 | 5174 | 2521 | 4.27 | 107.63 |
| | 2003 | 126259 | 20264561 | 13782660 | 219194 | 5527 | 2494 | 4.38 | 109.16 |
| | 2004 | 132923 | 20534884 | 14904104 | 92782 | 6065 | 2457 | 4.56 | 112.13 |
| | Total | 380389 | 58977840 | 41732093 | 370232 | 16766 | 2489 | 4.41 | 109.71 |
| 18 Winston-Salem | 2002 | 149092 | 18847114 | 14339984 | 22353 | 6698 | 2141 | 4.49 | 96.18 |
| | 2003 | 151528 | 20949564 | 14296167 | 127204 | 6801 | 2102 | 4.49 | 94.35 |
| | 2004 | 153327 | 20876608 | 13665854 | 93898 | 6892 | 1983 | 4.49 | 89.13 |
| | Total | 453947 | 60673286 | 42302005 | 243455 | 20391 | 2075 | 4.49 | 93.19 |
| 24 Western Territories | 2002 | 1934118 | 214057030 | 149974294 | 877135 | 65625 | 2285 | 3.39 | 77.54 |
| | 2003 | 1965342 | 238296204 | 153715766 | 1573555 | 67648 | 2272 | 3.44 | 78.21 |
| | 2004 | 2012231 | 237756443 | 147178352 | 1831190 | 66533 | 2212 | 3.31 | 73.14 |
| | Total | 5911691 | 690109677 | 450868412 | 4281880 | 199806 | 2257 | 3.38 | 76.27 |
| 25 Gaston County | 2002 | 127785 | 17917453 | 12351475 | 32689 | 5329 | 2318 | 4.17 | 96.66 |
| | 2003 | 128623 | 19407223 | 12734057 | 67044 | 5610 | 2270 | 4.36 | 99.00 |
| | 2004 | 132005 | 19295315 | 13054937 | 141170 | 5835 | 2237 | 4.42 | 98.90 |
| | Total | 388413 | 56619991 | 38140469 | 240903 | 16774 | 2274 | 4.32 | 98.20 |
| 26 Southern Territories | 2002 | 405001 | 47110625 | 34283755 | 143135 | 13773 | 2489 | 3.40 | 84.65 |
| | 2003 | 415957 | 53103306 | 35343227 | 304610 | 14626 | 2416 | 3.52 | 84.97 |
| | 2004 | 432765 | 53729118 | 35008216 | 226696 | 14933 | 2344 | 3.45 | 80.89 |
| | Total | 1253723 | 153943049 | 104635198 | 674441 | 43332 | 2415 | 3.46 | 83.46 |

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|------------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 31 Wilson, Rocky Mount, etc. | 2002 | 264918 | 35143993 | 25028902 | 148821 | 10402 | 2406 | 3.93 | 94.48 |
| | 2003 | 273627 | 39570742 | 26316978 | 93104 | 11190 | 2352 | 4.09 | 96.18 |
| | 2004 | 288286 | 40291417 | 25895870 | 137765 | 11300 | 2292 | 3.92 | 89.83 |
| | Total | 826831 | 115006152 | 77241750 | 379690 | 32892 | 2348 | 3.98 | 93.42 |
| 32 Guilford, Buncombe, etc. | 2002 | 609041 | 73059218 | 51168638 | 239218 | 22348 | 2290 | 3.67 | 84.02 |
| | 2003 | 620077 | 81573797 | 52952462 | 335988 | 23426 | 2260 | 3.78 | 85.40 |
| | 2004 | 635244 | 81806314 | 52499466 | 375440 | 23850 | 2201 | 3.75 | 82.64 |
| | Total | 1864362 | 236439329 | 156620566 | 950646 | 69624 | 2250 | 3.73 | 84.01 |
| 33 Eastern Territories | 2002 | 698850 | 75582360 | 51415296 | 185501 | 21799 | 2359 | 3.12 | 73.57 |
| | 2003 | 718260 | 84440921 | 54167065 | 537767 | 23321 | 2323 | 3.25 | 75.41 |
| | 2004 | 741118 | 82826807 | 55738379 | 637303 | 24067 | 2316 | 3.25 | 75.21 |
| | Total | 2158228 | 242850088 | 161320740 | 1360571 | 69187 | 2332 | 3.21 | 74.75 |
| 40 Fayetteville | 2002 | 173197 | 25276906 | 19281643 | 67184 | 8265 | 2333 | 4.77 | 111.33 |
| | 2003 | 177499 | 28537707 | 19523931 | 40647 | 8538 | 2287 | 4.81 | 109.99 |
| | 2004 | 183545 | 29154196 | 20606153 | 53395 | 9158 | 2250 | 4.99 | 112.27 |
| | Total | 534241 | 82968809 | 59411727 | 161226 | 25961 | 2288 | 4.86 | 111.21 |
| 41 Onslow County | 2002 | 92380 | 13796152 | 10206438 | 10476 | 4202 | 2429 | 4.55 | 110.48 |
| | 2003 | 94094 | 15104885 | 10049224 | 8527 | 4229 | 2376 | 4.49 | 106.80 |
| | 2004 | 98858 | 15283186 | 9951215 | 57210 | 4182 | 2380 | 4.23 | 100.66 |
| | Total | 285332 | 44184223 | 30206877 | 76213 | 12613 | 2395 | 4.42 | 105.87 |

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|---------------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 43 Craven County | 2002 | 67815 | 7575074 | 5415386 | 22553 | 2399 | 2257 | 3.54 | 79.86 |
| | 2003 | 70040 | 8519105 | 6042582 | 78668 | 2588 | 2335 | 3.70 | 86.27 |
| | 2004 | 72209 | 8459880 | 6097176 | 103344 | 2554 | 2387 | 3.54 | 84.44 |
| | Total | 210064 | 24554059 | 17555144 | 204565 | 7541 | 2328 | 3.59 | 83.57 |
| 47 Wayne County | 2002 | 79169 | 9398560 | 6499179 | 38725 | 2846 | 2284 | 3.59 | 82.09 |
| | 2003 | 76766 | 10078223 | 6332557 | 27575 | 2785 | 2274 | 3.63 | 82.49 |
| | 2004 | 82785 | 10276450 | 6405977 | 12553 | 2898 | 2210 | 3.50 | 77.38 |
| | Total | 238720 | 29753233 | 19237713 | 78853 | 8529 | 2256 | 3.57 | 80.59 |
| 51 Mecklenburg County Remainder | 2002 | 48148 | 6359840 | 4931868 | 8221 | 2016 | 2446 | 4.19 | 102.43 |
| | 2003 | 52063 | 7545367 | 5426402 | 33046 | 2274 | 2386 | 4.37 | 104.23 |
| | 2004 | 55873 | 7930351 | 5435469 | 46420 | 2365 | 2298 | 4.23 | 97.28 |
| | Total | 156084 | 21835558 | 15793739 | 87687 | 6655 | 2373 | 4.26 | 101.19 |
| 52 Charlotte | 2002 | 406040 | 66030147 | 48365294 | 288322 | 20570 | 2351 | 5.07 | 119.11 |
| | 2003 | 416967 | 74363368 | 49087274 | 337457 | 21577 | 2275 | 5.17 | 117.72 |
| | 2004 | 430128 | 74699438 | 48586275 | 382893 | 21690 | 2240 | 5.04 | 112.96 |
| | Total | 1253135 | 215092953 | 146038843 | 1008672 | 63837 | 2288 | 5.09 | 116.54 |
| Statewide Totals | 2002 | 5930356 | 739600178 | 528182108 | 2600388 | 226207 | 2335 | 3.81 | 89.06 |
| | 2003 | 6059878 | 827032446 | 544326797 | 4134249 | 236206 | 2304 | 3.90 | 89.82 |
| | 2004 | 6248980 | 829769256 | 538047956 | 4909993 | 238789 | 2253 | 3.82 | 86.10 |
| | Total | 18239214 | 2396401880 | 1610556861 | 11644630 | 701202 | 2297 | 3.84 | 88.30 |

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
MEDICAL PAYMENTS

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|------------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 11 Asheville | 2002 | 61983 | 1067835 | 513294 | 338713 | 541 | 949 | 0.87 | 8.28 |
| | 2003 | 64140 | 1187997 | 631608 | 287595 | 544 | 1161 | 0.85 | 9.85 |
| | 2004 | 66311 | 1298894 | 677067 | 291537 | 563 | 1203 | 0.85 | 10.21 |
| | Total | 192434 | 3554726 | 1821969 | 917845 | 1648 | 1106 | 0.86 | 9.47 |
| 13 Durham | 2002 | 84755 | 2213225 | 1245793 | 619955 | 1277 | 976 | 1.51 | 14.70 |
| | 2003 | 85924 | 2318038 | 1055275 | 603105 | 1147 | 920 | 1.33 | 12.28 |
| | 2004 | 87781 | 2494884 | 1188369 | 542811 | 1141 | 1042 | 1.30 | 13.54 |
| | Total | 258460 | 7026147 | 3489437 | 1765871 | 3565 | 979 | 1.38 | 13.50 |
| 14 Greensboro-Hamilton Lakes | 2002 | 99790 | 2367780 | 1647983 | 741226 | 1509 | 1092 | 1.51 | 16.51 |
| | 2003 | 101323 | 2603063 | 1569552 | 693302 | 1481 | 1060 | 1.46 | 15.49 |
| | 2004 | 101784 | 2860778 | 1402913 | 609362 | 1298 | 1081 | 1.28 | 13.78 |
| | Total | 302897 | 7831621 | 4620448 | 2043890 | 4288 | 1078 | 1.42 | 15.25 |
| 15 High Point | 2002 | 34497 | 873628 | 612202 | 277570 | 641 | 955 | 1.86 | 17.75 |
| | 2003 | 35070 | 982857 | 639660 | 284860 | 591 | 1082 | 1.69 | 18.24 |
| | 2004 | 35463 | 1066804 | 539680 | 239378 | 518 | 1042 | 1.46 | 15.22 |
| | Total | 105030 | 2923289 | 1791542 | 801808 | 1750 | 1024 | 1.67 | 17.06 |
| 16 Raleigh | 2002 | 248746 | 6027570 | 3547903 | 1595591 | 3045 | 1165 | 1.22 | 14.26 |
| | 2003 | 257205 | 6449962 | 3785485 | 1632414 | 3092 | 1224 | 1.20 | 14.72 |
| | 2004 | 269170 | 6995003 | 3648592 | 1840436 | 3072 | 1188 | 1.14 | 13.55 |
| | Total | 775121 | 19472535 | 10981980 | 5068441 | 9209 | 1193 | 1.19 | 14.17 |

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
 AUTOMOBILE LIABILITY EXPERIENCE (1)
 PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
 MEDICAL PAYMENTS

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | Incurred Losses (5) | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|-------------------------|---------------|------------------|------------------------------|---------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 17 Wilmington | 2002 | 83319 | 2346493 | 1574575 | 538198 | 1315 | 1197 | 1.58 | 18.90 |
| | 2003 | 86106 | 2522728 | 1691814 | 725802 | 1342 | 1261 | 1.56 | 19.65 |
| | 2004 | 89754 | 2839681 | 1430556 | 684558 | 1234 | 1159 | 1.37 | 15.94 |
| | Total | 259179 | 7708902 | 4696945 | 1948558 | 3891 | 1207 | 1.50 | 18.12 |
| 18 Winston-Salem | 2002 | 99670 | 1818743 | 1302228 | 453952 | 1219 | 1068 | 1.22 | 13.07 |
| | 2003 | 100979 | 2049760 | 1256422 | 547010 | 1140 | 1102 | 1.13 | 12.44 |
| | 2004 | 101936 | 2263847 | 1178565 | 464312 | 1110 | 1062 | 1.09 | 11.56 |
| | Total | 302585 | 6132350 | 3737215 | 1465274 | 3469 | 1077 | 1.15 | 12.35 |
| 24 Western Territories | 2002 | 1473601 | 25826689 | 16241601 | 6494118 | 16560 | 981 | 1.12 | 11.02 |
| | 2003 | 1497138 | 29378693 | 15599327 | 6366358 | 15913 | 980 | 1.06 | 10.42 |
| | 2004 | 1526336 | 31824154 | 14922082 | 5917525 | 14724 | 1013 | 0.96 | 9.78 |
| | Total | 4497075 | 87029536 | 46763010 | 18778001 | 47197 | 991 | 1.05 | 10.40 |
| 25 Gaston County | 2002 | 88650 | 1878391 | 1226681 | 458131 | 1224 | 1002 | 1.38 | 13.84 |
| | 2003 | 88928 | 2031408 | 1093514 | 482994 | 1162 | 941 | 1.31 | 12.30 |
| | 2004 | 90901 | 2210131 | 1169343 | 429879 | 1118 | 1046 | 1.23 | 12.86 |
| | Total | 268479 | 6119930 | 3489538 | 1371004 | 3504 | 996 | 1.31 | 13.00 |
| 26 Southern Territories | 2002 | 315585 | 8056940 | 6701716 | 1793001 | 6386 | 1049 | 2.02 | 21.24 |
| | 2003 | 324305 | 9083228 | 6441852 | 1914421 | 5959 | 1081 | 1.84 | 19.86 |
| | 2004 | 335685 | 9816739 | 6072391 | 1605206 | 5704 | 1065 | 1.70 | 18.09 |
| | Total | 975575 | 26956907 | 19215959 | 5312628 | 18049 | 1065 | 1.85 | 19.70 |

Notes:
 (1) Not under fleet plan.
 (2) Premiums include charges for excess limits.
 (3) Claim frequency is per 100 cars.
 (4) Basic limits.
 (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
MEDICAL PAYMENTS

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|------------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 31 Wilson, Rocky Mount, etc. | 2002 | 206293 | 5300379 | 3576665 | 1196649 | 3335 | 1072 | 1.62 | 17.34 |
| | 2003 | 212642 | 5658647 | 3757348 | 1202962 | 3328 | 1129 | 1.57 | 17.67 |
| | 2004 | 222137 | 5970909 | 3466451 | 1182451 | 3151 | 1100 | 1.42 | 15.61 |
| | Total | 641072 | 16929935 | 10800464 | 3582062 | 9814 | 1101 | 1.53 | 16.85 |
| 32 Guilford, Buncombe, etc. | 2002 | 459662 | 9025800 | 5378619 | 2510084 | 5344 | 1006 | 1.16 | 11.70 |
| | 2003 | 466414 | 9882988 | 5626565 | 2963296 | 5175 | 1087 | 1.11 | 12.06 |
| | 2004 | 476153 | 10546889 | 5413523 | 2373003 | 4971 | 1089 | 1.04 | 11.37 |
| | Total | 1402229 | 29455677 | 16418707 | 7846383 | 15490 | 1060 | 1.10 | 11.71 |
| 33 Eastern Territories | 2002 | 602114 | 13995992 | 10012393 | 2915626 | 9691 | 1033 | 1.61 | 16.63 |
| | 2003 | 617762 | 15164778 | 9783944 | 3249717 | 9205 | 1063 | 1.49 | 15.84 |
| | 2004 | 634850 | 16146172 | 9596849 | 2734479 | 8800 | 1091 | 1.39 | 15.12 |
| | Total | 1854726 | 45306942 | 29393186 | 8899822 | 27696 | 1061 | 1.49 | 15.85 |
| 40 Fayetteville | 2002 | 101581 | 2984518 | 2107385 | 1047764 | 2079 | 1014 | 2.05 | 20.75 |
| | 2003 | 102717 | 3405920 | 1955448 | 1021171 | 1903 | 1028 | 1.85 | 19.04 |
| | 2004 | 103869 | 3699311 | 1779886 | 897671 | 1821 | 977 | 1.75 | 17.14 |
| | Total | 308167 | 10089749 | 5842719 | 2966606 | 5803 | 1007 | 1.88 | 18.96 |
| 41 Onslow County | 2002 | 55149 | 1536521 | 910375 | 449727 | 791 | 1151 | 1.43 | 16.51 |
| | 2003 | 55866 | 1642762 | 919350 | 476293 | 802 | 1146 | 1.44 | 16.46 |
| | 2004 | 58046 | 1778242 | 812449 | 503232 | 737 | 1102 | 1.27 | 14.00 |
| | Total | 169061 | 4957525 | 2642174 | 1429252 | 2330 | 1134 | 1.38 | 15.63 |

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
MEDICAL PAYMENTS

| Territory | Accident Year | Earned Car Years | Collected Earned Premium (2) | <u>Incurred Losses (5)</u> | | Claims | Average Claim Cost (4) | Claim Freq. (3) | Pure Prem. (4) |
|------------------------------------|---------------|------------------|------------------------------|----------------------------|---------------|--------|------------------------|-----------------|----------------|
| | | | | Basic Limits | Excess Limits | | | | |
| 43 Craven County | 2002 | 53128 | 1233591 | 952160 | 347226 | 872 | 1092 | 1.64 | 17.92 |
| | 2003 | 54443 | 1393717 | 836197 | 386410 | 817 | 1023 | 1.50 | 15.36 |
| | 2004 | 56037 | 1437917 | 788706 | 334359 | 776 | 1016 | 1.38 | 14.07 |
| | Total | 163608 | 4065225 | 2577063 | 1067995 | 2465 | 1045 | 1.51 | 15.75 |
| 47 Wayne County | 2002 | 63208 | 1519723 | 982881 | 404021 | 1077 | 913 | 1.70 | 15.55 |
| | 2003 | 60832 | 1571828 | 1082944 | 298039 | 960 | 1128 | 1.58 | 17.80 |
| | 2004 | 65387 | 1696693 | 970084 | 359478 | 951 | 1020 | 1.45 | 14.84 |
| | Total | 189427 | 4788244 | 3035909 | 1061538 | 2988 | 1016 | 1.58 | 16.03 |
| 51 Mecklenburg County Remainder | 2002 | 36402 | 777994 | 433150 | 283045 | 444 | 976 | 1.22 | 11.90 |
| | 2003 | 39112 | 876291 | 443804 | 205699 | 396 | 1121 | 1.01 | 11.35 |
| | 2004 | 41943 | 979214 | 411410 | 288017 | 365 | 1127 | 0.87 | 9.81 |
| | Total | 117457 | 2633499 | 1288364 | 776761 | 1205 | 1069 | 1.03 | 10.97 |
| 52 Charlotte | 2002 | 264098 | 7429465 | 5202395 | 2193846 | 4673 | 1113 | 1.77 | 19.70 |
| | 2003 | 273044 | 7811430 | 5395433 | 2357554 | 4837 | 1115 | 1.77 | 19.76 |
| | 2004 | 282527 | 8761497 | 5080853 | 2641072 | 4686 | 1084 | 1.66 | 17.98 |
| | Total | 819669 | 24002392 | 15678681 | 7192472 | 14196 | 1104 | 1.73 | 19.13 |
| Statewide Totals | 2002 | 4432231 | 96281277 | 64169999 | 24658443 | 62023 | 1035 | 1.40 | 14.48 |
| | 2003 | 4523950 | 106016095 | 63565542 | 25699002 | 59794 | 1063 | 1.32 | 14.05 |
| | 2004 | 4646070 | 114687759 | 60549769 | 23938766 | 56740 | 1067 | 1.22 | 13.03 |
| | Total | 13602251 | 316985131 | 188285310 | 74296211 | 178557 | 1054 | 1.31 | 13.84 |

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 001 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|--------------|-------------------------------|----------|--------|-----------|----------|---------|-----------|-------|-------|
| Territory | | Year | Car | Earned | Loss | Claim | Claim | Prem. | |
| | | | Years | Premium | | Cost | Freq. (2) | | |
| 11 | Asheville | 2002 | 31336 | 2374826 | 1097355 | 1763 | 622 | 5.63 | 35.02 |
| | | 2003 | 31737 | 2314810 | 1913043 | 2344 | 816 | 7.39 | 60.28 |
| | | 2004 | 31019 | 2058424 | 1515860 | 2028 | 747 | 6.54 | 48.87 |
| | | Total | 94092 | 6748060 | 4526258 | 6135 | 738 | 6.52 | 48.10 |
| 13 | Durham | 2002 | 29147 | 3253136 | 1846739 | 2521 | 733 | 8.65 | 63.36 |
| | | 2003 | 28014 | 3033515 | 2186230 | 2680 | 816 | 9.57 | 78.04 |
| | | 2004 | 26331 | 2563458 | 1496689 | 2100 | 713 | 7.98 | 56.84 |
| | | Total | 83492 | 8850109 | 5529658 | 7301 | 757 | 8.74 | 66.23 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 37509 | 3618809 | 1862642 | 2767 | 673 | 7.38 | 49.66 |
| | | 2003 | 36700 | 3569107 | 2270372 | 3236 | 702 | 8.82 | 61.86 |
| | | 2004 | 34746 | 3193774 | 1450833 | 2513 | 577 | 7.23 | 41.76 |
| | | Total | 108955 | 10381690 | 5583847 | 8516 | 656 | 7.82 | 51.25 |
| 15 | High Point | 2002 | 13750 | 1199455 | 716192 | 944 | 759 | 6.87 | 52.09 |
| | | 2003 | 13683 | 1157667 | 819354 | 1085 | 755 | 7.93 | 59.88 |
| | | 2004 | 12982 | 1020272 | 503736 | 918 | 549 | 7.07 | 38.80 |
| | | Total | 40415 | 3377394 | 2039282 | 2947 | 692 | 7.29 | 50.46 |
| 16 | Raleigh | 2002 | 86343 | 9043340 | 5876022 | 7773 | 756 | 9.00 | 68.05 |
| | | 2003 | 84253 | 8459123 | 5956281 | 7737 | 770 | 9.18 | 70.70 |
| | | 2004 | 82006 | 7244306 | 3698015 | 6301 | 587 | 7.68 | 45.09 |
| | | Total | 252602 | 24746769 | 15530318 | 21811 | 712 | 8.63 | 61.48 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 001 | | Accident | Earned | Collected | Average | | Claim | Pure | |
|--------------|-------------------------|----------|---------|-----------|-----------|--------|-------|-----------|-------|
| Territory | | Year | Car | Earned | Paid | Claims | Cost | Freq. (2) | Prem. |
| | | | Years | Premium | Loss | | | | |
| 17 | Wilmington | 2002 | 25634 | 2299459 | 1071051 | 1265 | 847 | 4.93 | 41.78 |
| | | 2003 | 25315 | 2294547 | 1076728 | 1173 | 918 | 4.63 | 42.53 |
| | | 2004 | 25110 | 2060132 | 1102791 | 1293 | 853 | 5.15 | 43.92 |
| | | Total | 76059 | 6654138 | 3250570 | 3731 | 871 | 4.91 | 42.74 |
| 18 | Winston-Salem | 2002 | 55263 | 4759439 | 2311222 | 3607 | 641 | 6.53 | 41.82 |
| | | 2003 | 54488 | 4650747 | 3164850 | 4222 | 750 | 7.75 | 58.08 |
| | | 2004 | 52709 | 3969710 | 2345518 | 3635 | 645 | 6.90 | 44.50 |
| | | Total | 162460 | 13379896 | 7821590 | 11464 | 682 | 7.06 | 48.14 |
| 24 | Western Territories | 2002 | 677152 | 68714184 | 38248703 | 49442 | 774 | 7.30 | 56.48 |
| | | 2003 | 664761 | 70772707 | 53006014 | 57618 | 920 | 8.67 | 79.74 |
| | | 2004 | 657483 | 63089680 | 36413360 | 48357 | 753 | 7.35 | 55.38 |
| | | Total | 1999396 | 202576571 | 127668077 | 155417 | 821 | 7.77 | 63.85 |
| 25 | Gaston County | 2002 | 38204 | 3233691 | 1820975 | 2451 | 743 | 6.42 | 47.66 |
| | | 2003 | 37908 | 3049025 | 2242887 | 2768 | 810 | 7.30 | 59.17 |
| | | 2004 | 37249 | 2704036 | 1547595 | 2252 | 687 | 6.05 | 41.55 |
| | | Total | 113361 | 8986752 | 5611457 | 7471 | 751 | 6.59 | 49.50 |
| 26 | Southern Territories | 2002 | 89071 | 11044222 | 6016537 | 8249 | 729 | 9.26 | 67.55 |
| | | 2003 | 87398 | 11378113 | 7330899 | 8379 | 875 | 9.59 | 83.88 |
| | | 2004 | 86122 | 10262909 | 5364230 | 7608 | 705 | 8.83 | 62.29 |
| | | Total | 262591 | 32685244 | 18711666 | 24236 | 772 | 9.23 | 71.26 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 001 | | Accident | Earned | Collected | Paid | Average | Claim | Pure |
|---------------------------------|-------|----------|----------|-----------|--------|---------|-----------|--------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Claim | Prem. |
| | | Years | Premium | | | Cost | Freq. (2) | |
| 31 Wilson, Rocky Mount, etc. | 2002 | 68441 | 7717556 | 4432635 | 5926 | 748 | 8.66 | 64.77 |
| | 2003 | 67222 | 7516266 | 4490377 | 5687 | 790 | 8.46 | 66.80 |
| | 2004 | 65756 | 6786918 | 3738360 | 5429 | 689 | 8.26 | 56.85 |
| | Total | 201419 | 22020740 | 12661372 | 17042 | 743 | 8.46 | 62.86 |
| 32 Guilford, Buncombe, etc. | 2002 | 227305 | 21073000 | 11545107 | 17939 | 644 | 7.89 | 50.79 |
| | 2003 | 225203 | 21352939 | 15580728 | 20491 | 760 | 9.10 | 69.19 |
| | 2004 | 221073 | 19129829 | 11122796 | 17768 | 626 | 8.04 | 50.31 |
| | Total | 673581 | 61555768 | 38248631 | 56198 | 681 | 8.34 | 56.78 |
| 33 Eastern Territories | 2002 | 198301 | 26293296 | 15178614 | 17498 | 867 | 8.82 | 76.54 |
| | 2003 | 194430 | 26954888 | 24578847 | 21337 | 1152 | 10.97 | 126.41 |
| | 2004 | 191320 | 24400497 | 14753632 | 17011 | 867 | 8.89 | 77.11 |
| | Total | 584051 | 77648681 | 54511093 | 55846 | 976 | 9.56 | 93.33 |
| 40 Fayetteville | 2002 | 24049 | 2542142 | 1825883 | 2589 | 705 | 10.77 | 75.92 |
| | 2003 | 23815 | 2545223 | 1385289 | 2203 | 629 | 9.25 | 58.17 |
| | 2004 | 22722 | 2412919 | 1225248 | 2169 | 565 | 9.55 | 53.92 |
| | Total | 70586 | 7500284 | 4436420 | 6961 | 637 | 9.86 | 62.85 |
| 41 Onslow County | 2002 | 11604 | 1176308 | 480000 | 605 | 793 | 5.21 | 41.37 |
| | 2003 | 11726 | 1198631 | 499223 | 567 | 880 | 4.84 | 42.57 |
| | 2004 | 11576 | 1171248 | 573043 | 601 | 953 | 5.19 | 49.50 |
| | Total | 34906 | 3546187 | 1552266 | 1773 | 876 | 5.08 | 44.47 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 001 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|------------------|---------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 43 | Craven County | 2002 | 10865 | 933417 | 472674 | 585 | 808 | 5.38 | 43.50 |
| | | 2003 | 11064 | 1039784 | 605933 | 605 | 1002 | 5.47 | 54.77 |
| | | 2004 | 10567 | 1017157 | 506840 | 572 | 886 | 5.41 | 47.96 |
| | | Total | 32496 | 2990358 | 1585447 | 1762 | 900 | 5.42 | 48.79 |
| 47 | Wayne County | 2002 | 20071 | 1992596 | 919127 | 1460 | 630 | 7.27 | 45.79 |
| | | 2003 | 19891 | 1997292 | 985493 | 1378 | 715 | 6.93 | 49.54 |
| | | 2004 | 19074 | 1717119 | 876434 | 1359 | 645 | 7.12 | 45.95 |
| | | Total | 59036 | 5707007 | 2781054 | 4197 | 663 | 7.11 | 47.11 |
| 51 | Mecklenburg County Remainder | 2002 | 11797 | 1143095 | 686181 | 1057 | 649 | 8.96 | 58.17 |
| | | 2003 | 12480 | 1165972 | 709218 | 1148 | 618 | 9.20 | 56.83 |
| | | 2004 | 12532 | 1062811 | 704159 | 1113 | 633 | 8.88 | 56.19 |
| | | Total | 36809 | 3371878 | 2099558 | 3318 | 633 | 9.01 | 57.04 |
| 52 | Charlotte | 2002 | 79848 | 7468573 | 4897669 | 6419 | 763 | 8.04 | 61.34 |
| | | 2003 | 78638 | 7275978 | 5229778 | 6631 | 789 | 8.43 | 66.50 |
| | | 2004 | 76936 | 6387982 | 4247021 | 5983 | 710 | 7.78 | 55.20 |
| | | Total | 235422 | 21132533 | 14374468 | 19033 | 755 | 8.08 | 61.06 |
| Statewide Totals | | 2002 | 1735690 | 179880544 | 101305328 | 134860 | 751 | 7.77 | 58.37 |
| | | 2003 | 1708726 | 181726334 | 134031544 | 151289 | 886 | 8.85 | 78.44 |
| | | 2004 | 1677313 | 162253181 | 93186160 | 129010 | 722 | 7.69 | 55.56 |
| | | Total | 5121729 | 523860059 | 328523032 | 415159 | 791 | 8.11 | 64.14 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 003 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|--------------|-------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 11 | Asheville | 2002 | 6641 | 506442 | 220222 | 349 | 631 | 5.26 | 33.16 |
| | | 2003 | 6878 | 503180 | 412851 | 463 | 892 | 6.73 | 60.02 |
| | | 2004 | 6534 | 423956 | 274385 | 362 | 758 | 5.54 | 41.99 |
| | | Total | 20053 | 1433578 | 907458 | 1174 | 773 | 5.85 | 45.25 |
| 13 | Durham | 2002 | 9474 | 1073935 | 542244 | 824 | 658 | 8.70 | 57.23 |
| | | 2003 | 9344 | 1001039 | 669639 | 837 | 800 | 8.96 | 71.67 |
| | | 2004 | 8560 | 820774 | 348928 | 610 | 572 | 7.13 | 40.76 |
| | | Total | 27378 | 2895748 | 1560811 | 2271 | 687 | 8.29 | 57.01 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 11684 | 1156490 | 530059 | 840 | 631 | 7.19 | 45.37 |
| | | 2003 | 11378 | 1120113 | 595172 | 824 | 722 | 7.24 | 52.31 |
| | | 2004 | 10298 | 941108 | 362257 | 669 | 541 | 6.50 | 35.18 |
| | | Total | 33360 | 3217711 | 1487488 | 2333 | 638 | 6.99 | 44.59 |
| 15 | High Point | 2002 | 3326 | 297973 | 99496 | 180 | 553 | 5.41 | 29.91 |
| | | 2003 | 3426 | 285208 | 233280 | 288 | 810 | 8.41 | 68.09 |
| | | 2004 | 3083 | 233928 | 119328 | 209 | 571 | 6.78 | 38.71 |
| | | Total | 9835 | 817109 | 452104 | 677 | 668 | 6.88 | 45.97 |
| 16 | Raleigh | 2002 | 24339 | 2539904 | 1526522 | 1952 | 782 | 8.02 | 62.72 |
| | | 2003 | 24322 | 2410573 | 1709345 | 2106 | 812 | 8.66 | 70.28 |
| | | 2004 | 23107 | 1985527 | 930172 | 1619 | 575 | 7.01 | 40.25 |
| | | Total | 71768 | 6936004 | 4166039 | 5677 | 734 | 7.91 | 58.05 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 003 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|--------------|-------------------------|----------|---------|-----------|----------|---------|-----------|-------|-------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Claim | Prem. | |
| | | Years | Premium | | | Cost | Freq. (2) | | |
| 17 | Wilmington | 2002 | 10425 | 926022 | 421035 | 476 | 885 | 4.57 | 40.39 |
| | | 2003 | 10449 | 913136 | 515042 | 481 | 1071 | 4.60 | 49.29 |
| | | 2004 | 9864 | 792969 | 442536 | 483 | 916 | 4.90 | 44.86 |
| | | Total | 30738 | 2632127 | 1378613 | 1440 | 957 | 4.68 | 44.85 |
| 18 | Winston-Salem | 2002 | 8460 | 736945 | 292455 | 464 | 630 | 5.48 | 34.57 |
| | | 2003 | 8246 | 708467 | 409035 | 551 | 742 | 6.68 | 49.60 |
| | | 2004 | 7423 | 548435 | 262086 | 421 | 623 | 5.67 | 35.31 |
| | | Total | 24129 | 1993847 | 963576 | 1436 | 671 | 5.95 | 39.93 |
| 24 | Western Territories | 2002 | 106698 | 11080907 | 5052279 | 6768 | 746 | 6.34 | 47.35 |
| | | 2003 | 103039 | 11243638 | 7608083 | 7789 | 977 | 7.56 | 73.84 |
| | | 2004 | 98939 | 9390314 | 4991122 | 6345 | 787 | 6.41 | 50.45 |
| | | Total | 308676 | 31714859 | 17651484 | 20902 | 844 | 6.77 | 57.18 |
| 25 | Gaston County | 2002 | 5659 | 505161 | 243404 | 298 | 817 | 5.27 | 43.01 |
| | | 2003 | 5718 | 466354 | 276621 | 360 | 768 | 6.30 | 48.38 |
| | | 2004 | 5274 | 380558 | 167815 | 294 | 571 | 5.57 | 31.82 |
| | | Total | 16651 | 1352073 | 687840 | 952 | 723 | 5.72 | 41.31 |
| 26 | Southern Territories | 2002 | 22975 | 2896017 | 1375430 | 1880 | 732 | 8.18 | 59.87 |
| | | 2003 | 22569 | 2951851 | 2083725 | 2079 | 1002 | 9.21 | 92.33 |
| | | 2004 | 21457 | 2528363 | 1273581 | 1752 | 727 | 8.17 | 59.36 |
| | | Total | 67001 | 8376231 | 4732736 | 5711 | 829 | 8.52 | 70.64 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 003 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|--------------|------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 16941 | 1900622 | 1069545 | 1397 | 766 | 8.25 | 63.13 |
| | | 2003 | 17031 | 1881865 | 1049228 | 1410 | 744 | 8.28 | 61.61 |
| | | 2004 | 16143 | 1636726 | 827731 | 1254 | 660 | 7.77 | 51.27 |
| | | Total | 50115 | 5419213 | 2946504 | 4061 | 726 | 8.10 | 58.79 |
| 32 | Guilford, Buncombe, etc. | 2002 | 36739 | 3468569 | 1864809 | 2668 | 699 | 7.26 | 50.76 |
| | | 2003 | 36516 | 3498739 | 2427895 | 2942 | 825 | 8.06 | 66.49 |
| | | 2004 | 34908 | 2997502 | 1537888 | 2608 | 590 | 7.47 | 44.06 |
| | | Total | 108163 | 9964810 | 5830592 | 8218 | 709 | 7.60 | 53.91 |
| 33 | Eastern Territories | 2002 | 37858 | 4983611 | 2412389 | 2849 | 847 | 7.53 | 63.72 |
| | | 2003 | 37417 | 5105972 | 3972060 | 3310 | 1200 | 8.85 | 106.16 |
| | | 2004 | 35603 | 4449586 | 2080100 | 2523 | 824 | 7.09 | 58.42 |
| | | Total | 110878 | 14539169 | 8464549 | 8682 | 975 | 7.83 | 76.34 |
| 40 | Fayetteville | 2002 | 10780 | 1206991 | 762520 | 1123 | 679 | 10.42 | 70.73 |
| | | 2003 | 10732 | 1187682 | 617174 | 899 | 687 | 8.38 | 57.51 |
| | | 2004 | 9859 | 1034881 | 524233 | 870 | 603 | 8.82 | 53.17 |
| | | Total | 31371 | 3429554 | 1903927 | 2892 | 658 | 9.22 | 60.69 |
| 41 | Onslow County | 2002 | 2908 | 302802 | 140727 | 184 | 765 | 6.33 | 48.39 |
| | | 2003 | 2907 | 300260 | 100024 | 124 | 807 | 4.27 | 34.41 |
| | | 2004 | 2629 | 265649 | 119286 | 113 | 1056 | 4.30 | 45.37 |
| | | Total | 8444 | 868711 | 360037 | 421 | 855 | 4.99 | 42.64 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 003 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|------------------|---------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 43 | Craven County | 2002 | 5449 | 456071 | 164058 | 261 | 629 | 4.79 | 30.11 |
| | | 2003 | 5413 | 504627 | 245057 | 266 | 921 | 4.91 | 45.27 |
| | | 2004 | 4875 | 461509 | 159468 | 212 | 752 | 4.35 | 32.71 |
| | | Total | 15737 | 1422207 | 568583 | 739 | 769 | 4.70 | 36.13 |
| 47 | Wayne County | 2002 | 3231 | 338780 | 170201 | 218 | 781 | 6.75 | 52.68 |
| | | 2003 | 3088 | 314142 | 116792 | 193 | 605 | 6.25 | 37.82 |
| | | 2004 | 2778 | 251816 | 121703 | 204 | 597 | 7.34 | 43.81 |
| | | Total | 9097 | 904738 | 408696 | 615 | 665 | 6.76 | 44.93 |
| 51 | Mecklenburg County Remainder | 2002 | 2814 | 272939 | 168124 | 230 | 731 | 8.17 | 59.75 |
| | | 2003 | 3117 | 278908 | 134813 | 236 | 571 | 7.57 | 43.25 |
| | | 2004 | 2857 | 232984 | 136276 | 202 | 675 | 7.07 | 47.70 |
| | | Total | 8788 | 784831 | 439213 | 668 | 658 | 7.60 | 49.98 |
| 52 | Charlotte | 2002 | 21993 | 2097855 | 1243014 | 1570 | 792 | 7.14 | 56.52 |
| | | 2003 | 21980 | 2045465 | 1376833 | 1637 | 841 | 7.45 | 62.64 |
| | | 2004 | 20513 | 1683206 | 1036751 | 1395 | 743 | 6.80 | 50.54 |
| | | Total | 64486 | 5826526 | 3656598 | 4602 | 795 | 7.14 | 56.70 |
| Statewide Totals | | 2002 | 348394 | 36748036 | 18298533 | 24531 | 746 | 7.04 | 52.52 |
| | | 2003 | 343570 | 36721219 | 24552669 | 26795 | 916 | 7.80 | 71.46 |
| | | 2004 | 324704 | 31059791 | 15715646 | 22145 | 710 | 6.82 | 48.40 |
| | | Total | 1016668 | 104529046 | 58566848 | 73471 | 797 | 7.23 | 57.61 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 010 | | Accident | Earned | Collected | Paid | Average | Claim | Pure |
|----------------------------------|-------|----------|----------|-----------|--------|---------|-----------|-------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Claim | Prem. |
| | | Years | Premium | | | Cost | Freq. (2) | |
| 11 Asheville | 2002 | 17613 | 1645129 | 656090 | 1069 | 614 | 6.07 | 37.25 |
| | 2003 | 18425 | 1624517 | 1170196 | 1333 | 878 | 7.23 | 63.51 |
| | 2004 | 18542 | 1516387 | 1050105 | 1242 | 845 | 6.70 | 56.63 |
| | Total | 54580 | 4786033 | 2876391 | 3644 | 789 | 6.68 | 52.70 |
| 13 Durham | 2002 | 26583 | 3718415 | 2066775 | 2638 | 783 | 9.92 | 77.75 |
| | 2003 | 26566 | 3533016 | 2293980 | 2730 | 840 | 10.28 | 86.35 |
| | 2004 | 26028 | 3064806 | 1560023 | 2092 | 746 | 8.04 | 59.94 |
| | Total | 79177 | 10316237 | 5920778 | 7460 | 794 | 9.42 | 74.78 |
| 14 Greensboro- Hamilton Lakes | 2002 | 32533 | 3932985 | 1966231 | 2708 | 726 | 8.32 | 60.44 |
| | 2003 | 33221 | 3933026 | 2253479 | 3108 | 725 | 9.36 | 67.83 |
| | 2004 | 32830 | 3665534 | 1528451 | 2585 | 591 | 7.87 | 46.56 |
| | Total | 98584 | 11531545 | 5748161 | 8401 | 684 | 8.52 | 58.31 |
| 15 High Point | 2002 | 11158 | 1235812 | 681629 | 882 | 773 | 7.90 | 61.09 |
| | 2003 | 11563 | 1233376 | 862072 | 1033 | 835 | 8.93 | 74.55 |
| | 2004 | 11227 | 1133397 | 602103 | 837 | 719 | 7.46 | 53.63 |
| | Total | 33948 | 3602585 | 2145804 | 2752 | 780 | 8.11 | 63.21 |
| 16 Raleigh | 2002 | 77699 | 9395836 | 5121957 | 6979 | 734 | 8.98 | 65.92 |
| | 2003 | 78544 | 8912201 | 5164295 | 7070 | 730 | 9.00 | 65.75 |
| | 2004 | 79315 | 7877427 | 3800320 | 6050 | 628 | 7.63 | 47.91 |
| | Total | 235558 | 26185464 | 14086572 | 20099 | 701 | 8.53 | 59.80 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 010 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|--------------|-------------------------|----------|---------|-----------|----------|---------|-----------|-------|--------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Freq. (2) | Prem. | |
| | | Years | Premium | | | Cost | | | |
| 17 | Wilmington | 2002 | 26601 | 2718109 | 1318681 | 1342 | 983 | 5.04 | 49.57 |
| | | 2003 | 27065 | 2737555 | 1240688 | 1290 | 962 | 4.77 | 45.84 |
| | | 2004 | 26903 | 2458027 | 1371560 | 1381 | 993 | 5.13 | 50.98 |
| | | Total | 80569 | 7913691 | 3930929 | 4013 | 980 | 4.98 | 48.79 |
| 18 | Winston-Salem | 2002 | 28187 | 3189494 | 1523788 | 2092 | 728 | 7.42 | 54.06 |
| | | 2003 | 28716 | 3154305 | 1915612 | 2467 | 776 | 8.59 | 66.71 |
| | | 2004 | 28229 | 2791530 | 1408477 | 2103 | 670 | 7.45 | 49.89 |
| | | Total | 85132 | 9135329 | 4847877 | 6662 | 728 | 7.83 | 56.95 |
| 24 | Western Territories | 2002 | 348189 | 43454219 | 24190957 | 27248 | 888 | 7.83 | 69.48 |
| | | 2003 | 355401 | 45335680 | 32192817 | 33053 | 974 | 9.30 | 90.58 |
| | | 2004 | 363894 | 41700727 | 22469511 | 27758 | 809 | 7.63 | 61.75 |
| | | Total | 1067484 | 130490626 | 78853285 | 88059 | 895 | 8.25 | 73.87 |
| 25 | Gaston County | 2002 | 27770 | 2931590 | 1390948 | 1760 | 790 | 6.34 | 50.09 |
| | | 2003 | 28011 | 2761063 | 1953636 | 2102 | 929 | 7.50 | 69.75 |
| | | 2004 | 28164 | 2485852 | 1360660 | 1698 | 801 | 6.03 | 48.31 |
| | | Total | 83945 | 8178505 | 4705244 | 5560 | 846 | 6.62 | 56.05 |
| 26 | Southern Territories | 2002 | 93417 | 13141513 | 7701631 | 8547 | 901 | 9.15 | 82.44 |
| | | 2003 | 95396 | 13701772 | 11416315 | 10235 | 1115 | 10.73 | 119.67 |
| | | 2004 | 96632 | 12785898 | 7889114 | 8938 | 883 | 9.25 | 81.64 |
| | | Total | 285445 | 39629183 | 27007060 | 27720 | 974 | 9.71 | 94.61 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 010 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|---------------------------------|-------|----------|--------|-----------|----------|---------|-----------|-------|--------|
| Territory | Year | Year | Car | Earned | Loss | Claim | Freq. (2) | Prem. | |
| | | Years | Years | Premium | | Cost | | | |
| 31 Wilson, Rocky Mount, etc. | 2002 | | 64127 | 8371820 | 4938628 | 5809 | 850 | 9.06 | 77.01 |
| | 2003 | | 65784 | 8423263 | 4763598 | 5891 | 809 | 8.96 | 72.41 |
| | 2004 | | 67029 | 8006676 | 4127668 | 5674 | 727 | 8.46 | 61.58 |
| | Total | | 196940 | 24801759 | 13829894 | 17374 | 796 | 8.82 | 70.22 |
| 32 Guilford, Buncombe, etc. | 2002 | | 112685 | 12994223 | 6665391 | 9066 | 735 | 8.05 | 59.15 |
| | 2003 | | 115736 | 13441346 | 8481502 | 10762 | 788 | 9.30 | 73.28 |
| | 2004 | | 117734 | 12418051 | 6464145 | 9472 | 682 | 8.05 | 54.90 |
| | Total | | 346155 | 38853620 | 21611038 | 29300 | 738 | 8.46 | 62.43 |
| 33 Eastern Territories | 2002 | | 145372 | 22116646 | 13174365 | 13558 | 972 | 9.33 | 90.63 |
| | 2003 | | 147628 | 23080149 | 20420241 | 16674 | 1225 | 11.29 | 138.32 |
| | 2004 | | 149795 | 22128403 | 13767002 | 13775 | 999 | 9.20 | 91.91 |
| | Total | | 442795 | 67325198 | 47361608 | 44007 | 1076 | 9.94 | 106.96 |
| 40 Fayetteville | 2002 | | 34247 | 4142228 | 2974967 | 3992 | 745 | 11.66 | 86.87 |
| | 2003 | | 33909 | 4090715 | 2212347 | 3304 | 670 | 9.74 | 65.24 |
| | 2004 | | 32775 | 3904678 | 1871163 | 3084 | 607 | 9.41 | 57.09 |
| | Total | | 100931 | 12137621 | 7058477 | 10380 | 680 | 10.28 | 69.93 |
| 41 Onslow County | 2002 | | 15745 | 1729381 | 696257 | 802 | 868 | 5.09 | 44.22 |
| | 2003 | | 15252 | 1695359 | 645542 | 697 | 926 | 4.57 | 42.33 |
| | 2004 | | 14570 | 1602990 | 647057 | 734 | 882 | 5.04 | 44.41 |
| | Total | | 45567 | 5027730 | 1988856 | 2233 | 891 | 4.90 | 43.65 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 010 | | Accident | Earned | Collected | Paid | Average | Claim | Pure |
|------------------------------------|-------|----------|-----------|-----------|--------|---------|-----------|-------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Claim | Prem. |
| | | Years | Premium | | | Cost | Freq. (2) | |
| 43 Craven County | 2002 | 16928 | 1692383 | 802353 | 891 | 901 | 5.26 | 47.40 |
| | 2003 | 17625 | 1921186 | 1192906 | 1009 | 1182 | 5.72 | 67.68 |
| | 2004 | 17511 | 1949948 | 852647 | 930 | 917 | 5.31 | 48.69 |
| | Total | 52064 | 5563517 | 2847906 | 2830 | 1006 | 5.44 | 54.70 |
| 47 Wayne County | 2002 | 16774 | 2021500 | 950707 | 1280 | 743 | 7.63 | 56.68 |
| | 2003 | 17406 | 2051812 | 1006666 | 1210 | 832 | 6.95 | 57.83 |
| | 2004 | 17013 | 1864349 | 867240 | 1211 | 716 | 7.12 | 50.98 |
| | Total | 51193 | 5937661 | 2824613 | 3701 | 763 | 7.23 | 55.18 |
| 51 Mecklenburg County Remainder | 2002 | 13051 | 1511321 | 776534 | 1122 | 692 | 8.60 | 59.50 |
| | 2003 | 14145 | 1545231 | 833299 | 1258 | 662 | 8.89 | 58.91 |
| | 2004 | 14817 | 1421439 | 836474 | 1307 | 640 | 8.82 | 56.45 |
| | Total | 42013 | 4477991 | 2446307 | 3687 | 663 | 8.78 | 58.23 |
| 52 Charlotte | 2002 | 106777 | 12173393 | 6810477 | 8302 | 820 | 7.78 | 63.78 |
| | 2003 | 106355 | 11615157 | 7620823 | 8908 | 856 | 8.38 | 71.65 |
| | 2004 | 105428 | 10405779 | 6140240 | 8044 | 763 | 7.63 | 58.24 |
| | Total | 318560 | 34194329 | 20571540 | 25254 | 815 | 7.93 | 64.58 |
| Statewide Totals | 2002 | 1215456 | 152115997 | 84408366 | 100087 | 843 | 8.23 | 69.45 |
| | 2003 | 1236748 | 154790729 | 107640014 | 114134 | 943 | 9.23 | 87.03 |
| | 2004 | 1248436 | 143181898 | 78613960 | 98915 | 795 | 7.92 | 62.97 |
| | Total | 3700640 | 450088624 | 270662340 | 313136 | 864 | 8.46 | 73.14 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 055 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claim Cost | Claim Freq. (2) | Pure Prem. | |
|--------------|-------------------------------|------------------|------------------------|--------------------------------|--------------|--------------------------|--------------------|---------------|-------|
| Territory | Claims | | | | | | | | |
| 11 | Asheville | 2002 | 7378 | 644329 | 248950 | 281 | 886 | 3.81 | 33.74 |
| | | 2003 | 8599 | 707587 | 460210 | 415 | 1109 | 4.83 | 53.52 |
| | | 2004 | 9002 | 722512 | 396927 | 399 | 995 | 4.43 | 44.09 |
| | | Total | 24979 | 2074428 | 1106087 | 1095 | 1010 | 4.38 | 44.28 |
| 13 | Durham | 2002 | 15113 | 2050074 | 1175960 | 1070 | 1099 | 7.08 | 77.81 |
| | | 2003 | 15820 | 2072030 | 1331557 | 1294 | 1029 | 8.18 | 84.17 |
| | | 2004 | 16056 | 1922865 | 896892 | 909 | 987 | 5.66 | 55.86 |
| | | Total | 46989 | 6044969 | 3404409 | 3273 | 1040 | 6.97 | 72.45 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 14611 | 1711519 | 890060 | 889 | 1001 | 6.08 | 60.92 |
| | | 2003 | 15866 | 1846029 | 902664 | 1003 | 900 | 6.32 | 56.89 |
| | | 2004 | 16149 | 1806628 | 718346 | 853 | 842 | 5.28 | 44.48 |
| | | Total | 46626 | 5364176 | 2511070 | 2745 | 915 | 5.89 | 53.86 |
| 15 | High Point | 2002 | 4130 | 415560 | 220365 | 250 | 881 | 6.05 | 53.36 |
| | | 2003 | 4591 | 453543 | 280376 | 312 | 899 | 6.80 | 61.07 |
| | | 2004 | 4655 | 443551 | 199106 | 234 | 851 | 5.03 | 42.77 |
| | | Total | 13376 | 1312654 | 699847 | 796 | 879 | 5.95 | 52.32 |
| 16 | Raleigh | 2002 | 41613 | 4934142 | 2864518 | 2834 | 1011 | 6.81 | 68.84 |
| | | 2003 | 44828 | 5023610 | 3013610 | 3073 | 981 | 6.86 | 67.23 |
| | | 2004 | 47225 | 4746247 | 1803790 | 2444 | 738 | 5.18 | 38.20 |
| | | Total | 133666 | 14703999 | 7681918 | 8351 | 920 | 6.25 | 57.47 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
 AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
 PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| Territory | COVERAGE 055 | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Claims | Average | | Pure Prem. |
|-----------|----------------------|---------------|------------------|--------------------------|-----------|--------|------------|-----------------|------------|
| | | | | | | | Claim Cost | Claim Freq. (2) | |
| 17 | Wilmington | 2002 | 14429 | 1406899 | 769558 | 606 | 1270 | 4.20 | 53.33 |
| | | 2003 | 15632 | 1503406 | 806657 | 612 | 1318 | 3.92 | 51.60 |
| | | 2004 | 16303 | 1443558 | 816445 | 608 | 1343 | 3.73 | 50.08 |
| | | Total | 46364 | 4353863 | 2392660 | 1826 | 1310 | 3.94 | 51.61 |
| 18 | Winston-Salem | 2002 | 10767 | 1105315 | 460838 | 570 | 808 | 5.29 | 42.80 |
| | | 2003 | 11737 | 1180803 | 790872 | 740 | 1069 | 6.30 | 67.38 |
| | | 2004 | 11847 | 1114310 | 585731 | 608 | 963 | 5.13 | 49.44 |
| | | Total | 34351 | 3400428 | 1837441 | 1918 | 958 | 5.58 | 53.49 |
| 24 | Western Territories | 2002 | 108968 | 12797298 | 6382861 | 6052 | 1055 | 5.55 | 58.58 |
| | | 2003 | 117850 | 14110418 | 8851555 | 7876 | 1124 | 6.68 | 75.11 |
| | | 2004 | 125755 | 13781665 | 6766084 | 6556 | 1032 | 5.21 | 53.80 |
| | | Total | 352573 | 40689381 | 22000500 | 20484 | 1074 | 5.81 | 62.40 |
| 25 | Gaston County | 2002 | 10451 | 1099507 | 571908 | 497 | 1151 | 4.76 | 54.72 |
| | | 2003 | 11101 | 1090184 | 633382 | 552 | 1147 | 4.97 | 57.06 |
| | | 2004 | 11442 | 1032162 | 514904 | 423 | 1217 | 3.70 | 45.00 |
| | | Total | 32994 | 3221853 | 1720194 | 1472 | 1169 | 4.46 | 52.14 |
| 26 | Southern Territories | 2002 | 33027 | 4568150 | 2426824 | 2276 | 1066 | 6.89 | 73.48 |
| | | 2003 | 35691 | 5013120 | 4085879 | 3010 | 1357 | 8.43 | 114.48 |
| | | 2004 | 38103 | 4937216 | 2426632 | 2286 | 1062 | 6.00 | 63.69 |
| | | Total | 106821 | 14518486 | 8939335 | 7572 | 1181 | 7.09 | 83.69 |

Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 055 | | Accident | Earned | Collected | Paid | Average | Claim | Pure |
|--------------|------------------------------|----------|---------|-----------|----------|---------|-----------|--------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Claim | Prem. |
| | | Years | Premium | | | Cost | Freq. (2) | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 28458 | 3522233 | 1743695 | 1882 | 927 | 61.27 |
| | | 2003 | 31382 | 3815694 | 1998700 | 2068 | 966 | 63.69 |
| | | 2004 | 33807 | 3886993 | 1798197 | 1939 | 927 | 53.19 |
| | | Total | 93647 | 11224920 | 5540592 | 5889 | 941 | 59.16 |
| 32 | Guilford, Buncombe, etc. | 2002 | 40256 | 4359321 | 2086601 | 2320 | 899 | 51.83 |
| | | 2003 | 43645 | 4754020 | 2790542 | 2807 | 994 | 63.94 |
| | | 2004 | 46777 | 4742195 | 1936899 | 2446 | 792 | 41.41 |
| | | Total | 130678 | 13855536 | 6814042 | 7573 | 900 | 52.14 |
| 33 | Eastern Territories | 2002 | 49011 | 7342843 | 4167181 | 3447 | 1209 | 85.03 |
| | | 2003 | 54116 | 8300709 | 7199526 | 4806 | 1498 | 133.04 |
| | | 2004 | 58010 | 8519429 | 4886322 | 3917 | 1247 | 84.23 |
| | | Total | 161137 | 24162981 | 16253029 | 12170 | 1335 | 100.86 |
| 40 | Fayetteville | 2002 | 25865 | 3074081 | 2016681 | 2305 | 875 | 77.97 |
| | | 2003 | 26680 | 3167303 | 1481123 | 1826 | 811 | 55.51 |
| | | 2004 | 26971 | 3182480 | 1728943 | 1833 | 943 | 64.10 |
| | | Total | 79516 | 9423864 | 5226747 | 5964 | 876 | 65.73 |
| 41 | Onslow County | 2002 | 13294 | 1500789 | 681819 | 626 | 1089 | 51.29 |
| | | 2003 | 13221 | 1514639 | 668191 | 571 | 1170 | 50.54 |
| | | 2004 | 13268 | 1497056 | 629916 | 511 | 1233 | 47.48 |
| | | Total | 39783 | 4512484 | 1979926 | 1708 | 1159 | 49.77 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 055 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|------------------|---------------------------------|----------|---------|-----------|-----------|---------|-----------|-------|-------|
| Territory | | Year | Car | Earned | Loss | Claims | Cost | Claim | |
| | | | Years | Premium | | | Freq. (2) | Prem. | |
| 43 | Craven County | 2002 | 8232 | 826164 | 474084 | 375 | 1264 | 4.56 | 57.59 |
| | | 2003 | 8813 | 984034 | 559298 | 400 | 1398 | 4.54 | 63.46 |
| | | 2004 | 8955 | 1025456 | 389816 | 384 | 1015 | 4.29 | 43.53 |
| | | Total | 26000 | 2835654 | 1423198 | 1159 | 1228 | 4.46 | 54.74 |
| 47 | Wayne County | 2002 | 7270 | 868776 | 427857 | 411 | 1041 | 5.65 | 58.85 |
| | | 2003 | 7845 | 930784 | 419071 | 450 | 931 | 5.74 | 53.42 |
| | | 2004 | 8203 | 948365 | 314706 | 392 | 803 | 4.78 | 38.36 |
| | | Total | 23318 | 2747925 | 1161634 | 1253 | 927 | 5.37 | 49.82 |
| 51 | Mecklenburg County Remainder | 2002 | 6353 | 676647 | 239329 | 367 | 652 | 5.78 | 37.67 |
| | | 2003 | 7292 | 735973 | 414446 | 463 | 895 | 6.35 | 56.84 |
| | | 2004 | 7848 | 716030 | 308207 | 412 | 748 | 5.25 | 39.27 |
| | | Total | 21493 | 2128650 | 961982 | 1242 | 775 | 5.78 | 44.76 |
| 52 | Charlotte | 2002 | 56771 | 6346949 | 3755041 | 3456 | 1087 | 6.09 | 66.14 |
| | | 2003 | 60544 | 6586544 | 4869510 | 3819 | 1275 | 6.31 | 80.43 |
| | | 2004 | 62528 | 6314905 | 3426283 | 3356 | 1021 | 5.37 | 54.80 |
| | | Total | 179843 | 19248398 | 12050834 | 10631 | 1134 | 5.91 | 67.01 |
| Statewide Totals | | 2002 | 495997 | 59250596 | 31604130 | 30514 | 1036 | 6.15 | 63.72 |
| | | 2003 | 535253 | 63790430 | 41557169 | 36097 | 1151 | 6.74 | 77.64 |
| | | 2004 | 562904 | 62783623 | 30544146 | 30510 | 1001 | 5.42 | 54.26 |
| | | Total | 1594154 | 185824649 | 103705445 | 97121 | 1068 | 6.09 | 65.05 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 726 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims Cost | Claim Freq. (2) | Pure Prem. | |
|--------------|-------------------------------|------------------|------------------------|--------------------------------|--------------|---------------------------|--------------------|---------------|-------|
| Territory | | | | | | | | | |
| 11 | Asheville | 2002 | 6107 | 493591 | 178130 | 153 | 1164 | 2.51 | 29.17 |
| | | 2003 | 7361 | 568461 | 362900 | 217 | 1672 | 2.95 | 49.30 |
| | | 2004 | 8103 | 612017 | 322275 | 219 | 1472 | 2.70 | 39.77 |
| | | Total | 21571 | 1674069 | 863305 | 589 | 1466 | 2.73 | 40.02 |
| 13 | Durham | 2002 | 13767 | 1831274 | 765867 | 562 | 1363 | 4.08 | 55.63 |
| | | 2003 | 15711 | 2010018 | 1012085 | 698 | 1450 | 4.44 | 64.42 |
| | | 2004 | 16726 | 1996637 | 688018 | 560 | 1229 | 3.35 | 41.13 |
| | | Total | 46204 | 5837929 | 2465970 | 1820 | 1355 | 3.94 | 53.37 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 12463 | 1437531 | 470549 | 424 | 1110 | 3.40 | 37.76 |
| | | 2003 | 14172 | 1630774 | 620983 | 492 | 1262 | 3.47 | 43.82 |
| | | 2004 | 15386 | 1770480 | 606974 | 473 | 1283 | 3.07 | 39.45 |
| | | Total | 42021 | 4838785 | 1698506 | 1389 | 1223 | 3.31 | 40.42 |
| 15 | High Point | 2002 | 3341 | 334434 | 202245 | 121 | 1671 | 3.62 | 60.53 |
| | | 2003 | 3706 | 366606 | 186061 | 152 | 1224 | 4.10 | 50.21 |
| | | 2004 | 4032 | 392528 | 149968 | 107 | 1402 | 2.65 | 37.19 |
| | | Total | 11079 | 1093568 | 538274 | 380 | 1417 | 3.43 | 48.59 |
| 16 | Raleigh | 2002 | 40286 | 4552385 | 2171149 | 1669 | 1301 | 4.14 | 53.89 |
| | | 2003 | 46249 | 4990112 | 2411857 | 1789 | 1348 | 3.87 | 52.15 |
| | | 2004 | 51438 | 5154022 | 1929958 | 1629 | 1185 | 3.17 | 37.52 |
| | | Total | 137973 | 14696519 | 6512964 | 5087 | 1280 | 3.69 | 47.20 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 726 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|--------------|-------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 17 | Wilmington | 2002 | 15124 | 1502231 | 751698 | 403 | 1865 | 2.66 | 49.70 |
| | | 2003 | 18366 | 1831933 | 804767 | 409 | 1968 | 2.23 | 43.82 |
| | | 2004 | 21100 | 2040518 | 958502 | 540 | 1775 | 2.56 | 45.43 |
| | | Total | 54590 | 5374682 | 2514967 | 1352 | 1860 | 2.48 | 46.07 |
| 18 | Winston-Salem | 2002 | 9063 | 909190 | 342065 | 272 | 1258 | 3.00 | 37.74 |
| | | 2003 | 10450 | 1031286 | 491366 | 370 | 1328 | 3.54 | 47.02 |
| | | 2004 | 11184 | 1058864 | 403305 | 322 | 1253 | 2.88 | 36.06 |
| | | Total | 30697 | 2999340 | 1236736 | 964 | 1283 | 3.14 | 40.29 |
| 24 | Western Territories | 2002 | 87536 | 10011491 | 4530944 | 3206 | 1413 | 3.66 | 51.76 |
| | | 2003 | 100122 | 11702283 | 6063608 | 4160 | 1458 | 4.15 | 60.56 |
| | | 2004 | 112370 | 12364450 | 5011912 | 3647 | 1374 | 3.25 | 44.60 |
| | | Total | 300028 | 34078224 | 15606464 | 11013 | 1417 | 3.67 | 52.02 |
| 25 | Gaston County | 2002 | 8800 | 963037 | 371056 | 271 | 1369 | 3.08 | 42.17 |
| | | 2003 | 9740 | 996462 | 491923 | 318 | 1547 | 3.26 | 50.51 |
| | | 2004 | 10468 | 1004456 | 393453 | 259 | 1519 | 2.47 | 37.59 |
| | | Total | 29008 | 2963955 | 1256432 | 848 | 1482 | 2.92 | 43.31 |
| 26 | Southern Territories | 2002 | 26891 | 3664803 | 1774977 | 1151 | 1542 | 4.28 | 66.01 |
| | | 2003 | 31737 | 4480808 | 2538813 | 1672 | 1518 | 5.27 | 80.00 |
| | | 2004 | 36221 | 4921398 | 2181654 | 1472 | 1482 | 4.06 | 60.23 |
| | | Total | 94849 | 13067009 | 6495444 | 4295 | 1512 | 4.53 | 68.48 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 726 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|---------------------------------|-------|----------|--------|-----------|----------|---------|-----------|-------|--------|
| Territory | Year | Year | Car | Earned | Loss | Claim | Freq. (2) | Prem. | |
| | | | Years | Premium | | Cost | | | |
| 31 Wilson, Rocky Mount, etc. | 2002 | | 24633 | 2889948 | 1298807 | 1004 | 1294 | 4.08 | 52.73 |
| | 2003 | | 28801 | 3348846 | 1378081 | 1114 | 1237 | 3.87 | 47.85 |
| | 2004 | | 32930 | 3749302 | 1333088 | 1075 | 1240 | 3.26 | 40.48 |
| | Total | | 86364 | 9988096 | 4009976 | 3193 | 1256 | 3.70 | 46.43 |
| 32 Guilford, Buncombe, etc. | 2002 | | 30496 | 3172973 | 1453625 | 1078 | 1348 | 3.53 | 47.67 |
| | 2003 | | 35326 | 3731988 | 1711274 | 1325 | 1292 | 3.75 | 48.44 |
| | 2004 | | 40126 | 4089055 | 1695717 | 1272 | 1333 | 3.17 | 42.26 |
| | Total | | 105948 | 10994016 | 4860616 | 3675 | 1323 | 3.47 | 45.88 |
| 33 Eastern Territories | 2002 | | 36293 | 5350383 | 2236202 | 1514 | 1477 | 4.17 | 61.62 |
| | 2003 | | 43293 | 6571088 | 4618877 | 2445 | 1889 | 5.65 | 106.69 |
| | 2004 | | 49223 | 7376198 | 3332739 | 2037 | 1636 | 4.14 | 67.71 |
| | Total | | 128809 | 19297669 | 10187818 | 5996 | 1699 | 4.65 | 79.09 |
| 40 Fayetteville | 2002 | | 29603 | 3543186 | 1831735 | 1556 | 1177 | 5.26 | 61.88 |
| | 2003 | | 33171 | 4168632 | 1763469 | 1430 | 1233 | 4.31 | 53.16 |
| | 2004 | | 37250 | 4859293 | 1988698 | 1616 | 1231 | 4.34 | 53.39 |
| | Total | | 100024 | 12571111 | 5583902 | 4602 | 1213 | 4.60 | 55.83 |
| 41 Onslow County | 2002 | | 22479 | 2961082 | 1369040 | 770 | 1778 | 3.43 | 60.90 |
| | 2003 | | 24718 | 3539145 | 1479303 | 821 | 1802 | 3.32 | 59.85 |
| | 2004 | | 27396 | 3953107 | 1499022 | 861 | 1741 | 3.14 | 54.72 |
| | Total | | 74593 | 10453334 | 4347365 | 2452 | 1773 | 3.29 | 58.28 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 726 | | Accident | Earned | Collected | Paid | Average | Claim | Pure |
|------------------------------------|-------|----------|-----------|-----------|--------|---------|-----------|-------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Freq. (2) | Prem. |
| | | Years | Premium | | | Cost | | |
| 43 Craven County | 2002 | 7791 | 799980 | 332288 | 271 | 1226 | 3.48 | 42.65 |
| | 2003 | 9331 | 1157651 | 613972 | 323 | 1901 | 3.46 | 65.80 |
| | 2004 | 10412 | 1349014 | 494985 | 322 | 1537 | 3.09 | 47.54 |
| | Total | 27534 | 3306645 | 1441245 | 916 | 1573 | 3.33 | 52.34 |
| 47 Wayne County | 2002 | 6971 | 821448 | 373508 | 246 | 1518 | 3.53 | 53.58 |
| | 2003 | 7995 | 984326 | 396582 | 293 | 1354 | 3.66 | 49.60 |
| | 2004 | 8944 | 1112290 | 299747 | 267 | 1123 | 2.99 | 33.51 |
| | Total | 23910 | 2918064 | 1069837 | 806 | 1327 | 3.37 | 44.74 |
| 51 Mecklenburg County Remainder | 2002 | 6177 | 625711 | 255868 | 227 | 1127 | 3.67 | 41.42 |
| | 2003 | 7461 | 732490 | 261655 | 256 | 1022 | 3.43 | 35.07 |
| | 2004 | 8484 | 770691 | 246137 | 275 | 895 | 3.24 | 29.01 |
| | Total | 22122 | 2128892 | 763660 | 758 | 1007 | 3.43 | 34.52 |
| 52 Charlotte | 2002 | 57039 | 6153149 | 3073792 | 2020 | 1522 | 3.54 | 53.89 |
| | 2003 | 62727 | 6581052 | 4018200 | 2390 | 1681 | 3.81 | 64.06 |
| | 2004 | 68285 | 6909865 | 3498288 | 2480 | 1411 | 3.63 | 51.23 |
| | Total | 188051 | 19644066 | 10590280 | 6890 | 1537 | 3.66 | 56.32 |
| Statewide Totals | 2002 | 444860 | 52017827 | 23783545 | 16918 | 1406 | 3.80 | 53.46 |
| | 2003 | 510437 | 60423961 | 31225776 | 20674 | 1510 | 4.05 | 61.17 |
| | 2004 | 570078 | 65484185 | 27034440 | 19433 | 1391 | 3.41 | 47.42 |
| | Total | 1525375 | 177925973 | 82043761 | 57025 | 1439 | 3.74 | 53.79 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 727 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|--------------|-------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 11 | Asheville | 2002 | 610 | 44203 | 30854 | 16 | 1928 | 2.62 | 50.58 |
| | | 2003 | 817 | 56815 | 15606 | 21 | 743 | 2.57 | 19.10 |
| | | 2004 | 949 | 61238 | 18142 | 10 | 1814 | 1.05 | 19.12 |
| | | Total | 2376 | 162256 | 64602 | 47 | 1375 | 1.98 | 27.19 |
| 13 | Durham | 2002 | 969 | 111714 | 17596 | 26 | 677 | 2.68 | 18.16 |
| | | 2003 | 1343 | 149141 | 44126 | 41 | 1076 | 3.05 | 32.86 |
| | | 2004 | 1657 | 168109 | 71488 | 49 | 1459 | 2.96 | 43.14 |
| | | Total | 3969 | 428964 | 133210 | 116 | 1148 | 2.92 | 33.56 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 941 | 94264 | 13422 | 17 | 790 | 1.81 | 14.26 |
| | | 2003 | 1243 | 127350 | 40721 | 25 | 1629 | 2.01 | 32.76 |
| | | 2004 | 1389 | 143079 | 46691 | 28 | 1668 | 2.02 | 33.61 |
| | | Total | 3573 | 364693 | 100834 | 70 | 1440 | 1.96 | 28.22 |
| 15 | High Point | 2002 | 216 | 19341 | 5261 | 2 | 2631 | 0.93 | 24.36 |
| | | 2003 | 289 | 26097 | 19548 | 7 | 2793 | 2.42 | 67.64 |
| | | 2004 | 341 | 29733 | 28673 | 13 | 2206 | 3.81 | 84.09 |
| | | Total | 846 | 75171 | 53482 | 22 | 2431 | 2.60 | 63.22 |
| 16 | Raleigh | 2002 | 3097 | 324096 | 116302 | 90 | 1292 | 2.91 | 37.55 |
| | | 2003 | 4362 | 421221 | 129811 | 98 | 1325 | 2.25 | 29.76 |
| | | 2004 | 5448 | 474571 | 72064 | 98 | 735 | 1.80 | 13.23 |
| | | Total | 12907 | 1219888 | 318177 | 286 | 1113 | 2.22 | 24.65 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 727 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claim Cost | Claim Freq. (2) | Pure Prem. | |
|--------------|-------------------------|------------------|------------------------|--------------------------------|--------------|--------------------------|--------------------|---------------|-------|
| Territory | Claims | | | | | | | | |
| 17 | Wilmington | 2002 | 1372 | 113730 | 59747 | 24 | 2489 | 1.75 | 43.55 |
| | | 2003 | 1897 | 165379 | 40327 | 21 | 1920 | 1.11 | 21.26 |
| | | 2004 | 2237 | 188921 | 103018 | 43 | 2396 | 1.92 | 46.05 |
| | | Total | 5506 | 468030 | 203092 | 88 | 2308 | 1.60 | 36.89 |
| 18 | Winston-Salem | 2002 | 675 | 56714 | 13176 | 10 | 1318 | 1.48 | 19.52 |
| | | 2003 | 904 | 75197 | 35491 | 17 | 2088 | 1.88 | 39.26 |
| | | 2004 | 1104 | 84505 | 12915 | 14 | 923 | 1.27 | 11.70 |
| | | Total | 2683 | 216416 | 61582 | 41 | 1502 | 1.53 | 22.95 |
| 24 | Western Territories | 2002 | 7922 | 826130 | 291595 | 157 | 1857 | 1.98 | 36.81 |
| | | 2003 | 10602 | 1131093 | 397142 | 218 | 1822 | 2.06 | 37.46 |
| | | 2004 | 12656 | 1265858 | 476670 | 210 | 2270 | 1.66 | 37.66 |
| | | Total | 31180 | 3223081 | 1165407 | 585 | 1992 | 1.88 | 37.38 |
| 25 | Gaston County | 2002 | 467 | 42365 | 37688 | 9 | 4188 | 1.93 | 80.70 |
| | | 2003 | 629 | 54238 | 12524 | 11 | 1139 | 1.75 | 19.91 |
| | | 2004 | 697 | 59220 | 21377 | 10 | 2138 | 1.43 | 30.67 |
| | | Total | 1793 | 155823 | 71589 | 30 | 2386 | 1.67 | 39.93 |
| 26 | Southern Territories | 2002 | 1661 | 202571 | 100685 | 42 | 2397 | 2.53 | 60.62 |
| | | 2003 | 2363 | 301312 | 104217 | 64 | 1628 | 2.71 | 44.10 |
| | | 2004 | 3026 | 360959 | 92007 | 64 | 1438 | 2.12 | 30.41 |
| | | Total | 7050 | 864842 | 296909 | 170 | 1747 | 2.41 | 42.11 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

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| COVERAGE 727 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|--------------|------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 1942 | 204327 | 20694 | 35 | 591 | 1.80 | 10.66 |
| | | 2003 | 2745 | 283013 | 83978 | 47 | 1787 | 1.71 | 30.59 |
| | | 2004 | 3371 | 327426 | 134775 | 81 | 1664 | 2.40 | 39.98 |
| | | Total | 8058 | 814766 | 239447 | 163 | 1469 | 2.02 | 29.72 |
| 32 | Guilford, Buncombe, etc. | 2002 | 2145 | 203235 | 67469 | 49 | 1377 | 2.28 | 31.45 |
| | | 2003 | 3010 | 290712 | 102775 | 74 | 1389 | 2.46 | 34.14 |
| | | 2004 | 3630 | 320250 | 75621 | 61 | 1240 | 1.68 | 20.83 |
| | | Total | 8785 | 814197 | 245865 | 184 | 1336 | 2.09 | 27.99 |
| 33 | Eastern Territories | 2002 | 2320 | 305494 | 135529 | 55 | 2464 | 2.37 | 58.42 |
| | | 2003 | 3347 | 461985 | 355807 | 115 | 3094 | 3.44 | 106.31 |
| | | 2004 | 4216 | 549661 | 192595 | 101 | 1907 | 2.40 | 45.68 |
| | | Total | 9883 | 1317140 | 683931 | 271 | 2524 | 2.74 | 69.20 |
| 40 | Fayetteville | 2002 | 1317 | 134006 | 57951 | 60 | 966 | 4.56 | 44.00 |
| | | 2003 | 1774 | 206825 | 22811 | 50 | 456 | 2.82 | 12.86 |
| | | 2004 | 2149 | 259061 | 60088 | 54 | 1113 | 2.51 | 27.96 |
| | | Total | 5240 | 599892 | 140850 | 164 | 859 | 3.13 | 26.88 |
| 41 | Onslow County | 2002 | 805 | 92921 | 40935 | 19 | 2154 | 2.36 | 50.85 |
| | | 2003 | 1186 | 167756 | 53076 | 28 | 1896 | 2.36 | 44.75 |
| | | 2004 | 1509 | 200425 | 103910 | 46 | 2259 | 3.05 | 68.86 |
| | | Total | 3500 | 461102 | 197921 | 93 | 2128 | 2.66 | 56.55 |

Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 727 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|------------------|---------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 43 | Craven County | 2002 | 380 | 31977 | 22319 | 13 | 1717 | 3.42 | 58.73 |
| | | 2003 | 557 | 59379 | 6461 | 9 | 718 | 1.62 | 11.60 |
| | | 2004 | 710 | 79090 | 8446 | 8 | 1056 | 1.13 | 11.90 |
| | | Total | 1647 | 170446 | 37226 | 30 | 1241 | 1.82 | 22.60 |
| 47 | Wayne County | 2002 | 296 | 35180 | 6058 | 5 | 1212 | 1.69 | 20.47 |
| | | 2003 | 439 | 53336 | 6626 | 5 | 1325 | 1.14 | 15.09 |
| | | 2004 | 580 | 67153 | 21616 | 8 | 2702 | 1.38 | 37.27 |
| | | Total | 1315 | 155669 | 34300 | 18 | 1906 | 1.37 | 26.08 |
| 51 | Mecklenburg County Remainder | 2002 | 535 | 50844 | 9955 | 7 | 1422 | 1.31 | 18.61 |
| | | 2003 | 773 | 68713 | 11967 | 17 | 704 | 2.20 | 15.48 |
| | | 2004 | 1012 | 84623 | 35738 | 26 | 1375 | 2.57 | 35.31 |
| | | Total | 2320 | 204180 | 57660 | 50 | 1153 | 2.16 | 24.85 |
| 52 | Charlotte | 2002 | 4055 | 378258 | 178391 | 83 | 2149 | 2.05 | 43.99 |
| | | 2003 | 5171 | 474717 | 196960 | 92 | 2141 | 1.78 | 38.09 |
| | | 2004 | 6073 | 525989 | 164462 | 103 | 1597 | 1.70 | 27.08 |
| | | Total | 15299 | 1378964 | 539813 | 278 | 1942 | 1.82 | 35.28 |
| Statewide Totals | | 2002 | 31725 | 3271370 | 1225627 | 719 | 1705 | 2.27 | 38.63 |
| | | 2003 | 43451 | 4574279 | 1679974 | 960 | 1750 | 2.21 | 38.66 |
| | | 2004 | 52754 | 5249871 | 1740296 | 1027 | 1695 | 1.95 | 32.99 |
| | | Total | 127930 | 13095520 | 4645897 | 2706 | 1717 | 2.12 | 36.32 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 72 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claim Cost | Claim Freq. (2) | Pure Prem. | |
|-------------|-------------------------------|------------------|------------------------|--------------------------------|--------------|--------------------------|--------------------|---------------|--------|
| Territory | Claims | | | | | | | | |
| 11 | Asheville | 2002 | 200 | 38498 | 49367 | 20 | 2468 | 10.00 | 246.84 |
| | | 2003 | 259 | 40242 | 29262 | 19 | 1540 | 7.34 | 112.98 |
| | | 2004 | 202 | 39909 | 67853 | 19 | 3571 | 9.41 | 335.91 |
| | | Total | 661 | 118649 | 146482 | 58 | 2526 | 8.77 | 221.61 |
| 13 | Durham | 2002 | 340 | 78992 | 50642 | 27 | 1876 | 7.94 | 148.95 |
| | | 2003 | 392 | 83908 | 78215 | 30 | 2607 | 7.65 | 199.53 |
| | | 2004 | 358 | 85420 | 29961 | 34 | 881 | 9.50 | 83.69 |
| | | Total | 1090 | 248320 | 158818 | 91 | 1745 | 8.35 | 145.70 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 260 | 63223 | 37899 | 29 | 1307 | 11.15 | 145.77 |
| | | 2003 | 349 | 121957 | 64690 | 38 | 1702 | 10.89 | 185.36 |
| | | 2004 | 329 | 113149 | 115698 | 41 | 2822 | 12.46 | 351.67 |
| | | Total | 938 | 298329 | 218287 | 108 | 2021 | 11.51 | 232.72 |
| 15 | High Point | 2002 | 79 | 16789 | 15798 | 6 | 2633 | 7.59 | 199.97 |
| | | 2003 | 149 | 51328 | 21040 | 13 | 1618 | 8.72 | 141.21 |
| | | 2004 | 132 | 49552 | 52777 | 21 | 2513 | 15.91 | 399.83 |
| | | Total | 360 | 117669 | 89615 | 40 | 2240 | 11.11 | 248.93 |
| 16 | Raleigh | 2002 | 680 | 174998 | 109198 | 74 | 1476 | 10.88 | 160.59 |
| | | 2003 | 773 | 184307 | 149608 | 79 | 1894 | 10.22 | 193.54 |
| | | 2004 | 780 | 187926 | 114168 | 67 | 1704 | 8.59 | 146.37 |
| | | Total | 2233 | 547231 | 372974 | 220 | 1695 | 9.85 | 167.03 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 72 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claim Cost | Claim Freq. (2) | Pure Prem. | |
|-------------|-------------------------|------------------|------------------------|--------------------------------|--------------|--------------------------|--------------------|---------------|--------|
| Territory | | | | | | | | | |
| 17 | Wilmington | 2002 | 259 | 57160 | 38819 | 18 | 2157 | 6.95 | 149.88 |
| | | 2003 | 287 | 59409 | 68283 | 23 | 2969 | 8.01 | 237.92 |
| | | 2004 | 281 | 60456 | 73249 | 29 | 2526 | 10.32 | 260.67 |
| | | Total | 827 | 177025 | 180351 | 70 | 2576 | 8.46 | 218.08 |
| 18 | Winston-Salem | 2002 | 272 | 51559 | 66708 | 21 | 3177 | 7.72 | 245.25 |
| | | 2003 | 329 | 73489 | 48478 | 32 | 1515 | 9.73 | 147.35 |
| | | 2004 | 313 | 91271 | 58774 | 30 | 1959 | 9.58 | 187.78 |
| | | Total | 914 | 216319 | 173960 | 83 | 2096 | 9.08 | 190.33 |
| 24 | Western Territories | 2002 | 3821 | 662510 | 413248 | 235 | 1759 | 6.15 | 108.15 |
| | | 2003 | 3992 | 749385 | 535052 | 235 | 2277 | 5.89 | 134.03 |
| | | 2004 | 3720 | 731765 | 557752 | 223 | 2501 | 5.99 | 149.93 |
| | | Total | 11533 | 2143660 | 1506052 | 693 | 2173 | 6.01 | 130.59 |
| 25 | Gaston County | 2002 | 231 | 49403 | 36231 | 21 | 1725 | 9.09 | 156.84 |
| | | 2003 | 335 | 87064 | 51982 | 19 | 2736 | 5.67 | 155.17 |
| | | 2004 | 284 | 77032 | 81791 | 27 | 3029 | 9.51 | 288.00 |
| | | Total | 850 | 213499 | 170004 | 67 | 2537 | 7.88 | 200.00 |
| 26 | Southern Territories | 2002 | 1230 | 230873 | 170045 | 87 | 1955 | 7.07 | 138.25 |
| | | 2003 | 1780 | 581573 | 443654 | 146 | 3039 | 8.20 | 249.24 |
| | | 2004 | 1944 | 687000 | 503696 | 175 | 2878 | 9.00 | 259.10 |
| | | Total | 4954 | 1499446 | 1117395 | 408 | 2739 | 8.24 | 225.55 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 72 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|-------------|------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 722 | 147830 | 65619 | 40 | 1640 | 5.54 | 90.89 |
| | | 2003 | 772 | 150678 | 64348 | 38 | 1693 | 4.92 | 83.35 |
| | | 2004 | 752 | 149684 | 71438 | 44 | 1624 | 5.85 | 95.00 |
| | | Total | 2246 | 448192 | 201405 | 122 | 1651 | 5.43 | 89.67 |
| 32 | Guilford, Buncombe, etc. | 2002 | 948 | 166242 | 163415 | 61 | 2679 | 6.43 | 172.38 |
| | | 2003 | 1107 | 208964 | 173850 | 66 | 2634 | 5.96 | 157.05 |
| | | 2004 | 1025 | 228541 | 201253 | 92 | 2188 | 8.98 | 196.34 |
| | | Total | 3080 | 603747 | 538518 | 219 | 2459 | 7.11 | 174.84 |
| 33 | Eastern Territories | 2002 | 2627 | 434754 | 241344 | 147 | 1642 | 5.60 | 91.87 |
| | | 2003 | 2630 | 431128 | 243386 | 119 | 2045 | 4.52 | 92.54 |
| | | 2004 | 2439 | 415756 | 326526 | 125 | 2612 | 5.13 | 133.88 |
| | | Total | 7696 | 1281638 | 811256 | 391 | 2075 | 5.08 | 105.41 |
| 40 | Fayetteville | 2002 | 1136 | 299459 | 267521 | 133 | 2011 | 11.71 | 235.49 |
| | | 2003 | 1199 | 302936 | 268801 | 124 | 2168 | 10.34 | 224.19 |
| | | 2004 | 1167 | 328521 | 309864 | 119 | 2604 | 10.20 | 265.52 |
| | | Total | 3502 | 930916 | 846186 | 376 | 2250 | 10.74 | 241.63 |
| 41 | Onslow County | 2002 | 578 | 163907 | 189109 | 82 | 2306 | 14.19 | 327.18 |
| | | 2003 | 582 | 159172 | 66670 | 56 | 1191 | 9.62 | 114.55 |
| | | 2004 | 520 | 145329 | 112888 | 37 | 3051 | 7.12 | 217.09 |
| | | Total | 1680 | 468408 | 368667 | 175 | 2107 | 10.42 | 219.44 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 72 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|------------------|---------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 43 | Craven County | 2002 | 304 | 69383 | 62292 | 34 | 1832 | 11.18 | 204.91 |
| | | 2003 | 309 | 64093 | 52197 | 27 | 1933 | 8.74 | 168.92 |
| | | 2004 | 265 | 55560 | 37914 | 24 | 1580 | 9.06 | 143.07 |
| | | Total | 878 | 189036 | 152403 | 85 | 1793 | 9.68 | 173.58 |
| 47 | Wayne County | 2002 | 281 | 58154 | 28656 | 16 | 1791 | 5.69 | 101.98 |
| | | 2003 | 287 | 58942 | 55781 | 28 | 1992 | 9.76 | 194.36 |
| | | 2004 | 262 | 54728 | 44659 | 18 | 2481 | 6.87 | 170.45 |
| | | Total | 830 | 171824 | 129096 | 62 | 2082 | 7.47 | 155.54 |
| 51 | Mecklenburg County Remainder | 2002 | 90 | 23533 | 40005 | 12 | 3334 | 13.33 | 444.50 |
| | | 2003 | 195 | 79586 | 64297 | 23 | 2796 | 11.79 | 329.73 |
| | | 2004 | 165 | 67972 | 46079 | 26 | 1772 | 15.76 | 279.27 |
| | | Total | 450 | 171091 | 150381 | 61 | 2465 | 13.56 | 334.18 |
| 52 | Charlotte | 2002 | 711 | 188341 | 165244 | 100 | 1652 | 14.06 | 232.41 |
| | | 2003 | 1417 | 608798 | 473160 | 189 | 2503 | 13.34 | 333.92 |
| | | 2004 | 1260 | 558354 | 338212 | 158 | 2141 | 12.54 | 268.42 |
| | | Total | 3388 | 1355493 | 976616 | 447 | 2185 | 13.19 | 288.26 |
| Statewide Totals | | 2002 | 14769 | 2975608 | 2211160 | 1163 | 1901 | 7.87 | 149.72 |
| | | 2003 | 17143 | 4096959 | 2952754 | 1304 | 2264 | 7.61 | 172.24 |
| | | 2004 | 16198 | 4127925 | 3144552 | 1309 | 2402 | 8.08 | 194.13 |
| | | Total | 48110 | 11200492 | 8308466 | 3776 | 2200 | 7.85 | 172.70 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 73 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|-------------|-------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 11 | Asheville | 2002 | 1485 | 298424 | 165236 | 81 | 2040 | 5.45 | 111.27 |
| | | 2003 | 1567 | 302026 | 211896 | 94 | 2254 | 6.00 | 135.22 |
| | | 2004 | 1367 | 266337 | 158957 | 69 | 2304 | 5.05 | 116.28 |
| | | Total | 4419 | 866787 | 536089 | 244 | 2197 | 5.52 | 121.31 |
| 13 | Durham | 2002 | 1984 | 459425 | 267073 | 116 | 2302 | 5.85 | 134.61 |
| | | 2003 | 2001 | 436455 | 183347 | 98 | 1871 | 4.90 | 91.63 |
| | | 2004 | 1764 | 399015 | 165199 | 85 | 1944 | 4.82 | 93.65 |
| | | Total | 5749 | 1294895 | 615619 | 299 | 2059 | 5.20 | 107.08 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 1600 | 385579 | 216518 | 105 | 2062 | 6.56 | 135.32 |
| | | 2003 | 1616 | 369162 | 176769 | 92 | 1921 | 5.69 | 109.39 |
| | | 2004 | 1455 | 340758 | 237012 | 96 | 2469 | 6.60 | 162.89 |
| | | Total | 4671 | 1095499 | 630299 | 293 | 2151 | 6.27 | 134.94 |
| 15 | High Point | 2002 | 489 | 113287 | 38846 | 25 | 1554 | 5.11 | 79.44 |
| | | 2003 | 501 | 112642 | 71561 | 26 | 2752 | 5.19 | 142.84 |
| | | 2004 | 413 | 100185 | 43210 | 22 | 1964 | 5.33 | 104.62 |
| | | Total | 1403 | 326114 | 153617 | 73 | 2104 | 5.20 | 109.49 |
| 16 | Raleigh | 2002 | 5881 | 1370420 | 743506 | 332 | 2239 | 5.65 | 126.43 |
| | | 2003 | 5766 | 1296591 | 583831 | 288 | 2027 | 4.99 | 101.25 |
| | | 2004 | 5358 | 1163867 | 688328 | 249 | 2764 | 4.65 | 128.47 |
| | | Total | 17005 | 3830878 | 2015665 | 869 | 2320 | 5.11 | 118.53 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 73 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|-------------|-------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 17 | Wilmington | 2002 | 2515 | 553079 | 238683 | 131 | 1822 | 5.21 | 94.90 |
| | | 2003 | 2645 | 545430 | 321982 | 125 | 2576 | 4.73 | 121.73 |
| | | 2004 | 2468 | 517118 | 241415 | 120 | 2012 | 4.86 | 97.82 |
| | | Total | 7628 | 1615627 | 802080 | 376 | 2133 | 4.93 | 105.15 |
| 18 | Winston-Salem | 2002 | 1734 | 351434 | 220205 | 94 | 2343 | 5.42 | 126.99 |
| | | 2003 | 1763 | 337911 | 158198 | 70 | 2260 | 3.97 | 89.73 |
| | | 2004 | 1527 | 298228 | 197359 | 81 | 2437 | 5.30 | 129.25 |
| | | Total | 5024 | 987573 | 575762 | 245 | 2350 | 4.88 | 114.60 |
| 24 | Western Territories | 2002 | 16012 | 3289927 | 1859013 | 762 | 2440 | 4.76 | 116.10 |
| | | 2003 | 15615 | 3245930 | 1848578 | 749 | 2468 | 4.80 | 118.38 |
| | | 2004 | 14652 | 3020811 | 1584757 | 648 | 2446 | 4.42 | 108.16 |
| | | Total | 46279 | 9556668 | 5292348 | 2159 | 2451 | 4.67 | 114.36 |
| 25 | Gaston County | 2002 | 1384 | 313935 | 161190 | 77 | 2093 | 5.56 | 116.47 |
| | | 2003 | 1478 | 309018 | 229133 | 67 | 3420 | 4.53 | 155.03 |
| | | 2004 | 1303 | 280351 | 143228 | 58 | 2469 | 4.45 | 109.92 |
| | | Total | 4165 | 903304 | 533551 | 202 | 2641 | 4.85 | 128.10 |
| 26 | Southern Territories | 2002 | 4138 | 861824 | 543764 | 205 | 2653 | 4.95 | 131.41 |
| | | 2003 | 4171 | 846300 | 451704 | 173 | 2611 | 4.15 | 108.30 |
| | | 2004 | 3775 | 773339 | 439966 | 153 | 2876 | 4.05 | 116.55 |
| | | Total | 12084 | 2481463 | 1435434 | 531 | 2703 | 4.39 | 118.79 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 73 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|-------------|------------------------------|----------|--------|-----------|---------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claims | Cost | Claim | |
| | | | Years | Premium | | | Freq. (2) | Prem. | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 3324 | 704320 | 447253 | 162 | 2761 | 4.87 | 134.55 |
| | | 2003 | 3267 | 666484 | 562556 | 174 | 3233 | 5.33 | 172.19 |
| | | 2004 | 2959 | 596889 | 323969 | 129 | 2511 | 4.36 | 109.49 |
| | | Total | 9550 | 1967693 | 1333778 | 465 | 2868 | 4.87 | 139.66 |
| 32 | Guilford, Buncombe, etc. | 2002 | 5934 | 1204942 | 666679 | 276 | 2416 | 4.65 | 112.35 |
| | | 2003 | 5923 | 1174892 | 628313 | 256 | 2454 | 4.32 | 106.08 |
| | | 2004 | 5417 | 1091226 | 577658 | 252 | 2292 | 4.65 | 106.64 |
| | | Total | 17274 | 3471060 | 1872650 | 784 | 2389 | 4.54 | 108.41 |
| 33 | Eastern Territories | 2002 | 6800 | 1304923 | 652817 | 266 | 2454 | 3.91 | 96.00 |
| | | 2003 | 6753 | 1254852 | 679658 | 276 | 2463 | 4.09 | 100.65 |
| | | 2004 | 6300 | 1173014 | 577471 | 272 | 2123 | 4.32 | 91.66 |
| | | Total | 19853 | 3732789 | 1909946 | 814 | 2346 | 4.10 | 96.20 |
| 40 | Fayetteville | 2002 | 3411 | 836781 | 471757 | 189 | 2496 | 5.54 | 138.30 |
| | | 2003 | 3321 | 786185 | 427605 | 175 | 2443 | 5.27 | 128.76 |
| | | 2004 | 2963 | 747198 | 426638 | 179 | 2383 | 6.04 | 143.99 |
| | | Total | 9695 | 2370164 | 1326000 | 543 | 2442 | 5.60 | 136.77 |
| 41 | Onslow County | 2002 | 1691 | 419829 | 240885 | 87 | 2769 | 5.14 | 142.45 |
| | | 2003 | 1641 | 428846 | 223929 | 79 | 2835 | 4.81 | 136.46 |
| | | 2004 | 1448 | 387699 | 160653 | 68 | 2363 | 4.70 | 110.95 |
| | | Total | 4780 | 1236374 | 625467 | 234 | 2673 | 4.90 | 130.85 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 73 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|------------------|---------------------------------|----------|--------|-----------|----------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claims | Cost | Claim | |
| | | | Years | Premium | | | Freq. (2) | Prem. | |
| 43 | Craven County | 2002 | 1469 | 256947 | 179870 | 68 | 2645 | 4.63 | 122.44 |
| | | 2003 | 1481 | 253133 | 133918 | 51 | 2626 | 3.44 | 90.42 |
| | | 2004 | 1324 | 239719 | 82874 | 61 | 1359 | 4.61 | 62.59 |
| | | Total | 4274 | 749799 | 396662 | 180 | 2204 | 4.21 | 92.81 |
| 47 | Wayne County | 2002 | 649 | 130334 | 65156 | 38 | 1715 | 5.86 | 100.39 |
| | | 2003 | 662 | 126027 | 97161 | 38 | 2557 | 5.74 | 146.77 |
| | | 2004 | 592 | 114350 | 47987 | 27 | 1777 | 4.56 | 81.06 |
| | | Total | 1903 | 370711 | 210304 | 103 | 2042 | 5.41 | 110.51 |
| 51 | Mecklenburg County Remainder | 2002 | 740 | 165975 | 68977 | 32 | 2156 | 4.32 | 93.21 |
| | | 2003 | 797 | 173046 | 69257 | 27 | 2565 | 3.39 | 86.90 |
| | | 2004 | 752 | 165052 | 100024 | 43 | 2326 | 5.72 | 133.01 |
| | | Total | 2289 | 504073 | 238258 | 102 | 2336 | 4.46 | 104.09 |
| 52 | Charlotte | 2002 | 5971 | 1498013 | 732435 | 338 | 2167 | 5.66 | 122.67 |
| | | 2003 | 5983 | 1430107 | 681948 | 328 | 2079 | 5.48 | 113.98 |
| | | 2004 | 5483 | 1312231 | 816152 | 311 | 2624 | 5.67 | 148.85 |
| | | Total | 17437 | 4240351 | 2230535 | 977 | 2283 | 5.60 | 127.92 |
| Statewide Totals | | 2002 | 67211 | 14519398 | 7979863 | 3384 | 2358 | 5.03 | 118.73 |
| | | 2003 | 66951 | 14095037 | 7741344 | 3186 | 2430 | 4.76 | 115.63 |
| | | 2004 | 61320 | 12987387 | 7012857 | 2923 | 2399 | 4.77 | 114.36 |
| | | Total | 195482 | 41601822 | 22734064 | 9493 | 2395 | 4.86 | 116.30 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 74 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|-------------|-------------------------------|----------|--------|-----------|---------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claim | Freq. (2) | Prem. | |
| | | | Years | Premium | | Cost | | | |
| 11 | Asheville | 2002 | 6788 | 1219750 | 733872 | 347 | 2115 | 5.11 | 108.11 |
| | | 2003 | 6704 | 1215621 | 633500 | 347 | 1826 | 5.18 | 94.50 |
| | | 2004 | 6132 | 1130689 | 719713 | 347 | 2074 | 5.66 | 117.37 |
| | | Total | 19624 | 3566060 | 2087085 | 1041 | 2005 | 5.30 | 106.35 |
| 13 | Durham | 2002 | 10964 | 2550094 | 1426523 | 676 | 2110 | 6.17 | 130.11 |
| | | 2003 | 10500 | 2442484 | 1560728 | 675 | 2312 | 6.43 | 148.64 |
| | | 2004 | 9539 | 2199482 | 1278965 | 597 | 2142 | 6.26 | 134.08 |
| | | Total | 31003 | 7192060 | 4266216 | 1948 | 2190 | 6.28 | 137.61 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 9266 | 1984709 | 1314282 | 639 | 2057 | 6.90 | 141.84 |
| | | 2003 | 8900 | 1910295 | 1054903 | 547 | 1929 | 6.15 | 118.53 |
| | | 2004 | 8010 | 1724107 | 791970 | 438 | 1808 | 5.47 | 98.87 |
| | | Total | 26176 | 5619111 | 3161155 | 1624 | 1947 | 6.20 | 120.77 |
| 15 | High Point | 2002 | 3501 | 701944 | 331757 | 153 | 2168 | 4.37 | 94.76 |
| | | 2003 | 3372 | 666037 | 347091 | 195 | 1780 | 5.78 | 102.93 |
| | | 2004 | 3005 | 590153 | 281258 | 147 | 1913 | 4.89 | 93.60 |
| | | Total | 9878 | 1958134 | 960106 | 495 | 1940 | 5.01 | 97.20 |
| 16 | Raleigh | 2002 | 23875 | 5465617 | 2898876 | 1349 | 2149 | 5.65 | 121.42 |
| | | 2003 | 22997 | 5252679 | 2839698 | 1239 | 2292 | 5.39 | 123.48 |
| | | 2004 | 21615 | 4660396 | 2705437 | 1145 | 2363 | 5.30 | 125.16 |
| | | Total | 68487 | 15378692 | 8444011 | 3733 | 2262 | 5.45 | 123.29 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 74 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claim Cost | Claim Freq. (2) | Pure Prem. | |
|-------------|-------------------------|------------------|------------------------|--------------------------------|--------------|--------------------------|--------------------|---------------|--------|
| Territory | Claims | | | | | | | | |
| 17 | Wilmington | 2002 | 8835 | 1887937 | 1166690 | 502 | 2324 | 5.68 | 132.05 |
| | | 2003 | 8708 | 1779892 | 909264 | 415 | 2191 | 4.77 | 104.42 |
| | | 2004 | 8196 | 1616225 | 1045812 | 449 | 2329 | 5.48 | 127.60 |
| | | Total | 25739 | 5284054 | 3121766 | 1366 | 2285 | 5.31 | 121.29 |
| 18 | Winston-Salem | 2002 | 12038 | 2312511 | 1305886 | 687 | 1901 | 5.71 | 108.48 |
| | | 2003 | 11621 | 2229582 | 1149178 | 608 | 1890 | 5.23 | 98.89 |
| | | 2004 | 10620 | 2010916 | 1137437 | 569 | 1999 | 5.36 | 107.10 |
| | | Total | 34279 | 6553009 | 3592501 | 1864 | 1927 | 5.44 | 104.80 |
| 24 | Western Territories | 2002 | 128345 | 23886276 | 12774865 | 5765 | 2216 | 4.49 | 99.54 |
| | | 2003 | 119810 | 23197127 | 12221875 | 5432 | 2250 | 4.53 | 102.01 |
| | | 2004 | 112318 | 20946135 | 11111204 | 4777 | 2326 | 4.25 | 98.93 |
| | | Total | 360473 | 68029538 | 36107944 | 15974 | 2260 | 4.43 | 100.17 |
| 25 | Gaston County | 2002 | 11176 | 2381627 | 1069167 | 497 | 2151 | 4.45 | 95.67 |
| | | 2003 | 10821 | 2267073 | 1280578 | 491 | 2608 | 4.54 | 118.34 |
| | | 2004 | 9991 | 2021467 | 1087525 | 445 | 2444 | 4.45 | 108.85 |
| | | Total | 31988 | 6670167 | 3437270 | 1433 | 2399 | 4.48 | 107.45 |
| 26 | Southern Territories | 2002 | 27569 | 5787829 | 2964904 | 1232 | 2407 | 4.47 | 107.54 |
| | | 2003 | 25874 | 5582694 | 3035322 | 1114 | 2725 | 4.31 | 117.31 |
| | | 2004 | 24237 | 5057893 | 2480240 | 1014 | 2446 | 4.18 | 102.33 |
| | | Total | 77680 | 16428416 | 8480466 | 3360 | 2524 | 4.33 | 109.17 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 74 | | Accident | Earned | Collected | Paid | Average | Claim | Claim | Pure |
|-------------|------------------------------|----------|--------|-----------|----------|---------|-------|-----------|--------|
| Territory | | Year | Car | Earned | Loss | Claims | Cost | Freq. (2) | Prem. |
| | | | Years | Premium | | | | | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 22567 | 4714418 | 2243941 | 1092 | 2055 | 4.84 | 99.43 |
| | | 2003 | 21551 | 4522587 | 2389015 | 1023 | 2335 | 4.75 | 110.85 |
| | | 2004 | 20299 | 4050665 | 2319380 | 982 | 2362 | 4.84 | 114.26 |
| | | Total | 64417 | 13287670 | 6952336 | 3097 | 2245 | 4.81 | 107.93 |
| 32 | Guilford, Buncombe, etc. | 2002 | 46433 | 8603962 | 4796520 | 2181 | 2199 | 4.70 | 103.30 |
| | | 2003 | 44573 | 8421055 | 4703490 | 2074 | 2268 | 4.65 | 105.52 |
| | | 2004 | 41550 | 7644445 | 4407780 | 1960 | 2249 | 4.72 | 106.08 |
| | | Total | 132556 | 24669462 | 13907790 | 6215 | 2238 | 4.69 | 104.92 |
| 33 | Eastern Territories | 2002 | 76317 | 15792286 | 7977264 | 3705 | 2153 | 4.85 | 104.53 |
| | | 2003 | 72012 | 14934130 | 7689946 | 3364 | 2286 | 4.67 | 106.79 |
| | | 2004 | 68104 | 13279512 | 7191699 | 3060 | 2350 | 4.49 | 105.60 |
| | | Total | 216433 | 44005928 | 22858909 | 10129 | 2257 | 4.68 | 105.62 |
| 40 | Fayetteville | 2002 | 12271 | 2843638 | 1671092 | 761 | 2196 | 6.20 | 136.18 |
| | | 2003 | 11984 | 2867102 | 1366703 | 650 | 2103 | 5.42 | 114.04 |
| | | 2004 | 11080 | 2828625 | 1676187 | 701 | 2391 | 6.33 | 151.28 |
| | | Total | 35335 | 8539365 | 4713982 | 2112 | 2232 | 5.98 | 133.41 |
| 41 | Onslow County | 2002 | 5821 | 1357068 | 664783 | 296 | 2246 | 5.09 | 114.20 |
| | | 2003 | 5697 | 1418908 | 621705 | 281 | 2212 | 4.93 | 109.13 |
| | | 2004 | 5272 | 1364254 | 758738 | 267 | 2842 | 5.06 | 143.92 |
| | | Total | 16790 | 4140230 | 2045226 | 844 | 2423 | 5.03 | 121.81 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 74 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|------------------------------------|-------|----------|---------|-----------|-----------|---------|-----------|-------|--------|
| Territory | Year | Year | Car | Earned | Loss | Claim | Claim | Prem. | |
| | | | Years | Premium | | Cost | Freq. (2) | | |
| 43 Craven County | 2002 | | 5485 | 995055 | 632155 | 260 | 2431 | 4.74 | 115.25 |
| | 2003 | | 5569 | 1010453 | 539340 | 239 | 2257 | 4.29 | 96.85 |
| | 2004 | | 5111 | 949679 | 600361 | 247 | 2431 | 4.83 | 117.46 |
| | Total | | 16165 | 2955187 | 1771856 | 746 | 2375 | 4.61 | 109.61 |
| 47 Wayne County | 2002 | | 5352 | 1063516 | 560362 | 268 | 2091 | 5.01 | 104.70 |
| | 2003 | | 5018 | 1001806 | 486216 | 218 | 2230 | 4.34 | 96.89 |
| | 2004 | | 4536 | 880778 | 422956 | 202 | 2094 | 4.45 | 93.24 |
| | Total | | 14906 | 2946100 | 1469534 | 688 | 2136 | 4.62 | 98.59 |
| 51 Mecklenburg County Remainder | 2002 | | 2319 | 489698 | 330315 | 144 | 2294 | 6.21 | 142.44 |
| | 2003 | | 2422 | 503538 | 308668 | 132 | 2338 | 5.45 | 127.44 |
| | 2004 | | 2249 | 483414 | 238348 | 107 | 2228 | 4.76 | 105.98 |
| | Total | | 6990 | 1476650 | 877331 | 383 | 2291 | 5.48 | 125.51 |
| 52 Charlotte | 2002 | | 20823 | 4859648 | 2942376 | 1399 | 2103 | 6.72 | 141.30 |
| | 2003 | | 20274 | 4762357 | 2703840 | 1289 | 2098 | 6.36 | 133.36 |
| | 2004 | | 18951 | 4342957 | 2776074 | 1223 | 2270 | 6.45 | 146.49 |
| | Total | | 60048 | 13964962 | 8422290 | 3911 | 2153 | 6.51 | 140.26 |
| Statewide Totals | 2002 | | 439745 | 88897583 | 47805630 | 21953 | 2178 | 4.99 | 108.71 |
| | 2003 | | 418407 | 85985420 | 45841060 | 20333 | 2255 | 4.86 | 109.56 |
| | 2004 | | 390815 | 77781792 | 43031084 | 18677 | 2304 | 4.78 | 110.11 |
| | Total | | 1248967 | 252664795 | 136677774 | 60963 | 2242 | 4.88 | 109.43 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
 AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
 PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| Territory | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|------------------------------|---------------|------------------|--------------------------|-----------|--------|--------------------|-----------------|------------|
| | | | | | | | | |
| 11 Asheville | 2002 | 32009 | 7444566 | 4245024 | 1875 | 2264 | 5.86 | 132.62 |
| | 2003 | 32872 | 7823761 | 4660086 | 2010 | 2318 | 6.11 | 141.76 |
| | 2004 | 32569 | 7613890 | 4461975 | 1919 | 2325 | 5.89 | 137.00 |
| | Total | 97450 | 22882217 | 13367085 | 5804 | 2303 | 5.96 | 137.17 |
| 13 Durham | 2002 | 42711 | 11968746 | 6937379 | 2934 | 2364 | 6.87 | 162.43 |
| | 2003 | 41701 | 11705268 | 6601393 | 2880 | 2292 | 6.91 | 158.30 |
| | 2004 | 40057 | 10835114 | 6273237 | 2519 | 2490 | 6.29 | 156.61 |
| | Total | 124469 | 34509128 | 19812009 | 8333 | 2378 | 6.69 | 159.17 |
| 14 Greensboro-Hamilton Lakes | 2002 | 48766 | 12902116 | 7343252 | 3258 | 2254 | 6.68 | 150.58 |
| | 2003 | 47904 | 12885983 | 7431894 | 3164 | 2349 | 6.60 | 155.14 |
| | 2004 | 45896 | 11946835 | 6749318 | 2840 | 2377 | 6.19 | 147.06 |
| | Total | 142566 | 37734934 | 21524464 | 9262 | 2324 | 6.50 | 150.98 |
| 15 High Point | 2002 | 16286 | 4224923 | 2513796 | 1143 | 2199 | 7.02 | 154.35 |
| | 2003 | 16331 | 4294986 | 2499808 | 1065 | 2347 | 6.52 | 153.07 |
| | 2004 | 15668 | 4013795 | 2455436 | 982 | 2500 | 6.27 | 156.72 |
| | Total | 48285 | 12533704 | 7469040 | 3190 | 2341 | 6.61 | 154.69 |
| 16 Raleigh | 2002 | 112268 | 29951633 | 16629588 | 6622 | 2511 | 5.90 | 148.12 |
| | 2003 | 110498 | 29771809 | 16897428 | 6335 | 2667 | 5.73 | 152.92 |
| | 2004 | 108755 | 27568505 | 15772456 | 5964 | 2645 | 5.48 | 145.03 |
| | Total | 331521 | 87291947 | 49299472 | 18921 | 2606 | 5.71 | 148.71 |

Notes:
 (1) Not under fleet plan.
 (2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 76 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|-------------|-------------------------|----------|---------|-----------|-----------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claims | Freq. (2) | Prem. | |
| | | | Years | Premium | | | Cost | | |
| 17 | Wilmington | 2002 | 35784 | 8903319 | 5272821 | 1976 | 2668 | 5.52 | 147.35 |
| | | 2003 | 35545 | 8641652 | 5255415 | 1889 | 2782 | 5.31 | 147.85 |
| | | 2004 | 35134 | 8036460 | 5139804 | 1822 | 2821 | 5.19 | 146.29 |
| | | Total | 106463 | 25581431 | 15668040 | 5687 | 2755 | 5.34 | 147.17 |
| 18 | Winston-Salem | 2002 | 49831 | 12081316 | 6974765 | 3213 | 2171 | 6.45 | 139.97 |
| | | 2003 | 49089 | 12099256 | 7154385 | 3136 | 2281 | 6.39 | 145.74 |
| | | 2004 | 47359 | 11163086 | 6124536 | 2785 | 2199 | 5.88 | 129.32 |
| | | Total | 146279 | 35343658 | 20253686 | 9134 | 2217 | 6.24 | 138.46 |
| 24 | Western Territories | 2002 | 614110 | 141892000 | 82108406 | 31400 | 2615 | 5.11 | 133.70 |
| | | 2003 | 601261 | 142220317 | 82067569 | 30900 | 2656 | 5.14 | 136.49 |
| | | 2004 | 593587 | 133756046 | 73672347 | 28400 | 2594 | 4.78 | 124.11 |
| | | Total | 1808958 | 417868363 | 237848322 | 90700 | 2622 | 5.01 | 131.48 |
| 25 | Gaston County | 2002 | 41207 | 11252621 | 5978860 | 2274 | 2629 | 5.52 | 145.09 |
| | | 2003 | 40481 | 10982190 | 5827952 | 2184 | 2668 | 5.40 | 143.97 |
| | | 2004 | 39909 | 10172771 | 5757315 | 2151 | 2677 | 5.39 | 144.26 |
| | | Total | 121597 | 32407582 | 17564127 | 6609 | 2658 | 5.44 | 144.45 |
| 26 | Southern Territories | 2002 | 128077 | 34171300 | 18323964 | 6722 | 2726 | 5.25 | 143.07 |
| | | 2003 | 126578 | 34391002 | 18405661 | 6744 | 2729 | 5.33 | 145.41 |
| | | 2004 | 125709 | 32946664 | 17288607 | 6303 | 2743 | 5.01 | 137.53 |
| | | Total | 380364 | 101508966 | 54018232 | 19769 | 2732 | 5.20 | 142.02 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 76 | | Accident | Earned | Collected | Average | | Claim | Pure | |
|-------------|------------------------------|----------|--------|-----------|----------|--------|-------|-----------|--------|
| Territory | | Year | Car | Earned | Paid | Claims | Claim | Claim | |
| | | | Years | Premium | Loss | | Cost | Freq. (2) | |
| | | | | | | | | Prem. | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 91241 | 23588010 | 12443882 | 5131 | 2425 | 5.62 | 136.38 |
| | | 2003 | 91227 | 23910094 | 12873976 | 5175 | 2488 | 5.67 | 141.12 |
| | | 2004 | 91482 | 22788957 | 12472478 | 5000 | 2494 | 5.47 | 136.34 |
| | | Total | 273950 | 70287061 | 37790336 | 15306 | 2469 | 5.59 | 137.95 |
| 32 | Guilford, Buncombe, etc. | 2002 | 211056 | 49271073 | 27545720 | 11296 | 2439 | 5.35 | 130.51 |
| | | 2003 | 208899 | 49627900 | 28288333 | 11258 | 2513 | 5.39 | 135.42 |
| | | 2004 | 206522 | 47158380 | 26366874 | 10481 | 2516 | 5.08 | 127.67 |
| | | Total | 626477 | 146057353 | 82200927 | 33035 | 2488 | 5.27 | 131.21 |
| 33 | Eastern Territories | 2002 | 230507 | 60162666 | 31269055 | 12618 | 2478 | 5.47 | 135.65 |
| | | 2003 | 231256 | 60746761 | 32608365 | 12655 | 2577 | 5.47 | 141.01 |
| | | 2004 | 232881 | 58324394 | 31484973 | 12310 | 2558 | 5.29 | 135.20 |
| | | Total | 694644 | 179233821 | 95362393 | 37583 | 2537 | 5.41 | 137.28 |
| 40 | Fayetteville | 2002 | 52958 | 15285541 | 8639803 | 3629 | 2381 | 6.85 | 163.14 |
| | | 2003 | 52276 | 15675312 | 9122152 | 3650 | 2499 | 6.98 | 174.50 |
| | | 2004 | 50580 | 15577288 | 8179006 | 3297 | 2481 | 6.52 | 161.70 |
| | | Total | 155814 | 46538141 | 25940961 | 10576 | 2453 | 6.79 | 166.49 |
| 41 | Onslow County | 2002 | 24375 | 6817998 | 3408939 | 1289 | 2645 | 5.29 | 139.85 |
| | | 2003 | 23488 | 7133628 | 3054083 | 1170 | 2610 | 4.98 | 130.03 |
| | | 2004 | 22970 | 6964013 | 2854107 | 1120 | 2548 | 4.88 | 124.25 |
| | | Total | 70833 | 20915639 | 9317129 | 3579 | 2603 | 5.05 | 131.54 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 76 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|------------------|---------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 43 | Craven County | 2002 | 24051 | 5422141 | 2859592 | 1156 | 2474 | 4.81 | 118.90 |
| | | 2003 | 24530 | 5715520 | 3011414 | 1202 | 2505 | 4.90 | 122.76 |
| | | 2004 | 24328 | 5660410 | 3258491 | 1205 | 2704 | 4.95 | 133.94 |
| | | Total | 72909 | 16798071 | 9129497 | 3563 | 2562 | 4.89 | 125.22 |
| 47 | Wayne County | 2002 | 26656 | 6735099 | 3903670 | 1451 | 2690 | 5.44 | 146.45 |
| | | 2003 | 26543 | 6882476 | 3607284 | 1458 | 2474 | 5.49 | 135.90 |
| | | 2004 | 26062 | 6552394 | 3268250 | 1356 | 2410 | 5.20 | 125.40 |
| | | Total | 79261 | 20169969 | 10779204 | 4265 | 2527 | 5.38 | 136.00 |
| 51 | Mecklenburg County Remainder | 2002 | 16147 | 4028485 | 2255555 | 915 | 2465 | 5.67 | 139.69 |
| | | 2003 | 16845 | 4299559 | 2540767 | 920 | 2762 | 5.46 | 150.83 |
| | | 2004 | 17016 | 4275112 | 2439087 | 975 | 2502 | 5.73 | 143.34 |
| | | Total | 50008 | 12603156 | 7235409 | 2810 | 2575 | 5.62 | 144.69 |
| 52 | Charlotte | 2002 | 136120 | 38981044 | 22173532 | 9405 | 2358 | 6.91 | 162.90 |
| | | 2003 | 134425 | 39150031 | 22075159 | 9343 | 2363 | 6.95 | 164.22 |
| | | 2004 | 131772 | 37084540 | 21145920 | 8795 | 2404 | 6.67 | 160.47 |
| | | Total | 402317 | 115215615 | 65394611 | 27543 | 2374 | 6.85 | 162.54 |
| Statewide Totals | | 2002 | 1934160 | 485084597 | 270827603 | 108307 | 2501 | 5.60 | 140.02 |
| | | 2003 | 1911749 | 487957505 | 273983124 | 107138 | 2557 | 5.60 | 143.32 |
| | | 2004 | 1888256 | 462438654 | 255164217 | 100224 | 2546 | 5.31 | 135.13 |
| | | Total | 5734165 | 1435480756 | 799974944 | 315669 | 2534 | 5.51 | 139.51 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 77 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|-------------|-------------------------------|----------|--------|-----------|----------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claim | Freq. (2) | Prém. | |
| | | | Years | Premium | | Cost | | | |
| 11 | Asheville | 2002 | 23497 | 5889071 | 3127210 | 1155 | 2708 | 4.92 | 133.09 |
| | | 2003 | 25972 | 6723599 | 3847273 | 1276 | 3015 | 4.91 | 148.13 |
| | | 2004 | 27323 | 6981267 | 3854742 | 1265 | 3047 | 4.63 | 141.08 |
| | | Total | 76792 | 19593937 | 10829225 | 3696 | 2930 | 4.81 | 141.02 |
| 13 | Durham | 2002 | 33356 | 10532421 | 5683105 | 2004 | 2836 | 6.01 | 170.38 |
| | | 2003 | 35384 | 11397837 | 6139234 | 2179 | 2817 | 6.16 | 173.50 |
| | | 2004 | 36628 | 11600196 | 6047606 | 2139 | 2827 | 5.84 | 165.11 |
| | | Total | 105368 | 33530454 | 17869945 | 6322 | 2827 | 6.00 | 169.60 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 42231 | 12912140 | 6860964 | 2535 | 2706 | 6.00 | 162.46 |
| | | 2003 | 44979 | 14228761 | 8215925 | 2883 | 2850 | 6.41 | 182.66 |
| | | 2004 | 46269 | 14409085 | 6824115 | 2549 | 2677 | 5.51 | 147.49 |
| | | Total | 133479 | 41549986 | 21901004 | 7967 | 2749 | 5.97 | 164.08 |
| 15 | High Point | 2002 | 13044 | 3815419 | 2153332 | 794 | 2712 | 6.09 | 165.08 |
| | | 2003 | 13957 | 4137141 | 2171467 | 795 | 2731 | 5.70 | 155.58 |
| | | 2004 | 14325 | 4169486 | 2146964 | 798 | 2690 | 5.57 | 149.88 |
| | | Total | 41326 | 12122046 | 6471763 | 2387 | 2711 | 5.78 | 156.60 |
| 16 | Raleigh | 2002 | 114333 | 33842055 | 18152898 | 6066 | 2993 | 5.31 | 158.77 |
| | | 2003 | 122596 | 37252963 | 20641008 | 6528 | 3162 | 5.32 | 168.37 |
| | | 2004 | 129888 | 38024614 | 20337851 | 6477 | 3140 | 4.99 | 156.58 |
| | | Total | 366817 | 109119632 | 59131757 | 19071 | 3101 | 5.20 | 161.20 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
 AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
 PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| Territory | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|-------------------------|---------------|------------------|--------------------------|-----------|--------|--------------------|-----------------|------------|
| | | | | | | | | |
| 17 Wilmington | 2002 | 39867 | 11236616 | 6307790 | 2079 | 3034 | 5.21 | 158.22 |
| | 2003 | 43955 | 12309915 | 6743238 | 2158 | 3125 | 4.91 | 153.41 |
| | 2004 | 47609 | 13004555 | 7482371 | 2406 | 3110 | 5.05 | 157.16 |
| | Total | 131431 | 36551086 | 20533399 | 6643 | 3091 | 5.05 | 156.23 |
| 18 Winston-Salem | 2002 | 39169 | 10529095 | 5666355 | 2052 | 2761 | 5.24 | 144.66 |
| | 2003 | 41609 | 11478066 | 5811014 | 2158 | 2693 | 5.19 | 139.66 |
| | 2004 | 42371 | 11395036 | 5906473 | 2158 | 2737 | 5.09 | 139.40 |
| | Total | 123149 | 33402197 | 17383842 | 6368 | 2730 | 5.17 | 141.16 |
| 24 Western Territories | 2002 | 426453 | 109493176 | 64313956 | 19917 | 3229 | 4.67 | 150.81 |
| | 2003 | 451753 | 121138538 | 69769549 | 21474 | 3249 | 4.75 | 154.44 |
| | 2004 | 477407 | 124196334 | 67202866 | 20856 | 3222 | 4.37 | 140.77 |
| | Total | 1355613 | 354828048 | 201286371 | 62247 | 3234 | 4.59 | 148.48 |
| 25 Gaston County | 2002 | 30547 | 9559822 | 4829377 | 1621 | 2979 | 5.31 | 158.10 |
| | 2003 | 32255 | 10098947 | 5461948 | 1692 | 3228 | 5.25 | 169.34 |
| | 2004 | 33776 | 10108414 | 4886128 | 1681 | 2907 | 4.98 | 144.66 |
| | Total | 96578 | 29767183 | 15177453 | 4994 | 3039 | 5.17 | 157.15 |
| 26 Southern Territories | 2002 | 88037 | 26520315 | 14987050 | 4384 | 3419 | 4.98 | 170.24 |
| | 2003 | 95945 | 29724649 | 15363792 | 4764 | 3225 | 4.97 | 160.13 |
| | 2004 | 103786 | 31418346 | 17371027 | 5096 | 3409 | 4.91 | 167.37 |
| | Total | 287768 | 87663310 | 47721869 | 14244 | 3350 | 4.95 | 165.83 |

Notes:
 (1) Not under fleet plan.
 (2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 77 | | Accident Year | Earned Car Years | Collected Earned Premium | Paid Loss | Average Claims | Average Claim Cost | Claim Freq. (2) | Pure Prem. |
|-------------|------------------------------|------------------|------------------------|--------------------------------|--------------|-------------------|--------------------------|--------------------|---------------|
| Territory | | | | | | | | | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 74196 | 19745406 | 10684979 | 3428 | 3117 | 4.62 | 144.01 |
| | | 2003 | 81113 | 22164193 | 12019391 | 3900 | 3082 | 4.81 | 148.18 |
| | | 2004 | 87646 | 23172026 | 12688094 | 3932 | 3227 | 4.49 | 144.77 |
| | | Total | 242955 | 65081625 | 35392464 | 11260 | 3143 | 4.63 | 145.67 |
| 32 | Guilford, Buncombe, etc. | 2002 | 142813 | 36307222 | 20176381 | 6587 | 3063 | 4.61 | 141.28 |
| | | 2003 | 152908 | 40334913 | 22709918 | 7203 | 3153 | 4.71 | 148.52 |
| | | 2004 | 161676 | 41852737 | 22040934 | 7203 | 3060 | 4.46 | 136.33 |
| | | Total | 457397 | 118494872 | 64927233 | 20993 | 3093 | 4.59 | 141.95 |
| 33 | Eastern Territories | 2002 | 118100 | 32296411 | 17821806 | 5433 | 3280 | 4.60 | 150.90 |
| | | 2003 | 129801 | 36463937 | 18987465 | 6054 | 3136 | 4.66 | 146.28 |
| | | 2004 | 139249 | 38110367 | 20991908 | 6455 | 3252 | 4.64 | 150.75 |
| | | Total | 387150 | 106870715 | 57801179 | 17942 | 3222 | 4.63 | 149.30 |
| 40 | Fayetteville | 2002 | 49980 | 18128597 | 10843360 | 3503 | 3095 | 7.01 | 216.95 |
| | | 2003 | 53929 | 20776181 | 11218943 | 3580 | 3134 | 6.64 | 208.03 |
| | | 2004 | 58251 | 23639882 | 13256652 | 3999 | 3315 | 6.87 | 227.58 |
| | | Total | 162160 | 62544660 | 35318955 | 11082 | 3187 | 6.83 | 217.80 |
| 41 | Onslow County | 2002 | 31072 | 14040327 | 9093823 | 2542 | 3577 | 8.18 | 292.67 |
| | | 2003 | 33206 | 16183150 | 8239252 | 2469 | 3337 | 7.44 | 248.13 |
| | | 2004 | 36176 | 17607570 | 8390990 | 2462 | 3408 | 6.81 | 231.95 |
| | | Total | 100454 | 47831047 | 25724065 | 7473 | 3442 | 7.44 | 256.08 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 77 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|------------------|---------------------------------|----------|---------|------------|-----------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claim | Claim | Prem. | |
| | | | Years | Premium | | Cost | Freq. (2) | | |
| 43 | Craven County | 2002 | 15947 | 4425229 | 2591165 | 805 | 3219 | 5.05 | 162.49 |
| | | 2003 | 18007 | 5421060 | 2888523 | 966 | 2990 | 5.36 | 160.41 |
| | | 2004 | 19030 | 5930411 | 3348920 | 946 | 3540 | 4.97 | 175.98 |
| | | Total | 52984 | 15776700 | 8828608 | 2717 | 3249 | 5.13 | 166.63 |
| 47 | Wayne County | 2002 | 18037 | 5059498 | 2655036 | 879 | 3021 | 4.87 | 147.20 |
| | | 2003 | 19706 | 5749695 | 3337948 | 1002 | 3331 | 5.08 | 169.39 |
| | | 2004 | 20986 | 6188878 | 3095188 | 1033 | 2996 | 4.92 | 147.49 |
| | | Total | 58729 | 16998071 | 9088172 | 2914 | 3119 | 4.96 | 154.75 |
| 51 | Mecklenburg County Remainder | 2002 | 18844 | 5140032 | 2924255 | 989 | 2957 | 5.25 | 155.18 |
| | | 2003 | 21600 | 6084808 | 3455432 | 1092 | 3164 | 5.06 | 159.97 |
| | | 2004 | 23733 | 6589468 | 3324627 | 1106 | 3006 | 4.66 | 140.08 |
| | | Total | 64177 | 17814308 | 9704314 | 3187 | 3045 | 4.97 | 151.21 |
| 52 | Charlotte | 2002 | 144148 | 46590653 | 25071384 | 8843 | 2835 | 6.13 | 173.93 |
| | | 2003 | 151740 | 50266860 | 26648698 | 9210 | 2893 | 6.07 | 175.62 |
| | | 2004 | 159015 | 51681791 | 27389699 | 9526 | 2875 | 5.99 | 172.25 |
| | | Total | 454903 | 148539304 | 79109781 | 27579 | 2868 | 6.06 | 173.90 |
| Statewide Totals | | 2002 | 1463671 | 416063505 | 233944226 | 75616 | 3094 | 5.17 | 159.83 |
| | | 2003 | 1570415 | 461935213 | 253670018 | 81383 | 3117 | 5.18 | 161.53 |
| | | 2004 | 1665144 | 480080463 | 256587155 | 82087 | 3126 | 4.93 | 154.09 |
| | | Total | 4699230 | 1358079181 | 744201399 | 239086 | 3113 | 5.09 | 158.37 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 78 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|-------------|-------------------------------|----------|--------|-----------|---------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claims | Cost | Claim | |
| | | | Years | Premium | | | Freq. (2) | Prem. | |
| 11 | Asheville | 2002 | 1557 | 383826 | 283635 | 56 | 5065 | 3.60 | 182.17 |
| | | 2003 | 1944 | 474672 | 214361 | 50 | 4287 | 2.57 | 110.27 |
| | | 2004 | 2123 | 514080 | 253480 | 59 | 4296 | 2.78 | 119.40 |
| | | Total | 5624 | 1372578 | 751476 | 165 | 4554 | 2.93 | 133.62 |
| 13 | Durham | 2002 | 1891 | 572367 | 303066 | 73 | 4152 | 3.86 | 160.27 |
| | | 2003 | 2566 | 761285 | 435188 | 99 | 4396 | 3.86 | 169.60 |
| | | 2004 | 2993 | 862554 | 444911 | 98 | 4540 | 3.27 | 148.65 |
| | | Total | 7450 | 2196206 | 1183165 | 270 | 4382 | 3.62 | 158.81 |
| 14 | Greensboro- Hamilton Lakes | 2002 | 2468 | 693075 | 333238 | 78 | 4272 | 3.16 | 135.02 |
| | | 2003 | 3039 | 846340 | 420237 | 111 | 3786 | 3.65 | 138.28 |
| | | 2004 | 3257 | 906019 | 336863 | 101 | 3335 | 3.10 | 103.43 |
| | | Total | 8764 | 2445434 | 1090338 | 290 | 3760 | 3.31 | 124.41 |
| 15 | High Point | 2002 | 653 | 170528 | 154711 | 32 | 4835 | 4.90 | 236.92 |
| | | 2003 | 773 | 204347 | 68202 | 23 | 2965 | 2.98 | 88.23 |
| | | 2004 | 869 | 230671 | 144529 | 28 | 5162 | 3.22 | 166.32 |
| | | Total | 2295 | 605546 | 367442 | 83 | 4427 | 3.62 | 160.11 |
| 16 | Raleigh | 2002 | 7006 | 2010503 | 953304 | 251 | 3798 | 3.58 | 136.07 |
| | | 2003 | 9276 | 2594532 | 1190305 | 290 | 4105 | 3.13 | 128.32 |
| | | 2004 | 11263 | 2995734 | 1321324 | 350 | 3775 | 3.11 | 117.32 |
| | | Total | 27545 | 7600769 | 3464933 | 891 | 3889 | 3.23 | 125.79 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 78 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|-------------|-------------------------|----------|--------|-----------|----------|---------|-----------|-------|--------|
| Territory | Year | Year | Car | Earned | Loss | Claim | Freq. (2) | Prem. | |
| | | | Years | Premium | | Cost | | | |
| 17 | Wilmington | 2002 | 2764 | 737943 | 284364 | 77 | 3693 | 2.79 | 102.88 |
| | | 2003 | 3652 | 931544 | 561263 | 115 | 4881 | 3.15 | 153.69 |
| | | 2004 | 4144 | 1033252 | 621493 | 152 | 4089 | 3.67 | 149.97 |
| | | Total | 10560 | 2702739 | 1467120 | 344 | 4265 | 3.26 | 138.93 |
| 18 | Winston-Salem | 2002 | 2100 | 518557 | 234087 | 69 | 3393 | 3.29 | 111.47 |
| | | 2003 | 2597 | 632373 | 299614 | 73 | 4104 | 2.81 | 115.37 |
| | | 2004 | 2884 | 681274 | 409365 | 76 | 5386 | 2.64 | 141.94 |
| | | Total | 7581 | 1832204 | 943066 | 218 | 4326 | 2.88 | 124.40 |
| 24 | Western Territories | 2002 | 22303 | 5832047 | 3108797 | 724 | 4294 | 3.25 | 139.39 |
| | | 2003 | 27435 | 7179490 | 3726287 | 865 | 4308 | 3.15 | 135.82 |
| | | 2004 | 31630 | 7976364 | 4055528 | 939 | 4319 | 2.97 | 128.22 |
| | | Total | 81368 | 20987901 | 10890612 | 2528 | 4308 | 3.11 | 133.84 |
| 25 | Gaston County | 2002 | 1302 | 395904 | 207872 | 54 | 3849 | 4.15 | 159.66 |
| | | 2003 | 1611 | 469511 | 281001 | 56 | 5018 | 3.48 | 174.43 |
| | | 2004 | 1736 | 492214 | 202083 | 57 | 3545 | 3.28 | 116.41 |
| | | Total | 4649 | 1357629 | 690956 | 167 | 4137 | 3.59 | 148.62 |
| 26 | Southern Territories | 2002 | 3651 | 1027350 | 455953 | 124 | 3677 | 3.40 | 124.88 |
| | | 2003 | 4954 | 1378738 | 718987 | 181 | 3972 | 3.65 | 145.13 |
| | | 2004 | 5913 | 1620044 | 778848 | 198 | 3934 | 3.35 | 131.72 |
| | | Total | 14518 | 4026132 | 1953788 | 503 | 3884 | 3.46 | 134.58 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 78 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|-------------|------------------------------|----------|---------|-----------|---------|---------|-----------|-------|--------|
| Territory | Year | Car | Earned | Loss | Claims | Claim | Freq. (2) | Prem. | |
| | | Years | Premium | | | Cost | | | |
| 31 | Wilson, Rocky Mount, etc. | 2002 | 4238 | 1147887 | 682884 | 138 | 4948 | 3.26 | 161.13 |
| | | 2003 | 5769 | 1504273 | 838096 | 198 | 4233 | 3.43 | 145.28 |
| | | 2004 | 6960 | 1726439 | 1048242 | 216 | 4853 | 3.10 | 150.61 |
| | | Total | 16967 | 4378599 | 2569222 | 552 | 4654 | 3.25 | 151.42 |
| 32 | Guilford, Buncombe, etc. | 2002 | 6920 | 1734627 | 910270 | 218 | 4176 | 3.15 | 131.54 |
| | | 2003 | 8612 | 2165374 | 1032656 | 273 | 3783 | 3.17 | 119.91 |
| | | 2004 | 9894 | 2396287 | 1218551 | 274 | 4447 | 2.77 | 123.16 |
| | | Total | 25426 | 6296288 | 3161477 | 765 | 4133 | 3.01 | 124.34 |
| 33 | Eastern Territories | 2002 | 5301 | 1401213 | 643343 | 178 | 3614 | 3.36 | 121.36 |
| | | 2003 | 7012 | 1830583 | 994555 | 219 | 4541 | 3.12 | 141.84 |
| | | 2004 | 8334 | 2103092 | 912512 | 249 | 3665 | 2.99 | 109.49 |
| | | Total | 20647 | 5334888 | 2550410 | 646 | 3948 | 3.13 | 123.52 |
| 40 | Fayetteville | 2002 | 2114 | 713317 | 385776 | 94 | 4104 | 4.45 | 182.49 |
| | | 2003 | 2739 | 983380 | 485488 | 126 | 3853 | 4.60 | 177.25 |
| | | 2004 | 3236 | 1236583 | 673366 | 166 | 4056 | 5.13 | 208.09 |
| | | Total | 8089 | 2933280 | 1544630 | 386 | 4002 | 4.77 | 190.95 |
| 41 | Onslow County | 2002 | 1068 | 531247 | 280841 | 68 | 4130 | 6.37 | 262.96 |
| | | 2003 | 1554 | 835018 | 251256 | 67 | 3750 | 4.31 | 161.68 |
| | | 2004 | 1970 | 981563 | 441850 | 89 | 4965 | 4.52 | 224.29 |
| | | Total | 4592 | 2347828 | 973947 | 224 | 4348 | 4.88 | 212.10 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

NORTH CAROLINA
AUTOMOBILE PHYSICAL DAMAGE EXPERIENCE (1)
PRIVATE PASSENGER NON-FLEET VOLUNTARY AND CONSENT TO RATE BUSINESS

| COVERAGE 78 | | Accident | Earned | Collected | Paid | Average | Claim | Pure | |
|------------------|---------------------------------|----------|--------|-----------|----------|---------|-----------|-------|--------|
| Territory | | Year | Car | Earned | Loss | Claims | Cost | Claim | |
| | | | Years | Premium | | | Freq. (2) | Prem. | |
| 43 | Craven County | 2002 | 700 | 189228 | 116361 | 24 | 4848 | 3.43 | 166.23 |
| | | 2003 | 959 | 278086 | 245956 | 50 | 4919 | 5.21 | 256.47 |
| | | 2004 | 1203 | 355677 | 192674 | 41 | 4699 | 3.41 | 160.16 |
| | | Total | 2862 | 822991 | 554991 | 115 | 4826 | 4.02 | 193.92 |
| 47 | Wayne County | 2002 | 709 | 207443 | 101620 | 22 | 4619 | 3.10 | 143.33 |
| | | 2003 | 941 | 265846 | 124504 | 22 | 5659 | 2.34 | 132.31 |
| | | 2004 | 1112 | 325014 | 180877 | 35 | 5168 | 3.15 | 162.66 |
| | | Total | 2762 | 798303 | 407001 | 79 | 5152 | 2.86 | 147.36 |
| 51 | Mecklenburg County Remainder | 2002 | 1324 | 358396 | 145149 | 37 | 3923 | 2.79 | 109.63 |
| | | 2003 | 1805 | 487717 | 257982 | 45 | 5733 | 2.49 | 142.93 |
| | | 2004 | 2184 | 602820 | 261368 | 71 | 3681 | 3.25 | 119.67 |
| | | Total | 5313 | 1448933 | 664499 | 153 | 4343 | 2.88 | 125.07 |
| 52 | Charlotte | 2002 | 9274 | 2789468 | 1396360 | 346 | 4036 | 3.73 | 150.57 |
| | | 2003 | 11148 | 3338118 | 1389963 | 362 | 3840 | 3.25 | 124.68 |
| | | 2004 | 12593 | 3751741 | 1796475 | 429 | 4188 | 3.41 | 142.66 |
| | | Total | 33015 | 9879327 | 4582798 | 1137 | 4031 | 3.44 | 138.81 |
| Statewide Totals | | 2002 | 77343 | 21414926 | 10981631 | 2663 | 4124 | 3.44 | 141.99 |
| | | 2003 | 98386 | 27161227 | 13535901 | 3225 | 4197 | 3.28 | 137.58 |
| | | 2004 | 114298 | 30791422 | 15294339 | 3628 | 4216 | 3.17 | 133.81 |
| | | Total | 290027 | 79367575 | 39811871 | 9516 | 4184 | 3.28 | 137.27 |

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Notes:

(1) Not under fleet plan.

(2) Claim frequency is per 100 cars.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

2. CREDIBILITY FACTOR DEVELOPMENT AND APPLICATION

See attached exhibits, Section D and prefiled testimony of P. Woods and M. Miller.

Credibility Factor Determination

Credibility considerations enter into the private passenger ratemaking formula in three areas:

- 1) statewide rate level in the determination of accident year weights.
- 2) territory rate level in the determination of the individual territory's formula loss ratio.
- 3) trend factor determination in the determination to base the average annual change on North Carolina data or a combination of North Carolina and countrywide data.

The first two areas full credibility standard is based on an application of the credibility formula contained in the paper "On The Credibility of The Pure Premium" by Mayerson, Jones and Bowers (PCAS LV, 1968). The full credibility standards contemplate P and K values of 95% and 5% for statewide and 90% and 5% for territory.

The trend credibility procedure is based on the first model discussed in "An Introduction to Credibility Theory" by L. H. Longley-Cook. The full credibility standard is based on P and K values of 99% and 2 1/2%.

For Uninsured Motorists and Underinsured Motorists, each year of the experience period is given weight proportional to its earned car years in the calculation of an indicated premium per exposure.

For Motorcycles, each year of the experience period is given weight proportional to its earned premium at present manual rates in the calculation of an indicated change.

CREDIBILITY TABLES BASED
UPON NUMBER OF CLAIMS

The projected loss ratios are weighted in accordance with the following:

| <u>Average Number of Claim for the Latest Two Years (A)</u> | <u>Weight to Earlier Year</u> | <u>Weight to Later Year</u> |
|---|---------------------------------------|-------------------------------------|
| 4000 and over | 0% | 100% |
| 3600 - 3999 | 10 | 90 |
| 3200 - 3599 | 20 | 80 |
| 2800 - 3199 | 30 | 70 |
| 2400 - 2799 | 40 | 60 |
| under 2400 | 50 | 50 |

(A) Applied separately by coverage.

| <u>Credibility</u> | <u>Determination of Territory Credibility (B)</u> | <u>Credibility</u> | <u>Determination of Trend Factor Credibility (C)</u> |
|--------------------|---|--------------------|--|
| 0 | 0 - 29 | 0 | 0 - 26 |
| .10 | 30 - 119 | .05 | 27 - 105 |
| .20 | 120 - 269 | .10 | 106 - 238 |
| .30 | 270 - 479 | .15 | 239 - 424 |
| .40 | 480 - 749 | .20 | 425 - 663 |
| .50 | 750 - 1,079 | .25 | 664 - 955 |
| .60 | 1,080 - 1,469 | .30 | 956 - 1,300 |
| .70 | 1,470 - 1,919 | .35 | 1,301 - 1,699 |
| .80 | 1,920 - 2,429 | .40 | 1,700 - 2,150 |
| .90 | 2,430 - 2,999 | .45 | 2,151 - 2,655 |
| 1.00 | 3,000 or more | .50 | 2,656 - 3,212 |
| | | .55 | 3,213 - 3,823 |
| | | .60 | 3,824 - 4,487 |
| | | .65 | 4,488 - 5,204 |
| | | .70 | 5,205 - 5,974 |
| | | .75 | 5,975 - 6,798 |
| | | .80 | 6,799 - 7,674 |
| | | .85 | 7,675 - 8,604 |
| | | .90 | 8,605 - 9,586 |
| | | .95 | 9,587 - 10,622 |
| | | 1.00 | 10,623 or more |

(B) Territory credibility is based on the number of claims underlying the three year pure premium.

(C) Trend factor credibility is based on the number of claims underlying the latest year's experience appearing in the trend exhibits.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

3. LOSS DEVELOPMENT FACTOR DERIVATION AND APPLICATION ON BOTH PAID AND
INCURRED BASES AND IN BOTH NUMBERS AND DOLLARS OF CLAIMS

- 3(a) Loss development factor derivation is contained on the following pages H-530-598. In selecting the loss development factor, three and five year straight averages were considered, with the three year factor being selected as the best blend of responsiveness and stability for Bodily Injury, Property Damage and Medical Payments. For basic and total limits incurred Bodily Injury, the three year average for 2000-2002 was used to determine the 15-27 month link ratio. For Uninsured Motorists Bodily Injury and Underinsured Motorists, the average of the latest five years was selected for increased stability.

Development for all coverages is to 63 months.

Additional information regarding loss development is contained in the prefiled testimony of P. Woods and M. Miller.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

EARNED EXPOSURES BY COVERAGE

VOLUNTARY AND CEDED COMBINED

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> | <u>UNINSURED MOTORISTS B.I.</u> | <u>UNDERINSURED MOTORISTS B.I.</u> |
|-------------|--------------------------|----------------------------|-----------------------------|---|--|
| 2000 | 5,654,429 | 5,654,429 | 4,207,201 | 5,371,708 | 3,272,681 |
| 2001 | 5,771,345 | 5,771,345 | 4,298,407 | 5,482,778 | 3,402,700 |
| 2002 | 5,930,356 | 5,930,356 | 4,432,231 | 5,633,838 | 3,503,850 |
| 2003 | 6,059,878 | 6,059,878 | 4,523,950 | 5,756,884 | 3,580,376 |
| 2004 | 6,248,980 | 6,248,980 | 4,646,070 | 5,936,531 | 3,692,103 |

ESTIMATED EARNED PREMIUM BY COVERAGE

VOLUNTARY AND CEDED COMBINED

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> | <u>UNINSURED MOTORISTS B.I.</u> | <u>UNDERINSURED MOTORISTS B.I.</u> |
|-------------|--------------------------|----------------------------|-----------------------------|---|--|
| 2000 | 878,362,071 | 702,030,236 | 112,513,615 | 81,115,477 | 80,837,731 |
| 2001 | 903,125,321 | 764,291,602 | 108,245,538 | 114,346,625 | 60,935,033 |
| 2002 | 904,712,755 | 863,619,934 | 106,222,665 | 110,802,382 | 53,731,013 |
| 2003 | 953,423,587 | 967,960,280 | 116,950,612 | 96,790,491 | 52,185,559 |
| 2004 | 1,000,865,569 | 946,570,178 | 125,945,947 | 99,387,027 | 55,560,257 |

REVISED 3/10/06

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

EARNED EXPOSURES BY COVERAGE

VOLUNTARY AND CEDED COMBINED

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> | <u>UNINSURED MOTORISTS B.I.</u> | <u>UNDERINSURED MOTORISTS B.I.</u> |
|-------------|--------------------------|----------------------------|-----------------------------|---|--|
| 2000 | 5,654,429 | 5,654,429 | 4,207,201 | 5,371,708 | 3,272,681 |
| 2001 | 5,771,345 | 5,771,345 | 4,298,407 | 5,482,778 | 3,402,700 |
| 2002 | 5,930,356 | 5,930,356 | 4,432,231 | 5,633,838 | 3,503,850 |
| 2003 | 6,059,878 | 6,059,878 | 4,523,950 | 5,756,884 | 3,580,376 |
| 2004 | 6,248,980 | 6,248,980 | 4,646,070 | 5,936,531 | 3,692,103. |

ESTIMATED EARNED PREMIUM BY COVERAGE

VOLUNTARY AND CEDED COMBINED

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> | <u>UNINSURED MOTORISTS B.I.</u> | <u>UNDERINSURED MOTORISTS B.I.</u> |
|-------------|--------------------------|----------------------------|-----------------------------|---|--|
| 2000 | 878,362,071 | 702,030,236 | 133,852,336 | 81,115,477 | 80,837,731 |
| 2001 | 903,125,321 | 764,291,602 | 131,067,889 | 114,346,625 | 60,935,033 |
| 2002 | 904,712,755 | 863,619,934 | 131,063,105 | 110,802,382 | 53,731,013 |
| 2003 | 953,423,587 | 967,960,280 | 146,944,893 | 96,790,491 | 52,185,559 |
| 2004 | 1,000,865,569 | 946,570,178 | 160,523,122 | 99,387,027 | 55,560,257 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Bodily Injury Total Limits Paid Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 457,904,019 |
| 1992 | | | | 487,711,481 | 508,423,434 |
| 1993 | | | 467,261,629 | 516,904,328 | 535,813,299 |
| 1994 | | 416,288,360 | 505,291,267 | 553,835,285 | 575,785,047 |
| 1995 | 228,156,334 | 427,992,668 | 519,919,728 | 571,835,213 | 592,222,495 |
| 1996 | 228,444,260 | 426,029,526 | 517,700,097 | 572,219,289 | 595,630,897 |
| 1997 | 229,644,143 | 431,616,003 | 522,274,331 | 575,363,333 | 598,211,754 |
| 1998 | 228,601,621 | 419,173,460 | 509,047,219 | 560,022,842 | 584,627,204 |
| 1999 | 231,875,451 | 430,590,663 | 526,829,968 | 580,273,861 | 606,476,653 |
| 2000 | 238,267,007 | 437,442,957 | 529,910,268 | 585,820,489 | 610,400,096 |
| 2001 | 229,462,179 | 436,717,674 | 533,389,591 | 592,028,458 | |
| 2002 | 246,948,525 | 462,762,209 | 567,363,065 | | |
| 2003 | 254,756,938 | 492,397,536 | | | |
| 2004 | 266,628,448 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.042 |
| 1993 | | | 1.106 | 1.037 |
| 1994 | | 1.214 | 1.096 | 1.040 |
| 1995 | 1.876 | 1.215 | 1.100 | 1.036 |
| 1996 | 1.865 | 1.215 | 1.105 | 1.041 |
| 1997 | 1.879 | 1.210 | 1.102 | 1.040 |
| 1998 | 1.834 | 1.214 | 1.100 | 1.044 |
| 1999 | 1.857 | 1.224 | 1.101 | 1.045 |
| 2000 | 1.836 | 1.211 | 1.106 | 1.042 |
| 2001 | 1.903 | 1.221 | 1.110 | |
| 2002 | 1.874 | 1.226 | | |
| 2003 | 1.933 | | | |
| Five Year Average | 1.881 | 1.219 | 1.104 | 1.042 |
| Three Year Average | 1.903 | 1.219 | 1.106 | 1.044 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.150 | 1.155 | |
| 27 to 63 months: | | 1.402 | 1.408 | |
| 15 to 63 months: | | 2.637 | 2.679 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Property Damage Total Limits Paid Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 241,874,529 |
| 1992 | | | | 265,612,727 | 265,932,284 |
| 1993 | | | 296,165,174 | 297,022,508 | 297,338,063 |
| 1994 | | 342,582,968 | 344,744,859 | 345,687,706 | 345,929,741 |
| 1995 | 376,417,737 | 388,868,480 | 391,482,358 | 392,231,532 | 392,500,763 |
| 1996 | 423,875,486 | 438,350,488 | 441,000,989 | 442,165,389 | 442,374,585 |
| 1997 | 431,213,377 | 446,053,289 | 448,742,218 | 449,706,036 | 449,941,321 |
| 1998 | 443,376,912 | 459,294,282 | 462,141,524 | 463,004,806 | 463,273,676 |
| 1999 | 473,099,750 | 491,607,819 | 495,153,281 | 496,272,202 | 496,169,911 |
| 2000 | 496,862,761 | 518,966,482 | 518,878,432 | 519,743,391 | 519,978,486 |
| 2001 | 493,946,588 | 513,666,485 | 516,084,363 | 517,052,035 | |
| 2002 | 509,903,937 | 529,448,599 | 532,558,761 | | |
| 2003 | 528,534,090 | 549,681,580 | | | |
| 2004 | 532,021,733 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.001 |
| 1993 | | | 1.003 | 1.001 |
| 1994 | | 1.006 | 1.003 | 1.001 |
| 1995 | 1.033 | 1.007 | 1.002 | 1.001 |
| 1996 | 1.034 | 1.006 | 1.003 | 1.000 |
| 1997 | 1.034 | 1.006 | 1.002 | 1.001 |
| 1998 | 1.036 | 1.006 | 1.002 | 1.001 |
| 1999 | 1.039 | 1.007 | 1.002 | 1.000 |
| 2000 | 1.044 | 1.000 | 1.002 | 1.000 |
| 2001 | 1.040 | 1.005 | 1.002 | |
| 2002 | 1.038 | 1.006 | | |
| 2003 | 1.040 | | | |
| Five Year Average | 1.040 | 1.005 | 1.002 | 1.000 |
| Three Year Average | 1.039 | 1.004 | 1.002 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.002 | 1.002 | |
| 27 to 63 months: | | 1.007 | 1.006 | |
| 15 to 63 months: | | 1.047 | 1.045 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Medical Payments Total Limits Paid Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 65,093,384 |
| 1992 | | | | 71,547,364 | 71,714,031 |
| 1993 | | | 73,993,644 | 74,818,424 | 75,037,868 |
| 1994 | | 76,055,741 | 78,099,746 | 78,926,420 | 79,169,009 |
| 1995 | 65,641,492 | 79,685,372 | 81,939,737 | 82,850,110 | 83,099,064 |
| 1996 | 64,932,556 | 79,099,984 | 81,252,411 | 82,270,818 | 82,662,642 |
| 1997 | 64,233,803 | 77,624,152 | 80,362,354 | 81,475,584 | 81,744,979 |
| 1998 | 61,315,057 | 74,200,833 | 76,699,175 | 77,650,349 | 77,955,069 |
| 1999 | 61,899,560 | 75,847,264 | 78,196,726 | 79,445,330 | 79,605,727 |
| 2000 | 63,973,747 | 76,775,187 | 79,442,173 | 80,684,010 | 80,857,818 |
| 2001 | 66,363,192 | 79,778,901 | 82,743,631 | 83,774,120 | |
| 2002 | 72,832,848 | 86,945,509 | 90,039,406 | | |
| 2003 | 73,605,060 | 89,033,077 | | | |
| 2004 | 73,160,155 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.002 |
| 1993 | | | 1.011 | 1.003 |
| 1994 | | 1.027 | 1.011 | 1.003 |
| 1995 | 1.214 | 1.028 | 1.011 | 1.003 |
| 1996 | 1.218 | 1.027 | 1.013 | 1.005 |
| 1997 | 1.208 | 1.035 | 1.014 | 1.003 |
| 1998 | 1.210 | 1.034 | 1.012 | 1.004 |
| 1999 | 1.225 | 1.031 | 1.016 | 1.002 |
| 2000 | 1.200 | 1.035 | 1.016 | 1.002 |
| 2001 | 1.202 | 1.037 | 1.012 | |
| 2002 | 1.194 | 1.036 | | |
| 2003 | 1.210 | | | |
| Five Year Average | 1.206 | 1.035 | 1.014 | 1.003 |
| Three Year Average | 1.202 | 1.036 | 1.015 | 1.003 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.017 | 1.018 | |
| 27 to 63 months: | | 1.053 | 1.055 | |
| 15 to 63 months: | | 1.270 | 1.268 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Uninsured Motorists Bodily Injury Total Limits Paid Losses as of | | | | |
|------------------|--|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 26,999,407 |
| 1992 | | | | 30,522,374 | 32,211,956 |
| 1993 | | | 22,132,876 | 24,444,897 | 25,194,784 |
| 1994 | | 17,792,002 | 22,335,157 | 24,310,263 | 25,378,210 |
| 1995 | 10,429,831 | 20,180,702 | 25,305,793 | 26,989,295 | 28,435,379 |
| 1996 | 11,690,495 | 22,438,141 | 26,055,626 | 28,101,930 | 29,732,342 |
| 1997 | 13,004,359 | 24,650,890 | 29,331,743 | 32,366,005 | 33,178,737 |
| 1998 | 13,126,245 | 23,368,375 | 28,206,202 | 29,827,526 | 30,612,135 |
| 1999 | 11,726,847 | 22,308,899 | 26,734,124 | 28,868,681 | 30,593,378 |
| 2000 | 12,201,449 | 22,519,176 | 26,715,774 | 28,424,065 | 29,586,905 |
| 2001 | 12,183,190 | 23,841,759 | 29,420,212 | 32,282,226 | |
| 2002 | 14,168,378 | 26,629,711 | 32,478,732 | | |
| 2003 | 13,803,957 | 26,505,221 | | | |
| 2004 | 14,391,957 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.055 |
| 1993 | | | 1.104 | 1.031 |
| 1994 | | 1.255 | 1.088 | 1.044 |
| 1995 | 1.935 | 1.254 | 1.067 | 1.054 |
| 1996 | 1.919 | 1.161 | 1.079 | 1.058 |
| 1997 | 1.896 | 1.190 | 1.103 | 1.025 |
| 1998 | 1.780 | 1.207 | 1.057 | 1.026 |
| 1999 | 1.902 | 1.198 | 1.080 | 1.060 |
| 2000 | 1.846 | 1.186 | 1.064 | 1.041 |
| 2001 | 1.957 | 1.234 | 1.097 | |
| 2002 | 1.880 | 1.220 | | |
| 2003 | 1.920 | | | |
| Five Year Average | 1.901 | 1.209 | 1.080 | 1.042 |
| Three Year Average | 1.919 | 1.213 | 1.080 | 1.042 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.125 | 1.125 | |
| 27 to 63 months: | | 1.360 | 1.365 | |
| 15 to 63 months: | | 2.585 | 2.619 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Underinsured Motorists Bodily Injury Total Limits Paid Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 57,543,934 |
| 1992 | | | | 44,670,050 | 48,936,449 |
| 1993 | | | 37,230,791 | 46,554,388 | 51,178,447 |
| 1994 | | 25,518,086 | 37,660,963 | 44,326,826 | 47,746,294 |
| 1995 | 9,421,164 | 26,942,959 | 37,845,703 | 44,677,674 | 48,611,770 |
| 1996 | 9,299,684 | 27,400,092 | 39,536,253 | 49,621,728 | 52,874,373 |
| 1997 | 8,209,778 | 24,675,873 | 37,331,383 | 44,997,506 | 48,669,118 |
| 1998 | 7,604,606 | 24,111,767 | 35,627,763 | 42,039,833 | 48,385,043 |
| 1999 | 9,985,333 | 30,261,664 | 40,919,076 | 49,083,021 | 52,923,352 |
| 2000 | 11,970,042 | 31,894,116 | 44,530,224 | 52,567,733 | 56,286,308 |
| 2001 | 12,764,959 | 32,243,770 | 46,919,915 | 55,356,726 | |
| 2002 | 13,305,539 | 34,471,604 | 51,340,718 | | |
| 2003 | 10,317,025 | 35,415,013 | | | |
| 2004 | 14,807,968 | | | | |

| Accident Year | Loss Development Factors | | | |
|------------------|--------------------------|-----------|-----------|-----------|
| | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
| 1992 | | | | 1.096 |
| 1993 | | | 1.250 | 1.099 |
| 1994 | | 1.476 | 1.177 | 1.077 |
| 1995 | 2.860 | 1.405 | 1.181 | 1.088 |
| 1996 | 2.946 | 1.443 | 1.255 | 1.066 |
| 1997 | 3.006 | 1.513 | 1.205 | 1.082 |
| 1998 | 3.171 | 1.478 | 1.180 | 1.151 |
| 1999 | 3.031 | 1.352 | 1.200 | 1.078 |
| 2000 | 2.664 | 1.396 | 1.180 | 1.071 |
| 2001 | 2.526 | 1.455 | 1.180 | |
| 2002 | 2.591 | 1.489 | | |
| 2003 | 3.433 | | | |

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Five Year Average | 2.849 | 1.434 | 1.189 | 1.090 |
| Three Year Average | 2.850 | 1.447 | 1.187 | 1.100 |

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.296 | 1.306 |
| 27 to 63 months: | 1.858 | 1.890 |
| 15 to 63 months: | 5.293 | 5.387 |

Losses exclude unallocated loss adjustment expense.

The Rate Bureau is advised by ISO that the data described in Subparagraph (3)(c) are not available.

See attached Exhibit (3)(d).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page H-530.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Bodily Injury Total Limits Incurred Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 470,429,626 |
| 1992 | | | | 522,845,868 | 521,907,273 |
| 1993 | | | 546,789,836 | 552,138,819 | 548,063,931 |
| 1994 | | 565,499,299 | 588,774,887 | 590,820,124 | 587,515,438 |
| 1995 | 542,838,956 | 588,888,002 | 602,956,881 | 608,845,680 | 604,190,862 |
| 1996 | 553,644,769 | 595,465,814 | 606,937,587 | 607,877,793 | 607,527,453 |
| 1997 | 561,266,762 | 591,973,459 | 600,807,278 | 607,377,686 | 609,373,618 |
| 1998 | 535,782,655 | 571,090,594 | 585,827,205 | 594,262,071 | 595,538,970 |
| 1999 | 547,858,022 | 584,450,486 | 607,315,095 | 616,343,115 | 618,962,876 |
| 2000 | 528,771,428 | 584,171,819 | 607,343,649 | 619,331,394 | 621,691,752 |
| 2001 | 540,606,810 | 590,573,084 | 615,270,128 | 627,427,574 | |
| 2002 | 568,917,216 | 626,297,432 | 650,597,403 | | |
| 2003 | 590,218,744 | 662,896,265 | | | |
| 2004 | 629,424,611 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.998 |
| 1993 | | | 1.010 | 0.993 |
| 1994 | | 1.041 | 1.003 | 0.994 |
| 1995 | 1.085 | 1.024 | 1.010 | 0.992 |
| 1996 | 1.076 | 1.019 | 1.002 | 0.999 |
| 1997 | 1.055 | 1.015 | 1.011 | 1.003 |
| 1998 | 1.066 | 1.026 | 1.014 | 1.002 |
| 1999 | 1.067 | 1.039 | 1.015 | 1.004 |
| 2000 | 1.105 | 1.040 | 1.020 | 1.004 |
| 2001 | 1.092 | 1.042 | 1.020 | |
| 2002 | 1.101 | 1.039 | | |
| 2003 | 1.123 | | | |
| Five Year Average | 1.098 | 1.037 | 1.016 | 1.002 |
| Three Year Average (a) | 1.099 | 1.040 | 1.018 | 1.003 |

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.018 | 1.021 |
| 27 to 63 months: | 1.056 | 1.062 |
| 15 to 63 months: | 1.159 | 1.167 |

(a) The 15-27 month three year average is for 2000-2002.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Property Damage Total Limits Incurred Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 242,181,779 |
| 1992 | | | | 266,479,633 | 266,335,799 |
| 1993 | | | 297,871,948 | 297,959,120 | 297,635,265 |
| 1994 | | 346,000,194 | 346,367,649 | 346,354,513 | 346,114,290 |
| 1995 | 390,455,030 | 392,459,681 | 392,719,031 | 392,780,992 | 392,734,006 |
| 1996 | 440,351,973 | 441,454,775 | 442,330,336 | 442,801,982 | 442,611,518 |
| 1997 | 445,134,254 | 449,027,076 | 450,122,589 | 450,323,753 | 450,139,184 |
| 1998 | 459,158,210 | 462,733,971 | 463,368,820 | 463,408,859 | 463,353,715 |
| 1999 | 491,215,772 | 495,074,602 | 496,620,194 | 496,760,747 | 496,603,613 |
| 2000 | 512,061,856 | 522,380,676 | 520,124,759 | 520,292,907 | 520,234,996 |
| 2001 | 509,607,662 | 516,507,961 | 517,508,923 | 517,801,842 | |
| 2002 | 523,908,951 | 532,151,212 | 533,775,479 | | |
| 2003 | 542,796,004 | 551,748,287 | | | |
| 2004 | 545,709,696 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.999 |
| 1993 | | | 1.000 | 0.999 |
| 1994 | | 1.001 | 1.000 | 0.999 |
| 1995 | 1.005 | 1.001 | 1.000 | 1.000 |
| 1996 | 1.003 | 1.002 | 1.001 | 1.000 |
| 1997 | 1.009 | 1.002 | 1.000 | 1.000 |
| 1998 | 1.008 | 1.001 | 1.000 | 1.000 |
| 1999 | 1.008 | 1.003 | 1.000 | 1.000 |
| 2000 | 1.020 | 0.996 | 1.000 | 1.000 |
| 2001 | 1.014 | 1.002 | 1.001 | |
| 2002 | 1.016 | 1.003 | | |
| 2003 | 1.016 | | | |
| Five Year Average | 1.015 | 1.001 | 1.000 | 1.000 |
| Three Year Average | 1.015 | 1.000 | 1.000 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.000 | 1.000 | |
| 27 to 63 months: | | 1.001 | 1.000 | |
| 15 to 63 months: | | 1.016 | 1.015 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Medical Payments Total Limits Incurred Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 65,195,317 |
| 1992 | | | | 71,794,144 | 71,812,761 |
| 1993 | | | 74,606,952 | 75,142,975 | 75,141,528 |
| 1994 | | 78,009,228 | 78,792,900 | 79,141,305 | 79,248,603 |
| 1995 | 77,988,625 | 81,871,581 | 82,590,616 | 83,077,081 | 83,224,393 |
| 1996 | 78,004,666 | 81,079,429 | 81,935,144 | 82,511,325 | 82,792,510 |
| 1997 | 76,476,955 | 79,759,255 | 81,147,852 | 81,794,233 | 81,862,986 |
| 1998 | 72,417,261 | 76,331,709 | 77,410,266 | 77,964,001 | 78,054,472 |
| 1999 | 74,292,734 | 78,073,695 | 79,055,962 | 79,796,175 | 80,738,717 |
| 2000 | 74,828,822 | 78,803,485 | 80,270,062 | 80,892,530 | 80,916,479 |
| 2001 | 77,445,610 | 82,072,374 | 83,604,663 | 84,189,088 | |
| 2002 | 84,407,330 | 89,375,713 | 90,811,468 | | |
| 2003 | 85,399,350 | 91,379,102 | | | |
| 2004 | 85,271,787 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.007 | 1.000 |
| 1994 | | 1.010 | 1.004 | 1.001 |
| 1995 | 1.050 | 1.009 | 1.006 | 1.002 |
| 1996 | 1.039 | 1.011 | 1.007 | 1.003 |
| 1997 | 1.043 | 1.017 | 1.008 | 1.001 |
| 1998 | 1.054 | 1.014 | 1.007 | 1.001 |
| 1999 | 1.051 | 1.013 | 1.009 | 1.012 |
| 2000 | 1.053 | 1.019 | 1.008 | 1.000 |
| 2001 | 1.060 | 1.019 | 1.007 | |
| 2002 | 1.059 | 1.016 | | |
| 2003 | 1.070 | | | |
| Five Year Average | 1.059 | 1.016 | 1.008 | 1.003 |
| Three Year Average | 1.063 | 1.018 | 1.008 | 1.004 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.011 | 1.012 | |
| 27 to 63 months: | | 1.027 | 1.030 | |
| 15 to 63 months: | | 1.088 | 1.095 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Uninsured Motorists Bodily Injury Total Limits Incurred Losses as of | | | | |
|------------------|--|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 28,355,294 |
| 1992 | | | | 33,071,470 | 33,458,858 |
| 1993 | | | 25,000,757 | 26,887,782 | 25,679,881 |
| 1994 | | 26,713,420 | 27,256,629 | 26,449,865 | 26,013,905 |
| 1995 | 24,329,974 | 29,243,419 | 29,823,380 | 29,613,872 | 29,710,456 |
| 1996 | 26,346,462 | 30,272,249 | 30,915,237 | 31,156,839 | 30,722,745 |
| 1997 | 29,260,028 | 32,116,910 | 33,203,047 | 34,241,234 | 34,883,121 |
| 1998 | 27,475,134 | 31,783,747 | 31,634,139 | 31,592,436 | 31,304,309 |
| 1999 | 27,092,658 | 29,828,551 | 30,830,990 | 31,597,967 | 31,683,597 |
| 2000 | 26,490,557 | 29,862,242 | 30,239,680 | 30,982,143 | 30,423,974 |
| 2001 | 28,807,138 | 32,139,608 | 33,821,069 | 34,489,103 | |
| 2002 | 29,504,496 | 35,299,077 | 37,783,796 | | |
| 2003 | 32,911,343 | 36,005,549 | | | |
| 2004 | 35,354,737 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.012 |
| 1993 | | | 1.075 | 0.955 |
| 1994 | | 1.020 | 0.970 | 0.984 |
| 1995 | 1.202 | 1.020 | 0.993 | 1.003 |
| 1996 | 1.149 | 1.021 | 1.008 | 0.986 |
| 1997 | 1.098 | 1.034 | 1.031 | 1.019 |
| 1998 | 1.157 | 0.995 | 0.999 | 0.991 |
| 1999 | 1.101 | 1.034 | 1.025 | 1.003 |
| 2000 | 1.127 | 1.013 | 1.025 | 0.982 |
| 2001 | 1.116 | 1.052 | 1.020 | |
| 2002 | 1.196 | 1.070 | | |
| 2003 | 1.094 | | | |
| Five Year Average | 1.127 | 1.033 | 1.020 | 0.996 |
| Three Year Average | 1.135 | 1.045 | 1.023 | 0.992 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.016 | 1.015 | |
| 27 to 63 months: | | 1.050 | 1.061 | |
| 15 to 63 months: | | 1.183 | 1.204 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Underinsured Motorists Bodily Injury Total Limits Incurred Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 61,100,043 |
| 1992 | | | | 52,791,861 | 51,536,648 |
| 1993 | | | 47,281,675 | 53,315,874 | 54,043,307 |
| 1994 | | 43,683,302 | 48,959,582 | 50,960,598 | 49,536,274 |
| 1995 | 28,103,058 | 42,931,298 | 48,188,611 | 49,440,697 | 50,080,044 |
| 1996 | 29,860,826 | 45,999,616 | 53,225,170 | 56,489,017 | 57,108,493 |
| 1997 | 28,221,274 | 40,588,590 | 46,794,737 | 50,693,626 | 51,167,907 |
| 1998 | 26,810,519 | 38,014,257 | 45,055,520 | 49,452,500 | 50,577,402 |
| 1999 | 29,181,728 | 43,991,433 | 51,058,110 | 55,197,690 | 55,896,237 |
| 2000 | 31,296,971 | 46,957,194 | 55,327,401 | 58,935,019 | 59,455,128 |
| 2001 | 33,704,324 | 48,251,121 | 57,861,664 | 62,670,797 | |
| 2002 | 32,561,470 | 51,872,076 | 61,831,610 | | |
| 2003 | 33,867,777 | 56,666,590 | | | |
| 2004 | 42,189,407 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.976 |
| 1993 | | | 1.128 | 1.014 |
| 1994 | | 1.121 | 1.041 | 0.972 |
| 1995 | 1.528 | 1.122 | 1.026 | 1.013 |
| 1996 | 1.540 | 1.157 | 1.061 | 1.011 |
| 1997 | 1.438 | 1.153 | 1.083 | 1.009 |
| 1998 | 1.418 | 1.185 | 1.098 | 1.023 |
| 1999 | 1.507 | 1.161 | 1.081 | 1.013 |
| 2000 | 1.500 | 1.178 | 1.065 | 1.009 |
| 2001 | 1.432 | 1.199 | 1.083 | |
| 2002 | 1.593 | 1.192 | | |
| 2003 | 1.673 | | | |
| Five Year Average | 1.541 | 1.183 | 1.082 | 1.013 |
| Three Year Average | 1.566 | 1.190 | 1.076 | 1.015 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.096 | 1.092 | |
| 27 to 63 months: | | 1.297 | 1.299 | |
| 15 to 63 months: | | 1.999 | 2.034 | |

See attached Exhibit (3)(e).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page H-530.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Bodily Injury Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 383,862,164 |
| 1992 | | | | 430,255,281 | 428,685,804 |
| 1993 | | | 456,135,578 | 459,352,242 | 459,179,969 |
| 1994 | | 487,698,498 | 496,119,137 | 499,778,973 | 497,362,994 |
| 1995 | 480,109,432 | 499,805,208 | 508,281,001 | 510,695,093 | 507,711,940 |
| 1996 | 484,666,683 | 507,084,121 | 507,244,864 | 507,972,820 | 508,379,926 |
| 1997 | 499,433,785 | 506,416,147 | 510,093,020 | 513,062,431 | 515,054,841 |
| 1998 | 475,282,363 | 489,118,175 | 494,730,117 | 499,079,295 | 500,235,007 |
| 1999 | 484,067,233 | 497,444,285 | 506,104,335 | 511,660,823 | 514,137,414 |
| 2000 | 467,248,204 | 494,966,053 | 505,863,721 | 512,898,543 | 515,188,246 |
| 2001 | 468,576,304 | 486,718,769 | 497,255,745 | 504,797,761 | |
| 2002 | 502,055,673 | 533,149,260 | 548,869,443 | | |
| 2003 | 515,817,257 | 559,094,357 | | | |
| 2004 | 539,624,419 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.996 |
| 1993 | | | 1.007 | 1.000 |
| 1994 | | 1.017 | 1.007 | 0.995 |
| 1995 | 1.041 | 1.017 | 1.005 | 0.994 |
| 1996 | 1.046 | 1.000 | 1.001 | 1.001 |
| 1997 | 1.014 | 1.007 | 1.006 | 1.004 |
| 1998 | 1.029 | 1.011 | 1.009 | 1.002 |
| 1999 | 1.028 | 1.017 | 1.011 | 1.005 |
| 2000 | 1.059 | 1.022 | 1.014 | 1.004 |
| 2001 | 1.039 | 1.022 | 1.015 | |
| 2002 | 1.062 | 1.029 | | |
| 2003 | 1.084 | | | |
| Five Year Average | 1.054 | 1.020 | 1.011 | 1.003 |
| Three Year Average (b) | 1.053 | 1.024 | 1.013 | 1.004 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.014 | 1.017 | |
| 27 to 63 months: | | 1.034 | 1.041 | |
| 15 to 63 months: | | 1.090 | 1.096 | |

(a) Losses are on a 30/60 level for 2002-2004.

Losses are on a 25/50 level for 1991-2001.

(b) The 15-27 month three year average is for 2000-2002.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Bodily Injury Excess Limits(a) Incurred Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 86,567,462 |
| 1992 | | | | 92,590,587 | 93,221,469 |
| 1993 | | | 90,654,258 | 92,786,577 | 88,883,962 |
| 1994 | | 77,800,801 | 92,655,750 | 91,041,151 | 90,152,444 |
| 1995 | 62,729,524 | 89,082,794 | 94,675,880 | 98,150,587 | 96,478,922 |
| 1996 | 68,978,086 | 88,381,693 | 99,692,723 | 99,904,973 | 99,147,527 |
| 1997 | 61,832,977 | 85,557,312 | 90,714,258 | 94,315,255 | 94,318,777 |
| 1998 | 60,500,292 | 81,972,419 | 91,097,088 | 95,182,776 | 95,303,963 |
| 1999 | 63,790,789 | 87,006,201 | 101,210,760 | 104,682,292 | 104,825,462 |
| 2000 | 61,523,224 | 89,205,766 | 101,479,928 | 106,432,851 | 106,503,506 |
| 2001 | 72,030,506 | 103,854,315 | 118,014,383 | 122,629,813 | |
| 2002 | 66,861,543 | 93,148,172 | 101,727,960 | | |
| 2003 | 74,401,487 | 103,801,908 | | | |
| 2004 | 89,800,192 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.007 |
| 1993 | | | 1.024 | 0.958 |
| 1994 | | 1.191 | 0.983 | 0.990 |
| 1995 | 1.420 | 1.063 | 1.037 | 0.983 |
| 1996 | 1.281 | 1.128 | 1.002 | 0.992 |
| 1997 | 1.384 | 1.060 | 1.040 | 1.000 |
| 1998 | 1.355 | 1.111 | 1.045 | 1.001 |
| 1999 | 1.364 | 1.163 | 1.034 | 1.001 |
| 2000 | 1.450 | 1.138 | 1.049 | 1.001 |
| 2001 | 1.442 | 1.136 | 1.039 | |
| 2002 | 1.393 | 1.092 | | |
| 2003 | 1.395 | | | |
| Five Year Average | 1.409 | 1.128 | 1.041 | 0.999 |
| Three Year Average | 1.410 | 1.122 | 1.041 | 1.001 |

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.040 | 1.042 |
| 27 to 63 months: | 1.173 | 1.169 |
| 15 to 63 months: | 1.653 | 1.648 |

(a) Losses are on a 30/60 level for 2002-2004.
Losses are on a 25/50 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Property Damage Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 230,755,291 |
| 1992 | | | | 250,683,767 | 250,587,858 |
| 1993 | | | 290,341,927 | 290,526,361 | 290,374,126 |
| 1994 | | 341,109,620 | 341,881,402 | 342,544,827 | 342,489,519 |
| 1995 | 384,825,188 | 385,156,651 | 386,974,758 | 387,215,933 | 387,183,990 |
| 1996 | 429,257,284 | 434,360,545 | 434,632,796 | 434,999,549 | 434,974,174 |
| 1997 | 437,020,628 | 440,459,398 | 441,423,147 | 441,741,292 | 441,578,911 |
| 1998 | 448,660,733 | 452,317,568 | 452,935,631 | 452,975,900 | 453,159,687 |
| 1999 | 478,925,504 | 483,717,639 | 485,252,017 | 485,572,450 | 485,440,645 |
| 2000 | 499,816,464 | 510,105,451 | 508,023,076 | 508,052,039 | 508,060,163 |
| 2001 | 494,139,577 | 501,761,686 | 502,671,629 | 503,203,863 | |
| 2002 | 521,387,936 | 529,534,675 | 531,145,335 | | |
| 2003 | 537,475,817 | 547,204,102 | | | |
| 2004 | 540,779,130 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.001 | 0.999 |
| 1994 | | 1.002 | 1.002 | 1.000 |
| 1995 | 1.001 | 1.005 | 1.001 | 1.000 |
| 1996 | 1.012 | 1.001 | 1.001 | 1.000 |
| 1997 | 1.008 | 1.002 | 1.001 | 1.000 |
| 1998 | 1.008 | 1.001 | 1.000 | 1.000 |
| 1999 | 1.010 | 1.003 | 1.001 | 1.000 |
| 2000 | 1.021 | 0.996 | 1.000 | 1.000 |
| 2001 | 1.015 | 1.002 | 1.001 | |
| 2002 | 1.016 | 1.003 | | |
| 2003 | 1.018 | | | |
| Five Year Average | 1.016 | 1.001 | 1.001 | 1.000 |
| Three Year Average | 1.016 | 1.000 | 1.001 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.001 | 1.001 | |
| 27 to 63 months: | | 1.002 | 1.001 | |
| 15 to 63 months: | | 1.018 | 1.017 | |

(a) Losses are on a \$25,000 level for 2002-2004.
Losses are on a \$15,000 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Property Damage Excess Limits(a) Incurred Losses as of | | | | |
|------------------|--|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 11,426,488 |
| 1992 | | | | 15,795,866 | 15,747,941 |
| 1993 | | | 7,530,021 | 7,432,759 | 7,261,139 |
| 1994 | | 4,890,574 | 4,486,247 | 3,809,686 | 3,624,771 |
| 1995 | 5,629,842 | 7,303,030 | 5,744,273 | 5,565,059 | 5,550,016 |
| 1996 | 11,094,689 | 7,094,230 | 7,697,540 | 7,802,433 | 7,637,344 |
| 1997 | 8,113,626 | 8,567,678 | 8,699,442 | 8,582,461 | 8,560,273 |
| 1998 | 10,497,477 | 10,416,403 | 10,433,189 | 10,432,959 | 10,194,028 |
| 1999 | 12,290,268 | 11,356,963 | 11,368,177 | 11,188,297 | 11,162,968 |
| 2000 | 12,245,392 | 12,275,225 | 12,101,683 | 12,240,868 | 12,174,833 |
| 2001 | 15,468,085 | 14,746,275 | 14,837,294 | 14,597,979 | |
| 2002 | 2,521,015 | 2,616,537 | 2,630,144 | | |
| 2003 | 5,320,187 | 4,544,185 | | | |
| 2004 | 4,930,566 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.997 |
| 1993 | | | 0.987 | 0.977 |
| 1994 | | 0.917 | 0.849 | 0.951 |
| 1995 | 1.297 | 0.787 | 0.969 | 0.997 |
| 1996 | 0.639 | 1.085 | 1.014 | 0.979 |
| 1997 | 1.056 | 1.015 | 0.987 | 0.997 |
| 1998 | 0.992 | 1.002 | 1.000 | 0.977 |
| 1999 | 0.924 | 1.001 | 0.984 | 0.998 |
| 2000 | 1.002 | 0.986 | 1.012 | 0.995 |
| 2001 | 0.953 | 1.006 | 0.984 | |
| 2002 | 1.038 | 1.005 | | |
| 2003 | 0.854 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 0.954 | 1.000 | 0.993 | 0.989 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 0.948 | 0.999 | 0.993 | 0.990 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 0.982 | 0.983 |
| 27 to 63 months: | 0.982 | 0.982 |
| 15 to 63 months: | 0.937 | 0.931 |

(a) Losses are on a \$25,000 level for 2002-2004.
Losses are on a \$15,000 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Uninsured Motorists Bodily Injury Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 18,170,585 |
| 1992 | | | | 22,110,858 | 22,234,205 |
| 1993 | | | 20,797,279 | 21,753,061 | 20,995,828 |
| 1994 | | 21,917,845 | 22,613,959 | 22,798,456 | 22,314,613 |
| 1995 | 20,873,338 | 24,351,212 | 24,177,258 | 24,247,311 | 24,145,577 |
| 1996 | 24,176,384 | 24,733,791 | 25,128,358 | 25,321,157 | 24,669,381 |
| 1997 | 26,490,087 | 27,880,982 | 28,521,461 | 28,781,082 | 28,563,797 |
| 1998 | 25,458,394 | 28,076,812 | 27,645,269 | 27,353,483 | 27,183,108 |
| 1999 | 23,972,433 | 25,464,313 | 25,827,432 | 26,055,443 | 26,203,669 |
| 2000 | 24,394,544 | 25,296,185 | 25,564,213 | 25,992,355 | 25,664,003 |
| 2001 | 23,720,600 | 25,612,215 | 26,415,872 | 26,649,546 | |
| 2002 | 25,577,731 | 29,222,649 | 30,769,706 | | |
| 2003 | 27,900,002 | 30,774,807 | | | |
| 2004 | 27,923,952 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.006 |
| 1993 | | | 1.046 | 0.965 |
| 1994 | | 1.032 | 1.008 | 0.979 |
| 1995 | 1.167 | 0.993 | 1.003 | 0.996 |
| 1996 | 1.023 | 1.016 | 1.008 | 0.974 |
| 1997 | 1.053 | 1.023 | 1.009 | 0.992 |
| 1998 | 1.103 | 0.985 | 0.989 | 0.994 |
| 1999 | 1.062 | 1.014 | 1.009 | 1.006 |
| 2000 | 1.037 | 1.011 | 1.017 | 0.987 |
| 2001 | 1.080 | 1.031 | 1.009 | |
| 2002 | 1.143 | 1.053 | | |
| 2003 | 1.103 | | | |
| Five Year Average | 1.085 | 1.019 | 1.007 | 0.991 |
| Three Year Average | 1.109 | 1.032 | 1.012 | 0.996 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 0.998 | 1.008 | |
| 27 to 63 months: | | 1.017 | 1.040 | |
| 15 to 63 months: | | 1.103 | 1.153 | |

(a) Losses are on a 30/60 level for 2002-2004.
Losses are on a 25/50 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

See attached Exhibit (3)(f).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page H-530.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Paid Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 59,647 |
| 1992 | | | | 65,822 | 66,715 |
| 1993 | | | 68,263 | 70,726 | 71,532 |
| 1994 | | 74,334 | 79,659 | 82,174 | 83,184 |
| 1995 | 58,762 | 79,570 | 85,550 | 88,337 | 89,284 |
| 1996 | 60,777 | 82,708 | 88,901 | 91,807 | 92,819 |
| 1997 | 61,107 | 82,622 | 88,449 | 91,253 | 92,277 |
| 1998 | 59,043 | 79,605 | 85,451 | 88,361 | 89,314 |
| 1999 | 59,845 | 81,377 | 87,482 | 90,444 | 91,471 |
| 2000 | 59,539 | 80,064 | 85,793 | 88,725 | 89,700 |
| 2001 | 57,221 | 77,647 | 83,194 | 86,137 | |
| 2002 | 60,245 | 81,132 | 87,177 | | |
| 2003 | 60,906 | 82,199 | | | |
| 2004 | 61,763 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.014 |
| 1993 | | | 1.036 | 1.011 |
| 1994 | | 1.072 | 1.032 | 1.012 |
| 1995 | 1.354 | 1.075 | 1.033 | 1.011 |
| 1996 | 1.361 | 1.075 | 1.033 | 1.011 |
| 1997 | 1.352 | 1.071 | 1.032 | 1.011 |
| 1998 | 1.348 | 1.073 | 1.034 | 1.011 |
| 1999 | 1.360 | 1.075 | 1.034 | 1.011 |
| 2000 | 1.345 | 1.072 | 1.034 | 1.011 |
| 2001 | 1.357 | 1.071 | 1.035 | |
| 2002 | 1.347 | 1.075 | | |
| 2003 | 1.350 | | | |
| Five Year Average | 1.352 | 1.073 | 1.034 | 1.011 |
| Three Year Average | 1.351 | 1.073 | 1.034 | 1.011 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.045 | 1.045 | |
| 27 to 63 months: | | 1.121 | 1.121 | |
| 15 to 63 months: | | 1.516 | 1.514 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Paid Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|------------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 142,018 |
| 1992 | | | | 155,412 | 155,474 |
| 1993 | | | 167,219 | 167,448 | 167,514 |
| 1994 | | 190,103 | 190,762 | 190,993 | 191,071 |
| 1995 | 197,501 | 202,382 | 203,110 | 203,377 | 203,471 |
| 1996 | 208,525 | 213,750 | 214,766 | 215,084 | 215,157 |
| 1997 | 208,858 | 214,316 | 215,181 | 215,479 | 215,548 |
| 1998 | 210,147 | 215,295 | 216,291 | 216,497 | 216,571 |
| 1999 | 216,348 | 222,135 | 222,961 | 223,195 | 223,252 |
| 2000 | 217,097 | 224,702 | 223,537 | 223,727 | 223,763 |
| 2001 | 216,633 | 221,788 | 222,482 | 222,688 | |
| 2002 | 219,946 | 226,020 | 226,750 | | |
| 2003 | 230,206 | 236,407 | | | |
| 2004 | 234,927 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.001 | 1.000 |
| 1994 | | 1.003 | 1.001 | 1.000 |
| 1995 | 1.025 | 1.004 | 1.001 | 1.000 |
| 1996 | 1.025 | 1.005 | 1.001 | 1.000 |
| 1997 | 1.026 | 1.004 | 1.001 | 1.000 |
| 1998 | 1.024 | 1.005 | 1.001 | 1.000 |
| 1999 | 1.027 | 1.004 | 1.001 | 1.000 |
| 2000 | 1.035 | 0.995 | 1.001 | 1.000 |
| 2001 | 1.024 | 1.003 | 1.001 | |
| 2002 | 1.028 | 1.003 | | |
| 2003 | 1.027 | | | |
| Five Year Average | 1.028 | 1.002 | 1.001 | 1.000 |
| Three Year Average | 1.026 | 1.000 | 1.001 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.001 | 1.001 | |
| 27 to 63 months: | | 1.003 | 1.001 | |
| 15 to 63 months: | | 1.031 | 1.027 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

| Accident Year | Medical Payments Paid Claims as of | | | | |
|------------------|------------------------------------|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 53,722 |
| 1992 | | | | 57,277 | 57,334 |
| 1993 | | | 59,889 | 60,266 | 60,348 |
| 1994 | | 64,930 | 66,053 | 66,461 | 66,539 |
| 1995 | 57,759 | 67,255 | 68,490 | 68,932 | 69,016 |
| 1996 | 57,210 | 66,856 | 68,087 | 68,546 | 68,658 |
| 1997 | 55,345 | 64,573 | 65,830 | 66,314 | 66,404 |
| 1998 | 51,556 | 60,079 | 61,326 | 61,768 | 61,856 |
| 1999 | 50,559 | 59,461 | 60,641 | 61,102 | 61,206 |
| 2000 | 50,952 | 59,085 | 60,271 | 60,725 | 60,783 |
| 2001 | 50,543 | 57,939 | 59,077 | 59,466 | |
| 2002 | 52,732 | 60,717 | 61,839 | | |
| 2003 | 51,306 | 58,999 | | | |
| 2004 | 49,281 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.001 |
| 1993 | | | 1.006 | 1.001 |
| 1994 | | 1.017 | 1.006 | 1.001 |
| 1995 | 1.164 | 1.018 | 1.006 | 1.001 |
| 1996 | 1.169 | 1.018 | 1.007 | 1.002 |
| 1997 | 1.167 | 1.019 | 1.007 | 1.001 |
| 1998 | 1.165 | 1.021 | 1.007 | 1.001 |
| 1999 | 1.176 | 1.020 | 1.008 | 1.002 |
| 2000 | 1.160 | 1.020 | 1.008 | 1.001 |
| 2001 | 1.146 | 1.020 | 1.007 | |
| 2002 | 1.151 | 1.018 | | |
| 2003 | 1.150 | | | |
| Five Year Average | 1.157 | 1.020 | 1.007 | 1.001 |
| Three Year Average | 1.149 | 1.019 | 1.008 | 1.001 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.008 | 1.009 | |
| 27 to 63 months: | | 1.028 | 1.028 | |
| 15 to 63 months: | | 1.189 | 1.181 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Uninsured Motorists Bodily Injury Paid Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 1,915 |
| 1992 | | | | 2,423 | 2,497 |
| 1993 | | | 2,751 | 2,860 | 2,904 |
| 1994 | | 3,250 | 3,508 | 3,616 | 3,672 |
| 1995 | 2,439 | 3,581 | 3,861 | 3,968 | 4,021 |
| 1996 | 2,936 | 4,172 | 4,473 | 4,609 | 4,683 |
| 1997 | 3,456 | 4,795 | 5,119 | 5,308 | 5,366 |
| 1998 | 3,362 | 4,618 | 4,943 | 5,054 | 5,110 |
| 1999 | 3,074 | 4,353 | 4,680 | 4,855 | 4,932 |
| 2000 | 3,181 | 4,303 | 4,645 | 4,784 | 4,851 |
| 2001 | 2,872 | 4,018 | 4,360 | 4,498 | |
| 2002 | 3,432 | 4,652 | 4,961 | | |
| 2003 | 3,427 | 4,704 | | | |
| 2004 | 3,302 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.031 |
| 1993 | | | 1.040 | 1.015 |
| 1994 | | 1.079 | 1.031 | 1.015 |
| 1995 | 1.468 | 1.078 | 1.028 | 1.013 |
| 1996 | 1.421 | 1.072 | 1.030 | 1.016 |
| 1997 | 1.387 | 1.068 | 1.037 | 1.011 |
| 1998 | 1.374 | 1.070 | 1.022 | 1.011 |
| 1999 | 1.416 | 1.075 | 1.037 | 1.016 |
| 2000 | 1.353 | 1.079 | 1.030 | 1.014 |
| 2001 | 1.399 | 1.085 | 1.032 | |
| 2002 | 1.355 | 1.066 | | |
| 2003 | 1.373 | | | |
| Five Year Average | 1.379 | 1.075 | 1.032 | 1.014 |
| Three Year Average | 1.376 | 1.077 | 1.033 | 1.014 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.046 | 1.047 | |
| 27 to 63 months: | | 1.124 | 1.128 | |
| 15 to 63 months: | | 1.550 | 1.552 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Underinsured Motorists Bodily Injury Paid Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 1,832 |
| 1992 | | | | 1,617 | 1,718 |
| 1993 | | | 1,629 | 1,840 | 1,935 |
| 1994 | | 1,435 | 1,777 | 1,992 | 2,106 |
| 1995 | 875 | 1,518 | 1,890 | 2,107 | 2,212 |
| 1996 | 842 | 1,626 | 1,981 | 2,195 | 2,304 |
| 1997 | 790 | 1,459 | 1,819 | 2,065 | 2,172 |
| 1998 | 838 | 1,484 | 1,830 | 2,011 | 2,143 |
| 1999 | 896 | 1,613 | 1,971 | 2,191 | 2,296 |
| 2000 | 934 | 1,652 | 2,032 | 2,268 | 2,367 |
| 2001 | 1,038 | 1,840 | 2,225 | 2,440 | |
| 2002 | 883 | 1,598 | 2,039 | | |
| 2003 | 829 | 1,611 | | | |
| 2004 | 855 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.062 |
| 1993 | | | 1.130 | 1.052 |
| 1994 | | 1.238 | 1.121 | 1.057 |
| 1995 | 1.735 | 1.245 | 1.115 | 1.050 |
| 1996 | 1.931 | 1.218 | 1.108 | 1.050 |
| 1997 | 1.847 | 1.247 | 1.135 | 1.052 |
| 1998 | 1.771 | 1.233 | 1.099 | 1.066 |
| 1999 | 1.800 | 1.222 | 1.112 | 1.048 |
| 2000 | 1.769 | 1.230 | 1.116 | 1.044 |
| 2001 | 1.773 | 1.209 | 1.097 | |
| 2002 | 1.810 | 1.276 | | |
| 2003 | 1.943 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.819 | 1.234 | 1.112 | 1.052 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.842 | 1.238 | 1.108 | 1.053 |
|--------------------|-------|-------|-------|-------|

| | | |
|--|-----------|------------|
| | Five Year | Three Year |
|--|-----------|------------|

| | | |
|------------------|-------|-------|
| 39 to 63 months: | 1.170 | 1.167 |
| 27 to 63 months: | 1.444 | 1.445 |
| 15 to 63 months: | 2.627 | 2.662 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|------------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 60,225 |
| 1992 | | | | 67,605 | 67,312 |
| 1993 | | | 73,092 | 72,624 | 72,128 |
| 1994 | | 85,579 | 84,589 | 84,346 | 83,857 |
| 1995 | 93,636 | 91,352 | 90,615 | 90,309 | 89,961 |
| 1996 | 96,404 | 94,473 | 94,022 | 93,916 | 93,519 |
| 1997 | 96,535 | 94,256 | 93,811 | 93,427 | 93,082 |
| 1998 | 93,726 | 91,239 | 90,712 | 90,465 | 89,985 |
| 1999 | 96,503 | 93,415 | 93,145 | 92,547 | 92,151 |
| 2000 | 94,009 | 92,101 | 91,137 | 90,663 | 90,349 |
| 2001 | 92,965 | 89,243 | 88,410 | 88,149 | |
| 2002 | 96,845 | 93,413 | 92,563 | | |
| 2003 | 98,407 | 94,411 | | | |
| 2004 | 98,867 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.996 |
| 1993 | | | 0.994 | 0.993 |
| 1994 | | 0.988 | 0.997 | 0.994 |
| 1995 | 0.976 | 0.992 | 0.997 | 0.996 |
| 1996 | 0.980 | 0.995 | 0.999 | 0.996 |
| 1997 | 0.976 | 0.995 | 0.996 | 0.996 |
| 1998 | 0.973 | 0.994 | 0.997 | 0.995 |
| 1999 | 0.968 | 0.997 | 0.994 | 0.996 |
| 2000 | 0.980 | 0.990 | 0.995 | 0.997 |
| 2001 | 0.960 | 0.991 | 0.997 | |
| 2002 | 0.965 | 0.991 | | |
| 2003 | 0.959 | | | |
| Five Year Average | 0.966 | 0.993 | 0.996 | 0.996 |
| Three Year Average | 0.961 | 0.991 | 0.995 | 0.996 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 0.992 | 0.991 | |
| 27 to 63 months: | | 0.985 | 0.982 | |
| 15 to 63 months: | | 0.952 | 0.944 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 142,080 |
| 1992 | | | | 155,579 | 155,534 |
| 1993 | | | 167,607 | 167,625 | 167,569 |
| 1994 | | 190,932 | 191,119 | 191,123 | 191,119 |
| 1995 | 202,092 | 203,290 | 203,409 | 203,482 | 203,511 |
| 1996 | 213,802 | 214,611 | 215,087 | 215,218 | 215,208 |
| 1997 | 213,462 | 215,052 | 215,487 | 215,587 | 215,600 |
| 1998 | 215,050 | 216,238 | 216,588 | 216,617 | 216,601 |
| 1999 | 221,998 | 223,310 | 223,277 | 223,319 | 223,301 |
| 2000 | 221,905 | 225,602 | 223,938 | 223,917 | 223,876 |
| 2001 | 221,341 | 222,619 | 222,858 | 222,923 | |
| 2002 | 225,129 | 226,768 | 227,050 | | |
| 2003 | 235,482 | 236,947 | | | |
| 2004 | 239,528 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.000 | 1.000 |
| 1994 | | 1.001 | 1.000 | 1.000 |
| 1995 | 1.006 | 1.001 | 1.000 | 1.000 |
| 1996 | 1.004 | 1.002 | 1.001 | 1.000 |
| 1997 | 1.007 | 1.002 | 1.000 | 1.000 |
| 1998 | 1.006 | 1.002 | 1.000 | 1.000 |
| 1999 | 1.006 | 1.000 | 1.000 | 1.000 |
| 2000 | 1.017 | 0.993 | 1.000 | 1.000 |
| 2001 | 1.006 | 1.001 | 1.000 | |
| 2002 | 1.007 | 1.001 | | |
| 2003 | 1.006 | | | |
| Five Year Average | 1.008 | 0.999 | 1.000 | 1.000 |
| Three Year Average | 1.006 | 0.998 | 1.000 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.000 | 1.000 | |
| 27 to 63 months: | | 0.999 | 0.998 | |
| 15 to 63 months: | | 1.007 | 1.004 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Medical Payments Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 53,787 |
| 1992 | | | | 57,422 | 57,389 |
| 1993 | | | 60,280 | 60,423 | 60,391 |
| 1994 | | 66,188 | 66,510 | 66,604 | 66,592 |
| 1995 | 66,742 | 68,541 | 68,876 | 69,056 | 69,057 |
| 1996 | 66,485 | 68,189 | 68,540 | 68,706 | 68,723 |
| 1997 | 64,007 | 65,861 | 66,352 | 66,463 | 66,475 |
| 1998 | 60,062 | 61,536 | 61,751 | 61,932 | 61,904 |
| 1999 | 59,632 | 60,882 | 61,170 | 61,296 | 61,270 |
| 2000 | 58,978 | 60,351 | 60,685 | 60,899 | 60,840 |
| 2001 | 58,107 | 59,050 | 59,472 | 59,598 | |
| 2002 | 60,999 | 61,948 | 62,273 | | |
| 2003 | 59,036 | 60,027 | | | |
| 2004 | 56,892 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.999 |
| 1993 | | | 1.002 | 0.999 |
| 1994 | | 1.005 | 1.001 | 1.000 |
| 1995 | 1.027 | 1.005 | 1.003 | 1.000 |
| 1996 | 1.026 | 1.005 | 1.002 | 1.000 |
| 1997 | 1.029 | 1.007 | 1.002 | 1.000 |
| 1998 | 1.025 | 1.003 | 1.003 | 1.000 |
| 1999 | 1.021 | 1.005 | 1.002 | 1.000 |
| 2000 | 1.023 | 1.006 | 1.004 | 0.999 |
| 2001 | 1.016 | 1.007 | 1.002 | |
| 2002 | 1.016 | 1.005 | | |
| 2003 | 1.017 | | | |
| Five Year Average | 1.019 | 1.005 | 1.003 | 1.000 |
| Three Year Average | 1.016 | 1.006 | 1.003 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.003 | 1.003 | |
| 27 to 63 months: | | 1.008 | 1.009 | |
| 15 to 63 months: | | 1.027 | 1.025 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Uninsured Motorists Bodily Injury Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 1,974 |
| 1992 | | | | 2,594 | 2,559 |
| 1993 | | | 2,953 | 2,988 | 2,934 |
| 1994 | | 3,774 | 3,769 | 3,758 | 3,713 |
| 1995 | 4,008 | 4,144 | 4,115 | 4,124 | 4,092 |
| 1996 | 4,731 | 4,742 | 4,774 | 4,767 | 4,736 |
| 1997 | 5,389 | 5,432 | 5,452 | 5,455 | 5,427 |
| 1998 | 5,201 | 5,255 | 5,197 | 5,185 | 5,166 |
| 1999 | 4,835 | 4,966 | 4,977 | 4,990 | 4,987 |
| 2000 | 4,899 | 4,941 | 4,939 | 4,929 | 4,909 |
| 2001 | 4,759 | 4,653 | 4,656 | 4,634 | |
| 2002 | 5,333 | 5,281 | 5,291 | | |
| 2003 | 5,389 | 5,326 | | | |
| 2004 | 5,172 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.987 |
| 1993 | | | 1.012 | 0.982 |
| 1994 | | 0.999 | 0.997 | 0.988 |
| 1995 | 1.034 | 0.993 | 1.002 | 0.992 |
| 1996 | 1.002 | 1.007 | 0.999 | 0.993 |
| 1997 | 1.008 | 1.004 | 1.001 | 0.995 |
| 1998 | 1.010 | 0.989 | 0.998 | 0.996 |
| 1999 | 1.027 | 1.002 | 1.003 | 0.999 |
| 2000 | 1.009 | 1.000 | 0.998 | 0.996 |
| 2001 | 0.978 | 1.001 | 0.995 | |
| 2002 | 0.990 | 1.002 | | |
| 2003 | 0.988 | | | |
| Five Year Average | 0.998 | 0.999 | 0.999 | 0.996 |
| Three Year Average | 0.985 | 1.001 | 0.999 | 0.997 |

Five Year Three Year

| | | |
|------------------|-------|-------|
| 39 to 63 months: | 0.995 | 0.996 |
| 27 to 63 months: | 0.994 | 0.997 |
| 15 to 63 months: | 0.992 | 0.982 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Underinsured Motorists Bodily Injury Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 1,944 |
| 1992 | | | | 1,840 | 1,803 |
| 1993 | | | 1,996 | 2,097 | 2,051 |
| 1994 | | 2,123 | 2,235 | 2,291 | 2,226 |
| 1995 | 1,883 | 2,216 | 2,332 | 2,379 | 2,309 |
| 1996 | 1,890 | 2,293 | 2,431 | 2,482 | 2,438 |
| 1997 | 1,806 | 2,155 | 2,288 | 2,351 | 2,284 |
| 1998 | 1,880 | 2,113 | 2,294 | 2,358 | 2,266 |
| 1999 | 1,922 | 2,237 | 2,413 | 2,496 | 2,395 |
| 2000 | 1,936 | 2,347 | 2,510 | 2,553 | 2,498 |
| 2001 | 2,072 | 2,458 | 2,659 | 2,726 | |
| 2002 | 1,869 | 2,286 | 2,518 | | |
| 2003 | 1,915 | 2,314 | | | |
| 2004 | 2,025 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.980 |
| 1993 | | | 1.051 | 0.978 |
| 1994 | | 1.053 | 1.025 | 0.972 |
| 1995 | 1.177 | 1.052 | 1.020 | 0.971 |
| 1996 | 1.213 | 1.060 | 1.021 | 0.982 |
| 1997 | 1.193 | 1.062 | 1.028 | 0.972 |
| 1998 | 1.124 | 1.086 | 1.028 | 0.961 |
| 1999 | 1.164 | 1.079 | 1.034 | 0.960 |
| 2000 | 1.212 | 1.069 | 1.017 | 0.978 |
| 2001 | 1.186 | 1.082 | 1.025 | |
| 2002 | 1.223 | 1.101 | | |
| 2003 | 1.208 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.199 | 1.083 | 1.026 | 0.971 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.206 | 1.084 | 1.025 | 0.966 |
|--------------------|-------|-------|-------|-------|

Five Year Three Year

| | | |
|------------------|-------|-------|
| 39 to 63 months: | 0.996 | 0.990 |
| 27 to 63 months: | 1.079 | 1.073 |
| 15 to 63 months: | 1.294 | 1.294 |

See attached Exhibit (3)(g).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page H-530.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Outstanding Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months |
|---------------|-----------|-----------|-----------|
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 4,829 |
| 1994 | | 11,245 | 4,930 |
| 1995 | 34,874 | 11,782 | 5,065 |
| 1996 | 35,627 | 11,765 | 5,121 |
| 1997 | 35,428 | 11,634 | 5,362 |
| 1998 | 34,683 | 11,634 | 5,261 |
| 1999 | 36,658 | 12,038 | 5,663 |
| 2000 | 34,470 | 12,037 | 5,344 |
| 2001 | 35,744 | 11,596 | 5,216 |
| 2002 | 36,600 | 12,281 | 5,386 |
| 2003 | 37,501 | 12,212 | |
| 2004 | 37,104 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|--------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.438 |
| 1995 | 0.338 | 0.430 |
| 1996 | 0.330 | 0.435 |
| 1997 | 0.328 | 0.461 |
| 1998 | 0.335 | 0.452 |
| 1999 | 0.328 | 0.470 |
| 2000 | 0.349 | 0.444 |
| 2001 | 0.324 | 0.450 |
| 2002 | 0.336 | 0.439 |
| 2003 | 0.326 | |
| Five Year Average | 0.333 | 0.451 |
| Three Year Average | 0.329 | 0.444 |
| | Five Year | Three Year |
| 27 to 39 months: | 0.451 | 0.444 |
| 15 to 39 months: | 0.150 | 0.146 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Outstanding Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months |
|---------------|-----------|-----------|-----------|
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 388 |
| 1994 | | 829 | 357 |
| 1995 | 4,591 | 908 | 299 |
| 1996 | 5,277 | 861 | 321 |
| 1997 | 4,604 | 736 | 306 |
| 1998 | 4,903 | 943 | 297 |
| 1999 | 5,650 | 1,175 | 316 |
| 2000 | 4,808 | 900 | 401 |
| 2001 | 4,708 | 831 | 376 |
| 2002 | 5,183 | 748 | 300 |
| 2003 | 5,276 | 540 | |
| 2004 | 4,601 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|--------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.431 |
| 1995 | 0.198 | 0.329 |
| 1996 | 0.163 | 0.373 |
| 1997 | 0.160 | 0.416 |
| 1998 | 0.192 | 0.315 |
| 1999 | 0.208 | 0.269 |
| 2000 | 0.187 | 0.446 |
| 2001 | 0.177 | 0.452 |
| 2002 | 0.144 | 0.401 |
| 2003 | 0.102 | |
| Five Year Average | 0.164 | 0.377 |
| Three Year Average | 0.141 | 0.433 |
| | Five Year | Three Year |
| 27 to 39 months: | 0.377 | 0.433 |
| 15 to 39 months: | 0.062 | 0.061 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Medical Payments Outstanding Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months |
|------------------|-----------|-----------|-----------|
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 391 |
| 1994 | | 1,258 | 457 |
| 1995 | 8,983 | 1,286 | 386 |
| 1996 | 9,275 | 1,333 | 453 |
| 1997 | 8,662 | 1,288 | 522 |
| 1998 | 8,506 | 1,457 | 425 |
| 1999 | 9,073 | 1,421 | 529 |
| 2000 | 8,026 | 1,266 | 414 |
| 2001 | 7,564 | 1,111 | 395 |
| 2002 | 8,267 | 1,231 | 434 |
| 2003 | 7,730 | 1,028 | |
| 2004 | 7,611 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|-----------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.363 |
| 1995 | 0.143 | 0.300 |
| 1996 | 0.144 | 0.340 |
| 1997 | 0.149 | 0.405 |
| 1998 | 0.171 | 0.292 |
| 1999 | 0.157 | 0.372 |
| 2000 | 0.158 | 0.327 |
| 2001 | 0.147 | 0.356 |
| 2002 | 0.149 | 0.353 |
| 2003 | 0.133 | |
| Five Year Average | 0.149 | 0.340 |
| Three Year Average | 0.143 | 0.345 |
| | Five Year | Three Year |
| 27 to 39 months: | 0.340 | 0.345 |
| 15 to 39 months: | 0.051 | 0.049 |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

EARNED EXPOSURES BY COVERAGE

VOLUNTARY ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 4,514,197 | 4,514,197 | 3,565,423 |
| 2001 | 4,553,865 | 4,553,865 | 3,607,614 |
| 2002 | 4,660,842 | 4,660,842 | 3,699,155 |
| 2003 | 4,718,586 | 4,718,586 | 3,743,671 |
| 2004 | 4,824,973 | 4,824,973 | 3,815,987 |

CEDED ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 1,140,232 | 1,140,232 | 641,778 |
| 2001 | 1,217,480 | 1,217,480 | 690,793 |
| 2002 | 1,269,514 | 1,269,514 | 733,076 |
| 2003 | 1,341,292 | 1,341,292 | 780,279 |
| 2004 | 1,424,007 | 1,424,007 | 830,083 |

ESTIMATED EARNED PREMIUM BY COVERAGE

VOLUNTARY ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 603,938,199 | 491,607,059 | 84,777,510 |
| 2001 | 600,393,101 | 537,868,414 | 79,659,931 |
| 2002 | 603,339,789 | 593,112,925 | 79,901,772 |
| 2003 | 618,933,644 | 666,438,024 | 87,888,318 |
| 2004 | 651,088,681 | 651,808,019 | 96,013,186 |

CEDED ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 274,423,872 | 210,423,177 | 27,736,105 |
| 2001 | 302,732,220 | 226,423,188 | 28,585,607 |
| 2002 | 301,372,966 | 270,507,009 | 26,320,893 |
| 2003 | 334,489,943 | 301,522,256 | 29,062,294 |
| 2004 | 349,776,888 | 294,762,159 | 29,932,761 |

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NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

EARNED EXPOSURES BY COVERAGE

VOLUNTARY ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 4,514,197 | 4,514,197 | 3,565,423 |
| 2001 | 4,553,865 | 4,553,865 | 3,607,614 |
| 2002 | 4,660,842 | 4,660,842 | 3,699,155 |
| 2003 | 4,718,586 | 4,718,586 | 3,743,671 |
| 2004 | 4,824,973 | 4,824,973 | 3,815,987 |

CEDED ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 1,140,232 | 1,140,232 | 641,778 |
| 2001 | 1,217,480 | 1,217,480 | 690,793 |
| 2002 | 1,269,514 | 1,269,514 | 733,076 |
| 2003 | 1,341,292 | 1,341,292 | 780,279 |
| 2004 | 1,424,007 | 1,424,007 | 830,083 |

ESTIMATED EARNED PREMIUM BY COVERAGE

VOLUNTARY ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 603,938,199 | 491,607,059 | 102,512,105 |
| 2001 | 600,393,101 | 537,868,414 | 97,982,695 |
| 2002 | 603,339,789 | 593,112,925 | 99,877,213 |
| 2003 | 618,933,644 | 666,438,024 | 111,675,119 |
| 2004 | 651,088,681 | 651,808,019 | 123,569,095 |

CEDED ONLY

| <u>YEAR</u> | <u>BODILY INJURY</u> | <u>PROPERTY DAMAGE</u> | <u>MEDICAL PAYMENTS</u> |
|-------------|--------------------------|----------------------------|-----------------------------|
| 2000 | 274,423,872 | 210,423,177 | 31,340,231 |
| 2001 | 302,732,220 | 226,423,188 | 33,085,194 |
| 2002 | 301,372,966 | 270,507,009 | 31,185,892 |
| 2003 | 334,489,943 | 301,522,256 | 35,269,774 |
| 2004 | 349,776,888 | 294,762,159 | 36,954,027 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Bodily Injury Total Limits Paid Losses as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-------------|-------------|-------------|-------------|-------------|
| 1991 | | | | | 280,303,499 |
| 1992 | | | | 296,568,438 | 311,745,028 |
| 1993 | | | 281,463,841 | 316,030,295 | 329,451,280 |
| 1994 | | 238,200,314 | 296,163,099 | 327,817,063 | 343,556,805 |
| 1995 | 130,991,018 | 251,257,511 | 311,681,282 | 347,496,187 | 363,133,994 |
| 1996 | 129,465,129 | 247,712,374 | 307,405,624 | 346,429,686 | 364,158,644 |
| 1997 | 131,716,874 | 251,103,010 | 312,051,907 | 349,688,161 | 366,319,867 |
| 1998 | 131,954,580 | 249,502,212 | 310,492,979 | 345,198,499 | 363,799,178 |
| 1999 | 136,928,680 | 262,289,392 | 327,202,535 | 364,470,808 | 384,298,124 |
| 2000 | 145,341,494 | 268,448,618 | 331,605,380 | 371,955,668 | 390,855,362 |
| 2001 | 135,919,115 | 264,105,448 | 331,110,357 | 373,432,756 | |
| 2002 | 144,659,219 | 277,908,596 | 346,317,622 | | |
| 2003 | 144,007,524 | 290,116,674 | | | |
| 2004 | 150,070,170 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.051 |
| 1993 | | | 1.123 | 1.042 |
| 1994 | | 1.243 | 1.107 | 1.048 |
| 1995 | 1.918 | 1.240 | 1.115 | 1.045 |
| 1996 | 1.913 | 1.241 | 1.127 | 1.051 |
| 1997 | 1.906 | 1.243 | 1.121 | 1.048 |
| 1998 | 1.891 | 1.244 | 1.112 | 1.054 |
| 1999 | 1.916 | 1.247 | 1.114 | 1.054 |
| 2000 | 1.847 | 1.235 | 1.122 | 1.051 |
| 2001 | 1.943 | 1.254 | 1.128 | |
| 2002 | 1.921 | 1.246 | | |
| 2003 | 2.015 | | | |
| Five Year Average | 1.928 | 1.245 | 1.119 | 1.052 |
| Three Year Average | 1.960 | 1.245 | 1.121 | 1.053 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.177 | 1.180 | |
| 27 to 63 months: | | 1.465 | 1.469 | |
| 15 to 63 months: | | 2.825 | 2.879 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Property Damage Total Limits Paid Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 150,047,455 |
| 1992 | | | | 166,344,486 | 166,489,638 |
| 1993 | | | 186,508,431 | 187,003,802 | 187,142,154 |
| 1994 | | 214,330,544 | 215,578,679 | 216,029,312 | 216,165,173 |
| 1995 | 239,409,452 | 246,358,664 | 247,827,442 | 248,286,260 | 248,442,721 |
| 1996 | 267,348,373 | 274,988,971 | 276,481,658 | 277,172,158 | 277,283,992 |
| 1997 | 272,232,851 | 280,249,239 | 281,952,172 | 282,533,615 | 282,721,197 |
| 1998 | 287,051,856 | 295,893,318 | 297,624,497 | 298,142,455 | 298,255,646 |
| 1999 | 311,224,865 | 319,543,751 | 321,709,041 | 322,118,970 | 322,251,238 |
| 2000 | 330,726,703 | 345,020,813 | 343,267,588 | 343,840,594 | 344,026,169 |
| 2001 | 324,681,232 | 336,106,138 | 337,702,119 | 338,424,158 | |
| 2002 | 330,325,524 | 341,696,639 | 343,743,769 | | |
| 2003 | 336,393,949 | 347,871,948 | | | |
| 2004 | 336,418,727 | | | | |

| Accident Year | Loss Development Factors | | | |
|-----------------------|--------------------------|-----------|-----------|-----------|
| | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
| 1992 | | | | 1.001 |
| 1993 | | | 1.003 | 1.001 |
| 1994 | | 1.006 | 1.002 | 1.001 |
| 1995 | 1.029 | 1.006 | 1.002 | 1.001 |
| 1996 | 1.029 | 1.005 | 1.002 | 1.000 |
| 1997 | 1.029 | 1.006 | 1.002 | 1.001 |
| 1998 | 1.031 | 1.006 | 1.002 | 1.000 |
| 1999 | 1.027 | 1.007 | 1.001 | 1.000 |
| 2000 | 1.043 | 0.995 | 1.002 | 1.001 |
| 2001 | 1.035 | 1.005 | 1.002 | |
| 2002 | 1.034 | 1.006 | | |
| 2003 | 1.034 | | | |
| Five Year Average | 1.035 | 1.004 | 1.002 | 1.000 |
| Three Year Average | 1.034 | 1.002 | 1.002 | 1.000 |

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.002 | 1.002 |
| 27 to 63 months: | 1.006 | 1.004 |
| 15 to 63 months: | 1.041 | 1.038 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Medical Payments Total Limits Paid Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 43,855,454 |
| 1992 | | | | 48,538,961 | 48,669,383 |
| 1993 | | | 50,220,650 | 50,891,176 | 51,090,326 |
| 1994 | | 51,218,167 | 52,848,771 | 53,507,780 | 53,716,208 |
| 1995 | 44,328,662 | 54,327,371 | 56,077,515 | 56,849,656 | 57,077,554 |
| 1996 | 43,815,406 | 53,922,770 | 55,603,417 | 56,470,917 | 56,811,251 |
| 1997 | 43,443,931 | 52,934,543 | 55,142,839 | 56,099,297 | 56,383,066 |
| 1998 | 42,515,001 | 51,981,434 | 54,064,403 | 54,900,325 | 55,169,555 |
| 1999 | 43,858,526 | 54,378,026 | 56,378,034 | 57,412,858 | 57,550,784 |
| 2000 | 46,002,305 | 55,806,584 | 57,959,165 | 59,021,329 | 59,187,508 |
| 2001 | 48,384,631 | 58,718,043 | 61,263,212 | 62,202,986 | |
| 2002 | 51,922,666 | 62,694,663 | 65,325,155 | | |
| 2003 | 52,255,242 | 64,218,044 | | | |
| 2004 | 50,890,226 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.003 |
| 1993 | | | 1.013 | 1.004 |
| 1994 | | 1.032 | 1.012 | 1.004 |
| 1995 | 1.226 | 1.032 | 1.014 | 1.004 |
| 1996 | 1.231 | 1.031 | 1.016 | 1.006 |
| 1997 | 1.218 | 1.042 | 1.017 | 1.005 |
| 1998 | 1.223 | 1.040 | 1.015 | 1.005 |
| 1999 | 1.240 | 1.037 | 1.018 | 1.002 |
| 2000 | 1.213 | 1.039 | 1.018 | 1.003 |
| 2001 | 1.214 | 1.043 | 1.015 | |
| 2002 | 1.207 | 1.042 | | |
| 2003 | 1.229 | | | |
| Five Year Average | 1.221 | 1.040 | 1.017 | 1.004 |
| Three Year Average | 1.217 | 1.041 | 1.017 | 1.003 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.021 | 1.020 | |
| 27 to 63 months: | | 1.062 | 1.062 | |
| 15 to 63 months: | | 1.297 | 1.292 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Bodily Injury Total Limits Incurred Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 288,677,575 |
| 1992 | | | | 320,563,129 | 321,126,705 |
| 1993 | | | 336,252,958 | 340,762,907 | 338,244,071 |
| 1994 | | 335,405,608 | 352,142,906 | 353,841,908 | 352,363,980 |
| 1995 | 328,948,315 | 359,215,804 | 371,290,988 | 375,756,132 | 372,286,476 |
| 1996 | 331,171,423 | 362,097,993 | 371,475,392 | 371,745,045 | 372,325,990 |
| 1997 | 338,235,350 | 358,534,649 | 364,924,210 | 371,778,989 | 373,561,529 |
| 1998 | 329,217,076 | 351,445,425 | 363,364,191 | 369,619,589 | 370,853,319 |
| 1999 | 341,970,362 | 366,026,255 | 384,335,134 | 391,183,332 | 393,357,986 |
| 2000 | 332,390,379 | 368,908,257 | 387,134,717 | 396,753,921 | 398,733,679 |
| 2001 | 339,217,710 | 372,371,262 | 390,933,974 | 399,505,127 | |
| 2002 | 353,667,044 | 389,313,941 | 403,078,765 | | |
| 2003 | 357,539,084 | 400,924,950 | | | |
| 2004 | 381,086,400 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.002 |
| 1993 | | | 1.013 | 0.993 |
| 1994 | | 1.050 | 1.005 | 0.996 |
| 1995 | 1.092 | 1.034 | 1.012 | 0.991 |
| 1996 | 1.093 | 1.026 | 1.001 | 1.002 |
| 1997 | 1.060 | 1.018 | 1.019 | 1.005 |
| 1998 | 1.068 | 1.034 | 1.017 | 1.003 |
| 1999 | 1.070 | 1.050 | 1.018 | 1.006 |
| 2000 | 1.110 | 1.049 | 1.025 | 1.005 |
| 2001 | 1.098 | 1.050 | 1.022 | |
| 2002 | 1.101 | 1.035 | | |
| 2003 | 1.121 | | | |
| Five Year Average | 1.100 | 1.044 | 1.020 | 1.004 |
| Three Year Average | 1.107 | 1.045 | 1.022 | 1.005 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.024 | 1.027 | |
| 27 to 63 months: | | 1.069 | 1.073 | |
| 15 to 63 months: | | 1.176 | 1.188 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Property Damage Total Limits Incurred Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 150,192,782 |
| 1992 | | | | 166,750,601 | 166,652,641 |
| 1993 | | | 187,565,217 | 187,432,571 | 187,222,148 |
| 1994 | | 216,191,459 | 216,381,905 | 216,423,305 | 216,276,852 |
| 1995 | 246,940,787 | 248,579,299 | 248,574,801 | 248,651,994 | 248,616,262 |
| 1996 | 276,267,426 | 276,886,275 | 277,164,367 | 277,526,896 | 277,431,035 |
| 1997 | 280,399,045 | 282,022,894 | 282,816,409 | 283,027,208 | 282,865,304 |
| 1998 | 296,849,433 | 298,005,358 | 298,510,484 | 298,469,768 | 298,306,952 |
| 1999 | 321,836,464 | 321,832,900 | 322,569,675 | 322,410,874 | 322,299,995 |
| 2000 | 340,096,434 | 347,224,747 | 343,980,168 | 344,040,973 | 344,081,913 |
| 2001 | 334,870,040 | 338,075,600 | 338,673,729 | 338,830,423 | |
| 2002 | 338,996,505 | 343,527,271 | 344,531,462 | | |
| 2003 | 345,413,531 | 349,415,194 | | | |
| 2004 | 344,995,813 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.999 |
| 1993 | | | 0.999 | 0.999 |
| 1994 | | 1.001 | 1.000 | 0.999 |
| 1995 | 1.007 | 1.000 | 1.000 | 1.000 |
| 1996 | 1.002 | 1.001 | 1.001 | 1.000 |
| 1997 | 1.006 | 1.003 | 1.001 | 0.999 |
| 1998 | 1.004 | 1.002 | 1.000 | 0.999 |
| 1999 | 1.000 | 1.002 | 1.000 | 1.000 |
| 2000 | 1.021 | 0.991 | 1.000 | 1.000 |
| 2001 | 1.010 | 1.002 | 1.000 | |
| 2002 | 1.013 | 1.003 | | |
| 2003 | 1.012 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.011 | 1.000 | 1.000 | 1.000 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 1.012 | 0.999 | 1.000 | 1.000 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.000 | 1.000 |
| 27 to 63 months: | 1.000 | 0.999 |
| 15 to 63 months: | 1.011 | 1.011 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Medical Payments Total Limits Incurred Losses as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|------------|------------|------------|------------|------------|
| 1991 | | | | | 43,911,545 |
| 1992 | | | | 48,683,681 | 48,715,791 |
| 1993 | | | 50,631,038 | 51,132,691 | 51,167,927 |
| 1994 | | 52,480,345 | 53,315,956 | 53,658,630 | 53,775,408 |
| 1995 | 52,213,324 | 55,858,728 | 56,528,216 | 57,004,741 | 57,154,627 |
| 1996 | 52,573,003 | 55,392,698 | 56,153,565 | 56,648,821 | 56,924,833 |
| 1997 | 51,928,488 | 54,625,154 | 55,777,610 | 56,382,846 | 56,488,286 |
| 1998 | 50,493,680 | 53,591,274 | 54,668,107 | 55,173,400 | 55,244,596 |
| 1999 | 53,062,938 | 56,115,237 | 57,082,950 | 57,729,545 | 58,675,761 |
| 2000 | 54,099,493 | 57,472,357 | 58,604,710 | 59,191,875 | 59,232,269 |
| 2001 | 56,794,753 | 60,510,986 | 61,962,205 | 62,550,973 | |
| 2002 | 60,543,949 | 64,654,043 | 65,892,613 | | |
| 2003 | 60,952,465 | 66,186,274 | | | |
| 2004 | 60,074,640 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.001 |
| 1993 | | | 1.010 | 1.001 |
| 1994 | | 1.016 | 1.006 | 1.002 |
| 1995 | 1.070 | 1.012 | 1.008 | 1.003 |
| 1996 | 1.054 | 1.014 | 1.009 | 1.005 |
| 1997 | 1.052 | 1.021 | 1.011 | 1.002 |
| 1998 | 1.061 | 1.020 | 1.009 | 1.001 |
| 1999 | 1.058 | 1.017 | 1.011 | 1.016 |
| 2000 | 1.062 | 1.020 | 1.010 | 1.001 |
| 2001 | 1.065 | 1.024 | 1.010 | |
| 2002 | 1.068 | 1.019 | | |
| 2003 | 1.086 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.068 | 1.020 | 1.010 | 1.005 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.073 | 1.021 | 1.010 | 1.006 |
|--------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.015 | 1.016 |
| 27 to 63 months: | 1.035 | 1.037 |
| 15 to 63 months: | 1.105 | 1.113 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Bodily Injury Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 219,961,241 |
| 1992 | | | | 247,394,048 | 247,614,863 |
| 1993 | | | 260,872,946 | 263,488,539 | 264,719,945 |
| 1994 | | 273,691,532 | 279,656,754 | 282,437,524 | 281,983,940 |
| 1995 | 277,278,031 | 286,329,745 | 294,934,944 | 296,364,163 | 294,571,781 |
| 1996 | 274,596,872 | 289,872,311 | 290,277,242 | 290,370,189 | 291,170,689 |
| 1997 | 287,806,243 | 288,003,810 | 289,753,370 | 293,417,186 | 294,710,485 |
| 1998 | 279,631,461 | 283,443,817 | 287,122,200 | 290,335,486 | 291,518,174 |
| 1999 | 287,757,237 | 291,278,162 | 297,711,334 | 301,975,729 | 304,112,726 |
| 2000 | 280,701,710 | 294,453,525 | 302,382,187 | 307,529,213 | 309,167,129 |
| 2001 | 281,350,691 | 289,660,333 | 296,848,925 | 301,545,062 | |
| 2002 | 297,658,702 | 311,450,105 | 319,847,860 | | |
| 2003 | 295,844,986 | 316,186,188 | | | |
| 2004 | 307,303,201 | | | | |

| Accident Year | Loss Development Factors | | | |
|------------------|--------------------------|-----------|-----------|-----------|
| | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
| 1992 | | | | 1.001 |
| 1993 | | | 1.010 | 1.005 |
| 1994 | | 1.022 | 1.010 | 0.998 |
| 1995 | 1.033 | 1.030 | 1.005 | 0.994 |
| 1996 | 1.056 | 1.001 | 1.000 | 1.003 |
| 1997 | 1.001 | 1.006 | 1.013 | 1.004 |
| 1998 | 1.014 | 1.013 | 1.011 | 1.004 |
| 1999 | 1.012 | 1.022 | 1.014 | 1.007 |
| 2000 | 1.049 | 1.027 | 1.017 | 1.005 |
| 2001 | 1.030 | 1.025 | 1.016 | |
| 2002 | 1.046 | 1.027 | | |
| 2003 | 1.069 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.041 | 1.023 | 1.014 | 1.005 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.048 | 1.026 | 1.016 | 1.005 |
|--------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.019 | 1.021 |
| 27 to 63 months: | 1.042 | 1.048 |
| 15 to 63 months: | 1.085 | 1.098 |

(a) Losses are on a 30/60 level for 2002-2004.
Losses are on a 25/50 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Property Damage Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 141,177,009 |
| 1992 | | | | 153,765,981 | 153,699,913 |
| 1993 | | | 181,470,505 | 181,513,053 | 181,409,030 |
| 1994 | | 212,646,687 | 212,908,260 | 213,555,881 | 213,535,132 |
| 1995 | 243,317,459 | 242,927,095 | 244,554,516 | 244,741,870 | 244,723,257 |
| 1996 | 267,813,166 | 271,814,464 | 271,696,402 | 272,012,743 | 271,996,501 |
| 1997 | 274,485,578 | 275,941,421 | 276,685,201 | 276,967,434 | 276,813,730 |
| 1998 | 288,938,904 | 290,584,122 | 290,817,272 | 290,825,415 | 290,891,530 |
| 1999 | 313,167,518 | 313,788,027 | 314,571,078 | 314,556,690 | 314,455,956 |
| 2000 | 330,730,795 | 337,810,703 | 334,749,005 | 334,771,674 | 334,834,656 |
| 2001 | 324,263,934 | 328,208,148 | 328,832,646 | 329,114,106 | |
| 2002 | 337,116,430 | 341,671,564 | 342,630,222 | | |
| 2003 | 340,874,531 | 345,542,595 | | | |
| 2004 | 341,071,267 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.000 | 0.999 |
| 1994 | | 1.001 | 1.003 | 1.000 |
| 1995 | 0.998 | 1.007 | 1.001 | 1.000 |
| 1996 | 1.015 | 1.000 | 1.001 | 1.000 |
| 1997 | 1.005 | 1.003 | 1.001 | 0.999 |
| 1998 | 1.006 | 1.001 | 1.000 | 1.000 |
| 1999 | 1.002 | 1.002 | 1.000 | 1.000 |
| 2000 | 1.021 | 0.991 | 1.000 | 1.000 |
| 2001 | 1.012 | 1.002 | 1.001 | |
| 2002 | 1.014 | 1.003 | | |
| 2003 | 1.014 | | | |
| Five Year Average | 1.013 | 1.000 | 1.000 | 1.000 |
| Three Year Average | 1.013 | 0.999 | 1.000 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.000 | 1.000 | |
| 27 to 63 months: | | 1.000 | 0.999 | |
| 15 to 63 months: | | 1.013 | 1.012 | |

(a) Losses are on a \$25,000 level for 2002-2004.
Losses are on a \$15,000 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Bodily Injury Paid Claims as of | | | | |
|---------------|---------------------------------|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 36,661 |
| 1992 | | | | 40,616 | 41,187 |
| 1993 | | | 41,056 | 42,498 | 42,971 |
| 1994 | | 41,893 | 44,983 | 46,413 | 47,020 |
| 1995 | 33,627 | 45,092 | 48,533 | 50,192 | 50,828 |
| 1996 | 34,069 | 45,814 | 49,242 | 50,971 | 51,601 |
| 1997 | 34,165 | 45,678 | 49,060 | 50,677 | 51,312 |
| 1998 | 33,659 | 45,185 | 48,526 | 50,236 | 50,789 |
| 1999 | 34,948 | 46,816 | 50,282 | 51,998 | 52,623 |
| 2000 | 35,764 | 47,333 | 50,617 | 52,429 | 53,079 |
| 2001 | 34,241 | 46,028 | 49,435 | 51,277 | |
| 2002 | 35,848 | 47,874 | 51,346 | | |
| 2003 | 35,861 | 47,815 | | | |
| 2004 | 35,604 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.014 |
| 1993 | | | 1.035 | 1.011 |
| 1994 | | 1.074 | 1.032 | 1.013 |
| 1995 | 1.341 | 1.076 | 1.034 | 1.013 |
| 1996 | 1.345 | 1.075 | 1.035 | 1.012 |
| 1997 | 1.337 | 1.074 | 1.033 | 1.013 |
| 1998 | 1.342 | 1.074 | 1.035 | 1.011 |
| 1999 | 1.340 | 1.074 | 1.034 | 1.012 |
| 2000 | 1.323 | 1.069 | 1.036 | 1.012 |
| 2001 | 1.344 | 1.074 | 1.037 | |
| 2002 | 1.335 | 1.073 | | |
| 2003 | 1.333 | | | |
| Five Year Average | 1.335 | 1.073 | 1.035 | 1.012 |
| Three Year Average | 1.337 | 1.072 | 1.036 | 1.012 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.047 | 1.048 | |
| 27 to 63 months: | | 1.123 | 1.123 | |
| 15 to 63 months: | | 1.499 | 1.501 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Property Damage Paid Claims as of | | | | |
|------------------|-----------------------------------|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 90,690 |
| 1992 | | | | 100,921 | 100,951 |
| 1993 | | | 108,048 | 108,183 | 108,219 |
| 1994 | | 118,834 | 119,170 | 119,278 | 119,329 |
| 1995 | 124,064 | 126,722 | 127,128 | 127,315 | 127,384 |
| 1996 | 129,357 | 132,110 | 132,768 | 132,933 | 132,981 |
| 1997 | 129,914 | 132,984 | 133,550 | 133,747 | 133,800 |
| 1998 | 133,638 | 136,492 | 137,115 | 137,235 | 137,263 |
| 1999 | 139,595 | 142,084 | 142,552 | 142,589 | 142,628 |
| 2000 | 142,423 | 147,633 | 145,909 | 146,026 | 146,044 |
| 2001 | 142,114 | 144,690 | 145,138 | 145,269 | |
| 2002 | 142,112 | 145,639 | 146,073 | | |
| 2003 | 142,890 | 146,241 | | | |
| 2004 | 143,403 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.001 | 1.000 |
| 1994 | | 1.003 | 1.001 | 1.000 |
| 1995 | 1.021 | 1.003 | 1.001 | 1.001 |
| 1996 | 1.021 | 1.005 | 1.001 | 1.000 |
| 1997 | 1.024 | 1.004 | 1.001 | 1.000 |
| 1998 | 1.021 | 1.005 | 1.001 | 1.000 |
| 1999 | 1.018 | 1.003 | 1.000 | 1.000 |
| 2000 | 1.037 | 0.988 | 1.001 | 1.000 |
| 2001 | 1.018 | 1.003 | 1.001 | |
| 2002 | 1.025 | 1.003 | | |
| 2003 | 1.023 | | | |
| Five Year Average | 1.024 | 1.000 | 1.001 | 1.000 |
| Three Year Average | 1.022 | 0.998 | 1.001 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.001 | 1.001 | |
| 27 to 63 months: | | 1.001 | 0.999 | |
| 15 to 63 months: | | 1.025 | 1.021 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Medical Payments Paid Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 34,883 |
| 1992 | | | | 37,736 | 37,777 |
| 1993 | | | 38,812 | 39,057 | 39,119 |
| 1994 | | 40,300 | 41,013 | 41,282 | 41,347 |
| 1995 | 35,943 | 41,594 | 42,381 | 42,696 | 42,761 |
| 1996 | 34,816 | 40,555 | 41,382 | 41,708 | 41,776 |
| 1997 | 33,743 | 39,271 | 40,123 | 40,486 | 40,559 |
| 1998 | 32,118 | 37,416 | 38,317 | 38,667 | 38,731 |
| 1999 | 32,298 | 38,069 | 38,882 | 39,163 | 39,241 |
| 2000 | 33,650 | 39,160 | 39,932 | 40,277 | 40,325 |
| 2001 | 33,696 | 38,638 | 39,502 | 39,808 | |
| 2002 | 34,276 | 39,705 | 40,510 | | |
| 2003 | 33,240 | 38,284 | | | |
| 2004 | 31,189 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.001 |
| 1993 | | | 1.006 | 1.002 |
| 1994 | | 1.018 | 1.007 | 1.002 |
| 1995 | 1.157 | 1.019 | 1.007 | 1.002 |
| 1996 | 1.165 | 1.020 | 1.008 | 1.002 |
| 1997 | 1.164 | 1.022 | 1.009 | 1.002 |
| 1998 | 1.165 | 1.024 | 1.009 | 1.002 |
| 1999 | 1.179 | 1.021 | 1.007 | 1.002 |
| 2000 | 1.164 | 1.020 | 1.009 | 1.001 |
| 2001 | 1.147 | 1.022 | 1.008 | |
| 2002 | 1.158 | 1.020 | | |
| 2003 | 1.152 | | | |
| Five Year Average | 1.160 | 1.021 | 1.008 | 1.002 |
| Three Year Average | 1.152 | 1.021 | 1.008 | 1.002 |

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.010 | 1.010 |
| 27 to 63 months: | 1.031 | 1.031 |
| 15 to 63 months: | 1.196 | 1.188 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Bodily Injury Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 36,996 |
| 1992 | | | | 41,708 | 41,542 |
| 1993 | | | 43,975 | 43,611 | 43,339 |
| 1994 | | 48,743 | 47,953 | 47,831 | 47,488 |
| 1995 | 54,645 | 52,590 | 51,948 | 51,632 | 51,346 |
| 1996 | 55,300 | 53,207 | 52,654 | 52,386 | 52,069 |
| 1997 | 55,275 | 53,118 | 52,492 | 52,135 | 51,832 |
| 1998 | 54,721 | 52,464 | 51,915 | 51,551 | 51,207 |
| 1999 | 57,517 | 54,562 | 53,863 | 53,342 | 53,044 |
| 2000 | 57,171 | 54,901 | 54,115 | 53,687 | 53,467 |
| 2001 | 55,746 | 53,390 | 52,789 | 52,550 | |
| 2002 | 57,489 | 55,279 | 54,650 | | |
| 2003 | 57,432 | 55,024 | | | |
| 2004 | 56,878 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.996 |
| 1993 | | | 0.992 | 0.994 |
| 1994 | | 0.984 | 0.997 | 0.993 |
| 1995 | 0.962 | 0.988 | 0.994 | 0.994 |
| 1996 | 0.962 | 0.990 | 0.995 | 0.994 |
| 1997 | 0.961 | 0.988 | 0.993 | 0.994 |
| 1998 | 0.959 | 0.990 | 0.993 | 0.993 |
| 1999 | 0.949 | 0.987 | 0.990 | 0.994 |
| 2000 | 0.960 | 0.986 | 0.992 | 0.996 |
| 2001 | 0.958 | 0.989 | 0.995 | |
| 2002 | 0.962 | 0.989 | | |
| 2003 | 0.958 | | | |
| Five Year Average | 0.957 | 0.988 | 0.993 | 0.994 |
| Three Year Average | 0.959 | 0.988 | 0.992 | 0.994 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 0.987 | 0.986 | |
| 27 to 63 months: | | 0.975 | 0.974 | |
| 15 to 63 months: | | 0.933 | 0.934 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Property Damage Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 90,717 |
| 1992 | | | | 101,010 | 100,980 |
| 1993 | | | 108,279 | 108,262 | 108,244 |
| 1994 | | 119,329 | 119,372 | 119,348 | 119,361 |
| 1995 | 126,717 | 127,321 | 127,327 | 127,392 | 127,415 |
| 1996 | 132,697 | 132,699 | 132,991 | 133,026 | 133,020 |
| 1997 | 132,831 | 133,485 | 133,761 | 133,826 | 133,837 |
| 1998 | 136,734 | 137,101 | 137,319 | 137,320 | 137,283 |
| 1999 | 142,944 | 142,633 | 142,749 | 142,663 | 142,646 |
| 2000 | 145,422 | 148,156 | 146,101 | 146,076 | 146,059 |
| 2001 | 145,005 | 145,139 | 145,299 | 145,327 | |
| 2002 | 145,234 | 146,083 | 146,229 | | |
| 2003 | 145,932 | 146,602 | | | |
| 2004 | 146,263 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.000 | 1.000 |
| 1994 | | 1.000 | 1.000 | 1.000 |
| 1995 | 1.005 | 1.000 | 1.001 | 1.000 |
| 1996 | 1.000 | 1.002 | 1.000 | 1.000 |
| 1997 | 1.005 | 1.002 | 1.000 | 1.000 |
| 1998 | 1.003 | 1.002 | 1.000 | 1.000 |
| 1999 | 0.998 | 1.001 | 0.999 | 1.000 |
| 2000 | 1.019 | 0.986 | 1.000 | 1.000 |
| 2001 | 1.001 | 1.001 | 1.000 | |
| 2002 | 1.006 | 1.001 | | |
| 2003 | 1.005 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.006 | 0.998 | 1.000 | 1.000 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.004 | 0.996 | 1.000 | 1.000 |
|--------------------|-------|-------|-------|-------|

Five Year Three Year

| | | |
|------------------|-------|-------|
| 39 to 63 months: | 1.000 | 1.000 |
| 27 to 63 months: | 0.998 | 0.996 |
| 15 to 63 months: | 1.004 | 1.000 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Medical Payments Incurred Claims as of | | | | |
|------------------|--|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 34,913 |
| 1992 | | | | 37,807 | 37,803 |
| 1993 | | | 39,044 | 39,142 | 39,139 |
| 1994 | | 41,006 | 41,261 | 41,363 | 41,377 |
| 1995 | 41,343 | 42,437 | 42,642 | 42,791 | 42,790 |
| 1996 | 40,669 | 41,503 | 41,711 | 41,817 | 41,827 |
| 1997 | 39,262 | 40,211 | 40,493 | 40,604 | 40,618 |
| 1998 | 37,677 | 38,369 | 38,652 | 38,786 | 38,764 |
| 1999 | 38,340 | 39,056 | 39,267 | 39,319 | 39,295 |
| 2000 | 39,174 | 40,060 | 40,237 | 40,402 | 40,356 |
| 2001 | 38,773 | 39,399 | 39,776 | 39,895 | |
| 2002 | 39,568 | 40,472 | 40,791 | | |
| 2003 | 38,088 | 38,982 | | | |
| 2004 | 35,941 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.003 | 1.000 |
| 1994 | | 1.006 | 1.002 | 1.000 |
| 1995 | 1.026 | 1.005 | 1.003 | 1.000 |
| 1996 | 1.021 | 1.005 | 1.003 | 1.000 |
| 1997 | 1.024 | 1.007 | 1.003 | 1.000 |
| 1998 | 1.018 | 1.007 | 1.003 | 0.999 |
| 1999 | 1.019 | 1.005 | 1.001 | 0.999 |
| 2000 | 1.023 | 1.004 | 1.004 | 0.999 |
| 2001 | 1.016 | 1.010 | 1.003 | |
| 2002 | 1.023 | 1.008 | | |
| 2003 | 1.023 | | | |
| Five Year Average | 1.021 | 1.007 | 1.003 | 0.999 |
| Three Year Average | 1.021 | 1.007 | 1.003 | 0.999 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.002 | 1.002 | |
| 27 to 63 months: | | 1.009 | 1.009 | |
| 15 to 63 months: | | 1.030 | 1.030 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Bodily Injury Outstanding Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months |
|------------------|-----------|-----------|-----------|
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 2,919 |
| 1994 | | 6,850 | 2,970 |
| 1995 | 21,018 | 7,498 | 3,415 |
| 1996 | 21,231 | 7,393 | 3,412 |
| 1997 | 21,110 | 7,440 | 3,432 |
| 1998 | 21,062 | 7,279 | 3,389 |
| 1999 | 22,569 | 7,746 | 3,581 |
| 2000 | 21,407 | 7,568 | 3,498 |
| 2001 | 21,505 | 7,362 | 3,354 |
| 2002 | 21,641 | 7,405 | 3,304 |
| 2003 | 21,571 | 7,209 | |
| 2004 | 21,274 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|-----------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.434 |
| 1995 | 0.357 | 0.455 |
| 1996 | 0.348 | 0.462 |
| 1997 | 0.352 | 0.461 |
| 1998 | 0.346 | 0.466 |
| 1999 | 0.343 | 0.462 |
| 2000 | 0.354 | 0.462 |
| 2001 | 0.342 | 0.456 |
| 2002 | 0.342 | 0.446 |
| 2003 | 0.334 | |
| Five Year Average | 0.343 | 0.458 |
| Three Year Average | 0.339 | 0.455 |
| | Five Year | Three Year |
| 27 to 39 months: | 0.458 | 0.455 |
| 15 to 39 months: | 0.157 | 0.154 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Property Damage Outstanding Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months |
|------------------|-----------|-----------|-----------|
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 231 |
| 1994 | | 495 | 202 |
| 1995 | 2,653 | 599 | 199 |
| 1996 | 3,340 | 589 | 223 |
| 1997 | 2,917 | 501 | 211 |
| 1998 | 3,096 | 609 | 204 |
| 1999 | 3,349 | 549 | 197 |
| 2000 | 2,999 | 523 | 192 |
| 2001 | 2,891 | 449 | 161 |
| 2002 | 3,122 | 444 | 156 |
| 2003 | 3,042 | 361 | |
| 2004 | 2,860 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|-----------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.408 |
| 1995 | 0.226 | 0.332 |
| 1996 | 0.176 | 0.379 |
| 1997 | 0.172 | 0.421 |
| 1998 | 0.197 | 0.335 |
| 1999 | 0.164 | 0.359 |
| 2000 | 0.174 | 0.367 |
| 2001 | 0.155 | 0.359 |
| 2002 | 0.142 | 0.351 |
| 2003 | 0.119 | |
| Five Year Average | 0.151 | 0.354 |
| Three Year Average | 0.139 | 0.359 |
| | Five Year | Three Year |
| 27 to 39 months: | 0.354 | 0.359 |
| 15 to 39 months: | 0.053 | 0.050 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

| Accident Year | Medical Payments Outstanding Claims as of | | |
|------------------|---|-----------|-----------|
| | 15 Months | 27 Months | 39 Months |
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 232 |
| 1994 | | 706 | 248 |
| 1995 | 5,400 | 843 | 261 |
| 1996 | 5,853 | 948 | 329 |
| 1997 | 5,519 | 940 | 370 |
| 1998 | 5,559 | 953 | 335 |
| 1999 | 6,042 | 987 | 385 |
| 2000 | 5,524 | 900 | 305 |
| 2001 | 5,077 | 761 | 274 |
| 2002 | 5,292 | 767 | 281 |
| 2003 | 4,848 | 698 | |
| 2004 | 4,752 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|---|-----------|-----------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.351 |
| 1995 | 0.156 | 0.310 |
| 1996 | 0.162 | 0.347 |
| 1997 | 0.170 | 0.394 |
| 1998 | 0.171 | 0.352 |
| 1999 | 0.163 | 0.390 |
| 2000 | 0.163 | 0.339 |
| 2001 | 0.150 | 0.360 |
| 2002 | 0.145 | 0.366 |
| 2003 | 0.144 | |
| Five Year Average | | |
| | 0.153 | 0.361 |
| Three Year Average | | |
| | 0.146 | 0.355 |
| Five Year Three Year | | |
| 27 to 39 months: | 0.361 | 0.355 |
| 15 to 39 months: | 0.055 | 0.052 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Bodily Injury Total Limits Paid Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 177,600,520 |
| 1992 | | | | 191,143,043 | 196,678,406 |
| 1993 | | | 183,103,082 | 198,049,423 | 203,458,369 |
| 1994 | | 175,548,231 | 205,915,950 | 222,465,506 | 228,576,147 |
| 1995 | 95,985,226 | 174,336,112 | 205,414,915 | 221,303,468 | 225,944,484 |
| 1996 | 98,979,131 | 178,317,152 | 210,294,473 | 225,789,603 | 231,472,253 |
| 1997 | 97,927,269 | 180,512,993 | 210,222,424 | 225,675,172 | 231,891,887 |
| 1998 | 96,647,041 | 169,671,248 | 198,554,240 | 214,824,343 | 220,828,026 |
| 1999 | 94,946,771 | 168,301,271 | 199,627,433 | 215,803,053 | 222,178,529 |
| 2000 | 92,925,513 | 168,994,339 | 198,304,888 | 213,864,821 | 219,544,734 |
| 2001 | 93,543,064 | 172,612,226 | 202,279,234 | 218,595,702 | |
| 2002 | 102,289,306 | 184,853,613 | 221,045,443 | | |
| 2003 | 110,749,414 | 202,280,862 | | | |
| 2004 | 116,558,278 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.029 |
| 1993 | | | 1.082 | 1.027 |
| 1994 | | 1.173 | 1.080 | 1.027 |
| 1995 | 1.816 | 1.178 | 1.077 | 1.021 |
| 1996 | 1.802 | 1.179 | 1.074 | 1.025 |
| 1997 | 1.843 | 1.165 | 1.074 | 1.028 |
| 1998 | 1.756 | 1.170 | 1.082 | 1.028 |
| 1999 | 1.773 | 1.186 | 1.081 | 1.030 |
| 2000 | 1.819 | 1.173 | 1.078 | 1.027 |
| 2001 | 1.845 | 1.172 | 1.081 | |
| 2002 | 1.807 | 1.196 | | |
| 2003 | 1.826 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.814 | 1.179 | 1.079 | 1.028 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 1.826 | 1.180 | 1.080 | 1.028 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.109 | 1.110 |
| 27 to 63 months: | 1.308 | 1.310 |
| 15 to 63 months: | 2.373 | 2.392 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Property Damage Total Limits Paid Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 91,827,074 |
| 1992 | | | | 99,268,241 | 99,442,646 |
| 1993 | | | 108,087,180 | 108,436,324 | 108,610,292 |
| 1994 | | 126,539,247 | 127,446,652 | 127,936,707 | 128,042,881 |
| 1995 | 135,086,610 | 140,546,052 | 141,650,662 | 141,940,120 | 142,048,456 |
| 1996 | 156,527,113 | 163,361,517 | 164,519,331 | 164,993,231 | 165,090,593 |
| 1997 | 158,980,526 | 165,804,050 | 166,790,046 | 167,172,421 | 167,220,124 |
| 1998 | 156,325,056 | 163,400,964 | 164,517,027 | 164,862,351 | 165,018,030 |
| 1999 | 161,874,885 | 172,064,068 | 173,444,240 | 174,153,232 | 173,918,673 |
| 2000 | 166,136,058 | 173,945,669 | 175,610,844 | 175,902,797 | 175,952,317 |
| 2001 | 169,265,356 | 177,560,347 | 178,382,244 | 178,627,877 | |
| 2002 | 179,578,413 | 187,751,960 | 188,814,992 | | |
| 2003 | 192,140,141 | 201,809,632 | | | |
| 2004 | 195,603,006 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.002 |
| 1993 | | | 1.003 | 1.002 |
| 1994 | | 1.007 | 1.004 | 1.001 |
| 1995 | 1.040 | 1.008 | 1.002 | 1.001 |
| 1996 | 1.044 | 1.007 | 1.003 | 1.001 |
| 1997 | 1.043 | 1.006 | 1.002 | 1.000 |
| 1998 | 1.045 | 1.007 | 1.002 | 1.001 |
| 1999 | 1.063 | 1.008 | 1.004 | 0.999 |
| 2000 | 1.047 | 1.010 | 1.002 | 1.000 |
| 2001 | 1.049 | 1.005 | 1.001 | |
| 2002 | 1.046 | 1.006 | | |
| 2003 | 1.050 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.051 | 1.007 | 1.002 | 1.000 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 1.048 | 1.007 | 1.002 | 1.000 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.002 | 1.002 |
| 27 to 63 months: | 1.009 | 1.009 |
| 15 to 63 months: | 1.060 | 1.057 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Medical Payments Total Limits Paid Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 21,237,930 |
| 1992 | | | | 23,008,403 | 23,044,648 |
| 1993 | | | 23,443,277 | 23,586,488 | 23,604,567 |
| 1994 | | 24,472,746 | 24,870,253 | 25,028,212 | 25,054,150 |
| 1995 | 21,020,960 | 24,977,571 | 25,454,679 | 25,591,758 | 25,606,118 |
| 1996 | 21,117,150 | 25,177,214 | 25,648,994 | 25,799,901 | 25,851,391 |
| 1997 | 20,789,872 | 24,689,609 | 25,219,515 | 25,376,287 | 25,361,913 |
| 1998 | 18,800,056 | 22,219,399 | 22,634,772 | 22,750,024 | 22,785,514 |
| 1999 | 18,041,034 | 21,469,238 | 21,818,692 | 22,032,472 | 22,054,943 |
| 2000 | 17,971,442 | 20,968,603 | 21,483,008 | 21,662,681 | 21,670,310 |
| 2001 | 17,978,561 | 21,060,858 | 21,480,419 | 21,571,134 | |
| 2002 | 20,910,182 | 24,250,846 | 24,714,251 | | |
| 2003 | 21,349,818 | 24,815,033 | | | |
| 2004 | 22,269,929 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.002 |
| 1993 | | | 1.006 | 1.001 |
| 1994 | | 1.016 | 1.006 | 1.001 |
| 1995 | 1.188 | 1.019 | 1.005 | 1.001 |
| 1996 | 1.192 | 1.019 | 1.006 | 1.002 |
| 1997 | 1.188 | 1.021 | 1.006 | 0.999 |
| 1998 | 1.182 | 1.019 | 1.005 | 1.002 |
| 1999 | 1.190 | 1.016 | 1.010 | 1.001 |
| 2000 | 1.167 | 1.025 | 1.008 | 1.000 |
| 2001 | 1.171 | 1.020 | 1.004 | |
| 2002 | 1.160 | 1.019 | | |
| 2003 | 1.162 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.170 | 1.020 | 1.007 | 1.001 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 1.164 | 1.021 | 1.007 | 1.001 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.008 | 1.008 |
| 27 to 63 months: | 1.028 | 1.029 |
| 15 to 63 months: | 1.203 | 1.198 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Bodily Injury Total Limits Incurred Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 181,752,051 |
| 1992 | | | | 202,282,739 | 200,780,568 |
| 1993 | | | 207,699,572 | 208,487,802 | 206,916,210 |
| 1994 | | 226,615,836 | 233,088,200 | 233,331,500 | 231,454,363 |
| 1995 | 211,291,368 | 226,665,473 | 228,518,512 | 229,930,990 | 228,709,369 |
| 1996 | 222,473,346 | 233,367,821 | 235,462,195 | 236,132,748 | 235,201,463 |
| 1997 | 223,031,412 | 233,438,810 | 235,883,068 | 235,598,697 | 235,812,089 |
| 1998 | 206,565,579 | 219,645,169 | 222,463,014 | 224,642,482 | 224,685,651 |
| 1999 | 205,887,660 | 218,424,231 | 222,979,961 | 225,159,783 | 225,604,890 |
| 2000 | 196,381,049 | 215,263,562 | 220,208,932 | 222,577,473 | 222,958,073 |
| 2001 | 201,389,100 | 218,201,822 | 224,336,154 | 227,922,447 | |
| 2002 | 215,250,172 | 236,983,491 | 247,518,638 | | |
| 2003 | 232,679,660 | 261,971,315 | | | |
| 2004 | 248,338,211 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.993 |
| 1993 | | | 1.004 | 0.992 |
| 1994 | | 1.029 | 1.001 | 0.992 |
| 1995 | 1.073 | 1.008 | 1.006 | 0.995 |
| 1996 | 1.049 | 1.009 | 1.003 | 0.996 |
| 1997 | 1.047 | 1.010 | 0.999 | 1.001 |
| 1998 | 1.063 | 1.013 | 1.010 | 1.000 |
| 1999 | 1.061 | 1.021 | 1.010 | 1.002 |
| 2000 | 1.096 | 1.023 | 1.011 | 1.002 |
| 2001 | 1.083 | 1.028 | 1.016 | |
| 2002 | 1.101 | 1.044 | | |
| 2003 | 1.126 | | | |
| Five Year Average | 1.093 | 1.026 | 1.009 | 1.000 |
| Three Year Average | 1.103 | 1.032 | 1.012 | 1.001 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.009 | 1.013 | |
| 27 to 63 months: | | 1.035 | 1.045 | |
| 15 to 63 months: | | 1.131 | 1.153 | |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Property Damage Total Limits Incurred Losses as of | | | | |
|------------------|--|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 91,988,997 |
| 1992 | | | | 99,729,032 | 99,683,158 |
| 1993 | | | 108,720,068 | 108,939,067 | 108,825,115 |
| 1994 | | 128,082,658 | 128,266,216 | 128,209,521 | 128,115,751 |
| 1995 | 141,503,780 | 141,878,888 | 142,135,035 | 142,123,346 | 142,108,158 |
| 1996 | 164,084,547 | 164,568,500 | 165,165,969 | 165,275,086 | 165,180,483 |
| 1997 | 164,735,209 | 167,004,182 | 167,306,180 | 167,296,545 | 167,273,880 |
| 1998 | 162,308,777 | 164,728,613 | 164,858,336 | 164,939,091 | 165,046,763 |
| 1999 | 169,379,308 | 173,241,702 | 174,050,519 | 174,349,873 | 174,303,618 |
| 2000 | 171,965,422 | 175,155,929 | 176,144,591 | 176,251,934 | 176,153,083 |
| 2001 | 174,737,622 | 178,432,361 | 178,835,194 | 178,971,419 | |
| 2002 | 184,912,446 | 188,623,941 | 189,244,017 | | |
| 2003 | 197,382,473 | 202,333,093 | | | |
| 2004 | 200,713,883 | | | | |

| Accident Year | Loss Development Factors | | | |
|------------------|--------------------------|-----------|-----------|-----------|
| | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
| 1992 | | | | 1.000 |
| 1993 | | | 1.002 | 0.999 |
| 1994 | | 1.001 | 1.000 | 0.999 |
| 1995 | 1.003 | 1.002 | 1.000 | 1.000 |
| 1996 | 1.003 | 1.004 | 1.001 | 0.999 |
| 1997 | 1.014 | 1.002 | 1.000 | 1.000 |
| 1998 | 1.015 | 1.001 | 1.000 | 1.001 |
| 1999 | 1.023 | 1.005 | 1.002 | 1.000 |
| 2000 | 1.019 | 1.006 | 1.001 | 0.999 |
| 2001 | 1.021 | 1.002 | 1.001 | |
| 2002 | 1.020 | 1.003 | | |
| 2003 | 1.025 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.022 | 1.003 | 1.001 | 1.000 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 1.022 | 1.004 | 1.001 | 1.000 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.001 | 1.001 |
| 27 to 63 months: | 1.004 | 1.005 |
| 15 to 63 months: | 1.026 | 1.027 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Medical Payments Total Limits Incurred Losses as of | | | | |
|------------------|---|------------|------------|------------|------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 21,283,772 |
| 1992 | | | | 23,110,463 | 23,096,970 |
| 1993 | | | 23,640,022 | 23,668,349 | 23,630,626 |
| 1994 | | 25,148,709 | 25,087,010 | 25,086,747 | 25,074,544 |
| 1995 | 25,403,543 | 25,613,125 | 25,648,559 | 25,661,644 | 25,652,374 |
| 1996 | 25,431,663 | 25,686,731 | 25,781,579 | 25,862,504 | 25,867,677 |
| 1997 | 24,548,467 | 25,134,101 | 25,370,242 | 25,411,387 | 25,374,700 |
| 1998 | 21,923,581 | 22,740,435 | 22,742,159 | 22,790,601 | 22,809,876 |
| 1999 | 21,229,796 | 21,958,458 | 21,973,012 | 22,066,630 | 22,062,956 |
| 2000 | 20,729,329 | 21,331,128 | 21,665,352 | 21,700,655 | 21,684,210 |
| 2001 | 20,650,857 | 21,561,388 | 21,642,458 | 21,638,115 | |
| 2002 | 23,863,381 | 24,721,670 | 24,918,855 | | |
| 2003 | 24,446,885 | 25,192,828 | | | |
| 2004 | 25,197,147 | | | | |

| Accident Year | Loss Development Factors | | | |
|------------------|--------------------------|-----------|-----------|-----------|
| | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
| 1992 | | | | 0.999 |
| 1993 | | | 1.001 | 0.998 |
| 1994 | | 0.998 | 1.000 | 1.000 |
| 1995 | 1.008 | 1.001 | 1.001 | 1.000 |
| 1996 | 1.010 | 1.004 | 1.003 | 1.000 |
| 1997 | 1.024 | 1.009 | 1.002 | 0.999 |
| 1998 | 1.037 | 1.000 | 1.002 | 1.001 |
| 1999 | 1.034 | 1.001 | 1.004 | 1.000 |
| 2000 | 1.029 | 1.016 | 1.002 | 0.999 |
| 2001 | 1.044 | 1.004 | 1.000 | |
| 2002 | 1.036 | 1.008 | | |
| 2003 | 1.031 | | | |

| | | | | |
|----------------------|-------|-------|-------|-------|
| Five Year Average | 1.035 | 1.006 | 1.002 | 1.000 |
|----------------------|-------|-------|-------|-------|

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Three Year Average | 1.037 | 1.009 | 1.002 | 1.000 |
|-----------------------|-------|-------|-------|-------|

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.002 | 1.002 |
| 27 to 63 months: | 1.008 | 1.011 |
| 15 to 63 months: | 1.043 | 1.048 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Bodily Injury Basic Limits(a) Incurred Losses as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-------------|-------------|-------------|-------------|-------------|
| 1991 | | | | | 163,900,923 |
| 1992 | | | | 182,861,233 | 181,070,941 |
| 1993 | | | 193,060,772 | 193,651,039 | 192,223,320 |
| 1994 | | 211,643,234 | 213,987,391 | 214,862,522 | 212,876,748 |
| 1995 | 200,834,911 | 211,076,172 | 210,810,908 | 211,795,604 | 210,556,254 |
| 1996 | 210,069,811 | 217,211,810 | 216,967,622 | 217,602,631 | 217,209,237 |
| 1997 | 211,627,542 | 218,412,337 | 220,339,650 | 219,645,245 | 220,344,356 |
| 1998 | 195,650,902 | 205,674,358 | 207,607,917 | 208,743,809 | 208,716,833 |
| 1999 | 196,309,996 | 206,166,123 | 208,393,001 | 209,685,094 | 210,024,688 |
| 2000 | 186,546,494 | 200,512,528 | 203,481,534 | 205,369,330 | 206,021,117 |
| 2001 | 187,225,613 | 197,058,436 | 200,406,820 | 203,252,699 | |
| 2002 | 204,396,971 | 221,699,155 | 229,021,583 | | |
| 2003 | 219,972,271 | 242,908,169 | | | |
| 2004 | 232,321,218 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.990 |
| 1993 | | | 1.003 | 0.993 |
| 1994 | | 1.011 | 1.004 | 0.991 |
| 1995 | 1.051 | 0.999 | 1.005 | 0.994 |
| 1996 | 1.034 | 0.999 | 1.003 | 0.998 |
| 1997 | 1.032 | 1.009 | 0.997 | 1.003 |
| 1998 | 1.051 | 1.009 | 1.005 | 1.000 |
| 1999 | 1.050 | 1.011 | 1.006 | 1.002 |
| 2000 | 1.075 | 1.015 | 1.009 | 1.003 |
| 2001 | 1.053 | 1.017 | 1.014 | |
| 2002 | 1.085 | 1.033 | | |
| 2003 | 1.104 | | | |

Five Year Average 1.073 1.017 1.006 1.001

Three Year Average 1.081 1.022 1.010 1.002

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.007 | 1.012 |
| 27 to 63 months: | 1.024 | 1.034 |
| 15 to 63 months: | 1.099 | 1.118 |

(a) Losses are on a 30/60 level for 2002-2004.
Losses are on a 25/50 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Property Damage Basic Limits(a) Incurred Losses as of | | | | |
|------------------|---|-------------|-------------|-------------|-------------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 89,578,282 |
| 1992 | | | | 96,917,786 | 96,887,945 |
| 1993 | | | 107,288,410 | 107,429,477 | 107,380,745 |
| 1994 | | 126,741,476 | 127,258,234 | 127,271,879 | 127,237,320 |
| 1995 | 139,502,806 | 140,237,454 | 140,420,439 | 140,477,803 | 140,460,539 |
| 1996 | 161,444,118 | 162,546,081 | 162,936,394 | 162,986,806 | 162,977,673 |
| 1997 | 162,535,050 | 164,517,977 | 164,737,946 | 164,773,858 | 164,765,181 |
| 1998 | 159,721,829 | 161,733,446 | 162,118,359 | 162,150,485 | 162,268,157 |
| 1999 | 165,757,986 | 169,929,612 | 170,680,939 | 171,015,760 | 170,984,689 |
| 2000 | 169,085,669 | 172,294,748 | 173,274,071 | 173,280,365 | 173,225,507 |
| 2001 | 169,875,643 | 173,553,538 | 173,838,983 | 174,089,757 | |
| 2002 | 184,271,506 | 187,863,111 | 188,515,113 | | |
| 2003 | 196,601,286 | 201,661,507 | | | |
| 2004 | 199,707,863 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|------------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 1.000 |
| 1993 | | | 1.001 | 1.000 |
| 1994 | | 1.004 | 1.000 | 1.000 |
| 1995 | 1.005 | 1.001 | 1.000 | 1.000 |
| 1996 | 1.007 | 1.002 | 1.000 | 1.000 |
| 1997 | 1.012 | 1.001 | 1.000 | 1.000 |
| 1998 | 1.013 | 1.002 | 1.000 | 1.001 |
| 1999 | 1.025 | 1.004 | 1.002 | 1.000 |
| 2000 | 1.019 | 1.006 | 1.000 | 1.000 |
| 2001 | 1.022 | 1.002 | 1.001 | |
| 2002 | 1.019 | 1.003 | | |
| 2003 | 1.026 | | | |

| | | | | |
|-----------------------|-------|-------|-------|-------|
| Five Year Average | 1.022 | 1.003 | 1.001 | 1.000 |
| Three Year Average | 1.022 | 1.004 | 1.001 | 1.000 |

| | Five Year | Three Year |
|------------------|-----------|------------|
| 39 to 63 months: | 1.001 | 1.001 |
| 27 to 63 months: | 1.004 | 1.005 |
| 15 to 63 months: | 1.026 | 1.027 |

(a) Losses are on a \$25,000 level for 2002-2004.
Losses are on a \$15,000 level for 1991-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Bodily Injury Paid Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 22,986 |
| 1992 | | | | 25,206 | 25,528 |
| 1993 | | | 26,895 | 27,910 | 28,240 |
| 1994 | | 32,141 | 34,358 | 35,440 | 35,841 |
| 1995 | 24,913 | 34,193 | 36,716 | 37,835 | 38,143 |
| 1996 | 26,708 | 36,894 | 39,659 | 40,836 | 41,218 |
| 1997 | 26,942 | 36,944 | 39,389 | 40,576 | 40,965 |
| 1998 | 25,384 | 34,420 | 36,925 | 38,125 | 38,525 |
| 1999 | 24,897 | 34,561 | 37,200 | 38,446 | 38,848 |
| 2000 | 23,775 | 32,731 | 35,176 | 36,296 | 36,621 |
| 2001 | 22,980 | 31,619 | 33,759 | 34,860 | |
| 2002 | 24,397 | 33,258 | 35,831 | | |
| 2003 | 25,045 | 34,384 | | | |
| 2004 | 26,159 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.013 |
| 1993 | | | 1.038 | 1.012 |
| 1994 | | 1.069 | 1.031 | 1.011 |
| 1995 | 1.372 | 1.074 | 1.030 | 1.008 |
| 1996 | 1.381 | 1.075 | 1.030 | 1.009 |
| 1997 | 1.371 | 1.066 | 1.030 | 1.010 |
| 1998 | 1.356 | 1.073 | 1.032 | 1.010 |
| 1999 | 1.388 | 1.076 | 1.033 | 1.010 |
| 2000 | 1.377 | 1.075 | 1.032 | 1.009 |
| 2001 | 1.376 | 1.068 | 1.033 | |
| 2002 | 1.363 | 1.077 | | |
| 2003 | 1.373 | | | |
| Five Year Average | 1.375 | 1.074 | 1.032 | 1.010 |
| Three Year Average | 1.371 | 1.073 | 1.033 | 1.010 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.042 | 1.043 | |
| 27 to 63 months: | | 1.119 | 1.119 | |
| 15 to 63 months: | | 1.539 | 1.534 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Property Damage Paid Claims as of | | | | |
|------------------|-----------------------------------|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 51,328 |
| 1992 | | | | 54,491 | 54,523 |
| 1993 | | | 58,340 | 58,433 | 58,463 |
| 1994 | | 70,431 | 70,752 | 70,874 | 70,901 |
| 1995 | 72,562 | 74,773 | 75,089 | 75,169 | 75,194 |
| 1996 | 79,168 | 81,640 | 81,998 | 82,151 | 82,176 |
| 1997 | 78,944 | 81,332 | 81,631 | 81,732 | 81,748 |
| 1998 | 76,509 | 78,803 | 79,176 | 79,262 | 79,308 |
| 1999 | 76,753 | 80,051 | 80,409 | 80,606 | 80,624 |
| 2000 | 74,674 | 77,069 | 77,628 | 77,701 | 77,719 |
| 2001 | 74,519 | 77,098 | 77,344 | 77,419 | |
| 2002 | 77,834 | 80,381 | 80,677 | | |
| 2003 | 87,316 | 90,166 | | | |
| 2004 | 91,524 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.001 |
| 1993 | | | 1.002 | 1.001 |
| 1994 | | 1.005 | 1.002 | 1.000 |
| 1995 | 1.030 | 1.004 | 1.001 | 1.000 |
| 1996 | 1.031 | 1.004 | 1.002 | 1.000 |
| 1997 | 1.030 | 1.004 | 1.001 | 1.000 |
| 1998 | 1.030 | 1.005 | 1.001 | 1.001 |
| 1999 | 1.043 | 1.004 | 1.002 | 1.000 |
| 2000 | 1.032 | 1.007 | 1.001 | 1.000 |
| 2001 | 1.035 | 1.003 | 1.001 | |
| 2002 | 1.033 | 1.004 | | |
| 2003 | 1.033 | | | |
| Five Year Average | 1.035 | 1.005 | 1.001 | 1.000 |
| Three Year Average | 1.034 | 1.005 | 1.001 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.001 | 1.001 | |
| 27 to 63 months: | | 1.006 | 1.006 | |
| 15 to 63 months: | | 1.041 | 1.040 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Medical Payments Paid Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 18,839 |
| 1992 | | | | 19,541 | 19,557 |
| 1993 | | | 20,819 | 20,949 | 20,969 |
| 1994 | | 24,342 | 24,745 | 24,879 | 24,890 |
| 1995 | 21,556 | 25,375 | 25,815 | 25,942 | 25,959 |
| 1996 | 22,394 | 26,301 | 26,705 | 26,838 | 26,882 |
| 1997 | 21,602 | 25,302 | 25,707 | 25,828 | 25,845 |
| 1998 | 19,438 | 22,663 | 23,009 | 23,101 | 23,125 |
| 1999 | 18,261 | 21,392 | 21,759 | 21,939 | 21,965 |
| 2000 | 17,302 | 19,925 | 20,339 | 20,448 | 20,458 |
| 2001 | 16,847 | 19,301 | 19,575 | 19,658 | |
| 2002 | 18,456 | 21,012 | 21,329 | | |
| 2003 | 18,066 | 20,715 | | | |
| 2004 | 18,092 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 1.001 |
| 1993 | | | 1.006 | 1.001 |
| 1994 | | 1.017 | 1.005 | 1.000 |
| 1995 | 1.177 | 1.017 | 1.005 | 1.001 |
| 1996 | 1.174 | 1.015 | 1.005 | 1.002 |
| 1997 | 1.171 | 1.016 | 1.005 | 1.001 |
| 1998 | 1.166 | 1.015 | 1.004 | 1.001 |
| 1999 | 1.171 | 1.017 | 1.008 | 1.001 |
| 2000 | 1.152 | 1.021 | 1.005 | 1.000 |
| 2001 | 1.146 | 1.014 | 1.004 | |
| 2002 | 1.138 | 1.015 | | |
| 2003 | 1.147 | | | |
| Five Year Average | 1.151 | 1.016 | 1.005 | 1.001 |
| Three Year Average | 1.144 | 1.017 | 1.006 | 1.001 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.006 | 1.007 | |
| 27 to 63 months: | | 1.022 | 1.024 | |
| 15 to 63 months: | | 1.176 | 1.171 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Bodily Injury Incurred Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 1991 | | | | | 23,229 |
| 1992 | | | | 25,897 | 25,770 |
| 1993 | | | 28,796 | 28,692 | 28,468 |
| 1994 | | 36,513 | 36,311 | 36,189 | 36,045 |
| 1995 | 38,665 | 38,448 | 38,351 | 38,363 | 38,301 |
| 1996 | 41,104 | 41,266 | 41,368 | 41,530 | 41,450 |
| 1997 | 41,260 | 41,138 | 41,319 | 41,292 | 41,250 |
| 1998 | 39,005 | 38,775 | 38,797 | 38,914 | 38,778 |
| 1999 | 38,986 | 38,853 | 39,282 | 39,205 | 39,107 |
| 2000 | 36,838 | 37,200 | 37,022 | 36,976 | 36,882 |
| 2001 | 37,219 | 35,853 | 35,621 | 35,599 | |
| 2002 | 39,356 | 38,134 | 37,913 | | |
| 2003 | 40,975 | 39,387 | | | |
| 2004 | 41,989 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|--------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.995 |
| 1993 | | | 0.996 | 0.992 |
| 1994 | | 0.994 | 0.997 | 0.996 |
| 1995 | 0.994 | 0.997 | 1.000 | 0.998 |
| 1996 | 1.004 | 1.002 | 1.004 | 0.998 |
| 1997 | 0.997 | 1.004 | 0.999 | 0.999 |
| 1998 | 0.994 | 1.001 | 1.003 | 0.997 |
| 1999 | 0.997 | 1.011 | 0.998 | 0.998 |
| 2000 | 1.010 | 0.995 | 0.999 | 0.997 |
| 2001 | 0.963 | 0.994 | 0.999 | |
| 2002 | 0.969 | 0.994 | | |
| 2003 | 0.961 | | | |
| Five Year Average | 0.980 | 0.999 | 1.000 | 0.998 |
| Three Year Average | 0.964 | 0.994 | 0.999 | 0.997 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 0.998 | 0.996 | |
| 27 to 63 months: | | 0.997 | 0.990 | |
| 15 to 63 months: | | 0.977 | 0.954 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Property Damage Incurred Claims as of | | | | |
|------------------|---------------------------------------|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 51,363 |
| 1992 | | | | 54,569 | 54,554 |
| 1993 | | | 58,493 | 58,530 | 58,493 |
| 1994 | | 70,761 | 70,907 | 70,934 | 70,917 |
| 1995 | 74,464 | 75,077 | 75,189 | 75,196 | 75,203 |
| 1996 | 81,105 | 81,912 | 82,096 | 82,192 | 82,188 |
| 1997 | 80,631 | 81,567 | 81,726 | 81,761 | 81,763 |
| 1998 | 78,316 | 79,137 | 79,269 | 79,297 | 79,318 |
| 1999 | 79,054 | 80,677 | 80,528 | 80,656 | 80,655 |
| 2000 | 76,483 | 77,446 | 77,837 | 77,841 | 77,817 |
| 2001 | 76,336 | 77,480 | 77,559 | 77,596 | |
| 2002 | 79,895 | 80,685 | 80,821 | | |
| 2003 | 89,550 | 90,345 | | | |
| 2004 | 93,265 | | | | |

| Accident Year | Claim Development Factors | | | |
|-----------------------|---------------------------|-----------|------------|-----------|
| | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
| 1992 | | | | 1.000 |
| 1993 | | | 1.001 | 0.999 |
| 1994 | | 1.002 | 1.000 | 1.000 |
| 1995 | 1.008 | 1.001 | 1.000 | 1.000 |
| 1996 | 1.010 | 1.002 | 1.001 | 1.000 |
| 1997 | 1.012 | 1.002 | 1.000 | 1.000 |
| 1998 | 1.010 | 1.002 | 1.000 | 1.000 |
| 1999 | 1.021 | 0.998 | 1.002 | 1.000 |
| 2000 | 1.013 | 1.005 | 1.000 | 1.000 |
| 2001 | 1.015 | 1.001 | 1.000 | |
| 2002 | 1.010 | 1.002 | | |
| 2003 | 1.009 | | | |
| Five Year Average | 1.014 | 1.002 | 1.000 | 1.000 |
| Three Year Average | 1.011 | 1.003 | 1.001 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.000 | 1.001 | |
| 27 to 63 months: | | 1.002 | 1.004 | |
| 15 to 63 months: | | 1.016 | 1.015 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

| Accident Year | Medical Payments Incurred Claims as of | | | | |
|------------------|--|-----------|-----------|-----------|-----------|
| | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
| 1991 | | | | | 18,874 |
| 1992 | | | | 19,615 | 19,586 |
| 1993 | | | 20,977 | 21,021 | 20,992 |
| 1994 | | 24,888 | 24,950 | 24,938 | 24,913 |
| 1995 | 25,117 | 25,810 | 25,938 | 25,970 | 25,970 |
| 1996 | 25,816 | 26,686 | 26,829 | 26,889 | 26,896 |
| 1997 | 24,745 | 25,650 | 25,859 | 25,859 | 25,857 |
| 1998 | 22,385 | 23,167 | 23,099 | 23,146 | 23,140 |
| 1999 | 21,292 | 21,826 | 21,903 | 21,977 | 21,975 |
| 2000 | 19,804 | 20,291 | 20,448 | 20,497 | 20,484 |
| 2001 | 19,334 | 19,651 | 19,696 | 19,703 | |
| 2002 | 21,431 | 21,476 | 21,482 | | |
| 2003 | 20,948 | 21,045 | | | |
| 2004 | 20,951 | | | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|-----------------------|-----------|-----------|------------|-----------|
| 1992 | | | | 0.999 |
| 1993 | | | 1.002 | 0.999 |
| 1994 | | 1.002 | 1.000 | 0.999 |
| 1995 | 1.028 | 1.005 | 1.001 | 1.000 |
| 1996 | 1.034 | 1.005 | 1.002 | 1.000 |
| 1997 | 1.037 | 1.008 | 1.000 | 1.000 |
| 1998 | 1.035 | 0.997 | 1.002 | 1.000 |
| 1999 | 1.025 | 1.004 | 1.003 | 1.000 |
| 2000 | 1.025 | 1.008 | 1.002 | 0.999 |
| 2001 | 1.016 | 1.002 | 1.000 | |
| 2002 | 1.002 | 1.000 | | |
| 2003 | 1.005 | | | |
| Five Year Average | 1.015 | 1.002 | 1.001 | 1.000 |
| Three Year Average | 1.008 | 1.003 | 1.002 | 1.000 |
| | | Five Year | Three Year | |
| 39 to 63 months: | | 1.001 | 1.002 | |
| 27 to 63 months: | | 1.003 | 1.005 | |
| 15 to 63 months: | | 1.018 | 1.013 | |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

| All Carriers | Ceded Only | | |
|--|------------|-----------|-----------|
| Bodily Injury Outstanding Claims as of | | | |
| Accident Year | 15 Months | 27 Months | 39 Months |
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 1,901 |
| 1994 | | 4,372 | 1,953 |
| 1995 | 13,752 | 4,255 | 1,635 |
| 1996 | 14,396 | 4,372 | 1,709 |
| 1997 | 14,318 | 4,194 | 1,930 |
| 1998 | 13,621 | 4,355 | 1,872 |
| 1999 | 14,089 | 4,292 | 2,082 |
| 2000 | 13,063 | 4,469 | 1,846 |
| 2001 | 14,239 | 4,234 | 1,862 |
| 2002 | 14,959 | 4,876 | 2,082 |
| 2003 | 15,930 | 5,003 | |
| 2004 | 15,830 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|--------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.447 |
| 1995 | 0.309 | 0.384 |
| 1996 | 0.304 | 0.391 |
| 1997 | 0.293 | 0.460 |
| 1998 | 0.320 | 0.430 |
| 1999 | 0.305 | 0.485 |
| 2000 | 0.342 | 0.413 |
| 2001 | 0.297 | 0.440 |
| 2002 | 0.326 | 0.427 |
| 2003 | 0.314 | |
| Five Year Average | 0.317 | 0.439 |
| Three Year Average | 0.312 | 0.427 |
| | Five Year | Three Year |
| 27 to 39 months: | 0.439 | 0.427 |
| 15 to 39 months: | 0.139 | 0.133 |

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Property Damage Outstanding Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months |
|---------------|-----------|-----------|-----------|
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 153 |
| 1994 | | 330 | 155 |
| 1995 | 1,902 | 304 | 100 |
| 1996 | 1,937 | 272 | 98 |
| 1997 | 1,687 | 235 | 95 |
| 1998 | 1,807 | 334 | 93 |
| 1999 | 2,301 | 626 | 119 |
| 2000 | 1,809 | 377 | 209 |
| 2001 | 1,817 | 382 | 215 |
| 2002 | 2,061 | 304 | 144 |
| 2003 | 2,234 | 179 | |
| 2004 | 1,741 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|--------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.470 |
| 1995 | 0.160 | 0.329 |
| 1996 | 0.140 | 0.360 |
| 1997 | 0.139 | 0.404 |
| 1998 | 0.185 | 0.278 |
| 1999 | 0.272 | 0.190 |
| 2000 | 0.208 | 0.554 |
| 2001 | 0.210 | 0.563 |
| 2002 | 0.148 | 0.474 |
| 2003 | 0.080 | |
| Five Year Average | 0.184 | 0.412 |
| Three Year Average | 0.146 | 0.530 |
| | Five Year | Three Year |
| 27 to 39 months: | 0.412 | 0.530 |
| 15 to 39 months: | 0.076 | 0.077 |

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Ceded Only

Medical Payments Outstanding Claims as of

| Accident Year | 15 Months | 27 Months | 39 Months |
|------------------|-----------|-----------|-----------|
| 1991 | | | |
| 1992 | | | |
| 1993 | | | 158 |
| 1994 | | 546 | 205 |
| 1995 | 3,561 | 435 | 123 |
| 1996 | 3,422 | 385 | 124 |
| 1997 | 3,143 | 348 | 152 |
| 1998 | 2,947 | 504 | 90 |
| 1999 | 3,031 | 434 | 144 |
| 2000 | 2,502 | 366 | 109 |
| 2001 | 2,487 | 350 | 121 |
| 2002 | 2,975 | 464 | 153 |
| 2003 | 2,882 | 330 | |
| 2004 | 2,859 | | |

Claim Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. |
|-----------------------|-----------|------------|
| 1992 | | |
| 1993 | | |
| 1994 | | 0.375 |
| 1995 | 0.122 | 0.283 |
| 1996 | 0.113 | 0.322 |
| 1997 | 0.111 | 0.437 |
| 1998 | 0.171 | 0.179 |
| 1999 | 0.143 | 0.332 |
| 2000 | 0.146 | 0.298 |
| 2001 | 0.141 | 0.346 |
| 2002 | 0.156 | 0.330 |
| 2003 | 0.115 | |
| | | |
| Five Year Average | 0.140 | 0.297 |
| | | |
| Three Year Average | 0.137 | 0.325 |
| | | |
| | Five Year | Three Year |
| | | |
| 27 to 39 months: | 0.297 | 0.325 |
| 15 to 39 months: | 0.042 | 0.045 |

Exhibit (3)(i)
Exhibit (7)(c)

Responses provided in connection with items (3)(i) and (7)(c) are enclosed herewith.



Steven D. Armstrong
Senior Actuary, F.C.A.S.,
M.A.A.A.

January 4th, 2005

F. Timothy Lucas
Personal Lines Manager
North Carolina Rate Bureau

Dear Tim,

Included below are Allstate Insurance Company's responses to issues regarding reserve strengthening and expense cutting initiatives for the Allstate Insurance Company and Allstate Indemnity Company Private Passenger Non-Fleet Auto Programs in North Carolina. Because there have been no changes in practice since the time this request was completed last year, the responses below are identical to those submitted in last year's memorandum.

With respect to 11 N.C.A.C. 10.1104 (3) (i), which states,

For each of the fifteen largest writers of private passenger automobile insurance in North Carolina, a statement regarding any reserve strengthening or weakening that has occurred in the last five years shall be included.

Allstate's response to this is that there have been **no** material changes with regard to Allstate's reserving practices of private passenger automobile insurance in the state of North Carolina over the past five years.

With respect to 11 N.C.A.C. 10.1104 (7) (c), which states,

For each of the ten largest writers of private passenger automobile insurance in North Carolina, statements regarding any expense cutting activities undertaken in the last five years shall be provided.

There has been **no** expense cutting initiatives made in the last year. The last expense cutting initiative affected the 2003 data (as responded to in a letter dated December 5th, 2003). Included here is that response from that December 5th letter:

Allstate's response to this is that there have been some structural changes in North Carolina, and indeed around the country, to close claims offices. The result of the closing of these claims offices is a reduction in unallocated loss

Tim Lucas
January 10th, 2005
Page 2

adjustment expenses due to the reduction of staff and elimination of operational expenses incurred at these claims offices. For purposes of ratemaking, Allstate uses a countrywide provision to account for unallocated loss adjustment expenses. Given this, the unallocated loss adjustment expense provision from last year may be slightly overstated. These measures in closing claims offices was more intended to increase efficiency rather than cut costs. For these reasons, Allstate wants to make the North Carolina Rate Bureau aware of it's actions with the understanding that Allstate does not think that it will have any measurable impact on the ratemaking data submitted by Allstate.

Please contact me if you have any questions or require further details.

Sincerely,

Steven D. Armstrong
F.C.A.S, M.A.A.A
sarm2@allstate.com
1-800-366-2958 x23994



ERIE INSURANCE GROUP

Home Office • 100 Erie Insurance Place • Erie, Pennsylvania 16530 • (814) 870-2000
Toll Free 1-800-458-0811 • Fax (814) 870-3126 • <http://www.erie-insurance.com>

Kevin L. Russell,
Supervisor,
Commercial Pricing II and Reserving
Erie Insurance Group
100 Erie insurance Place
Erie, Pennsylvania 16530
Telephone (814) 870 - 3395
Fax (814) 870 - 4383
kevin.russell@erieinsurance.com

Dec 28, 2005

TO: Debbie Pruitt
Support Assistant III
NORTH CAROLINA RATE BUREAU
5401 Six Forks Road
Raleigh NC 27609
Telephone: 919.582.1023
Fax: 919.719.7402

Re: RESERVE STRENGTHENING

The Erie Insurance Group began implementing Colossus and the Soft Tissue Evaluation program in 1998-1999 in order to establish more accurate case reserves. We continued with these claims initiatives in 2005, and so the criteria used in North Carolina for establishing case basis reserves for the accident year ending December 31, 2005 has not changed materially from the criteria used over the latest five years. The relative adequacy level of case reserves is examined during the quarterly reserve analysis. Relative case reserve adequacy levels appear to be quite consistent over the last three to five years.

Sincerely,

Kevin L. Russell, FCAS MAAA

H-602



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

One GEICO Plaza ■ Washington, DC 20076-0001

January 3, 2006

VIA FACSIMILE AND REGULAR MAIL

Mr. Tim Lucas
North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, North Carolina 27609

RE: GEICO Indemnity Company (GEICO Indemnity)- Bureau Letter Asking
for Reserve Strengthening and Expense Cutting Data

Dear Mr. Lucas:

GEICO Indemnity did not implement any changes that would have a dramatic impact on the expense factors. Expense control is a continuing effort at GEICO Indemnity and for that reason it believes that its historical experience is an appropriate basis for determining the expense provisions in your rate calculations and that no special adjustments are necessary.

As for reserve strengthening, the criteria used by GEICO Indemnity in North Carolina for establishing case reserves for the accident year ended December 31, 2004 have not materially changed over the last five years.

Please let me know if you need anything further.

Very truly yours,

Bonny Gordon
Senior Counsel
301-986-2653

RECEIVED

JAN 06 2006

N.C. RATE BUREAU



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

One GEICO Plaza ■ Washington, DC 20076-0001

January 3, 2006

VIA FACSIMILE AND REGULAR MAIL

Mr. Tim Lucas
North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, North Carolina 27609

RE: Government Employees Insurance Company (GEICO)- Bureau Letter
Asking for Reserve Strengthening and Expense Cutting Data

Dear Mr. Lucas:

GEICO did not implement any changes that would have a dramatic impact on the expense factors. Expense control is a continuing effort at GEICO and for that reason it believes that its historical experience is an appropriate basis for determining the expense provisions in your rate calculations and that no special adjustments are necessary.

As for reserve strengthening, the criteria used by GEICO in North Carolina for establishing case reserves for the accident year ended December 31, 2004 have not materially changed over the last five years.

Please let me know if you need anything further.

Very truly yours,

Bonny Gordon
Senior Counsel
301-986-2653

RECEIVED

JAN 06 2006

N.C. RATE BUREAU

December 19, 2005

Mr. Tim Lucas
Personal Lines Manager
North Carolina Rate Bureau
PO Box 176010
Raleigh, NC 27619

Re: NCRB request regarding Insurance Department Regulations for Integon National Insurance Company

Dear Tim:

Per your request, we are responding as follows:

Statement Concerning Reserve Strengthening Activities Over The Past Five Years:

All of the Integon companies, including Integon National Insurance Company, use a formula-based reserving system to establish reserves for claims with expected settlements under \$50,000. For claims with expected settlements in excess of \$50,000, the companies establish individual case reserves setup by knowledgeable claims personnel.

The formula reserve amounts have changed slightly over the past 5 years as trends have changed, but the amount of change has not been material. The criteria used for establishing both formula and case reserves have not changed materially over the past 5 years.

Statement Concerning Expense Cutting Activities Over The Past Five Years:

There has not been any recent expense cutting activities for the Integon National that would indicate a material change in future expense ratios. In the past 5 years, expense reduction activities have been largely offset by additional investments being made in various initiatives such as agency-related internet capabilities, consolidation of multiple policy reporting systems, various other information technology projects, and enhanced marketing initiatives. GMAC Insurance, including the Integon companies, remains expense competitive, and operates with an ongoing priority on spending controls.

Sincerely,

Art Lyon, CPCU
Executive Consultant

VIA FAX

January 5, 2006

Mr. F. Timothy Lucas
Personal Lines Manager
North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, NC 27609

Re: Insurance Department Regulations

Dear Mr. Lucas:

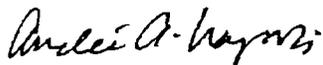
In response to your letter of December 15, 2005, I am providing the following information concerning expense cutting activities and reserve strengthening for Nationwide Mutual Insurance Company and Nationwide Mutual Fire Insurance Company.

We reported significant changes for reserve strengthening in last year's letter dated January 12, 2004. Those comments from last year's letter continue to apply as relevant this year. There are no additional known material changes to reserve strengthening which have not been previously reported.

With respect to our expenses, Nationwide adopted a new expense allocation method beginning with the expenses for 1999, which we reported in this letter in earlier years. As a result, more expenses were allocated to physical damage and less to liability than had been allocated in the past. This system is still in place, and we expect to see similarly distributed expenses for the new year of data. Other than this allocation change, we do not have any material expense cutting activities to report.

If you have any questions, please contact Dan Myers at (614) 249-5955 or myersda@nationwide.com.

Sincerely,



Andre A Napoli
Vice President -
Personal Lines Pricing

AAN/dm



**North Carolina
Farm Bureau Insurance Group**

Telephone 919-782-1705 + Post Office Box 27427 + Raleigh, NC 27611

January 3, 2006

Mr. Tim Lucas
N.C. Rate Bureau
PO Box 176010
Raleigh, NC 27619-6010

RE: Farm Bureau Insurance of N.C., Inc.
Insurance Department Regulations
North Carolina Homeowners
Reserve Strengthening
Expense Cutting Activities

Tim:

Our company has not changed its procedures for setting case loss reserves over the last 5 years. We also have not taken on any expense cutting activities that would impact the expense levels in North Carolina.

If I can be of further assistance, let me know.

Roger Batdorff
Senior Executive, A&R & Fin/Inv

RB/cww

H-607

RECEIVED

JAN 04 2006

N.C. RATE BUREAU

North Carolina Farm Bureau Mutual Insurance Company, Inc.
Farm Bureau Insurance of N.C., Inc.
Visit Us On The Web At: www.ncfbins.com



North Carolina Farm Bureau Insurance Group

Telephone 919-782-1705 • Post Office Box 27427 • Raleigh, NC 27611

January 3, 2006

Mr. Tim Lucas
N.C. Rate Bureau
PO Box 176010
Raleigh, NC 27619-6010

RE: North Carolina Farm Bureau Mutual Insurance Company
Insurance Department Regulations
North Carolina Homeowners
Reserve Strengthening
Expense Cutting Activities

Tim:

Our company has not changed its procedures for setting case loss reserves over the last 5 years. We also have not taken on any expense cutting activities that would impact the expense levels in North Carolina.

If I can be of further assistance, let me know.

A handwritten signature in black ink, appearing to read "Roger Batdorff". The signature is fluid and cursive, written over a horizontal line.

Roger Batdorff
Senior Executive, A&R & Fin/Inv

RB/cww

H-608

RECEIVED

JAN 04 2006

N.C. RATE BUREAU

January 13, 2005

North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, North Carolina 27609

Attention: F. Timothy Lucas

The Progressive Companies have not changed the criteria for establishing case basis reserves for the accident year ended December 31, 2005 in North Carolina.

The case reserves carried by The Progressive Companies are generally average reserves as determined by the Corporate Actuarial Area. An exception exists when an adjuster estimates that the case reserve for a particular claim needs to be greater than or equal to a predetermined threshold (\$75,000 for BI & UMBI claims and \$25,000 for most other coverages) then Progressive carries the adjuster's estimate. The average reserves vary by product, coverage, age of claim, and even cause of loss for the Comprehensive claims. They also vary by limit for Bodily Injury and UMBI claims. All averages may be adjusted each month based on an inflation factor that is built into the case table.

The IBNR reserves are maintained between reviews utilizing an algorithm that establishes balances based on a factor applied to the past Earned Premium varying by 3 month intervals. The factors vary by product and coverage.

Progressive's actuarial area develops an indication of the needed reserves for North Carolina Bodily Injury (BI) coverage two times each year. During 2005 the North Carolina BI reviews were completed on the Direct, Ceded, and Net business separately. The last review completed in 2005 included data evaluated through July 31, 2005. As a result of this last review the carried balance of \$39.2 million of direct loss reserves (\$31.9 million ceded & \$7.3 million net) were decreased by approximately \$4.2 million which is over 10% of the carried reserve as we are seeing favorable trends regarding the development of our carried case reserves.

Loss Adjusting Expense (LAE) reserves for the Bodily Injury (BI) coverage is reviewed two times a year. In the first half of the year we review the North Carolina BI LAE reserve for the state separately and the second half of the year we review all coverages in a combined review of 8 states and District of Columbia in Progressive's Mid Atlantic region. The latest review included data evaluated through September 30, 2005. As a result of this review North Carolina direct LAE reserves (both Defense and Cost Containment (DCC) and Adjusting Expense combined) of \$7.4 million were increased by \$200,000.

Generally, there has not been a change to Progressive's Objective regarding reserving and the process has been very consistent for the past six years in regard to loss reserves while the reviews of LAE reserves have been enhanced in the last few years incorporating more North Carolina specific information into the process.

For a discussion of Progressive's process in reviewing and changing reserve levels please review the "Report on Loss Reserving Practices" available under the investor relations section on Progressive's Web site, Progressive.com.

Progressive has not undertaken any expense cutting activities over the last five years on our private passenger non-fleet motor vehicle coverages that would materially impact our anticipated expense levels in North Carolina.

If you have any more questions please contact Al Neis, Corporate Actuary at (440) 395-2331.

Sincerely,

Allan R Neis, FCAS, MAAA
Corporate Actuary

State Farm Mutual Automobile Insurance Company



Kathy Popejoy, FCAS, MAAA
Actuary and Assistant Secretary-Treasurer

One State Farm Plaza, D4
Bloomington, Illinois 61710
Phone: 309.766.2325
Fax: 309.766.5021
E-mail: Kathy.Popejoy.AQGQ@STATEFARM.com

January 4, 2006

VIA FACSIMILE

Ms. Debbie Pruitt
Support Assistant III
North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, NC 27609-4435

Dear Ms. Pruitt:

RE: Reserve Strengthening and Expense Cutting Activities

Your email dated December 15, 2005 requested two items required from the largest writers of liability and physical damage private passenger automobile insurance in North Carolina.

The first item concerned reserves. In response to your question, State Farm has not made any changes in the past five years that have a material impact on the reserves established in North Carolina.

The second item concerned expenses. State Farm has long recognized that expense control is a key to remaining competitive in the insurance marketplace. It is important to note that expense control does not necessarily imply expense reduction. Attracting and retaining quality personnel, providing top-notch services and investing in technology may be just as important to a company's competitive position as a low price for the insurance product. In the end, it is through consumer forces in the marketplace that a balance is stricken between quality of service and price for those services.

It would be virtually impossible to fully describe all "expense cutting activities" (i.e., pre-sorting mail, recycling paper, reorganizing jobs, automating jobs, consolidating jobs, ordering supplies from a different vendor, providing new software to an underwriter, streamlining a claims procedure, redesigning a code sheet, improving the training courses, etc.). Expense control is a continuous and evolving function of managing our business. It is also difficult to describe the many investments we've made in our business that have put upward pressure on our expenses (i.e., establishing an Internet presence, updating our systems as new technology becomes available, etc.).

We are continuing our extensive review of every aspect of our company's operation in an effort to further streamline workflow and processes and to invest in technological advances where appropriate while striving to improve the service provided to our customers.

Because expense review is a continuing effort, we feel that no special adjustments are necessary for your rate calculation.

Sincerely,

Kathy Popejoy
Actuary and Assistant Secretary-Treasurer

KP:kw



National Headquarters
5210 Belfort Road
Suite 120
Jacksonville, FL 32256
Phone: (904)245-5600
Fax: (904)245-5601

December 29, 2005

North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, North Carolina 27609

Re: Reserve Strengthening
11 N.C.A.C. 10.1104 (3) (i)
Unitrin Auto and Home

Unitrin Auto and Home has not had any material changes (either strengthening or weakening) to case reserving practices within the last 5 years. Direct reporting of claims to a company 24/7 800 number, a national contract with a glass replacement company and company appraisals at dealerships or body shops at the choice of the customer has reduced the comprehensive and collision paid losses. This reduction is not expected to significantly increase in 2006.

Amy G. Brown
Regional Product Manager
Kemper Auto and Home, a Unitrin Company
904-245-5635
abrown@kahg.com



9800 Fredericksburg Road
San Antonio, Texas 78288

December 30, 2005

North Carolina Rate Bureau
P. O. Box 176010
Raleigh, North Carolina 27619-6010

ATTENTION: F. Timothy Lucas
Personal Lines Manager

REGARDING: United Services Automobile Association
USAA Casualty Insurance Company

Insurance Department Regulations
Reserve Strengthening and Expense Cutting Activities

Dear Mr. Lucas:

In response to your letter dated December 15, 2005, we are furnishing the following statements with respect to reserve strengthening and expense cutting activities at USAA over the past five years.

RESERVE STRENGTHENING
11 N.C.A.C. 10.1104(3)(i)

The criteria used by USAA in North Carolina for establishing case basis reserves for the accident year ended December 31, 2004 have not changed materially from those used over the latest five years.

EXPENSE CUTTING ACTIVITIES
11 N.C.A.C. 10.1104(7)(c)

The following programs have been implemented over the past five years to contain or reduce expenses and to maintain or improve customer service levels:

- STARS – Auto and Property (Direct Repair Facilities)
- STARS EFT
- Subrogation EDI/EFT
- Glass EDI
- Auto Rental and Salvage EDI
- Automated Medical Payment Process
- Electronic Medical Bills Processing
- Electronic Estimate Audit
- Legal Fee Bill Audit Program
- Centralized Court Reporting

EXPENSE CUTTING ACTIVITIES

11 N.C.A.C. 10.1104(7)(c)

(Continued)

- Legal Expense Study
- Expanded use of Legal PPO (Preferred Providers)
- Claims Assignment and Digital Photo
- Claims Operational System
- Claims Image
- Claims Documentation/On-line Procedures
- Common Hardware Platform (Auto, Property & Casualty)
- Emergency Roadside Assist (ASI Alliance Partner)
- 24 Hour Contact
- Grow Your Own Program (training Appraisers to conduct Adjusting functions)
- Subrogation Center of Excellence
- Total Loss Center of Excellence
- Global Call Routing (IRU)
- Elimination of staff Casualty Field Adjusters in North Carolina
- Restructuring of Independent Adjuster utilization
- Restructuring of Auto Physical Damage Manager and Specialists positions

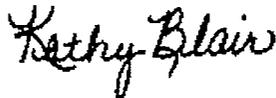
While these programs have helped to contain costs, they would not distort historical expense levels for use in projecting expenses for the year beginning January 1, 2006.

To facilitate our timely response, please address requests for future statements to me at:

2100 ATTN Regulatory Compliance G3E E1
USAA
9800 Fredericksburg Road
San Antonio, Texas 78284-8496

If there are any questions, please contact me by telephone at (800) 531-8722, extension 82575, or by e-mail to kathy.blair@usaa.com. My facsimile number is (877) 851-6493.

Sincerely,



KATHY BLAIR, CPCU
Compliance Analyst
Regulatory Compliance

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

4. TRENDING FACTOR DEVELOPMENT AND APPLICATION

- (4)(a) See attached exhibits, Section D of RB-1 and pre-filed testimony of P. Woods and M. Miller.

The attached exhibits contain the trend data upon which the Automobile Committee based its trend recommendations to the Governing Committee of the Rate Bureau.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF SELECTED TREND FACTORS

| <u>Loss Trends</u> | <u>Cost</u> | <u>Frequency</u> | <u>Total</u> |
|------------------------|-------------|------------------|--------------|
| Bodily Injury (B/L) | 1.9% | -0.2% | 1.7% |
| Bodily Injury (T/L) | 3.5% | | |
| Property Damage | 0.0% | 0.0% | 0.0% |
| Medical Payments | 4.0% | -3.0% | 0.9% |
| Uninsured Motorists | | | 0.5% |
| Underinsured Motorists | | | 5.0% |
| Comprehensive | 0.0% | -2.0% | -2.0% |
| Collision | 2.0% | -3.0% | -1.1% |
| <u>Expense Trend</u> | | | 3.7% |
| <u>Symbol Trend</u> | | | |
| Comprehensive | | | 1.5% |
| Collision | | | 1.0% |

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2002 and 2003

| | (1) Calendar Year | (2) Claim Cost Change (a) | (3) Claim Frequency Change (b) | (4) Current Cost Factor (c) | (5) 2004 Trend Factor | (6) Annualized Trend (d) |
|---------------------|-------------------------|---------------------------------------|--|---|--------------------------------|-----------------------------------|
| Bodily Injury | 2002 | 1.018 | 0.968 | 0.985 | 1.017 | 1.007 |
| | 2003 | 1.015 | 0.974 | 0.989 | 1.017 | 1.010 |
| | 2004 | 1.000 | 1.000 | 1.000 | 1.017 | 1.017 |
| Property Damage | 2002 | 0.969 | 1.008 | 0.977 | 1.000 | 0.995 |
| | 2003 | 0.988 | 0.987 | 0.975 | 1.000 | 0.994 |
| | 2004 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Medical Payments | 2002 | 1.069 | 0.893 | 0.955 | 1.009 | 0.996 |
| | 2003 | 1.050 | 0.933 | 0.980 | 1.009 | 1.002 |
| | 2004 | 1.000 | 1.000 | 1.000 | 1.009 | 1.009 |
| Comprehensive | 2002 | 0.921 | 0.998 | 0.919 | 0.980 | 0.971 |
| | 2003 | 0.932 | 0.978 | 0.911 | 0.980 | 0.962 |
| | 2004 | 1.000 | 1.000 | 1.000 | 0.980 | 0.980 |
| Collision | 2002 | 1.052 | 0.932 | 0.980 | 0.989 | 0.989 |
| | 2003 | 1.012 | 0.944 | 0.955 | 0.989 | 0.980 |
| | 2004 | 1.000 | 1.000 | 1.000 | 0.989 | 0.989 |

(a) 2002 Claim Cost Change = (2004 Claim Cost) / (2002 Claim Cost).
2003 Claim Cost Change = (2004 Claim Cost) / (2003 Claim Cost).

(b) 2002 Claim Frequency Change = (2004 Claim Frequency)
/ (2002 Claim Frequency). 2003 Claim Frequency Change =
(2004 Claim Frequency) / (2003 Claim Frequency).

(c) Current Cost Factor = Column (2) * Column (3)

(d) Annualized Trend for 2002 and 2003

$$= \left[\frac{\text{COL}(5)}{\text{COL}(4)} \right]^{1/n}$$

where m is the number of years of projection of the 2004 trend factor from 7/1/2004 to 7/12/2007, 3.03, Col (4) represents the Current Cost Factor to 7/1/2004, and n represents the number of years of projection for a given prior year, 4.03 for 2003 and 5.03 for 2002.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2002 and 2003

| Coverage | (1) Year Ended | (2) Paid Claim Cost (a) | (3) Claim Frequency (b) |
|---------------------|----------------------|----------------------------------|-------------------------------|
| Bodily Injury | 2002 | \$ 6,292 | 1.54 |
| | 2003 | 6,307 | 1.53 |
| | 2004 | 6,404 | 1.49 |
| Property Damage | 2002 | \$ 2,628 | 3.81 |
| | 2003 | 2,576 | 3.89 |
| | 2004 | 2,546 | 3.84 |
| Medical Payments | 2002 | \$ 1,615 | 1.40 |
| | 2003 | 1,644 | 1.34 |
| | 2004 | 1,727 | 1.25 |
| Comprehensive | 2002 | \$ 534 | 5.27 |
| | 2003 | 528 | 5.38 |
| | 2004 | 492 | 5.26 |
| Collision | 2002 | \$ 2,725 | 5.77 |
| | 2003 | 2,833 | 5.70 |
| | 2004 | 2,868 | 5.38 |

(a) Paid Claim Cost for all liability coverages is All Carrier trend data, as shown on pages H-631 and H-633. Paid Claim Cost for Comprehensive is ISO only Full Coverage, \$50 Deductible, \$100 Deductible and \$250 Deductible combined data, adjusted for catastrophe, as shown on pages H-640 through H-643. Paid Claim Cost for Collision is based on \$100, \$200, \$250, and \$500 Deductible combined, All Carrier data, as shown on pages H-652 through H-655.

(b) Incurred Claim Frequency for all liability coverages is based on All Carrier developed statistical plan data. Paid Claim Frequency for Comprehensive is ISO only Full Coverage, \$50 Deductible, \$100 Deductible and \$250 Deductible combined data, adjusted for catastrophe, as shown on pages H-644 through H-647. Paid Claim Frequency for Collision is based on \$100, \$200, \$250, and \$500 Deductible combined All Carrier data, as shown on pages H-656 through H-659.

PRIVATE PASSENGER AUTOMOBILE - BI TOTAL LIMITS

H-619

| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | NO. OF CLAIMS ARISING | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME | | PURE PREMIUM | PCT. CHANGE FROM SAME | | ARISING CLAIM FREQ. | PCT. CHANGE FROM SAME | |
|-------------------------------|------------------|--------------------|-----------------------|-------------|------------------|-----------------------|--------------|--------------|-----------------------|------|---------------------|-----------------------|-------|
| | | | | | | QTR PRIOR YEAR | AVERAGE LOSS | | QTR PRIOR YEAR | YEAR | | QTR PRIOR YEAR | |
| 3/2000 | 767,423 | 9,368 | 13,631 | 65,314,704 | 1.22 | | 6,972 | 85.11 | | | 1.78 | | |
| 6/2000 | 753,593 | 9,189 | 14,761 | 62,140,422 | 1.22 | | 6,762 | 82.46 | | | 1.96 | | |
| 9/2000 | 776,630 | 8,911 | 14,090 | 66,508,579 | 1.15 | | 7,464 | 85.64 | | | 1.81 | | |
| 12/2000 | 772,078 | 9,127 | 13,242 | 71,532,711 | 1.18 | | 7,837 | 92.65 | | | 1.72 | | |
| 3/2001 | 805,453 | 9,283 | 13,894 | 69,122,633 | 1.15 | -5.7 | 7,446 | 85.82 | 6.8 | 0.8 | 1.72 | | -3.4 |
| 6/2001 | 795,011 | 8,843 | 13,846 | 63,084,536 | 1.11 | -9.0 | 7,134 | 79.35 | 5.5 | -3.8 | 1.74 | | -11.2 |
| 9/2001 | 809,912 | 8,735 | 13,613 | 65,512,421 | 1.08 | -6.1 | 7,500 | 80.89 | 0.5 | -5.5 | 1.68 | | -7.2 |
| 12/2001 | 800,686 | 9,846 | 15,406 | 73,832,417 | 1.23 | 4.2 | 7,499 | 92.21 | -4.3 | -0.5 | 1.92 | | 11.6 |
| 3/2002 | 825,590 | 9,199 | 13,849 | 68,074,966 | 1.11 | -3.5 | 7,400 | 82.46 | -0.6 | -3.9 | 1.68 | | -2.3 |
| 6/2002 | 811,763 | 9,385 | 14,262 | 68,102,954 | 1.16 | 4.5 | 7,257 | 83.90 | 1.7 | 5.7 | 1.76 | | 1.1 |
| 9/2002 | 838,317 | 9,464 | 14,904 | 70,287,498 | 1.13 | 4.6 | 7,427 | 83.84 | -1.0 | 3.6 | 1.78 | | 6.0 |
| 12/2002 | 819,089 | 9,922 | 15,668 | 72,680,196 | 1.21 | -1.6 | 7,325 | 88.73 | -2.3 | -3.8 | 1.91 | | -0.5 |
| 3/2003 | 873,906 | 10,228 | 15,285 | 73,805,747 | 1.17 | 5.4 | 7,216 | 84.46 | -2.5 | 2.4 | 1.75 | | 4.2 |
| 6/2003 | 855,596 | 10,284 | 16,917 | 78,296,920 | 1.20 | 3.4 | 7,613 | 91.51 | 4.9 | 9.1 | 1.98 | | 12.5 |
| 9/2003 | 887,083 | 10,395 | 16,809 | 78,524,262 | 1.17 | 3.5 | 7,554 | 88.52 | 1.7 | 5.6 | 1.89 | | 6.2 |
| 12/2003 | 878,810 | 11,226 | 17,323 | 85,301,765 | 1.28 | 5.8 | 7,599 | 97.07 | 3.7 | 9.4 | 1.97 | | 3.1 |
| 3/2004 | 900,941 | 10,103 | 15,560 | 77,312,219 | 1.12 | -4.3 | 7,652 | 85.81 | 6.0 | 1.6 | 1.73 | | -1.1 |
| 6/2004 | 886,614 | 10,154 | 16,489 | 80,189,729 | 1.15 | -4.2 | 7,897 | 90.44 | 3.7 | -1.2 | 1.86 | | -6.1 |
| 9/2004 | 918,048 | 10,379 | 16,811 | 88,003,150 | 1.13 | -3.4 | 8,479 | 95.86 | 12.2 | 8.3 | 1.83 | | -3.2 |
| 12/2004 | 904,395 | 10,908 | 17,709 | 85,624,227 | 1.21 | -5.5 | 7,850 | 94.68 | 3.3 | -2.5 | 1.96 | | -0.5 |
| 3/2005 | 930,668 | 10,156 | 15,627 | 81,768,092 | 1.09 | -2.7 | 8,051 | 87.86 | 5.2 | 2.4 | 1.68 | | -2.9 |
| 6/2005 | 913,706 | 10,840 | 16,902 | 84,232,115 | 1.19 | 3.5 | 7,770 | 92.19 | -1.6 | 1.9 | 1.85 | | -0.5 |
| 4 QTRS ENDING | | | | | | | | | | | | | |
| 12/2000 | 3,069,724 | 36,595 | 55,724 | 265,496,416 | 1.19 | | 7,255 | 86.49 | | | 1.82 | | |
| 3/2001 | 3,107,754 | 36,510 | 55,987 | 269,304,345 | 1.17 | | 7,376 | 86.66 | | | 1.80 | | |
| 6/2001 | 3,149,172 | 36,164 | 55,072 | 270,248,459 | 1.15 | | 7,473 | 85.82 | | | 1.75 | | |
| 9/2001 | 3,182,454 | 35,988 | 54,595 | 269,252,301 | 1.13 | | 7,482 | 84.61 | | | 1.72 | | |
| 12/2001 | 3,211,062 | 36,707 | 56,759 | 271,552,007 | 1.14 | -4.2 | 7,398 | 84.57 | 2.0 | -2.2 | 1.77 | | -2.7 |
| 3/2002 | 3,231,199 | 36,623 | 56,714 | 270,504,340 | 1.13 | -3.4 | 7,386 | 83.72 | 0.1 | -3.4 | 1.76 | | -2.2 |
| 6/2002 | 3,247,951 | 37,165 | 57,130 | 275,522,758 | 1.14 | -0.9 | 7,414 | 84.83 | -0.8 | -1.2 | 1.76 | | 0.6 |
| 9/2002 | 3,276,356 | 37,894 | 58,421 | 280,297,835 | 1.16 | 2.7 | 7,397 | 85.55 | -1.1 | 1.1 | 1.78 | | 3.5 |
| 12/2002 | 3,294,759 | 37,970 | 58,683 | 279,145,614 | 1.15 | 0.9 | 7,352 | 84.72 | -0.6 | 0.2 | 1.78 | | 0.6 |
| 3/2003 | 3,343,075 | 38,999 | 60,119 | 284,876,395 | 1.17 | 3.5 | 7,305 | 85.21 | -1.1 | 1.8 | 1.80 | | 2.3 |
| 6/2003 | 3,386,908 | 39,898 | 62,774 | 295,070,361 | 1.18 | 3.5 | 7,396 | 87.12 | -0.2 | 2.7 | 1.85 | | 5.1 |
| 9/2003 | 3,435,674 | 40,829 | 64,679 | 303,307,125 | 1.19 | 2.6 | 7,429 | 88.28 | 0.4 | 3.2 | 1.88 | | 5.6 |
| 12/2003 | 3,495,395 | 42,133 | 66,334 | 315,928,694 | 1.21 | 5.2 | 7,498 | 90.38 | 2.0 | 6.7 | 1.90 | | 6.7 |
| 3/2004 | 3,522,430 | 42,008 | 66,609 | 319,435,166 | 1.19 | 1.7 | 7,604 | 90.69 | 4.1 | 6.4 | 1.89 | | 5.0 |
| 6/2004 | 3,553,448 | 41,878 | 66,181 | 321,327,975 | 1.18 | 0.0 | 7,673 | 90.43 | 3.7 | 3.8 | 1.86 | | 0.5 |
| 9/2004 | 3,584,413 | 41,862 | 66,183 | 330,806,863 | 1.17 | -1.7 | 7,902 | 92.29 | 6.4 | 4.5 | 1.85 | | -1.6 |
| 12/2004 | 3,609,998 | 41,544 | 66,569 | 331,129,325 | 1.15 | -5.0 | 7,971 | 91.73 | 6.3 | 1.5 | 1.84 | | -3.2 |
| 3/2005 | 3,639,725 | 41,597 | 66,636 | 335,585,198 | 1.14 | -4.2 | 8,068 | 92.20 | 6.1 | 1.7 | 1.83 | | -3.2 |
| 6/2005 | 3,666,817 | 42,283 | 67,049 | 339,627,584 | 1.15 | -2.5 | 8,032 | 92.62 | 4.7 | 2.4 | 1.83 | | -1.6 |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | | 0.2 | | 2.0 | 2.2 | | | 1.3 | | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | | -0.5 | | 4.0 | 3.6 | | | 0.9 | | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | | -2.3 | | 5.0 | 2.9 | | | -1.4 | | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | | -3.3 | | 5.1 | 1.8 | | | -2.4 | | |

| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME QTR PRIOR YEAR | AVERAGE LOSS | PCT. CHANGE FROM SAME QTR PRIOR YEAR | PURE PREMIUM | PCT. CHANGE FROM SAME QTR PRIOR YEAR |
|-------------------------------|------------------|--------------------|-------------|------------------|--------------------------------------|--------------|--------------------------------------|--------------|--------------------------------------|
| 3/2000 | 767,423 | 27,867 | 68,275,993 | 3.63 | | 2,450 | | 88.97 | |
| 6/2000 | 753,593 | 27,301 | 65,300,183 | 3.62 | | 2,392 | | 86.65 | |
| 9/2000 | 776,630 | 26,799 | 65,975,523 | 3.45 | | 2,462 | | 84.95 | |
| 12/2000 | 772,078 | 24,825 | 63,505,159 | 3.22 | | 2,558 | | 82.25 | |
| 3/2001 | 805,453 | 28,290 | 69,314,058 | 3.51 | -3.3 | 2,450 | 0.0 | 86.06 | -3.3 |
| 6/2001 | 795,011 | 27,115 | 65,402,626 | 3.41 | -5.8 | 2,412 | 0.8 | 82.27 | -5.1 |
| 9/2001 | 809,912 | 26,271 | 64,300,283 | 3.24 | -6.1 | 2,448 | -0.6 | 79.39 | -6.5 |
| 12/2001 | 800,686 | 28,645 | 71,226,142 | 3.58 | 11.2 | 2,487 | -2.8 | 88.96 | 8.2 |
| 3/2002 | 825,590 | 28,356 | 69,379,031 | 3.43 | -2.3 | 2,447 | -0.1 | 84.04 | -2.3 |
| 6/2002 | 811,763 | 27,575 | 67,896,818 | 3.40 | -0.3 | 2,462 | 2.1 | 83.64 | 1.7 |
| 9/2002 | 838,317 | 28,348 | 70,075,204 | 3.38 | 4.3 | 2,472 | 1.0 | 83.59 | 5.3 |
| 12/2002 | 819,089 | 28,326 | 70,503,157 | 3.46 | -3.4 | 2,489 | 0.1 | 86.08 | -3.2 |
| 3/2003 | 873,906 | 30,199 | 75,576,755 | 3.46 | 0.9 | 2,503 | 2.3 | 86.48 | 2.9 |
| 6/2003 | 855,596 | 30,470 | 75,069,250 | 3.56 | 4.7 | 2,464 | 0.1 | 87.74 | 4.9 |
| 9/2003 | 887,083 | 31,475 | 79,643,376 | 3.55 | 5.0 | 2,530 | 2.3 | 89.78 | 7.4 |
| 12/2003 | 878,810 | 31,620 | 78,747,460 | 3.60 | 4.0 | 2,490 | 0.0 | 89.61 | 4.1 |
| 3/2004 | 900,941 | 32,057 | 80,152,461 | 3.56 | 2.9 | 2,500 | -0.1 | 88.97 | 2.9 |
| 6/2004 | 886,614 | 31,752 | 77,846,998 | 3.58 | 0.6 | 2,452 | -0.5 | 87.80 | 0.1 |
| 9/2004 | 918,048 | 31,884 | 79,635,237 | 3.47 | -2.3 | 2,498 | -1.3 | 86.74 | -3.4 |
| 12/2004 | 904,395 | 31,679 | 82,286,098 | 3.50 | -2.8 | 2,597 | 4.3 | 90.98 | 1.5 |
| 3/2005 | 930,668 | 32,810 | 82,757,616 | 3.53 | -0.8 | 2,522 | 0.9 | 88.92 | -0.1 |
| 6/2005 | 913,706 | 32,809 | 81,347,592 | 3.59 | 0.3 | 2,479 | 1.1 | 89.03 | 1.4 |
| 4 QTRS ENDING | | | | | | | | | |
| 12/2000 | 3,069,724 | 106,792 | 263,056,858 | 3.48 | | 2,463 | | 85.69 | |
| 3/2001 | 3,107,754 | 107,215 | 264,094,923 | 3.45 | | 2,463 | | 84.98 | |
| 6/2001 | 3,149,172 | 107,029 | 264,197,366 | 3.40 | | 2,468 | | 83.89 | |
| 9/2001 | 3,182,454 | 106,501 | 262,522,126 | 3.35 | | 2,465 | | 82.49 | |
| 12/2001 | 3,211,062 | 110,321 | 270,243,109 | 3.44 | -1.1 | 2,450 | -0.5 | 84.16 | -1.8 |
| 3/2002 | 3,231,199 | 110,387 | 270,308,082 | 3.42 | -0.9 | 2,449 | -0.6 | 83.66 | -1.6 |
| 6/2002 | 3,247,951 | 110,847 | 272,802,274 | 3.41 | 0.3 | 2,461 | -0.3 | 83.99 | 0.1 |
| 9/2002 | 3,276,356 | 112,924 | 278,577,195 | 3.45 | 3.0 | 2,467 | 0.1 | 85.03 | 3.1 |
| 12/2002 | 3,294,759 | 112,605 | 277,854,210 | 3.42 | -0.6 | 2,468 | 0.7 | 84.33 | 0.2 |
| 3/2003 | 3,343,075 | 114,448 | 284,051,934 | 3.42 | 0.0 | 2,482 | 1.3 | 84.97 | 1.6 |
| 6/2003 | 3,386,908 | 117,343 | 291,224,366 | 3.46 | 1.5 | 2,482 | 0.9 | 85.99 | 2.4 |
| 9/2003 | 3,435,674 | 120,470 | 300,792,538 | 3.51 | 1.7 | 2,497 | 1.2 | 87.55 | 3.0 |
| 12/2003 | 3,495,395 | 123,764 | 309,036,841 | 3.54 | 3.5 | 2,497 | 1.2 | 88.41 | 4.8 |
| 3/2004 | 3,522,430 | 125,622 | 313,612,547 | 3.57 | 4.4 | 2,496 | 0.6 | 89.03 | 4.8 |
| 6/2004 | 3,553,448 | 126,904 | 316,390,295 | 3.57 | 3.2 | 2,493 | 0.4 | 89.04 | 3.5 |
| 9/2004 | 3,584,413 | 127,313 | 316,382,156 | 3.55 | 1.1 | 2,485 | -0.5 | 88.27 | 0.8 |
| 12/2004 | 3,609,998 | 127,372 | 319,920,794 | 3.53 | -0.3 | 2,512 | 0.6 | 88.62 | 0.2 |
| 3/2005 | 3,639,725 | 128,125 | 322,525,949 | 3.52 | -1.4 | 2,517 | 0.8 | 88.61 | -0.5 |
| 6/2005 | 3,666,817 | 129,182 | 326,026,543 | 3.52 | -1.4 | 2,524 | 1.2 | 88.91 | -0.1 |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | 1.0 | | 0.6 | | 1.6 | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | 1.3 | | 0.7 | | 2.0 | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | 0.4 | | 0.7 | | 1.1 | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | -1.3 | | 1.1 | | -0.2 | |

H-620

| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME | | PCT. CHANGE FROM SAME | | PURE PREMIUM | PCT. CHANGE FROM SAME QTR PRIOR YEAR |
|-------------------------------|------------------|--------------------|-------------|------------------|-----------------------|--------------|-----------------------|--------------|--------------|--------------------------------------|
| | | | | | QTR PRIOR YEAR | AVERAGE LOSS | QTR PRIOR YEAR | PURE PREMIUM | | |
| 3/2000 | 671,062 | 53,333 | 35,264,214 | 7.95 | | 661 | | 52.55 | | |
| 6/2000 | 658,739 | 59,670 | 46,035,134 | 9.06 | | 771 | | 69.88 | | |
| 9/2000 | 678,559 | 59,778 | 44,613,490 | 8.81 | | 746 | | 65.75 | | |
| 12/2000 | 673,569 | 50,604 | 41,995,733 | 7.51 | | 830 | | 62.35 | | |
| 3/2001 | 698,562 | 48,969 | 38,268,174 | 7.01 | -11.8 | 781 | 18.2 | 54.78 | | 4.2 |
| 6/2001 | 689,852 | 53,736 | 37,005,059 | 7.79 | -14.0 | 689 | -10.6 | 53.64 | | -23.2 |
| 9/2001 | 700,626 | 53,277 | 37,446,220 | 7.60 | -13.7 | 703 | -5.8 | 53.45 | | -18.7 |
| 12/2001 | 692,723 | 50,238 | 43,968,728 | 7.25 | -3.5 | 875 | 5.4 | 63.47 | | 1.8 |
| 3/2002 | 712,681 | 48,152 | 39,062,299 | 6.76 | -3.6 | 811 | 3.8 | 54.81 | | 0.1 |
| 6/2002 | 698,264 | 51,449 | 38,109,999 | 7.37 | -5.4 | 741 | 7.5 | 54.58 | | 1.8 |
| 9/2002 | 718,812 | 53,068 | 40,495,910 | 7.38 | -2.9 | 763 | 8.5 | 56.34 | | 5.4 |
| 12/2002 | 702,466 | 53,161 | 51,967,518 | 7.57 | 4.4 | 978 | 11.8 | 73.98 | | 16.6 |
| 3/2003 | 715,830 | 56,700 | 52,140,261 | 7.92 | 17.2 | 920 | 13.4 | 72.84 | | 32.9 |
| 6/2003 | 699,122 | 62,975 | 62,360,889 | 9.01 | 22.3 | 990 | 33.6 | 89.20 | | 63.4 |
| 9/2003 | 720,953 | 56,613 | 47,877,557 | 7.85 | 6.4 | 846 | 10.9 | 66.41 | | 17.9 |
| 12/2003 | 713,550 | 51,479 | 52,877,770 | 7.21 | -4.8 | 1,027 | 5.0 | 74.11 | | 0.2 |
| 3/2004 | 728,152 | 51,766 | 40,150,822 | 7.11 | -10.2 | 776 | -15.7 | 55.14 | | -24.3 |
| 6/2004 | 715,786 | 50,690 | 34,264,644 | 7.08 | -21.4 | 676 | -31.7 | 47.87 | | -46.3 |
| 9/2004 | 740,390 | 51,051 | 42,354,048 | 6.90 | -12.1 | 830 | -1.9 | 57.21 | | -13.9 |
| 12/2004 | 729,443 | 47,307 | 43,223,640 | 6.49 | -10.0 | 914 | -11.0 | 59.26 | | -20.0 |
| 3/2005 | 747,765 | 44,591 | 37,152,583 | 5.96 | -16.2 | 833 | 7.3 | 49.68 | | -9.9 |
| 6/2005 | 733,425 | 47,932 | 34,467,283 | 6.54 | -7.6 | 719 | 6.4 | 46.99 | | -1.8 |
| 4 QTRS ENDING | | | | | | | | | | |
| 12/2000 | 2,681,929 | 223,385 | 167,908,571 | 8.33 | | 752 | | 62.61 | | |
| 3/2001 | 2,709,429 | 219,021 | 170,912,531 | 8.08 | | 780 | | 63.08 | | |
| 6/2001 | 2,740,542 | 213,087 | 161,882,456 | 7.78 | | 760 | | 59.07 | | |
| 9/2001 | 2,762,609 | 206,586 | 154,715,186 | 7.48 | | 749 | | 56.00 | | |
| 12/2001 | 2,781,763 | 206,220 | 156,688,181 | 7.41 | -11.0 | 760 | 1.1 | 56.33 | | -10.0 |
| 3/2002 | 2,795,882 | 205,403 | 157,482,306 | 7.35 | -9.0 | 767 | -1.7 | 56.33 | | -10.7 |
| 6/2002 | 2,804,294 | 203,116 | 158,587,246 | 7.24 | -6.9 | 781 | 2.8 | 56.55 | | -4.3 |
| 9/2002 | 2,822,480 | 202,907 | 161,636,936 | 7.19 | -3.9 | 797 | 6.4 | 57.27 | | 2.3 |
| 12/2002 | 2,832,223 | 205,830 | 169,635,726 | 7.27 | -1.9 | 824 | 8.4 | 59.89 | | 6.3 |
| 3/2003 | 2,835,372 | 214,378 | 182,713,688 | 7.56 | 2.9 | 852 | 11.1 | 64.44 | | 14.4 |
| 6/2003 | 2,836,230 | 225,904 | 206,964,578 | 7.96 | 9.9 | 916 | 17.3 | 72.97 | | 29.0 |
| 9/2003 | 2,838,371 | 229,449 | 214,346,225 | 8.08 | 12.4 | 934 | 17.2 | 75.52 | | 31.9 |
| 12/2003 | 2,849,455 | 227,767 | 215,256,477 | 7.99 | 9.9 | 945 | 14.7 | 75.54 | | 26.1 |
| 3/2004 | 2,861,777 | 222,833 | 203,267,038 | 7.79 | 3.0 | 912 | 7.0 | 71.03 | | 10.2 |
| 6/2004 | 2,878,441 | 210,548 | 175,170,793 | 7.31 | -8.2 | 832 | -9.2 | 60.86 | | -16.6 |
| 9/2004 | 2,897,878 | 204,986 | 169,647,284 | 7.07 | -12.5 | 828 | -11.3 | 58.54 | | -22.5 |
| 12/2004 | 2,913,771 | 200,814 | 159,993,154 | 6.89 | -13.8 | 797 | -15.7 | 54.91 | | -27.3 |
| 3/2005 | 2,933,384 | 193,639 | 156,994,915 | 6.60 | -15.3 | 811 | -11.1 | 53.52 | | -24.7 |
| 6/2005 | 2,951,023 | 190,881 | 157,197,554 | 6.47 | -11.5 | 824 | -1.0 | 53.27 | | -12.5 |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | -3.0 | | 3.0 | | -0.1 | | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | -4.9 | | -1.6 | | -6.4 | | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | -11.5 | | -8.2 | | -18.8 | | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | -13.4 | | -6.9 | | -19.4 | | |

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| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME | | PCT. CHANGE FROM SAME | | PCT. CHANGE FROM SAME QTR PRIOR YEAR |
|-------------------------------|------------------|--------------------|-------------|------------------|-----------------------|--------------|-----------------------|--------------|--------------------------------------|
| | | | | | QTR PRIOR YEAR | AVERAGE LOSS | QTR PRIOR YEAR | PURE PREMIUM | |
| 3/2000 | 621,123 | 36,207 | 99,554,631 | 5.83 | | 2,750 | | 160.28 | |
| 6/2000 | 611,115 | 32,820 | 84,788,187 | 5.37 | | 2,583 | | 138.74 | |
| 9/2000 | 628,992 | 33,197 | 89,878,868 | 5.28 | | 2,707 | | 142.89 | |
| 12/2000 | 625,188 | 32,301 | 89,864,748 | 5.17 | | 2,782 | | 143.74 | |
| 3/2001 | 648,111 | 34,690 | 95,536,067 | 5.35 | -8.2 | 2,754 | 0.1 | 147.41 | -8.0 |
| 6/2001 | 640,493 | 32,908 | 84,992,940 | 5.14 | -4.3 | 2,583 | 0.0 | 132.70 | -4.4 |
| 9/2001 | 650,223 | 32,547 | 85,103,563 | 5.01 | -5.1 | 2,615 | -3.4 | 130.88 | -8.4 |
| 12/2001 | 643,055 | 33,343 | 92,414,063 | 5.19 | 0.4 | 2,772 | -0.4 | 143.71 | -0.0 |
| 3/2002 | 661,114 | 35,569 | 99,100,378 | 5.38 | 0.6 | 2,786 | 1.2 | 149.90 | 1.7 |
| 6/2002 | 648,123 | 32,574 | 87,019,564 | 5.03 | -2.1 | 2,671 | 3.4 | 134.26 | 1.2 |
| 9/2002 | 666,593 | 33,878 | 93,142,784 | 5.08 | 1.4 | 2,749 | 5.1 | 139.73 | 6.8 |
| 12/2002 | 651,560 | 33,598 | 95,506,388 | 5.16 | -0.6 | 2,843 | 2.6 | 146.58 | 2.0 |
| 3/2003 | 663,002 | 34,933 | 104,691,474 | 5.27 | -2.0 | 2,997 | 7.6 | 157.91 | 5.3 |
| 6/2003 | 647,443 | 32,740 | 89,956,993 | 5.06 | 0.6 | 2,748 | 2.9 | 138.94 | 3.5 |
| 9/2003 | 666,990 | 34,277 | 96,843,410 | 5.14 | 1.2 | 2,825 | 2.8 | 145.19 | 3.9 |
| 12/2003 | 660,222 | 33,357 | 92,892,410 | 5.05 | -2.1 | 2,785 | -2.0 | 140.70 | -4.0 |
| 3/2004 | 673,345 | 36,622 | 108,772,956 | 5.44 | 3.2 | 2,970 | -0.9 | 161.54 | 2.3 |
| 6/2004 | 662,187 | 32,832 | 88,026,851 | 4.96 | -2.0 | 2,681 | -2.4 | 132.93 | -4.3 |
| 9/2004 | 684,318 | 33,823 | 95,050,575 | 4.94 | -3.9 | 2,810 | -0.5 | 138.90 | -4.3 |
| 12/2004 | 674,119 | 31,322 | 91,775,184 | 4.65 | -7.9 | 2,930 | 5.2 | 136.14 | -3.2 |
| 3/2005 | 690,406 | 34,677 | 100,936,015 | 5.02 | -7.7 | 2,911 | -2.0 | 146.20 | -9.5 |
| 6/2005 | 677,279 | 33,457 | 90,693,043 | 4.94 | -0.4 | 2,711 | 1.1 | 133.91 | 0.7 |
| 4 QTRS ENDING | | | | | | | | | |
| 12/2000 | 2,486,418 | 134,525 | 364,086,434 | 5.41 | | 2,706 | | 146.43 | |
| 3/2001 | 2,513,406 | 133,008 | 360,067,870 | 5.29 | | 2,707 | | 143.26 | |
| 6/2001 | 2,542,784 | 133,096 | 360,272,623 | 5.23 | | 2,707 | | 141.68 | |
| 9/2001 | 2,564,015 | 132,446 | 355,497,318 | 5.17 | | 2,684 | | 138.65 | |
| 12/2001 | 2,581,882 | 133,488 | 358,046,633 | 5.17 | -4.4 | 2,682 | -0.9 | 138.68 | -5.3 |
| 3/2002 | 2,594,885 | 134,367 | 361,610,944 | 5.18 | -2.1 | 2,691 | -0.6 | 139.36 | -2.7 |
| 6/2002 | 2,602,515 | 134,033 | 363,637,568 | 5.15 | -1.5 | 2,713 | 0.2 | 139.73 | -1.4 |
| 9/2002 | 2,618,885 | 135,364 | 371,676,789 | 5.17 | 0.0 | 2,746 | 2.3 | 141.92 | 2.4 |
| 12/2002 | 2,627,390 | 135,619 | 374,769,114 | 5.16 | -0.2 | 2,763 | 3.0 | 142.64 | 2.9 |
| 3/2003 | 2,629,278 | 134,983 | 380,360,210 | 5.13 | -1.0 | 2,818 | 4.7 | 144.66 | 3.8 |
| 6/2003 | 2,628,598 | 135,149 | 383,297,639 | 5.14 | -0.2 | 2,836 | 4.5 | 145.82 | 4.4 |
| 9/2003 | 2,628,995 | 135,548 | 386,998,265 | 5.16 | -0.2 | 2,855 | 4.0 | 147.20 | 3.7 |
| 12/2003 | 2,637,657 | 135,307 | 384,384,287 | 5.13 | -0.6 | 2,841 | 2.8 | 145.73 | 2.2 |
| 3/2004 | 2,648,000 | 136,996 | 388,465,769 | 5.17 | 0.8 | 2,836 | 0.6 | 146.70 | 1.4 |
| 6/2004 | 2,662,744 | 137,088 | 386,535,627 | 5.15 | 0.2 | 2,820 | -0.6 | 145.16 | -0.5 |
| 9/2004 | 2,680,072 | 136,634 | 384,742,792 | 5.10 | -1.2 | 2,816 | -1.4 | 143.56 | -2.5 |
| 12/2004 | 2,693,969 | 134,599 | 383,625,566 | 5.00 | -2.5 | 2,850 | 0.3 | 142.40 | -2.3 |
| 3/2005 | 2,711,030 | 132,654 | 375,788,625 | 4.89 | -5.4 | 2,833 | -0.1 | 138.61 | -5.5 |
| 6/2005 | 2,726,122 | 133,279 | 378,454,817 | 4.89 | -5.0 | 2,840 | 0.7 | 138.83 | -4.4 |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | -1.4 | | 1.5 | | 0.1 | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | -1.8 | | 0.8 | | -1.0 | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | -2.8 | | -0.1 | | -2.9 | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | -5.1 | | 0.4 | | -4.7 | |

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NORTH CAROLINA
FAST TRACK TREND SUMMARY
DATA ENDED JUNE 2005

NORTH CAROLINA BODILY INJURY

| COST | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 2.7% | 2.8% | 2.8% |
| 12 points | 3.7% | 3.9% | 4.0% |
| 9 points | 4.7% | 5.0% | 5.0% |
| 6 points | 4.8% | 4.9% | 5.1% |

| FREQ | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 0.5% | 0.5% | 0.5% |
| 12 points | -0.5% | -0.5% | -0.5% |
| 9 points | -2.4% | -2.3% | -2.3% |
| 6 points | -3.4% | -3.3% | -3.3% |

NORTH CAROLINA PROPERTY DAMAGE

| COST | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 0.8% | 0.8% | 0.8% |
| 12 points | 0.7% | 0.7% | 0.7% |
| 9 points | 0.7% | 0.7% | 0.7% |
| 6 points | 1.1% | 1.1% | 1.1% |

| FREQ | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 1.2% | 1.2% | 1.2% |
| 12 points | 1.2% | 1.2% | 1.3% |
| 9 points | 0.4% | 0.4% | 0.4% |
| 6 points | -1.4% | -1.4% | -1.3% |

NORTH CAROLINA COMPREHENSIVE

| COST | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 1.8% | 1.9% | 1.9% |
| 12 points | -1.6% | -1.6% | -1.6% |
| 9 points | -9.4% | -8.5% | -8.2% |
| 6 points | -7.7% | -7.3% | -6.9% |

| FREQ | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | -2.6% | -2.5% | -2.6% |
| 12 points | -5.2% | -4.9% | -4.9% |
| 9 points | -13.7% | -11.9% | -11.5% |
| 6 points | -15.9% | -14.5% | -13.4% |

NORTH CAROLINA COLLISION

| COST | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 1.6% | 1.6% | 1.6% |
| 12 points | 0.8% | 0.8% | 0.8% |
| 9 points | -0.1% | -0.1% | -0.1% |
| 6 points | 0.4% | 0.4% | 0.4% |

| FREQ | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | -1.3% | -1.3% | -1.3% |
| 12 points | -1.9% | -1.8% | -1.8% |
| 9 points | -2.9% | -2.8% | -2.8% |
| 6 points | -5.4% | -5.2% | -5.1% |

NORTH CAROLINA
FAST TRACK TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2005

NORTH CAROLINA BODILY INJURY

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.88 | 0.88 |
| 12 points | 0.95 | 0.95 |
| 9 points | 0.98 | 0.98 |
| 6 points | 0.94 | 0.94 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.26 | 0.26 |
| 12 points | -0.27 | -0.27 |
| 9 points | -0.82 | -0.82 |
| 6 points | -0.92 | -0.92 |

NORTH CAROLINA PROPERTY DAMAGE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.95 | 0.95 |
| 12 points | 0.90 | 0.90 |
| 9 points | 0.79 | 0.79 |
| 6 points | 0.83 | 0.83 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.81 | 0.81 |
| 12 points | 0.72 | 0.72 |
| 9 points | 0.31 | 0.31 |
| 6 points | -0.96 | -0.96 |

NORTH CAROLINA COMPREHENSIVE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.29 | 0.30 |
| 12 points | -0.23 | -0.23 |
| 9 points | -0.87 | -0.87 |
| 6 points | -0.71 | -0.71 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.42 | -0.44 |
| 12 points | -0.60 | -0.61 |
| 9 points | -0.97 | -0.97 |
| 6 points | -0.98 | -0.99 |

NORTH CAROLINA COLLISION

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.83 | 0.83 |
| 12 points | 0.63 | 0.63 |
| 9 points | -0.19 | -0.19 |
| 6 points | 0.39 | 0.39 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.76 | -0.76 |
| 12 points | -0.80 | -0.80 |
| 9 points | -0.86 | -0.86 |
| 6 points | -0.97 | -0.97 |

PRIVATE PASSENGER AUTOMOBILE - BI TOTAL LIMITS

| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | NO. OF CLAIMS ARISING | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME | | PURE PREMIUM | PCT. CHANGE FROM SAME | | PCT. CHANGE FROM SAME | ARISING CLAIM FREQ. | PCT. CHANGE FROM SAME |
|-------------------------------|------------------|--------------------|-----------------------|---------------|------------------|-----------------------|--------------|--------------|-----------------------|------|-----------------------|---------------------|-----------------------|
| | | | | | | QTR PRIOR YEAR | AVERAGE LOSS | | QTR PRIOR YEAR | YEAR | | | |
| 3/2000 | 17,315,402 | 221,717 | 312,240 | 1,781,410,186 | 1.28 | | 8,035 | 102.88 | | | | 1.80 | |
| 6/2000 | 17,445,318 | 215,663 | 316,058 | 1,813,277,898 | 1.24 | | 8,408 | 103.94 | | | | 1.81 | |
| 9/2000 | 17,649,897 | 210,169 | 307,530 | 1,793,754,589 | 1.19 | | 8,535 | 101.63 | | | | 1.74 | |
| 12/2000 | 17,595,329 | 218,807 | 311,061 | 1,925,515,069 | 1.24 | | 8,800 | 109.43 | | | | 1.77 | |
| 3/2001 | 17,917,623 | 217,816 | 316,718 | 1,824,555,085 | 1.22 | -4.7 | 8,377 | 101.83 | 4.3 | -1.0 | | 1.77 | -1.7 |
| 6/2001 | 18,048,731 | 213,178 | 315,260 | 1,864,040,865 | 1.18 | -4.8 | 8,744 | 103.28 | 4.0 | -0.6 | | 1.75 | -3.3 |
| 9/2001 | 18,217,683 | 209,196 | 312,078 | 1,830,435,000 | 1.15 | -3.4 | 8,750 | 100.48 | 2.5 | -1.1 | | 1.71 | -1.7 |
| 12/2001 | 18,232,660 | 223,093 | 332,496 | 1,985,605,013 | 1.22 | -1.6 | 8,900 | 108.90 | 1.1 | -0.5 | | 1.82 | 2.8 |
| 3/2002 | 18,326,867 | 212,479 | 314,151 | 1,833,943,190 | 1.16 | -4.9 | 8,631 | 100.07 | 3.0 | -1.7 | | 1.71 | -3.4 |
| 6/2002 | 18,420,830 | 212,411 | 322,174 | 1,921,457,169 | 1.15 | -2.5 | 9,046 | 104.31 | 3.5 | 1.0 | | 1.75 | 0.0 |
| 9/2002 | 18,520,410 | 207,686 | 315,836 | 1,892,281,617 | 1.12 | -2.6 | 9,111 | 102.17 | 4.1 | 1.7 | | 1.71 | 0.0 |
| 12/2002 | 18,353,138 | 214,571 | 322,040 | 1,986,232,494 | 1.17 | -4.1 | 9,257 | 108.22 | 4.0 | -0.6 | | 1.75 | -3.8 |
| 3/2003 | 18,353,807 | 208,479 | 304,258 | 1,887,698,381 | 1.14 | -1.7 | 9,055 | 102.85 | 4.9 | 2.8 | | 1.66 | -2.9 |
| 6/2003 | 18,423,032 | 209,873 | 307,692 | 1,994,403,661 | 1.14 | -0.9 | 9,503 | 108.26 | 5.1 | 3.8 | | 1.67 | -4.6 |
| 9/2003 | 18,566,268 | 205,730 | 309,511 | 1,958,668,660 | 1.11 | -0.9 | 9,521 | 105.50 | 4.5 | 3.3 | | 1.67 | -2.3 |
| 12/2003 | 18,524,708 | 215,481 | 315,924 | 2,038,843,788 | 1.16 | -0.9 | 9,462 | 110.06 | 2.2 | 1.7 | | 1.71 | -2.3 |
| 3/2004 | 18,540,752 | 212,556 | 297,380 | 1,965,130,445 | 1.15 | 0.9 | 9,245 | 105.99 | 2.1 | 3.1 | | 1.60 | -3.6 |
| 6/2004 | 18,678,621 | 208,005 | 300,783 | 2,028,356,744 | 1.11 | -2.6 | 9,751 | 108.59 | 2.6 | 0.3 | | 1.61 | -3.6 |
| 9/2004 | 18,866,946 | 203,971 | 300,660 | 2,012,269,023 | 1.08 | -2.7 | 9,865 | 106.66 | 3.6 | 1.1 | | 1.59 | -4.8 |
| 12/2004 | 18,850,738 | 208,405 | 308,445 | 2,073,314,540 | 1.11 | -4.3 | 9,948 | 109.99 | 5.1 | -0.1 | | 1.64 | -4.1 |
| 3/2005 | 18,936,092 | 203,697 | 291,954 | 1,956,125,444 | 1.08 | -6.1 | 9,603 | 103.30 | 3.9 | -2.5 | | 1.54 | -3.8 |
| 6/2005 | 19,105,235 | 203,322 | 298,414 | 2,027,550,778 | 1.06 | -4.5 | 9,972 | 106.13 | 2.3 | -2.3 | | 1.56 | -3.1 |
| 4 QTRS ENDING | | | | | | | | | | | | | |
| 12/2000 | 70,005,946 | 866,356 | 1246889 | 7,313,957,742 | 1.24 | | 8,442 | 104.48 | | | | 1.78 | |
| 3/2001 | 70,608,167 | 862,455 | 1251367 | 7,357,102,641 | 1.22 | | 8,530 | 104.20 | | | | 1.77 | |
| 6/2001 | 71,211,580 | 859,970 | 1250569 | 7,407,865,608 | 1.21 | | 8,614 | 104.03 | | | | 1.76 | |
| 9/2001 | 71,779,366 | 858,997 | 1255117 | 7,444,546,019 | 1.20 | | 8,667 | 103.71 | | | | 1.75 | |
| 12/2001 | 72,416,697 | 863,283 | 1276552 | 7,504,635,963 | 1.19 | -4.0 | 8,693 | 103.63 | 3.0 | -0.8 | | 1.76 | -1.1 |
| 3/2002 | 72,825,941 | 857,946 | 1273985 | 7,514,024,068 | 1.18 | -3.3 | 8,758 | 103.18 | 2.7 | -1.0 | | 1.75 | -1.1 |
| 6/2002 | 73,198,040 | 857,179 | 1280899 | 7,571,440,372 | 1.17 | -3.3 | 8,833 | 103.44 | 2.5 | -0.6 | | 1.75 | -0.6 |
| 9/2002 | 73,500,767 | 855,669 | 1284657 | 7,633,286,989 | 1.16 | -3.3 | 8,921 | 103.85 | 2.9 | 0.1 | | 1.75 | 0.0 |
| 12/2002 | 73,621,245 | 847,147 | 1274201 | 7,633,914,470 | 1.15 | -3.4 | 9,011 | 103.69 | 3.7 | 0.1 | | 1.73 | -1.7 |
| 3/2003 | 73,648,185 | 843,147 | 1264308 | 7,687,669,661 | 1.14 | -3.4 | 9,118 | 104.38 | 4.1 | 1.2 | | 1.72 | -1.7 |
| 6/2003 | 73,650,387 | 840,609 | 1249826 | 7,760,616,153 | 1.14 | -2.6 | 9,232 | 105.37 | 4.5 | 1.9 | | 1.70 | -2.9 |
| 9/2003 | 73,696,245 | 838,653 | 1243501 | 7,827,003,196 | 1.14 | -1.7 | 9,333 | 106.21 | 4.6 | 2.3 | | 1.69 | -3.4 |
| 12/2003 | 73,867,815 | 839,563 | 1237385 | 7,879,614,490 | 1.14 | -0.9 | 9,385 | 106.67 | 4.2 | 2.9 | | 1.68 | -2.9 |
| 3/2004 | 74,054,760 | 843,640 | 1230507 | 7,957,046,554 | 1.14 | 0.0 | 9,432 | 107.45 | 3.4 | 2.9 | | 1.66 | -3.5 |
| 6/2004 | 74,310,349 | 841,772 | 1223598 | 7,990,999,637 | 1.13 | -0.9 | 9,493 | 107.54 | 2.8 | 2.1 | | 1.65 | -2.9 |
| 9/2004 | 74,611,027 | 840,013 | 1214747 | 8,044,600,000 | 1.13 | -0.9 | 9,577 | 107.82 | 2.6 | 1.5 | | 1.63 | -3.6 |
| 12/2004 | 74,937,057 | 832,937 | 1207268 | 8,079,070,752 | 1.11 | -2.6 | 9,699 | 107.81 | 3.3 | 1.1 | | 1.61 | -4.2 |
| 3/2005 | 75,332,397 | 824,078 | 1201842 | 8,070,065,751 | 1.09 | -4.4 | 9,793 | 107.13 | 3.8 | -0.3 | | 1.60 | -3.6 |
| 6/2005 | 75,759,011 | 819,395 | 1199473 | 8,069,259,785 | 1.08 | -4.4 | 9,848 | 106.51 | 3.7 | -1.0 | | 1.58 | -4.2 |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | | -2.5 | | 3.5 | 1.0 | | | | -2.5 | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | | -2.1 | | 3.6 | 1.3 | | | | -3.5 | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | | -2.7 | | 3.3 | 0.6 | | | | -3.7 | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | | -4.4 | | 3.7 | -0.6 | | | | -3.9 | |

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H-626

| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME | | PCT. CHANGE FROM SAME | | PCT. CHANGE FROM SAME | |
|-------------------------------|------------------|--------------------|----------------|------------------|-----------------------|--------------|-----------------------|--------------|-----------------------|--|
| | | | | | QTR PRIOR YEAR | AVERAGE LOSS | QTR PRIOR YEAR | PURE PREMIUM | QTR PRIOR YEAR | |
| 3/2000 | 24,240,747 | 1048299 | 2,337,823,144 | 4.32 | | 2,230 | | 96.44 | | |
| 6/2000 | 24,439,598 | 981,309 | 2,194,846,452 | 4.02 | | 2,237 | | 89.81 | | |
| 9/2000 | 24,708,576 | 976,584 | 2,232,243,744 | 3.95 | | 2,286 | | 90.34 | | |
| 12/2000 | 24,614,285 | 980,655 | 2,289,024,489 | 3.98 | | 2,334 | | 93.00 | | |
| 3/2001 | 25,001,689 | 1094409 | 2,535,386,107 | 4.38 | 1.4 | 2,317 | 3.9 | 101.41 | 5.2 | |
| 6/2001 | 25,235,888 | 1005188 | 2,342,108,294 | 3.98 | -1.0 | 2,330 | 4.2 | 92.81 | 3.3 | |
| 9/2001 | 25,487,782 | 991,534 | 2,362,543,967 | 3.89 | -1.5 | 2,383 | 4.2 | 92.69 | 2.6 | |
| 12/2001 | 25,525,630 | 1033402 | 2,495,484,402 | 4.05 | 1.8 | 2,415 | 3.5 | 97.76 | 5.1 | |
| 3/2002 | 25,698,702 | 1059770 | 2,570,052,937 | 4.12 | -5.9 | 2,425 | 4.7 | 100.01 | -1.4 | |
| 6/2002 | 25,886,207 | 1024134 | 2,462,307,733 | 3.96 | -0.5 | 2,404 | 3.2 | 95.12 | 2.5 | |
| 9/2002 | 26,052,426 | 1027036 | 2,505,670,381 | 3.94 | 1.3 | 2,440 | 2.4 | 96.18 | 3.8 | |
| 12/2002 | 25,822,093 | 1020762 | 2,533,990,119 | 3.95 | -2.5 | 2,482 | 2.8 | 98.13 | 0.4 | |
| 3/2003 | 25,828,916 | 1050329 | 2,612,270,529 | 4.07 | -1.2 | 2,487 | 2.6 | 101.14 | 1.1 | |
| 6/2003 | 25,973,088 | 995,044 | 2,467,070,887 | 3.83 | -3.3 | 2,479 | 3.1 | 94.99 | -0.1 | |
| 9/2003 | 26,173,042 | 1001156 | 2,511,171,127 | 3.83 | -2.8 | 2,508 | 2.8 | 95.94 | -0.2 | |
| 12/2003 | 26,107,153 | 1001370 | 2,516,680,584 | 3.84 | -2.8 | 2,513 | 1.2 | 96.40 | -1.8 | |
| 3/2004 | 26,155,064 | 1064489 | 2,654,944,166 | 4.07 | 0.0 | 2,494 | 0.3 | 101.51 | 0.4 | |
| 6/2004 | 26,407,599 | 987,013 | 2,446,985,051 | 3.74 | -2.3 | 2,479 | 0.0 | 92.66 | -2.5 | |
| 9/2004 | 26,676,972 | 983,743 | 2,473,001,119 | 3.69 | -3.7 | 2,514 | 0.2 | 92.70 | -3.4 | |
| 12/2004 | 26,638,746 | 985,741 | 2,514,280,327 | 3.70 | -3.6 | 2,551 | 1.5 | 94.38 | -2.1 | |
| 3/2005 | 26,749,179 | 1055151 | 2,686,144,740 | 3.94 | -3.2 | 2,546 | 2.1 | 100.42 | -1.1 | |
| 6/2005 | 27,010,666 | 1011619 | 2,576,034,080 | 3.75 | 0.3 | 2,546 | 2.7 | 95.37 | 2.9 | |
| 4 QTRS ENDING | | | | | | | | | | |
| 12/2000 | 98,003,206 | 3986847 | 9,053,937,829 | 4.07 | | 2,271 | | 92.38 | | |
| 3/2001 | 98,764,148 | 4032957 | 9,251,500,792 | 4.08 | | 2,294 | | 93.67 | | |
| 6/2001 | 99,560,438 | 4056836 | 9,398,762,634 | 4.07 | | 2,317 | | 94.40 | | |
| 9/2001 | 100339644 | 4071786 | 9,529,062,857 | 4.06 | | 2,340 | | 94.97 | | |
| 12/2001 | 101250989 | 4124533 | 9,735,522,770 | 4.07 | 0.0 | 2,360 | 3.9 | 96.15 | 4.1 | |
| 3/2002 | 101948002 | 4089894 | 9,770,189,600 | 4.01 | -1.7 | 2,389 | 4.1 | 95.84 | 2.3 | |
| 6/2002 | 102598321 | 4108840 | 9,890,389,039 | 4.00 | -1.7 | 2,407 | 3.9 | 96.40 | 2.1 | |
| 9/2002 | 103162965 | 4144342 | 10,033,515,453 | 4.02 | -1.0 | 2,421 | 3.5 | 97.26 | 2.4 | |
| 12/2002 | 103459428 | 4131702 | 10,072,021,170 | 3.99 | -2.0 | 2,438 | 3.3 | 97.35 | 1.2 | |
| 3/2003 | 103589642 | 4122261 | 10,114,238,762 | 3.98 | -0.7 | 2,454 | 2.7 | 97.64 | 1.9 | |
| 6/2003 | 103676523 | 4093171 | 10,119,001,916 | 3.95 | -1.3 | 2,472 | 2.7 | 97.60 | 1.2 | |
| 9/2003 | 103797139 | 4067291 | 10,124,502,662 | 3.92 | -2.5 | 2,489 | 2.8 | 97.54 | 0.3 | |
| 12/2003 | 104082199 | 4047899 | 10,107,193,127 | 3.89 | -2.5 | 2,497 | 2.4 | 97.11 | -0.2 | |
| 3/2004 | 104408347 | 4062059 | 10,149,866,764 | 3.89 | -2.3 | 2,499 | 1.8 | 97.21 | -0.4 | |
| 6/2004 | 104842858 | 4054028 | 10,129,780,928 | 3.87 | -2.0 | 2,499 | 1.1 | 96.62 | -1.0 | |
| 9/2004 | 105346788 | 4036615 | 10,091,610,920 | 3.83 | -2.3 | 2,500 | 0.4 | 95.79 | -1.8 | |
| 12/2004 | 105878381 | 4020986 | 10,089,210,663 | 3.80 | -2.3 | 2,509 | 0.5 | 95.29 | -1.9 | |
| 3/2005 | 106472496 | 4011648 | 10,120,411,237 | 3.77 | -3.1 | 2,523 | 1.0 | 95.05 | -2.2 | |
| 6/2005 | 107075563 | 4036254 | 10,249,460,266 | 3.77 | -2.6 | 2,539 | 1.6 | 95.72 | -0.9 | |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | -1.9 | | 2.4 | | 0.5 | | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | -2.4 | | 1.5 | | -0.9 | | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | -2.4 | | 1.1 | | -1.4 | | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | -2.7 | | 1.3 | | -1.5 | | |

| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME QTR PRIOR YEAR | | | AVERAGE LOSS | PCT. CHANGE FROM SAME QTR PRIOR YEAR | | | PURE PREMIUM | PCT. CHANGE FROM SAME QTR PRIOR YEAR |
|-------------------------------|------------------|--------------------|---------------|------------------|--------------------------------------|--------------------------|--------------------------|--------------|--------------------------------------|--------------------------|-------|--------------|--------------------------------------|
| | | | | | FROM SAME QTR PRIOR YEAR | FROM SAME QTR PRIOR YEAR | FROM SAME QTR PRIOR YEAR | | FROM SAME QTR PRIOR YEAR | FROM SAME QTR PRIOR YEAR | | | |
| 3/2000 | 21,498,856 | 1614060 | 1,436,116,843 | 7.51 | | | 890 | | | | 66.80 | | |
| 6/2000 | 21,650,849 | 2033330 | 1,980,724,380 | 9.39 | | | 974 | | | | 91.48 | | |
| 9/2000 | 21,919,892 | 1888788 | 1,649,747,072 | 8.62 | | | 873 | | | | 75.26 | | |
| 12/2000 | 21,942,866 | 1659417 | 1,589,597,895 | 7.56 | | | 958 | | | | 72.44 | | |
| 3/2001 | 22,317,646 | 1669712 | 1,417,922,766 | 7.48 | | | 849 | | -4.6 | | 63.53 | -4.9 | |
| 6/2001 | 22,469,552 | 2160900 | 2,146,821,192 | 9.62 | | | 993 | | 2.0 | | 95.54 | 4.4 | |
| 9/2001 | 22,689,711 | 2051232 | 2,011,973,689 | 9.04 | | | 981 | | 12.4 | | 88.67 | 17.8 | |
| 12/2001 | 22,772,118 | 1821752 | 1,823,215,275 | 8.00 | | | 1,001 | | 4.5 | | 80.06 | 10.5 | |
| 3/2002 | 22,948,026 | 1676162 | 1,513,150,512 | 7.30 | | | 903 | | 6.4 | | 65.94 | 3.8 | |
| 6/2002 | 23,040,704 | 2013195 | 1,918,451,329 | 8.74 | | | 953 | | -4.0 | | 83.26 | -12.9 | |
| 9/2002 | 23,150,187 | 1970904 | 1,736,505,136 | 8.51 | | | 881 | | -10.2 | | 75.01 | -15.4 | |
| 12/2002 | 22,989,186 | 1756785 | 1,770,155,063 | 7.64 | | | 1,008 | | 0.7 | | 77.00 | -3.8 | |
| 3/2003 | 22,961,416 | 1609735 | 1,471,835,748 | 7.01 | | | 914 | | 1.2 | | 64.10 | -2.8 | |
| 6/2003 | 22,975,794 | 2056362 | 2,239,612,171 | 8.95 | | | 1,089 | | 14.3 | | 97.48 | 17.1 | |
| 9/2003 | 23,080,378 | 1953758 | 1,826,019,237 | 8.47 | | | 935 | | 6.1 | | 79.12 | 5.5 | |
| 12/2003 | 23,041,603 | 1630227 | 1,728,153,418 | 7.08 | | | 1,060 | | 5.2 | | 75.00 | -2.6 | |
| 3/2004 | 23,064,899 | 1522043 | 1,331,172,904 | 6.60 | | | 875 | | -4.3 | | 57.71 | -10.0 | |
| 6/2004 | 23,149,190 | 1781061 | 1,612,416,966 | 7.69 | | | 905 | | -16.9 | | 69.65 | -28.5 | |
| 9/2004 | 23,310,729 | 1835850 | 1,801,858,209 | 7.88 | | | 981 | | 4.9 | | 77.30 | -2.3 | |
| 12/2004 | 23,285,688 | 1582505 | 1,709,792,242 | 6.80 | | | 1,080 | | 1.9 | | 73.43 | -2.1 | |
| 3/2005 | 23,375,711 | 1499861 | 1,345,553,928 | 6.42 | | | 897 | | 2.5 | | 57.56 | -0.3 | |
| 6/2005 | 23,496,738 | 1710997 | 1,533,202,032 | 7.28 | | | 896 | | -1.0 | | 65.25 | -6.3 | |
| 9/2005 | 23,496,738 | 1710997 | 1,533,202,032 | 7.28 | | | 896 | | -1.0 | | 65.25 | -6.3 | |
| 12/2000 | 87,012,463 | 7195595 | 6,656,186,190 | 8.27 | | | 925 | | | | 76.50 | | |
| 3/2001 | 87,831,253 | 7251247 | 6,637,992,113 | 8.26 | | | 915 | | | | 75.58 | | |
| 6/2001 | 88,649,956 | 7378817 | 6,804,088,925 | 8.32 | | | 922 | | | | 76.75 | | |
| 9/2001 | 89,419,775 | 7541261 | 7,166,315,542 | 8.43 | | | 950 | | | | 80.14 | | |
| 12/2001 | 90,249,027 | 7703596 | 7,399,932,922 | 8.54 | | | 961 | | 3.9 | | 81.99 | 7.2 | |
| 3/2002 | 90,879,407 | 7710046 | 7,495,160,668 | 8.48 | | | 972 | | 6.2 | | 82.47 | 9.1 | |
| 6/2002 | 91,450,559 | 7562341 | 7,266,790,805 | 8.27 | | | 961 | | 4.2 | | 79.46 | 3.5 | |
| 9/2002 | 91,911,035 | 7482013 | 6,991,322,252 | 8.14 | | | 934 | | -1.7 | | 76.07 | -5.1 | |
| 12/2002 | 92,128,103 | 7417046 | 6,938,262,040 | 8.05 | | | 935 | | -2.7 | | 75.31 | -8.1 | |
| 3/2003 | 92,141,493 | 7350619 | 6,896,947,276 | 7.98 | | | 938 | | -3.5 | | 74.85 | -9.2 | |
| 6/2003 | 92,076,583 | 7393786 | 7,218,108,118 | 8.03 | | | 976 | | 1.6 | | 78.39 | -1.3 | |
| 9/2003 | 92,006,774 | 7376640 | 7,307,622,219 | 8.02 | | | 991 | | 6.1 | | 79.42 | 4.4 | |
| 12/2003 | 92,059,191 | 7250082 | 7,265,620,574 | 7.88 | | | 1,002 | | 7.2 | | 78.92 | 4.8 | |
| 3/2004 | 92,162,674 | 7162390 | 7,124,957,730 | 7.77 | | | 995 | | 6.1 | | 77.31 | 3.3 | |
| 6/2004 | 92,336,070 | 6887089 | 6,497,762,525 | 7.46 | | | 943 | | -3.4 | | 70.37 | -10.2 | |
| 9/2004 | 92,566,421 | 6769181 | 6,473,601,497 | 7.31 | | | 956 | | -3.5 | | 69.93 | -11.9 | |
| 12/2004 | 92,810,506 | 6721459 | 6,455,240,321 | 7.24 | | | 960 | | -4.2 | | 69.55 | -11.9 | |
| 3/2005 | 93,121,318 | 6699277 | 6,469,621,345 | 7.19 | | | 966 | | -2.9 | | 69.48 | -10.1 | |
| 6/2005 | 93,468,866 | 6629213 | 6,390,406,411 | 7.09 | | | 964 | | 2.2 | | 68.37 | -2.8 | |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | -3.8 | | | 1.0 | | | | -2.8 | | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | -5.3 | | | 0.8 | | | | -4.6 | | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | -6.8 | | | -1.7 | | | | -8.3 | | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | -6.4 | | | -0.9 | | | | -7.2 | | |

4 QTRS ENDING

H-628

| QTR YEAR | EARNED CAR YEARS | NO. OF PAID CLAIMS | PAID LOSSES | PAID CLAIM FREQ. | PCT. CHANGE FROM SAME | | PCT. CHANGE FROM SAME | | PURE PREMIUM | PCT. CHANGE FROM SAME QTR PRIOR YEAR |
|-------------------------------|------------------|--------------------|----------------|------------------|-----------------------|--------------|-----------------------|--------------|--------------|--------------------------------------|
| | | | | | QTR PRIOR YEAR | AVERAGE LOSS | QTR PRIOR YEAR | PURE PREMIUM | | |
| 3/2000 | 20,189,198 | 1468589 | 3,701,573,623 | 7.27 | | 2,520 | | 183.34 | | |
| 6/2000 | 20,414,269 | 1327843 | 3,206,403,535 | 6.50 | | 2,415 | | 157.07 | | |
| 9/2000 | 20,703,550 | 1362660 | 3,387,191,468 | 6.58 | | 2,486 | | 163.60 | | |
| 12/2000 | 20,695,969 | 1377486 | 3,602,582,253 | 6.66 | | 2,615 | | 174.07 | | |
| 3/2001 | 21,027,566 | 1603252 | 4,215,996,423 | 7.62 | 4.8 | 2,630 | 4.4 | 200.50 | 9.4 | |
| 6/2001 | 21,242,580 | 1407360 | 3,467,937,431 | 6.63 | 2.0 | 2,464 | 2.0 | 163.25 | 3.9 | |
| 9/2001 | 21,484,282 | 1411292 | 3,604,610,816 | 6.57 | -0.2 | 2,554 | 2.7 | 167.78 | 2.6 | |
| 12/2001 | 21,544,862 | 1432809 | 3,831,191,541 | 6.65 | -0.2 | 2,674 | 2.3 | 177.82 | 2.2 | |
| 3/2002 | 21,657,582 | 1507956 | 4,105,358,923 | 6.96 | -8.7 | 2,722 | 3.5 | 189.56 | -5.5 | |
| 6/2002 | 21,811,539 | 1420932 | 3,618,744,998 | 6.51 | -1.8 | 2,547 | 3.4 | 165.91 | 1.6 | |
| 9/2002 | 21,943,785 | 1426625 | 3,759,314,123 | 6.50 | -1.1 | 2,635 | 3.2 | 171.32 | 2.1 | |
| 12/2002 | 21,742,595 | 1392847 | 3,908,939,968 | 6.41 | -3.6 | 2,806 | 4.9 | 179.78 | 1.1 | |
| 3/2003 | 21,675,919 | 1477554 | 4,255,985,328 | 6.82 | -2.0 | 2,880 | 5.8 | 196.35 | 3.6 | |
| 6/2003 | 21,756,556 | 1321955 | 3,514,980,260 | 6.08 | -6.6 | 2,659 | 4.4 | 161.56 | -2.6 | |
| 9/2003 | 21,869,167 | 1330095 | 3,624,331,599 | 6.08 | -6.5 | 2,725 | 3.4 | 165.73 | -3.3 | |
| 12/2003 | 21,780,461 | 1316393 | 3,727,558,417 | 6.04 | -5.8 | 2,832 | 0.9 | 171.14 | -4.8 | |
| 3/2004 | 21,765,124 | 1441688 | 4,191,939,304 | 6.62 | -2.9 | 2,908 | 1.0 | 192.60 | -1.9 | |
| 6/2004 | 21,918,125 | 1267282 | 3,367,432,839 | 5.78 | -4.9 | 2,657 | -0.1 | 153.64 | -4.9 | |
| 9/2004 | 22,098,356 | 1270473 | 3,541,644,071 | 5.75 | -5.4 | 2,788 | 2.3 | 160.27 | -3.3 | |
| 12/2004 | 22,029,135 | 1268798 | 3,702,344,626 | 5.76 | -4.6 | 2,918 | 3.0 | 168.07 | -1.8 | |
| 3/2005 | 22,082,000 | 1409826 | 4,271,503,209 | 6.38 | -3.6 | 3,030 | 4.2 | 193.44 | 0.4 | |
| 6/2005 | 22,273,167 | 1285101 | 3,577,783,783 | 5.77 | -0.2 | 2,784 | 4.8 | 160.63 | 4.5 | |
| 4 QTRS ENDING | | | | | | | | | | |
| 12/2000 | 82,002,986 | 5536578 | 13,897,750,879 | 6.75 | | 2,510 | | 169.48 | | |
| 3/2001 | 82,841,354 | 5671241 | 14,412,173,679 | 6.85 | | 2,541 | | 173.97 | | |
| 6/2001 | 83,669,665 | 5750758 | 14,673,707,575 | 6.87 | | 2,552 | | 175.38 | | |
| 9/2001 | 84,450,397 | 5799390 | 14,891,126,923 | 6.87 | | 2,568 | | 176.33 | | |
| 12/2001 | 85,299,290 | 5854713 | 15,119,736,211 | 6.86 | 1.6 | 2,582 | 2.9 | 177.26 | 4.6 | |
| 3/2002 | 85,929,306 | 5759417 | 15,009,098,711 | 6.70 | -2.2 | 2,606 | 2.6 | 174.67 | 0.4 | |
| 6/2002 | 86,498,265 | 5772989 | 15,159,906,278 | 6.67 | -2.9 | 2,626 | 2.9 | 175.26 | -0.1 | |
| 9/2002 | 86,957,768 | 5788322 | 15,314,609,585 | 6.66 | -3.1 | 2,646 | 3.0 | 176.12 | -0.1 | |
| 12/2002 | 87,155,501 | 5748360 | 15,392,358,012 | 6.60 | -3.8 | 2,678 | 3.7 | 176.61 | -0.4 | |
| 3/2003 | 87,173,838 | 5717958 | 15,542,984,417 | 6.56 | -2.1 | 2,718 | 4.3 | 178.30 | 2.1 | |
| 6/2003 | 87,118,855 | 5618981 | 15,439,219,679 | 6.45 | -3.3 | 2,748 | 4.6 | 177.22 | 1.1 | |
| 9/2003 | 87,044,237 | 5522451 | 15,304,237,155 | 6.34 | -4.8 | 2,771 | 4.7 | 175.82 | -0.2 | |
| 12/2003 | 87,082,103 | 5445997 | 15,122,855,604 | 6.25 | -5.3 | 2,777 | 3.7 | 173.66 | -1.7 | |
| 3/2004 | 87,171,308 | 5410131 | 15,058,809,580 | 6.21 | -5.3 | 2,783 | 2.4 | 172.75 | -3.1 | |
| 6/2004 | 87,332,877 | 5355458 | 14,911,262,159 | 6.13 | -5.0 | 2,784 | 1.3 | 170.74 | -3.7 | |
| 9/2004 | 87,562,066 | 5295836 | 14,828,574,631 | 6.05 | -4.6 | 2,800 | 1.0 | 169.35 | -3.7 | |
| 12/2004 | 87,810,740 | 5248241 | 14,803,360,840 | 5.98 | -4.3 | 2,821 | 1.6 | 168.58 | -2.9 | |
| 3/2005 | 88,127,616 | 5216379 | 14,882,924,745 | 5.92 | -4.7 | 2,853 | 2.5 | 168.88 | -2.2 | |
| 6/2005 | 88,482,658 | 5234198 | 15,093,275,689 | 5.92 | -3.4 | 2,884 | 3.6 | 170.58 | -0.1 | |
| ANNUAL RATE OF CHANGE(19 PT.) | | | | -3.6 | | 3.1 | | -0.7 | | |
| ANNUAL RATE OF CHANGE(12 PT.) | | | | -4.6 | | 2.7 | | -2.0 | | |
| ANNUAL RATE OF CHANGE(9 PT.) | | | | -4.3 | | 2.1 | | -2.3 | | |
| ANNUAL RATE OF CHANGE(6 PT.) | | | | -4.0 | | 3.0 | | -1.1 | | |

NORTH CAROLINA
FAST TRACK TREND SUMMARY
DATA ENDED JUNE 2005

MULTISTATE BODILY INJURY

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| COST | END POINT | MID POINT | EXPONENTIAL |
| 15 points | 3.4% | 3.6% | 3.7% |
| 12 points | 3.3% | 3.5% | 3.6% |
| 9 points | 3.1% | 3.2% | 3.3% |
| 6 points | 3.6% | 3.7% | 3.7% |

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| FREQ | END POINT | MID POINT | EXPONENTIAL |
| 15 points | -2.3% | -2.2% | -2.2% |
| 12 points | -2.2% | -2.1% | -2.1% |
| 9 points | -2.8% | -2.7% | -2.7% |
| 6 points | -4.6% | -4.5% | -4.4% |

MULTISTATE PROPERTY DAMAGE

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| COST | END POINT | MID POINT | EXPONENTIAL |
| 15 points | 1.8% | 1.8% | 1.9% |
| 12 points | 1.4% | 1.5% | 1.5% |
| 9 points | 1.0% | 1.1% | 1.1% |
| 6 points | 1.3% | 1.3% | 1.3% |

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| FREQ | END POINT | MID POINT | EXPONENTIAL |
| 15 points | -2.2% | -2.1% | -2.1% |
| 12 points | -2.5% | -2.4% | -2.4% |
| 9 points | -2.5% | -2.4% | -2.4% |
| 6 points | -2.8% | -2.8% | -2.7% |

MULTISTATE COMPREHENSIVE

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| COST | END POINT | MID POINT | EXPONENTIAL |
| 15 points | 0.3% | 0.3% | 0.3% |
| 12 points | 0.7% | 0.7% | 0.8% |
| 9 points | -1.7% | -1.7% | -1.7% |
| 6 points | -1.0% | -1.0% | -0.9% |

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| FREQ | END POINT | MID POINT | EXPONENTIAL |
| 15 points | -5.8% | -5.2% | -5.1% |
| 12 points | -5.9% | -5.4% | -5.3% |
| 9 points | -7.6% | -7.0% | -6.8% |
| 6 points | -7.0% | -6.7% | -6.4% |

MULTISTATE COLLISION

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| COST | END POINT | MID POINT | EXPONENTIAL |
| 15 points | 2.8% | 3.0% | 3.0% |
| 12 points | 2.5% | 2.6% | 2.7% |
| 9 points | 2.1% | 2.1% | 2.1% |
| 6 points | 2.9% | 3.0% | 3.0% |

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| FREQ | END POINT | MID POINT | EXPONENTIAL |
| 15 points | -4.7% | -4.4% | -4.3% |
| 12 points | -5.0% | -4.7% | -4.6% |
| 9 points | -4.6% | -4.4% | -4.3% |
| 6 points | -4.2% | -4.1% | -4.0% |

NORTH CAROLINA
 FAST TRACK TREND SUMMARY
 CORRELATION COEFFICIENTS
 DATA ENDED JUNE 2005

MULTISTATE BODILY INJURY

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 1.00 | 1.00 |
| 12 points | 1.00 | 0.99 |
| 9 points | 0.99 | 0.99 |
| 6 points | 0.99 | 0.99 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.95 | -0.95 |
| 12 points | -0.90 | -0.90 |
| 9 points | -0.90 | -0.90 |
| 6 points | -0.97 | -0.97 |

MULTISTATE PROPERTY DAMAGE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.96 | 0.96 |
| 12 points | 0.96 | 0.96 |
| 9 points | 0.94 | 0.94 |
| 6 points | 0.92 | 0.92 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.99 | -0.98 |
| 12 points | -0.99 | -0.99 |
| 9 points | -0.99 | -0.99 |
| 6 points | -0.98 | -0.98 |

MULTISTATE COMPREHENSIVE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.17 | 0.18 |
| 12 points | 0.27 | 0.28 |
| 9 points | -0.57 | -0.56 |
| 6 points | -0.25 | -0.25 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.98 | -0.97 |
| 12 points | -0.96 | -0.96 |
| 9 points | -0.98 | -0.98 |
| 6 points | -0.94 | -0.95 |

MULTISTATE COLLISION

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.98 | 0.98 |
| 12 points | 0.97 | 0.97 |
| 9 points | 0.95 | 0.95 |
| 6 points | 0.96 | 0.97 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.99 | -0.99 |
| 12 points | -0.99 | -0.99 |
| 9 points | -0.99 | -0.99 |
| 6 points | -0.98 | -0.98 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM COST

ALL CARRIERS

| (1) YEAR ENDED | (2) PAID LOSSES (A) | (3) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | | (6) PAID LOSSES (A) | (7) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | |
|----------------------|---------------------------|-----------------------|------------------------------------|--|---------------------------------------|-----------------------|--------------------------------|--|
| | | | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) | | | (8) ACTUAL (6)/(7) | (9) EXPONENTIAL CURVE OF BEST FIT (B) |
| | | | <u>BODILY INJURY (25/50 LIMIT)</u> | | <u>PROPERTY DAMAGE (TOTAL LIMITS)</u> | | | |
| Sep-99 | | | | | \$525,443,576 | 220,078 | \$2,388 | \$2,686.21 |
| Dec-99 | | | | | 534,547,982 | 219,882 | 2,431 | 2,676.94 |
| Mar-00 | | | | | 548,702,249 | 222,602 | 2,465 | 2,667.71 |
| Jun-00 | | | | | 558,865,037 | 224,278 | 2,492 | 2,658.51 |
| Sep-00 | | | | | 568,810,285 | 225,558 | 2,522 | 2,649.35 |
| Dec-00 | | | | | 570,709,652 | 224,565 | 2,541 | 2,640.21 |
| Mar-01 | \$566,572,344 | 92,498 | \$6,125 | \$6,263.46 | 574,239,628 | 224,974 | 2,552 | 2,631.11 |
| Jun-01 | 569,157,096 | 91,594 | 6,214 | 6,280.82 | 572,788,811 | 223,086 | 2,568 | 2,622.04 |
| Sep-01 | 557,673,505 | 89,664 | 6,220 | 6,298.23 | 565,470,995 | 219,248 | 2,579 | 2,613.00 |
| Dec-01 | 563,649,489 | 89,747 | 6,280 | 6,315.69 | 570,018,803 | 221,254 | 2,576 | 2,603.99 |
| Mar-02 | 546,928,534 | 87,034 | 6,284 | 6,333.19 | 566,333,376 | 219,500 | 2,580 | 2,595.01 |
| Jun-02 | 547,211,920 | 87,330 | 6,266 | 6,350.75 | 570,152,156 | 219,290 | 2,600 | 2,586.06 |
| Sep-02 | 562,665,723 | 88,959 | 6,325 | 6,368.35 | 582,070,273 | 222,762 | 2,613 | 2,577.14 |
| Dec-02 | 559,062,866 | 88,851 | 6,292 | 6,386.00 | 581,754,394 | 221,362 | 2,628 | 2,568.26 |
| Mar-03 | 567,262,477 | 89,856 | 6,313 | 6,403.70 | 583,376,502 | 221,571 | 2,633 | 2,559.40 |
| Jun-03 | 572,433,431 | 90,223 | 6,345 | 6,421.45 | 587,971,962 | 224,197 | 2,623 | 2,550.57 |
| Sep-03 | 567,922,404 | 90,398 | 6,282 | 6,439.25 | 597,769,760 | 229,243 | 2,608 | 2,541.78 |
| Dec-03 | 576,429,324 | 91,396 | 6,307 | 6,457.10 | 604,171,171 | 234,553 | 2,576 | 2,533.02 |
| Mar-04 | 577,138,015 | 91,434 | 6,312 | 6,475.00 | 610,943,826 | 238,227 | 2,565 | 2,524.28 |
| Jun-04 | 585,821,739 | 92,680 | 6,321 | 6,492.94 | 616,629,882 | 242,021 | 2,548 | 2,515.58 |
| Sep-04 | 598,391,738 | 93,496 | 6,400 | 6,510.94 | 611,848,693 | 241,313 | 2,535 | 2,506.90 |
| Dec-04 | 601,187,970 | 93,884 | 6,404 | 6,528.99 | 617,890,836 | 242,711 | 2,546 | 2,498.26 |
| Mar-05 | 610,698,292 | 94,142 | 6,487 | 6,547.08 | 623,302,930 | 244,669 | 2,548 | 2,489.64 |
| Jun-05 | 614,622,009 | 94,093 | 6,532 | 6,565.23 | 627,506,701 | 245,187 | 2,559 | 2,481.06 |

| (10) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT: | BODILY | PROPERTY | |
|---|---------------|---------------|-------|
| | <u>INJURY</u> | <u>DAMAGE</u> | |
| | 6-points | 2.9% | -0.1% |
| | 9-points | 1.7% | -1.3% |
| | 12-points | 1.1% | -1.4% |
| | 15-points | 0.9% | -0.7% |

(A) FACTORS OF 1.129 WERE APPLIED TO BODILY INJURY AND 1.116 TO PROPERTY DAMAGE PAID LOSSES TO INCLUDE ALL LOSS ADJUSTMENT.

(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM COST

ALL CARRIERS

| (1) YEAR ENDED | (2) PAID LOSSES (A) | (3) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | | (6) PAID LOSSES (A) | (7) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | |
|----------------------|---------------------------|-----------------------|-------------------------------------|--|-------------------------------------|-----------------------|--------------------------------|--|
| | | | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) | | | (8) ACTUAL (6)/(7) | (9) EXPONENTIAL CURVE OF BEST FIT (B) |
| | | | <u>BODILY INJURY (25/50 EXCESS)</u> | | <u>BODILY INJURY (TOTAL LIMITS)</u> | | | |
| Sep-99 | | | | | \$644,800,525 | 90,902 | \$7,093 | \$7,148.71 |
| Dec-99 | | | | | 634,326,202 | 89,375 | 7,097 | 7,203.10 |
| Mar-00 | | | | | 634,442,642 | 89,523 | 7,087 | 7,257.90 |
| Jun-00 | | | | | 627,959,182 | 89,365 | 7,027 | 7,313.11 |
| Sep-00 | | | | | 637,658,030 | 89,894 | 7,093 | 7,368.75 |
| Dec-00 | | | | | 647,335,332 | 90,855 | 7,125 | 7,424.81 |
| Mar-01 | \$102,023,588 | 92,498 | \$1,103 | \$1,222.89 | 668,595,932 | 92,498 | 7,228 | 7,481.30 |
| Jun-01 | 104,014,966 | 91,594 | 1,136 | 1,258.96 | 673,172,062 | 91,594 | 7,350 | 7,538.21 |
| Sep-01 | 103,676,986 | 89,664 | 1,156 | 1,296.10 | 661,350,491 | 89,664 | 7,376 | 7,595.56 |
| Dec-01 | 103,878,402 | 89,747 | 1,157 | 1,334.33 | 667,527,891 | 89,747 | 7,438 | 7,653.35 |
| Mar-02 | 101,514,653 | 87,034 | 1,166 | 1,373.70 | 648,443,187 | 87,034 | 7,450 | 7,711.57 |
| Jun-02 | 105,587,392 | 87,330 | 1,209 | 1,414.22 | 652,799,312 | 87,330 | 7,475 | 7,770.24 |
| Sep-02 | 111,012,503 | 88,959 | 1,248 | 1,455.94 | 673,678,226 | 88,959 | 7,573 | 7,829.36 |
| Dec-02 | 112,111,433 | 88,851 | 1,262 | 1,498.89 | 671,174,299 | 88,851 | 7,554 | 7,888.92 |
| Mar-03 | 112,342,375 | 89,856 | 1,250 | 1,543.11 | 679,604,852 | 89,856 | 7,563 | 7,948.94 |
| Jun-03 | 118,561,750 | 90,223 | 1,314 | 1,588.63 | 690,995,181 | 90,223 | 7,659 | 8,009.41 |
| Sep-03 | 121,867,408 | 90,398 | 1,348 | 1,635.49 | 689,789,812 | 90,398 | 7,631 | 8,070.35 |
| Dec-03 | 131,365,682 | 91,396 | 1,437 | 1,683.74 | 707,795,006 | 91,396 | 7,744 | 8,131.74 |
| Mar-04 | 134,930,861 | 91,434 | 1,476 | 1,733.41 | 712,068,876 | 91,434 | 7,788 | 8,193.61 |
| Jun-04 | 139,242,246 | 92,680 | 1,502 | 1,784.54 | 725,063,985 | 92,680 | 7,823 | 8,255.94 |
| Sep-04 | 148,998,289 | 93,496 | 1,594 | 1,837.19 | 747,390,027 | 93,496 | 7,994 | 8,318.75 |
| Dec-04 | 153,375,085 | 93,884 | 1,634 | 1,891.38 | 754,563,055 | 93,884 | 8,037 | 8,382.04 |
| Mar-05 | 155,033,860 | 94,142 | 1,647 | 1,947.18 | 765,732,152 | 94,142 | 8,134 | 8,445.81 |
| Jun-05 | 150,436,847 | 94,093 | 1,599 | 2,004.62 | 765,058,856 | 94,093 | 8,131 | 8,510.06 |

| (10) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT: | 25/50 <u>EXCESS</u> | TOTAL <u>LIMITS</u> |
|---|------------------------|------------------------|
| 6-points | 8.3% | 3.9% |
| 9-points | 12.2% | 3.6% |
| 12-points | 12.3% | 3.1% |
| 15-points | 11.7% | 2.8% |

(A) INCLUDES A FACTOR OF 1.129 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN MEDICAL PAYMENTS CLAIM COSTS

ALL CARRIERS

| (1) YEAR ENDED | (2) PAID LOSSES (A) | (3) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | |
|----------------------|---------------------------|-----------------------|-----------------------------|--|
| | | | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) |
| Sep-99 | \$86,921,062 | 61,441 | \$1,415 | \$1,523.64 |
| Dec-99 | 86,506,097 | 60,440 | 1,431 | 1,535.66 |
| Mar-00 | 87,613,247 | 60,607 | 1,446 | 1,547.78 |
| Jun-00 | 88,251,850 | 60,956 | 1,448 | 1,559.99 |
| Sep-00 | 89,462,464 | 61,352 | 1,458 | 1,572.30 |
| Dec-00 | 91,001,531 | 62,175 | 1,464 | 1,584.71 |
| Mar-01 | 92,606,651 | 62,747 | 1,476 | 1,597.21 |
| Jun-01 | 92,817,346 | 62,445 | 1,486 | 1,609.81 |
| Sep-01 | 92,034,344 | 61,258 | 1,502 | 1,622.52 |
| Dec-01 | 92,522,950 | 60,967 | 1,518 | 1,635.32 |
| Mar-02 | 92,024,834 | 59,920 | 1,536 | 1,648.22 |
| Jun-02 | 93,614,307 | 59,481 | 1,574 | 1,661.23 |
| Sep-02 | 96,676,407 | 60,296 | 1,603 | 1,674.34 |
| Dec-02 | 98,274,814 | 60,868 | 1,615 | 1,687.55 |
| Mar-03 | 100,033,392 | 61,163 | 1,636 | 1,700.86 |
| Jun-03 | 101,320,815 | 61,864 | 1,638 | 1,714.28 |
| Sep-03 | 101,311,733 | 61,997 | 1,634 | 1,727.81 |
| Dec-03 | 100,958,127 | 61,414 | 1,644 | 1,741.44 |
| Mar-04 | 101,223,537 | 60,826 | 1,664 | 1,755.19 |
| Jun-04 | 101,311,985 | 60,514 | 1,674 | 1,769.03 |
| Sep-04 | 102,289,088 | 59,973 | 1,706 | 1,782.99 |
| Dec-04 | 102,646,071 | 59,425 | 1,727 | 1,797.06 |
| Mar-05 | 102,257,055 | 58,997 | 1,733 | 1,811.24 |
| Jun-05 | 102,407,794 | 58,620 | 1,747 | 1,825.53 |

(10) RATE OF CHANGE IN PAID CLAIM COSTS FOR
ANY 12 MONTH INTERVAL ON THE EXPONENTIAL
CURVE OF BEST FIT:

MEDICAL
PAYMENTS

| | |
|-----------|------|
| 6-points | 4.2% |
| 9-points | 3.8% |
| 12-points | 3.2% |
| 15-points | 3.7% |

(A) INCLUDES A FACTOR OF 1.129 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM FREQUENCIES (A)

ALL CARRIERS

| (1) | (2) | (3) | (4) |
|--------------|------------------|---------------|------------------|
| YEAR | EARNED | PAID | PAID |
| <u>ENDED</u> | <u>EXPOSURES</u> | <u>CLAIMS</u> | CLAIM |
| | | | FREQ |
| | | | <u>(2) / (3)</u> |

MEDICAL PAYMENTS

| | | | |
|--------|-----------|--------|--------|
| Sep-99 | 4,062,072 | 61,441 | 1.5126 |
| Dec-99 | 4,087,127 | 60,440 | 1.4788 |
| Mar-00 | 4,110,975 | 60,607 | 1.4743 |
| Jun-00 | 4,133,750 | 60,956 | 1.4746 |
| Sep-00 | 4,156,127 | 61,352 | 1.4762 |
| Dec-00 | 4,162,762 | 62,175 | 1.4936 |
| Mar-01 | 4,164,590 | 62,747 | 1.5067 |
| Jun-01 | 4,181,891 | 62,445 | 1.4932 |
| Sep-01 | 4,212,050 | 61,258 | 1.4544 |
| Dec-01 | 4,251,753 | 60,967 | 1.4339 |
| Mar-02 | 4,298,011 | 59,920 | 1.3941 |
| Jun-02 | 4,336,702 | 59,481 | 1.3716 |
| Sep-02 | 4,367,585 | 60,296 | 1.3805 |
| Dec-02 | 4,397,520 | 60,868 | 1.3841 |
| Mar-03 | 4,425,980 | 61,163 | 1.3819 |
| Jun-03 | 4,442,756 | 61,864 | 1.3925 |
| Sep-03 | 4,462,095 | 61,997 | 1.3894 |
| Dec-03 | 4,476,512 | 61,414 | 1.3719 |
| Mar-04 | 4,484,614 | 60,826 | 1.3563 |
| Jun-04 | 4,506,549 | 60,514 | 1.3428 |
| Sep-04 | 4,531,567 | 59,973 | 1.3234 |
| Dec-04 | 4,570,547 | 59,425 | 1.3002 |
| Mar-05 | 4,624,848 | 58,997 | 1.2757 |
| Jun-05 | 4,672,692 | 58,620 | 1.2545 |

| (5) RATE OF CHANGE IN PAID CLAIM FREQS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT: | | <u>MEDICAL PAYMENTS</u> |
|---|-----------|-----------------------------|
| | 6-points | -6.2% |
| | 9-points | -5.2% |
| | 12-points | -3.5% |
| | 15-points | -2.9% |
| | 24-points | -2.8% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
TREND SUMMARY
DATA ENDED MARCH 2005

ALL CARRIERS

BODILY INJURY 25/50 BASIC

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| COST | END POINT | MID POINT | EXPONENTIAL |
| 15 points | 0.9% | 0.9% | 0.9% |
| 12 points | 1.1% | 1.1% | 1.1% |
| 9 points | 1.7% | 1.7% | 1.7% |
| 6 points | 2.8% | 2.9% | 2.9% |

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| FREQ | END POINT | MID POINT | EXPONENTIAL |
| 24 points | -1.7% | -1.6% | -1.6% |
| 15 points | -0.2% | -0.2% | -0.2% |
| 12 points | 0.1% | 0.1% | 0.1% |
| 9 points | -0.2% | -0.2% | -0.2% |
| 6 points | -1.2% | -1.2% | -1.2% |

PROPERTY DAMAGE TOTAL LIMITS

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| COST | END POINT | MID POINT | EXPONENTIAL |
| 15 points | -0.7% | -0.7% | -0.7% |
| 12 points | -1.4% | -1.4% | -1.4% |
| 9 points | -1.4% | -1.4% | -1.3% |
| 6 points | -0.1% | -0.1% | -0.1% |

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| FREQ | END POINT | MID POINT | EXPONENTIAL |
| 24 points | -0.5% | -0.5% | -0.5% |
| 15 points | 1.4% | 1.4% | 1.4% |
| 12 points | 2.0% | 2.1% | 2.1% |
| 9 points | 1.5% | 1.6% | 1.6% |
| 6 points | -1.4% | -1.4% | -1.4% |

MEDICAL PAYMENTS TOTAL LIMITS

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| COST | END POINT | MID POINT | EXPONENTIAL |
| 15 points | 3.4% | 3.7% | 3.7% |
| 12 points | 3.0% | 3.2% | 3.2% |
| 9 points | 3.6% | 3.7% | 3.8% |
| 6 points | 4.0% | 4.1% | 4.2% |

| STRAIGHT LINE | | | |
|---------------|-----------|-----------|-------------|
| FREQ | END POINT | MID POINT | EXPONENTIAL |
| 24 points | -3.1% | -2.8% | -2.8% |
| 15 points | -3.0% | -2.9% | -2.9% |
| 12 points | -3.8% | -3.6% | -3.5% |
| 9 points | -5.6% | -5.3% | -5.2% |
| 6 points | -6.7% | -6.4% | -6.2% |

NORTH CAROLINA
TREND SUMMARY
DATA ENDED MARCH 2005

ALL CARRIERS

BODILY INJURY 25/50 EXCESS

| COST | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 9.3% | 11.2% | 11.7% |
| 12 points | 10.0% | 11.6% | 12.3% |
| 9 points | 10.1% | 11.4% | 12.2% |
| 6 points | 7.5% | 7.9% | 8.3% |

BODILY INJURY TOTAL LIMITS

| COST | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 2.6% | 2.7% | 2.8% |
| 12 points | 2.9% | 3.0% | 3.1% |
| 9 points | 3.4% | 3.6% | 3.6% |
| 6 points | 3.8% | 3.9% | 3.9% |

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED MARCH 2005

ALL CARRIERS

BODILY INJURY 25/50 BASIC

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.81 | 0.82 |
| 12 points | 0.80 | 0.80 |
| 9 points | 0.87 | 0.87 |
| 6 points | 0.98 | 0.98 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.84 | -0.84 |
| 15 points | -0.18 | -0.18 |
| 12 points | 0.08 | 0.08 |
| 9 points | -0.21 | -0.21 |
| 6 points | -0.66 | -0.67 |

PROPERTY DAMAGE TOTAL LIMITS

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.64 | -0.64 |
| 12 points | -0.88 | -0.88 |
| 9 points | -0.80 | -0.80 |
| 6 points | -0.10 | -0.10 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.34 | -0.34 |
| 15 points | 0.70 | 0.70 |
| 12 points | 0.78 | 0.79 |
| 9 points | 0.59 | 0.59 |
| 6 points | -0.83 | -0.83 |

MEDICAL PAYMENTS TOTAL LIMITS

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.98 | 0.98 |
| 12 points | 0.97 | 0.97 |
| 9 points | 0.98 | 0.98 |
| 6 points | 0.98 | 0.98 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.95 | -0.94 |
| 15 points | -0.90 | -0.89 |
| 12 points | -0.91 | -0.91 |
| 9 points | -0.99 | -0.99 |
| 6 points | -1.00 | -1.00 |

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED MARCH 2005

ALL CARRIERS

BODILY INJURY 25/50 EXCESS

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.98 | 0.98 |
| 12 points | 0.97 | 0.97 |
| 9 points | 0.95 | 0.95 |
| 6 points | 0.83 | 0.83 |

BODILY INJURY TOTAL LIMITS

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.97 | 0.97 |
| 12 points | 0.97 | 0.97 |
| 9 points | 0.98 | 0.98 |
| 6 points | 0.96 | 0.96 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) | (2) | (3) | AVERAGE PAID CLAIM COST (A) | |
|---------------|--------------------|----------------|-----------------------------|--|
| YEAR ENDED | PAID LOSSES (A) | PAID CLAIMS | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) |

FULL COVERAGE COMPREHENSIVE

| | | | | |
|--------|--------------|--------|-------|----------|
| Sep-99 | \$18,906,415 | 42,510 | \$445 | \$504.59 |
| Dec-99 | 18,672,744 | 42,472 | 440 | 500.64 |
| Mar-00 | 19,204,136 | 43,509 | 441 | 496.72 |
| Jun-00 | 20,195,105 | 44,348 | 455 | 492.83 |
| Sep-00 | 20,616,084 | 44,586 | 462 | 488.97 |
| Dec-00 | 20,905,962 | 44,078 | 474 | 485.14 |
| Mar-01 | 20,517,567 | 42,726 | 480 | 481.34 |
| Jun-01 | 20,281,970 | 42,098 | 482 | 477.57 |
| Sep-01 | 19,463,015 | 40,733 | 478 | 473.83 |
| Dec-01 | 19,167,507 | 40,180 | 477 | 470.12 |
| Mar-02 | 18,465,163 | 39,366 | 469 | 466.44 |
| Jun-02 | 17,792,166 | 37,986 | 468 | 462.79 |
| Sep-02 | 17,684,453 | 37,029 | 478 | 459.17 |
| Dec-02 | 17,020,908 | 35,865 | 475 | 455.57 |
| Mar-03 | 17,235,273 | 36,210 | 476 | 452.01 |
| Jun-03 | 17,170,014 | 36,179 | 475 | 448.47 |
| Sep-03 | 16,910,696 | 35,967 | 470 | 444.96 |
| Dec-03 | 16,770,658 | 35,920 | 467 | 441.47 |
| Mar-04 | 16,424,316 | 35,695 | 460 | 438.02 |
| Jun-04 | 16,124,594 | 35,786 | 451 | 434.59 |
| Sep-04 | 15,686,546 | 35,221 | 445 | 431.18 |
| Dec-04 | 15,433,284 | 34,876 | 443 | 427.81 |
| Mar-05 | 14,762,688 | 33,088 | 446 | 424.46 |
| Jun-05 | 14,181,218 | 31,675 | 448 | 421.14 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -1.9% |
| 9-points | -3.5% |
| 12-points | -3.1% |
| 15-points | -2.2% |

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) YEAR ENDED | (2) PAID <u>LOSSES (A)</u> | (3) PAID <u>CLAIMS</u> | AVERAGE PAID CLAIM COST (A) | |
|-------------------------------|----------------------------------|------------------------------|-----------------------------------|---|
| | | | (4) ACTUAL <u>(2) / (3)</u> | (5) EXPONENTIAL CURVE OF <u>BEST FIT (B)</u> |
| \$50 DEDUCTIBLE COMPREHENSIVE | | | | |
| Sep-99 | \$2,016,364 | 4,184 | \$482 | \$544.96 |
| Dec-99 | 2,049,392 | 4,376 | 468 | 538.59 |
| Mar-00 | 2,070,995 | 4,553 | 455 | 532.29 |
| Jun-00 | 2,021,885 | 4,538 | 446 | 526.06 |
| Sep-00 | 2,040,786 | 4,601 | 444 | 519.91 |
| Dec-00 | 2,120,152 | 4,460 | 475 | 513.82 |
| Mar-01 | 2,101,813 | 4,321 | 486 | 507.81 |
| Jun-01 | 2,051,508 | 4,367 | 470 | 501.87 |
| Sep-01 | 2,045,704 | 4,229 | 484 | 496.00 |
| Dec-01 | 1,969,663 | 4,154 | 474 | 490.20 |
| Mar-02 | 2,043,789 | 4,109 | 497 | 484.47 |
| Jun-02 | 1,971,237 | 3,947 | 499 | 478.80 |
| Sep-02 | 1,976,106 | 3,851 | 513 | 473.20 |
| Dec-02 | 1,926,893 | 3,778 | 510 | 467.66 |
| Mar-03 | 1,818,277 | 3,756 | 484 | 462.19 |
| Jun-03 | 1,870,033 | 3,757 | 498 | 456.78 |
| Sep-03 | 1,773,610 | 3,678 | 482 | 451.44 |
| Dec-03 | 1,796,821 | 3,687 | 487 | 446.16 |
| Mar-04 | 1,731,579 | 3,607 | 480 | 440.94 |
| Jun-04 | 1,622,831 | 3,609 | 450 | 435.78 |
| Sep-04 | 1,592,392 | 3,521 | 452 | 430.69 |
| Dec-04 | 1,469,564 | 3,401 | 432 | 425.65 |
| Mar-05 | 1,499,036 | 3,268 | 459 | 420.67 |
| Jun-05 | 1,462,193 | 3,097 | 472 | 415.75 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -0.8% |
| 9-points | -4.3% |
| 12-points | -4.6% |
| 15-points | -3.0% |

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) | (2) | (3) | AVERAGE PAID CLAIM COST (A) | |
|---------------|--------------------|----------------|-----------------------------|--|
| YEAR ENDED | PAID LOSSES (A) | PAID CLAIMS | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) |

\$100 DEDUCTIBLE COMPREHENSIVE

| | | | | |
|--------|--------------|--------|-------|----------|
| Sep-99 | \$12,458,523 | 24,630 | \$506 | \$604.55 |
| Dec-99 | 12,806,055 | 25,262 | 507 | 598.07 |
| Mar-00 | 13,617,618 | 26,219 | 519 | 591.65 |
| Jun-00 | 14,403,128 | 26,942 | 535 | 585.30 |
| Sep-00 | 15,331,043 | 27,619 | 555 | 579.02 |
| Dec-00 | 15,787,622 | 27,741 | 569 | 572.81 |
| Mar-01 | 15,488,381 | 27,329 | 567 | 566.66 |
| Jun-01 | 15,561,591 | 27,420 | 568 | 560.58 |
| Sep-01 | 14,936,788 | 27,135 | 550 | 554.56 |
| Dec-01 | 14,911,158 | 27,084 | 551 | 548.61 |
| Mar-02 | 15,301,441 | 27,388 | 559 | 542.73 |
| Jun-02 | 15,030,225 | 27,300 | 551 | 536.90 |
| Sep-02 | 15,287,675 | 27,228 | 561 | 531.14 |
| Dec-02 | 15,161,508 | 27,019 | 561 | 525.44 |
| Mar-03 | 15,131,233 | 27,218 | 556 | 519.80 |
| Jun-03 | 15,163,833 | 27,253 | 556 | 514.22 |
| Sep-03 | 14,958,381 | 27,308 | 548 | 508.71 |
| Dec-03 | 14,745,779 | 27,270 | 541 | 503.25 |
| Mar-04 | 14,393,243 | 27,222 | 529 | 497.85 |
| Jun-04 | 14,193,592 | 27,437 | 517 | 492.51 |
| Sep-04 | 14,002,890 | 27,137 | 516 | 487.22 |
| Dec-04 | 13,631,475 | 26,995 | 505 | 481.99 |
| Mar-05 | 13,217,752 | 25,913 | 510 | 476.82 |
| Jun-05 | 12,813,538 | 24,972 | 513 | 471.70 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -2.4% |
| 9-points | -4.6% |
| 12-points | -4.2% |
| 15-points | -3.1% |

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM COSTS

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) YEAR ENDED | (2) PAID LOSSES (A) | (3) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | |
|--------------------------------|---------------------------|-----------------------|-----------------------------|--|
| | | | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) |
| \$250 DEDUCTIBLE COMPREHENSIVE | | | | |
| Sep-99 | \$3,739,494 | 5,280 | \$708 | \$782.02 |
| Dec-99 | 3,966,320 | 5,622 | 705 | 778.43 |
| Mar-00 | 4,127,153 | 5,893 | 700 | 774.86 |
| Jun-00 | 4,335,284 | 6,243 | 694 | 771.31 |
| Sep-00 | 4,779,572 | 6,591 | 725 | 767.77 |
| Dec-00 | 5,006,146 | 6,589 | 760 | 764.25 |
| Mar-01 | 4,974,663 | 6,620 | 751 | 760.74 |
| Jun-01 | 5,051,258 | 6,766 | 747 | 757.25 |
| Sep-01 | 4,941,956 | 6,795 | 727 | 753.78 |
| Dec-01 | 4,965,783 | 6,889 | 721 | 750.32 |
| Mar-02 | 5,249,382 | 7,051 | 744 | 746.88 |
| Jun-02 | 5,462,640 | 7,165 | 762 | 743.45 |
| Sep-02 | 5,564,762 | 7,272 | 765 | 740.04 |
| Dec-02 | 5,393,541 | 7,370 | 732 | 736.65 |
| Mar-03 | 5,554,402 | 7,506 | 740 | 733.27 |
| Jun-03 | 5,550,588 | 7,576 | 733 | 729.91 |
| Sep-03 | 5,708,624 | 7,638 | 747 | 726.56 |
| Dec-03 | 6,013,316 | 7,601 | 791 | 723.23 |
| Mar-04 | 5,741,070 | 7,537 | 762 | 719.91 |
| Jun-04 | 5,699,776 | 7,555 | 754 | 716.61 |
| Sep-04 | 5,634,536 | 7,431 | 758 | 713.32 |
| Dec-04 | 5,212,229 | 7,372 | 707 | 710.05 |
| Mar-05 | 5,102,757 | 7,150 | 714 | 706.79 |
| Jun-05 | 4,865,646 | 6,921 | 703 | 703.55 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -7.0% |
| 9-points | -3.5% |
| 12-points | -1.8% |
| 15-points | -0.9% |

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) | (2) | (3) | (4) |
|---------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2) / (3)</u> |

FULL COVERAGE COMPREHENSIVE

| | | | |
|--------|---------|--------|--------|
| Sep-99 | 687,563 | 42,510 | 6.1827 |
| Dec-99 | 689,288 | 42,472 | 6.1617 |
| Mar-00 | 692,504 | 43,509 | 6.2829 |
| Jun-00 | 695,349 | 44,348 | 6.3778 |
| Sep-00 | 697,350 | 44,586 | 6.3936 |
| Dec-00 | 698,168 | 44,078 | 6.3134 |
| Mar-01 | 697,909 | 42,726 | 6.1220 |
| Jun-01 | 696,095 | 42,098 | 6.0477 |
| Sep-01 | 692,578 | 40,733 | 5.8814 |
| Dec-01 | 687,529 | 40,180 | 5.8441 |
| Mar-02 | 681,759 | 39,366 | 5.7742 |
| Jun-02 | 675,984 | 37,986 | 5.6194 |
| Sep-02 | 670,169 | 37,029 | 5.5253 |
| Dec-02 | 664,039 | 35,865 | 5.4010 |
| Mar-03 | 657,684 | 36,210 | 5.5057 |
| Jun-03 | 651,572 | 36,179 | 5.5526 |
| Sep-03 | 645,787 | 35,967 | 5.5695 |
| Dec-03 | 640,738 | 35,920 | 5.6060 |
| Mar-04 | 636,598 | 35,695 | 5.6071 |
| Jun-04 | 632,976 | 35,786 | 5.6536 |
| Sep-04 | 629,972 | 35,221 | 5.5909 |
| Dec-04 | 627,227 | 34,876 | 5.5603 |
| Mar-05 | 622,911 | 33,088 | 5.3118 |
| Jun-05 | 616,215 | 31,675 | 5.1403 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -6.9% |
| 9-points | -3.1% |
| 12-points | -1.1% |
| 15-points | -1.7% |
| 24-points | -3.1% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) | (2) | (3) | (4) |
|---------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u> |

\$50 DEDUCTIBLE COMPREHENSIVE

| | | | |
|--------|--------|-------|--------|
| Sep-99 | 79,506 | 4,184 | 5.2625 |
| Dec-99 | 80,680 | 4,376 | 5.4239 |
| Mar-00 | 81,716 | 4,553 | 5.5717 |
| Jun-00 | 82,564 | 4,538 | 5.4963 |
| Sep-00 | 83,221 | 4,601 | 5.5287 |
| Dec-00 | 83,628 | 4,460 | 5.3331 |
| Mar-01 | 83,817 | 4,321 | 5.1553 |
| Jun-01 | 83,772 | 4,367 | 5.2130 |
| Sep-01 | 83,457 | 4,229 | 5.0673 |
| Dec-01 | 82,882 | 4,154 | 5.0119 |
| Mar-02 | 82,129 | 4,109 | 5.0031 |
| Jun-02 | 81,239 | 3,947 | 4.8585 |
| Sep-02 | 80,285 | 3,851 | 4.7967 |
| Dec-02 | 79,314 | 3,778 | 4.7633 |
| Mar-03 | 78,339 | 3,756 | 4.7945 |
| Jun-03 | 77,368 | 3,757 | 4.8560 |
| Sep-03 | 76,424 | 3,678 | 4.8126 |
| Dec-03 | 75,519 | 3,687 | 4.8822 |
| Mar-04 | 74,679 | 3,607 | 4.8300 |
| Jun-04 | 73,970 | 3,609 | 4.8790 |
| Sep-04 | 73,386 | 3,521 | 4.7979 |
| Dec-04 | 72,881 | 3,401 | 4.6665 |
| Mar-05 | 72,356 | 3,268 | 4.5166 |
| Jun-05 | 71,708 | 3,097 | 4.3189 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -8.9% |
| 9-points | -4.9% |
| 12-points | -2.6% |
| 15-points | -2.5% |
| 24-points | -3.3% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) | (2) | (3) | (4) |
|--------------------------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u> |
| \$100 DEDUCTIBLE COMPREHENSIVE | | | |
| Sep-99 | 423,173 | 24,630 | 5.8203 |
| Dec-99 | 430,202 | 25,262 | 5.8721 |
| Mar-00 | 437,560 | 26,219 | 5.9921 |
| Jun-00 | 444,525 | 26,942 | 6.0609 |
| Sep-00 | 451,164 | 27,619 | 6.1217 |
| Dec-00 | 457,603 | 27,741 | 6.0622 |
| Mar-01 | 464,018 | 27,329 | 5.8896 |
| Jun-01 | 469,577 | 27,420 | 5.8393 |
| Sep-01 | 473,771 | 27,135 | 5.7275 |
| Dec-01 | 476,467 | 27,084 | 5.6843 |
| Mar-02 | 477,671 | 27,388 | 5.7337 |
| Jun-02 | 478,306 | 27,300 | 5.7076 |
| Sep-02 | 478,461 | 27,228 | 5.6907 |
| Dec-02 | 478,108 | 27,019 | 5.6512 |
| Mar-03 | 477,635 | 27,218 | 5.6985 |
| Jun-03 | 477,323 | 27,253 | 5.7096 |
| Sep-03 | 477,273 | 27,308 | 5.7217 |
| Dec-03 | 477,343 | 27,270 | 5.7129 |
| Mar-04 | 477,356 | 27,222 | 5.7027 |
| Jun-04 | 477,414 | 27,437 | 5.7470 |
| Sep-04 | 478,011 | 27,137 | 5.6771 |
| Dec-04 | 479,093 | 26,995 | 5.6346 |
| Mar-05 | 478,989 | 25,913 | 5.4099 |
| Jun-05 | 476,796 | 24,972 | 5.2375 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -6.8% |
| 9-points | -3.6% |
| 12-points | -1.9% |
| 15-points | -1.3% |
| 24-points | -1.5% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COMPREHENSIVE CLAIM FREQUENCY

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

| (1) | (2) | (3) | (4) |
|--------------------------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u> |
| \$250 DEDUCTIBLE COMPREHENSIVE | | | |
| Sep-99 | 136,330 | 5,280 | 3.8730 |
| Dec-99 | 141,328 | 5,622 | 3.9780 |
| Mar-00 | 146,142 | 5,893 | 4.0324 |
| Jun-00 | 150,495 | 6,243 | 4.1483 |
| Sep-00 | 154,513 | 6,591 | 4.2657 |
| Dec-00 | 158,447 | 6,589 | 4.1585 |
| Mar-01 | 162,496 | 6,620 | 4.0739 |
| Jun-01 | 166,259 | 6,766 | 4.0696 |
| Sep-01 | 169,587 | 6,795 | 4.0068 |
| Dec-01 | 172,473 | 6,889 | 3.9942 |
| Mar-02 | 174,970 | 7,051 | 4.0298 |
| Jun-02 | 177,564 | 7,165 | 4.0352 |
| Sep-02 | 180,072 | 7,272 | 4.0384 |
| Dec-02 | 182,367 | 7,370 | 4.0413 |
| Mar-03 | 184,486 | 7,506 | 4.0686 |
| Jun-03 | 186,451 | 7,576 | 4.0633 |
| Sep-03 | 188,619 | 7,638 | 4.0494 |
| Dec-03 | 190,867 | 7,601 | 3.9824 |
| Mar-04 | 193,315 | 7,537 | 3.8988 |
| Jun-04 | 195,948 | 7,555 | 3.8556 |
| Sep-04 | 198,653 | 7,431 | 3.7407 |
| Dec-04 | 201,404 | 7,372 | 3.6603 |
| Mar-05 | 203,432 | 7,150 | 3.5147 |
| Jun-05 | 204,421 | 6,921 | 3.3857 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|--------|
| 6-points | -10.9% |
| 9-points | -8.7% |
| 12-points | -6.1% |
| 15-points | -4.2% |
| 24-points | -2.0% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2005

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

FULL COVERAGE COMPREHENSIVE

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| COST | END POINT | MID POINT | | EXPONENTIAL |
| 15 points | -2.3% | -2.2% | | -2.2% |
| 12 points | -3.3% | -3.1% | | -3.1% |
| 9 points | -3.7% | -3.5% | | -3.5% |
| 6 points | -2.0% | -2.0% | | -1.9% |

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| FREQ | END POINT | MID POINT | | EXPONENTIAL |
| 24 points | -3.4% | -3.1% | | -3.1% |
| 15 points | -1.8% | -1.7% | | -1.7% |
| 12 points | -1.1% | -1.1% | | -1.1% |
| 9 points | -3.2% | -3.0% | | -3.1% |
| 6 points | -7.4% | -7.1% | | -6.9% |

\$50 DEDUCTIBLE COMPREHENSIVE

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| COST | END POINT | MID POINT | | EXPONENTIAL |
| 15 points | -3.2% | -3.0% | | -3.0% |
| 12 points | -5.0% | -4.7% | | -4.6% |
| 9 points | -4.6% | -4.4% | | -4.3% |
| 6 points | -0.8% | -0.8% | | -0.8% |

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| FREQ | END POINT | MID POINT | | EXPONENTIAL |
| 24 points | -3.7% | -3.3% | | -3.3% |
| 15 points | -2.6% | -2.5% | | -2.5% |
| 12 points | -2.6% | -2.5% | | -2.6% |
| 9 points | -5.2% | -4.9% | | -4.9% |
| 6 points | -9.8% | -9.2% | | -8.9% |

\$100 DEDUCTIBLE COMPREHENSIVE

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| COST | END POINT | MID POINT | | EXPONENTIAL |
| 15 points | -3.3% | -3.1% | | -3.1% |
| 12 points | -4.6% | -4.3% | | -4.2% |
| 9 points | -4.9% | -4.7% | | -4.6% |
| 6 points | -2.5% | -2.5% | | -2.4% |

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| FREQ | END POINT | MID POINT | | EXPONENTIAL |
| 24 points | -1.6% | -1.5% | | -1.5% |
| 15 points | -1.3% | -1.3% | | -1.3% |
| 12 points | -2.0% | -1.9% | | -1.9% |
| 9 points | -3.7% | -3.6% | | -3.6% |
| 6 points | -7.3% | -6.9% | | -6.8% |

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2005

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

\$250 DEDUCTIBLE COMPREHENSIVE

| COST | STRAIGHT LINE | | | EXPONENTIAL |
|-----------|---------------|--|-----------|-------------|
| | END POINT | | MID POINT | |
| 15 points | -0.9% | | -0.8% | -0.9% |
| 12 points | -1.9% | | -1.8% | -1.8% |
| 9 points | -3.6% | | -3.5% | -3.5% |
| 6 points | -7.6% | | -7.3% | -7.0% |

| FREQ | STRAIGHT LINE | | | EXPONENTIAL |
|-----------|---------------|--|-----------|-------------|
| | END POINT | | MID POINT | |
| 24 points | -2.1% | | -2.0% | -2.0% |
| 15 points | -4.5% | | -4.2% | -4.2% |
| 12 points | -6.8% | | -6.2% | -6.1% |
| 9 points | -9.9% | | -8.9% | -8.7% |
| 6 points | -12.3% | | -11.4% | -10.9% |

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2005

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

FULL COVERAGE COMPREHENSIVE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.87 | -0.87 |
| 12 points | -0.95 | -0.94 |
| 9 points | -0.92 | -0.92 |
| 6 points | -0.67 | -0.67 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.89 | -0.89 |
| 15 points | -0.63 | -0.63 |
| 12 points | -0.36 | -0.37 |
| 9 points | -0.68 | -0.68 |
| 6 points | -0.89 | -0.89 |

\$50 DEDUCTIBLE COMPREHENSIVE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.70 | -0.70 |
| 12 points | -0.82 | -0.81 |
| 9 points | -0.67 | -0.66 |
| 6 points | -0.10 | -0.10 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.91 | -0.91 |
| 15 points | -0.75 | -0.75 |
| 12 points | -0.64 | -0.64 |
| 9 points | -0.82 | -0.82 |
| 6 points | -0.94 | -0.93 |

\$100 DEDUCTIBLE COMPREHENSIVE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.90 | -0.90 |
| 12 points | -0.96 | -0.96 |
| 9 points | -0.93 | -0.93 |
| 6 points | -0.74 | -0.74 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.79 | -0.79 |
| 15 points | -0.60 | -0.60 |
| 12 points | -0.64 | -0.64 |
| 9 points | -0.79 | -0.78 |
| 6 points | -0.90 | -0.90 |

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2005

ISO ONLY, EXCLUDING WIND AND WATER AND "ALL OTHER"

\$250 DEDUCTIBLE COMPREHENSIVE

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | -0.29 | -0.30 |
| 12 points | -0.46 | -0.47 |
| 9 points | -0.61 | -0.62 |
| 6 points | -0.90 | -0.90 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.68 | -0.68 |
| 15 points | -0.84 | -0.83 |
| 12 points | -0.92 | -0.91 |
| 9 points | -0.98 | -0.98 |
| 6 points | -0.99 | -0.99 |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

| (1) YEAR ENDED | (2) PAID LOSSES (A) | (3) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | |
|----------------------------|---------------------------|-----------------------|-----------------------------|--|
| | | | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) |
| \$100 DEDUCTIBLE COLLISION | | | | |
| Sep-99 | \$53,943,435 | 26,657 | \$2,024 | \$2,210.11 |
| Dec-99 | 54,479,445 | 26,364 | 2,066 | 2,219.26 |
| Mar-00 | 53,473,121 | 25,399 | 2,105 | 2,228.46 |
| Jun-00 | 52,473,029 | 24,690 | 2,125 | 2,237.69 |
| Sep-00 | 53,227,269 | 24,599 | 2,164 | 2,246.96 |
| Dec-00 | 51,901,742 | 23,853 | 2,176 | 2,256.27 |
| Mar-01 | 52,825,163 | 24,365 | 2,168 | 2,265.62 |
| Jun-01 | 53,550,815 | 24,610 | 2,176 | 2,275.01 |
| Sep-01 | 52,523,652 | 24,334 | 2,158 | 2,284.43 |
| Dec-01 | 53,020,300 | 24,377 | 2,175 | 2,293.90 |
| Mar-02 | 52,665,487 | 24,239 | 2,173 | 2,303.40 |
| Jun-02 | 52,670,576 | 24,003 | 2,194 | 2,312.94 |
| Sep-02 | 52,807,083 | 23,635 | 2,234 | 2,322.52 |
| Dec-02 | 51,265,169 | 22,903 | 2,238 | 2,332.15 |
| Mar-03 | 51,121,384 | 22,208 | 2,302 | 2,341.81 |
| Jun-03 | 50,728,044 | 21,739 | 2,334 | 2,351.51 |
| Sep-03 | 49,895,983 | 21,376 | 2,334 | 2,361.25 |
| Dec-03 | 49,312,848 | 21,206 | 2,325 | 2,371.04 |
| Mar-04 | 48,569,579 | 20,913 | 2,322 | 2,380.86 |
| Jun-04 | 47,400,238 | 20,435 | 2,320 | 2,390.72 |
| Sep-04 | 46,721,726 | 19,975 | 2,339 | 2,400.63 |
| Dec-04 | 45,654,759 | 19,279 | 2,368 | 2,410.57 |
| Mar-05 | 44,351,529 | 18,798 | 2,359 | 2,420.56 |
| Jun-05 | 43,436,514 | 18,545 | 2,342 | 2,430.59 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|------|
| 6-points | 1.2% |
| 9-points | 0.6% |
| 12-points | 1.7% |
| 15-points | 2.5% |

- (A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.
(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

| (1) YEAR ENDED | (2) PAID LOSSES (A) | (3) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | |
|----------------------------|---------------------------|-----------------------|-----------------------------|--|
| | | | (4) ACTUAL (2) / (3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) |
| \$200 DEDUCTIBLE COLLISION | | | | |
| Sep-99 | \$8,139,681 | 3,862 | \$2,108 | \$2,405.02 |
| Dec-99 | 8,600,702 | 3,956 | 2,174 | 2,426.32 |
| Mar-00 | 8,910,431 | 3,940 | 2,262 | 2,447.81 |
| Jun-00 | 8,841,827 | 3,873 | 2,283 | 2,469.49 |
| Sep-00 | 9,288,628 | 3,849 | 2,413 | 2,491.36 |
| Dec-00 | 8,968,227 | 3,700 | 2,424 | 2,513.43 |
| Mar-01 | 8,708,566 | 3,628 | 2,400 | 2,535.69 |
| Jun-01 | 8,587,626 | 3,595 | 2,389 | 2,558.15 |
| Sep-01 | 8,328,995 | 3,526 | 2,362 | 2,580.81 |
| Dec-01 | 8,205,300 | 3,515 | 2,334 | 2,603.67 |
| Mar-02 | 8,221,834 | 3,510 | 2,342 | 2,626.73 |
| Jun-02 | 8,184,315 | 3,450 | 2,372 | 2,649.99 |
| Sep-02 | 8,313,830 | 3,336 | 2,492 | 2,673.46 |
| Dec-02 | 8,124,254 | 3,235 | 2,511 | 2,697.14 |
| Mar-03 | 8,037,388 | 3,101 | 2,592 | 2,721.03 |
| Jun-03 | 7,772,766 | 2,995 | 2,595 | 2,745.13 |
| Sep-03 | 7,878,611 | 2,955 | 2,666 | 2,769.44 |
| Dec-03 | 7,981,377 | 2,910 | 2,743 | 2,793.97 |
| Mar-04 | 7,831,850 | 2,870 | 2,729 | 2,818.72 |
| Jun-04 | 7,622,210 | 2,820 | 2,703 | 2,843.68 |
| Sep-04 | 7,329,308 | 2,733 | 2,682 | 2,868.87 |
| Dec-04 | 7,172,134 | 2,615 | 2,743 | 2,894.28 |
| Mar-05 | 6,837,119 | 2,500 | 2,735 | 2,919.92 |
| Jun-05 | 6,989,646 | 2,525 | 2,768 | 2,945.78 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|------|
| 6-points | 1.5% |
| 9-points | 2.1% |
| 12-points | 3.6% |
| 15-points | 5.2% |

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

| (1) | (2) | (3) | (4) | (5) |
|---------------|--------------------|----------------|--|---|
| YEAR ENDED | PAID LOSSES (A) | PAID CLAIMS | AVERAGE PAID CLAIM COST (A) ACTUAL (2)/(3) | EXPONENTIAL CURVE OF BEST FIT (B) |

\$250 DEDUCTIBLE COLLISION

| | | | | |
|--------|---------------|---------|---------|------------|
| Sep-99 | \$251,521,133 | 107,087 | \$2,349 | \$2,510.87 |
| Dec-99 | 258,510,673 | 107,921 | 2,395 | 2,519.20 |
| Mar-00 | 269,823,314 | 110,766 | 2,436 | 2,527.55 |
| Jun-00 | 268,938,778 | 109,287 | 2,461 | 2,535.92 |
| Sep-00 | 277,464,497 | 111,340 | 2,492 | 2,544.33 |
| Dec-00 | 280,751,999 | 112,287 | 2,500 | 2,552.77 |
| Mar-01 | 278,472,877 | 111,983 | 2,487 | 2,561.23 |
| Jun-01 | 286,580,867 | 115,819 | 2,474 | 2,569.72 |
| Sep-01 | 285,033,816 | 115,458 | 2,469 | 2,578.24 |
| Dec-01 | 285,318,978 | 116,089 | 2,458 | 2,586.78 |
| Mar-02 | 288,898,246 | 117,005 | 2,469 | 2,595.36 |
| Jun-02 | 289,948,547 | 116,433 | 2,490 | 2,603.96 |
| Sep-02 | 294,285,776 | 117,096 | 2,513 | 2,612.59 |
| Dec-02 | 296,422,595 | 116,690 | 2,540 | 2,621.25 |
| Mar-03 | 300,675,415 | 116,354 | 2,584 | 2,629.94 |
| Jun-03 | 304,256,953 | 116,253 | 2,617 | 2,638.66 |
| Sep-03 | 305,951,907 | 115,986 | 2,638 | 2,647.41 |
| Dec-03 | 303,688,803 | 115,255 | 2,635 | 2,656.18 |
| Mar-04 | 301,586,016 | 114,273 | 2,639 | 2,664.99 |
| Jun-04 | 294,323,529 | 112,386 | 2,619 | 2,673.82 |
| Sep-04 | 287,611,444 | 109,749 | 2,621 | 2,682.69 |
| Dec-04 | 282,262,193 | 106,973 | 2,639 | 2,691.58 |
| Mar-05 | 273,861,150 | 104,432 | 2,622 | 2,700.50 |
| Jun-05 | 272,573,216 | 103,389 | 2,636 | 2,709.45 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|------|
| 6-points | 0.1% |
| 9-points | 0.0% |
| 12-points | 1.3% |
| 15-points | 2.1% |

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM COSTS

ALL CARRIERS

| (1) YEAR ENDED | (2) PAID LOSSES (A) | (3) PAID CLAIMS | AVERAGE PAID CLAIM COST (A) | |
|----------------------------|---------------------------|-----------------------|-----------------------------|--|
| | | | (4) ACTUAL (2)/(3) | (5) EXPONENTIAL CURVE OF BEST FIT (B) |
| \$500 DEDUCTIBLE COLLISION | | | | |
| Sep-99 | \$167,628,886 | 58,594 | \$2,861 | \$3,061.57 |
| Dec-99 | 175,664,348 | 59,972 | 2,929 | 3,076.19 |
| Mar-00 | 186,963,902 | 63,170 | 2,960 | 3,090.87 |
| Jun-00 | 187,853,907 | 63,266 | 2,969 | 3,105.62 |
| Sep-00 | 197,397,347 | 65,988 | 2,991 | 3,120.45 |
| Dec-00 | 202,621,614 | 68,242 | 2,969 | 3,135.34 |
| Mar-01 | 206,815,959 | 69,547 | 2,974 | 3,150.31 |
| Jun-01 | 217,831,489 | 73,242 | 2,974 | 3,165.34 |
| Sep-01 | 217,525,614 | 73,461 | 2,961 | 3,180.45 |
| Dec-01 | 222,076,707 | 74,516 | 2,980 | 3,195.63 |
| Mar-02 | 228,894,216 | 76,082 | 3,009 | 3,210.88 |
| Jun-02 | 233,738,181 | 76,700 | 3,047 | 3,226.21 |
| Sep-02 | 244,012,749 | 78,497 | 3,109 | 3,241.61 |
| Dec-02 | 251,240,258 | 79,911 | 3,144 | 3,257.08 |
| Mar-03 | 258,764,082 | 80,759 | 3,204 | 3,272.63 |
| Jun-03 | 263,729,619 | 81,842 | 3,222 | 3,288.25 |
| Sep-03 | 269,847,983 | 82,934 | 3,254 | 3,303.94 |
| Dec-03 | 269,639,412 | 83,232 | 3,240 | 3,319.71 |
| Mar-04 | 272,152,315 | 83,905 | 3,244 | 3,335.56 |
| Jun-04 | 270,917,306 | 83,638 | 3,239 | 3,351.48 |
| Sep-04 | 269,067,837 | 82,722 | 3,253 | 3,367.47 |
| Dec-04 | 269,518,231 | 81,908 | 3,290 | 3,383.55 |
| Mar-05 | 267,236,805 | 81,104 | 3,295 | 3,399.70 |
| Jun-05 | 270,481,340 | 81,492 | 3,319 | 3,415.92 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|------|
| 6-points | 2.0% |
| 9-points | 1.3% |
| 12-points | 1.9% |
| 15-points | 2.9% |

(A) INCLUDES A FACTOR OF 1.000 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) USING THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

| (1) | (2) | (3) | (4) |
|----------------------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2) / (3)</u> |
| \$100 DEDUCTIBLE COLLISION | | | |
| Sep-99 | 513,671 | 26,657 | 5.1895 |
| Dec-99 | 506,654 | 26,364 | 5.2036 |
| Mar-00 | 500,668 | 25,399 | 5.0730 |
| Jun-00 | 492,187 | 24,690 | 5.0164 |
| Sep-00 | 482,405 | 24,599 | 5.0992 |
| Dec-00 | 473,354 | 23,853 | 5.0391 |
| Mar-01 | 465,650 | 24,365 | 5.2325 |
| Jun-01 | 461,596 | 24,610 | 5.3315 |
| Sep-01 | 460,527 | 24,334 | 5.2839 |
| Dec-01 | 457,853 | 24,377 | 5.3242 |
| Mar-02 | 453,507 | 24,239 | 5.3448 |
| Jun-02 | 448,543 | 24,003 | 5.3513 |
| Sep-02 | 442,672 | 23,635 | 5.3392 |
| Dec-02 | 437,014 | 22,903 | 5.2408 |
| Mar-03 | 431,654 | 22,208 | 5.1449 |
| Jun-03 | 424,858 | 21,739 | 5.1168 |
| Sep-03 | 417,556 | 21,376 | 5.1193 |
| Dec-03 | 409,815 | 21,206 | 5.1745 |
| Mar-04 | 401,685 | 20,913 | 5.2063 |
| Jun-04 | 394,012 | 20,435 | 5.1864 |
| Sep-04 | 387,609 | 19,975 | 5.1534 |
| Dec-04 | 383,368 | 19,279 | 5.0288 |
| Mar-05 | 380,066 | 18,798 | 4.9460 |
| Jun-05 | 377,042 | 18,545 | 4.9186 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -5.0% |
| 9-points | -2.2% |
| 12-points | -2.1% |
| 15-points | -2.1% |
| 24-points | -0.4% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

| (1) | (2) | (3) | (4) |
|---------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2) / (3)</u> |

\$200 DEDUCTIBLE COLLISION

| | | | |
|--------|--------|-------|--------|
| Sep-99 | 78,035 | 3,862 | 4.9491 |
| Dec-99 | 77,295 | 3,956 | 5.1181 |
| Mar-00 | 76,671 | 3,940 | 5.1388 |
| Jun-00 | 75,545 | 3,873 | 5.1267 |
| Sep-00 | 74,048 | 3,849 | 5.1980 |
| Dec-00 | 72,881 | 3,700 | 5.0768 |
| Mar-01 | 71,850 | 3,628 | 5.0494 |
| Jun-01 | 71,381 | 3,595 | 5.0364 |
| Sep-01 | 71,342 | 3,526 | 4.9424 |
| Dec-01 | 70,440 | 3,515 | 4.9901 |
| Mar-02 | 68,927 | 3,510 | 5.0923 |
| Jun-02 | 67,807 | 3,450 | 5.0880 |
| Sep-02 | 67,051 | 3,336 | 4.9753 |
| Dec-02 | 66,697 | 3,235 | 4.8503 |
| Mar-03 | 66,652 | 3,101 | 4.6525 |
| Jun-03 | 66,061 | 2,995 | 4.5337 |
| Sep-03 | 65,001 | 2,955 | 4.5461 |
| Dec-03 | 63,950 | 2,910 | 4.5504 |
| Mar-04 | 62,977 | 2,870 | 4.5572 |
| Jun-04 | 62,118 | 2,820 | 4.5397 |
| Sep-04 | 61,370 | 2,733 | 4.4533 |
| Dec-04 | 60,788 | 2,615 | 4.3018 |
| Mar-05 | 60,316 | 2,500 | 4.1448 |
| Jun-05 | 59,810 | 2,525 | 4.2217 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -7.6% |
| 9-points | -4.5% |
| 12-points | -5.3% |
| 15-points | -5.5% |
| 24-points | -3.5% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

| (1) | (2) | (3) | (4) |
|----------------------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u> |
| \$250 DEDUCTIBLE COLLISION | | | |
| Sep-99 | 1,827,587 | 107,087 | 5.8595 |
| Dec-99 | 1,840,169 | 107,921 | 5.8647 |
| Mar-00 | 1,854,944 | 110,766 | 5.9714 |
| Jun-00 | 1,854,916 | 109,287 | 5.8917 |
| Sep-00 | 1,845,505 | 111,340 | 6.0330 |
| Dec-00 | 1,841,380 | 112,287 | 6.0980 |
| Mar-01 | 1,844,152 | 111,983 | 6.0723 |
| Jun-01 | 1,862,192 | 115,819 | 6.2195 |
| Sep-01 | 1,891,400 | 115,458 | 6.1044 |
| Dec-01 | 1,908,773 | 116,089 | 6.0819 |
| Mar-02 | 1,914,221 | 117,005 | 6.1124 |
| Jun-02 | 1,916,879 | 116,433 | 6.0741 |
| Sep-02 | 1,917,158 | 117,096 | 6.1078 |
| Dec-02 | 1,917,474 | 116,690 | 6.0856 |
| Mar-03 | 1,918,646 | 116,354 | 6.0644 |
| Jun-03 | 1,910,648 | 116,253 | 6.0845 |
| Sep-03 | 1,899,508 | 115,986 | 6.1061 |
| Dec-03 | 1,887,697 | 115,255 | 6.1056 |
| Mar-04 | 1,874,091 | 114,273 | 6.0975 |
| Jun-04 | 1,862,062 | 112,386 | 6.0356 |
| Sep-04 | 1,851,012 | 109,749 | 5.9291 |
| Dec-04 | 1,848,677 | 106,973 | 5.7865 |
| Mar-05 | 1,851,506 | 104,432 | 5.6404 |
| Jun-05 | 1,855,069 | 103,389 | 5.5733 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -7.4% |
| 9-points | -4.7% |
| 12-points | -3.0% |
| 15-points | -2.1% |
| 24-points | -0.5% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN COLLISION CLAIM FREQUENCY

ALL CARRIERS

| (1) | (2) | (3) | (4) |
|----------------------------|---------------------|----------------|---|
| YEAR ENDED | EARNED EXPOSURES | PAID CLAIMS | PAID CLAIM FREQUENCY (A) <u>(2)/(3)</u> |
| \$500 DEDUCTIBLE COLLISION | | | |
| Sep-99 | 1,138,243 | 58,594 | 5.1478 |
| Dec-99 | 1,167,531 | 59,972 | 5.1367 |
| Mar-00 | 1,194,527 | 63,170 | 5.2883 |
| Jun-00 | 1,208,764 | 63,266 | 5.2339 |
| Sep-00 | 1,213,620 | 65,988 | 5.4373 |
| Dec-00 | 1,221,571 | 68,242 | 5.5864 |
| Mar-01 | 1,238,361 | 69,547 | 5.6161 |
| Jun-01 | 1,268,348 | 73,242 | 5.7746 |
| Sep-01 | 1,308,265 | 73,461 | 5.6151 |
| Dec-01 | 1,338,185 | 74,516 | 5.5684 |
| Mar-02 | 1,357,281 | 76,082 | 5.6055 |
| Jun-02 | 1,380,037 | 76,700 | 5.5578 |
| Sep-02 | 1,407,143 | 78,497 | 5.5785 |
| Dec-02 | 1,436,978 | 79,911 | 5.5610 |
| Mar-03 | 1,472,856 | 80,759 | 5.4832 |
| Jun-03 | 1,498,754 | 81,842 | 5.4607 |
| Sep-03 | 1,520,102 | 82,934 | 5.4558 |
| Dec-03 | 1,543,085 | 83,232 | 5.3939 |
| Mar-04 | 1,560,492 | 83,905 | 5.3768 |
| Jun-04 | 1,579,270 | 83,638 | 5.2960 |
| Sep-04 | 1,598,523 | 82,722 | 5.1749 |
| Dec-04 | 1,625,833 | 81,908 | 5.0379 |
| Mar-05 | 1,660,080 | 81,104 | 4.8855 |
| Jun-05 | 1,694,274 | 81,492 | 4.8098 |

(6) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE
EXPONENTIAL CURVE OF BEST FIT:

| | |
|-----------|-------|
| 6-points | -9.0% |
| 9-points | -6.5% |
| 12-points | -5.1% |
| 15-points | -4.0% |
| 24-points | -1.0% |

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2005

ALL CARRIERS

\$100 DEDUCTIBLE COLLISION

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| COST | END POINT | MID POINT | | EXPONENTIAL |
| 15 points | 2.3% | 2.4% | | 2.5% |
| 12 points | 1.6% | 1.6% | | 1.7% |
| 9 points | 0.6% | 0.6% | | 0.6% |
| 6 points | 1.2% | 1.2% | | 1.2% |

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| FREQ | END POINT | MID POINT | | EXPONENTIAL |
| 24 points | -0.4% | -0.4% | | -0.4% |
| 15 points | -2.2% | -2.1% | | -2.1% |
| 12 points | -2.2% | -2.1% | | -2.1% |
| 9 points | -2.2% | -2.2% | | -2.2% |
| 6 points | -5.3% | -5.1% | | -5.0% |

\$200 DEDUCTIBLE COLLISION

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| COST | END POINT | MID POINT | | EXPONENTIAL |
| 15 points | 4.6% | 5.0% | | 5.2% |
| 12 points | 3.3% | 3.5% | | 3.6% |
| 9 points | 2.1% | 2.1% | | 2.1% |
| 6 points | 1.5% | 1.5% | | 1.5% |

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| FREQ | END POINT | MID POINT | | EXPONENTIAL |
| 24 points | -3.9% | -3.5% | | -3.5% |
| 15 points | -6.2% | -5.6% | | -5.5% |
| 12 points | -5.8% | -5.4% | | -5.3% |
| 9 points | -4.8% | -4.6% | | -4.5% |
| 6 points | -8.3% | -7.9% | | -7.6% |

\$250 DEDUCTIBLE COLLISION

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| COST | END POINT | MID POINT | | EXPONENTIAL |
| 15 points | 2.0% | 2.1% | | 2.1% |
| 12 points | 1.3% | 1.3% | | 1.3% |
| 9 points | 0.0% | 0.0% | | 0.0% |
| 6 points | 0.1% | 0.1% | | 0.1% |

| | | STRAIGHT LINE | | |
|-----------|-----------|---------------|--|-------------|
| FREQ | END POINT | MID POINT | | EXPONENTIAL |
| 24 points | -0.4% | -0.4% | | -0.5% |
| 15 points | -2.1% | -2.0% | | -2.1% |
| 12 points | -3.1% | -3.0% | | -3.0% |
| 9 points | -5.0% | -4.7% | | -4.7% |
| 6 points | -8.1% | -7.7% | | -7.4% |

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2005

ALL CARRIERS

\$500 DEDUCTIBLE COLLISION

| COST | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 15 points | 2.7% | 2.8% | 2.9% |
| 12 points | 1.8% | 1.9% | 1.9% |
| 9 points | 1.3% | 1.3% | 1.3% |
| 6 points | 2.0% | 2.0% | 2.0% |

| FREQ | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 24 points | -1.0% | -1.0% | -1.0% |
| 15 points | -4.3% | -4.0% | -4.0% |
| 12 points | -5.6% | -5.2% | -5.1% |
| 9 points | -7.2% | -6.6% | -6.5% |
| 6 points | -10.0% | -9.4% | -9.0% |

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2005

ALL CARRIERS

\$100 DEDUCTIBLE COLLISION

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.90 | 0.90 |
| 12 points | 0.81 | 0.81 |
| 9 points | 0.59 | 0.59 |
| 6 points | 0.68 | 0.68 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.28 | -0.29 |
| 15 points | -0.88 | -0.88 |
| 12 points | -0.81 | -0.81 |
| 9 points | -0.72 | -0.72 |
| 6 points | -0.97 | -0.97 |

\$200 DEDUCTIBLE COLLISION

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.93 | 0.93 |
| 12 points | 0.89 | 0.89 |
| 9 points | 0.73 | 0.73 |
| 6 points | 0.62 | 0.62 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.91 | -0.91 |
| 15 points | -0.95 | -0.96 |
| 12 points | -0.93 | -0.93 |
| 9 points | -0.86 | -0.86 |
| 6 points | -0.94 | -0.93 |

\$250 DEDUCTIBLE COLLISION

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.87 | 0.87 |
| 12 points | 0.74 | 0.74 |
| 9 points | 0.09 | 0.09 |
| 6 points | 0.07 | 0.07 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.29 | -0.30 |
| 15 points | -0.77 | -0.77 |
| 12 points | -0.83 | -0.83 |
| 9 points | -0.92 | -0.92 |
| 6 points | -0.99 | -0.99 |

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2005

ALL CARRIERS

\$500 DEDUCTIBLE COLLISION

| COST | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 15 points | 0.93 | 0.93 |
| 12 points | 0.92 | 0.92 |
| 9 points | 0.88 | 0.88 |
| 6 points | 0.95 | 0.95 |

| FREQ | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 24 points | -0.38 | -0.39 |
| 15 points | -0.92 | -0.92 |
| 12 points | -0.95 | -0.95 |
| 9 points | -0.97 | -0.96 |
| 6 points | -1.00 | -1.00 |

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
UNINSURED MOTORISTS
PURE PREMIUM TREND

| (1) Accident Year Ended | (2) Basic Limit Losses (A) (B) | (3) Exposures | (4) UM Pure Premium (2) / (3) |
|-------------------------------|--------------------------------------|------------------|-------------------------------------|
| 6/30/1987 | 17,925,282 | 3,740,249 | \$4.79 |
| 6/30/1988 | 18,624,836 | 3,851,199 | 4.84 |
| 6/30/1989 | 21,468,029 | 4,015,107 | 5.35 |
| 12/31/1990 | 21,577,892 | 4,126,098 | 5.23 |
| 12/31/1991 | 24,944,699 | 4,199,013 | 5.94 |
| 12/31/1992 | 25,174,957 | 4,262,731 | 5.91 |
| 12/31/1993 | 29,750,657 | 4,373,094 | 6.80 |
| 12/31/1994 | 32,442,143 | 4,552,669 | 7.13 |
| 12/31/1995 | 36,252,226 | 4,712,510 | 7.69 |
| 12/31/1996 | 39,194,286 | 4,798,419 | 8.17 |
| 12/31/1997 | 42,600,864 | 4,851,832 | 8.78 |
| 12/31/1998 | 42,622,510 | 5,036,177 | 8.46 |
| 12/31/1999 | 41,207,415 | 5,253,680 | 7.84 |
| 12/31/2000 | 41,628,748 | 5,381,629 | 7.74 |
| 12/31/2001 | 41,990,653 | 5,495,729 | 7.64 |
| 12/31/2002 | 46,013,350 | 5,646,981 | 8.15 |
| 12/31/2003 | 46,968,911 | 5,770,686 | 8.14 |
| 12/31/2004 | 46,327,882 | 5,950,449 | 7.79 |

Annual Rates of Change based on the Exponential Curve of Best Fit:

| | |
|-----------|-------|
| 4 points | 0.6% |
| 6 points | 0.5% |
| 9 points | -0.9% |
| 12 points | 0.8% |

(A) Includes all loss adjustment expense and loss development for voluntary and ceded business combined.

(B) 25/50/10 limits from 6/30/1987 - 12/31/1991.
25/50/15 limits from 12/31/1992 - 12/31/2004.

NORTH CAROLINA

PRIVATE PASSENGER LIABILITY INSURANCE
 UNDERINSURED MOTORISTS
 PURE PREMIUM TREND

| (1) Accident <u>Year Ended</u> | (2) Total Limit <u>Losses (A)</u> | (3) <u>Exposures</u> | (4) UIM Pure Premium <u>(2) / (3)</u> |
|--------------------------------------|---|-------------------------|---|
| 12/31/2000 | 55,377,602 | 3,346,995 | 16.55 |
| 12/31/2001 | 56,931,338 | 3,417,955 | 16.66 |
| 12/31/2002 | 60,752,864 | 3,512,024 | 17.30 |
| 12/31/2003 | 63,674,591 | 3,588,960 | 17.74 |
| 12/31/2004 | 73,561,850 | 3,700,760 | 19.88 |

Annual Rates of Change based on the Exponential Curve of Best Fit:

| | |
|----------|------|
| 3 points | 7.2% |
| 4 points | 5.7% |
| 5 points | 4.4% |

(A) Includes all loss adjustment expense and loss development for voluntary and ceded business combined.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

| | <u>ALL ITEMS CPI INDEX</u> | <u>COMPENSATION COST INDEX</u> |
|--------|--------------------------------|------------------------------------|
| Oct-01 | 177.7 | |
| Nov-01 | 177.4 | 161.3 |
| Dec-01 | 176.7 | |
| Jan-02 | 177.1 | |
| Feb-02 | 177.8 | 164.0 |
| Mar-02 | 178.8 | |
| Apr-02 | 179.8 | |
| May-02 | 179.8 | 166.1 |
| Jun-02 | 179.9 | |
| Jul-02 | 180.1 | |
| Aug-02 | 180.7 | 167.1 |
| Sep-02 | 181.0 | |
| Oct-02 | 181.3 | |
| Nov-02 | 181.3 | 167.9 |
| Dec-02 | 180.9 | |
| Jan-03 | 181.7 | |
| Feb-03 | 183.1 | 172.1 |
| Mar-03 | 184.2 | |
| Apr-03 | 183.8 | |
| May-03 | 183.5 | 173.9 |
| Jun-03 | 183.7 | |
| Jul-03 | 183.9 | |
| Aug-03 | 184.6 | 175.1 |
| Sep-03 | 185.2 | |
| Oct-03 | 185.0 | |
| Nov-03 | 184.5 | 176.2 |
| Dec-03 | 184.3 | |
| Jan-04 | 185.2 | |
| Feb-04 | 186.2 | 177.8 |
| Mar-04 | 187.4 | |
| Apr-04 | 188.0 | |
| May-04 | 189.1 | 180.5 |
| Jun-04 | 189.7 | |
| Jul-04 | 189.4 | |
| Aug-04 | 189.5 | 182.1 |
| Sep-04 | 189.9 | |
| Oct-04 | 190.9 | |
| Nov-04 | 191.0 | 183.6 |
| Dec-04 | 190.3 | |
| Jan-05 | 190.7 | |
| Feb-05 | 191.8 | 186.3 |
| Mar-05 | 193.3 | |
| Apr-05 | 194.6 | |
| May-05 | 194.4 | 188.8 |
| Jun-05 | 194.5 | |
| Jul-05 | 195.4 | |
| Aug-05 | 196.4 | 189.0 |
| Sep-05 | 198.8 | |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

| | <u>All Items (A)</u> | <u>CCI (B)</u> | <u>Combined (C)</u> |
|---|----------------------|----------------|---------------------|
| (1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters) | 2.66% | 4.32% | 3.49% |
| (2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters) | 2.88% | 4.24% | 3.56% |
| (3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters) | 3.49% | 4.35% | 3.92% |
| (4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters) | 4.41% | 4.09% | 4.25% |
| (5) Average Annual Index (D) | | | |
| Year Ended 3/31/2003 | 181.15 | 168.30 | |
| Year Ended 9/30/2003 | 183.10 | 172.25 | |
| Year Ended 3/31/2004 | 184.78 | 175.75 | |
| Year Ended 9/30/2004 | 187.35 | 179.15 | |
| Year Ended 3/31/2005 | 190.30 | 183.13 | |
| Year Ended 9/30/2005 | 193.51 | 186.93 | |
| (6) Current Cost Factor (Index Value Divided by Average Annual Index) | | | |
| Year Ended 3/31/2003 | 1.10 | 1.12 | 1.11 |
| Year Ended 9/30/2003 | 1.09 | 1.10 | 1.10 |
| Year Ended 3/31/2004 | 1.08 | 1.08 | 1.08 |
| Year Ended 9/30/2004 | 1.06 | 1.05 | 1.06 |
| Year Ended 3/31/2005 | 1.04 | 1.03 | 1.04 |
| Year Ended 9/30/2005 | 1.03 | 1.01 | 1.02 |

Notes: (A) All items CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service.
Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY

AVERAGE ANNUAL RATES OF CHANGE
DATA ENDED SEPTEMBER 2005

CONSUMER PRICE INDEX

| | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 48 points | 2.50% | 2.63% | 2.66% |
| 36 points | 2.74% | 2.85% | 2.88% |
| 24 points | 3.32% | 3.43% | 3.49% |
| 12 points | 4.24% | 4.32% | 4.41% |

COMPENSATION COST INDEX

| | STRAIGHT LINE | | EXPONENTIAL |
|-----------|---------------|-----------|-------------|
| | END POINT | MID POINT | |
| 16 points | 3.92% | 4.23% | 4.32% |
| 12 points | 3.92% | 4.15% | 4.24% |
| 8 points | 4.10% | 4.25% | 4.35% |
| 4 points | 3.94% | 4.00% | 4.09% |

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED SEPTEMBER 2005

CONSUMER PRICE INDEX

| | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 48 points | 0.98 | 0.99 |
| 36 points | 0.98 | 0.98 |
| 24 points | 0.98 | 0.98 |
| 12 points | 0.95 | 0.95 |

COMPENSATION COST INDEX

| | STRAIGHT LINE | EXPONENTIAL |
|-----------|---------------|-------------|
| 16 points | 1.00 | 1.00 |
| 12 points | 0.99 | 0.99 |
| 8 points | 0.99 | 0.99 |
| 4 points | 0.95 | 0.95 |

Countrywide External Expense Trend

| | Consumer Price Index (a) | Compensation Cost Index (b) | | Consumer Price Index (a) | Compensation Cost Index (b) |
|-------|--------------------------------|-----------------------------------|-------|--------------------------------|-----------------------------------|
| 7/00 | 172.8 | | 3/03 | 184.2 | |
| 8/00 | 172.8 | 154.8 | 4/03 | 183.8 | |
| 9/00 | 173.7 | | 5/03 | 183.5 | 173.9 |
| 10/00 | 174.0 | | 6/03 | 183.7 | |
| 11/00 | 174.1 | 155.2 | 7/03 | 183.9 | |
| 12/00 | 174.0 | | 8/03 | 184.6 | 175.1 |
| 1/01 | 175.1 | | 9/03 | 185.2 | |
| 2/01 | 175.8 | 157.6 | 10/03 | 185.0 | |
| 3/01 | 176.2 | | 11/03 | 184.5 | 176.2 |
| 4/01 | 176.9 | | 12/03 | 184.3 | |
| 5/01 | 177.7 | 159.3 | 1/04 | 185.2 | |
| 6/01 | 178.0 | | 2/04 | 186.2 | 177.8 |
| 7/01 | 177.5 | | 3/04 | 187.4 | |
| 8/01 | 177.5 | 159.9 | 4/04 | 188.0 | |
| 9/01 | 178.3 | | 5/04 | 189.1 | 180.5 |
| 10/01 | 177.7 | | 6/04 | 189.7 | |
| 11/01 | 177.4 | 161.3 | 7/04 | 189.4 | |
| 12/01 | 176.7 | | 8/04 | 189.5 | 182.1 |
| 1/02 | 177.1 | | 9/04 | 189.9 | |
| 2/02 | 177.8 | 164.0 | 10/04 | 190.9 | |
| 3/02 | 178.8 | | 11/04 | 191.0 | 183.6 |
| 4/02 | 179.8 | | 12/04 | 190.3 | |
| 5/02 | 179.8 | 166.1 | 1/05 | 190.7 | |
| 6/02 | 179.9 | | 2/05 | 191.8 | 186.3 |
| 7/02 | 180.1 | | 3/05 | 193.3 | |
| 8/02 | 180.7 | 167.1 | 4/05 | 194.6 | |
| 9/02 | 181.0 | | 5/05 | 194.4 | 188.8 |
| 10/02 | 181.3 | | 6/05 | 194.5 | |
| 11/02 | 181.3 | 167.9 | 7/05 | 195.4 | |
| 12/02 | 180.9 | | 8/05 | 196.4 | 189.0 |
| 1/03 | 181.7 | | 9/05 | 198.8 | |
| 2/03 | 183.1 | 172.1 | | | |

(a) Consumer Price Index for all items, all urban consumers.

Source: Bureau of Labor Statistics, Monthly Labor Review, Table 30.

(b) Total Compensation Cost Index - Insurance Carriers, Agents Brokers, and Service.

Source: Bureau of Labor Statistics.

The data collected under the North Carolina Rate Bureau Special Call for Expense Experience for the latest five years is shown on pages H-687-690.

See the attached Exhibit (4)(d), Section D of RB-1 and the pre-filed testimony of P. Woods and M. Miller.

**CPI GASOLINE INDEX
ANNUAL PERCENT CHANGE**

| <u>Quarter</u> | <u>Index</u> | <u>Annual Percentage Change</u> | <u>Quarter</u> | <u>Index</u> | <u>Annual Percentage Change</u> |
|----------------|--------------|---|----------------|--------------|---|
| 84:1 | 0.975 | | 95:1 | 0.978 | 5.6% |
| 84:2 | 0.991 | | 95:2 | 1.033 | 7.6% |
| 84:3 | 0.971 | | 95:3 | 1.015 | -1.2% |
| 84:4 | 0.973 | | 95:4 | 0.967 | -4.8% |
| 85:1 | 0.941 | -3.6% | 96:1 | 0.990 | 1.3% |
| 85:2 | 1.003 | 1.2% | 96:2 | 1.108 | 7.3% |
| 85:3 | 1.008 | 3.7% | 96:3 | 1.069 | 5.3% |
| 85:4 | 0.992 | 2.0% | 96:4 | 1.067 | 10.4% |
| 86:1 | 0.908 | -3.5% | 97:1 | 1.070 | 8.1% |
| 86:2 | 0.763 | -24.0% | 97:2 | 1.053 | -5.0% |
| 86:3 | 0.718 | -28.7% | 97:3 | 1.067 | -0.2% |
| 86:4 | 0.690 | -30.4% | 97:4 | 1.040 | -2.6% |
| 87:1 | 0.750 | -17.4% | 98:1 | 0.937 | -12.5% |
| 87:2 | 0.794 | 4.0% | 98:2 | 0.932 | -11.5% |
| 87:3 | 0.835 | 16.2% | 98:3 | 0.913 | -14.5% |
| 87:4 | 0.827 | 19.7% | 98:4 | 0.884 | -15.0% |
| 88:1 | 0.783 | 4.4% | 99:1 | 0.845 | -9.8% |
| 88:2 | 0.806 | 1.6% | 99:2 | 0.999 | 7.2% |
| 88:3 | 0.832 | -0.3% | 99:3 | 1.063 | 16.4% |
| 88:4 | 0.811 | -1.9% | 99:4 | 1.099 | 24.3% |
| 89:1 | 0.803 | 2.5% | 00:1 | 1.200 | 42.1% |
| 89:2 | 0.950 | 17.9% | 00:2 | 1.313 | 31.4% |
| 89:3 | 0.915 | 10.0% | 00:3 | 1.325 | 24.7% |
| 89:4 | 0.871 | 7.4% | 00:4 | 1.305 | 18.8% |
| 90:1 | 0.900 | 12.1% | 01:1 | 1.253 | 4.4% |
| 90:2 | 0.927 | -2.5% | 01:2 | 1.400 | 6.7% |
| 90:3 | 1.031 | 12.7% | 01:3 | 1.256 | -5.2% |
| 90:4 | 1.182 | 35.7% | 01:4 | 1.049 | -19.6% |
| 91:1 | 1.005 | 11.7% | 02:1 | 1.006 | -19.7% |
| 91:2 | 0.989 | 6.7% | 02:2 | 1.204 | -14.0% |
| 91:3 | 0.991 | -3.9% | 02:3 | 1.208 | -3.8% |
| 91:4 | 0.985 | -16.7% | 02:4 | 1.223 | 16.5% |
| 92:1 | 0.934 | -7.1% | 03:1 | 1.376 | 36.7% |
| 92:2 | 0.991 | 0.2% | 03:2 | 1.333 | 10.8% |
| 92:3 | 1.022 | 3.1% | 03:3 | 1.383 | 14.5% |
| 92:4 | 1.013 | 2.8% | 03:4 | 1.313 | 7.4% |
| 93:1 | 0.978 | 4.7% | 04:1 | 1.428 | 3.8% |
| 93:2 | 0.991 | 0.1% | 04:2 | 1.659 | 24.5% |
| 93:3 | 0.969 | -5.1% | 04:3 | 1.621 | 17.2% |
| 93:4 | 0.971 | -4.1% | 04:4 | 1.679 | 27.9% |
| 94:1 | 0.926 | -5.3% | 05:1 | 1.647 | 15.3% |
| 94:2 | 0.959 | -3.2% | 05:2 | 1.883 | 13.5% |
| 94:3 | 1.027 | 5.9% | 05:3 | 2.189 | 35.1% |
| 94:4 | 1.015 | 4.6% | | | |

NORTH CAROLINA
PERSONAL AUTO INSURANCE

RETAIL PRICES OF MOTOR FUEL

| <u>Date</u> | <u>Regular Gasoline</u> | <u>Midgrade Gasoline</u> | <u>Premium Gasoline</u> |
|-------------|-------------------------|--------------------------|-------------------------|
| Jan-01 | 1.388 | 1.490 | 1.575 |
| Feb-01 | 1.407 | 1.509 | 1.594 |
| Mar-01 | 1.347 | 1.441 | 1.525 |
| Apr-01 | 1.468 | 1.565 | 1.650 |
| May-01 | 1.534 | 1.631 | 1.713 |
| Jun-01 | 1.417 | 1.520 | 1.591 |
| Jul-01 | 1.269 | 1.369 | 1.450 |
| Aug-01 | 1.287 | 1.384 | 1.469 |
| Sep-01 | 1.377 | 1.478 | 1.563 |
| Oct-01 | 1.217 | 1.317 | 1.396 |
| Nov-01 | 1.080 | 1.181 | 1.266 |
| Dec-01 | 1.035 | 1.132 | 1.217 |
| Jan-02 | 1.069 | 1.170 | 1.253 |
| Feb-02 | 1.076 | 1.175 | 1.259 |
| Mar-02 | 1.205 | 1.304 | 1.387 |
| Apr-02 | 1.343 | 1.445 | 1.530 |
| May-02 | 1.328 | 1.432 | 1.518 |
| Jun-02 | 1.300 | 1.403 | 1.490 |
| Jul-02 | 1.295 | 1.395 | 1.485 |
| Aug-02 | 1.295 | 1.397 | 1.486 |
| Sep-02 | 1.306 | 1.406 | 1.497 |
| Oct-02 | 1.399 | 1.470 | 1.551 |
| Nov-02 | 1.356 | 1.463 | 1.548 |
| 12/1/2002 * | 1.384 | 1.488 | 1.573 |
| Jan-03 | 1.411 | 1.513 | 1.598 |
| Feb-03 | 1.566 | 1.665 | 1.751 |
| Mar-03 | 1.593 | 1.696 | 1.780 |
| Apr-03 | 1.477 | 1.583 | 1.664 |
| May-03 | 1.363 | 1.464 | 1.548 |
| Jun-03 | 1.379 | 1.481 | 1.567 |
| Jul-03 | 1.437 | 1.539 | 1.624 |
| Aug-03 | 1.524 | 1.623 | 1.710 |
| Sep-03 | 1.517 | 1.622 | 1.704 |
| Oct-03 | 1.435 | 1.541 | 1.620 |
| Nov-03 | 1.405 | 1.508 | 1.589 |
| Dec-03 | 1.381 | 1.511 | 1.594 |
| Jan-04 | 1.520 | 1.615 | 1.704 |
| Feb-04 | 1.577 | 1.675 | 1.760 |
| Mar-04 | 1.640 | 1.745 | 1.826 |
| Apr-04 | 1.698 | 1.798 | 1.878 |
| May-04 | 1.868 | 1.962 | 2.047 |
| Jun-04 | 1.871 | 1.978 | 2.058 |
| Jul-04 | 1.821 | 1.923 | 2.012 |
| Aug-04 | 1.799 | 1.899 | 1.996 |
| Sep-04 | 1.790 | 1.889 | 1.983 |
| Oct-04 | 1.905 | 2.006 | 2.095 |
| Nov-04 | 1.898 | 1.998 | 2.087 |
| Dec-04 | 1.771 | 1.875 | 1.957 |

Source: U.S. Dept. of Transportation, Federal Highway Administration

(*) Based on trend estimation.

Monthly Gasoline Sales (in thousands of gallons)

Note: These data are taken from state taxation reports at the wholesale level and thus retail sales may reflect time lags of as long as 6 weeks. In addition, the data include highway use, non-highway use, and losses.

| | Monthly Gasoline Sales for <u>North Carolina</u> | % change from month one year prior | Year Ending Gasoline Sales for <u>North Carolina</u> | % change from one year prior |
|----------|---|--|---|------------------------------------|
| Jan 1998 | 310,477 | -0.4% | 3,902,853 | 2.1% |
| Feb 1998 | 290,762 | 3.2% | 3,911,765 | 2.1% |
| Mar 1998 | 332,393 | 2.1% | 3,918,757 | 2.1% |
| Apr 1998 | 339,288 | 4.8% | 3,934,174 | 2.3% |
| May 1998 | 341,225 | -0.2% | 3,933,553 | 2.0% |
| Jun 1998 | 345,148 | 8.6% | 3,960,824 | 2.7% |
| Jul 1998 | 362,250 | 4.0% | 3,974,611 | 2.7% |
| Aug 1998 | 349,411 | 1.4% | 3,979,448 | 2.8% |
| Sep 1998 | 337,580 | 5.4% | 3,996,889 | 2.9% |
| Oct 1998 | 353,589 | 3.4% | 4,008,632 | 3.0% |
| Nov 1998 | 327,307 | 5.6% | 4,026,036 | 3.6% |
| Dec 1998 | 346,381 | 2.9% | 4,035,811 | 3.4% |
| Jan 1999 | 303,896 | -2.1% | 4,029,230 | 3.2% |
| Feb 1999 | 295,246 | 1.5% | 4,033,714 | 3.1% |
| Mar 1999 | 342,543 | 3.1% | 4,043,864 | 3.2% |
| Apr 1999 | 339,125 | 0.0% | 4,043,701 | 2.8% |
| May 1999 | 349,012 | 2.3% | 4,051,488 | 3.0% |
| Jun 1999 | 353,821 | 2.5% | 4,060,161 | 2.5% |
| Jul 1999 | 357,973 | -1.2% | 4,055,884 | 2.0% |
| Aug 1999 | 389,071 | 11.4% | 4,095,544 | 2.9% |
| Sep 1999 | 352,327 | 4.4% | 4,110,291 | 2.8% |
| Oct 1999 | 349,249 | -1.2% | 4,105,951 | 2.4% |
| Nov 1999 | 356,112 | 8.8% | 4,134,756 | 2.7% |
| Dec 1999 | 420,568 | 21.4% | 4,208,943 | 4.3% |
| Jan 2000 | 246,533 | -18.9% | 4,151,580 | 3.0% |
| Feb 2000 | 322,212 | 9.1% | 4,178,546 | 3.6% |
| Mar 2000 | 353,117 | 3.1% | 4,189,120 | 3.6% |
| Apr 2000 | 338,465 | -0.2% | 4,188,460 | 3.6% |
| May 2000 | 365,442 | 4.7% | 4,204,890 | 3.8% |
| Jun 2000 | 362,849 | 2.6% | 4,213,918 | 3.8% |
| Jul 2000 | 353,474 | -1.3% | 4,209,419 | 3.8% |
| Aug 2000 | 376,075 | -3.3% | 4,196,423 | 2.5% |
| Sep 2000 | 340,185 | -3.4% | 4,184,281 | 1.8% |
| Oct 2000 | 360,400 | 3.2% | 4,195,432 | 2.2% |
| Nov 2000 | 344,452 | -3.3% | 4,183,772 | 1.2% |
| Dec 2000 | 351,636 | -16.4% | 4,114,840 | -2.2% |
| Jan 2001 | 337,065 | 36.7% | 4,205,372 | 1.3% |
| Feb 2001 | 313,281 | -2.8% | 4,196,441 | 0.4% |
| Mar 2001 | 352,485 | -0.2% | 4,195,809 | 0.2% |
| Apr 2001 | 349,404 | 3.2% | 4,206,748 | 0.4% |
| May 2001 | 362,668 | -0.8% | 4,203,974 | 0.0% |
| Jun 2001 | 359,808 | -0.8% | 4,200,933 | -0.3% |

Monthly Gasoline Sales (in thousands of gallons)

Note: These data are taken from state taxation reports at the wholesale level and thus retail sales may reflect time lags of as long as 6 weeks. In addition, the data include highway use, non-highway use, and losses.

| | | Monthly Gasoline Sales for <u>North Carolina</u> | % change from month <u>one year prior</u> | Year Ending Gasoline Sales for <u>North Carolina</u> | % change from one <u>year prior</u> |
|-----|------|---|---|---|---|
| Jul | 2001 | 365,105 | 3.3% | 4,212,564 | 0.1% |
| Aug | 2001 | 386,702 | 2.8% | 4,223,191 | 0.6% |
| Sep | 2001 | 345,463 | 1.6% | 4,228,469 | 1.1% |
| Oct | 2001 | 356,981 | -0.9% | 4,225,050 | 0.7% |
| Nov | 2001 | 364,974 | 6.0% | 4,245,572 | 1.5% |
| Dec | 2001 | 349,756 | -0.5% | 4,243,692 | 3.1% |
| Jan | 2002 | 324,599 | -3.7% | 4,231,226 | 0.6% |
| Feb | 2002 | 314,049 | 0.2% | 4,231,994 | 0.8% |
| Mar | 2002 | 373,224 | 5.9% | 4,252,733 | 1.4% |
| Apr | 2002 | 362,307 | 3.7% | 4,265,636 | 1.4% |
| May | 2002 | 385,935 | 6.4% | 4,288,903 | 2.0% |
| Jun | 2002 | 353,515 | -1.7% | 4,282,610 | 1.9% |
| Jul | 2002 | 381,819 | 4.6% | 4,299,324 | 2.1% |
| Aug | 2002 | 388,322 | 0.4% | 4,300,944 | 1.8% |
| Sep | 2002 | 348,880 | 1.0% | 4,304,361 | 1.8% |
| Oct | 2002 | 369,854 | 3.6% | 4,317,234 | 2.2% |
| Nov | 2002 | 360,420 | -1.2% | 4,312,680 | 1.6% |
| Dec | 2002 | 358,955 | 2.6% | 4,321,879 | 1.8% |
| Jan | 2003 | 350,647 | 8.0% | 4,347,927 | 2.8% |
| Feb | 2003 | 309,803 | -1.4% | 4,343,681 | 2.6% |
| Mar | 2003 | 352,649 | -5.5% | 4,323,106 | 1.7% |
| Apr | 2003 | 352,764 | -2.6% | 4,313,563 | 1.1% |
| May | 2003 | 382,431 | -0.9% | 4,310,059 | 0.5% |
| Jun | 2003 | 368,673 | 4.3% | 4,325,217 | 1.0% |
| Jul | 2003 | 392,732 | 2.9% | 4,336,130 | 0.9% |
| Aug | 2003 | 396,930 | 2.2% | 4,344,738 | 1.0% |
| Sep | 2003 | 364,449 | 4.5% | 4,360,307 | 1.3% |
| Oct | 2003 | 383,700 | 3.7% | 4,374,153 | 1.3% |
| Nov | 2003 | 356,887 | -1.0% | 4,370,620 | 1.3% |
| Dec | 2003 | 373,497 | 4.1% | 4,385,162 | 1.5% |
| Jan | 2004 | 335,346 | -4.4% | 4,369,861 | 0.5% |
| Feb | 2004 | 340,455 | 9.9% | 4,400,513 | 1.3% |
| Mar | 2004 | 383,324 | 8.7% | 4,431,188 | 2.5% |
| Apr | 2004 | 366,911 | 4.0% | 4,445,335 | 3.1% |
| May | 2004 | 425,388 | 11.2% | 4,488,292 | 4.1% |
| Jun | 2004 | 353,521 | -4.1% | 4,473,140 | 3.4% |
| Jul | 2004 | 390,399 | -0.6% | 4,470,807 | 3.1% |
| Aug | 2004 | 387,946 | -2.3% | 4,461,823 | 2.7% |
| Sep | 2004 | 365,851 | 0.4% | 4,463,225 | 2.4% |
| Oct | 2004 | 377,443 | -1.6% | 4,456,968 | 1.9% |
| Nov | 2004 | 374,005 | 4.8% | 4,474,086 | 2.4% |
| Dec | 2004 | 366,853 | -1.8% | 4,467,442 | 1.9% |

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

| | Miles Driven (billions of miles) | Year ending Miles Driven (billions of miles) | % Change from Year Prior | Gasoline Consumption (millions of gallons) | Year ending Gasoline Consumption (millions of gallons) | % Change from Year Prior |
|-------|---|--|--------------------------------|---|--|--------------------------------|
| 1/99 | 193.6 | 2,614.3 | 2.9% | 9,741.3 | 128,562.5 | 2.5% |
| 2/99 | 191.5 | 2,618.8 | 2.9% | 9,975.6 | 128,898.0 | 2.4% |
| 3/99 | 220.8 | 2,628.1 | 3.2% | 10,832.4 | 129,225.5 | 2.4% |
| 4/99 | 221.0 | 2,630.5 | 2.9% | 10,939.8 | 129,556.1 | 2.6% |
| 5/99 | 230.8 | 2,631.4 | 2.6% | 11,492.9 | 129,885.0 | 2.7% |
| 6/99 | 236.0 | 2,640.2 | 2.6% | 11,515.1 | 130,343.5 | 2.9% |
| 7/99 | 243.1 | 2,639.7 | 2.1% | 11,641.3 | 130,483.4 | 2.7% |
| 8/99 | 241.5 | 2,644.6 | 2.1% | 11,875.1 | 131,245.4 | 3.1% |
| 9/99 | 224.3 | 2,649.6 | 1.9% | 11,026.5 | 131,371.9 | 2.8% |
| 10/99 | 233.6 | 2,657.7 | 2.0% | 11,028.6 | 131,686.5 | 2.9% |
| 11/99 | 221.9 | 2,670.8 | 2.2% | 11,116.0 | 132,258.1 | 3.0% |
| 12/99 | 221.5 | 2,679.6 | 2.3% | 11,539.8 | 132,724.4 | 3.2% |
| 1/00 | 199.3 | 2,685.3 | 2.7% | 9,953.3 | 132,936.4 | 3.4% |
| 2/00 | 195.2 | 2,689.0 | 2.7% | 10,324.4 | 133,285.2 | 3.4% |
| 3/00 | 227.8 | 2,696.0 | 2.6% | 10,644.3 | 133,097.1 | 3.0% |
| 4/00 | 223.2 | 2,698.2 | 2.6% | 11,108.9 | 133,266.2 | 2.9% |
| 5/00 | 237.6 | 2,705.0 | 2.8% | 11,646.8 | 133,420.1 | 2.7% |
| 6/00 | 238.3 | 2,707.3 | 2.5% | 11,311.1 | 133,216.1 | 2.2% |
| 7/00 | 240.3 | 2,704.5 | 2.5% | 11,539.6 | 133,114.4 | 2.0% |
| 8/00 | 242.9 | 2,705.9 | 2.3% | 11,674.0 | 132,913.3 | 1.3% |
| 9/00 | 222.6 | 2,704.2 | 2.1% | 10,982.0 | 132,868.8 | 1.1% |
| 10/00 | 231.8 | 2,702.4 | 1.7% | 11,252.4 | 133,092.6 | 1.1% |
| 11/00 | 218.4 | 2,698.9 | 1.1% | 10,863.9 | 132,840.5 | 0.4% |
| 12/00 | 214.2 | 2,691.6 | 0.4% | 11,323.1 | 132,623.8 | -0.1% |
| 1/01 | 209.3 | 2,701.6 | 0.6% | 10,422.2 | 133,092.7 | 0.1% |
| 2/01 | 199.9 | 2,706.3 | 0.6% | 10,207.4 | 132,975.7 | -0.2% |
| 3/01 | 231.5 | 2,710.0 | 0.5% | 10,916.8 | 133,248.2 | 0.1% |
| 4/01 | 231.4 | 2,718.2 | 0.7% | 11,134.2 | 133,273.5 | 0.0% |
| 5/01 | 244.3 | 2,724.9 | 0.7% | 11,536.2 | 133,162.9 | -0.2% |
| 6/01 | 242.6 | 2,729.2 | 0.8% | 11,705.6 | 133,557.4 | 0.3% |
| 7/01 | 248.8 | 2,737.7 | 1.2% | 11,691.1 | 133,708.9 | 0.4% |
| 8/01 | 251.7 | 2,746.5 | 1.5% | 11,894.2 | 133,929.1 | 0.8% |
| 9/01 | 224.6 | 2,748.5 | 1.6% | 10,978.4 | 133,925.5 | 0.8% |
| 10/01 | 240.0 | 2,756.7 | 2.0% | 11,281.5 | 133,954.6 | 0.6% |
| 11/01 | 229.5 | 2,767.8 | 2.6% | 11,093.0 | 134,183.7 | 1.0% |
| 12/01 | 228.1 | 2,781.7 | 3.3% | 11,360.1 | 134,220.7 | 1.2% |
| 1/02 | 213.7 | 2,786.1 | 3.1% | 10,751.1 | 134,549.6 | 1.1% |
| 2/02 | 206.4 | 2,792.6 | 3.2% | 10,230.3 | 134,572.5 | 1.2% |
| 3/02 | 234.0 | 2,795.1 | 3.1% | 11,265.8 | 134,921.5 | 1.3% |
| 4/02 | 234.7 | 2,798.4 | 3.0% | 11,469.3 | 135,256.6 | 1.5% |
| 5/02 | 249.7 | 2,803.8 | 2.9% | 12,062.9 | 135,783.3 | 2.0% |
| 6/02 | 246.3 | 2,807.5 | 2.9% | 11,669.3 | 135,747.0 | 1.6% |

Source: U. S. Department of Transportation, Federal Highway Administration

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

| | Miles Driven (billions of miles) | Year ending Miles Driven (billions of miles) | % Change from Year Prior | Gasoline Consumption (millions of gallons) | Year ending Gasoline Consumption (millions of gallons) | % Change from Year Prior |
|-------|---|--|--------------------------------|---|--|--------------------------------|
| 7/02 | 253.9 | 2,812.6 | 2.7% | 12,083.0 | 136,138.9 | 1.8% |
| 8/02 | 256.0 | 2,816.9 | 2.6% | 12,189.1 | 136,433.8 | 1.9% |
| 9/02 | 230.9 | 2,823.2 | 2.7% | 11,501.3 | 136,956.7 | 2.3% |
| 10/02 | 243.3 | 2,826.5 | 2.5% | 11,653.4 | 137,328.6 | 2.5% |
| 11/02 | 228.5 | 2,825.5 | 2.1% | 11,407.2 | 137,642.8 | 2.6% |
| 12/02 | 231.4 | 2,828.8 | 1.7% | 11,454.3 | 137,737.0 | 2.6% |
| 1/03 | 217.9 | 2,833.0 | 1.7% | 11,126.9 | 138,112.8 | 2.6% |
| 2/03 | 202.8 | 2,829.4 | 1.3% | 10,064.7 | 137,947.2 | 2.5% |
| 3/03 | 236.9 | 2,832.3 | 1.3% | 11,273.6 | 137,955.0 | 2.2% |
| 4/03 | 239.2 | 2,836.8 | 1.4% | 11,396.9 | 137,882.6 | 1.9% |
| 5/03 | 253.9 | 2,841.0 | 1.3% | 12,040.2 | 137,859.9 | 1.5% |
| 6/03 | 252.7 | 2,847.4 | 1.4% | 11,929.4 | 138,120.0 | 1.7% |
| 7/03 | 262.0 | 2,855.5 | 1.5% | 12,257.1 | 138,294.1 | 1.6% |
| 8/03 | 260.4 | 2,859.9 | 1.5% | 12,340.3 | 138,445.3 | 1.5% |
| 9/03 | 237.0 | 2,866.0 | 1.5% | 11,599.3 | 138,543.3 | 1.2% |
| 10/03 | 254.3 | 2,877.0 | 1.8% | 11,889.0 | 138,778.9 | 1.1% |
| 11/03 | 234.3 | 2,882.8 | 2.0% | 11,388.1 | 138,759.8 | 0.8% |
| 12/03 | 239.5 | 2,890.9 | 2.2% | 11,834.6 | 139,140.1 | 1.0% |
| 1/04 | 221.7 | 2,894.7 | 2.2% | 11,187.0 | 139,200.2 | 0.8% |
| 2/04 | 213.2 | 2,905.1 | 2.7% | 11,127.0 | 140,262.5 | 1.7% |
| 3/04 | 251.6 | 2,919.8 | 3.1% | 11,687.2 | 140,676.1 | 2.0% |
| 4/04 | 251.2 | 2,931.8 | 3.3% | 11,889.3 | 141,168.5 | 2.4% |
| 5/04 | 256.6 | 2,934.5 | 3.3% | 12,256.2 | 141,384.5 | 2.6% |
| 6/04 | 257.4 | 2,939.2 | 3.2% | 11,908.0 | 141,363.1 | 2.3% |
| 7/04 | 265.7 | 2,942.9 | 3.1% | 12,225.0 | 141,331.0 | 2.2% |
| 8/04 | 262.5 | 2,945.0 | 3.0% | 12,196.8 | 141,187.5 | 2.0% |
| 9/04 | 242.6 | 2,950.6 | 3.0% | 11,836.2 | 141,424.4 | 2.1% |
| 10/04 | 253.7 | 2,950.0 | 2.5% | 11,762.4 | 141,297.8 | 1.8% |
| 11/04 | 240.3 | 2,956.0 | 2.5% | 11,490.7 | 141,400.4 | 1.9% |
| 12/04 | 246.0 | 2,962.5 | 2.5% | 12,177.3 | 141,743.1 | 1.9% |
| 1/05 | 221.2 | 2,962.0 | 2.3% | | | |
| 2/05 | 217.5 | 2,966.3 | 2.1% | | | |
| 3/05 | 251.8 | 2,966.5 | 1.6% | | | |
| 4/05 | 249.3 | 2,964.6 | 1.1% | | | |
| 5/05 | 260.6 | 2,968.6 | 1.2% | | | |
| 6/05 | 261.9 | 2,973.1 | 1.2% | | | |
| 7/05 | 265.0 | 2,972.4 | 1.0% | | | |
| 8/05 | 263.3 | 2,973.2 | 1.0% | | | |
| 9/05 | 239.5 | 2,970.1 | 0.7% | | | |
| 10/05 | 249.7 | 2,966.1 | 0.5% | | | |

Source: U. S. Department of Transportation, Federal Highway Administration

COMPONENTS OF THE CPI INDEX
MONTHLY PERCENT CHANGES

| | CPI-U: All Items CUSA0NS | CPI-U: Med. Care CUSAMNS | CPI-U: Phys-Serv CUSEMC01NS | CPI-U: Hospital & Other Related Services CUSEMDNS | Weekly Income AWEEAP | CPI-U: Automobile Bodywork CUSETD01NS | PPI: All Items WPINS | PPI: Metal/MPR WP10NS |
|-------|---|---|--|--|-------------------------------------|--|-------------------------------------|--------------------------------------|
| 00:7 | 0.2% | 0.3% | 0.1% | 0.8% | 0.4% | 0.3% | -0.1% | 0.1% |
| 00:8 | 0.0% | 0.5% | 0.2% | 1.0% | -0.1% | 0.7% | -0.6% | 0.0% |
| 00:9 | 0.5% | 0.2% | 0.2% | 0.4% | 0.4% | 0.7% | 1.4% | 0.3% |
| 00:10 | 0.2% | 0.2% | 0.1% | 0.3% | 0.7% | 0.4% | 0.5% | -0.4% |
| 00:11 | 0.1% | 0.2% | 0.0% | 0.3% | 0.1% | 0.1% | -0.3% | -0.9% |
| 00:12 | -0.1% | 0.3% | 0.2% | 0.2% | -0.3% | 0.0% | 0.9% | 0.1% |
| 01:1 | 0.6% | 0.9% | 1.2% | 1.0% | 0.7% | 0.4% | 2.8% | 0.0% |
| 01:2 | 0.4% | 0.7% | 0.6% | 0.8% | 0.0% | 0.1% | -1.9% | -0.2% |
| 01:3 | 0.2% | 0.4% | 0.1% | 0.5% | 0.6% | -0.1% | -1.1% | 0.0% |
| 01:4 | 0.4% | 0.3% | 0.4% | 0.2% | 0.0% | 0.3% | 0.4% | -0.5% |
| 01:5 | 0.5% | 0.2% | 0.0% | 0.4% | 0.3% | 0.7% | 0.3% | 0.1% |
| 01:6 | 0.2% | 0.4% | 0.3% | 0.4% | 0.3% | 0.5% | -1.0% | -0.2% |
| 01:7 | -0.3% | 0.2% | 0.0% | 0.4% | 0.1% | 0.0% | -1.5% | -0.2% |
| 01:8 | 0.0% | 0.5% | 0.6% | 1.0% | 0.0% | 0.4% | 0.0% | -0.4% |
| 01:9 | 0.5% | 0.2% | 0.0% | 0.4% | 0.0% | 0.9% | -0.1% | -0.1% |
| 01:10 | -0.3% | 0.3% | 0.3% | 0.6% | -0.2% | 0.3% | -2.3% | -0.6% |
| 01:11 | -0.2% | 0.3% | 0.0% | 0.7% | 0.6% | -0.3% | -0.4% | -0.4% |
| 01:12 | -0.4% | 0.2% | 0.0% | 0.3% | 0.3% | 0.1% | -1.3% | 0.0% |
| 02:1 | 0.2% | 0.8% | 0.9% | 1.4% | 0.0% | -0.1% | 0.3% | 0.1% |
| 02:2 | 0.4% | 0.5% | 0.0% | 0.9% | 0.3% | -0.1% | -0.1% | 0.2% |
| 02:3 | 0.6% | 0.4% | 0.1% | 0.8% | 0.2% | 0.4% | 1.1% | 0.4% |
| 02:4 | 0.6% | 0.4% | 0.0% | 0.8% | 0.4% | 0.0% | 0.8% | 0.4% |
| 02:5 | 0.0% | 0.3% | 0.2% | 0.6% | 0.3% | 0.1% | 0.0% | 0.5% |
| 02:6 | 0.1% | 0.2% | 0.2% | 0.2% | 0.4% | 0.6% | 0.1% | 0.6% |
| 02:7 | 0.1% | 0.7% | 1.1% | 0.6% | 0.0% | 0.6% | 0.2% | 0.3% |
| 02:8 | 0.3% | 0.2% | 0.0% | 1.0% | 0.6% | 0.2% | 0.2% | -0.2% |
| 02:9 | 0.2% | 0.1% | -0.1% | 0.5% | 0.3% | 0.1% | 0.6% | 0.4% |
| 02:10 | 0.2% | 0.5% | 0.6% | 0.9% | 0.0% | 0.0% | 0.7% | -0.1% |
| 02:11 | 0.0% | 0.4% | 0.3% | 1.1% | 0.2% | 0.3% | -0.1% | 0.2% |
| 02:12 | -0.2% | 0.3% | 0.1% | 0.4% | 0.4% | -0.3% | -0.2% | -0.1% |
| 03:1 | 0.4% | 0.4% | 0.3% | 0.9% | 0.0% | -0.1% | 1.8% | 0.3% |
| 03:2 | 0.8% | 0.4% | 0.4% | 0.6% | 0.2% | 0.3% | 1.7% | 0.5% |
| 03:3 | 0.6% | 0.2% | 0.0% | 0.1% | 0.3% | 0.3% | 2.6% | 0.2% |
| 03:4 | -0.2% | 0.1% | 0.3% | 0.0% | -0.7% | 0.0% | -3.1% | -0.2% |
| 03:5 | -0.2% | 0.3% | 0.3% | 0.1% | 0.4% | 0.0% | -0.1% | 0.1% |
| 03:6 | 0.1% | 0.3% | -0.1% | 0.7% | 0.2% | 0.2% | 1.0% | 0.0% |
| 03:7 | 0.1% | 0.4% | 0.3% | 0.7% | 0.3% | 0.2% | -0.2% | 0.1% |
| 03:8 | 0.4% | 0.3% | 0.0% | 0.8% | 0.1% | 0.1% | 0.2% | 0.5% |
| 03:9 | 0.3% | 0.3% | 0.1% | 0.4% | 0.0% | -0.1% | 0.4% | 0.4% |
| 03:10 | -0.1% | 0.2% | 0.3% | 0.3% | 0.4% | 0.2% | 0.6% | 0.5% |
| 03:11 | -0.3% | 0.3% | 0.0% | 1.2% | 0.6% | 0.1% | -0.3% | 0.9% |
| 03:12 | -0.1% | 0.4% | 0.3% | 0.3% | -0.6% | 0.6% | 0.4% | 1.3% |
| 04:1 | 0.5% | 0.5% | 0.5% | 0.7% | 0.8% | 0.0% | 1.4% | 2.1% |
| 04:2 | 0.5% | 0.8% | 1.3% | 0.7% | 0.2% | 0.2% | 0.5% | 3.2% |
| 04:3 | 0.6% | 0.5% | 0.8% | 0.3% | -0.1% | 0.4% | 0.7% | 2.6% |
| 04:4 | 0.3% | 0.3% | 0.2% | 0.0% | 0.3% | 0.4% | 1.2% | 1.8% |
| 04:5 | 0.6% | 0.2% | 0.1% | 0.2% | 0.6% | 0.5% | 1.4% | 0.3% |
| 04:6 | 0.3% | 0.3% | 0.1% | 0.6% | -0.5% | -0.1% | 0.3% | 0.2% |
| 04:7 | -0.2% | 0.3% | 0.1% | 0.5% | 0.7% | 0.1% | 0.1% | 2.7% |
| 04:8 | 0.1% | 0.2% | 0.5% | -0.1% | 0.3% | 0.2% | 0.4% | 1.8% |
| 04:9 | 0.2% | 0.2% | 0.1% | 0.4% | 0.5% | 0.6% | -0.2% | 0.5% |
| 04:10 | 0.5% | 0.3% | 0.2% | 0.5% | 0.3% | 0.3% | 1.6% | 1.6% |
| 04:11 | 0.1% | 0.3% | 0.1% | 0.6% | -0.2% | 0.0% | 0.9% | 1.0% |
| 04:12 | -0.4% | 0.3% | 0.0% | 0.7% | 0.2% | -0.1% | -0.8% | 0.3% |
| 05:1 | 0.2% | 0.6% | 0.4% | 0.7% | 0.3% | -0.1% | 0.5% | 0.7% |
| 05:2 | 0.6% | 0.8% | 1.1% | 0.9% | 0.1% | 0.1% | 0.5% | 0.2% |
| 05:3 | 0.8% | 0.4% | 0.2% | 0.6% | 0.3% | 0.3% | 1.4% | -0.1% |
| 05:4 | 0.7% | 0.2% | 0.3% | 0.0% | 0.6% | 0.7% | 0.8% | 0.4% |
| 05:5 | -0.1% | 0.2% | 0.3% | 0.0% | -0.1% | 0.5% | -0.5% | -1.1% |
| 05:6 | 0.1% | 0.2% | 0.0% | 0.1% | 0.2% | 0.3% | 0.0% | -1.1% |
| 05:7 | 0.5% | 0.4% | 0.2% | 0.7% | 0.4% | 0.4% | 1.3% | -0.1% |
| 05:8 | 0.5% | -0.1% | 0.1% | -0.3% | 0.2% | 0.3% | 0.6% | 0.4% |
| 05:9 | 1.2% | 0.2% | 0.1% | 0.0% | 0.4% | 1.1% | 2.9% | 1.9% |

COMPONENTS OF THE CPI INDEX
ANNUAL PERCENT CHANGES

| <u>Year</u> | <u>CPI-U: All Items CUSA0NS</u> | <u>CPI-U: Med. Care CUSAMNS</u> | <u>CPI-U: Phys-Serv CUSEMC01NS</u> | <u>CPI-U: Hospital & Other Related Services CUSEMDNS</u> | <u>Weekly Income AWEEAP</u> | <u>CPI-U: Automobile Bodywork CUSETD01NS</u> | <u>PPI: All Items WPINS</u> | <u>PPI: Metal/MPR WPI10NS</u> |
|-------------|---|---|--|--|-------------------------------------|--|-------------------------------------|---------------------------------------|
| 00:7 | 3.7% | 4.1% | 3.6% | 6.3% | 3.6% | 3.0% | 6.4% | 2.9% |
| 00:8 | 3.4% | 4.2% | 3.7% | 6.6% | 3.2% | 3.2% | 4.7% | 2.5% |
| 00:9 | 3.5% | 4.3% | 3.9% | 6.8% | 3.1% | 4.2% | 5.2% | 2.3% |
| 00:10 | 3.4% | 4.3% | 3.7% | 6.8% | 3.7% | 4.3% | 6.0% | 1.3% |
| 00:11 | 3.4% | 4.3% | 3.6% | 6.8% | 3.6% | 3.7% | 5.2% | 0.2% |
| 00:12 | 3.4% | 4.2% | 3.9% | 6.2% | 3.0% | 3.7% | 6.6% | -0.3% |
| 01:1 | 3.7% | 4.5% | 4.4% | 6.5% | 3.3% | 4.3% | 9.1% | -1.1% |
| 01:2 | 3.5% | 4.6% | 4.0% | 6.6% | 2.9% | 4.2% | 5.9% | -1.7% |
| 01:3 | 2.9% | 4.6% | 3.5% | 6.8% | 3.5% | 3.4% | 3.9% | -1.6% |
| 01:4 | 3.3% | 4.6% | 3.6% | 6.7% | 2.7% | 3.4% | 4.4% | -2.0% |
| 01:5 | 3.6% | 4.6% | 3.6% | 6.9% | 3.1% | 3.9% | 4.0% | -1.6% |
| 01:6 | 3.2% | 4.6% | 3.4% | 6.7% | 3.0% | 4.2% | 1.3% | -1.6% |
| 01:7 | 2.7% | 4.5% | 3.3% | 6.2% | 2.8% | 3.9% | -0.2% | -2.0% |
| 01:8 | 2.7% | 4.5% | 3.7% | 6.2% | 2.9% | 3.6% | 0.4% | -2.3% |
| 01:9 | 2.6% | 4.5% | 3.6% | 6.2% | 2.4% | 3.8% | -1.0% | -2.7% |
| 01:10 | 2.1% | 4.6% | 3.7% | 6.6% | 1.5% | 3.7% | -3.8% | -3.0% |
| 01:11 | 1.9% | 4.8% | 3.8% | 6.9% | 2.1% | 3.3% | -3.9% | -2.5% |
| 01:12 | 1.6% | 4.7% | 3.5% | 7.1% | 2.7% | 3.4% | -5.9% | -2.6% |
| 02:1 | 1.1% | 4.7% | 3.2% | 7.5% | 2.0% | 2.9% | -8.2% | -2.5% |
| 02:2 | 1.1% | 4.5% | 2.6% | 7.7% | 2.3% | 2.7% | -6.6% | -2.1% |
| 02:3 | 1.5% | 4.4% | 2.6% | 8.0% | 1.9% | 3.2% | -4.5% | -1.7% |
| 02:4 | 1.6% | 4.6% | 2.1% | 8.6% | 2.3% | 2.9% | -4.1% | -0.8% |
| 02:5 | 1.2% | 4.7% | 2.3% | 8.8% | 2.3% | 2.2% | -4.4% | -0.4% |
| 02:6 | 1.1% | 4.5% | 2.2% | 8.5% | 2.5% | 2.3% | -3.4% | 0.5% |
| 02:7 | 1.5% | 4.9% | 3.4% | 8.8% | 2.3% | 2.8% | -1.6% | 1.0% |
| 02:8 | 1.8% | 4.7% | 2.7% | 8.8% | 2.9% | 2.7% | -1.4% | 1.3% |
| 02:9 | 1.5% | 4.6% | 2.6% | 9.0% | 3.2% | 2.0% | -0.8% | 1.8% |
| 02:10 | 2.0% | 4.8% | 2.9% | 9.3% | 3.4% | 1.7% | 2.2% | 2.3% |
| 02:11 | 2.2% | 5.0% | 3.1% | 9.7% | 3.0% | 2.2% | 2.5% | 3.0% |
| 02:12 | 2.4% | 5.0% | 3.2% | 9.8% | 3.1% | 1.8% | 3.7% | 2.9% |
| 03:1 | 2.6% | 4.6% | 2.7% | 9.2% | 3.1% | 1.8% | 5.3% | 3.2% |
| 03:2 | 3.0% | 4.5% | 3.1% | 8.9% | 3.1% | 2.2% | 7.2% | 3.5% |
| 03:3 | 3.0% | 4.3% | 3.0% | 8.2% | 3.2% | 2.2% | 8.8% | 3.2% |
| 03:4 | 2.2% | 4.0% | 3.3% | 7.3% | 2.0% | 2.2% | 4.6% | 2.6% |
| 03:5 | 2.1% | 4.0% | 3.4% | 6.7% | 2.1% | 2.2% | 4.5% | 2.1% |
| 03:6 | 2.1% | 4.1% | 3.1% | 7.3% | 1.9% | 1.8% | 5.4% | 1.5% |
| 03:7 | 2.1% | 3.8% | 2.3% | 7.4% | 2.3% | 1.4% | 5.0% | 1.3% |
| 03:8 | 2.2% | 3.9% | 2.4% | 7.2% | 1.8% | 1.3% | 4.9% | 1.9% |
| 03:9 | 2.3% | 4.0% | 2.6% | 7.0% | 1.4% | 1.0% | 4.7% | 1.9% |
| 03:10 | 2.0% | 3.7% | 2.3% | 6.4% | 1.8% | 1.2% | 4.6% | 2.5% |
| 03:11 | 1.8% | 3.5% | 2.0% | 6.5% | 2.1% | 1.0% | 4.4% | 3.2% |
| 03:12 | 1.9% | 3.7% | 2.3% | 6.4% | 1.1% | 1.9% | 5.0% | 4.6% |
| 04:1 | 1.9% | 3.8% | 2.5% | 6.2% | 1.9% | 2.0% | 4.5% | 6.5% |
| 04:2 | 1.7% | 4.2% | 3.4% | 6.3% | 1.9% | 1.8% | 3.3% | 9.3% |
| 04:3 | 1.7% | 4.5% | 4.2% | 6.5% | 1.5% | 1.9% | 1.3% | 12.0% |
| 04:4 | 2.3% | 4.7% | 4.2% | 6.4% | 2.5% | 2.4% | 5.8% | 14.3% |
| 04:5 | 3.1% | 4.6% | 3.9% | 6.6% | 2.6% | 2.8% | 7.4% | 14.6% |
| 04:6 | 3.3% | 4.6% | 4.1% | 6.4% | 2.0% | 2.5% | 6.7% | 14.8% |
| 04:7 | 3.0% | 4.5% | 3.9% | 6.2% | 2.3% | 2.4% | 7.0% | 17.8% |
| 04:8 | 2.7% | 4.4% | 4.4% | 5.2% | 2.5% | 2.6% | 7.2% | 19.4% |
| 04:9 | 2.5% | 4.4% | 4.4% | 5.2% | 3.0% | 3.3% | 6.6% | 19.5% |
| 04:10 | 3.2% | 4.5% | 4.3% | 5.4% | 2.9% | 3.5% | 7.7% | 20.7% |
| 04:11 | 3.5% | 4.4% | 4.3% | 4.8% | 2.1% | 3.4% | 9.0% | 20.7% |
| 04:12 | 3.3% | 4.2% | 4.0% | 5.2% | 2.9% | 2.7% | 7.7% | 19.5% |
| 05:1 | 3.0% | 4.3% | 3.9% | 5.2% | 2.4% | 2.5% | 6.7% | 17.8% |
| 05:2 | 3.0% | 4.3% | 3.7% | 5.4% | 2.3% | 2.4% | 6.7% | 14.5% |
| 05:3 | 3.1% | 4.3% | 3.1% | 5.7% | 2.6% | 2.3% | 7.4% | 11.5% |
| 05:4 | 3.5% | 4.3% | 3.3% | 5.7% | 3.0% | 2.6% | 7.0% | 10.0% |
| 05:5 | 2.8% | 4.3% | 3.5% | 5.5% | 2.3% | 2.6% | 5.1% | 8.4% |
| 05:6 | 2.5% | 4.2% | 3.4% | 5.0% | 3.1% | 3.1% | 4.8% | 7.0% |
| 05:7 | 3.2% | 4.2% | 3.6% | 5.2% | 2.8% | 3.4% | 6.0% | 4.0% |
| 05:8 | 3.6% | 3.9% | 3.1% | 5.0% | 2.7% | 3.4% | 6.3% | 2.6% |
| 05:9 | 4.7% | 3.9% | 3.1% | 4.6% | 2.7% | 4.0% | 9.6% | 4.1% |

CPI ALL ITEMS (URBAN) - LESS ENERGY

CUSA0LENS

| <u>Month</u> | <u>Index</u> | <u>Annual Percentage Change</u> |
|--------------|--------------|---|
| 01:1 | 1.810 | 2.7% |
| 01:2 | 1.818 | 2.8% |
| 01:3 | 1.826 | 2.7% |
| 01:4 | 1.829 | 2.7% |
| 01:5 | 1.829 | 2.6% |
| 01:6 | 1.833 | 2.8% |
| 01:7 | 1.836 | 2.7% |
| 01:8 | 1.841 | 2.8% |
| 01:9 | 1.845 | 2.7% |
| 01:10 | 1.851 | 2.8% |
| 01:11 | 1.854 | 2.8% |
| 01:12 | 1.852 | 2.8% |
| 02:1 | 1.857 | 2.6% |
| 02:2 | 1.865 | 2.6% |
| 02:3 | 1.871 | 2.5% |
| 02:4 | 1.875 | 2.5% |
| 02:5 | 1.874 | 2.5% |
| 02:6 | 1.873 | 2.2% |
| 02:7 | 1.875 | 2.1% |
| 02:8 | 1.881 | 2.2% |
| 02:9 | 1.884 | 2.1% |
| 02:10 | 1.888 | 2.0% |
| 02:11 | 1.889 | 1.9% |
| 02:12 | 1.886 | 1.8% |
| 03:1 | 1.890 | 1.8% |
| 03:2 | 1.897 | 1.7% |
| 03:3 | 1.902 | 1.7% |
| 03:4 | 1.902 | 1.4% |
| 03:5 | 1.903 | 1.5% |
| 03:6 | 1.903 | 1.6% |
| 03:7 | 1.905 | 1.6% |
| 03:8 | 1.908 | 1.4% |
| 03:9 | 1.910 | 1.4% |
| 03:10 | 1.917 | 1.5% |
| 03:11 | 1.916 | 1.4% |
| 03:12 | 1.915 | 1.5% |
| 04:1 | 1.919 | 1.5% |
| 04:2 | 1.927 | 1.6% |
| 04:3 | 1.937 | 1.8% |
| 04:4 | 1.941 | 2.1% |
| 04:5 | 1.943 | 2.1% |
| 04:6 | 1.944 | 2.2% |
| 04:7 | 1.945 | 2.1% |
| 04:8 | 1.947 | 2.0% |
| 04:9 | 1.952 | 2.2% |
| 04:10 | 1.960 | 2.2% |
| 04:11 | 1.960 | 2.3% |
| 04:12 | 1.958 | 2.2% |
| 05:1 | 1.964 | 2.3% |
| 05:2 | 1.973 | 2.4% |
| 05:3 | 1.983 | 2.4% |
| 05:4 | 1.986 | 2.3% |
| 05:5 | 1.986 | 2.2% |
| 05:6 | 1.985 | 2.1% |
| 05:7 | 1.987 | 2.2% |
| 05:8 | 1.989 | 2.2% |
| 05:9 | 1.992 | 2.0% |

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

5. CHANGES IN PREMIUM BASE RESULTING FROM RATING EXPOSURE TRENDS

(a) Exposure distributions by policy term:

| <u>Year Ended</u> | <u>6 Month</u> | <u>12 Month</u> |
|-------------------|----------------|-----------------|
| 12/1999 | 90% | 10% |
| 12/2000 | 83 | 17 |
| 12/2001 | 85 | 15 |
| 12/2002 | 90 | 10 |
| 12/2003 | 87 | 13 |
| 12/2004 | 87 | 13 |

These exposure distributions are the best estimates of the corresponding premium distributions.

The distribution for the most recent year is the best estimate of the distribution during the time the proposed rates will be in effect.

- (b) Calculation of model year trend factors is shown on page H-682. This calculation is based on a comparison of the average model year relativity for the period for which the proposed rates will be in effect and the average model year relativity underlying the calculation of the premium at present rates. The model year trend factors are 1.056 for Comprehensive and 1.064 for Collision.

Calculation of symbol trend factors is shown on page H-683-684. Symbol trend factors are selected based on historical data for written exposures for each deductible. The trend period is the midpoint of the experience period to the average date of earning under the proposed rates (3.03 years). The symbol trend factors are 1.046 for Comprehensive and 1.031 for Collision.

The application of the model year and symbol trend factors is shown and described on page C-7 and C-8.

No premium trend is applicable to the liability coverages.

See also pre-filed testimony of P. Woods and M. Miller.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
FOR 2006 BASE
CALCULATION OF MODEL YEAR RELATIVITY
BEFORE OCTOBER 1, 2006

| Automobile Model Year | Comprehensive | | Collision | |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Exposure Distribution | Model Year Relativity | Exposure Distribution | Model Year Relativity |
| 2006 | 0.066 | 1.000 | 0.071 | 1.000 |
| 2005 | 0.088 | 0.950 | 0.094 | 0.950 |
| 2004 | 0.089 | 0.900 | 0.095 | 0.900 |
| 2003 | 0.089 | 0.850 | 0.095 | 0.850 |
| 2002 | 0.098 | 0.800 | 0.104 | 0.790 |
| 2001 | 0.090 | 0.750 | 0.096 | 0.720 |
| 2000 | 0.079 | 0.690 | 0.082 | 0.660 |
| 1999 | 0.072 | 0.640 | 0.074 | 0.600 |
| 1998 | 0.059 | 0.590 | 0.059 | 0.540 |
| 1997 & prior | 0.270 | 0.540 | 0.230 | 0.490 |
| (1) Average | | 0.732 | | 0.721 |

AFTER OCTOBER 1, 2006 (INTRODUCTION OF 2007 MODEL)

| Automobile Model Year | Comprehensive | | Collision | |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Exposure Distribution | Model Year Relativity | Exposure Distribution | Model Year Relativity |
| 2007 | 0.066 | 1.050 | 0.071 | 1.050 |
| 2006 | 0.088 | 1.000 | 0.094 | 1.000 |
| 2005 | 0.089 | 0.950 | 0.095 | 0.950 |
| 2004 | 0.089 | 0.900 | 0.095 | 0.900 |
| 2003 | 0.098 | 0.850 | 0.104 | 0.850 |
| 2002 | 0.090 | 0.800 | 0.096 | 0.790 |
| 2001 | 0.079 | 0.750 | 0.082 | 0.720 |
| 2000 | 0.072 | 0.690 | 0.074 | 0.660 |
| 1999 | 0.059 | 0.640 | 0.059 | 0.600 |
| 1998 | 0.058 | 0.590 | 0.057 | 0.540 |
| 1997 & prior | 0.212 | 0.540 | 0.173 | 0.490 |
| (2) Average | | 0.773 | | 0.767 |

AFTER OCTOBER 1, 2007 (INTRODUCTION OF 2008 MODEL)

| Automobile Model Year | Comprehensive | | Collision | |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Exposure Distribution | Model Year Relativity | Exposure Distribution | Model Year Relativity |
| 2008 | 0.066 | 1.103 | 0.071 | 1.103 |
| 2007 | 0.088 | 1.050 | 0.094 | 1.050 |
| 2006 | 0.089 | 1.000 | 0.095 | 1.000 |
| 2005 | 0.089 | 0.950 | 0.095 | 0.950 |
| 2004 | 0.098 | 0.900 | 0.104 | 0.900 |
| 2003 | 0.090 | 0.850 | 0.096 | 0.850 |
| 2002 | 0.079 | 0.800 | 0.082 | 0.790 |
| 2001 | 0.072 | 0.750 | 0.074 | 0.720 |
| 2000 | 0.059 | 0.690 | 0.059 | 0.660 |
| 1999 | 0.058 | 0.640 | 0.057 | 0.600 |
| 1998 | 0.045 | 0.590 | 0.043 | 0.540 |
| 1997 & prior | 0.167 | 0.540 | 0.130 | 0.490 |
| (3) Average | | 0.815 | | 0.816 |

(4) Number of months from effective date to 10/1/2007: 12

(5) Average relativity based on an effective date of 10/1/2006:

Comp: $(.773 \times (4) + .815 \times (12 - (4))) / 12 = 0.773$

Coll: $(.767 \times (4) + .816 \times (12 - (4))) / 12 = 0.767$

(6) Model year trend factor:

Comp: $(5) / .732 = 1.056$

Coll: $(5) / .721 = 1.064$

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SYMBOL TREND

COMPREHENSIVE (a)

| Year Ended | Full Coverage | | \$50 Deductible | | \$100 Deductible | | \$250 Deductible | | \$500 Deductible | | \$1000 Deductible | |
|---------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|
| | WRITTEN EXPOSURES | SYMBOL FACTOR |
| 6/30/01 | 768,684 | 1.601 | 126,775 | 1.747 | 517,835 | 1.889 | 174,769 | 2.032 | 140,449 | 2.199 | 10,610 | 2.668 |
| 12/31/01 | 726,516 | 1.624 | 115,657 | 1.776 | 495,063 | 1.910 | 174,872 | 2.049 | 142,260 | 2.217 | 11,141 | 2.671 |
| 6/30/02 | 710,353 | 1.645 | 107,159 | 1.794 | 483,374 | 1.924 | 175,154 | 2.064 | 146,513 | 2.229 | 11,979 | 2.670 |
| 12/31/02 | 704,180 | 1.675 | 106,221 | 1.815 | 483,248 | 1.941 | 178,806 | 2.080 | 152,899 | 2.246 | 13,436 | 2.656 |
| 6/30/03 | 702,513 | 1.696 | 111,617 | 1.824 | 517,220 | 1.944 | 220,002 | 2.059 | 211,911 | 2.208 | 19,525 | 2.589 |
| 12/31/03 | 683,051 | 1.718 | 105,171 | 1.838 | 507,535 | 1.959 | 223,043 | 2.074 | 224,900 | 2.226 | 22,148 | 2.575 |
| 6/30/04 | 666,236 | 1.740 | 99,837 | 1.862 | 501,977 | 1.977 | 227,663 | 2.090 | 240,176 | 2.243 | 24,638 | 2.565 |
| 12/31/04 | 675,329 | 1.763 | 101,402 | 1.885 | 518,844 | 1.995 | 237,805 | 2.112 | 256,933 | 2.271 | 27,943 | 2.605 |

Average Annual Rate of Change:

| | | | | | | |
|------------|------|------|------|------|------|-------|
| 8 points * | 2.8% | 2.0% | 1.5% | 0.9% | 0.6% | -1.2% |
| 6 points * | 2.7% | 1.9% | 1.4% | 0.8% | 0.6% | -1.3% |
| 2 year | 2.6% | 1.9% | 1.4% | 0.8% | 0.6% | -1.0% |
| 1 year | 2.6% | 2.6% | 1.8% | 1.8% | 2.0% | 1.2% |

Correlation Coefficients:

| | | | | | | |
|------------|------|------|------|------|------|-------|
| 8 points * | 1.00 | 0.99 | 0.99 | 0.91 | 0.74 | -0.84 |
| 6 points * | 1.00 | 0.99 | 0.99 | 0.79 | 0.55 | -0.75 |

* Based on exponential curve of best fit.

(a) Standard business only.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SYMBOL TREND

COLLISION (a)

| Year Ended | \$50 Deductible | | \$100 Deductible | | \$200 Deductible | | \$250 Deductible | | \$500 Deductible | | \$1000 Deductible | |
|------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|
| | WRITTEN EXPOSURES | SYMBOL FACTOR |
| 6/30/01 | 6,274 | 1.027 | 208,179 | 1.081 | 34,602 | 1.225 | 800,795 | 1.248 | 534,039 | 1.371 | 28,686 | 1.507 |
| 12/31/01 | 6,226 | 1.050 | 194,547 | 1.091 | 32,831 | 1.239 | 763,341 | 1.254 | 519,858 | 1.378 | 29,078 | 1.512 |
| 6/30/02 | 6,188 | 1.070 | 186,055 | 1.098 | 31,918 | 1.250 | 742,935 | 1.257 | 518,942 | 1.382 | 30,282 | 1.513 |
| 12/31/02 | 6,110 | 1.087 | 181,123 | 1.109 | 30,960 | 1.260 | 737,339 | 1.266 | 531,119 | 1.390 | 33,131 | 1.519 |
| 6/30/03 | 7,072 | 1.111 | 183,228 | 1.122 | 37,097 | 1.263 | 770,484 | 1.271 | 618,764 | 1.390 | 42,230 | 1.513 |
| 12/31/03 | 7,074 | 1.129 | 174,664 | 1.133 | 35,724 | 1.271 | 753,110 | 1.279 | 626,100 | 1.398 | 46,512 | 1.517 |
| 6/30/04 | 7,269 | 1.151 | 167,389 | 1.143 | 34,770 | 1.282 | 740,240 | 1.285 | 639,881 | 1.403 | 50,650 | 1.519 |
| 12/31/04 | 7,509 | 1.168 | 166,358 | 1.151 | 34,414 | 1.291 | 752,998 | 1.290 | 675,797 | 1.411 | 56,200 | 1.530 |

Average Annual Rate of Change:

| | | | | | | |
|------------|------|------|------|------|------|------|
| 8 points * | 3.7% | 1.9% | 1.4% | 1.0% | 0.8% | 0.3% |
| 6 points * | 3.6% | 1.9% | 1.3% | 1.0% | 0.8% | 0.3% |
| 2 year | 3.7% | 1.9% | 1.2% | 0.9% | 0.8% | 0.4% |
| 1 year | 3.5% | 1.6% | 1.6% | 0.9% | 0.9% | 0.9% |

Correlation Coefficients:

| | | | | | | |
|------------|------|------|------|------|------|------|
| 8 points * | 1.00 | 1.00 | 0.99 | 1.00 | 0.99 | 0.86 |
| 6 points * | 1.00 | 1.00 | 0.99 | 1.00 | 0.98 | 0.76 |

* Based on exponential curve of best fit.

(a) Standard business only.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

6. LIMITING FACTOR DEVELOPMENT AND APPLICATION

For Underinsured Motorists coverage, a statewide average required premium per exposure was selected. See Section E.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

7. OVERHEAD EXPENSE DEVELOPMENT AND APPLICATION OF COMMISSION AND BROKERAGE,
OTHER ACQUISITION EXPENSES, GENERAL EXPENSES, TAXES, LICENSES, AND FEES
- (a) (b) The derivation of expense factors is shown on the following
pages H-687-690. See also pre-filed testimony of P. Woods and
M. Miller.
- (c) Pages H-600-614 contain information on expenses for the top 10
writers.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF LIABILITY EXPENSE EXPERIENCE - VOLUNTARY AND CEDED BUSINESS

| | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Premium Written (Manual Level) | \$2,128,075,319 | \$2,088,424,946 | \$2,182,501,620 | \$2,319,914,842 | \$2,344,630,005 |
| Premiums Earned (Manual Level) | 2,140,805,296 | 2,091,064,008 | 2,153,995,534 | 2,272,048,154 | 2,317,791,914 |
| Premium Written (Collected Level) | 1,931,613,561 | 1,896,237,159 | 1,966,486,164 | 2,131,701,669 | 2,186,772,183 |
| Premiums Earned (Collected Level) | 1,939,239,000 | 1,897,802,072 | 1,939,187,608 | 2,080,058,726 | 2,165,237,699 |
| Commission & Brokerage | 184,638,340 | 189,078,142 | 196,758,521 | 208,066,954 | 216,474,247 |
| Other Acquisition | 150,011,919 | 138,898,741 | 157,517,235 | 178,306,347 | 191,699,030 |
| General Expenses | 115,123,637 | 121,344,299 | 129,965,042 | 126,339,929 | 137,708,746 |
| Taxes, Licenses, and Fees | 43,306,666 | 45,064,435 | 48,885,392 | 50,675,808 | 49,949,234 |
| Bodily Injury Losses Incurred | 779,777,822 | 876,481,923 | 797,908,662 | 901,261,493 | 983,642,182 |
| BI Allocated Loss Adjustment | 33,979,502 | 38,066,636 | 11,029,181 | 33,670,584 | 36,670,488 |
| BI Unallocated Loss Adjustment | 107,502,974 | 116,743,366 | 108,169,312 | 111,448,514 | 115,524,475 |
| Property Damage Losses Incurred | 539,273,166 | 537,030,087 | 583,087,084 | 588,252,361 | 602,068,126 |
| PD Allocated Loss Adjustment | 3,062,127 | 1,738,292 | 4,491,936 | 8,993,978 | 6,792,019 |
| PD Unallocated Loss Adjustment | 58,826,778 | 62,402,493 | 67,179,157 | 76,384,689 | 76,480,634 |

COMBINED RATIOS

| | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|
| Commission & Brokerage to Written Premium (a) (b) | .095 | .100 | .100 | .097 | .099 |
| Other Acquisition to Earned Premium (b) | .077 | .073 | .081 | .086 | .089 |
| General Expenses to Earned Premium (b) | .059 | .064 | .065 | .061 | .064 |
| Taxes, Licenses, etc. to Written Premium (b) | .022 | .024 | .025 | .024 | .023 |
| Unallocated Loss Adjustment Expenses to Losses + Allocated | .132 | .128 | .134 | .119 | .113 |
| | <u>BI</u> | <u>PD</u> | <u>BI</u> | <u>PD</u> | <u>PD</u> |
| | .132 | .108 | .134 | .114 | .128 |
| | <u>BI</u> | <u>PD</u> | <u>BI</u> | <u>PD</u> | <u>PD</u> |
| | .128 | .116 | .114 | .128 | .126 |

Notes:

- (a) Since ceded business has a commission and brokerage provision set at 10%, the provision for voluntary business is found by solving the following expression for X:
.10 (percent ceded written premium) + X (percent voluntary written premium) = overall Commission and Brokerage provision.
- (b) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF PHYSICAL DAMAGE EXPENSE EXPERIENCE - STANDARD BUSINESS

| | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Premium Written (Collected Level) | \$1,116,897,092 | \$1,143,486,328 | \$1,258,370,573 | \$1,235,884,923 | \$1,192,451,971 |
| Premium Earned (Collected Level) | 1,121,766,038 | 1,131,022,759 | 1,224,285,954 | 1,266,847,640 | 1,171,171,370 |
| Commission & Brokerage | 107,679,458 | 114,245,618 | 128,057,797 | 122,718,054 | 112,598,476 |
| Other Acquisition | 89,919,958 | 84,022,235 | 97,409,620 | 97,073,773 | 100,577,378 |
| General Expenses | 55,453,128 | 63,802,742 | 64,906,068 | 63,420,531 | 59,255,614 |
| Taxes, Licenses, and Fees | 24,983,550 | 27,013,033 | 29,386,257 | 28,518,893 | 26,124,040 |
| Losses Incurred | 697,999,606 | 669,615,054 | 700,864,618 | 768,041,816 | 663,158,742 |
| All Loss Adjustment Expenses | 98,118,780 | 91,922,631 | 117,538,891 | 98,542,743 | 100,686,005 |

COMBINED RATIOS

| | | | | | |
|--|------|------|------|------|------|
| Commission & Brokerage to Written Premium (a) | .096 | .100 | .102 | .099 | .094 |
| Other Acquisition to Earned Premium (a) | .080 | .074 | .080 | .077 | .086 |
| General Expenses to Earned Premium (a) | .049 | .056 | .053 | .050 | .051 |
| Taxes, Licenses, etc. to Written Premium (a) | .022 | .024 | .023 | .023 | .022 |
| All Loss Adjustment Expenses to Incurred Losses | .141 | .137 | .168 | .128 | .152 |

Notes:

(a) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF PHYSICAL DAMAGE EXPENSE EXPERIENCE - NON-STANDARD BUSINESS

| | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Premium Written (Collected Level) | \$353,121,586 | \$382,269,429 | \$396,325,164 | \$441,953,161 | \$474,845,377 |
| Premium Earned (Collected Level) | 346,417,739 | 370,975,716 | 385,218,762 | 434,717,887 | 464,964,821 |
| Commission & Brokerage | 33,878,095 | 38,559,472 | 39,478,816 | 45,161,385 | 45,834,258 |
| Other Acquisition | 22,913,118 | 20,698,315 | 16,615,882 | 20,396,092 | 22,669,007 |
| General Expenses | 24,211,145 | 22,153,380 | 21,981,007 | 21,548,068 | 24,283,539 |
| Taxes, Licenses, and Fees | 8,525,547 | 9,284,440 | 9,682,852 | 11,044,293 | 11,067,447 |
| Losses Incurred | 200,922,191 | 209,080,197 | 211,707,855 | 238,871,316 | 236,534,958 |
| All Loss Adjustment Expenses | 17,752,770 | 31,138,847 | 33,216,968 | 35,044,004 | 36,158,614 |

COMBINED RATIOS

| | | | | | |
|--|------|------|------|------|------|
| Commission & Brokerage to Written Premium (a) | .096 | .101 | .100 | .102 | .097 |
| Other Acquisition to Earned Premium (a) | .066 | .056 | .043 | .047 | .049 |
| General Expenses to Earned Premium (a) | .070 | .060 | .057 | .050 | .052 |
| Taxes, Licenses, etc. to Written Premium (a) | .024 | .024 | .024 | .025 | .023 |
| All Loss Adjustment Expenses to Incurred Losses | .088 | .149 | .157 | .147 | .153 |

Notes:

(a) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
MOTORCYCLE INSURANCE
SUMMARY OF LIABILITY EXPENSE EXPERIENCE - VOLUNTARY AND CEDED BUSINESS

| <u>Item</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|--|--------------|------------------------|--------------|--------------|--------------|
| Premiums Written | \$14,743,182 | \$17,569,891 | \$17,767,876 | \$21,404,466 | \$24,368,906 |
| Premiums Earned | 14,430,309 | 16,953,554 | 17,226,637 | 20,360,578 | 23,453,046 |
| Commission & Brokerage | 1,840,657 | 2,004,943 | 2,096,798 | 2,434,725 | 2,512,584 |
| Other Acquisition | 1,274,959 | 1,376,449 | 1,409,269 | 1,409,720 | 1,718,064 |
| General Expenses | 801,372 | 1,086,450 | 914,380 | 768,456 | 913,911 |
| Taxes, Licenses, and Fees | 321,212 | 403,676 | 441,524 | 461,972 | 512,953 |
| Losses Incurred | 7,244,023 | 7,836,352 | 7,684,849 | 10,614,863 | 11,368,841 |
| All Loss Adjustment Expenses | 552,887 | 885,800 | 1,160,753 | 2,258,406 | 2,017,972 |
| | | <u>COMBINED RATIOS</u> | | | |
| Commission & Brokerage to Written Premium | .125 | .114 | .118 | .114 | .103 |
| Other Acquisition to Earned Premium | .088 | .081 | .082 | .069 | .073 |
| General Expenses to Earned Premium | .056 | .064 | .053 | .038 | .039 |
| Taxes, Licenses, etc. to Written Premium | .022 | .023 | .025 | .022 | .021 |
| All Loss Adjustment Expenses to Losses | .076 | .113 | .151 | .213 | .178 |

Source: North Carolina Rate Bureau Expense Call

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

8. PERCENT RATE CHANGE

The overall statewide rate change by coverage is shown on page A-1.

The proposed rate changes are dependent on the actual implementation date of the new rates, because any such change will affect all of the trending periods used in the filing. Any change in the trending periods will affect all of the losses and fixed expenses, and the physical damage premiums, used in the calculation of the rate level indication.

If the effective date were to be changed, advance notice of approximately one hundred five (105) days after the issuing of the Commissioner's Order is required for an orderly implementation of the change in rates. This is the amount of time required to calculate the new rates based on the new effective date, and distribute the necessary information to member companies.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

9. FINAL PROPOSED RATES

The proposed rates are shown in Section B.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

10. INVESTMENT EARNINGS, CONSISTING OF INVESTMENT INCOME AND REALIZED PLUS UNREALIZED CAPITAL GAINS, FROM LOSS, LOSS EXPENSE AND UNEARNED PREMIUM RESERVES

See attached Exhibits (10)(a), (b) and (c) and the pre-filed testimony of P. Woods and D. Appel. The experience provides the best estimate of the future.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
VOLUNTARY LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2000 | | \$1,421,683,751 |
| 2. Mean Unearned Premium Reserve | 0.303 x (1) | 430,770,177 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.20% |
| Taxes, Licenses and Fees | | 1.83% |
| 50% of Other Acquisition Expense | | 3.60% |
| 50% of Company Operating Expense | | 2.75% |
| Total | | 17.38% |
| 4. (2) x (3) | | 74,867,857 |
| 5. Net Subject to Investment (2) - (4) | | 355,902,320 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,421,683,751 |
| 2. Average Agents' Balances | | 0.184 |
| 3. Delayed Remission (1) x (2) | | 261,589,810 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,421,683,751 |
| 2. Expected Incurred Losses and Loss Adjustment | | 908,455,917 |
| 0.639 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.963 x (2) | 874,843,048 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 969,155,558

E. Average Rate of Return 6.28%

F. Investment Earnings on Net Subject to Investment (D) x (E) 60,862,969

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 4.28%

H. Average Rate of Return as a Percent of Direct Earned Premium
After Federal Income Taxes (G) 3.29%
0.769

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present manual level for voluntary Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2000 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2000 | \$1,766,109,101 |
| 2. Unearned Premium Reserve as of 12/31/1999 | 539,271,751 |
| 3. Unearned Premium Reserve as of 12/31/2000 | 531,040,694 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 535,156,223 |
| 5. Ratio (4) \div (1) | 0.303 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2000 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 17.8% of net written premiums. The 17.8% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.031 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.031 is based on 1993 and 1994 industrywide data provided by the A.M. Best Company. The two factors combined amount to .184 ($.178 \times 1.031 = .184$).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 1999 and 2000 for Automobile Liability insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 1999 | \$1,252,963,753 |
| 2. Incurred Losses for Calendar Year 2000 | 1,315,651,113 |
| 3. Loss Reserves as of 12/31/1998 | 1,236,988,706 |
| 4. Loss Reserves as of 12/31/1999 | 1,221,595,169 |
| 5. Loss Reserves as of 12/31/2000 | 1,213,324,628 |
| 6. Mean Loss Reserve 1999: $1/2 [(3) + (4)]$ | 1,229,291,938 |
| 7. Mean Loss Reserve 2000: $1/2 [(4) + (5)]$ | 1,217,459,899 |
| 8. Ratio (6) \div (1) | 0.981 |
| 9. Ratio (7) \div (2) | 0.925 |
| 10. Loss Reserve: $1/2 [(8) + (9)]$ | 0.953 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.207 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.195 |
| 13. Loss and LAE Reserve $[(10) \times (1.0 + (11)) / (1.0 + (12))]$ | 0.963 |

(a) Based on 2000 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2000 | \$19,712,424 | \$313,849,529 | 6.28% |

(a) Page 4, Line 8 of 2000 Annual Statement

(b) Average of Page 2, Line 9 from the 1999 and 2000 Annual Statements

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2000 | | \$1,283,061,441 |
| 2. Mean Unearned Premium Reserve | 0.297 x (1) | 381,069,248 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.50% |
| Taxes, Licenses and Fees | | 1.83% |
| 50% of Other Acquisition Expense | | 3.45% |
| 50% of Company Operating Expense | | 2.10% |
| Total | | 16.88% |
| 4. (2) x (3) | | 64,324,489 |
| 5. Net Subject to Investment (2) - (4) | | 316,744,759 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,283,061,441 |
| 2. Average Agents' Balances | | 0.176 |
| 3. Delayed Remission (1) x (2) | | 225,818,814 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,283,061,441 |
| 2. Expected Incurred Losses and Loss Adjustment | | 791,648,909 |
| 0.617 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.092 x (2) | 72,831,700 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 163,757,645

E. Average Rate of Return 6.28%

F. Investment Earnings on Net Subject to Investment (D) x (E) 10,283,980

G. Average Rate of Return as a Percent of Direct Earned Premium (F) / (A-1) 0.80%

H. Average Rate of Return as a Percent of Direct Earned Premium After Federal Income Taxes (G) x 0.769 0.62%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the earned premiums at present manual level for Private Passenger Passenger Automobile Comprehensive and Collision Insurance for the latest calendar year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2000 for all companies writing Private Passenger Automobile Physical Damage insurance in North Carolina. These data are from Page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2000 | \$1,480,303,181 |
| 2. Unearned Premium Reserve as of 12/31/1999 | 437,569,352 |
| 3. Unearned Premium Reserve as of 12/31/2000 | 442,643,655 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 440,106,504 |
| 5. Ratio (4) \div (1) | 0.297 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Physical Damage insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2000 Insurance Expense Exhibit for all companies writing private passenger physical damage insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 17.1% of net written premiums. The 17.1% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger physical damage premium (using data from Part III of the IEE) on the private passenger written physical damage premium for North Carolina private passenger physical damage insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.031 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.031 is based on 1993 and 1994 industrywide data provided by the A.M. Best Company. The two factors combined amount to .176 (.171 x 1.031 = .176).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 1999 and 2000 for Automobile Physical Damage insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|---|---------------|
| 1. Incurred Losses for Calendar Year 1999 | \$963,561,648 |
| 2. Incurred Losses for Calendar Year 2000 | 916,456,519 |
| 3. Loss Reserves as of 12/31/1998 | 63,777,063 |
| 4. Loss Reserves as of 12/31/1999 | 73,802,165 |
| 5. Loss Reserves as of 12/31/2000 | 75,222,214 |
| 6. Mean Loss Reserve 1999: 1/2 [(3) + (4)] | 68,789,614 |
| 7. Mean Loss Reserve 2000: 1/2 [(4) + (5)] | 74,512,190 |
| 8. Ratio (6) ÷ (1) | 0.071 |
| 9. Ratio (7) ÷ (2) | 0.081 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.076 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.389 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.148 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11))/(1.0+(12))] | 0.092 |

(a) Based on 2000 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2000 | \$19,712,424 | \$313,849,529 | 6.28% |

(a) Page 4, Line 8 of 2000 Annual Statement

(b) Average of Page 2, Line 9 from the 1999 and 2000 Annual Statements

CAPITAL GAINS OR LOSSES AS A PERCENT OF MEAN ASSETS
(all amounts in thousands of dollars)

| Calendar Year | Mean Total Admitted Assets 2-Year Average | Realized Capital Gains | |
|------------------|---|---------------------------|----------------|
| | | Amount | Percent |
| 1991 | 492,528,838 | 4,806,376 | 0.98% |
| 1992 | 527,110,149 | 9,893,402 | 1.88% |
| 1993 | 559,744,958 | 9,817,573 | 1.75% |
| 1994 | 594,669,576 | 1,663,541 | 0.28% |
| 1995 | 636,756,797 | 5,997,029 | 0.94% |
| 1996 | 682,407,194 | 9,243,907 | 1.35% |
| 1997 | 733,433,983 | 10,807,929 | 1.47% |
| 1998 | 781,421,247 | 18,019,189 | 2.31% |
| 1999 | 797,920,622 | 13,016,157 | 1.63% |
| 2000 | 794,195,460 | 16,204,649 | 2.04% |
| | ----- 6,600,188,824 | ----- 99,469,752 | ----- 1.51% |

Source: Best's Aggregates & Averages--various editions

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

2000 data from Best's Aggregates and Averages, Underwriting and Investment Exhibit, Part 1, Column 8:

| | | |
|-----------------------------------|--------------|-----------|
| Bonds | | |
| Taxable (Lines 1 + 1.2) | \$22,029,009 | 0.350 |
| Non-Taxable (Lines 1.1 + 1.3) | 10,543,361 | - |
| | ----- | ----- |
| Sub-Total | \$32,572,370 | 0.237 |
| | | |
| Stocks | | |
| Taxable (Lines 2.1 + 2.2) | \$2,849,541 | 0.105 (A) |
| Non-Taxable (Lines 2.11 + 2.21) | 1,326,160 | - |
| | ----- | ----- |
| Sub-Total | \$4,175,701 | 0.072 |
| | | |
| Mortgage Loans (Line 3) | \$261,656 | |
| Real Estate (Line 4) | 1,570,896 | |
| Collateral Loans | 0 | |
| Cash on Deposit (Line 5.1) | 224,289 | |
| Short Term Investments (Line 5.2) | 2,145,556 | |
| All Other (Lines 6 + 7 + 8) | 3,568,273 | |
| | ----- | ----- |
| Sub-Total | \$7,770,670 | 0.350 |
| | | |
| Total | \$44,518,741 | 0.241 |
| | | |
| Investment Deductions (Line 13) | \$3,815,818 | 0.350 |
| | | |
| Net Investment Income Earned | \$40,702,923 | 0.231 |

(A) Only 30% of dividend income on stock is subject to the full corporate income tax rate of 35%. The applicable tax rate is thus 10.5% (.35 x .30 = .105).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
VOLUNTARY LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2001 | | \$1,569,125,302 |
| 2. Mean Unearned Premium Reserve | 0.280 x (1) | 439,355,085 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.90% |
| Taxes, Licenses and Fees | | 2.00% |
| 50% of Other Acquisition Expense | | 3.40% |
| 50% of Company Operating Expense | | 2.95% |
| Total | | 18.25% |
| 4. (2) x (3) | | 80,182,303 |
| 5. Net Subject to Investment (2) - (4) | | 359,172,782 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,569,125,302 |
| 2. Average Agents' Balances | | 0.184 |
| 3. Delayed Remission (1) x (2) | | 288,719,056 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,569,125,302 |
| 2. Expected Incurred Losses and Loss Adjustment | | 980,703,314 |
| 0.625 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.911 x (2) | 893,420,719 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 963,874,445

E. Average Rate of Return 4.97%

F. Investment Earnings on Net Subject to Investment (D) x (E) 47,904,560

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 3.05%

H. Average Rate of Return as a Percent of Direct Earned Premium
After Federal Income Taxes (G) 0.770 2.35%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present manual level for voluntary Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2001 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2001 | \$1,895,563,770 |
| 2. Unearned Premium Reserve as of 12/31/2000 | 531,040,694 |
| 3. Unearned Premium Reserve as of 12/31/2001 | 529,221,396 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 530,131,045 |
| 5. Ratio (4) \div (1) | 0.280 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2001 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 17.8% of net written premiums. The 17.8% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.031 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.031 is based on 1993 and 1994 industrywide data provided by the A.M. Best Company. The two factors combined amount to .184 (.178 x 1.031 = .184).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2000 and 2001 for Automobile Liability insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 2000 | \$1,315,651,113 |
| 2. Incurred Losses for Calendar Year 2001 | 1,410,205,014 |
| 3. Loss Reserves as of 12/31/1999 | 1,221,595,169 |
| 4. Loss Reserves as of 12/31/2000 | 1,213,324,628 |
| 5. Loss Reserves as of 12/31/2001 | 1,269,542,424 |
| 6. Mean Loss Reserve 2000: 1/2 [(3) + (4)] | 1,217,459,899 |
| 7. Mean Loss Reserve 2001: 1/2 [(4) + (5)] | 1,241,433,526 |
| 8. Ratio (6) ÷ (1) | 0.925 |
| 9. Ratio (7) ÷ (2) | 0.880 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.903 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.199 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.188 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11))]/(1.0+(12))] | 0.911 |

(a) Based on 2001 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2001 | \$16,783,375 | \$337,462,788 | 4.97% |

(a) Page 4, Line 8 of 2001 Annual Statement

(b) Average of Page 2, Line 9 from the 2000 and 2001 Annual Statements

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2001 | | \$1,442,214,059 |
| 2. Mean Unearned Premium Reserve | 0.294 x (1) | 424,010,933 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.80% |
| Taxes, Licenses and Fees | | 1.92% |
| 50% of Other Acquisition Expense | | 3.35% |
| 50% of Company Operating Expense | | 2.50% |
| Total | | 17.57% |
| 4. (2) x (3) | | 74,498,721 |
| 5. Net Subject to Investment (2) - (4) | | 349,512,212 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,442,214,059 |
| 2. Average Agents' Balances | | 0.181 |
| 3. Delayed Remission (1) x (2) | | 261,040,745 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,442,214,059 |
| 2. Expected Incurred Losses and Loss Adjustment | | 875,423,934 |
| 0.607 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.101 x (2) | 88,417,817 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 176,889,284

E. Average Rate of Return 4.97%

F. Investment Earnings on Net Subject to Investment (D) x (E) 8,791,397

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 0.61%

H. Average Rate of Return as a Percent of Direct
Earned Premium After Federal Income Taxes 0.47%
(G) x 0.770

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the earned premiums at present manual level for Private Passenger Passenger Automobile Comprehensive and Collision Insurance for the latest calendar year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2001 for all companies writing Private Passenger Automobile Physical Damage insurance in North Carolina. These data are from Page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2001 | \$1,548,188,414 |
| 2. Unearned Premium Reserve as of 12/31/2000 | 442,643,655 |
| 3. Unearned Premium Reserve as of 12/31/2001 | 467,423,371 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 455,033,513 |
| 5. Ratio (4) \div (1) | 0.294 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Physical Damage insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2001 Insurance Expense Exhibit for all companies writing private passenger physical damage insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 17.6% of net written premiums. The 17.6% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger physical damage premium (using data from Part III of the IEE) on the private passenger written physical damage premium for North Carolina private passenger physical damage insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.031 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.031 is based on 1993 and 1994 industrywide data provided by the A.M. Best Company. The two factors combined amount to .181 ($.176 \times 1.031 = .181$).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2000 and 2001 for Automobile Physical Damage insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|---------------|
| 1. Incurred Losses for Calendar Year 2000 | \$916,456,519 |
| 2. Incurred Losses for Calendar Year 2001 | 894,300,117 |
| 3. Loss Reserves as of 12/31/1999 | 73,802,165 |
| 4. Loss Reserves as of 12/31/2000 | 75,222,214 |
| 5. Loss Reserves as of 12/31/2001 | 79,630,518 |
| 6. Mean Loss Reserve 2000: $1/2 [(3) + (4)]$ | 74,512,190 |
| 7. Mean Loss Reserve 2001: $1/2 [(4) + (5)]$ | 77,426,366 |
| 8. Ratio (6) \div (1) | 0.081 |
| 9. Ratio (7) \div (2) | 0.087 |
| 10. Loss Reserve: $1/2 [(8) + (9)]$ | 0.084 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.382 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.151 |
| 13. Loss and LAE Reserve $[(10) \times (1.0 + (11)) / (1.0 + (12))]$ | 0.101 |

(a) Based on 2001 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2001 | \$16,783,375 | \$337,462,788 | 4.97% |

(a) Page 4, Line 8 of 2001 Annual Statement

(b) Average of Page 2, Line 9 from the 2000 and 2001 Annual Statements

CAPITAL GAINS OR LOSSES AS A PERCENT OF MEAN ASSETS
(all amounts in thousands of dollars)

| Calendar Year | Mean Total Admitted Assets 2-Year Average | Realized Capital Gains | |
|------------------|---|---------------------------|---------|
| | | Amount | Percent |
| 1992 | 527,110,149 | 9,893,402 | 1.88% |
| 1993 | 559,744,958 | 9,817,573 | 1.75% |
| 1994 | 594,669,576 | 1,663,541 | 0.28% |
| 1995 | 636,756,797 | 5,997,029 | 0.94% |
| 1996 | 682,407,194 | 9,243,907 | 1.35% |
| 1997 | 733,433,983 | 10,807,929 | 1.47% |
| 1998 | 781,421,247 | 18,019,189 | 2.31% |
| 1999 | 797,920,622 | 13,016,157 | 1.63% |
| 2000 | 794,195,460 | 16,204,649 | 2.04% |
| 2001 | 785,530,275 | 6,630,679 | 0.84% |
| | ----- | ----- | ----- |
| | 6,893,190,261 | 101,294,055 | 1.47% |

Source: Best's Aggregates & Averages--various editions

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

2001 data from Best's Aggregates and Averages, Underwriting and Investment Exhibit, Part 1, Column 8:

| | | |
|-----------------------------------|--------------|-----------|
| Bonds | | |
| Taxable (Lines 1 + 1.2) | \$22,302,424 | 0.350 |
| Non-Taxable (Lines 1.1 + 1.3) | 9,654,683 | - |
| | ----- | ----- |
| Sub-Total | \$31,957,107 | 0.244 |
| | | |
| Stocks | | |
| Taxable (Lines 2.1 + 2.2) | \$2,621,526 | 0.105 (A) |
| Non-Taxable (Lines 2.11 + 2.21) | 1,405,226 | - |
| | ----- | ----- |
| Sub-Total | \$4,026,752 | 0.068 |
| | | |
| Mortgage Loans (Line 3) | \$137,721 | |
| Real Estate (Line 4) | 1,649,181 | |
| Collateral Loans | 0 | |
| Cash on Deposit (Line 5.1) | 596,201 | |
| Short Term Investments (Line 5.2) | 1,203,685 | |
| All Other (Lines 6 + 7 + 8) | 2,418,157 | |
| | ----- | ----- |
| Sub-Total | \$6,004,945 | 0.350 |
| | | |
| Total | \$41,988,804 | 0.243 |
| | | |
| Investment Deductions (Line 13) | \$4,253,706 | 0.350 |
| | | |
| Net Investment Income Earned | \$37,735,098 | 0.230 |

(A) Only 30% of dividend income on stock is subject to the full corporate income tax rate of 35%. The applicable tax rate is thus 10.5% (.35 x .30 = .105).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
VOLUNTARY LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2002 | | \$1,547,073,874 |
| 2. Mean Unearned Premium Reserve | 0.278 x (1) | 430,086,537 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 10.00% |
| Taxes, Licenses and Fees | | 2.08% |
| 50% of Other Acquisition Expense | | 4.10% |
| 50% of Company Operating Expense | | 3.35% |
| Total | | 19.53% |
| 4. (2) x (3) | | 83,995,901 |
| 5. Net Subject to Investment (2) - (4) | | 346,090,636 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,547,073,874 |
| 2. Average Agents' Balances | | 0.149 |
| 3. Delayed Remission (1) x (2) | | 230,514,007 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,547,073,874 |
| 2. Expected Incurred Losses and Loss Adjustment | | 929,791,398 |
| 0.601 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.902 x (2) | 838,671,841 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 954,248,470

E. Average Rate of Return 5.29%

F. Investment Earnings on Net Subject to Investment (D) x (E) 50,479,744

G. Average Rate of Return as a Percent of Direct Earned Premium (F) / (A-1) 3.26%

H. Average Rate of Return as a Percent of Direct Earned Premium After Federal Income Taxes (G) 0.783 2.55%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present manual level for voluntary Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2002 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2002 | \$1,957,059,172 |
| 2. Unearned Premium Reserve as of 12/31/2001 | 529,221,396 |
| 3. Unearned Premium Reserve as of 12/31/2002 | 557,203,755 |
| 4. Mean Unearned Premium Reserve 1/2 [(2) + (3)] | 543,212,576 |
| 5. Ratio (4) ÷ (1) | 0.278 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2002 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 14.5% of net written premiums. The 14.5% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.031 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.031 is based on 1993 and 1994 industrywide data provided by the A.M. Best Company. The two factors combined amount to .149 (.145 x 1.031 = .149).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2001 and 2002 for Automobile Liability insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 2001 | \$1,410,205,014 |
| 2. Incurred Losses for Calendar Year 2002 | 1,388,594,207 |
| 3. Loss Reserves as of 12/31/2000 | 1,213,324,628 |
| 4. Loss Reserves as of 12/31/2001 | 1,269,542,424 |
| 5. Loss Reserves as of 12/31/2002 | 1,276,839,223 |
| 6. Mean Loss Reserve 2001: 1/2 [(3) + (4)] | 1,241,433,526 |
| 7. Mean Loss Reserve 2002: 1/2 [(4) + (5)] | 1,273,190,824 |
| 8. Ratio (6) ÷ (1) | 0.880 |
| 9. Ratio (7) ÷ (2) | 0.917 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.899 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.204 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.2 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11)))/(1.0+(12))] | 0.902 |

(a) Based on 2002 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2002 | \$17,793,121 | \$336,119,866 | 5.29% |

(a) Page 4, Line 9 of 2002 Annual Statement

(b) Average of Page 2, Line 9 from the 2001 and 2002 Annual Statements

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2002 | | \$1,163,287,424 |
| 2. Mean Unearned Premium Reserve | 0.29 x (1) | 337,353,353 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 10.20% |
| Taxes, Licenses and Fees | | 1.92% |
| 50% of Other Acquisition Expense | | 3.95% |
| 50% of Company Operating Expense | | 2.70% |
| Total | | 18.77% |
| 4. (2) x (3) | | 63,321,224 |
| 5. Net Subject to Investment (2) - (4) | | 274,032,129 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,163,287,424 |
| 2. Average Agents' Balances | | 0.152 |
| 3. Delayed Remission (1) x (2) | | 176,819,688 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,163,287,424 |
| 2. Expected Incurred Losses and Loss Adjustment | | 682,849,718 |
| 0.587 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.112 x (2) | 76,479,168 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 173,691,609

E. Average Rate of Return 5.29%

F. Investment Earnings on Net Subject to Investment (D) x (E) 9,188,286

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 0.79%

H. Average Rate of Return as a Percent of Direct
Earned Premium After Federal Income Taxes 0.62%
(G) x 0.783

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the earned premiums at present manual level for Private Passenger Passenger Automobile Comprehensive and Collision Insurance for the latest calendar year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2002 for all companies writing Private Passenger Automobile Physical Damage insurance in North Carolina. These data are from Page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2002 | \$1,696,342,597 |
| 2. Unearned Premium Reserve as of 12/31/2001 | 467,423,371 |
| 3. Unearned Premium Reserve as of 12/31/2002 | 515,108,492 |
| 4. Mean Unearned Premium Reserve 1/2 [(2) + (3)] | 491,265,932 |
| 5. Ratio (4) ÷ (1) | 0.290 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Physical Damage insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2002 Insurance Expense Exhibit for all companies writing private passenger physical damage insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 14.7% of net written premiums. The 14.7% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger physical damage premium (using data from Part III of the IEE) on the private passenger written physical damage premium for North Carolina private passenger physical damage insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.031 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.031 is based on 1993 and 1994 industrywide data provided by the A.M. Best Company. The two factors combined amount to .152 (.147 x 1.031 = .152).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2001 and 2002 for Automobile Physical Damage insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|---------------|
| 1. Incurred Losses for Calendar Year 2001 | \$894,300,117 |
| 2. Incurred Losses for Calendar Year 2002 | 945,858,497 |
| 3. Loss Reserves as of 12/31/2000 | 75,222,214 |
| 4. Loss Reserves as of 12/31/2001 | 79,630,518 |
| 5. Loss Reserves as of 12/31/2002 | 100,909,233 |
| 6. Mean Loss Reserve 2001: 1/2 [(3) + (4)] | 77,426,366 |
| 7. Mean Loss Reserve 2002: 1/2 [(4) + (5)] | 90,269,876 |
| 8. Ratio (6) ÷ (1) | 0.087 |
| 9. Ratio (7) ÷ (2) | 0.095 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.091 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.43 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.158 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11)))/(1.0+(12))] | 0.112 |

(a) Based on 2002 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2002 | \$17,793,121 | \$336,119,866 | 5.29% |

(a) Page 4, Line 9 of 2002 Annual Statement

(b) Average of Page 2, Line 9 from the 2001 and 2002 Annual Statements

CAPITAL GAINS OR LOSSES AS A PERCENT OF MEAN ASSETS
(all amounts in thousands of dollars)

| Calendar Year | Mean Total Admitted Assets 2-Year Average | Realized Capital Gains | |
|------------------|---|---------------------------|---------|
| | | Amount | Percent |
| 1993 | 559,744,958 | 9,817,573 | 1.75% |
| 1994 | 594,669,576 | 1,663,541 | 0.28% |
| 1995 | 636,756,797 | 5,997,029 | 0.94% |
| 1996 | 682,407,194 | 9,243,907 | 1.35% |
| 1997 | 733,433,983 | 10,807,929 | 1.47% |
| 1998 | 781,421,247 | 18,019,189 | 2.31% |
| 1999 | 797,920,622 | 13,016,157 | 1.63% |
| 2000 | 794,195,460 | 16,204,649 | 2.04% |
| 2001 | 785,530,275 | 6,630,679 | 0.84% |
| 2002 | 815,037,267 | 2,770,997 | 0.34% |
| | 7,181,117,379 | 94,171,650 | 1.31% |

Source: Best's Aggregates & Averages--various editions

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

2002 data from Best's Aggregates and Averages, Net Investment Income Exhibit
Column 2:

| | | |
|--------------------------------------|--------------|-----------|
| Bonds | | |
| Taxable (Lines 1 + 1.2) | \$23,094,226 | 0.350 |
| Non-Taxable (Lines 1.1 + 1.3) | 9,284,966 | - |
| | ----- | ----- |
| Sub-Total | \$32,379,192 | 0.250 |
| | | |
| Stocks | | |
| Taxable (Lines 2.1 + 2.2) | \$2,763,531 | 0.105 (A) |
| Non-Taxable (Lines 2.11 + 2.21) | 3,977,275 | - |
| | ----- | ----- |
| Sub-Total | \$6,740,806 | 0.043 |
| | | |
| Mortgage Loans (Line 3) | \$178,521 | |
| Real Estate (Line 4) | 1,672,965 | |
| Contract Loans (Line 5) | 207 | |
| Cash/Short Term Investments (Line 6) | 1,048,332 | |
| Derivative Instruments (Line 7) | 75,319 | |
| All Other (Lines 8 + 9) | 2,353,502 | |
| | ----- | ----- |
| Sub-Total | \$5,328,846 | 0.350 |
| | | |
| Total | \$44,448,844 | 0.230 |
| | | |
| Investment Deductions (Line 16) | \$4,336,105 | 0.350 |
| | | |
| Net Investment Income Earned | \$40,112,739 | 0.217 |

(A) Only 30% of dividend income on stock is subject to the full corporate income tax rate of 35%. The applicable tax rate is thus 10.5% (.35 x .30 = .105).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
VOLUNTARY LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2003 | | \$2,028,558,375 |
| 2. Mean Unearned Premium Reserve | 0.278 x (1) | 563,939,228 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.70% |
| Taxes, Licenses and Fees | | 2.00% |
| 50% of Other Acquisition Expense | | 4.30% |
| 50% of Company Operating Expense | | 3.10% |
| Total | | 19.10% |
| 4. (2) x (3) | | 107,712,393 |
| 5. Net Subject to Investment (2) - (4) | | 456,226,835 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$2,028,558,375 |
| 2. Average Agents' Balances | | 0.146 |
| 3. Delayed Remission (1) x (2) | | 296,169,523 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$2,028,558,375 |
| 2. Expected Incurred Losses and Loss Adjustment | | 1,330,734,294 |
| 0.656 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.885 x (2) | 1,177,699,850 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 1,337,757,162

E. Average Rate of Return 4.49%

F. Investment Earnings on Net Subject to Investment (D) x (E) 60,065,297

G. Average Rate of Return as a Percent of Direct Earned Premium 2.96%
(F) / (A-1)

H. Average Rate of Return as a Percent of Direct Earned Premium 2.33%
After Federal Income Taxes (G) 0.787

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present voluntary manual level for Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2003 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2003 | \$2,101,843,329 |
| 2. Unearned Premium Reserve as of 12/31/2002 | 557,203,755 |
| 3. Unearned Premium Reserve as of 12/31/2003 | 609,899,658 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 583,551,707 |
| 5. Ratio (4) \div (1) | 0.278 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2003 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 14.1% of net written premiums. The 14.1% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.033 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.033 is based on 2002 and 2003 industrywide data provided by the A.M. Best Company. The two factors combined amount to .146 (.141 x 1.033 = .146).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2002 and 2003 for Automobile Liability insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 2002 | \$1,388,594,207 |
| 2. Incurred Losses for Calendar Year 2003 | 1,501,859,410 |
| 3. Loss Reserves as of 12/31/2001 | 1,269,542,424 |
| 4. Loss Reserves as of 12/31/2002 | 1,276,839,223 |
| 5. Loss Reserves as of 12/31/2003 | 1,335,811,002 |
| 6. Mean Loss Reserve 2002: 1/2 [(3) + (4)] | 1,273,190,824 |
| 7. Mean Loss Reserve 2003: 1/2 [(4) + (5)] | 1,306,325,113 |
| 8. Ratio (6) ÷ (1) | 0.917 |
| 9. Ratio (7) ÷ (2) | 0.870 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.894 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.198 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.210 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11)))/(1.0+(12))] | 0.885 |

(a) Based on 2003 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2003 | \$17,270,667 | \$384,279,257 | 4.49% |

(a) Page 4, Line 9 of 2003 Annual Statement

(b) Average of Page 2, Line 9 from the 2002 and 2003 Annual Statements

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2003 | | \$1,500,622,867 |
| 2. Mean Unearned Premium Reserve | 0.281 x (1) | 421,675,026 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.90% |
| Taxes, Licenses and Fees | | 1.92% |
| 50% of Other Acquisition Expense | | 3.80% |
| 50% of Company Operating Expense | | 2.50% |
| Total | | 18.12% |
| 4. (2) x (3) | | 76,407,515 |
| 5. Net Subject to Investment (2) - (4) | | 345,267,511 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,500,622,867 |
| 2. Average Agents' Balances | | 0.156 |
| 3. Delayed Remission (1) x (2) | | 234,097,167 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,500,622,867 |
| 2. Expected Incurred Losses and Loss Adjustment | | 978,406,109 |
| 0.652 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.116 x (2) | 113,495,109 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 224,665,453

E. Average Rate of Return 4.49%

F. Investment Earnings on Net Subject to Investment (D) x (E) 10,087,479

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 0.67%

H. Average Rate of Return as a Percent of Direct
Earned Premium After Federal Income Taxes 0.53%
(G) x 0.787

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the earned premiums at present manual level for Private Passenger Passenger Automobile Comprehensive and Collision Insurance for the latest calendar year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2003 for all companies writing Private Passenger Automobile Physical Damage insurance in North Carolina. These data are from Page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2003 | \$1,787,576,046 |
| 2. Unearned Premium Reserve as of 12/31/2002 | 515,108,492 |
| 3. Unearned Premium Reserve as of 12/31/2003 | 488,842,619 |
| 4. Mean Unearned Premium Reserve 1/2 [(2) + (3)] | 501,975,556 |
| 5. Ratio (4) ÷ (1) | 0.281 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Physical Damage insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid.

Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2003 Insurance Expense Exhibit for all companies writing private passenger physical damage insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 15.1% of net written premiums. The 15.1% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger physical damage premium (using data from Part III of the IEE) on the private passenger written physical damage premium for North Carolina private passenger physical damage insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.033 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.033 is based on 2002 and 2003 industrywide data provided by the A.M. Best Company. The two factors combined amount to .156 (.151 x 1.033 = .156).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2002 and 2003 for Automobile Physical Damage insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|---------------|
| 1. Incurred Losses for Calendar Year 2002 | \$945,858,497 |
| 2. Incurred Losses for Calendar Year 2003 | 1,043,631,340 |
| 3. Loss Reserves as of 12/31/2001 | 79,630,518 |
| 4. Loss Reserves as of 12/31/2002 | 100,909,233 |
| 5. Loss Reserves as of 12/31/2003 | 96,884,213 |
| 6. Mean Loss Reserve 2002: 1/2 [(3) + (4)] | 90,269,876 |
| 7. Mean Loss Reserve 2003: 1/2 [(4) + (5)] | 98,896,723 |
| 8. Ratio (6) ÷ (1) | 0.095 |
| 9. Ratio (7) ÷ (2) | 0.095 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.095 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.422 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.161 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11))]/(1.0+(12))] | 0.116 |

(a) Based on 2003 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2003 | \$17,270,667 | \$384,279,257 | 4.49% |

(a) Page 4, Line 9 of 2003 Annual Statement

(b) Average of Page 2, Line 9 from the 2002 and 2003 Annual Statements

CAPITAL GAINS OR LOSSES AS A PERCENT OF MEAN ASSETS
(all amounts in thousands of dollars)

| Calendar Year | Mean Total Admitted Assets 2-Year Average | Realized Capital Gains | |
|------------------|---|---------------------------|----------------|
| | | Amount | Percent |
| 1994 | 594,669,576 | 1,663,541 | 0.28% |
| 1995 | 636,756,797 | 5,997,029 | 0.94% |
| 1996 | 682,407,194 | 9,243,907 | 1.35% |
| 1997 | 733,433,983 | 10,807,929 | 1.47% |
| 1998 | 781,421,247 | 18,019,189 | 2.31% |
| 1999 | 797,920,622 | 13,016,157 | 1.63% |
| 2000 | 794,195,460 | 16,204,649 | 2.04% |
| 2001 | 785,530,275 | 6,630,679 | 0.84% |
| 2002 | 815,037,267 | 2,770,997 | 0.34% |
| 2003 | 908,024,056 | 6,280,196 | 0.69% |
| | ----- 7,529,396,477 | ----- 90,634,273 | ----- 1.20% |

Source: Best's Aggregates & Averages--various editions

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

2003 data from Best's Aggregates and Averages, Net Investment Income Exhibit
Column 2:

| | | |
|--------------------------------------|--------------|-----------|
| Bonds | | |
| Taxable (Lines 1 + 1.2) | \$21,190,681 | 0.350 |
| Non-Taxable (Lines 1.1 + 1.3) | 9,918,255 | - |
| | ----- | ----- |
| Sub-Total | \$31,108,936 | 0.238 |
| | | |
| Stocks | | |
| Taxable (Lines 2.1 + 2.2) | \$2,864,754 | 0.105 (A) |
| Non-Taxable (Lines 2.11 + 2.21) | 3,838,458 | - |
| | ----- | ----- |
| Sub-Total | \$6,703,212 | 0.045 |
| | | |
| Mortgage Loans (Line 3) | \$158,612 | |
| Real Estate (Line 4) | 1,690,507 | |
| Contract Loans (Line 5) | 438 | |
| Cash/Short Term Investments (Line 6) | 1,158,122 | |
| Derivative Instruments (Line 7) | 164,953 | |
| All Other (Lines 8 + 9) | 3,526,989 | |
| | ----- | ----- |
| Sub-Total | \$6,699,621 | 0.350 |
| | | |
| Total | \$44,511,769 | 0.226 |
| | | |
| Investment Deductions (Line 16) | \$4,174,811 | 0.350 |
| | | |
| Net Investment Income Earned | \$40,336,958 | 0.213 |

(A) Only 30% of dividend income on stock is subject to the full corporate income tax rate of 35%. The applicable tax rate is thus 10.5% (.35 x .30 = .105).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
VOLUNTARY LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2004 | | \$2,164,489,189 |
| 2. Mean Unearned Premium Reserve | 0.293 x (1) | 634,195,332 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.90% |
| Taxes, Licenses and Fees | | 1.92% |
| 50% of Other Acquisition Expense | | 4.45% |
| 50% of Company Operating Expense | | 3.20% |
| Total | | 19.47% |
| 4. (2) x (3) | | 123,477,831 |
| 5. Net Subject to Investment (2) - (4) | | 510,717,501 |

B. Delayed Remission of Premium (Agents' Balances)

| | |
|--------------------------------|-----------------|
| 1. Direct Earned Premium (A-1) | \$2,164,489,189 |
| 2. Average Agents' Balances | 0.153 |
| 3. Delayed Remission (1) x (2) | 331,166,846 |

C. Loss Reserve

| | |
|---|-----------------|
| 1. Direct Earned Premium (A-1) | \$2,164,489,189 |
| 2. Expected Incurred Losses and Loss Adjustment | 1,406,917,973 |
| 0.650 x (1) | |
| 3. Expected Mean Loss Reserves | 1,205,728,703 |
| 0.857 x (2) | |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 1,385,279,358

E. Average Rate of Return 3.92%

F. Investment Earnings on Net Subject to Investment (D) x (E) 54,302,951

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 2.51%

H. Average Rate of Return as a Percent of Direct Earned Premium
After Federal Income Taxes (G) 1.97%

0.784

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
VOLUNTARY LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2004 | | \$2,197,308,641 |
| 2. Mean Unearned Premium Reserve | 0.293 x (1) | 643,811,432 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.90% |
| Taxes, Licenses and Fees | | 1.92% |
| 50% of Other Acquisition Expense | | 4.45% |
| 50% of Company Operating Expense | | 3.20% |
| Total | | 19.47% |
| 4. (2) x (3) | | 125,350,086 |
| 5. Net Subject to Investment (2) - (4) | | 518,461,346 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$2,197,308,641 |
| 2. Average Agents' Balances | | 0.153 |
| 3. Delayed Remission (1) x (2) | | 336,188,222 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$2,197,308,641 |
| 2. Expected Incurred Losses and Loss Adjustment | | 1,428,250,616 |
| 0.650 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.857 x (2) | 1,224,010,778 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 1,406,283,902

E. Average Rate of Return 3.92%

F. Investment Earnings on Net Subject to Investment (D) x (E) 55,126,329

G. Average Rate of Return as a Percent of Direct Earned Premium (F) / (A-1) 2.51%

H. Average Rate of Return as a Percent of Direct Earned Premium After Federal Income Taxes (G) 0.784 1.97%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present voluntary manual level for Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2004 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2004 | \$2,119,188,172 |
| 2. Unearned Premium Reserve as of 12/31/2003 | 609,899,658 |
| 3. Unearned Premium Reserve as of 12/31/2004 | 632,152,880 |
| 4. Mean Unearned Premium Reserve 1/2 [(2) + (3)] | 621,026,269 |
| 5. Ratio (4) ÷ (1) | 0.293 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2004 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 14.9% of net written premiums. The 14.9% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.030 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.030 is based on 2003 and 2004 industrywide data provided by the A.M. Best Company. The two factors combined amount to .153 (.149 x 1.030 = .153).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2003 and 2004 for Automobile Liability insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 2003 | \$1,501,859,410 |
| 2. Incurred Losses for Calendar Year 2004 | 1,598,924,786 |
| 3. Loss Reserves as of 12/31/2002 | 1,276,839,223 |
| 4. Loss Reserves as of 12/31/2003 | 1,335,811,002 |
| 5. Loss Reserves as of 12/31/2004 | 1,428,148,692 |
| 6. Mean Loss Reserve 2003: 1/2 [(3) + (4)] | 1,306,325,113 |
| 7. Mean Loss Reserve 2004: 1/2 [(4) + (5)] | 1,381,979,847 |
| 8. Ratio (6) ÷ (1) | 0.870 |
| 9. Ratio (7) ÷ (2) | 0.864 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.867 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.203 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.217 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11)))/(1.0+(12))] | 0.857 |

(a) Based on 2004 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2004 | \$15,621,594 | \$398,950,049 | 3.92% |

(a) Page 4, Line 9 of 2004 Annual Statement

(b) Average of Page 2, Line 9 from the 2003 and 2004 Annual Statements

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium for Accident Year Ended 12/31/2004 | | \$1,431,711,481 |
| 2. Mean Unearned Premium Reserve | 0.298 x (1) | 426,650,021 |
| 3. Deduction for Prepaid Expenses | | |
| Commission and Brokerage Expense | | 9.40% |
| Taxes, Licenses and Fees | | 1.83% |
| 50% of Other Acquisition Expense | | 4.30% |
| 50% of Company Operating Expense | | 2.55% |
| Total | | 18.08% |
| 4. (2) x (3) | | 77,138,324 |
| 5. Net Subject to Investment (2) - (4) | | 349,511,697 |

B. Delayed Remission of Premium (Agents' Balances)

| | | |
|--------------------------------|--|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,431,711,481 |
| 2. Average Agents' Balances | | 0.168 |
| 3. Delayed Remission (1) x (2) | | 240,527,529 |

C. Loss Reserve

| | | |
|---|-------------|-----------------|
| 1. Direct Earned Premium (A-1) | | \$1,431,711,481 |
| 2. Expected Incurred Losses and Loss Adjustment | | 926,317,328 |
| 0.647 x (1) | | |
| 3. Expected Mean Loss Reserves | 0.124 x (2) | 114,863,349 |

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 223,847,517

E. Average Rate of Return 3.92%

F. Investment Earnings on Net Subject to Investment (D) x (E) 8,774,823

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 0.61%

H. Average Rate of Return as a Percent of Direct
Earned Premium After Federal Income Taxes 0.48%
(G) x 0.784

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the earned premiums at present manual level for Private Passenger Passenger Automobile Comprehensive and Collision Insurance for the latest calendar year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2004 for all companies writing Private Passenger Automobile Physical Damage insurance in North Carolina. These data are from Page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2004 | \$1,686,955,656 |
| 2. Unearned Premium Reserve as of 12/31/2003 | 488,842,619 |
| 3. Unearned Premium Reserve as of 12/31/2004 | 517,832,734 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 503,337,677 |
| 5. Ratio (4) \div (1) | 0.298 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Physical Damage insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2004 Insurance Expense Exhibit for all companies writing private passenger physical damage insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 16.3% of net written premiums. The 16.3% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger physical damage premium (using data from Part III of the IEE) on the private passenger written physical damage premium for North Carolina private passenger physical damage insurance (as shown on Page 15 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.030 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.030 is based on 2003 and 2004 industrywide data provided by the A.M. Best Company. The two factors combined amount to .168 (.163 x 1.030= .168).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2003 and 2004 for Automobile Physical Damage insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 2003 | \$1,043,631,340 |
| 2. Incurred Losses for Calendar Year 2004 | 934,796,980 |
| 3. Loss Reserves as of 12/31/2002 | 100,909,233 |
| 4. Loss Reserves as of 12/31/2003 | 96,884,213 |
| 5. Loss Reserves as of 12/31/2004 | 91,476,044 |
| 6. Mean Loss Reserve 2003: 1/2 [(3) + (4)] | 98,896,723 |
| 7. Mean Loss Reserve 2004: 1/2 [(4) + (5)] | 94,180,129 |
| 8. Ratio (6) ÷ (1) | 0.095 |
| 9. Ratio (7) ÷ (2) | 0.101 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.098 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.493 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.177 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11))]/(1.0+(12))] | 0.124 |

(a) Based on 2004 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PHYSICAL DAMAGE COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line E

The rate of return is the ratio of net investment income earned to mean cash and invested assets. Net investment income is computed for all companies writing private passenger automobile insurance in North Carolina as follows:

| Year | Net Investment Income Earned (In Thousands of Dollars) (a) | Mean Cash and Invested Assets (In Thousands of Dollars) (b) | Rate of Return |
|------|---|--|-------------------|
| 2004 | \$15,621,594 | \$398,950,049 | 3.92% |

(a) Page 4, Line 9 of 2004 Annual Statement

(b) Average of Page 2, Line 9 from the 2003 and 2004 Annual Statements

CAPITAL GAINS OR LOSSES AS A PERCENT OF MEAN ASSETS
(all amounts in thousands of dollars)

| Calendar Year | Mean Total Admitted Assets 2-Year Average | Realized Capital Gains | |
|------------------|---|---------------------------|---------|
| | | Amount | Percent |
| 1995 | 636,756,797 | 5,997,029 | 0.94% |
| 1996 | 682,407,194 | 9,243,907 | 1.35% |
| 1997 | 733,433,983 | 10,807,929 | 1.47% |
| 1998 | 781,421,247 | 18,019,189 | 2.31% |
| 1999 | 797,920,622 | 13,016,157 | 1.63% |
| 2000 | 794,195,460 | 16,204,649 | 2.04% |
| 2001 | 785,530,275 | 6,630,679 | 0.84% |
| 2002 | 815,037,267 | 2,770,997 | 0.34% |
| 2003 | 908,024,056 | 6,280,196 | 0.69% |
| 2004 | 1,018,810,319 | 9,113,199 | 0.89% |
| | ----- | ----- | ----- |
| | 7,953,537,220 | 98,083,931 | 1.23% |

Source: Best's Aggregates & Averages--various editions

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

2004 data from Best's Aggregates and Averages, Net Investment Income Exhibit
Column 2:

| | | |
|--------------------------------------|--------------|-----------|
| Bonds | | |
| Taxable (Lines 1 + 1.2) | \$21,696,435 | 0.350 |
| Non-Taxable (Lines 1.1 + 1.3) | 11,340,140 | - |
| | ----- | ----- |
| Sub-Total | \$33,036,575 | 0.230 |
| | | |
| Stocks | | |
| Taxable (Lines 2.1 + 2.2) | \$3,285,602 | 0.105 (A) |
| Non-Taxable (Lines 2.11 + 2.21) | 2,131,399 | - |
| | ----- | ----- |
| Sub-Total | \$5,417,001 | 0.064 |
| | | |
| Mortgage Loans (Line 3) | \$169,603 | |
| Real Estate (Line 4) | 1,646,000 | |
| Contract Loans (Line 5) | 981 | |
| Cash/Short Term Investments (Line 6) | 1,189,806 | |
| Derivative Instruments (Line 7) | (15,621) | |
| All Other (Lines 8 + 9) | 3,767,317 | |
| | ----- | ----- |
| Sub-Total | \$6,758,086 | 0.350 |
| | | |
| Total | \$45,211,662 | 0.228 |
| | | |
| Investment Deductions (Line 16) | \$4,064,665 | 0.350 |
| | | |
| Net Investment Income Earned | \$41,146,997 | 0.216 |

(A) Only 30% of dividend income on stock is subject to the full corporate income tax rate of 35%. The applicable tax rate is thus 10.5% (.35 x .30 = .105).

The data available to the Rate Bureau to estimate the requested length of time is the yearly paid and incurred total limits loss development data contained on pages H-531-533 and H-538-540. The data on a paid and incurred basis is shown on pages H-746 and H-747. Page H-745 shows the incurred losses for immature accident years on an ultimate basis using the latest three-year average loss development factor.

The accident year data for any given year 19XX (or 20YY) has an average date of accident of July 1, 19XX (or 20YY). By taking the ratio of paid losses to ultimate incurred losses as shown on the following pages, the percentage of losses paid in each year is estimated.

It is next necessary to determine an estimate for the average payment date (months) of the losses paid in each interval. Such data are not available for North Carolina. Such data are available for Massachusetts and are set forth below for the purpose of showing how this analysis would be completed for North Carolina if North Carolina data were available. The following data is personal auto data for the state of Massachusetts as contained in the Massachusetts Automobile Rate Bureau's 1990 filing. Since the Rate Bureau is advised by ISO that Massachusetts payment patterns are longer than North Carolina's, the results of this analysis (based on Massachusetts payment patterns) overstate the average length of time between occurrence and payment.

The result of this analysis is shown below:

| Period Month-to-Month | Percentage Paid in Period (a) | Percentage Paid in Period (b) | Massachusetts Average Payment Date (months) |
|--------------------------|----------------------------------|----------------------------------|---|
| 0-15 | 62.9% | 63.6% | 9.3 |
| 15-27 | 20.0% | 20.1% | 20.3 |
| 27-39 | 8.6% | 8.4% | 32.4 |
| 39-51 | 4.8% | 4.7% | 44.3 |
| 51-63 | 2.1% | 2.2% | 56.5 |
| 63-ult. | 1.6% | 1.0% | 73.4 |

| | (a) | (b) |
|--|-------------|-------------|
| (1) Average Payment Date | 17.2 months | 16.8 months |
| (2) Average Date of Accident | 6.0 months | 6.0 months |
| (3) Average Length of Time between Occurrence and Payment [(1)-(2)] | 11.2 months | 10.8 months |

- (a) Based on the average of the three earliest accident year points.
 (b) Based on the average of the three latest accident year points.

Based on this analysis the average length of time between occurrence and payment has decreased by four-tenths of one month over this period.

NORTH CAROLINA
ULTIMATE INCURRED LOSSES

| Accident Year | Losses (a) |
|------------------|---------------|
| 1991 | 777,806,722 |
| 1992 | 860,055,833 |
| 1993 | 920,840,724 |
| 1994 | 1,012,878,331 |
| 1995 | 1,080,149,261 |
| 1996 | 1,132,931,481 |
| 1997 | 1,141,375,788 |
| 1998 | 1,136,947,157 |
| 1999 | 1,196,305,206 |
| 2000 | 1,222,843,227 |
| 2001 | 1,231,877,341 |
| 2002 | 1,290,486,562 |
| 2003 | 1,349,122,435 |
| 2004 | 1,382,665,485 |

(a) Total limits Bodily Injury, Property Damage and Medical Payments combined. 63 months is considered ultimate.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

B.I., P.D., Med.Pay. Combined Total Limits Paid Losses as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|-------------|---------------|---------------|---------------|---------------|
| 1991 | | | | | 764,871,932 |
| 1992 | | | | 824,871,572 | 846,069,749 |
| 1993 | | | 837,420,447 | 888,745,260 | 908,189,230 |
| 1994 | | 834,927,069 | 928,135,872 | 978,449,411 | 1,000,883,797 |
| 1995 | 670,215,563 | 896,546,520 | 993,341,823 | 1,046,916,855 | 1,067,822,322 |
| 1996 | 717,252,302 | 943,479,998 | 1,039,953,497 | 1,096,655,496 | 1,120,668,124 |
| 1997 | 725,091,323 | 955,293,444 | 1,051,378,903 | 1,106,544,953 | 1,129,898,054 |
| 1998 | 733,293,590 | 952,668,575 | 1,047,887,918 | 1,100,677,997 | 1,125,855,949 |
| 1999 | 766,874,761 | 998,045,746 | 1,100,179,975 | 1,155,991,393 | 1,182,252,291 |
| 2000 | 799,103,515 | 1,033,184,626 | 1,128,230,873 | 1,186,247,890 | 1,211,236,400 |
| 2001 | 789,771,959 | 1,030,163,060 | 1,132,217,585 | 1,192,854,613 | |
| 2002 | 829,685,310 | 1,079,156,317 | 1,189,961,232 | | |
| 2003 | 856,896,088 | 1,131,112,193 | | | |
| 2004 | 871,810,336 | | | | |

Ratio of Paid to Ultimate Incurred

| Accident Year | 0-15 Mo. | 15-27 Mo. | 27-39 Months | 39-51 Months | 51-63 Months |
|---------------|----------|-----------|--------------|--------------|--------------|
| 1991 | | | | | 0.983 |
| 1992 | | | | 0.959 | 0.984 |
| 1993 | | | 0.909 | 0.965 | 0.986 |
| 1994 | | 0.824 | 0.916 | 0.966 | 0.988 |
| 1995 | 0.620 | 0.830 | 0.920 | 0.969 | 0.989 |
| 1996 | 0.633 | 0.833 | 0.918 | 0.968 | 0.989 |
| 1997 | 0.635 | 0.837 | 0.921 | 0.969 | 0.990 |
| 1998 | 0.645 | 0.838 | 0.922 | 0.968 | 0.990 |
| 1999 | 0.641 | 0.834 | 0.920 | 0.966 | 0.988 |
| 2000 | 0.653 | 0.845 | 0.923 | 0.970 | 0.991 |
| 2001 | 0.641 | 0.836 | 0.919 | 0.968 | |
| 2002 | 0.643 | 0.836 | 0.922 | | |
| 2003 | 0.635 | 0.838 | | | |
| 2004 | 0.631 | | | | |

| | | | | | |
|-------------------------|-------|-------|-------|-------|-------|
| Earliest Three Year Avg | 0.629 | 0.829 | 0.915 | 0.963 | 0.984 |
| Latest Three Year Avg | 0.636 | 0.837 | 0.921 | 0.968 | 0.990 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

B.I., P.D., Med.Pay. Combined Total Limits Incurred Losses as of

| Accident Year | 15 Months | 27 Months | 39 Months | 51 Months | 63 Months |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 1991 | | | | | 777,806,722 |
| 1992 | | | | 861,119,645 | 860,055,833 |
| 1993 | | | 919,268,736 | 925,240,914 | 920,840,724 |
| 1994 | | 989,508,721 | 1,013,935,436 | 1,016,315,942 | 1,012,878,331 |
| 1995 | 1,011,282,611 | 1,063,219,264 | 1,078,266,528 | 1,084,703,753 | 1,080,149,261 |
| 1996 | 1,072,001,408 | 1,118,000,018 | 1,131,203,067 | 1,133,191,100 | 1,132,931,481 |
| 1997 | 1,082,877,971 | 1,120,759,790 | 1,132,077,719 | 1,139,495,672 | 1,141,375,788 |
| 1998 | 1,067,358,126 | 1,110,156,274 | 1,126,606,291 | 1,135,634,931 | 1,136,947,157 |
| 1999 | 1,113,366,528 | 1,157,598,783 | 1,182,991,251 | 1,192,900,037 | 1,196,305,206 |
| 2000 | 1,115,662,106 | 1,185,355,980 | 1,207,738,470 | 1,220,516,831 | 1,222,843,227 |
| 2001 | 1,127,660,082 | 1,189,153,419 | 1,216,383,714 | 1,229,418,504 | |
| 2002 | 1,177,233,497 | 1,247,824,357 | 1,275,184,350 | | |
| 2003 | 1,218,414,098 | 1,306,023,654 | | | |
| 2004 | 1,260,406,094 | | | | |

Loss Development Factors

| Accident Year | 15-27 Mo. | 27-39 Mo. | 39-51 Mo. | 51-63 Mo. |
|---------------|-----------|-----------|-----------|-----------|
| 1992 | | | | 0.999 |
| 1993 | | | 1.006 | 0.995 |
| 1994 | | 1.025 | 1.002 | 0.997 |
| 1995 | 1.051 | 1.014 | 1.006 | 0.996 |
| 1996 | 1.043 | 1.012 | 1.002 | 1.000 |
| 1997 | 1.035 | 1.010 | 1.007 | 1.002 |
| 1998 | 1.040 | 1.015 | 1.008 | 1.001 |
| 1999 | 1.040 | 1.022 | 1.008 | 1.003 |
| 2000 | 1.062 | 1.019 | 1.011 | 1.002 |
| 2001 | 1.055 | 1.023 | 1.011 | |
| 2002 | 1.060 | 1.022 | | |
| 2003 | 1.072 | | | |

| | | | | |
|-------------------|-------|-------|-------|-------|
| Five Year Average | 1.058 | 1.020 | 1.009 | 1.002 |
|-------------------|-------|-------|-------|-------|

| | | | | |
|--------------------|-------|-------|-------|-------|
| Three Year Average | 1.062 | 1.021 | 1.010 | 1.002 |
|--------------------|-------|-------|-------|-------|

Five Year Three Year

| | | |
|------------------|-------|-------|
| 39 to 63 months: | 1.011 | 1.012 |
| 27 to 63 months: | 1.031 | 1.033 |
| 15 to 63 months: | 1.091 | 1.097 |

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 ASSETS

| | | |
|-----|--|-------------|
| 1 | Bonds | 115,836,080 |
| 2 | Stocks | |
| | 2.1 Preferred stocks | 1,927,093 |
| | 2.2 Common stocks | 85,778,500 |
| 3 | Mortgage loans on real estate | |
| | 3.1 First Liens | 637,817 |
| | 3.2 Other than First Liens | 35,740 |
| 4 | Real estate | |
| | 4.1 Properties occupied by the company | 4,264,986 |
| | 4.2 Other properties | 0 |
| 5 | Cash and Short-term investments | 12,409,196 |
| 6 | Other invested assets | 5,588,689 |
| 7 | Receivable for securities | 103,534 |
| 8 | Aggregate write-ins for invested assets | 664,377 |
| 9 | Subtotals, cash and invested assets | 227,637,919 |
| 10 | Agents balances or uncollected premiums | |
| | 10.1 In course of collection | 7,007,835 |
| | 10.2 Booked but deferred and not yet due | 16,442,147 |
| | 10.3 Accrued retrospective premiums | 763,285 |
| 11 | Funds held by or deposited with reinsured companies | 879,200 |
| 12 | Bills receivable, taken for premiums | 0 |
| 13 | Reinsurance recoverable on loss payments | 2,800,762 |
| 14 | Federal income tax recoverable and interest thereon | 0 |
| 14A | Guaranty funds receivable or on deposit | 167,137 |
| 15 | Electronic data processing equipment | 695,031 |
| 16 | Interest, dividends and real estate income due and accrued | 1,755,977 |
| 17 | Receivable from parent, subsidiaries and affiliates | 2,649,069 |
| 18 | Equities and deposits in pools and associations | 0 |
| 19 | Amounts receivable relating to uninsured A & H plans | 0 |
| 20 | Other assets non-admitted | 0 |
| 21 | Aggregate write-ins for other than invested assets | 3,047,070 |
| 22 | TOTALS (items 8a through 20) | 267,019,197 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 20

| | | |
|---|--|-----------|
| 1 | Future investment income on loss reserve | 0 |
| 2 | Other write-ins | 3,047,070 |
| 6 | TOTALS | 3,047,070 |

NORTH CAROLINA
 PERSONAL AUTO LIABILITY INSURANCE
 AGGREGATE ANNUAL STATEMENT DATA
 TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 LIABILITIES

| | | |
|-----|--|-------------|
| 1 | Losses | 68,385,676 |
| 1A | Reinsurance payable on paid loss and loss adjustment expense | 2,096,176 |
| 2 | Loss adjustment expenses | 16,240,200 |
| 3 | Contingent commissions and other similar charges | 673,336 |
| 4 | Other expenses | 7,203,521 |
| 5 | Taxes, licenses and fees | 1,267,501 |
| 6 | Federal and foreign income taxes | 0 |
| 7 | Borrowed money | 1,680,067 |
| 8 | Interest | 0 |
| 9 | Unearned premiums | 38,319,441 |
| 10 | Dividends declared and unpaid | |
| | (a) Stockholders | 753 |
| | (b) Policyholders | 67,948 |
| 11 | Funds held by company under reinsurance treaties | 3,863,182 |
| 12 | Amounts withheld or retained by company for account of others | 1,861,833 |
| 13 | Remittances and items not allocated | 521,958 |
| 14 | Provision for reinsurance | 332,940 |
| 15 | Excess of statutory reserves over statement reserves | 0 |
| 16 | Net adjustments in assets and liabilities for foreign exchange | 32,890 |
| 17 | Drafts outstanding | 1,102,570 |
| 18 | Payable to parent, subsidiaries and affiliates | 640,762 |
| 19 | Payable for securities | 688,891 |
| 20 | Liability for amounts held under accident and health plans | 0 |
| 21 | Capital notes and interest thereon | 0 |
| 22 | Aggregate write-ins for liabilities | 5,285,562 |
| 23 | Total liabilities | 159,994,783 |
| 24 | Aggregate write-ins for special surplus funds | 25,754,411 |
| 25A | Common capital stock | 177,293 |
| 25B | Preferred capital stock | 315,060 |
| 25C | Aggregate write-ins for other than special surplus funds | 18,638 |
| 26A | Surplus notes | 4,637,788 |
| 26B | Gross paid in and contributed surplus | 10,388,628 |
| 26C | Unassigned funds (surplus) | 65,732,762 |
| 26D | Treasury stock | |
| | (1) common | 166 |
| | (2) preferred | 0 |
| 27 | Surplus as regards policyholders | 107,024,415 |
| 28 | TOTALS | 267,019,197 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 22

| | | |
|---|------------------------------------|------------|
| 1 | Miscellaneous conditional reserves | 28,549 |
| 2 | Other reinsurance balances | 0 |
| 3 | Loss portfolio transfers | -1,439,581 |
| 4 | Discount on loss reserve | 0 |
| 5 | Other write-ins | 6,696,594 |
| 9 | TOTALS | 5,285,562 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 23C

| | | |
|---|-----------------|--------|
| 1 | Guaranty funds | 0 |
| 2 | Other write-ins | 0 |
| 9 | TOTALS | 18,638 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 UNDERWRITING AND INVESTMENT EXHIBIT

STATEMENT OF INCOME

| | | |
|-----|---|-------------|
| 1 | Premiums earned | 110,988,115 |
| | Deductions | |
| 2 | Losses incurred | 69,246,732 |
| 3 | Loss expenses incurred | 13,613,129 |
| 4 | Other underwriting expenses incurred | 26,701,875 |
| 5 | Aggregate write-ins for underwriting deductions | 88,148 |
| 6 | Total underwriting deductions | 109,649,884 |
| 7 | Net underwriting gain or loss | 1,338,230 |
| 8 | Net investment income earned | 8,586,898 |
| 9 | Net realized capital gains or losses | 1,436,711 |
| 9A | Net investment gain or loss | 10,023,610 |
| 10 | Net gain or loss from agents or premium balances charged off | -247,922 |
| 11 | Finance or service charges not included in premiums | 900,336 |
| 12 | Aggregate write-ins for miscellaneous income | -699,812 |
| 13 | Total other income | -47,397 |
| 14 | Net income before dividends to policyholders and before federal and foreign income taxes | 11,314,443 |
| 14A | Dividends to policyholders | 750,262 |
| 14B | Net income after dividends to policyholders but before federal and foreign income taxes | 10,564,181 |
| 15 | Federal and foreign income taxes incurred | 1,682,238 |
| 16 | Net income | 8,881,943 |
| 17 | Surplus as regards policyholders, December 31 previous year | 88,841,938 |
| 18 | Net income | 8,881,943 |
| 19 | Net unrealized capital gains or losses | 10,257,704 |
| 20 | Change in non-admitted assets | -574,603 |
| 21 | Change in provision for reinsurance | 72,128 |
| 22 | Change in foreign exchange adjustment | 70,984 |
| 23 | Change in excess of statutory reserves over statement reserves | 0 |
| 23A | Change in surplus notes | 315,164 |
| 24 | Capital changes | |
| | (a) Paid in | -150,000 |
| | (b) Transferred from surplus | 0 |
| | (c) Transferred to surplus | 0 |
| 25 | Surplus adjustments | |
| | (a) Paid in | 2,032,452 |
| | (b) Transferred to capital | 0 |
| | (c) Transferred from capital | 0 |
| 26 | Net remittances from or to Home Office | 0 |
| 27 | Dividends to stockholders (cash) | -3,227,284 |
| 28 | Change in treasury stock | 0 |
| 29 | Extraordinary amounts of taxes for prior years | 0 |
| 30 | Aggregate write-ins for gains and losses in surplus | 314,301 |
| 31 | Change in surplus as regards policyholders for the year | 18,182,477 |
| 32 | Surplus as regards policyholders, December 31 current year | 107,024,415 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 30

| | | |
|----|---|---------|
| 1 | Miscellaneous operating adjustments | 312,740 |
| 2 | Change in conditional reserves | 512 |
| 3 | Miscellaneous capital and surplus adjustments | 0 |
| 11 | TOTALS | 314,301 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 ASSETS

| | | |
|-----|--|-------------|
| 1 | Bonds | 132,138,100 |
| 2 | Stocks | |
| | 2.1 Preferred stocks | 2,267,665 |
| | 2.2 Common stocks | 95,100,716 |
| 3 | Mortgage loans on real estate | |
| | 3.1 First Liens | 1,151,880 |
| | 3.2 Other than First Liens | 29,283 |
| 4 | Real estate | |
| | 4.1 Properties occupied by the company | 4,143,525 |
| | 4.2 Other properties | 0 |
| 5 | Cash and Short-term investments | 13,466,323 |
| 6 | Other invested assets | 10,279,976 |
| 7 | Receivable for securities | 232,757 |
| 8 | Aggregate write-ins for invested assets. | 1,064,832 |
| 9 | Subtotals, cash and invested assets | 260,176,755 |
| 10 | Agents balances or uncollected premiums | |
| | 10.1 In course of collection | 7,241,210 |
| | 10.2 Booked but deferred and not yet due | 18,414,394 |
| | 10.3 Accrued retrospective premiums | 621,925 |
| 11 | Funds held by or deposited with reinsured companies | 371,895 |
| 12 | Bills receivable, taken for premiums | 0 |
| 13 | Reinsurance recoverable on loss payments | 2,715,622 |
| 14 | Federal income tax recoverable and interest thereon | 0 |
| 14A | Guaranty funds receivable or on deposit | 206,405 |
| 15 | Electronic data processing equipment | 689,492 |
| 16 | Interest, dividends and real estate income due and accrued | 1,881,340 |
| 17 | Receivable from parent, subsidiaries and affiliates | 2,147,584 |
| 18 | Equities and deposits in pools and associations | 0 |
| 19 | Amounts receivable relating to uninsured A & H plans | 0 |
| 20 | Other assets non-admitted | 0 |
| 21 | Aggregate write-ins for other than invested assets | 6,154,393 |
| 22 | TOTALS (items 8a through 20) | 304,941,893 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 20

| | | |
|---|--|-----------|
| 1 | Future investment income on loss reserve | 0 |
| 2 | Other write-ins | 6,154,393 |
| 6 | TOTALS | 6,154,393 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 LIABILITIES

| | | |
|-----|--|-------------|
| 1 | Losses | 77,020,919 |
| 1A | Reinsurance payable on paid loss and loss adjustment expense | 2,166,802 |
| 2 | Loss adjustment expenses | 17,849,456 |
| 3 | Contingent commissions and other similar charges | 967,067 |
| 4 | Other expenses | 7,948,786 |
| 5 | Taxes, licenses and fees | 1,359,527 |
| 6 | Federal and foreign income taxes | 0 |
| 7 | Borrowed money | 1,726,672 |
| 8 | Interest | 0 |
| 9 | Unearned premiums | 45,174,651 |
| 10 | Dividends declared and unpaid | |
| | (a) Stockholders | 16,923 |
| | (b) Policyholders | 43,885 |
| 11 | Funds held by company under reinsurance treaties | 3,894,312 |
| 12 | Amounts withheld or retained by company for account of others | 1,897,940 |
| 13 | Remittances and items not allocated | 577,540 |
| 14 | Provision for reinsurance | 782,640 |
| 15 | Excess of statutory reserves over statement reserves | 0 |
| 16 | Net adjustments in assets and liabilities for foreign exchange | 34,640 |
| 17 | Drafts outstanding | 1,127,767 |
| 18 | Payable to parent, subsidiaries and affiliates | 937,267 |
| 19 | Payable for securities | 465,425 |
| 20 | Liability for amounts held under accident and health plans | 0 |
| 21 | Capital notes and interest thereon | 0 |
| 22 | Aggregate write-ins for liabilities | 6,656,044 |
| 23 | Total liabilities | 181,257,413 |
| 24 | Aggregate write-ins for special surplus funds | 30,487,433 |
| 25A | Common capital stock | 208,804 |
| 25B | Preferred capital stock | 315,060 |
| 25C | Aggregate write-ins for other than special surplus funds | 16,963 |
| 26A | Surplus notes | 3,763,764 |
| 26B | Gross paid in and contributed surplus | 11,960,769 |
| 26C | Unassigned funds (surplus) | 76,931,853 |
| 26D | Treasury stock | |
| | (1) common | 166 |
| | (2) preferred | 0 |
| 27 | Surplus as regards policyholders | 123,684,480 |
| 28 | TOTALS | 304,941,893 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 22

| | | |
|---|------------------------------------|------------|
| 1 | Miscellaneous conditional reserves | 294,485 |
| 2 | Other reinsurance balances | 0 |
| 3 | Loss portfolio transfers | -1,571,170 |
| 4 | Discount on loss reserve | 0 |
| 5 | Other write-ins | 7,932,729 |
| 9 | TOTALS | 6,656,044 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 23C

| | | |
|---|-----------------|--------|
| 1 | Guaranty funds | 0 |
| 2 | Other write-ins | 0 |
| 9 | TOTALS | 16,963 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 UNDERWRITING AND INVESTMENT EXHIBIT

STATEMENT OF INCOME

| | | |
|-----|---|-------------|
| 1 | Premiums earned | 125,160,507 |
| | Deductions | |
| 2 | Losses incurred | 74,284,373 |
| 3 | Loss expenses incurred | 15,091,342 |
| 4 | Other underwriting expenses incurred | 29,665,984 |
| 5 | Aggregate write-ins for underwriting deductions | -106,722 |
| 6 | Total underwriting deductions | 118,934,977 |
| 7 | Net underwriting gain or loss | 6,225,530 |
| 8 | Net investment income earned | 9,771,133 |
| 9 | Net realized capital gains or losses | 2,732,102 |
| 9A | Net investment gain or loss | 12,503,235 |
| 10 | Net gain or loss from agents or premium balances charged off | -276,447 |
| 11 | Finance or service charges not included in premiums | 960,595 |
| 12 | Aggregate write-ins for miscellaneous income | -468,853 |
| 13 | Total other income | 215,295 |
| 14 | Net income before dividends to policyholders and before federal and foreign income taxes | 18,944,060 |
| 14A | Dividends to policyholders | 657,880 |
| 14B | Net income after dividends to policyholders but before federal and foreign income taxes | 18,286,180 |
| 15 | Federal and foreign income taxes incurred | 4,979,645 |
| 16 | Net income | 13,306,535 |
| 17 | Surplus as regards policyholders, December 31 previous year | 111,274,419 |
| 18 | Net income | 13,306,535 |
| 19 | Net unrealized capital gains or losses | 3,993,322 |
| 20 | Change in non-admitted assets | -915,405 |
| 21 | Change in provision for reinsurance | -80,757 |
| 22 | Change in foreign exchange adjustment | 26,802 |
| 23 | Change in excess of statutory reserves over statement reserves | 0 |
| 23A | Change in surplus notes | -175,668 |
| 24 | Capital changes | |
| | (a) Paid in | 0 |
| | (b) Transferred from surplus | 1,400 |
| | (c) Transferred to surplus | 0 |
| 25 | Surplus adjustments | |
| | (a) Paid in | 780,118 |
| | (b) Transferred to capital | -1,400 |
| | (c) Transferred from capital | 0 |
| 26 | Net remittances from or to Home Office | 0 |
| 27 | Dividends to stockholders (cash) | -4,388,304 |
| 28 | Change in treasury stock | 0 |
| 29 | Extraordinary amounts of taxes for prior years | 0 |
| 30 | Aggregate write-ins for gains and losses in surplus | -816,293 |
| 31 | Change in surplus as regards policyholders for the year | 12,410,061 |
| 32 | Surplus as regards policyholders, December 31 current year | 123,684,480 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 30

| | | |
|----|---|----------|
| 1 | Miscellaneous operating adjustments | -829,513 |
| 2 | Change in conditional reserves | 1,941 |
| 3 | Miscellaneous capital and surplus adjustments | 0 |
| 11 | TOTALS | -816,293 |

NORTH CAROLINA
 PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
 AGGREGATE ANNUAL STATEMENT DATA
 TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 ASSETS

| | | |
|-----|--|-------------|
| 1 | Bonds | 113,854,570 |
| 2 | Stocks | |
| | 2.1 Preferred stocks | 1,975,464 |
| | 2.2 Common stocks | 85,404,556 |
| 3 | Mortgage loans on real estate | |
| | 3.1 First Liens | 645,256 |
| | 3.2 Other than First Liens | 35,484 |
| 4 | Real estate | |
| | 4.1 Properties occupied by the company | 4,253,220 |
| | 4.2 Other properties | 0 |
| 5 | Cash and Short-term investments | 10,666,237 |
| 6 | Other invested assets | 5,508,137 |
| 7 | Receivable for securities | 101,039 |
| 8 | Aggregate write-ins for invested assets | 664,377 |
| 9 | Subtotals, cash and invested assets | 223,458,802 |
| 10 | Agents balances or uncollected premiums | |
| | 10.1 In course of collection | 6,871,022 |
| | 10.2 Booked but deferred and not yet due | 16,097,209 |
| | 10.3 Accrued retrospective premiums | 604,541 |
| 11 | Funds held by or deposited with reinsured companies | 1,122,120 |
| 12 | Bills receivable, taken for premiums | 0 |
| 13 | Reinsurance recoverable on loss payments | 2,485,788 |
| 14 | Federal income tax recoverable and interest thereon | 0 |
| 14A | Guaranty funds receivable or on deposit | 165,311 |
| 15 | Electronic data processing equipment | 696,850 |
| 16 | Interest, dividends and real estate income due and accrued | 1,738,753 |
| 17 | Receivable from parent, subsidiaries and affiliates | 2,631,173 |
| 18 | Equities and deposits in pools and associations | 0 |
| 19 | Amounts receivable relating to uninsured A & H plans | 0 |
| 20 | Other assets non-admitted | 0 |
| 21 | Aggregate write-ins for other than invested assets | 2,679,615 |
| 22 | TOTALS (items 8a through 20) | 261,679,975 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 20

| | | |
|---|--|-----------|
| 1 | Future investment income on loss reserve | 0 |
| 2 | Other write-ins | 2,679,615 |
| 6 | TOTALS | 2,679,615 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 LIABILITIES

| | | |
|-----|--|-------------|
| 1 | Losses | 64,551,797 |
| 1A | Reinsurance payable on paid loss and loss adjustment expense | 2,026,395 |
| 2 | Loss adjustment expenses | 15,309,628 |
| 3 | Contingent commissions and other similar charges | 732,605 |
| 4 | Other expenses | 7,090,530 |
| 5 | Taxes, licenses and fees | 1,238,101 |
| 6 | Federal and foreign income taxes | 0 |
| 7 | Borrowed money | 1,680,067 |
| 8 | Interest | 0 |
| 9 | Unearned premiums | 38,324,592 |
| 10 | Dividends declared and unpaid | |
| | (a) Stockholders | 2,753 |
| | (b) Policyholders | 44,905 |
| 11 | Funds held by company under reinsurance treaties | 4,196,209 |
| 12 | Amounts withheld or retained by company for account of others | 1,583,894 |
| 13 | Remittances and items not allocated | 456,750 |
| 14 | Provision for reinsurance | 367,806 |
| 15 | Excess of statutory reserves over statement reserves | 0 |
| 16 | Net adjustments in assets and liabilities for foreign exchange | 33,223 |
| 17 | Drafts outstanding | 1,102,493 |
| 18 | Payable to parent, subsidiaries and affiliates | 750,810 |
| 19 | Payable for securities | 686,177 |
| 20 | Liability for amounts held under accident and health plans | 0 |
| 21 | Capital notes and interest thereon | 0 |
| 22 | Aggregate write-ins for liabilities | 4,846,403 |
| 23 | Total liabilities | 154,740,330 |
| 24 | Aggregate write-ins for special surplus funds | 25,754,411 |
| 25A | Common capital stock | 199,934 |
| 25B | Preferred capital stock | 315,060 |
| 25C | Aggregate write-ins for other than special surplus funds | 17,138 |
| 26A | Surplus notes | 3,909,432 |
| 26B | Gross paid in and contributed surplus | 10,678,132 |
| 26C | Unassigned funds (surplus) | 66,065,702 |
| 26D | Treasury stock | |
| | (1) common | 166 |
| | (2) preferred | 0 |
| 27 | Surplus as regards policyholders | 106,939,645 |
| 28 | TOTALS | 261,679,975 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 22

| | | |
|---|------------------------------------|------------|
| 1 | Miscellaneous conditional reserves | 28,549 |
| 2 | Other reinsurance balances | 0 |
| 3 | Loss portfolio transfers | -1,428,348 |
| 4 | Discount on loss reserve | 0 |
| 5 | Other write-ins | 6,246,202 |
| 9 | TOTALS | 4,846,403 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 23C

| | | |
|---|-----------------|--------|
| 1 | Guaranty funds | 0 |
| 2 | Other write-ins | 0 |
| 9 | TOTALS | 17,138 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2003 UNDERWRITING AND INVESTMENT EXHIBIT

STATEMENT OF INCOME

| | | |
|-----|---|-------------|
| 1 | Premiums earned | 110,359,109 |
| | Deductions | |
| 2 | Losses incurred | 69,082,900 |
| 3 | Loss expenses incurred | 13,496,056 |
| 4 | Other underwriting expenses incurred | 26,462,825 |
| 5 | Aggregate write-ins for underwriting deductions | 79,713 |
| 6 | Total underwriting deductions | 109,121,494 |
| 7 | Net underwriting gain or loss | 1,237,615 |
| 8 | Net investment income earned | 8,507,030 |
| 9 | Net realized capital gains or losses | 1,927,058 |
| 9A | Net investment gain or loss | 10,434,088 |
| 10 | Net gain or loss from agents or premium balances charged off | -226,245 |
| 11 | Finance or service charges not included in premiums | 897,448 |
| 12 | Aggregate write-ins for miscellaneous income | -469,527 |
| 13 | Total other income | 201,676 |
| 14 | Net income before dividends to policyholders and before federal and foreign income taxes | 11,873,379 |
| 14A | Dividends to policyholders | 733,236 |
| 14B | Net income after dividends to policyholders but before federal and foreign income taxes | 11,140,143 |
| 15 | Federal and foreign income taxes incurred | 1,690,140 |
| 16 | Net income | 9,450,003 |
| 17 | Surplus as regards policyholders, December 31 previous year | 88,134,720 |
| 18 | Net income | 9,450,003 |
| 19 | Net unrealized capital gains or losses | 10,103,028 |
| 20 | Change in non-admitted assets | -329,520 |
| 21 | Change in provision for reinsurance | -11,210 |
| 22 | Change in foreign exchange adjustment | 71,881 |
| 23 | Change in excess of statutory reserves over statement reserves | 0 |
| 23A | Change in surplus notes | 300,164 |
| 24 | Capital changes | |
| | (a) Paid in | -150,000 |
| | (b) Transferred from surplus | 0 |
| | (c) Transferred to surplus | 0 |
| 25 | Surplus adjustments | |
| | (a) Paid in | 2,161,462 |
| | (b) Transferred to capital | 0 |
| | (c) Transferred from capital | 0 |
| 26 | Net remittances from or to Home Office | 0 |
| 27 | Dividends to stockholders (cash) | -3,191,534 |
| 28 | Change in treasury stock | 0 |
| 29 | Extraordinary amounts of taxes for prior years | 0 |
| 30 | Aggregate write-ins for gains and losses in surplus | 343,900 |
| 31 | Change in surplus as regards policyholders for the year | 18,804,925 |
| 32 | Surplus as regards policyholders, December 31 current year | 106,939,645 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 30

| | | |
|----|---|---------|
| 1 | Miscellaneous operating adjustments | 342,339 |
| 2 | Change in conditional reserves | 512 |
| 3 | Miscellaneous capital and surplus adjustments | 0 |
| 11 | TOTALS | 343,900 |

NORTH CAROLINA
 PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
 AGGREGATE ANNUAL STATEMENT DATA
 TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 ASSETS

| | | |
|-----|--|-------------|
| 1 | Bonds | 122,999,180 |
| 2 | Stocks | |
| | 2.1 Preferred stocks | 1,859,673 |
| | 2.2 Common stocks | 92,165,581 |
| 3 | Mortgage loans on real estate | |
| | 3.1 First Liens | 1,194,218 |
| | 3.2 Other than First Liens | 29,283 |
| 4 | Real estate | |
| | 4.1 Properties occupied by the company | 4,139,650 |
| | 4.2 Other properties | 0 |
| 5 | Cash and Short-term investments | 13,428,579 |
| 6 | Other invested assets | 8,460,217 |
| 7 | Receivable for securities | 135,964 |
| 8 | Aggregate write-ins for invested assets | 1,064,776 |
| 9 | Subtotals, cash and invested assets | 245,778,549 |
| 10 | Agents balances or uncollected premiums | |
| | 10.1 In course of collection | 6,675,325 |
| | 10.2 Booked but deferred and not yet due | 17,360,774 |
| | 10.3 Accrued retrospective premiums | 613,354 |
| 11 | Funds held by or deposited with reinsured companies | 475,377 |
| 12 | Bills receivable, taken for premiums | 0 |
| 13 | Reinsurance recoverable on loss payments | 2,597,677 |
| 14 | Federal income tax recoverable and interest thereon | 0 |
| 14A | Guaranty funds receivable or on deposit | 184,499 |
| 15 | Electronic data processing equipment | 603,684 |
| 16 | Interest, dividends and real estate income due and accrued | 1,709,381 |
| 17 | Receivable from parent, subsidiaries and affiliates | 1,696,743 |
| 18 | Equities and deposits in pools and associations | 0 |
| 19 | Amounts receivable relating to uninsured A & H plans | 0 |
| 20 | Other assets non-admitted | 0 |
| 21 | Aggregate write-ins for other than invested assets | 2,854,765 |
| 22 | TOTALS (items 8a through 20) | 283,910,196 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 20

| | | |
|---|--|-----------|
| 1 | Future investment income on loss reserve | 0 |
| 2 | Other write-ins | 2,854,765 |
| 6 | TOTALS | 2,854,765 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 LIABILITIES

| | | |
|-----|--|-------------|
| 1 | Losses | 67,704,277 |
| 1A | Reinsurance payable on paid loss and loss adjustment expense | 1,912,052 |
| 2 | Loss adjustment expenses | 16,434,972 |
| 3 | Contingent commissions and other similar charges | 991,731 |
| 4 | Other expenses | 7,944,284 |
| 5 | Taxes, licenses and fees | 1,235,633 |
| 6 | Federal and foreign income taxes | 0 |
| 7 | Borrowed money | 1,726,672 |
| 8 | Interest | 0 |
| 9 | Unearned premiums | 40,857,269 |
| 10 | Dividends declared and unpaid | |
| | (a) Stockholders | 1,057 |
| | (b) Policyholders | 42,443 |
| 11 | Funds held by company under reinsurance treaties | 4,031,125 |
| 12 | Amounts withheld or retained by company for account of others | 1,850,412 |
| 13 | Remittances and items not allocated | 592,729 |
| 14 | Provision for reinsurance | 435,794 |
| 15 | Excess of statutory reserves over statement reserves | 0 |
| 16 | Net adjustments in assets and liabilities for foreign exchange | 44,306 |
| 17 | Drafts outstanding | 1,127,365 |
| 18 | Payable to parent, subsidiaries and affiliates | 690,897 |
| 19 | Payable for securities | 470,300 |
| 20 | Liability for amounts held under accident and health plans | 0 |
| 21 | Capital notes and interest thereon | 0 |
| 22 | Aggregate write-ins for liabilities | 4,978,805 |
| 23 | Total liabilities | 163,686,317 |
| 24 | Aggregate write-ins for special surplus funds | 30,405,855 |
| 25A | Common capital stock | 200,322 |
| 25B | Preferred capital stock | 315,060 |
| 25C | Aggregate write-ins for other than special surplus funds | 16,963 |
| 26A | Surplus notes | 3,763,764 |
| 26B | Gross paid in and contributed surplus | 11,368,767 |
| 26C | Unassigned funds (surplus) | 74,153,312 |
| 26D | Treasury stock | |
| | (1) common | 166 |
| | (2) preferred | 0 |
| 27 | Surplus as regards policyholders | 120,223,879 |
| 28 | TOTALS | 283,910,196 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 22

| | | |
|---|------------------------------------|------------|
| 1 | Miscellaneous conditional reserves | 294,485 |
| 2 | Other reinsurance balances | 0 |
| 3 | Loss portfolio transfers | -1,501,544 |
| 4 | Discount on loss reserve | 0 |
| 5 | Other write-ins | 6,185,864 |
| 9 | TOTALS | 4,978,805 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 23C

| | | |
|---|-----------------|--------|
| 1 | Guaranty funds | 0 |
| 2 | Other write-ins | 0 |
| 9 | TOTALS | 16,963 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

2004 UNDERWRITING AND INVESTMENT EXHIBIT

STATEMENT OF INCOME

| | | |
|-----|---|-------------|
| 1 | Premiums earned | 117,740,620 |
| | Deductions | |
| 2 | Losses incurred | 68,971,022 |
| 3 | Loss expenses incurred | 14,179,288 |
| 4 | Other underwriting expenses incurred | 28,222,665 |
| 5 | Aggregate write-ins for underwriting deductions | -104,981 |
| 6 | Total underwriting deductions | 111,267,994 |
| 7 | Net underwriting gain or loss | 6,472,626 |
| 8 | Net investment income earned | 9,311,319 |
| 9 | Net realized capital gains or losses | 2,681,321 |
| 9A | Net investment gain or loss | 11,992,640 |
| 10 | Net gain or loss from agents or premium balances charged off | -223,926 |
| 11 | Finance or service charges not included in premiums | 955,769 |
| 12 | Aggregate write-ins for miscellaneous income | -504,803 |
| 13 | Total other income | 227,040 |
| 14 | Net income before dividends to policyholders and before federal and foreign income taxes | 18,692,306 |
| 14A | Dividends to policyholders | 656,819 |
| 14B | Net income after dividends to policyholders but before federal and foreign income taxes | 18,035,487 |
| 15 | Federal and foreign income taxes incurred | 4,793,019 |
| 16 | Net income | 13,242,468 |
| 17 | Surplus as regards policyholders, December 31 previous year | 107,641,324 |
| 18 | Net income | 13,242,468 |
| 19 | Net unrealized capital gains or losses | 3,625,312 |
| 20 | Change in non-admitted assets | -574,962 |
| 21 | Change in provision for reinsurance | -67,970 |
| 22 | Change in foreign exchange adjustment | -6,286 |
| 23 | Change in excess of statutory reserves over statement reserves | 0 |
| 23A | Change in surplus notes | -175,668 |
| 24 | Capital changes | |
| | (a) Paid in | 0 |
| | (b) Transferred from surplus | 2,000 |
| | (c) Transferred to surplus | 0 |
| 25 | Surplus adjustments | |
| | (a) Paid in | 637,170 |
| | (b) Transferred to capital | -2,000 |
| | (c) Transferred from capital | 0 |
| 26 | Net remittances from or to Home Office | 0 |
| 27 | Dividends to stockholders (cash) | -4,306,540 |
| 28 | Change in treasury stock | 0 |
| 29 | Extraordinary amounts of taxes for prior years | 0 |
| 30 | Aggregate write-ins for gains and losses in surplus | -100,729 |
| 31 | Change in surplus as regards policyholders for the year | 12,582,555 |
| 32 | Surplus as regards policyholders, December 31 current year | 120,223,879 |

DETAILS OF WRITE-INS AGGREGATED AT ITEM 30

| | | |
|----|---|----------|
| 1 | Miscellaneous operating adjustments | -113,949 |
| 2 | Change in conditional reserves | 1,941 |
| 3 | Miscellaneous capital and surplus adjustments | 0 |
| 11 | TOTALS | -100,729 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

PART II - 2003 ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE

LIABILITY

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 46,773,956,000 |
| 2 | Net Premiums Earned | 45,711,422,000 |
| 3 | Dividends to Policyholders | 277,705,000 |
| 4 | Incurred Losses | 29,769,024,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 1,885,223,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 4,587,859,000 |
| 7 | Unpaid Losses | 34,803,345,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 5,126,027,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 3,334,043,000 |
| 10 | Unearned Premium Reserves | 13,216,737,000 |
| 11 | Agents' Balances | 7,599,986,000 |
| 12 | Commission and Brokerage Expense | 3,513,542,000 |
| 13 | Taxes, Licenses and Fees Incurred | 1,143,848,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 3,713,709,000 |
| 15 | General Expenses Incurred | 1,890,766,000 |
| 16 | Other Income Less Other Expenses | 204,906,000 |
| 17 | Pretax Profit Excluding Investment Gain | -865,345,000 |
| 18 | Investment Gain on Insurance Transactions | 2,514,584,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 1,649,240,000 |
| 20 | Investment Gain on Capital and Surplus | 2,254,295,000 |
| 21 | Total Profit or Loss | 3,903,535,000 |

PHYSICAL DAMAGE

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 32,498,376,000 |
| 2 | Net Premiums Earned | 32,050,340,000 |
| 3 | Dividends to Policyholders | 234,132,000 |
| 4 | Incurred Losses | 19,311,062,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 101,002,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 3,141,446,000 |
| 7 | Unpaid Losses | 1,796,703,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 112,062,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 765,289,000 |
| 10 | Unearned Premium Reserves | 9,161,174,000 |
| 11 | Agents' Balances | 5,368,833,000 |
| 12 | Commission and Brokerage Expense | 2,459,448,000 |
| 13 | Taxes, Licenses and Fees Incurred | 808,311,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 2,596,557,000 |
| 15 | General Expenses Incurred | 1,342,615,000 |
| 16 | Other Income Less Other Expenses | 144,786,000 |
| 17 | Pretax Profit Excluding Investment Gain | 2,200,551,000 |
| 18 | Investment Gain on Insurance Transactions | 150,541,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 2,351,094,000 |
| 20 | Investment Gain on Capital and Surplus | 961,512,000 |
| 21 | Total Profit or Loss | 3,312,600,000 |

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

PART II - 2004 ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE

LIABILITY

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 49,118,048,000 |
| 2 | Net Premiums Earned | 48,657,338,000 |
| 3 | Dividends to Policyholders | 243,104,000 |
| 4 | Incurred Losses | 29,761,579,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 2,081,394,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 4,778,561,000 |
| 7 | Unpaid Losses | 35,510,748,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 5,368,024,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 3,511,421,000 |
| 10 | Unearned Premium Reserves | 13,878,872,000 |
| 11 | Agents' Balances | 8,320,027,000 |
| 12 | Commission and Brokerage Expense | 3,965,147,000 |
| 13 | Taxes, Licenses and Fees Incurred | 1,192,920,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 3,836,293,000 |
| 15 | General Expenses Incurred | 2,061,386,000 |
| 16 | Other Income Less Other Expenses | 256,082,000 |
| 17 | Pretax Profit Excluding Investment Gain | 993,025,000 |
| 18 | Investment Gain on Insurance Transactions | 2,461,488,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 3,454,517,000 |
| 20 | Investment Gain on Capital and Surplus | 2,720,796,000 |
| 21 | Total Profit or Loss | 6,175,310,000 |

PHYSICAL DAMAGE

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 34,150,174,000 |
| 2 | Net Premiums Earned | 33,821,212,000 |
| 3 | Dividends to Policyholders | 198,454,000 |
| 4 | Incurred Losses | 18,493,226,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 98,560,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 3,213,721,000 |
| 7 | Unpaid Losses | 1,821,447,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 119,786,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 874,887,000 |
| 10 | Unearned Premium Reserves | 9,600,893,000 |
| 11 | Agents' Balances | 5,760,874,000 |
| 12 | Commission and Brokerage Expense | 2,604,831,000 |
| 13 | Taxes, Licenses and Fees Incurred | 829,374,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 2,684,361,000 |
| 15 | General Expenses Incurred | 1,401,649,000 |
| 16 | Other Income Less Other Expenses | 177,351,000 |
| 17 | Pretax Profit Excluding Investment Gain | 4,474,379,000 |
| 18 | Investment Gain on Insurance Transactions | 220,981,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 4,695,356,000 |
| 20 | Investment Gain on Capital and Surplus | 1,228,647,000 |
| 21 | Total Profit or Loss | 5,924,000,000 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

PART II - 2003 ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE

LIABILITY

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 46,421,535,000 |
| 2 | Net Premiums Earned | 45,385,110,000 |
| 3 | Dividends to Policyholders | 277,705,000 |
| 4 | Incurred Losses | 29,557,404,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 1,867,434,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 4,551,991,000 |
| 7 | Unpaid Losses | 34,525,995,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 5,094,918,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 3,322,689,000 |
| 10 | Unearned Premium Reserves | 13,115,968,000 |
| 11 | Agents' Balances | 7,540,773,000 |
| 12 | Commission and Brokerage Expense | 3,468,630,000 |
| 13 | Taxes, Licenses and Fees Incurred | 1,134,913,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 3,694,433,000 |
| 15 | General Expenses Incurred | 1,876,543,000 |
| 16 | Other Income Less Other Expenses | 204,861,000 |
| 17 | Pretax Profit Excluding Investment Gain | -839,080,000 |
| 18 | Investment Gain on Insurance Transactions | 2,497,855,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 1,658,777,000 |
| 20 | Investment Gain on Capital and Surplus | 2,240,333,000 |
| 21 | Total Profit or Loss | 3,899,109,000 |

PHYSICAL DAMAGE

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 32,618,695,000 |
| 2 | Net Premiums Earned | 32,194,880,000 |
| 3 | Dividends to Policyholders | 234,132,000 |
| 4 | Incurred Losses | 19,341,804,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 103,197,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 3,139,927,000 |
| 7 | Unpaid Losses | 1,824,970,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 113,609,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 765,052,000 |
| 10 | Unearned Premium Reserves | 9,304,776,000 |
| 11 | Agents' Balances | 5,360,423,000 |
| 12 | Commission and Brokerage Expense | 2,525,005,000 |
| 13 | Taxes, Licenses and Fees Incurred | 814,547,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 2,601,706,000 |
| 15 | General Expenses Incurred | 1,366,658,000 |
| 16 | Other Income Less Other Expenses | 148,744,000 |
| 17 | Pretax Profit Excluding Investment Gain | 2,216,646,000 |
| 18 | Investment Gain on Insurance Transactions | 157,671,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 2,374,319,000 |
| 20 | Investment Gain on Capital and Surplus | 965,835,000 |
| 21 | Total Profit or Loss | 3,340,147,000 |

NORTH CAROLINA
PERSONAL AUTO PHYSICAL DAMAGE INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2004 WRITTEN PREMIUM

PART II - 2004 ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE

LIABILITY

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 48,310,846,000 |
| 2 | Net Premiums Earned | 47,856,129,000 |
| 3 | Dividends to Policyholders | 243,104,000 |
| 4 | Incurred Losses | 29,232,051,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 2,010,805,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 4,726,765,000 |
| 7 | Unpaid Losses | 34,962,115,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 5,272,193,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 3,492,771,000 |
| 10 | Unearned Premium Reserves | 13,620,829,000 |
| 11 | Agents' Balances | 8,170,141,000 |
| 12 | Commission and Brokerage Expense | 3,723,140,000 |
| 13 | Taxes, Licenses and Fees Incurred | 1,169,138,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 3,798,432,000 |
| 15 | General Expenses Incurred | 2,040,909,000 |
| 16 | Other Income Less Other Expenses | 254,007,000 |
| 17 | Pretax Profit Excluding Investment Gain | 1,165,783,000 |
| 18 | Investment Gain on Insurance Transactions | 2,432,170,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 3,597,957,000 |
| 20 | Investment Gain on Capital and Surplus | 2,702,971,000 |
| 21 | Total Profit or Loss | 6,300,927,000 |

PHYSICAL DAMAGE

| | | |
|----|--|----------------|
| 1 | Net Premiums Written | 33,809,649,000 |
| 2 | Net Premiums Earned | 33,564,986,000 |
| 3 | Dividends to Policyholders | 198,454,000 |
| 4 | Incurred Losses | 18,360,192,000 |
| 5 | Allocated Loss Adjustment Expenses Incurred | 81,025,000 |
| 6 | Unallocated Loss Adjustment Expenses Incurred | 3,206,840,000 |
| 7 | Unpaid Losses | 1,820,513,000 |
| 8 | Allocated Loss Adjustment Expenses Unpaid | 116,823,000 |
| 9 | Unallocated Loss Adjustment Expenses Unpaid | 874,119,000 |
| 10 | Unearned Premium Reserves | 9,578,100,000 |
| 11 | Agents' Balances | 5,668,968,000 |
| 12 | Commission and Brokerage Expense | 2,632,411,000 |
| 13 | Taxes, Licenses and Fees Incurred | 820,354,000 |
| 14 | Other Acquisition, Etc. Expenses Incurred | 2,666,495,000 |
| 15 | General Expenses Incurred | 1,422,168,000 |
| 16 | Other Income Less Other Expenses | 180,767,000 |
| 17 | Pretax Profit Excluding Investment Gain | 4,357,808,000 |
| 18 | Investment Gain on Insurance Transactions | 225,412,000 |
| 19 | Profit or Loss Excluding Inv Gain on Capital and Surplus | 4,583,217,000 |
| 20 | Investment Gain on Capital and Surplus | 1,234,401,000 |
| 21 | Total Profit or Loss | 5,817,619,000 |

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING AS PER 11 NCAC 10.1104

11. IDENTIFICATION OF APPLICABLE STATISTICAL PLANS AND PROGRAMS AND A
CERTIFICATION OF COMPLIANCE WITH THEM

(a) ISO Personal Auto Statistical Plan

ISO Minimum Personal Auto Statistical Plan

ISO 2004 Call for Personal Auto Bodily Injury and Property Damage
Liability and No-Fault Statistics

ISO 2004 Call for Personal Auto Physical Damage Statistics

ISO 2004 Call for Personal Auto Minimum Statistical Plan Liability
and No-Fault Statistics

ISO 2004 Call for Personal Auto Minimum Statistical Plan Physical
Damage Statistics

PCI Automobile Statistical Plans - All Coverages

PCI 2004 quarterly Automobile Liability and Physical Damage Call

PCI Voluntary Automobile Excess Loss Call

Annual Statement for Calendar Year 2004

Insurance Expense Exhibit for Calendar Year 2004

RB Calls for 2004 North Carolina Automobile and Motorcycle Expense
Experience

NISS Automobile Statistical Plan - All Coverages - Part IV, North
Carolina

NISS 2004 Quarterly Automobile Call

NISS 2004 Quarterly Automobile Excess Loss Call

NISS 2004 Calendar Year Annual Statement

NISS 2005 Financial Reconciliation Call

(b) The North Carolina Rate Bureau certifies that there is no evidence known to it or, insofar as it is aware following reasonable inquiry, to the statistical agencies involved that the data which were collected under the statistical plans identified in response (11)(a) above and used in the filing are not materially true and accurate representations of the experience of the companies whose data underlie such experience. While the Rate Bureau is aware that the collected data sometimes require corrections or adjustments, the Rate Bureau's review of the data, the data collection process, and the ratemaking process indicates that the aggregate data are reasonable and reliable for ratemaking purposes. See also the prefiled testimony of P. Woods and M. Miller.

(c) Pages H-765-769 contain general descriptions of the editing procedures used to ensure data were collected in accordance with the applicable statistical plans.

North Carolina Private Passenger Automobile Insurance Statistical Data

ISO Editing Procedures

1. Upon receipt of the data from each reporting company, checks are made to ensure that each record (i.e., the data reported for each exposure) has valid and readable information. This includes a check that the appropriate alpha-numeric codes have been utilized.
2. The records are then checked to ensure that each of the fields has a valid code in it (e.g., company numbers must be entered as four-digit numerals).
3. Relationship edits which evaluate the interrelationship between codes are then performed. For example, if a record indicates North Carolina, Private Passenger, Bodily Injury, checks are made to ascertain that applicable interrelationships are maintained.
4. Distributional edits are performed to make sure that the reporting company has not erred in miscoding its data into a single class, territory, or other rating criteria due a systems problem or other error.
5. The resulting combined data from all the company records are reconciled with Page 15 Annual Statement data for that company.
6. After all of the ISO data are aggregated, a consolidated review of the data is conducted to determine overall reasonableness and accuracy. In this procedure the data are compared with previous statewide and territory figures. Areas of concern are identified and results are verified by checking back to the source data.

ISO's edit procedure for Private Passenger Automobile data is in compliance with the requirements of the Statistical Data Monitoring System (SDMS) which is mandated for use in several states and was developed by the New York Insurance Department in conjunction with the Arthur Andersen Company. SDMS was developed to provide procedures for the companies that report, and stat agents that collect, data in order to put controls into the reporting system to generate valid results. ISO employs the procedures detailed by SDMS throughout the country.

PCI Editing Procedures

The following narrative sets forth a general description of the editing procedures utilized by PCI to review North Carolina statistical data. All North Carolina experience submitted to the PCI by affiliated companies undergoes standard procedures to ensure that the data is reported in accordance with the PCI's approved statistical plans.

PCI's review of the data takes place on two levels: analysis of individual company data and analysis of the aggregate data of all the companies combined. These two separate functions will be treated in that order.

Analysis of Company Data

Analysis of company data includes: completeness checks, editing for valid coding and checking the distribution of data among the various data elements.

1. Completeness Checks (Balancing and Reconciliation):

Balancing and reconciliation procedures are used to determine completeness of reporting. Completeness means that the PCI has received and processed all of the data due to be filed with the PCI. First, totals of each company's processed data are compared to separate transmittal totals supplied by the company. This step ensures that PCI has processed completely the experience included in the company's submission of data and that no errors occur during this processing. As a second check for completeness, the reported statistical data is reconciled to Page 15 totals from the company's Annual Statement. It is a useful procedure in determining completeness because the annual statement represents an independent source of information.

2. Editing of Codes:

Format and Readability

Statistical data reported by affiliated companies must be filed in accordance with PCI's approved statistical plans. This includes the requirement that the data must conform to the specific formats and technical specifications in order for PCI to properly read and process these submissions. The initial edit is a test of each company's submission to ensure it has been reported using the proper record format and that it meets certain technical requirements for the line of insurance being reported. Key fields are tested to ensure that only numeric information has been reported in fields defined as numeric, and that the fields have been reported in the proper position in the record.

Relational Edits

The data items of information filed with the insurance company's experience are reported by using codes defined under PCI's statistical plans. For example, the various types of Policy Forms written on Homeowners policies in North Carolina are defined in the Personal Lines Statistical Plan. Similarly, the various coverages written on private passenger automobile policies in North Carolina are defined in the Automobile Statistical Plan. Each definition for each data element has a unique code assigned to it which distinguishes it from other definitions. All data items applicable to North Carolina are defined in a similar manner in each of PCI's statistical plans and have codes assigned to properly identify each definition.

All records reported to PCI are subjected to validation of the reported codes. This validation, called editing, is performed to assure that companies are reporting properly defined PCI Statistical Plan codes for North Carolina experience.

The purpose of the edit is to validate the statistical codes reported in each record. This validation is called a Relation Edit. A relational edit verifies that a reported code is valid in combination with one or more related data items. Relational edit tests are accomplished primarily through the use of specific edit tables applicable to each line of insurance.

In most cases, the experience data in the record is used in conjunction with the related codes and compared to an establishment or discontinued date for the code being validated. This ensures that specific codes are not being utilized beyond the range of time during which they are valid.

An example of a relational edit involves territory coding. Many territory code numbers are available under each statistical plan for various states, with various effective dates. However, only codes defined for North Carolina for the specific line being processed are valid in combination with North Carolina reported experience. Further, if a new code is erected, that code will be considered valid only if the date reported in the statistical record is equal or subsequent to the establishment date of the code.

3. Distributional Analysis:

The validation of the codes is not by itself sufficient to assure the credibility of company data. Having assured the reporting of valid codes, the statistical agent must verify that valid entries are indeed reliable. Therefore, the data is also reviewed for reasonable distributions. The primary focus of this review is to establish that the statistical data reported by the company is a credible reflection of the company's experience.

The distribution of company experience by specific data elements such as state, territory, policy form, and construction, for example, for the current reporting period is compared to company profiles of prior periods. In addition, ratios relevant to the line of insurance such as average premium, average loss, volume, loss ratio and loss frequency are compared to industry averages. This historical comparison can highlight changes in the pattern of reporting.

The distributional analysis serves as an additional verification that systematic errors are not introduced during the production of data files submitted to PCI by our affiliated companies. Disproportionate amounts of premiums and/or losses in a particular class or territory, for example, can be detected using this technique.

Validation of Aggregate Data

After the individual company has been reviewed, the data for all reporting companies is compiled to produce aggregate reports. The aggregate data represents the combined experience of many companies. This data is also subjected to similar review procedures. To ensure completeness, run to run control techniques are applied. This initials balancing the totals of the aggregate runs to previously verified control totals. In this manner the aggregate data is monitored to ensure the inclusion of the appropriate company data.

The aggregate data is also reviewed for credibility through distributional analysis similar to that performed on the individual company data. Earned exposures (where applicable) and premiums and incurred losses and claims are used to calculate pure premiums, claim frequencies and claim costs for comparison to past averages. The analysis of the aggregate data centers on determining consistency over time by comparing several years of experience, by coverage and class, or territory, for example. Through the application of these techniques, PCI is able to provide reliable insurance statistical data in North Carolina.

North Carolina Private Passenger Automobile Insurance Statistical Data

NISS Editing Procedures

- a. Every report received is checked for completeness. Every submission must include (1) an affidavit; (2) a letter of transmittal setting forth company control totals for the data being sent; (3) the data being reported on tape, cartridge, diskette or form to be keyed.
- b. Individual company submissions are balanced to the company letter of transmittals to ensure that all data have been received and processed. After all four quarters of data have been received, the company reports are reconciled to the Annual Statement Page 15 amounts. The NISS Financial Reconciliation identifies any amounts needed to reconcile any differences between the company reported data and Annual Statement amounts.
- c. Every company record submitted to NISS is verified through NISS edit software for its coding accuracy and conformance with NISS record layouts and instructions. NISS edits verify the accuracy of each code for each data element. Where possible, each data element is subjected to a relational edit whereby it will be checked for accuracy in conjunction with another field.
- d. Individual company submissions are also subjected to a series of reasonability tests to determine that the current submission is consistent with previous company submissions, known changes in this line of business and statewide trends. NISS compares current quarter data to the previous quarter. This comparison is performed and analyzed by grouping data.
- e. After all of the NISS data are combined, a review of this consolidated data is also performed. The aggregate data is compared on a year to year basis to again verify its reasonableness, similar to those checks employed on an individual company submission.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

12. INVESTMENT EARNINGS ON CAPITAL AND SURPLUS

Given the selected underwriting profit provisions contained in the filing, the pro forma statutory return on net worth (equity capital), is shown in the filing and the pre-filed testimony of D. Appel. Also shown therein is the ratio of net worth to surplus of 1.16. (This value is based on a five year average using data through 2003. The conversion of surplus to net worth has not been completed for 2004 due to incomplete accounting data.) Accordingly, the corresponding return on statutory capital and surplus would be 13.11 for liability and 13.02 for physical damage. Based on data from A.M. Best's Aggregates and Averages, the 5-year average ratio of net worth to assets is .367. Accordingly, the corresponding return on assets would be 4.14% for liability and 4.11% for physical damage.

See also pre-filed testimony of D. Appel and J. Vander Weide.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

13. LEVEL OF CAPITAL AND SURPLUS NEEDED TO SUPPORT PREMIUM WRITINGS WITHOUT ENDANGERING THE SOLVENCY OF MEMBER COMPANIES

- (a) The aggregate premium to surplus ratios for the latest available calendar years for the company groups which have written North Carolina private passenger automobile insurance during the entire period shown are as follows:

| | Liability | Physical Damage |
|------|-----------|-----------------|
| 1995 | 1.566 | 1.588 |
| 1996 | 1.517 | 1.543 |
| 1997 | 1.100 | 1.114 |
| 1998 | 1.033 | 1.046 |
| 1999 | 0.898 | 0.929 |
| 2000 | 0.951 | 0.980 |
| 2001 | 1.159 | 1.182 |
| 2002 | 1.377 | 1.400 |
| 2003 | 1.189 | 1.236 |
| 2004 | 1.089 | 1.109 |

Note: These data are available from Best's Data Service and Best's Aggregate and Averages.

- (b) The experience provides the best estimate of the future. See the prefiled testimony of D. Appel.
- (c) The actual premium to surplus ratio for the property and casualty industry on a countrywide basis (based upon the latest A. M. Best data available at this time) is as follows:

(000's omitted)

| | |
|--|---------------|
| STATUTORY CAPITAL AND SURPLUS, 2004 | \$402,263,558 |
| STATUTORY CAPITAL AND SURPLUS, 2003 | \$353,848,845 |
| AVERAGE STATUTORY CAPITAL AND SURPLUS (2002) | 378,056,202 |
| NET PREMIUMS EARNED (2003) | 425,514,764 |
| PREMIUM/SURPLUS RATIO | 1.126 |

The actual level of capital and surplus needed to support premium writings without endangering the solvency of a company is dependent upon (among others) the financial structure and investments unique to each company, the relationship of the company with affiliated companies as a group (and the experience of the affiliated companies), the mix of business of each company, and the conditions of the economy as they affect each company's individual circumstances. The Rate Bureau is advised that the National Association of Insurance Commissioners, as one of several criteria, generally considers that a premium to surplus ratio for an individual company of 3 to 1 warrants close regulatory attention and monitoring with respect to the company's solvency position.

- (d) The Rate Bureau has not allocated surplus by state and by line in preparing this filing. The Rate Bureau has treated surplus in this manner because each dollar of surplus is available to cover losses in excess of premium for each and every line.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

14. OTHER INFORMATION REQUIRED BY THE COMMISSIONER.

See attached Exhibits (14) (a), (b), (c) and (d).

See the pre-filed testimony of P. Woods, D. Appel and J. Vander Weide.

MEMBERS PRESENT DURING THE DECEMBER 15, 2005
MEETING OF THE AUTOMOBILE COMMITTEE

Automobile Committee Members Present

Allstate Insurance Company
Steve Armstrong - Senior Actuary

GEICO Indemnity Company
Tom McNicholas - GEICO Direct Military Center Manager

Hartford Fire Insurance Company
Jamie Mathews - Regional Pricing Director

Integon Indemnity Corporation
Art Lyon - Executive Consultant

Lumbermens Mutual Casualty Company
Amy Brown - Regional Product Manager

Nationwide Mutual Insurance Company
Jesse Jacobs - Senior Actuary
Dan Meyers - Associate Actuary

N. C. Farm Bureau Mutual Insurance Company
Roger Batdorff - Sr. Executive - Actuarial Research &
Financial/Investments

Progressive Casualty Company
Andrew Rose* - Product Manager
Patricia D'Ambrosia* - Product Manager
Mohammad Ali* - Pricing Analyst

State Farm Mutual Automobile Insurance Company
Kathy Popejoy* - Actuary, Pricing Director

Travelers Indemnity Company
Michael Fitzgerald - Vice President - Product Management
Chad Mirock - Market Director - Product Management

United Services Automobile Association
Susan Van Horn - P & C Actuary

Others Present

Insurance Services Office
Pat Woods - Assistant Vice President

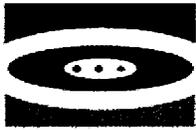
Milliman, USA
Dave Appel, Ph.D - Director, Economics Consulting

Tillinghast
Mike Miller - Principal & Consulting Actuary

Young, Moore & Henderson
Mickey Spivey - NCRB Counsel

North Carolina Rate Bureau
Ray Evans - General Manager
Wayne Hinton - Automobile Manager
Tim Lucas - Personal Lines Manager

*Participated Via Teleconference



north carolina
RATE BUREAU
REINSURANCE FACILITY
INSURANCE GUARANTY ASSOCIATION

D R A F T

MINUTES OF THE MEETING OF THE AUTOMOBILE COMMITTEE OF THE NORTH CAROLINA
RATE BUREAU HELD ON DECEMBER 15, 2005

MEMBERS PRESENT

Allstate Insurance Company
 GEICO Indemnity Company
 Hartford Fire Insurance Company
 Integon Indemnity Corporation
 Lumbermens Mutual Insurance Company
 Nationwide Mutual insurance Company

 N.C. Farm Bureau Mutual Insurance Company
 Progressive Casualty Company

 State Farm Mutual Automobile Insurance Company
 Travelers Insurance Company

 United Services Automobile Association

REPRESENTED BY

Steve Armstrong
 Tom McNicholas
 Jamie Mathews
 Art Lyon
 Amy Brown
 Jesse Jacobs
 Dan Myers
 Roger Batdorff
 Andrew Rose*
 Patricia D'Ambrosia*
 Mohammed Ali*
 Kathy Popejoy*
 Michael Fitzgerald
 Chad Mirock
 Susan Van Horn

OTHERS PRESENT

Insurance Services Office
 Milliman USA
 Tillinghast
 Young, Moore & Henderson
 Staff

REPRESENTED BY

Pat Woods
 Dave Appel
 Mike Miller
 Mickey Spivey
 Tim Lucas
 Ray Evans
 Wayne Hinton

*Participated by telephone

The meeting convened as scheduled, Mr. Armstrong presiding.

Attention was directed to the Anti-Trust Guidelines and the Conflict of Interest Statement.

1. Report of Counsel

Mr. Spivey reported that, with regard to the purported class action lawsuit of Burrill vs. James Long, the Department of Insurance and the Rate Bureau, that the only remaining company defendant, Nationwide Mutual Insurance Company, had been dismissed from the suit and that a summary judgment hearing has been scheduled for the near future.

Mr. Spivey also reviewed recent developments in connection with the 2005 Private Passenger Automobile Rate filing hearing, stating that the hearing has been suspended until the Workers Compensation loss cost and rate filings are resolved.

2. Report of Staff

Mr. Lucas stated (1) that the filing for the motorcycle relativities and manual rule revision has been approved by the Department of Insurance; (2) that the approved effective date is June 1, 2006; and (3) that the Motorcycle Task Force had discussed additional possible revisions to the motorcycle classification plan, and had decided not to pursue an inexperienced operator surcharge for newly licensed motorcycle operators.

Mr. Lucas also reminded the members to report either to ISO or to the Rate Bureau once they had completed their data quality reviews.

3. 2006 Private Passenger Automobile Rate Review

Attention was directed to exhibits prepared by Insurance Services Office (ISO) related to a preliminary rate level review. Mr. Woods reviewed the exhibits, noting that the review includes data through December 31, 2004 and that the effective date underlying the calculations was October 1, 2006.

The Automobile Committee reviewed and discussed the latest available trend data for losses and expenses and considered the impact of gasoline prices on such trends. The Committee used the Delphi method to stimulate discussion with regard to selection of trends. The Committee also reviewed and discussed the symbol trend data presented by ISO on the physical damage coverages. Based upon its review and discussion, the Committee selected trend factors to be utilized by ISO in preparing the preliminary rate level indications. Following review of the exhibits, the Committee agreed to continue its current procedures with respect to loss development and the number of years of experience. Mr. Woods noted that the loss development data reflected the impact of one large company changing its reserving practices in the data underlying the latest diagonal so that the latest diagonal may be biased high. The Committee agreed to continue to use three year average loss development factors but to exclude the anomalous year from the calculations.

Dr. Appel provided background information on the profit related issues and described the methodology used in the latest filing. He stated that the cost of capital analysis as performed by Dr. Vander Weide had not yet been completed; however, a range for the cost of capital was recently completed in connection with the most recent workers compensation rate filing and the range was 10.9% to 13.9% of GAAP net worth. Dr. Appel suggested that it would be appropriate for the Committee to select a profit provision using the most recent cost of capital analysis to serve as a "placeholder" and that the Committee could review the selection again after Dr. Vander Weide has completed the analysis for this review.

Following review and discussion of the components of Dr. Appel's proforma model and the returns generated by a variety of different underwriting profit provisions, the Automobile Committee selected underwriting profit provisions of 7.5% for auto liability and 10.0% for auto physical damage. Dr. Appel noted that these provisions would generate statutory returns (returns which do not take into consideration investment income on capital and surplus) that could not be excessive because the total returns generated by these underwriting profit provisions fall within the lower end of Dr. Vander Weide's range for the cost of capital.

The Committee reviewed the data on contingencies and agreed, consistent with the most recent auto filings, to include a contingency factor of zero.

Mr. Armstrong stated (1) that the Rate Bureau is required to review the classification and sub classifications every three years; (2) that the last time the plans were reviewed was in 2003; and (3) that ISO is in the process of preparing exhibits for the review but the exhibits are not complete and it will be necessary to conduct a conference call to review the exhibits.

Mr. Armstrong reviewed the outstanding issues for the rate review, which include (1) expenses; (2) dividends and deviations; (3) classification and sub classification plans; (4) deductible relativities; (5) uninsured and underinsured motorists rate level; and (6) motorcycle liability rate level. He stated that the outstanding items could be handled by telephone conference and that Rate Bureau staff would be contacting the members regarding date and time.

Mr. Armstrong also reported that he had met with Mr. Conley and Mr. Fuller of the N.C. Department of Insurance in November, and that the issues discussed included possible improvements to the class plan and the redefining of territories. Mr. Armstrong requested that the Class and Subclassification Subcommittee convene and review the class plan again, and it was suggested that Mr. Armstrong and Staff plan to meet with Mr. Conley regarding territory definitions.

4. Personal Auto Policy Program Revisions

Mr. Lucas stated that there has been a request to delay the Personal Auto Policy Program revisions that were previously approved by the Department of Insurance to become effective May 1, 2006. Mr. Lucas stated (1) that the policy program revisions were announced to all member companies in October, 2005; (2) that to date, only one member company had requested that the effective date be delayed; (3) that many member companies had already begun making the necessary changes in their systems to meet the May 1, 2006 effective date; and (4) that to his knowledge, there has never been a delay in effective date after the revisions were announced to all member companies.

During the discussion, it was noted that with companies' computer systems in today's environment, it would be better if the Rate Bureau could coordinate multiple revisions on the same effective date and if possible, an effective date that would allow companies to implement the revisions within a "window" of time. It was further noted that the recoupments and the other than "clean risk" rates will be revised to become effective October 1, 2006 and that if at all possible, the motorcycle relativities and the Personal Auto Policy Program revisions could be delayed until October 1, 2006. Mr. Lucas stated that it would be no problem with delaying the implementation of the motorcycle relativities until October 1, 2006 since the revisions had not been announced to all member companies.

Following discussion, it was the consensus of the Committee (1) to delay the implementation of the motorcycle relativities revision until October 1, 2006; (2) to try to coordinate future revisions with multiple revisions to form common effective dates when possible; and (3) to have Rate Bureau staff research the possibility of permitting companies to implement the Personal Auto Policy Program revisions during a "window" of time between May 1, 2006 and October 1, 2006.

5. Adjournment

There being no further business, the meeting was adjourned.

Respectfully Submitted,

Wayne B. Hinton

Automobile Manager

WBH:dp

AC-06-1

2/1/06

H-778

With regard to the information requested under Item (14)(c) the Rate Bureau submits the following:

February 1, 2005 Rate Filing

Insurance Services Office: ISO has advised the Rate Bureau that the ISO assessment is not directly made for specific rate filings or reviews. The assessment covers all services provided by ISO to the Rate Bureau with respect to automobile insurance, including services for developing rates and preparing the filing. The assessment is based on North Carolina premium volume multiplied by countrywide assessment factors. These factors are developed by dividing the costs of each insurance line and service by the premium volume of all insurers affiliated with ISO for each respective line and service. During 2005 ISO has billed the Rate Bureau \$2,616,389.37 for charges relating to automobile insurance services.

Young, Moore, and Henderson: The firm has billed the Rate Bureau approximately \$396,717 for services (fees) rendered in connection with the 2005 private passenger automobile insurance rate filing.

Milliman Inc.: The firm has billed the Rate Bureau approximately \$180,105 for services rendered in connection with the 2005 private passenger automobile insurance rate filing.

Towers Perrin: The firm has billed the Rate Bureau approximately \$150,796 for services rendered in connection with the 2005 private passenger automobile rate filing.

Financial Strategy Associates: The firm has billed the Rate Bureau approximately \$21,263 for its services rendered in connection with the 2005 private passenger automobile insurance rate filing.

February 1, 2006 Rate Filing

Insurance Services Office: ISO has advised the Rate Bureau that the ISO assessment is not directly made for specific rate filings or reviews. The assessment covers all services provided by ISO to the Rate Bureau with respect to automobile insurance, including services for developing rates and preparing the filing. The assessment is based on North Carolina premium volume multiplied by countrywide assessment factors. These factors are developed by dividing the costs of each insurance line and service by the premium volume of all insurers affiliated with ISO for each respective line and service. At the time of the preparation of this filing, ISO has not billed the Rate Bureau for charges relating to automobile insurance services.

Young, Moore, and Henderson: At the time of the preparation of this filing, the firm has billed the Rate Bureau approximately \$6,950 for services (fees) rendered in connection with the 2006 private passenger automobile insurance rate filing.

Towers Perrin: The firm has billed the Rate Bureau approximately \$10,677 for services rendered in connection with the 2006 private passenger automobile rate filing.

Milliman Inc.: At the time of the preparation of this filing, Milliman Inc. has not billed the Rate Bureau for services rendered in connection with the 2006 private passenger automobile insurance rate filing.

Financial Strategy Associates: At the time of the preparation of this filing, the firm has not yet billed the Rate Bureau for its services rendered in connection with the 2006 private passenger automobile insurance rate filing.

The following changes in methodology from those used in the February 1, 2005 filing have been incorporated into this filing:

- Utilized an experience review in order to determine filed Underinsured Motorists rates. Previously, these rates were determined through the use of a UIM pricing model.

See also the prefiled testimony of P. Woods, M. Miller, and D. Appel.

SECTION I
DEDUCTIBLE RELATIVITIES REVIEW

NORTH CAROLINA

REVIEW OF DEDUCTIBLE RELATIVITIES

Page I-2 displays a review of indicated deductible loss relativities based on ISO only North Carolina size of loss distributions for calendar accident years ended December 31, 2002, 2003, and 2004.

These relativities were calculated based on the losses eliminated in moving from a lower to higher deductible. The distributions which underlie these relativities were adjusted to reflect the expected size of loss distributions that will exist on the average date of accident under the proposed rates (7/12/07).

Because the effect of increasing deductibles will not change the fixed expenses, the following formula has been utilized in developing an indicated rate relativity for each deductible that approximately reflects such expenses that do not vary with premium:

$$R = \frac{(Ld + F)}{(1 - V)}$$

where R = indicated relativity
L = provision for loss and loss adjustment expense in the proposed rates (page I-4)
d = loss relativity (page I-2)
F = provision in proposed rates for fixed expenses (page I-4)
V = provision in proposed rates for expenses that vary with premium (page I-4)

Using this formula, which is based on Robert Hurley's "Commercial Fire Insurance Ratemaking" contained in the 1973 CAS Proceedings, and the indicated loss relativities on page I-2, the indicated rate relativities have been calculated and displayed on page I-3.

Page I-4 contains the calculation of L, F, and V.

Page I-5 contains a summary of the current and proposed deductible relativities. A change to the \$1,000 Collision deductible relativity has been proposed.

Page I-6 contains the calculation of the deductible relativity offset.

NORTH CAROLINA

PRIVATE PASSENGER PHYSICAL DAMAGE INSURANCE

INDICATED LOSS RELATIVITIES

| <u>COMPREHENSIVE</u> | <u>2002 (A)</u> | <u>2002 (B)</u> | <u>2003 (A)</u> | <u>2003 (B)</u> | <u>2004 (A)</u> | <u>2004 (B)</u> |
|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Full Coverage | 1.000 | | 1.000 | | 1.000 | |
| \$ 50 Deductible | 0.930 | | 0.945 | | 0.935 | |
| \$ 100 Deductible | 0.863 | | 0.892 | | 0.873 | |
| \$ 250 Deductible | 0.677 | 0.701 | 0.739 | 0.750 | 0.697 | 0.715 |
| \$ 500 Deductible | 0.470 | 0.518 | 0.555 | 0.576 | 0.508 | 0.540 |
| \$1000 Deductible | 0.299 | 0.356 | 0.388 | 0.414 | 0.352 | 0.391 |

(A) Based on ISO calendar/accident year Full Coverage Comprehensive claim size distribution.

(B) Based on ISO calendar/accident year \$100 Deductible Comprehensive claim size distribution rebased to Full Coverage level.

| <u>COLLISION</u> | <u>2002 (A)</u> | <u>2002 (B)</u> | <u>2003 (A)</u> | <u>2003 (B)</u> | <u>2004 (A)</u> | <u>2004 (B)</u> |
|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$ 50 Deductible (C) | 1.019 | | 1.022 | | 1.018 | |
| \$ 100 Deductible | 1.000 | | 1.000 | | 1.000 | |
| \$ 200 Deductible | 0.963 | | 0.964 | | 0.963 | |
| \$ 250 Deductible | 0.944 | | 0.946 | | 0.944 | |
| \$ 500 Deductible | 0.857 | 0.870 | 0.862 | 0.870 | 0.855 | 0.868 |
| \$1000 Deductible | 0.711 | 0.740 | 0.720 | 0.738 | 0.705 | 0.732 |

(A) Based on ISO calendar/accident year \$100 Deductible Collision claim size distribution.

(B) Based on ISO calendar/accident year \$250 Deductible Collision claim size distribution rebased to \$100 Deductible level.

(C) Based on ISO calendar/accident year \$50 Deductible Collision claim size distribution.

NORTH CAROLINA

PRIVATE PASSENGER PHYSICAL DAMAGE INSURANCE

INDICATED RATE RELATIVITIES

| <u>COMPREHENSIVE</u> | <u>CURRENT</u> | <u>2002 (A)</u> | <u>2002 (B)</u> | <u>2003 (A)</u> | <u>2003 (B)</u> | <u>2004 (A)</u> | <u>2004 (B)</u> | <u>SELECTED</u> |
|----------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Full Coverage | 1.00 | 1.000 | | 1.000 | | 1.000 | | 1.00 |
| \$ 50 Deductible | 0.95 | 0.943 | | 0.955 | | 0.947 | | 0.95 |
| \$ 100 Deductible | 0.90 | 0.889 | | 0.912 | | 0.897 | | 0.90 |
| \$ 250 Deductible | 0.77 | 0.738 | 0.757 | 0.788 | 0.797 | 0.754 | 0.769 | 0.77 |
| \$ 500 Deductible | 0.60 | 0.570 | 0.609 | 0.639 | 0.656 | 0.601 | 0.627 | 0.60 |
| \$1000 Deductible | 0.50 | 0.431 | 0.478 | 0.504 | 0.525 | 0.474 | 0.506 | 0.50 |

(A) Based on ISO calendar/accident year Full Coverage Comprehensive claim size distribution.

(B) Based on ISO calendar/accident year \$100 Deductible Comprehensive claim size distribution rebased to Full Coverage level.

| <u>COLLISION</u> | <u>CURRENT</u> | <u>2002 (A)</u> | <u>2002 (B)</u> | <u>2003 (A)</u> | <u>2003 (B)</u> | <u>2004 (A)</u> | <u>2004 (B)</u> | <u>SELECTED</u> |
|----------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$ 50 Deductible (C) | 1.02 | 1.015 | | 1.018 | | 1.015 | | 1.02 |
| \$ 100 Deductible | 1.00 | 1.000 | | 1.000 | | 1.000 | | 1.00 |
| \$ 200 Deductible | 0.97 | 0.970 | | 0.971 | | 0.970 | | 0.97 |
| \$ 250 Deductible | 0.95 | 0.954 | | 0.956 | | 0.954 | | 0.95 |
| \$ 500 Deductible | 0.88 | 0.883 | 0.894 | 0.888 | 0.894 | 0.882 | 0.892 | 0.88 |
| \$1000 Deductible | 0.75 | 0.764 | 0.788 | 0.772 | 0.786 | 0.760 | 0.782 | 0.77 |

(A) Based on ISO calendar/accident year \$100 Deductible Collision claim size distribution.

(B) Based on ISO calendar/accident year \$250 Deductible Collision claim size distribution rebased to \$100 Deductible level.

(C) Based on ISO calendar/accident year \$50 Deductible Collision claim size distribution.

NORTH CAROLINA
REVIEW OF DEDUCTIBLE RELATIVITIES

I. Calculation of Projected Loss Ratio (L)

| | <u>Comprehensive</u> | <u>Collision</u> |
|--|----------------------|------------------|
| (1) Trended premium at manual rates (pages H-3, part II. and C-7, lines 25, 26) | 521,952,002 | 1,052,200,079 |
| (2) Projected losses (page C-7, line 15) | 247,049,409 | 561,307,450 |
| (3) Projected loss adjustment expenses (page C-7, line 16) | 44,535,054 | 98,465,052 |
| (4) Projected general and other acquisition expenses (page C-7, line 18) | 67,886,537 | 149,409,243 |
| (5) Projected premium [(2)+(3)+(4)]/[1-V] | 458,508,929 | 1,032,119,573 |
| (6) Projected losses and loss adjustment expenses (2)+(3) | 291,584,463 | 659,772,502 |
| (7) Projected loss ratio (L) (6)/(5) | 0.635940643 | 0.639240374 |

II. Calculation of Fixed Expense Percentage (F)

| | | |
|---|-------------|---------------|
| (1) Projected general and other acquisition expenses [(4) above] | 67,886,537 | 149,409,243 |
| (2) Projected premium [(5) above] | 458,508,929 | 1,032,119,573 |
| (3) Fixed expense percentage (F) (1)/(2) | 0.148059357 | 0.144759626 |

III. Calculation of Variable Expense Percentage (V) (page D-20)

| | |
|------------------------------|-------|
| (1) Commission and Brokerage | 9.4% |
| (2) Contingencies | 0.0% |
| (3) Profit | 10.0% |
| (4) Taxes, Licenses and Fees | 2.2% |
| (5) Total (1)+(2)+(3)+(4) | 21.6% |

NORTH CAROLINA
PRIVATE PASSENGER PHYSICAL DAMAGE INSURANCE

PHYSICAL DAMAGE DEDUCTIBLE RELATIVITIES

| | <u>Current</u> <u>Relativity</u> | <u>Selected</u> <u>Relativity</u> |
|-------------------|-------------------------------------|--------------------------------------|
| COMPREHENSIVE | | |
| Full Coverage | 1.000 | 1.000 |
| \$ 50 Deductible | 0.950 | 0.950 |
| \$ 100 Deductible | 0.900 | 0.900 |
| \$ 250 Deductible | 0.770 | 0.770 |
| \$ 500 Deductible | 0.600 | 0.600 |
| \$1000 Deductible | 0.500 | 0.500 |
| COLLISION | | |
| \$ 50 Deductible | 1.020 | 1.020 |
| \$ 100 Deductible | 1.000 | 1.000 |
| \$ 200 Deductible | 0.970 | 0.970 |
| \$ 250 Deductible | 0.950 | 0.950 |
| \$ 500 Deductible | 0.880 | 0.880 |
| \$1000 Deductible | 0.750 | 0.770 |

NORTH CAROLINA
REVIEW OF DEDUCTIBLE RELATIVITIES

Deductible Relativity Offset Calculation

Collision

| <u>Coverage</u> | (1) <u>Trended Premium at Present Rates</u> | (2) <u>Current Factor</u> | (3) <u>Revised Factor</u> | (4) <u>(1)/(2)*(3)</u> | Offset <u>(1)/(4)</u> |
|-----------------|--|----------------------------------|----------------------------------|---------------------------|--------------------------|
| \$50 Ded | 3,786,450 | 1.02 | 1.02 | 3,786,450 | |
| \$100 Ded | 87,567,441 | 1.00 | 1.00 | 87,567,441 | |
| \$200 Ded | 15,486,830 | 0.97 | 0.97 | 15,486,830 | |
| \$250 Ded | 468,840,700 | 0.95 | 0.95 | 468,840,700 | |
| \$500 Ded | 447,019,596 | 0.88 | 0.88 | 447,019,596 | |
| \$1000 Ded | 29,499,063 | 0.75 | 0.77 | 30,285,705 | |
| | 1,052,200,080 | | | 1,052,986,722 | 0.999 |

SECTION J
CLASSIFICATION PLAN REVIEW

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE

REVIEW OF CLASSIFICATION EXPERIENCE

Explanatory Memorandum

This section presents a review of North Carolina classification experience. This review summarizes all private passenger non-fleet motor vehicle experience for all companies reporting to Insurance Services Office, Inc. (ISO), the Property Casualty Insurers Association of America (PCI), or the National Independent Statistical Service (NISS) for the three years ended December 31, 2004. The data for Liability coverages are retained and ceded risks combined for 30/60 Bodily Injury and \$25,000 Property Damage. The data for Physical Damage includes all standard rate and consent to rate experience for Full Coverage, \$50, \$100, \$250, \$500 and \$1,000 Deductible Comprehensive, and \$50, \$100, \$200, \$250, \$500 and \$1,000 Deductible Collision. The premiums shown in this review are premiums at present voluntary/standard base rates. Losses are actual unadjusted dollars of losses, i.e. the losses are not trended or developed. Losses are on a calendar/accident year incurred basis for liability and include allocated loss adjustment expenses only. Losses are on a calendar year paid basis for physical damage and exclude all loss adjustment expense.

In consideration of this most recent experience, the Rate Bureau is effecting changes in the classification and subclassification plans used for private passenger nonfleet automobiles. Revisions in the rating factors that apply to the classes and subclasses are appropriate to more accurately reflect the differences in hazard between different motor vehicles and operators. In particular, changes are proposed in the Safe Driver Insurance plan surcharges, the inexperienced operator surcharges and the use surcharges. The experience pertaining to the multicar discount was reviewed, but no changes are proposed. The descriptions below provide a more detailed analysis of these changes. Technical notes are provided after the exhibits.

The Review

Each rating factor (type of use, operator experience, single/multi car policy, and SDIP points) was reviewed separately. The review derives indicated rating factors so that each group of operators would have the same loss ratio. For example, for type of use, the review considers the pleasure use classes, the drive to work less than 10 miles classes, the drive to work more than 10 miles classes, the business use classes, and the farm use classes; and develops the additional additive surcharge that would create equal loss ratios for each group of classes. Similarly, inexperienced operator surcharges, multicar discounts and SDIP surcharges were developed.

The results of the review are shown on pages J-3 through J-9.

Use Surcharges

Page J-6 shows the review of the use surcharges in the same detail as the current surcharges. Liability, Comprehensive and Collision are reviewed separately. The average rating factors for the other variables (inexperienced operator, single/multicar policy and SDIP) were calculated and used to compute premium at present pleasure rates (column (1)). These rating factors are the surcharges currently in effect. Here pleasure use is assumed to be the base class. The premium is that which would be generated if there were no use surcharges. The ratio of losses to premium at pleasure rates, column (8), was calculated. The premium that must be collected from each type of use to have the same loss ratio as the pleasure use group (column (9)) is then derived. The shortfall between this needed premium and the premium collected at pleasure rates must be recovered through use surcharges. The ratio of the shortfall to the premium at present base rates equals the indicated use surcharge. For Comprehensive, the use surcharges are revised.

Multicar Discount

Pages J-7 shows the review of the multicar discount. Liability, Comprehensive and Collision are reviewed separately. This review was performed in a similar way as the review of the use surcharges. For Liability, Comprehensive and Collision the discount is unchanged.

Inexperienced Operator Surcharges

Page J-8 shows the review of the inexperienced operator surcharge in the same detail as the current surcharges. Liability, Comprehensive and Collision are reviewed separately. This review was performed in a similar way as the review of the use surcharges. The inexperienced operator surcharges are revised for Liability, Comprehensive and Collision.

SDIP Surcharges

Page J-9 shows the review of the SDIP surcharges. Because of potential biases created with the assignment of SDIP points for multi-car risks, single car risks only were used for this analysis. For each SDIP point category, the total premiums at present rates and losses for all coverages are considered. The ratio of losses to premium at 0-point rates, column (4), was calculated. The premium that must be collected from each point category to have the same loss ratio as the 0 point group (column (5)) is then derived. The shortfall between this needed premium and the premium collected at 0-point rates must be recovered through SDIP surcharges. The ratio of the shortfall to the premium at present base rates equals the indicated SDIP surcharge. For all coverages, the SDIP surcharges are revised.

Implementation

To introduce this revision with no rate level effect, the base rates must be adjusted to offset any change to the premium collected. The offset is equal to the ratio of the average rating factor (weighted on premium at present base rates) before the changes to the average rating factor after the changes. The appropriate offsets have been calculated by territory separately for Liability, Comprehensive and Collision. The offsets are shown on page J-11.

The revised rates shown in Section B of this filing reflect these offsets.

North Carolina - Review of Private Passenger Classification Experience

Current and Indicated Use Surcharges

| | (1) | (2) | (3) | (4) |
|----------------------|---------|---------------|---------------|----------|
| | Current | 1st iteration | 2nd iteration | Selected |
| | factor | Indicated | Indicated | factor |
| | | factor | surcharge | |
| <u>Liability</u> | | | | |
| Pleasure | 0.00 | 0.000 | 0.000 | 0.00 |
| Work < 10 | 0.05 | 0.112 | 0.108 | 0.05 |
| Work > 10 | 0.05 | 0.048 | 0.044 | 0.05 |
| Business | 0.05 | 0.009 | 0.009 | 0.05 |
| Farm | -0.20 | -0.234 | -0.233 | -0.20 |
| <u>Comprehensive</u> | | | | |
| Pleasure | 0.00 | 0.000 | 0.000 | 0.00 |
| Work < 10 | 0.20 | 0.169 | 0.167 | 0.20 |
| Work > 10 | 0.25 | 0.191 | 0.190 | 0.20 |
| Business | 0.30 | 0.167 | 0.169 | 0.20 |
| Farm | -0.15 | -0.226 | -0.224 | -0.15 |
| <u>Collision</u> | | | | |
| Pleasure | 0.00 | 0.000 | 0.000 | 0.00 |
| Work < 10 | 0.10 | 0.090 | 0.087 | 0.10 |
| Work > 10 | 0.10 | 0.069 | 0.067 | 0.10 |
| Business | 0.10 | -0.038 | -0.037 | 0.10 |
| Farm | -0.20 | -0.247 | -0.245 | -0.20 |

Review was based on 3 years of data ended December 31, 2004.

North Carolina - Review of Private Passenger Classification Experience

Current and Indicated Inexperienced Operator Surcharges

| | (1) | (2) | (3) | (4) |
|--------------------------|-------------------|--------------------------------------|---|--------------------|
| | Current factor | 1st iteration Indicated factor | 2nd iteration Indicated surcharge | Selected factor |
| <u>Liability</u> | | | | |
| No inexperienced | 0.00 | 0.000 | 0.000 | 0.00 |
| Principal < 1 | 3.25 | 3.703 | 3.757 | 3.50 |
| Occasional < 1 | 2.00 | 1.843 | 1.870 | 1.90 |
| Principal < 2 | 1.60 | 1.822 | 1.844 | 1.75 |
| Occasional < 2 | 1.05 | 0.807 | 0.817 | 0.90 |
| Principal < 3 | 1.25 | 1.380 | 1.386 | 1.30 |
| Occasional < 3 | 0.85 | 0.401 | 0.402 | 0.70 |
| <u>Comprehensive</u> | | | | |
| No inexperienced | 0.00 | 0.000 | 0.000 | 0.00 |
| Principal < 1 | 0.55 | 0.788 | 0.791 | 0.70 |
| Occasional < 1 | 0.20 | 0.283 | 0.286 | 0.20 |
| Principal < 2 | 0.55 | 0.579 | 0.577 | 0.55 |
| Occasional < 2 | 0.20 | 0.041 | 0.039 | 0.15 |
| Principal < 3 | 0.55 | 0.871 | 0.863 | 0.55 |
| Occasional < 3 | 0.20 | -0.075 | -0.081 | 0.10 |
| <u>Collision</u> | | | | |
| No inexperienced | 0.00 | 0.000 | 0.000 | 0.00 |
| Principal < 1 | 3.25 | 3.515 | 3.565 | 3.40 |
| Occasional < 1 | 2.25 | 2.020 | 2.048 | 2.10 |
| Principal < 2 | 1.75 | 2.025 | 2.050 | 1.90 |
| Occasional < 2 | 1.10 | 1.001 | 1.013 | 1.10 |
| Principal < 3 | 1.50 | 1.943 | 1.959 | 1.65 |
| Occasional < 3 | 0.90 | 0.707 | 0.711 | 0.85 |

Review was based on 3 years of data ended December 31, 2004.

North Carolina - Review of Private Passenger Classification Experience

Current and Selected SDIP Surcharges

| Number of Points | (1) | (2) | (3) | (4) |
|---------------------|----------------------|---|---|-----------------------|
| | Current surcharge | 1st iteration Indicated surcharge | 2nd iteration Indicated surcharge | Selected surcharge |
| 0 | 0.00 | 0.000 | 0.000 | 0.00 |
| 1 | 0.25 | 0.680 | 0.679 | 0.45 |
| 2 | 0.45 | 0.719 | 0.718 | 0.55 |
| 3 | 0.60 | 0.625 | 0.624 | 0.65 |
| 4 | 0.80 | 1.142 | 1.141 | 1.00 |
| 5 | 1.05 | 1.599 | 1.598 | 1.40 |
| 6 | 1.30 | 1.573 | 1.571 | 1.60 |
| 7 | 1.60 | 1.942 | 1.940 | 1.90 |
| 8 | 1.90 | 2.161 | 2.159 | 2.10 |
| 9 | 2.25 | 2.864 | 2.862 | 2.50 |
| 10 | 2.60 | 2.250 | 2.248 | 2.80 |
| 11 | 3.00 | 5.698 | 5.696 | 3.00 |
| 12 | 3.40 | 0.963 | 0.962 | 3.40 |
| NE | 0.10 | 0.068 | 0.074 | 0.10 |

Current and Indicated Multicar Discount

| | Current | 1st iteration Indicated | 2nd iteration Indicated | Selected surcharge |
|---------------|---------|----------------------------|----------------------------|-----------------------|
| Liability | -0.35 | -0.437 | -0.434 | -0.35 |
| Comprehensive | -0.10 | -0.147 | -0.143 | -0.10 |
| Collision | -0.30 | -0.374 | -0.373 | -0.30 |

Review was based on 3 years of data ended December 31, 2004.

NORTH CAROLINA PRIVATE PASSENGER CLASSIFICATION EXPERIENCE -- REVIEW OF USE SURCHARGES

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|--------------------------------|------------------------------|--------------------------|---------------|--------------------------|--------------------------|----------------------------|---------------------------|------------|-------------------|--------------|---------------------|
| | Premium at pleasure rates | Premium at base rates | Losses | Average exp factor | Average use factor | Average multi factor | Average SDIP factor | Loss ratio | Needed premium | Shortfall | Indicated factor |
| <u>Liability Coverages</u> | | | | | | | | | | | |
| Pleasure | 2,131,686,978 | 2,621,269,429 | 1,291,573,909 | 0.044 | 0.000 | -0.287 | 0.055 | 0.6059 | 2,131,686,978 | 0 | 0.000 |
| Work < 10 | 2,253,776,977 | 2,360,366,718 | 1,519,783,968 | 0.086 | 0.050 | -0.237 | 0.105 | 0.6743 | 2,508,337,828 | 254,560,851 | 0.108 |
| Work > 10 | 556,256,227 | 627,968,378 | 353,810,709 | 0.048 | 0.050 | -0.252 | 0.089 | 0.6361 | 583,949,301 | 27,693,074 | 0.044 |
| Business | 85,393,496 | 102,512,945 | 52,282,812 | 0.015 | 0.050 | -0.256 | 0.072 | 0.6123 | 86,290,524 | 897,028 | 0.009 |
| Farm | 92,070,710 | 124,159,871 | 38,236,229 | 0.025 | -0.200 | -0.313 | 0.029 | 0.4153 | 63,107,245 | (28,963,465) | -0.233 |
| <u>Comprehensive Coverages</u> | | | | | | | | | | | |
| Pleasure | 561,782,952 | 572,984,074 | 340,697,663 | 0.007 | 0.000 | -0.082 | 0.057 | 0.6065 | 561,782,952 | 0 | 0.000 |
| Work < 10 | 525,680,630 | 511,702,313 | 370,495,198 | 0.013 | 0.200 | -0.070 | 0.089 | 0.7048 | 610,916,683 | 85,236,053 | 0.167 |
| Work > 10 | 148,147,937 | 146,786,648 | 106,734,708 | 0.007 | 0.200 | -0.074 | 0.080 | 0.7205 | 175,996,920 | 27,848,983 | 0.190 |
| Business | 24,354,133 | 24,448,489 | 17,271,965 | 0.002 | 0.200 | -0.072 | 0.069 | 0.7092 | 28,480,076 | 4,125,943 | 0.169 |
| Farm | 27,610,796 | 29,216,059 | 12,782,432 | 0.004 | -0.150 | -0.089 | 0.030 | 0.4630 | 21,077,199 | (6,533,597) | -0.224 |
| <u>Collision Coverages</u> | | | | | | | | | | | |
| Pleasure | 1,227,325,827 | 1,452,365,209 | 690,018,238 | 0.027 | 0.000 | -0.243 | 0.061 | 0.5622 | 1,227,325,827 | 0 | 0.000 |
| Work < 10 | 1,299,397,783 | 1,389,938,463 | 798,734,326 | 0.049 | 0.100 | -0.208 | 0.093 | 0.6147 | 1,420,697,618 | 121,299,835 | 0.087 |
| Work > 10 | 352,522,379 | 395,173,923 | 213,081,061 | 0.028 | 0.100 | -0.219 | 0.083 | 0.6044 | 379,004,315 | 26,481,936 | 0.067 |
| Business | 59,006,823 | 67,945,931 | 31,753,959 | 0.010 | 0.100 | -0.214 | 0.072 | 0.5381 | 56,480,324 | (2,526,499) | -0.037 |
| Farm | 46,768,009 | 59,961,065 | 18,018,776 | 0.013 | -0.200 | -0.266 | 0.033 | 0.3853 | 32,049,746 | (14,718,263) | -0.245 |

NORTH CAROLINA PRIVATE PASSENGER CLASSIFICATION EXPERIENCE -- REVIEW OF MULTICAR DISCOUNT

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|--------------------------------|--------------------------|---------------|-----------------------|-----------------------|-------------------------|------------------------|------------|-------------------|-----------------|---------------------|
| Premium at single rates | Premium at base rates | Losses | Average exp factor | Average use factor | Average multi factor | Average SDIP factor | Loss ratio | Needed premium | Shortfall | Indicated factor |
| <u>Liability Coverages</u> | | | | | | | | | | |
| Single | 1,824,934,871 | 1,217,374,323 | 0.065 | 0.031 | 0.000 | 0.152 | 0.6671 | 1,824,934,871 | 0 | 0.000 |
| Multi | 4,373,248,484 | 2,038,313,304 | 0.059 | 0.019 | -0.350 | 0.054 | 0.4114 | 3,055,583,608 | (1,899,195,307) | -0.434 |
| <u>Comprehensive Coverages</u> | | | | | | | | | | |
| Single | 373,252,470 | 229,739,283 | 0.007 | 0.129 | 0.000 | 0.115 | 0.6155 | 373,252,470 | 0 | 0.000 |
| Multi | 1,145,000,790 | 618,332,683 | 0.010 | 0.097 | -0.100 | 0.059 | 0.5400 | 1,004,591,806 | (140,408,984) | -0.143 |
| <u>Collision Coverages</u> | | | | | | | | | | |
| Single | 1,014,704,287 | 597,656,860 | 0.027 | 0.064 | 0.000 | 0.116 | 0.5890 | 1,014,704,287 | 0 | 0.000 |
| Multi | 2,901,553,510 | 1,153,949,500 | 0.038 | 0.047 | -0.300 | 0.063 | 0.3977 | 1,959,180,230 | (942,373,280) | -0.373 |

NORTH CAROLINA PRIVATE PASSENGER CLASSIFICATION EXPERIENCE -- REVIEW OF INEXPERIENCED OPERATOR SURCHARGES

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|------------------------------|-----------------------|---------------|--------------------|--------------------|----------------------|---------------------|------------|----------------|-------------|------------------|
| Premium at experienced rates | Premium at base rates | Losses | Average exp factor | Average use factor | Average multi factor | Average SDIP factor | Loss ratio | Needed premium | Shortfall | Indicated factor |
| <u>Liability Coverages</u> | | | | | | | | | | |
| No inexp | 4,734,150,882 | 2,923,632,811 | 0.000 | 0.022 | -0.264 | 0.078 | 0.6176 | 4,734,150,882 | 0 | 0.000 |
| Prin <1 | 38,047,850 | 131,955,165 | 3.350 | 0.030 | -0.262 | 0.045 | 3.4681 | 213,671,039 | 175,623,189 | 3.757 |
| Occ <1 | 17,731,885 | 35,980,632 | 1.900 | 0.030 | -0.267 | 0.056 | 2.0281 | 58,262,358 | 40,530,473 | 1.870 |
| Prin <2 | 36,978,480 | 71,699,032 | 1.650 | 0.032 | -0.262 | 0.091 | 1.9389 | 116,100,091 | 79,121,611 | 1.844 |
| Occ <2 | 12,961,170 | 15,984,677 | 1.000 | 0.029 | -0.287 | 0.077 | 1.2333 | 25,883,508 | 12,922,338 | 0.817 |
| Prin <3 | 44,613,102 | 66,754,573 | 1.300 | 0.034 | -0.224 | 0.164 | 1.4963 | 108,093,677 | 63,480,575 | 1.386 |
| Occ <3 | 10,624,060 | 9,680,737 | 0.800 | 0.028 | -0.287 | 0.104 | 0.9112 | 15,675,727 | 5,051,667 | 0.402 |

Comprehensive Coverages

| | | | | | | | | | | |
|----------|---------------|-------------|-------|-------|--------|-------|--------|---------------|-----------|--------|
| No inexp | 1,378,453,471 | 821,885,756 | 0.000 | 0.104 | -0.076 | 0.072 | 0.5962 | 1,378,453,471 | 0 | 0.000 |
| Prin <1 | 5,751,171 | 5,960,796 | 0.650 | 0.124 | -0.089 | 0.040 | 1.0364 | 9,997,350 | 4,246,179 | 0.791 |
| Occ <1 | 3,735,445 | 2,811,594 | 0.200 | 0.125 | -0.082 | 0.050 | 0.7527 | 4,715,560 | 980,115 | 0.286 |
| Prin <2 | 6,687,020 | 6,047,346 | 0.550 | 0.135 | -0.085 | 0.073 | 0.9043 | 10,142,511 | 3,455,491 | 0.577 |
| Occ <2 | 2,981,012 | 1,840,541 | 0.150 | 0.122 | -0.085 | 0.070 | 0.6174 | 3,086,926 | 105,914 | 0.039 |
| Prin <3 | 7,838,100 | 8,103,923 | 0.550 | 0.138 | -0.075 | 0.120 | 1.0339 | 13,591,768 | 5,753,668 | 0.863 |
| Occ <3 | 2,569,053 | 1,422,010 | 0.100 | 0.124 | -0.085 | 0.093 | 0.5535 | 2,384,972 | (184,081) | -0.081 |

Collision Coverages

| | | | | | | | | | | |
|----------|---------------|---------------|-------|-------|--------|-------|--------|---------------|------------|-------|
| No inexp | 2,981,569,384 | 1,648,018,532 | 0.000 | 0.051 | -0.225 | 0.076 | 0.5527 | 2,981,569,384 | 0 | 0.000 |
| Prin <1 | 9,935,565 | 28,384,162 | 3.300 | 0.063 | -0.259 | 0.050 | 2.8568 | 51,352,182 | 41,416,617 | 3.565 |
| Occ <1 | 7,474,117 | 13,778,623 | 2.200 | 0.063 | -0.243 | 0.056 | 1.8435 | 24,928,069 | 17,453,952 | 2.048 |
| Prin <2 | 12,364,710 | 22,229,811 | 1.800 | 0.068 | -0.247 | 0.087 | 1.7978 | 40,217,827 | 27,853,117 | 2.050 |
| Occ <2 | 5,840,160 | 6,901,403 | 1.100 | 0.061 | -0.252 | 0.079 | 1.1817 | 12,485,910 | 6,645,750 | 1.013 |
| Prin <3 | 16,564,921 | 27,211,581 | 1.550 | 0.069 | -0.215 | 0.134 | 1.6427 | 49,230,767 | 32,665,846 | 1.959 |
| Occ <3 | 5,174,761 | 5,082,248 | 0.850 | 0.063 | -0.252 | 0.103 | 0.9821 | 9,194,724 | 4,019,963 | 0.711 |

NORTH CAROLINA PRIVATE PASSENGER CLASSIFICATION EXPERIENCE

REVIEW OF SAFE DRIVER INSURANCE PLAN SURCHARGES

Liability and Physical Damage data combined*

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|-----|--|--------------------------|---------------|--------------------------|---|----------------------|-----------------------------------|
| | Premium at 0-point rates (Class Premium) | Premium at base rates | Losses | Loss ratio (3)/(1) | Indicated Premium ((3 _i)*(1 ₀))/(3 ₀) | Shortfall (5)-(1) | Indicated surcharge (6)/(2) |
| 0 | 2,372,566,804 | 2,168,372,055 | 1,517,848,852 | 0.640 | 2,372,566,804 | 0 | 0.000 |
| 1 | 79,650,268 | 70,847,806 | 81,738,167 | 1.026 | 127,765,858 | 48,115,590 | 0.679 |
| 2 | 95,004,356 | 85,306,984 | 99,989,149 | 1.052 | 156,294,176 | 61,289,820 | 0.718 |
| 3 | 150,317,910 | 133,062,346 | 149,271,549 | 0.993 | 233,328,056 | 83,010,146 | 0.624 |
| 4 | 43,475,236 | 38,531,639 | 55,947,819 | 1.287 | 87,452,672 | 43,977,436 | 1.141 |
| 5 | 17,836,555 | 15,659,312 | 27,416,279 | 1.537 | 42,854,698 | 25,018,143 | 1.598 |
| 6 | 15,145,622 | 13,087,534 | 22,841,306 | 1.508 | 35,703,505 | 20,557,883 | 1.571 |
| 7 | 5,986,224 | 5,214,413 | 10,302,166 | 1.721 | 16,103,433 | 10,117,209 | 1.940 |
| 8 | 4,398,617 | 3,875,082 | 8,165,922 | 1.856 | 12,764,246 | 8,365,629 | 2.159 |
| 9 | 2,360,519 | 2,064,316 | 5,289,719 | 2.241 | 8,268,420 | 5,907,901 | 2.862 |
| 10 | 1,403,039 | 1,243,129 | 2,685,314 | 1.914 | 4,197,445 | 2,794,406 | 2.248 |
| 11 | 683,119 | 613,076 | 2,670,992 | 3.910 | 4,175,058 | 3,491,939 | 5.696 |
| 12 | 23,544,438 | 21,743,624 | 28,447,159 | 1.208 | 44,466,078 | 20,921,640 | 0.962 |
| NE | 47,099,032 | 42,801,220 | 32,156,073 | 0.683 | 50,263,523 | 3,164,491 | 0.074 |
| Tot | 2,859,471,739 | 2,602,422,536 | 2,044,770,466 | 0.715 | 3,196,203,972 | 336,732,233 | 0.129 |

Notes:

Premium at 0 point level: statewide premium at present rates, adjusted to a 0 SDIP point level.

Premium at base rates: statewide premium at present rates, adjusted to unity class (pleasure use, single car, no inexperienced operators, 0 SDIP points).

Losses: incurred undeveloped losses for liability and paid losses for physical damage.

Loss ratio: losses divided by premium at 0 point level.

Indicated Premium: premium necessary such that the loss ratio of the SDIP class under review will equal the base class (0 points).

= (class premium for the base class) x (class losses) / (losses for the base class).

Shortfall: difference between the indicated premium and the class premium.

Indicated surcharge: Shortfall divided by premium at base rates.

* Single car risks only.

REVIEW OF NORTH CAROLINA PRIVATE PASSENGER CLASSIFICATION EXPERIENCE

Notes for pages J-6-8

| | |
|-------------------------------|--|
| Column (1) (Class Premium) | The premium at pleasure rates on page J-6 is the premium at present rates as if all the exposures were in the pleasure use class. |
| | The premium at single rates on page J-7 is the premium at present rates as if all the exposures were on single car policies. |
| | The premium at experienced rates on page J-8 is the premium at present rates as if all the exposures had no inexperienced operators. |
| Premium at base rates | The premium at present rates as if all the exposures were in the unity class (pleasure use, single car, no inexperienced operators, no SDIP points.) |
| Losses | Incurred undeveloped basic limit losses for liability and paid losses for physical damage. |
| Average experience factor | Average inexperienced operator surcharge for all in the class. |
| Average use factor | Average use surcharge for all in the class. |
| Average multi factor | Average multi-car discount for all in the class. |
| Average SDIP factor | Average SDIP surcharge for all in the class. |
| Loss ratio | Ratio of losses to class premium. |
| Needed premium | Premium necessary such that the loss ratio of the class under review will equal the base class. = (Class premium for the base class) x (Class losses) ÷ (Losses for the base class) |
| Shortfall | Difference between the needed premium and the class premium. |
| Indicated factor | Shortfall divided by premium at base rates. |

REVIEW OF NORTH CAROLINA PRIVATE PASSENGER CLASSIFICATION EXPERIENCE

Premium Offsets to Maintain Constant Premium Volume

Physical Damage

| Terr. | Liability | Comprehensive | Collision |
|-------|-----------|---------------|-----------|
| 11 | 0.983 | 0.994 | 0.985 |
| 13 | 0.984 | 0.995 | 0.985 |
| 14 | 0.985 | 0.996 | 0.987 |
| 15 | 0.986 | 0.997 | 0.987 |
| 16 | 0.982 | 0.997 | 0.984 |
| 17 | 0.986 | 0.997 | 0.988 |
| 18 | 0.985 | 0.996 | 0.987 |
| 24 | 0.986 | 0.998 | 0.988 |
| 25 | 0.985 | 0.996 | 0.987 |
| 26 | 0.987 | 0.999 | 0.988 |
| 31 | 0.984 | 0.997 | 0.985 |
| 32 | 0.985 | 0.998 | 0.987 |
| 33 | 0.985 | 0.997 | 0.986 |
| 40 | 0.983 | 0.994 | 0.985 |
| 41 | 0.979 | 0.992 | 0.980 |
| 43 | 0.981 | 0.994 | 0.983 |
| 47 | 0.984 | 0.995 | 0.985 |
| 51 | 0.982 | 0.998 | 0.984 |
| 52 | 0.982 | 0.995 | 0.983 |

**INSURANCE SERVICES OFFICE, INC.
NORTH CAROLINA RATE BUREAU**

NOTICE TO MANUALHOLDERS

**PERSONAL AUTO MANUAL – NORTH CAROLINA
NOTICE 2006-002**

INSTRUCTIONS TO MANUALHOLDERS

Revised manual pages are enclosed. If your company has adopted this revision, you should insert these pages into your manual.

EFFECTIVE DATE

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

This revision becomes effective with respect to all new and renewal policies written to become effective on or after October 1, 2006.

CHANGE(S)

This Notice contains revisions to the motorcycle relativities included in Rule **19.B.** of the Personal Auto Manual to introduce four categories of cubic centimeters (cc's) in lieu of the current two categories.

The current classifications of 0 to 324 and 325 and higher are being eliminated for both the voluntary and ceded business and are being replaced with the classifications of 0 to 499, 500 to 1,249, 1,250 to 1,499 and 1,500 and higher. Also, a separate medical payments factor is being introduced.

REVISED PAGE(S)

NC-GR-32 thru NC-GR-35

PAGE CHECKLIST

Included in this distribution is a page checklist displaying the latest page numbers and edition dates.

REFERENCE INFORMATION (FOR COMPANY USE ONLY)

Circular Reference(s):

- A-05-8 (12/20/2005) NCRB Circular Letter

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**PERSONAL AUTO MANUAL
PAGE CHECKLIST – NORTH CAROLINA**

THIS MANUAL PAGE CHECKLIST DISPLAYS THE LATEST STATE PAGE INFORMATION AS OF 10-06.

NO MULTISTATE APPLIES

NOTE: ALWAYS USE THE EDITION NUMBER TO DETERMINE THE LATEST PAGE.

IF YOUR MANUAL PAGES DO NOT COINCIDE WITH THIS LISTING, CONTACT CUSTOMER SERVICE FOR THE NECESSARY MATERIAL TO UPDATE YOUR MANUAL.

| PAGE NUMBER | EDITION | | PAGE NUMBER | EDITION | |
|---------------------------|------------------|----------------|---------------------|---------|-------|
| | NUMBER | DATE | | NUMBER | DATE |
| Notice No. 2006-002 | – | 10-06 | NC-GR-20 | 9th | 10-89 |
| Rule Numbers and Subjects | First Reprint | Eff. 7-1-82 | NC-GR-21 | 12th | 7-03 |
| | | | NC-GR-22 | 10th | 7-03 |
| | | | NC-GR-23, NC-GR-24 | 19th | 1-04 |
| | | | NC-GR-25 | 17th | 7-03 |
| Index-a, b | 12th | 12-96 | NC-GR-26 | 6th | 5-06 |
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| NC-E-Coding | 1st | 5-89 | NC-GR-28 | 11th | 5-06 |
| | | | NC-GR-29 | 15th | 5-06 |
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| NC-GR-3 | 13th | 5-06 | NC-GR-32 | 17th | 10-06 |
| NC-GR-4 | 19th | 5-06 | NC-GR-33 | 11th | 10-06 |
| NC-GR-5 | 20th | 10-05 | NC-GR-34 | 8th | 10-06 |
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3. PREMIUM DETERMINATION
4. CLASSIFICATIONS
5. SAFE DRIVER INSURANCE PLAN (SDIP)
6. MODEL YEAR FOR FIRE, THEFT, COMBINED ADDITIONAL COVERAGE, COMPREHENSIVE AND COLLISION COVERAGES
7. MINIMUM PREMIUM RULE
8. POLICY PERIOD
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11. WHOLE DOLLAR PREMIUM
12. RULES FOR DETERMINING PHYSICAL DAMAGE BASE RATES FOR SYMBOLS NOT DISPLAYED ON STATE RATE SHEETS
13. SUSPENSION
14. MISCELLANEOUS COVERAGES
15. CERTIFIED RISKS – FINANCIAL RESPONSIBILITY LAWS
16. NAMED NON-OWNER POLICY
17. EXTENDED NON-OWNED LIABILITY COVERAGE
18. INCREASED LIMITS
19. MISCELLANEOUS TYPES
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21. STATE RATE, TERRITORY SHEETS
22. INSTALLMENT PAYMENTS
23. EXCESS INDEMNITY POLICY

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**NORTH CAROLINA STATISTICAL
CODING SHEET**

PRIMARY CLASSIFICATION CODES*

No Inexperienced Operators

| Vehicle Use | Single Car Risk or Multi-Car Risk With No Discount | Multi-Car Discount |
|---------------------|--|--------------------|
| Pleasure | 1141 | 1142 |
| Work – Less Than 10 | 1161 | 1162 |
| Work – 10 or More | 1171 | 1172 |
| Business | 1181 | 1182 |
| Farm | 1191 | 1192 |

Inexperienced Operators

| Years of Driving Experience | Vehicle Use | Principal Operator | | Occasional Operator | |
|-----------------------------|---------------------|--|--------------------|--|--------------------|
| | | Single Car Risk or Multi-Car Risk With No Discount | Multi-Car Discount | Single Car Risk or Multi-Car Risk With No Discount | Multi-Car Discount |
| Less Than 1 Year | Pleasure | 1241 | 1242 | 1341 | 1342 |
| | Work – Less Than 10 | 1261 | 1262 | 1361 | 1362 |
| | Work – 10 or More | 1271 | 1272 | 1371 | 1372 |
| | Business | 1281 | 1282 | 1381 | 1382 |
| | Farm | 1291 | 1292 | 1391 | 1392 |
| Less Than 2 Year | Pleasure | 1441 | 1442 | 1541 | 1542 |
| | Work – Less Than 10 | 1461 | 1462 | 1561 | 1562 |
| | Work – 10 or More | 1471 | 1472 | 1571 | 1572 |
| | Business | 1481 | 1482 | 1581 | 1582 |
| | Farm | 1491 | 1492 | 1591 | 1592 |
| Less Than 3 Years | Pleasure | 1641 | 1642 | 1741 | 1742 |
| | Work – Less Than 10 | 1661 | 1662 | 1761 | 1762 |
| | Work – 10 or More | 1671 | 1672 | 1771 | 1772 |
| | Business | 1681 | 1682 | 1781 | 1782 |
| | Farm | 1691 | 1692 | 1791 | 1792 |

* Each code must have as the fifth and sixth digits the applicable Safe Driver Insurance Plan code.
For complete coding requirements, refer to the Statistical Plan.

1. DEFINITIONS

- A. 1.** A private passenger auto is a four wheel motor vehicle, other than a truck type or van, owned or leased under contract for a continuous period of at least six months, and
- a.** Not used as a public or livery conveyance for passengers.
 - b.** Not rented to others.
- 2.** A motor vehicle that is a pickup truck or van shall be considered a private passenger auto, if it:
- a.** Is owned by an individual or by a husband and wife or individuals who are residents of the same household,
 - b.** Has a Gross Vehicle Weight as specified by the manufacturer of less than 10,000 lbs.; and
 - c.** Is not used for the delivery or transportation of goods or materials unless such use is:
 - (1)** Incidental to the insured's business of installing, maintaining or repairing furnishings or equipment; or
 - (2)** For farming or ranching.
- A pickup truck or van used in the business of the United States Government, by an employee of the Government, shall be considered a private passenger auto only if:
- a.** It meets the conditions in **a.**, **b.** and **c.** above; and
 - b.** Coverage is limited in accordance with the federal employees using autos in government business endorsement.
- 3.** A motor vehicle owned by a farm family co-partnership, or farm family corporation shall be considered a private passenger auto owned by an individual, if:
- a.** It is principally garaged on a farm or ranch, and
 - b.** It otherwise meets the definitions in Paragraphs **1.** and **2.** above.
- B.** AUTO as used in this manual refers to a private passenger auto or a vehicle considered as a private passenger auto.
- C.** LIABILITY as used in this manual refers only to Bodily Injury and Property Damage Coverages.
- D.** COMPREHENSIVE COVERAGE as used in this manual refers to other than collision damage to a motor vehicle.
- E.** OWNED as used in this manual includes an auto leased under contract for a continuous period of at least six months. If an auto lease contract requires the lessee to provide primary insurance for the lessor, attach the applicable endorsement.
- F.** REFER TO COMPANY means that North Carolina Risks shall be referred by the company to the North Carolina Rate Bureau.

2. PERSONAL AUTO POLICY – ELIGIBILITY

- A.** A Personal Auto Policy shall be used to afford coverage to private passenger autos and motor vehicles considered as private passenger autos in Rule 1., if:
- 1.** They are written on a specified auto basis, and
 - 2.** They are owned by an individual or by a husband and wife who are residents in the same household.
- B.** A Personal Auto Policy shall be used to afford coverage to private passenger autos that are owned jointly by two or more individuals other than husband and wife, if:
- 1.** They are written on a specified auto basis, and
 - 2.** Coverage is limited in accordance with the applicable endorsement.
- C.** A Personal Auto Policy shall be used to afford coverage to motorcycles, golfcarts or other similar type vehicles and snowmobiles not used for commercial purposes, if:
- 1.** They are written on a specified vehicle basis, and
 - 2.** Coverage is limited in accordance with the applicable endorsement.
- D.** A Personal Auto Policy shall be used to afford coverage to a named individual who does not own an auto. The applicable endorsement must be attached.
- E.** A Personal Auto Policy shall be used to afford coverage to private passenger autos not owned by a natural person and not rated as part of a fleet. The applicable endorsement must be attached.
- F.** A Personal Auto Policy may be used to afford coverage to five or more four-wheel private passenger autos owned by an individual or owned jointly by two or more individuals resident in the same household if the autos are not used for business use, other than farming or ranching.

Exceptions

Exposures in **A.**, **B.**, **C.**, or **E.** above may be written under a commercial auto policy when combined with a commercial risk.

Exposures in **F.** above may be written under a commercial auto policy.

3. PREMIUM DETERMINATION

- A.** For 1971-1982 model year sports cars identified in the Symbol Section as "s", the applicable symbol shall be one less than that shown.
- B.** Bodily Injury Liability, Property Damage Liability, Medical Payments, Fire, Theft, Combined Additional Coverage, Comprehensive and Collision premiums are determined as follows:

3. PREMIUM DETERMINATION (Cont'd)

1. Refer to the Classification Rule to determine the applicable Primary Classification, Rating Factor and the Single or Multi-Car and Inexperienced Operator Rating Factor and Statistical Codes.

Add these rating factors to determine the Combined Rating Factor applicable to each auto.

2. Refer to the Safe Driver Insurance Plan Rule to determine the Driving Record Surcharge Premium applicable to each coverage for each auto.

For autos not eligible for SDIP:

Add +0.10 to the Combined Rating Factor determined above.

Use statistical code 95.

3. Model Year and Symbol Determination

- a. Refer to the Model Year Rule and Symbol and Identification Section for the appropriate model year and symbol.

If the rates for a model year are not displayed in the rate pages, use the rates shown for the latest model year.

- b. If no Rating Symbol is shown in the Symbol and Identification (S&I) Section, use the following procedure to determine an interim rating symbol.

- (1) If the S&I Section displays a rating symbol for the PRIOR MODEL YEAR version of the same vehicle, use the prior model year's Rating Symbol for the new model year vehicle.

- (2) If the S&I Section does NOT display a rating symbol for the PRIOR MODEL YEAR version of the same vehicle, assign a symbol based on the cost new of the auto, using the Price/Symbol Chart located in the reference pages of the S&I Section.

4. Refer to Territory Definitions to determine the territorial schedule code number for the location where the auto is principally garaged.

5. Refer to the state rate pages to determine base rates for the desired coverage for the appropriate territory.

Note

Clean Risks Ceded to the North Carolina Reinsurance Facility (Statistical Code 02).

The rates charged for "clean risks" ceded to the North Carolina Reinsurance Facility shall not exceed the rates charged "clean risks" not ceded to the Reinsurance Facility. The rates for "clean risks" ceded to the North Carolina Reinsurance Facility are set forth on the state rate page showing rates for Voluntary Business and "Clean Risks" Ceded to the North Carolina Reinsurance Facility.

For the purpose of this rule, a "clean risk" shall be any owner of a motor vehicle that is classified as a private passenger auto if the owner and the principal operator and each licensed operator in the owner's household:

- a. Have two years driving experience as a licensed driver, which experience is determined in the manner provided in Rule 4.G.1., and
- b. Have **not** been assigned any Safe Driver Insurance Plan points during the three year period immediately preceding the date of application for motor vehicle insurance or the date of preparation for a renewal motor vehicle insurance policy.

6. The premium for each coverage is determined by multiplying the base rate by the Combined Rating Factor, then adding the Driving Record Surcharge Premium applicable to the coverage for each auto.

4. CLASSIFICATIONS

The provisions of this rule apply separately to the premiums for Bodily Injury and Property Damage Liability, Medical Payments, Fire, Theft, Combined Additional Coverage, Comprehensive and Collision Coverages.

- A. Autos owned by an individual or owned jointly by two or more individuals are classified as follows:

Refer to Section C. below for definitions of terms used in this rule.

| Code | Class | Definitions |
|------|-------|--|
| 114 | 1A | There is no BUSINESS USE of the auto and the auto is not DRIVEN TO OR FROM WORK OR SCHOOL. |
| 116 | 1B | There is no BUSINESS USE of the auto but the auto is DRIVEN TO OR FROM WORK OR SCHOOL a distance of less than 10 road miles one way. |
| 117 | 1C | There is no BUSINESS USE of the auto but the auto is DRIVEN TO OR FROM WORK OR SCHOOL a distance of 10 or more road miles one way. |
| 118 | 3 | The auto is used for BUSINESS USE. |
| 119 | 1AF | The auto is a FARM AUTO. |

- B. Private passenger autos owned by corporations, partnerships, or unincorporated associations shall be rated as Class 3.

4. CLASSIFICATIONS (Cont'd)**Exceptions**

1. For corporations, co-partnerships or unincorporated associations owning less than five motor vehicles:

An owned private passenger auto principally furnished to a specified individual shall be classified and rated as if owned by that individual, in accordance with Rule 4.A., provided the auto is not used for business purposes.

2. For Farm family co-partnerships or Farm family corporations:

An owned private passenger auto principally garaged on a farm or ranch shall be rated as Class 1AF provided the vehicle is:

- a. Not used in any occupation other than farming or ranching, or
- b. Not customarily used in going to or from work other than farming or ranching.

C. Definitions

1. **BUSINESS USE** means that the use of the auto is required by or customarily involved in the duties of the applicant or any other person customarily operating the auto, in an occupation, profession or business, other than going to or from the principal place of occupation, profession or business.
2. **FARM AUTO** means the auto is principally garaged on a farm or ranch, and
 - a. It is not customarily used in going to or from work other than farming or ranching, or driving to or from school, and
 - b. It is not customarily used in any occupation other than farming or ranching.
3. **DRIVEN TO OR FROM WORK OR SCHOOL** means the auto is customarily used in the course of driving to or from work or school and shall include:
 - a. The use of the auto in a car pool or other share the ride arrangement.
 - b. Driving part way to or from work or school whether or not the auto is parked at a depot during the day.

Note

If an auto is driven to or from work or school on less than a daily basis, the classification used in rating the auto shall be subject to the following:

- (1) If otherwise in Class 1B, the auto shall be classified as 1A if the total usage of the car in driving to or from work or school is not more than 2 days per week or not more than 2 weeks per 5 week period.

- (2) If otherwise in Class 1C the auto shall be classified as 1B if the total usage of the car in driving to or from work or school is not more than 2 days per week or not more than 2 weeks per 5 week period.

Refer to company for certification form.

4. **RESIDENT** means anyone residing in the same household as the applicant and shall include an individual absent from the household while attending school. An individual in active military service with the armed forces of the United States of America shall **not** be included as resident in the same household unless such individual customarily operates the auto.

D. Single and Multi-Car Risks

The applicable Multi-Car Rating Factor shall apply if two or more four wheel private passenger autos owned by an individual or owned jointly by two or more individuals resident in the same household are insured in the same policy.

Exception

If a company's procedure does not permit insuring all vehicles in the same policy, the applicable Multi-Car Rating Factor shall apply only if the company insures two or more four-wheel private passenger autos owned by an individual or owned jointly by two or more individuals resident in the same household.

This discount does not apply to antique autos as defined in the Miscellaneous Types Rule.

LIABILITY COVERAGES ONLY

- E. An auto subject to Class 3 rates because of use in the business of the United States Government by one of its employees may be classified and rated as Class 1A, 1B, or 1C when the applicable endorsement is used to limit coverage.

4. CLASSIFICATIONS (Cont'd)

F. Inexperienced Operator**LIABILITY, MEDICAL PAYMENTS AND COLLISION**

1. The appropriate Inexperienced Operator Surcharge shall be applied for each owner or resident operator of the auto who has less than three years driving experience as a licensed driver. It shall be presumed that each owner or resident operator has no experience as a licensed driver unless:
 - a. The number of years driving experience can be determined from a valid motor vehicle record obtained in accordance with Rule 5.B.1.a.; or
 - b. The owner or resident operator provides verifiable documentation of the years of driving experience from a governmental agency responsible for maintaining driver license records and/or motor vehicle records or a previous automobile insurance company.

The surcharge shall not be applied for more than three years regardless of policy term or effective date.

Note

A driver who holds a learner's permit only shall not be deemed a licensed driver for the purpose of determining the inexperienced operator premium surcharge.

Exception

For any operator licensed prior to May 15, 1987 the Inexperienced Operator Surcharge shall not apply.

2. If there are two or more autos in the same household as the applicant, the inexperienced operator rates shall be applied separately to the number of autos equal to the number of inexperienced operators. Inexperienced operator rates shall not be used in rating such autos in excess of the number of inexperienced operators.

The inexperienced operator surcharge(s) shall be applied to the auto(s) which the inexperienced operator principally operates. In the case of an occasional operator, the surcharge shall be applied to the auto most frequently operated by the inexperienced operator.

G. Airbag Discount

The following discounts apply to Medical Payments Coverage Only. To qualify, the private passenger auto must be equipped with a factory installed airbag(s) which conforms to the federal crash protection requirements, and meets the criteria of either Paragraph 1. or 2. below:

1. 20% discount shall be afforded when the airbag is installed in the driver-side-only position.
2. 30% discount shall be afforded when the airbags are installed in both front outboard seat positions.

5. SAFE DRIVER INSURANCE PLAN (SDIP)

The provisions of this Rule apply separately to premiums for Bodily Injury Liability, Property Damage Liability, Medical Payments, Fire, Theft, Combined Additional Coverage, Comprehensive and Collision Coverages.

A. Eligibility

The Plan shall be applied in rating all eligible autos.

An auto is eligible for rating under this Plan if it is owned by an individual or owned jointly by two or more individuals resident in the same household provided such auto is:

1. A four wheel auto of the private passenger or station wagon type, or
2. A motor vehicle that is a pickup truck or van, if it:
 - a. Has a Gross Vehicle Weight as specified by the manufacturer of less than 10,000 lbs.; and
 - b. Is not used for the delivery or transportation of goods or materials unless such use is:

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

- (1) Incidental to the insured's business of installing, maintaining or repairing furnishings or equipment; or
 - (2) For farming or ranching, or
3. A motorcycle, motorized scooter, auto glide or other similar motorized vehicle of the private passenger type.

Exception

The SDIP applies to policies written for a term in excess of 12 months. Such policy must provide for an annual adjustment of premium.

B. Definitions

1. Driving Record Points

a. Convictions

Records of convictions for moving traffic violations to be considered under this Plan shall be obtained at least annually from the Division of Motor Vehicles for the applicant and any currently resident operator.

Points shall be assigned for convictions during the experience period for moving traffic violations of the applicant or any currently resident operator, based on date of conviction, as follows:

- (1) Twelve points shall be assigned for a conviction for:
 - (a) Manslaughter (or negligent homicide) resulting from the operation of a motor vehicle;
 - (b) Prearranged highway racing or knowingly lending a motor vehicle to be used in a prearranged highway race; or
 - (c) Failing to stop and render aid when involved in an accident resulting in bodily injury or death (hit-and-run driving);
 - (d) Impaired driving, including driving a vehicle while under the influence of an impairing substance; driving a vehicle with an alcohol concentration of 0.08 or more; and driving a commercial vehicle with an alcohol concentration of 0.04 or more; and

Note

There shall be no premium surcharge or assessment of points against an insured where (i) the insured's driver's license has been revoked under G.S.20-16.5; and (ii) the insured is subsequently acquitted of the offense involving impaired driving, as defined in G.S.20-4.01(24a), that is related to the revocation, or the charge for that offense is dismissed.

- (e) Transportation for the purpose of sale of illegal intoxicating liquors by motor vehicle.
- (2) Ten points shall be assigned for a conviction for:
 - (a) Highway racing or knowingly lending a motor vehicle to be used in a highway race; or
 - (b) Speeding to elude arrest.
 - (3) Eight points shall be assigned for a conviction for:
 - (a) operating during a period of revocation or suspension of license or registration.
 - (b) aggressive driving.
 - (4) Four points shall be assigned for a conviction for:
 - (a) Failing to stop and report when involved in a motor vehicle accident resulting in property damage only (hit-and-run-driving);
 - (b) Driving a motor vehicle in a reckless manner;
 - (c) Passing a stopped school bus;
 - (d) Speeding in excess of 75 miles per hour when the posted speed limit is less than 70 miles per hour;
 - (e) Speeding in excess of 80 miles per hour when the posted speed limit is 70 miles per hour or greater; or
 - (f) Driving by a person less than 21 years old after consuming alcohol or drugs.
 - (5) Two points shall be assigned for a conviction for:
 - (a) Illegal passing;
 - (b) Speeding more than 10 miles per hour over the posted speed limit, provided the total speed was in excess of 55 miles per hour but less than 76 miles per hour;
 - (c) Speeding 10 miles per hour, or less, in excess of the posted speed limit in a speed zone of 55 miles per hour or greater;

Waiver

These points shall **NOT** apply unless the same driver has also been convicted of at least one other moving traffic violation during the experience period.

- (d) Following too closely; or
- (e) Driving on wrong side of road.

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

- (6) One point shall be assigned for a violation resulting in a conviction for speeding 10 miles per hour, or less, in excess of the posted speed limit of less than 55 miles per hour.

Waiver

This point shall **NOT** apply unless the same driver has also been convicted of at least one other moving traffic violation during the experience period.

Exceptions

This **WAIVER** does **NOT** apply to convictions of speeding in a school zone in excess of posted school zone speed.

- (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 THAT OCCURRED BEFORE JANUARY 1, 2004

- (1) One point shall be assigned for each at-fault auto accident that results in total bodily injuries to all persons of \$1,500 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 \$1,500.

ACCIDENTS RESULTING IN BODILY INJURY OR DEATH THAT OCCURRED ON OR AFTER JANUARY 1, 2004

- (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 THAT OCCURRED BEFORE JANUARY 1, 2004

- (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 \$2,500 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 \$1,500 but less than \$2,500.
- (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 \$1,500 or less.

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

ACCIDENTS RESULTING IN PROPERTY DAMAGE THAT OCCURRED ON OR AFTER JANUARY 1, 2004

- (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.

Exception

No points are assigned for accidents occurring under the following circumstances:

- (a) Auto lawfully parked (if the parked vehicle rolls from the parked position then any such accident is charged to the person who parked the auto); or
- (b) The applicant, owner or other resident operator reimbursed by, or on behalf of, a person who is responsible for the accident or has judgment against such person; or
- (c) Auto is struck in the rear by another vehicle and the applicant or other resident operator has not been convicted of a moving traffic violation in connection with this accident; or
- (d) Auto operated by the applicant or any resident operator is struck by a "hit-and-run" vehicle, if the accident is reported to the proper authority within 24 hours by the applicant or resident operator; or
- (e) Accidents involving damage by contact with animals or fowl; or
- (f) Accidents involving Physical Damage, limited to and caused by flying gravel, missiles, or falling objects.

- (g) Accidents occurring as a result of the operation of a firefighting, rescue squad, or law enforcement vehicle in response to an emergency if the operator of the vehicle at the time of the accident was a paid or volunteer member of any fire department, rescue squad, or any law enforcement agency. This exception does not include an accident occurring after the vehicle ceases to be used in response to the emergency and the emergency ceases to exist.

Notes

- (1) For the purpose of this Plan a "conviction" shall mean a plea of guilty, or of nolo contendere or the determination of guilt by a jury or by a court though no sentence has been imposed (prayer for judgment continued) or, if imposed, has been suspended (unless it is the first prayer for judgment continued for all licensed operators in the household); and it includes a forfeiture of bail or collateral deposited to secure appearance in court of the defendant, unless the forfeiture has been vacated.
- (2) For the purpose of this Plan, a "moving traffic violation" shall include an infraction as described in **G.S. 14-3.1**.
- (3) The phrase "at-fault" means "negligent". No points shall be assigned for accidents when the operator of an insured vehicle is free of negligence.
- (4) References to other operators residing in the applicant's household shall also include a principal operator who is not a resident in the applicant's household.
- (5) In the event the applicant or any current resident operator has an at-fault accident and is convicted of a moving traffic violation in connection with the accident, only the higher surcharge points between the accident and the violation shall be assigned.
- (6) For accidents that occur on or after January 1, 1992, the One Point accident surcharge in Section **B.1.b.(3)** of this rule does not apply if both of the following conditions are met:
 - (a) The operator was not convicted of a moving traffic violation in connection with the accident; and

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

(b) The vehicle owner, principal operator, and all licensed operators in the owner's household have had no convictions for moving traffic violations and no other at-fault accidents during the three-year period immediately preceding the date of the application or the date of preparation of the renewal.

2. Experience Period

The experience period shall be the three years immediately preceding the date of application or the preparation of the renewal. SDIP points shall be applied to a policy for a period of not less nor more than three policy years.

C. Driving Record Sub-Classification

The driving record sub-classification shall be determined from the number of Driving Record Points accumulated during the experience period as follows:

| Number of Driving Record Points | Driving Record Sub-Classification |
|---------------------------------|-----------------------------------|
| 0 | 0 |
| 1 | 1 |
| 2 | 2 |
| 3 | 3 |
| 4 | 4 |
| 5 | 5 |
| 6 | 6 |
| 7 | 7 |
| 8 | 8 |
| 9 | 9 |
| 10 | 10 |
| 11 | 11 |
| 12 Or More | 12 |
| Not Eligible For Plan | NE |

D. Driving Record Surcharge Premium

1. Single Car Risks

- a. Determine the Driving Record Sub-Classification for the policy and the applicable SDIP Rating Factor.
- b. Multiply the base premium for each coverage applicable to the auto by the SDIP Rating Factor to determine the SDIP Surcharge for each coverage. Round each coverage surcharge to the nearest whole dollar.
- c. The Driving Record Surcharge Premium for each coverage of the auto equals the SDIP Surcharge for that coverage.
- d. Add the applicable Driving Record Surcharge Premium for each coverage to the otherwise applicable premium for each coverage of the auto.

2. Multi-Car Risks

- a. Determine the Driving Record Sub-Classification for the policy and the applicable SDIP Rating Factor.
- b. Select the auto with the highest Total Base Premium for all coverages combined.

TOTAL BASE PREMIUM is the sum of the base premiums for Bodily Injury and Property Damage Liability, Medical Payments, Comprehensive (or Fire, Theft and Combined Additional Coverage) and Collision coverages that apply to the auto.

- c. For each coverage applicable to the auto with the highest Total Base Premium for all coverages combined.

Multiply the base premium for each coverage by the SDIP Rating Factor to determine the SDIP Surcharge for each coverage. Round each coverage surcharge to the nearest whole dollar.

- d. The Driving Record Surcharge Premium is determined separately by coverage for each auto that is insured for that coverage and eligible for SDIP rating.

- (1) Determine the number of eligible autos insured for each coverage.
- (2) The Driving Record Surcharge Premium for each coverage of each auto equals the SDIP Surcharge for that coverage divided by the number of eligible autos insured for that coverage.
- (3) If the above calculation results in a fractional dollar amount for each auto then:
 - determine the remainder dollar amount and add it to the Driving Record Surcharge Premium for one of the insured autos and disregard the fractional dollar amounts.

Note

The Whole Dollar Premium Rule does not apply in this instance.

- (4) If an auto is insured for a coverage not applicable to the auto with the highest Total Base Premium for all coverages combined, then no surcharge applies to that coverage.
- e. Add the applicable Driving Record Surcharge Premium for each coverage of each auto to the otherwise applicable premium for each coverage of each auto.

3. Statistical Coding

- a. Single Car Risks – Assign the Driving Record Sub-Classification Statistical Code, reflecting the number of points, to the auto.

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

b. Multi-Car Risks – Assign the Driving Record Sub-Classification Statistical Code reflecting:

- (1) The number of driving record points, to the auto with the highest Total Base Premium.
- (2) Zero driving record points, to each other auto insured on the policy.

E. Cancellations and Changes**1. Policies for Terms Not Exceeding One Year**

No policy shall be endorsed in term to effect a change of Driving Record Sub-Classification except to recognize the addition or deletion of an operator.

2. Policies for Terms Exceeding One Year

No policy shall be endorsed to effect a change of Driving Record Sub-Classification until the next annual anniversary of the inception of the policy except to recognize the addition or deletion of an operator.

PRIMARY CLASSIFICATION RATING FACTORS*

| Coverage | Pleasure Use | Drive to or from Work | | Business Use | Farm Use |
|-----------------------------------|--------------|-------------------------|-----------------------|--------------|----------|
| | (1A) | Less than 10 Miles (1B) | 10 or More Miles (1C) | (3) | (1AF) |
| B.I., P.D., Med. Pay | 1.00 | 1.05 | 1.05 | 1.05 | .80 |
| Collision | 1.00 | 1.10 | 1.10 | 1.10 | .80 |
| Comprehensive Fire, Theft, C.A.C. | 1.00 | 1.20 | 1.25 | 1.30 | .85 |

SINGLE OR MULTI-CAR RISKS AND INEXPERIENCED OPERATOR*
 Add the following rating factors to the Primary Rating Factor:

| No Inexperienced Operator | | | |
|---------------------------|-----------------------|--------------|-------------------------------------|
| Single or Multi-Car Risks | BI, PD, and Med. Pay. | Collision | Comprehensive, Fire, Theft, and CAC |
| Single Car | Factor 0.00 | Factor 0.00 | Factor 0.00 |
| Multi-Car | Factor -0.35 | Factor -0.30 | Factor -0.10 |

| Inexperienced Operator | | | | |
|---------------------------|--|-----------------------|--------------|-------------------------------------|
| Single or Multi-Car Risks | | BI, PD, and Med. Pay. | Collision | Comprehensive, Fire, Theft, and CAC |
| Single Car | Principal Operator Licensed For: | | | |
| | Less than One Year | Factor +3.25 | Factor +3.25 | Factor +0.55 |
| | Less than Two Years | Factor +1.60 | Factor +1.75 | Factor +0.55 |
| | Less than Three Years | Factor +1.25 | Factor +1.50 | Factor +0.55 |
| | Occasional Operator Licensed For: | | | |
| | Less than One Year | Factor +2.00 | Factor +2.25 | Factor +0.20 |
| | Less than Two Years | Factor +1.05 | Factor +1.10 | Factor +0.20 |
| Multi-Car | Principal Operator Licensed For: | | | |
| | Less than One Year | Factor +2.90 | Factor +2.95 | Factor +0.45 |
| | Less than Two Years | Factor +1.25 | Factor +1.45 | Factor +0.45 |
| | Less than Three Years | Factor +0.90 | Factor +1.20 | Factor +0.45 |
| | Occasional Operator Licensed For: | | | |
| | Less than One Year | Factor +1.65 | Factor +1.95 | Factor +0.10 |
| | Less than Two Years | Factor +0.70 | Factor +0.80 | Factor +0.10 |
| Less than Three Years | Factor +0.50 | Factor +0.60 | Factor +0.10 | |

* For Statistical Coding Requirements – Refer to page NC-E-Coding.

PRIMARY CLASSIFICATION RATING FACTORS
(Cont'd)

| SAFE DRIVER INSURANCE PLAN FACTORS AND CODES | | | |
|---|--|-------------------------|---------------------------|
| Use the following rating factors to determine the Driving Record Surcharge Premium as explained in the Safe Driver Insurance Plan Rule. | | | |
| Use the statistical code indicated for the Driving Record Sub-Classification. | | | |
| Number of Driving Record Points | Driving Record Sub-Classification | Statistical Code | SDIP Rating Factor |
| 0 | 0 | 00 | 0.00 |
| 1 | 1 | 01 | 0.25 |
| 2 | 2 | 02 | 0.45 |
| 3 | 3 | 03 | 0.60 |
| 4 | 4 | 04 | 0.80 |
| 5 | 5 | 05 | 1.05 |
| 6 | 6 | 06 | 1.30 |
| 7 | 7 | 07 | 1.60 |
| 8 | 8 | 08 | 1.90 |
| 9 | 9 | 09 | 2.25 |
| 10 | 10 | 10 | 2.60 |
| 11 | 11 | 11 | 3.00 |
| 12 or more | 12 | 12 | 3.40 |
| Vehicles Not Eligible For SDIP – Add the following rating factor to the otherwise applicable Combined Rating Factor. Use the statistical code shown below. | | | |
| Not Eligible | NE | 95 | +0.10 |

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**6. MODEL YEAR FOR FIRE, THEFT, COMBINED
ADDITIONAL COVERAGE, COMPREHENSIVE
AND COLLISION COVERAGES**

A. Model Year Rating

1. The model year of the auto is the year assigned by the auto manufacturer.
2. Rebuilt or Structurally Altered Autos – the model year of the chassis determines the model year of the auto.
3. If the rates for a model year are not displayed in the rate pages, use the rates shown for the latest model year.

B. Coding

Policies effective July 1, 1982 and subsequent:

Code the two digits of the model year, for example, code 1982 vehicles as 82, 1983 as 83, etc.

7. MINIMUM PREMIUM RULE

The minimum annual premium charge is \$10 for each policy, certificate, declaration or binder covering one or more of the following perils:

Comprehensive

Fire, Theft, Windstorm, Combined Additional Coverage, Collision

Bodily Injury Liability, or

Property Damage Liability

Premium for other coverages which may also be included in the policy shall be in addition to the minimum annual premium.

The minimum annual premium charge is not subject to reduction except – in the event of cancellation or short term policy, the minimum annual premium charge shall be adjusted on a pro rata or short rate basis, as the conditions require.

8. POLICY PERIOD

A. No policy may be written for a period longer than 12 months for Liability Coverage or 48 months for Physical Damage Coverage.

B. Premium charged for policy terms not exceeding 12 months is as follows:

1. Twelve Month Policies –

Charge the annual premium or minimum premium whichever applies.

2. Three and Six Month Policies –

a. For a specified 3 or 6 month period the premium charge is 25% or 50% respectively, of the annual or minimum annual premium whichever applies.

b. Policies issued for a 3 or 6 month period with an effective date on the 29th, 30th, and 31st of any month.

The first policy can be extended from the effective date to the first day of the calendar month following the expiration of the policy.

Premium for this extended coverage of 1 to 3 days may be waived.

3. Other Short Policies written for less than 12 months and other than 3 or 6 months.

Such policies shall be written short rate with premiums computed in accordance with the One Year Short Rate Table in the Cancellation Rule.

Exceptions:

The premium is computed Pro Rata:

1. When coverage is written to secure a common policy date with other coverages or lines of insurance.

2. When a policy is issued on a short term basis to replace an outstanding policy of a company in liquidation, provided the new policy is based upon the rules and rates in effect at the time replacement is made and shall be in effect for a period equal to the unexpired term of the outstanding policy.

3. When a statutory policy is required by a state or municipality to expire on a fixed date and the policy is written to expire on such date.

C. Long Term Physical Damage Policies written for a term in excess of 12 months – Determine premium as follows:

1. 1st 12 months:

Charge the first year premium or minimum premium, whichever applies.

2. 2nd 12 months:

In addition to the above, charge the second year premium or minimum whichever applies.

If the term is more than 12 months but less than 24 months, charge pro rata of such second year premium or minimum whichever is larger for the period in excess of 12 months.

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8. POLICY PERIOD (Cont'd)

3. 3rd 12 months:

In addition to the premium for the 1st and 2nd 12 month periods, charge the third year premium or minimum premium whichever applies.

If the term is more than 24 months but less than 36 months charge the pro rata of such third year premium or minimum premium, whichever is larger, for the period in excess of 24 months.

4. 4th 12 months:

In addition to the premium for the 1st, 2nd and 3rd 12 month periods, charge the fourth year premium or minimum premium whichever applies.

If the term is more than 36 months but less than 48 months, charge pro rata of such fourth year premium or minimum premium, whichever is larger, for the period in excess of 36 months.

Note:

Calculation of the premium for the 2nd, 3rd and 4th 12 month periods, or pro rata part thereof shall recognize:

1. Any change in the model year of the insured auto, during a previous 12 month period;
2. Any change in sub-classification under the Safe Driver Insurance Plan.
3. A change in symbol assignment based on a review of loss experience.

9. CHANGES

- A. If an auto or form of coverage is added during the term of a policy and the additional insurance is written to expire concurrently with the original insurance, the premium for such additional insurance shall be computed pro-rata, at the rates in effect at the time the addition is made.

If the policy has been written for less than one year on a short rate basis, the premium for the additional insurance shall be pro rata of the short rate charge for the policy period.

If an auto or a form of coverage that was cancelled from a policy at the request of the insured is reinstated within 30 days, the premium shall be the same as the amount that was returned at the time of cancellation.

PHYSICAL DAMAGE COVERAGES ONLY

- B. If coverage is transferred during the policy term from one auto to another, the premium shall be computed pro rata on the basis of the rates and rules in effect at the inception of the policy or at the time the change is made.

LIABILITY COVERAGES ONLY

- C. If coverage is transferred during the policy term from one auto to another, premium shall be computed pro rata on the basis of the rules and rates in effect at the inception of the policy.
- D. If an auto is transferred from one rating territory to another or if an auto is temporarily transferred from one rating territory to another for a period of not less than 30 consecutive days, the premium for the balance of the policy period may be adjusted by endorsement at the time the change is made. The company shall charge on a pro rata basis the rate or rates for the territories in which the auto is garaged during the remainder of the policy period. The premium adjustment shall be made on the basis of the rates and rules in effect at the inception of the policy or at the time the change is made.
- E. If the liability limits or deductible amounts are changed during the policy period, the premium adjustment for such change shall be made on the basis of the rates in effect at the inception date of the policy.
- F. Premium Adjustment

1. As respects A, B, C and D above, if an outstanding policy is amended and results in a premium adjustment of \$2 or less, the amount:
 - a. may be waived, or
 - b. may be made subject to a minimum of \$2.
except that the actual return premium shall be returned at the request of the insured.
2. Minimum premium of \$2 applies if an insured requests the following during the policy period.
 - a. additional coverage,
 - b. an increase in the limits of liability,
 - c. a reduced deductible.
3. Companies need not refund a return premium of less than \$2 if the insured requests the following:
 - a. cancellation of coverage,
 - b. reduction in limits of liability,
 - c. increase in deductible,except that the actual return premium shall be returned at the request of the insured.

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9. CHANGES (Cont'd)

4. If the limits of liability are increased because of a change in the limits prescribed under any financial responsibility law, the additional premium charge shall be the actual difference in premium charges. If \$2 or less, it may be charged or waived.
5. As respects A, B, C and D above, if an outstanding policy is amended and results in a premium adjustment
 - a. within 30 days prior to the expiration of a 6-month policy period, or
 - b. within 60 days prior to the expiration of a policy period longer than 6 months, companies need not charge or refund a premium, except that actual refunds shall be made at the request of the insured.

10. CANCELLATION

- A. Cancellation of a policy, vehicle or form of coverage:**
1. If the insured requests cancellation, compute return premium on a Short Rate Basis.

Exceptions

Compute return premium on a Pro Rata basis in the following cases:

1. If the insured has disposed of a vehicle then takes out a new policy in the same company on another vehicle, to become effective within thirty days of the date of cancellation.
2. If the insured vehicle is repossessed under terms of a financing agreement.
3. In a multi-car situation:
 - a. If one vehicle is cancelled from the policy and the policy remains in force on other vehicles, or
 - b. If a policy is cancelled but there remains in force with the same company and in the name of insured or spouse, if resident in the same household, a concurrent policy covering another vehicle.
4. If the insured enters the armed forces of the United States of America.

5. If the insured vehicle is stolen or destroyed (total or constructive loss) and cancellation is requested by the insured (a) within 30 days following the date the auto is stolen or destroyed, or (b) within 15 days of the time the auto was determined by the company (1) to be unrecoverable or stolen, or (2) to be a total or constructive loss. The return premium for all coverages (including the premium for the coverage under which the loss was paid) shall be calculated from the day following the date of the loss.
6. If an insured who has been ceded to the Reinsurance Facility at rates higher than the insurer's voluntary rates obtains insurance through another insurer who elects not to cede the policy to the Facility and the insured cancels the ceded policy within 45 days of the effective date of the ceded policy.

Exception:

This pro rata cancellation shall not apply to a cancellation by any insurance premium finance company.

2. If the company cancels, the return premium is computed pro rata.
3. If a policy written at short rate is cancelled, the earned premium for the time the policy has been in force shall be computed pro rata of the original short rate premium.
4. The following provisions apply to policies exceeding 12 months:
 - a. If a policy has been in force less than 1 year, the earned premium is computed in accordance with the provisions of this Rule for the first year's premium.
 - b. If a policy has been in force more than 12 months but less than 24 months, the earned premium shall be the first 12 months premium plus pro rata of the annual premium for the second 12 months.
 - c. If a policy has been in force for more than 24 months but less than 36 months, the earned premium shall be the first 24 months' premium plus pro rata of the annual premium for the third 12 months.
 - d. If a policy has been in force more than 36 months but less than 48 months, the earned premium shall be the first 36 months' premium plus pro rata of the annual premium for the fourth 12 months.

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10. CANCELLATION (Cont'd)

B. Instructions for Use of Short Rate Tables.

1. The "Three Month Short Rate Table" shall apply only to a policy written for a specified period of 3 months.
2. The "Six Month Short Rate Table" shall apply only to a policy written for a specified period of 6 months.
3. The "One Year Short Rate Table" shall apply to:
 - a. a policy written for a specified period of less than one year, other than a policy written for a specified period of 3 months or 6 months.
 - b. a policy written for a specified period of one year or more.

C. Instructions for Use of PRO RATA TABLES

1. Express the date of cancellation by year and decimal part of a year by combining the calendar year with the decimal appearing opposite the month and day in the Pro Rata Table, e.g. March 7, 1976 is designated as 1976.181.
2. In like manner, express the effective date of the policy year and decimal part of a year and subject from the cancellation date.
3. The difference in the case of 1 year policies, represents the percentage of the annual premium which is to be retained by the carrier.

4. For 6 Month Term Policies, the difference between cancellation date and effective date multiplied by two represents the percentage of the semi-annual term premium which is to be retained by the carrier.
5. For 3 Month Term Policies, the difference between cancellation date and effective date multiplied by four represents the percentage of the quarter-annual term premium which is to be retained by the carrier.

Example:

| | |
|-------------------------------------|-----------------|
| Cancellation date May 19, 1976..... | 1976.381 |
| Effective date March 2, 1976..... | <u>1976.167</u> |
| | .214 |

Earned premium for a 1 Year Term Policy will therefore be .214 times the annual premium.

For a 6 Month Term Policy: Multiply .214 by 2. (.214 x 2 = .428). Earned premium will be .428 times the semi-annual term premium.

For a 3 Month Term Policy: Multiply .214 by 4. (.214 x 4 = .856). Earned premium will be .856 times the quarter-annual term premium.

Note:

As it is not customary to charge for the extra day (February 29th) which occurs one year in every four years this table shall also be used for each such year.

**PERSONAL AUTO MANUAL
NORTH CAROLINA**

PRO RATA TABLE

| January | | | February | | | March | | | April | | | May | | | June | | |
|---------|------|-------|----------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|
| Day | Day | | Day | Day | | Day | Day | | Day | Day | | Day | Day | | Day | Day | |
| of | of | | of | of | | of | of | | of | of | | of | of | | of | of | |
| Month | Year | Ratio | Month | Year | Ratio | Month | Year | Ratio | Month | Year | Ratio | Month | Year | Ratio | Month | Year | Ratio |
| 1 | 1 | .003 | 1 | 32 | .088 | 1 | 60 | .164 | 1 | 91 | .249 | 1 | 121 | .332 | 1 | 152 | .416 |
| 2 | 2 | .005 | 2 | 33 | .090 | 2 | 61 | .167 | 2 | 92 | .252 | 2 | 122 | .334 | 2 | 153 | .419 |
| 3 | 3 | .008 | 3 | 34 | .093 | 3 | 62 | .170 | 3 | 93 | .255 | 3 | 123 | .337 | 3 | 154 | .422 |
| 4 | 4 | .011 | 4 | 35 | .096 | 4 | 63 | .173 | 4 | 94 | .258 | 4 | 124 | .340 | 4 | 155 | .425 |
| 5 | 5 | .014 | 5 | 36 | .099 | 5 | 64 | .175 | 5 | 95 | .260 | 5 | 125 | .342 | 5 | 156 | .427 |
| 6 | 6 | .016 | 6 | 37 | .101 | 6 | 65 | .178 | 6 | 96 | .263 | 6 | 126 | .345 | 6 | 157 | .430 |
| 7 | 7 | .019 | 7 | 38 | .104 | 7 | 66 | .181 | 7 | 97 | .266 | 7 | 127 | .348 | 7 | 158 | .433 |
| 8 | 8 | .022 | 8 | 39 | .107 | 8 | 67 | .184 | 8 | 98 | .268 | 8 | 128 | .351 | 8 | 159 | .436 |
| 9 | 9 | .025 | 9 | 40 | .110 | 9 | 68 | .186 | 9 | 99 | .271 | 9 | 129 | .353 | 9 | 160 | .438 |
| 10 | 10 | .027 | 10 | 41 | .112 | 10 | 69 | .189 | 10 | 100 | .274 | 10 | 130 | .356 | 10 | 161 | .441 |
| 11 | 11 | .030 | 11 | 42 | .115 | 11 | 70 | .192 | 11 | 101 | .277 | 11 | 131 | .359 | 11 | 162 | .444 |
| 12 | 12 | .033 | 12 | 43 | .118 | 12 | 71 | .195 | 12 | 102 | .279 | 12 | 132 | .362 | 12 | 163 | .447 |
| 13 | 13 | .036 | 13 | 44 | .121 | 13 | 72 | .197 | 13 | 103 | .282 | 13 | 133 | .364 | 13 | 164 | .449 |
| 14 | 14 | .038 | 14 | 45 | .123 | 14 | 73 | .200 | 14 | 104 | .285 | 14 | 134 | .367 | 14 | 165 | .452 |
| 15 | 15 | .041 | 15 | 46 | .126 | 15 | 74 | .203 | 15 | 105 | .288 | 15 | 135 | .370 | 15 | 166 | .455 |
| 16 | 16 | .044 | 16 | 47 | .129 | 16 | 75 | .205 | 16 | 106 | .290 | 16 | 136 | .373 | 16 | 167 | .458 |
| 17 | 17 | .047 | 17 | 48 | .132 | 17 | 76 | .208 | 17 | 107 | .293 | 17 | 137 | .375 | 17 | 168 | .460 |
| 18 | 18 | .049 | 18 | 49 | .134 | 18 | 77 | .211 | 18 | 108 | .296 | 18 | 138 | .378 | 18 | 169 | .463 |
| 19 | 19 | .052 | 19 | 50 | .137 | 19 | 78 | .214 | 19 | 109 | .299 | 19 | 139 | .381 | 19 | 170 | .466 |
| 20 | 20 | .055 | 20 | 51 | .140 | 20 | 79 | .216 | 20 | 110 | .301 | 20 | 140 | .384 | 20 | 171 | .468 |
| 21 | 21 | .058 | 21 | 52 | .142 | 21 | 80 | .219 | 21 | 111 | .304 | 21 | 141 | .386 | 21 | 172 | .471 |
| 22 | 22 | .060 | 22 | 53 | .145 | 22 | 81 | .222 | 22 | 112 | .307 | 22 | 142 | .389 | 22 | 173 | .474 |
| 23 | 23 | .063 | 23 | 54 | .148 | 23 | 82 | .225 | 23 | 113 | .310 | 23 | 143 | .392 | 23 | 174 | .477 |
| 24 | 24 | .066 | 24 | 55 | .151 | 24 | 83 | .227 | 24 | 114 | .312 | 24 | 144 | .395 | 24 | 175 | .479 |
| 25 | 25 | .068 | 25 | 56 | .153 | 25 | 84 | .230 | 25 | 115 | .315 | 25 | 145 | .397 | 25 | 176 | .482 |
| 26 | 26 | .071 | 26 | 57 | .156 | 26 | 85 | .233 | 26 | 116 | .318 | 26 | 146 | .400 | 26 | 177 | .485 |
| 27 | 27 | .074 | 27 | 58 | .159 | 27 | 86 | .236 | 27 | 117 | .321 | 27 | 147 | .403 | 27 | 178 | .488 |
| 28 | 28 | .077 | 28 | 59 | .162 | 28 | 87 | .238 | 28 | 118 | .323 | 28 | 148 | .405 | 28 | 179 | .490 |
| 29 | 29 | .079 | | | | 29 | 88 | .241 | 29 | 119 | .326 | 29 | 149 | .408 | 29 | 180 | .493 |
| 30 | 30 | .082 | | | | 30 | 89 | .244 | 30 | 120 | .329 | 30 | 150 | .411 | 30 | 181 | .496 |
| 31 | 31 | .085 | | | | 31 | 90 | .247 | | | | 31 | 151 | .414 | | | |

**PERSONAL AUTO MANUAL
NORTH CAROLINA**

PRO RATA TABLE

| July | | | August | | | September | | | October | | | November | | | December | | |
|--------------------|-------------------|-------|--------------------|-------------------|-------|--------------------|-------------------|-------|--------------------|-------------------|-------|--------------------|-------------------|-------|--------------------|-------------------|-------|
| Day of Month | Day of Year | Ratio |
| 1 | 182 | .499 | 1 | 213 | .584 | 1 | 244 | .668 | 1 | 274 | .751 | 1 | 305 | .836 | 1 | 335 | .918 |
| 2 | 183 | .501 | 2 | 214 | .586 | 2 | 245 | .671 | 2 | 275 | .753 | 2 | 306 | .838 | 2 | 336 | .921 |
| 3 | 184 | .504 | 3 | 215 | .589 | 3 | 246 | .674 | 3 | 276 | .756 | 3 | 307 | .841 | 3 | 337 | .923 |
| 4 | 185 | .507 | 4 | 216 | .592 | 4 | 247 | .677 | 4 | 277 | .759 | 4 | 308 | .844 | 4 | 338 | .926 |
| 5 | 186 | .510 | 5 | 217 | .595 | 5 | 248 | .679 | 5 | 278 | .762 | 5 | 309 | .847 | 5 | 339 | .929 |
| 6 | 187 | .512 | 6 | 218 | .597 | 6 | 249 | .682 | 6 | 279 | .764 | 6 | 310 | .849 | 6 | 340 | .932 |
| 7 | 188 | .515 | 7 | 219 | .600 | 7 | 250 | .685 | 7 | 280 | .767 | 7 | 311 | .852 | 7 | 341 | .934 |
| 8 | 189 | .518 | 8 | 220 | .603 | 8 | 251 | .688 | 8 | 281 | .770 | 8 | 312 | .855 | 8 | 342 | .937 |
| 9 | 190 | .521 | 9 | 221 | .605 | 9 | 252 | .690 | 9 | 282 | .773 | 9 | 313 | .858 | 9 | 343 | .940 |
| 10 | 191 | .523 | 10 | 222 | .608 | 10 | 253 | .693 | 10 | 283 | .775 | 10 | 314 | .860 | 10 | 344 | .942 |
| 11 | 192 | .526 | 11 | 223 | .611 | 11 | 254 | .696 | 11 | 284 | .778 | 11 | 315 | .863 | 11 | 345 | .945 |
| 12 | 193 | .529 | 12 | 224 | .614 | 12 | 255 | .699 | 12 | 285 | .781 | 12 | 316 | .866 | 12 | 346 | .948 |
| 13 | 194 | .532 | 13 | 225 | .616 | 13 | 256 | .701 | 13 | 286 | .784 | 13 | 317 | .868 | 13 | 347 | .951 |
| 14 | 195 | .534 | 14 | 226 | .619 | 14 | 257 | .704 | 14 | 287 | .786 | 14 | 318 | .871 | 14 | 348 | .953 |
| 15 | 196 | .537 | 15 | 227 | .622 | 15 | 258 | .707 | 15 | 288 | .789 | 15 | 319 | .874 | 15 | 349 | .956 |
| 16 | 197 | .540 | 16 | 228 | .625 | 16 | 259 | .710 | 16 | 289 | .792 | 16 | 320 | .877 | 16 | 350 | .959 |
| 17 | 198 | .542 | 17 | 229 | .627 | 17 | 260 | .712 | 17 | 290 | .795 | 17 | 321 | .879 | 17 | 351 | .962 |
| 18 | 199 | .545 | 18 | 230 | .630 | 18 | 261 | .715 | 18 | 291 | .797 | 18 | 322 | .882 | 18 | 352 | .964 |
| 19 | 200 | .548 | 19 | 231 | .633 | 19 | 262 | .718 | 19 | 292 | .800 | 19 | 323 | .885 | 19 | 353 | .967 |
| 20 | 201 | .551 | 20 | 232 | .636 | 20 | 263 | .721 | 20 | 293 | .803 | 20 | 324 | .888 | 20 | 354 | .970 |
| 21 | 202 | .553 | 21 | 233 | .638 | 21 | 264 | .723 | 21 | 294 | .805 | 21 | 325 | .890 | 21 | 355 | .973 |
| 22 | 203 | .556 | 22 | 234 | .641 | 22 | 265 | .726 | 22 | 295 | .808 | 22 | 326 | .893 | 22 | 356 | .975 |
| 23 | 204 | .559 | 23 | 235 | .644 | 23 | 266 | .729 | 23 | 296 | .811 | 23 | 327 | .896 | 23 | 357 | .978 |
| 24 | 205 | .562 | 24 | 236 | .647 | 24 | 267 | .732 | 24 | 297 | .814 | 24 | 328 | .899 | 24 | 358 | .981 |
| 25 | 206 | .564 | 25 | 237 | .649 | 25 | 268 | .734 | 25 | 298 | .816 | 25 | 329 | .901 | 25 | 359 | .984 |
| 26 | 207 | .567 | 26 | 238 | .652 | 26 | 269 | .737 | 26 | 299 | .819 | 26 | 330 | .904 | 26 | 360 | .986 |
| 27 | 208 | .570 | 27 | 239 | .655 | 27 | 270 | .740 | 27 | 300 | .822 | 27 | 331 | .907 | 27 | 361 | .989 |
| 28 | 209 | .573 | 28 | 240 | .658 | 28 | 271 | .742 | 28 | 301 | .825 | 28 | 332 | .910 | 28 | 362 | .992 |
| 29 | 210 | .575 | 29 | 241 | .660 | 29 | 272 | .745 | 29 | 302 | .827 | 29 | 333 | .912 | 29 | 363 | .995 |
| 30 | 211 | .578 | 30 | 242 | .663 | 30 | 273 | .748 | 30 | 303 | .830 | 30 | 334 | .915 | 30 | 364 | .997 |
| 31 | 212 | .581 | 31 | 243 | .666 | | | | 31 | 304 | .833 | | | | 31 | 365 | 1.000 |

**PERSONAL AUTO MANUAL
NORTH CAROLINA**

ONE YEAR SHORT RATE TABLE

| Days Policy in Force | Per Cent of One Year Premium | Days Policy in Force | Per Cent of One Year Premium | Days Policy in Force | Per Cent of One Year Premium |
|-------------------------------------|---|-------------------------------------|---|-------------------------------------|---|
| 1 | 5% | 95 - 98 | 37% | 219 - 223 | 69% |
| 2 | 6 | 99 - 102 | 38 | 224 - 228 | 70 |
| 3 - 4 | 7 | 103 - 105 | 39 | 229 - 232 | 71 |
| 5 - 6 | 8 | 106 - 109 | 40 | 233 - 237 | 72 |
| 7 - 8 | 9 | 110 - 113 | 41 | 238 - 241 | 73 |
| 9 - 10 | 10 | 114 - 116 | 42 | 242 - 246 | 74 |
| 11 - 12 | 11 | 117 - 120 | 43 | 247 - 250 | 75 |
| 13 - 14 | 12 | 121 - 124 | 44 | 251 - 255 | 76 |
| 15 - 16 | 13 | 125 - 127 | 45 | 256 - 260 | 77 |
| 17 - 18 | 14 | 128 - 131 | 46 | 261 - 264 | 78 |
| 19 - 20 | 15 | 132 - 135 | 47 | 265 - 269 | 79 |
| 21 - 22 | 16 | 136 - 138 | 48 | 270 - 273 | 80 |
| 23 - 25 | 17 | 139 - 142 | 49 | 274 - 278 | 81 |
| 26 - 29 | 18 | 143 - 146 | 50 | 279 - 282 | 82 |
| 30 - 32 | 19 | 147 - 149 | 51 | 283 - 287 | 83 |
| 33 - 36 | 20 | 150 - 153 | 52 | 288 - 291 | 84 |
| 37 - 40 | 21 | 154 - 156 | 53 | 292 - 296 | 85 |
| 41 - 43 | 22 | 157 - 160 | 54 | 297 - 301 | 86 |
| 44 - 47 | 23 | 161 - 164 | 55 | 302 - 305 | 87 |
| 48 - 51 | 24 | 165 - 167 | 56 | 306 - 310 | 88 |
| 52 - 54 | 25 | 168 - 171 | 57 | 311 - 314 | 89 |
| 55 - 58 | 26 | 172 - 175 | 58 | 315 - 319 | 90 |
| 59 - 62 | 27 | 176 - 178 | 59 | 320 - 323 | 91 |
| 63 - 65 | 28 | 179 - 182 | 60 | 324 - 328 | 92 |
| 66 - 69 | 29 | 183 - 187 | 61 | 329 - 332 | 93 |
| 70 - 73 | 30 | 188 - 191 | 62 | 333 - 337 | 94 |
| 74 - 76 | 31 | 192 - 196 | 63 | 338 - 342 | 95 |
| 77 - 80 | 32 | 197 - 200 | 64 | 343 - 346 | 96 |
| 81 - 83 | 33 | 201 - 205 | 65 | 347 - 351 | 97 |
| 84 - 87 | 34 | 206 - 209 | 66 | 352 - 355 | 98 |
| 88 - 91 | 35 | 210 - 214 | 67 | 356 - 360 | 99 |
| 92 - 94 | 36 | 215 - 218 | 68 | 361 - 365 | 100 |

PERSONAL AUTO MANUAL
NORTH CAROLINA

THREE MONTH SHORT RATE TABLE

| Days Policy in Force | Per Cent of 3 Mos. Premium | Days Policy in Force | Per Cent of 3 Mos. Premium | Days Policy in Force | Per Cent of 3 Mos. Premium |
|----------------------|----------------------------|----------------------|----------------------------|----------------------|----------------------------|
| 1 | 6% | 28 | 41% | 58 | 71% |
| 2 | 7 | 29 | 42 | 59 | 73 |
| 3 | 9 | 30 | 43 | 60 - 61 | 74 |
| 4 | 12 | 31 | 44 | 62 | 75 |
| 5 | 16 | 32 | 46 | 63 | 76 |
| 6 | 17 | 33 | 47 | 64 | 77 |
| 7 | 18 | 34 | 48 | 65 - 66 | 78 |
| 8 | 19 | 35 | 49 | 67 | 79 |
| 9 | 20 | 36 | 50 | 68 | 81 |
| 10 | 21 | 37 | 51 | 69 - 70 | 82 |
| 11 | 22 | 38 | 52 | 71 | 83 |
| 12 | 23 | 39 | 53 | 72 | 84 |
| 13 | 24 | 40 | 54 | 73 | 85 |
| 14 | 26 | 41 | 56 | 74 - 75 | 86 |
| 15 | 27 | 42 | 57 | 76 | 87 |
| 16 | 28 | 43 | 58 | 77 | 89 |
| 17 | 29 | 44 | 59 | 78 - 79 | 90 |
| 18 | 30 | 45 | 60 | 80 | 91 |
| 19 | 31 | 46 | 61 | 81 | 92 |
| 20 | 32 | 47 - 48 | 62 | 82 | 93 |
| 21 | 33 | 49 | 63 | 83 - 84 | 94 |
| 22 | 34 | 50 | 65 | 85 | 95 |
| 23 | 36 | 51 - 52 | 66 | 86 | 97 |
| 24 | 37 | 53 | 67 | 87 - 88 | 98 |
| 25 | 38 | 54 | 68 | 89 | 99 |
| 26 | 39 | 55 | 69 | 90 - 92 | 100 |
| 27 | 40 | 56 - 57 | 70 | | |

**PERSONAL AUTO MANUAL
NORTH CAROLINA**

SIX MONTH SHORT RATE TABLE

| Days Policy in Force | Per Cent of 6 Mos. Premium | Days Policy in Force | Per Cent of 6 Mos. Premium | Days Policy in Force | Per Cent of 6 Mos. Premium |
|----------------------------|-------------------------------------|----------------------------|-------------------------------------|----------------------------|-------------------------------------|
| 1 | 6% | 50 - 51 | 38% | 112 - 114 | 70% |
| 2 | 7 | 52 | 39 | 115 - 116 | 71 |
| 3 | 8 | 53 - 54 | 40 | 117 - 118 | 72 |
| 4 | 9 | 55 - 56 | 41 | 119 - 120 | 73 |
| 5 | 10 | 57 - 58 | 42 | 121 - 123 | 74 |
| 6 | 11 | 59 - 60 | 43 | 124 - 125 | 75 |
| 7 | 12 | 61 - 62 | 44 | 126 - 127 | 76 |
| 8 | 13 | 63 | 45 | 128 - 130 | 77 |
| 9 | 14 | 64 - 65 | 46 | 131 - 132 | 78 |
| 10 | 15 | 66 - 67 | 47 | 133 - 134 | 79 |
| 11 | 16 | 68 - 69 | 48 | 135 - 136 | 80 |
| 12 | 17 | 70 - 71 | 49 | 137 - 139 | 81 |
| 13 - 14 | 18 | 72 - 73 | 50 | 140 - 141 | 82 |
| 15 - 16 | 19 | 74 | 51 | 142 - 143 | 83 |
| 17 - 18 | 20 | 75 - 76 | 52 | 144 - 145 | 84 |
| 19 - 20 | 21 | 77 - 78 | 53 | 146 - 148 | 85 |
| 21 | 22 | 79 - 80 | 54 | 149 - 150 | 86 |
| 22 - 23 | 23 | 81 - 82 | 55 | 151 - 152 | 87 |
| 24 - 25 | 24 | 83 | 56 | 153 - 155 | 88 |
| 26 - 27 | 25 | 84 - 85 | 57 | 156 - 157 | 89 |
| 28 - 29 | 26 | 86 - 87 | 58 | 158 - 159 | 90 |
| 30 - 31 | 27 | 88 - 89 | 59 | 160 - 161 | 91 |
| 32 | 28 | 90 - 91 | 60 | 162 - 164 | 92 |
| 33 - 34 | 29 | 92 - 93 | 61 | 165 - 166 | 93 |
| 35 - 36 | 30 | 94 - 95 | 62 | 167 - 168 | 94 |
| 37 - 38 | 31 | 96 - 98 | 63 | 169 - 171 | 95 |
| 39 - 40 | 32 | 99 - 100 | 64 | 172 - 173 | 96 |
| 41 | 33 | 101 - 102 | 65 | 174 - 175 | 97 |
| 42 - 43 | 34 | 103 - 104 | 66 | 176 - 177 | 98 |
| 44 - 45 | 35 | 105 - 107 | 67 | 178 - 180 | 99 |
| 46 - 47 | 36 | 108 - 109 | 68 | 181 - 184 | 100 |
| 48 - 49 | 37 | 110 - 111 | 69 | | |

11. WHOLE DOLLAR PREMIUM

This rule applies only to Fire, Theft, Combined Additional Coverage, Comprehensive and Collision coverages.

The premium for each exposure shall be rounded to the nearest whole dollar, separately for each coverage provided by the policy.

A premium involving \$.50 or more shall be rounded to the next higher whole dollar.

This procedure shall apply to all interim premium adjustments, including endorsements or cancellations at the request of the insured. In the case of cancellations by the company, the return premium may be carried to the next higher whole dollar.

The phrase "each exposure" as used herein shall mean each premium developed (after the application of all applicable adjustments) for (1) each auto, if written on a per car basis, and (2) for all other business.

12. RULES FOR DETERMINING PHYSICAL DAMAGE BASE RATES FOR SYMBOLS NOT DISPLAYED ON STATE RATE PAGES

A. Other Than Collision

1. 1990 and Subsequent Model Year Vehicles

~~Apply the following factors to the Symbol 2 Base Rate on the state rate pages for the applicable Model Year:~~

| Symbol | Code | 1990 and Subsequent Model Years |
|--------|------|---------------------------------|
| 1 | 01 | 0.72 |
| 19 | 19 | 4.46 |
| 20 | 20 | 4.94 |
| 21 | 21 | 5.49 |
| 22 | 22 | 6.19 |
| 23 | 23 | 6.93 |
| 24 | 24 | 8.03 |
| 25 | 25 | 9.88 |
| 26 | 26 | 12.43 |
| 27 | 27 | * |

+ Develop the Comprehensive Base Rates for Symbol 27 vehicles by:

- a. Increasing the factor for Symbol 26 by +2.00 for each \$10,000 or fraction of \$10,000 above \$80,000 of Original Cost, and
- b. Applying this factor to the Symbol 2 Base Rate on the state rate pages for the applicable Model Year.

2. 1989 and Prior Model Year Vehicles

~~Apply the following factors to the Symbol 7 Base Rate on the state rate pages for the applicable Model Year:~~

| Symbol | Code | 1989 & Prior Model Years |
|--------|------|--------------------------|
| 1 | 01 | 0.28 |
| 2 | 02 | 0.31 |
| 3 | 03 | 0.44 |
| 4 | 04 | 0.53 |
| 5 | 05 | 0.63 |
| 6 | 06 | 0.81 |
| 15 | 15 | 3.56 |
| 16 | 16 | 4.31 |
| 17 | 17 | 6.19 |
| 18 | 18 | 6.19 |
| 19 | 19 | 7.38 |
| 20 | 20 | 8.75 |
| 21 | 21 | 12.13 |

1982 and Prior Model Years

a. 1976-1982 Symbol 14 Vehicles

Apply the factor 3.19 to the Symbol 7 Base Rate.

b. 1975 and Prior Vehicles above \$10,000

Increase the Symbol 7 Base Rate by 20% for each \$1,000 or fraction of \$1,000 above \$10,000 of Original Cost.

Deleted: *

B. Collision

1. 1990 and Subsequent Model Year Vehicles

~~Apply the following factors to the Symbol 2 Base Rate on the state rate pages for the applicable Model Year:~~

| Symbol | Code | 1990 and Subsequent Model Years |
|--------|------|---------------------------------|
| 1 | 01 | 0.88 |
| 19 | 19 | 2.43 |
| 20 | 20 | 2.61 |
| 21 | 21 | 2.61 |
| 22 | 22 | 2.75 |
| 23 | 23 | 2.86 |
| 24 | 24 | 2.99 |
| 25 | 25 | 3.23 |
| 26 | 26 | 3.50 |
| 27 | 27 | * |

+ Develop the Collision Base Rates for Symbol 27 vehicles by:

- a. Increasing the factor for Symbol 26 by +.15 for each \$10,000 or fraction of \$10,000 above \$80,000 of Original Cost, and
- b. Applying this factor to the Symbol 2 Base Rate on the state rate pages for the applicable Model Year.

Note: Struck through material will be deleted at a later date. As of July 1, 2003 the rates for the struck through factors are now displayed on the physical damage rate pages.

12. RULES FOR DETERMINING PHYSICAL DAMAGE BASE RATES FOR SYMBOLS NOT DISPLAYED ON STATE RATE PAGES (Cont'd)

2. 1989 and Prior Model Year Vehicles

Apply the following factors to the Symbol 7 Base Rate on the state rate pages for the applicable Model Year:

| Symbol | Code | 1989 & Prior* Model Years |
|--------|------|---------------------------|
| 1 | 01 | 0-42 |
| 2 | 02 | 0-50 |
| 3 | 03 | 0-63 |
| 4 | 04 | 0-74 |
| 5 | 05 | 0-83 |
| 6 | 06 | 0-92 |
| 15 | 15 | 2-17 |
| 16 | 16 | 2-38 |
| 17 | 17 | 2-54 |
| 18 | 18 | 2-75 |
| 19 | 19 | 2-92 |
| 20 | 20 | 3-08 |
| 21 | 21 | 3-50 |

1982 and Prior Model Years

a. 1976-1982 Symbol 14 Vehicles

Apply the factor 2.29 to the Symbol 7 Base Rate.

b. 1975 and Prior Vehicles above \$10,000

Increase the Symbol 7 Base Rate by 5% for each \$1,000 or fraction of \$1,000 above \$10,000 of Original Cost.

Note: Struck through material will be deleted at a later date. As of July 1, 2003 the rates for the struck through factors are now displayed on the physical damage rate pages.

C. Original Cost means:

1. Original F.O.B. List Price for autos built in U.S.
2. Original Cost New in U.S. for specially built autos.
3. Original Cost New in U.S. for imported autos.

13. SUSPENSION

- A. Under any policy providing just Physical Damage Coverage, only Collision may be suspended.
- B. Liability Coverages may not be suspended for risks for which a financial responsibility filing is in effect.
- C. Insurance may be suspended by endorsement in accordance with the following provisions provided the period of suspension is at least thirty (30) consecutive days.

1. Insurance may be reinstated upon the named insured's request effective not earlier than receipt of such request by the company or any of its authorized representatives.

2. The reinstatement endorsement shall not extend the policy beyond its original expiration date.

LIABILITY AND COLLISION COVERAGES ONLY

3. Pro rata premium credit for the period of suspension shall be granted upon reinstatement subject to a minimum retention by the company of sixty days premium calculated on a short rate basis. The minimum premium retention by the company shall not apply to suspensions under Section F. of this rule.

Deleted: *

4. If the policy expires during the period of suspension, the named insured shall be entitled to a pro rata return premium in accordance with the foregoing provisions of this rule.

5. If a policy written for less than one year is suspended but subsequently reinstated and extended for the remainder of such year, or any part thereof, or if such policy expires during the suspension period, pro rata premium credit shall be granted for the period of suspension in accordance with the foregoing provisions of the Policy Period Rule for extension of a short term policy.

- D. If collision or liability coverages are suspended on all owned autos, coverage for which separate premiums apply – including Uninsured Motorists Coverage, Underinsured Motorists Coverage, auto death indemnity, total disability, and specific disability benefits coverage, medical payments coverage, non-owned auto or extended liability coverage provided under the use of other autos provisions – may be continued in force without premium adjustment for these coverages.

13. SUSPENSION (Cont'd)

- E. If liability or collision is suspended on all private passenger autos owned by an individual or husband and wife, use of other autos coverage for liability only, afforded without separate premium charge may be continued in force. 80% pro rata of the owned auto premium calculated in accordance with the provisions of this rule shall be returned to the insured upon reinstatement of the coverages.
- F. Insurance covering a private passenger auto which is withdrawn from service for a period of at least thirty (30) consecutive days because of a strike, may be suspended. Pro rata return premium on such vehicles shall be granted in accordance with Section (C) provided the insured furnishes the company with a letter requesting the return premium. The letter shall be written on the insured's letterhead, signed by an executive of the company and shall include the following:
 1. A description of each auto.
 2. The dates between which it was laid up because of the strike.
 3. A statement by the insured that he agrees to reimburse the company for any payment made by the company on account of any accident, claim or suit involving a coverage for an auto described in the letter for which return premium has been allowed by the company.

14. MISCELLANEOUS COVERAGES

A. Uninsured Motorists Coverage ONLY

- 1. Owners – (Class Code – Refer to Statistical Plan)

Bodily Injury and Property Damage Uninsured Motorists Coverage shall be afforded under every auto liability policy insuring the owner of a motor vehicle registered or principally garaged in North Carolina.

Exceptions

This coverage shall not apply when a named insured has either:

- Elected to purchase Combined Uninsured/Underinsured Motorists Coverage; or
- Specifically rejected in writing both Uninsured Motorists and Combined Uninsured/Underinsured Motorists Coverages.

a. Basic Limits

Basic Limits of Uninsured Motorists Coverage are \$30,000/60,000 Bodily Injury and \$25,000 Property Damage. Property Damage Uninsured Motorists Coverage is subject to an exclusion of the first \$100 of damage.

| | |
|-------------------------------|------|
| Rate – Single Vehicle* Policy | \$17 |
| Multi-Vehicle* Policy | \$40 |

These rates are not subject to modification under the provisions of any rating plan or other manual rule.

b. Increased Limits

Increased limits of Uninsured Motorists Coverage may be afforded. Property Damage limits may not exceed the Property Damage Liability limit afforded by the policy.

Uninsured Motorists Coverage is available at the following limits with rates per policy shown:

B.I. UM Coverage

| | Single Vehicle* Policy | Multi-Vehicle* Policy |
|-------------|---------------------------|--------------------------|
| \$ 30/60 | \$ 15 | \$ 35 |
| 50/100 | 16 | 38 |
| 100/200 | 17 | 40 |
| 100/300 | 18 | 42 |
| 300/300 | 20 | 47 |
| 250/500 | 21 | 50 |
| 500/500 | 22 | 52 |
| 500/1,000 | 23 | 54 |
| 1,000/1,000 | 24 | 57 |

P.D. UM Coverage

| | Single Vehicle* Policy | Multi-Vehicle* Policy |
|-----------|---------------------------|--------------------------|
| \$ 25,000 | \$ 2 | \$ 5 |
| 50,000 | 3 | 7 |
| 100,000 | 4 | 9 |
| 250,000 | 6 | 14 |
| 500,000 | 8 | 19 |
| 750,000 | 10 | 24 |
| 1,000,000 | 11 | 26 |

For limits other than those shown, charge the premium for the next higher limit.

* For the purposes of this rule, the term vehicle includes a private passenger auto, motorcycle, golfmobile or other miscellaneous type vehicle.

14. MISCELLANEOUS COVERAGES (Cont'd)

c. Additional Persons

Bodily Injury Uninsured Motorists Coverage Only may be extended to an executive officer, partner or employee of the named insured provided such additional person does not own an auto.

The charge for each additional person shall be the single car policy rate shown above.

2. Non-Owners – (Class Code 990000)

a. A Named Non-Owner Liability Policy may be extended to provide Uninsured Motorists Coverage. The annual charge per policy shall be the single car policy rate shown above for the limits of coverage selected.

b. Bodily Injury Uninsured Motorists Coverage Only may be afforded to any person who does not own an auto and who is not otherwise afforded Uninsured Motorists Coverage.

Such coverage shall be written for a period of one year or three years. The charge for each person covered shall be the minimum limits single car policy rate multiplied by the following factor:

| Policy Term | Factor |
|-------------|--------|
| One Year | 3.50 |
| Three Years | 5.50 |

B.1. Combined Uninsured/Underinsured Motorists Coverage

1. Owners – (Class Code – Refer to Statistical Plan)

Combined Uninsured/Underinsured Motorists Coverage shall be afforded under every auto liability policy insuring the owner of a motor vehicle registered or principally garaged in North Carolina.

Exceptions

This coverage shall not apply when a named insured has:

- Purchased a policy with Bodily Injury limits not greater than \$30,000/\$60,000; or
- Specifically rejected this coverage in writing and elected to purchase Uninsured Motorists Coverage ONLY; or
- Specifically rejected in writing both Uninsured Motorists and Combined Uninsured/Underinsured Motorists Coverages.

a. Limits

Combined Uninsured/Underinsured Motorists Coverage limits are available only at Bodily Injury limits higher than \$30,000/60,000 and with Property Damage limits at \$25,000 or with a limit not to exceed the Property Damage Liability limit afforded by the policy. The Property Damage coverage applies only on an Uninsured Motorists basis and is subject to an exclusion of the first \$100 of damage.

Refer to Uninsured Motorists Coverage ONLY for \$30/60/25 limits.

b. Rates

Combined Uninsured/Underinsured Motorists Coverage is available at the following limits with rates per policy shown:

B.I. UM/UIM Coverage

| | Single Vehicle* Policy | Multi-Vehicle* Policy |
|-------------|---------------------------|--------------------------|
| \$ 50/100 | \$ 19 | \$ 45 |
| 100/200 | 32 | 75 |
| 100/300 | 38 | 89 |
| 300/300 | 50 | 118 |
| 250/500 | 59 | 140 |
| 500/500 | 81 | 191 |
| 500/1,000 | 92 | 217 |
| 1,000/1,000 | 104 | 246 |

P.D. UM/UIM Coverage

| | Single Vehicle* Policy | Multi-Vehicle* Policy |
|-----------|---------------------------|--------------------------|
| \$ 25,000 | \$ 2 | \$ 5 |
| 50,000 | 3 | 7 |
| 100,000 | 4 | 9 |
| 250,000 | 6 | 14 |
| 500,000 | 8 | 19 |
| 750,000 | 10 | 24 |
| 1,000,000 | 11 | 26 |

For limits other than those shown, charge the premium for the next higher limit.

* For the purposes of this rule, the term vehicle includes a private passenger auto, motorcycle, golfmobile or other miscellaneous type vehicle.

These total rates are not subject to modification under the provisions of any rating plan or other manual rule.

Attach the applicable endorsement.

14. MISCELLANEOUS COVERAGES (Cont'd)

2. Non-Owners – (Class Code 990000)

A Named Non-Owner Liability Policy may be extended to provide Combined Uninsured and Underinsured Motorists Coverage. The annual charge per policy shall be the single car policy rate shown above for the limits of coverage selected.

Attach the applicable endorsement.

B.2. Alternative Economic Loss Coverage

An insurer may, at its option, make available Alternative Economic Loss Coverage to cover economic loss only. Coverage is **not** provided for non-economic loss.

Economic loss consists of medical care, compensation for lost earnings and replacement services, and payment of a death benefit when bodily injury results from an automobile accident caused by an uninsured or underinsured motorist.

If made available by the insurer, Alternative Economic Loss Coverage may only be made available on policies where both Uninsured Motorists and Combined Uninsured/Underinsured Motorists Coverage have been rejected in writing.

Alternative Economic Loss Coverage may be made available at the following limits with rates per policy shown:

| | B.I. Limits | |
|-------------|-------------------|------------------|
| | Single Car Policy | Multi-Car Policy |
| \$ 30/60 | \$ 5 | \$ 12 |
| 50/100 | 9 | 21 |
| 100/200 | 15 | 36 |
| 100/300 | 18 | 43 |
| 300/300 | 25 | 59 |
| 250/500 | 31 | 74 |
| 500/500 | 39 | 92 |
| 500/1,000 | 46 | 108 |
| 1,000/1,000 | 50 | 118 |

These rates are not subject to modification under the provisions of any rating plan or other manual rule.

Attach the applicable endorsement.

C. Deductible Insurance

1. Deductible Liability Insurance is not available for vehicles classified and rated in accordance with the rules of this Manual.

2. Collision Deductibles for Which No Premiums Are Shown

| | |
|----------------------|--|
| \$ 25 Deduct. (071) | – Charge 150% of the \$50 Deduct. Collision Premium |
| \$ 50 Deduct. (072) | – Charge 102% of the \$100 Deduct. Collision Premium |
| \$ 200 Deduct. (073) | – Charge 97% of the \$100 Deduct. Collision Premium |
| \$ 250 Deduct. (076) | – Charge 95% of the \$100 Deduct. Collision Premium |
| \$ 500 Deduct. (077) | – Charge 88% of the \$100 Deduct. Collision Premium |

\$1,000 Deduct. (078) – Charge 75% of the \$100 Deduct. Collision Premium

3. Comprehensive Deductibles for Which No Premiums Are Shown

\$ 50 Deduct. (003) – Charge 95% of the Full Coverage Comprehensive Premium

\$ 100 Deduct. (010) – Charge 90% of the Full Coverage Comprehensive Premium

\$ 250 Deduct. (055) – Charge 77% of the Full Coverage Comprehensive Premium

\$ 500 Deduct. (726) – Charge 60% of the Full Coverage Comprehensive Premium

\$1,000 Deduct. (727) – Charge 50% of the Full Coverage Comprehensive Premium

4. Theft – \$50 Deductible – Charge 75% of the Full Coverage Theft Rate.

D. Extended Transportation Expenses Coverage

1. Eligibility

Only policies providing Comprehensive Coverage may be afforded either Extended Transportation Expenses Coverage or Increased Limits Transportation Expenses Coverage.

2. Rating

The rates for this coverage are not subject to classification rating or modification by any rating plan.

| Coverage | Annual Rate Per Auto |
|---|----------------------|
| \$15/\$450 Extended Transportation Expenses Coverage (Cov. Code 704) | \$10 |
| \$30/\$900 Increased Limits Transportation Expenses Coverage (Cov. Code 706) | \$20 |
| \$50/\$1,500 Additional Increased Limits Transportation Expenses Coverage (Cov. Code 768) | \$32 |

3. Endorsement

Attach the extended transportation expenses coverage endorsement to the policy.

E. Towing and Labor Costs

1. This coverage may be written only for Private Passenger Autos.

2. The available limit and rates are:

| Limit Per Disablement | Rate – Per Car, Per Year |
|---------------------------------------|--------------------------|
| \$ 25 | \$2 |
| 50 | 4 |
| 100 | 6 |
| None (subject to coverage provisions) | 13 |

3. Attach applicable endorsement.

14. MISCELLANEOUS COVERAGES (Cont'd)

F. Coverage For Damage To Your Auto – Coverage For Audio, Visual And Data Electronic Equipment

1. Coverage

Electronic equipment or devices that record, emit, amplify, receive or transmit audio, visual or data signals which are permanently installed by the vehicle's manufacturer are automatically covered under the policy without additional premium charge. Such equipment includes, but is not limited to:

- a. Radios and stereos;
- b. Tape decks;
- c. Compact disk players or recorders;
- d. Citizens band radios;
- e. Telephones;
- f. Two-way mobile radios;
- g. Scanning monitor receivers;
- h. Television monitor receivers;
- i. Video cassette players or recorders;
- j. Audio cassette players or recorders;
- k. Personal computers; or
- l. Digital videodisk players or recorders.

However, electronic equipment or devices that record, emit, amplify, receive or transmit audio, visual or data signals which are permanently installed by **other than** the vehicle's manufacturer are subject to a sublimit of \$1,000. This sublimit may be increased to any one of the limits with the premiums per auto shown in the table below. Permanently installed means installed by bolts, brackets, or welding in a location in accordance with applicable laws and regulations for the installation of such equipment or device.

Coverage is not available for loss to:

- equipment designed or used to detect or deter radar, laser, or other speed monitoring equipment whether or not permanently installed; or
- tapes, records, discs or other media.

2. Rating

The provisions of Rule 4. Classifications and Rule 5. Safe Driver Insurance Plan do not apply for this coverage.

| Maximum Limit Of Liability For Electronic Equipment | Premium Per Auto |
|---|------------------|
| \$ 1,500 | \$ 30 |
| 2,000 | 60 |
| 2,500 | 90 |
| 3,000 | 120 |
| 3,500 | 150 |
| 4,000 | 180 |
| 4,500 | 210 |
| 5,000 | 240 |

For limits in excess of \$5,000, charge an additional \$30 per \$500 of coverage.

3. Endorsement

Attach Coverage For Damage To Your Auto Customizing Equipment Coverage, Coverage For Audio, Visual And Data Electronic Equipment Endorsement **NC 03 15**, to the policy.

G. Auto Death Indemnity Or Benefits, Specific Disability Benefits And Total Disability Benefits Rates

1. Automobile Death Indemnity or Benefit, Specific Disability Benefits and Total Disability Benefits are available to any person under a policy affording auto bodily injury liability insurance with respect to an auto classified or rated as a private passenger auto.

2. Annual rates per person insured:

- a. Coverage **A** – Auto Death Indemnity or Benefit (Class Code 904000)

| Principal Sum | Annual Rate |
|---------------|-------------|
| \$ 5,000 | \$2 |
| 10,000 | 4 |

14. MISCELLANEOUS COVERAGES (Cont'd)

- b. Coverages A and B – Auto Death Indemnity or Benefit and Specific Disability Benefits

Dismemberment and Loss of Sight and Fractures and Dislocations. (Class Code 907000)

| Principal Sum | Annual Rate |
|---------------|-------------|
| \$ 5,000 | \$3 |
| 10,000 | 5 |

- c. Coverage C – Total Disability Benefits – (Class Code 903000)

| Weekly Indemnity | Annual Rate |
|------------------|-------------|
| \$25 | \$3 |
| 35 | 3 |
| 50 | 6 |

- d. Coverage D – Total Disability Benefits – Maximum 200 weeks. (Class Code 905000)

| Weekly Indemnity | Annual Rate |
|------------------|-------------|
| \$25 | \$2 |
| 35 | 3 |
| 50 | 5 |

3. For the addition of one or more of the coverages to outstanding policies, charges per month, or fraction thereof, of 10% of the applicable annual rates shall be made. These charges shall be subject to a minimum total charge of \$2 per policy or endorsement, and to a maximum total charge of the total of the annual rates for the coverages afforded.

H. Repair or Replacement Coverages**1. Five Year Coverage**

- a. Coverage for Damage to Your Auto can be changed from ACTUAL CASH VALUE to REPLACEMENT COST for losses caused by other than fire, theft, larceny, malicious mischief or vandalism.
- b. Repair or Replacement Coverage is available:
- (1) Only for autos purchased new.
 - (2) Only if this coverage is added within 60 days after purchase of the new auto. If the coverage is added after the date of purchase of the new auto, coverage does not become effective until the date of purchase of this coverage.
 - (3) Only if this coverage is maintained continuously on the auto.
 - (4) If the auto is not more than 5 years old. The age of the auto shall be determined by subtracting the year the endorsement was first added to the policy for that auto from the year of inception of the current annual period of the policy.
 - (5) Only if the collision and other than collision coverages are carried for the auto.

- c. Rates

Charge 15% of the combined collision and other than collision premiums.

- d. Attach Endorsement NC 03 11.

2. One Year Coverage

- a. Coverage for Damage to Your Auto can be changed from ACTUAL CASH VALUE to REPLACEMENT COST.

- b. Replacement Cost Coverage is available:

- (1) Only for autos purchased new by the policyholder or applicant with less than 150 miles on the odometer.
- (2) Only if this coverage is added within 60 days after the purchase of the new auto. If the coverage is added after the date of purchase of the new auto coverage does not become effective until the date of purchase of this coverage.
- (3) Only if this coverage is maintained continuously on the auto.
- (4) Only if collision and other than collision coverages are carried for the auto.

- c. Rates

Charge 10% of the combined collision and other than collision premiums.

- d. Duration of Coverage

This coverage will apply until one year from the date of purchase of the new auto or an odometer reading of 15,000 miles, whichever comes first.

- e. Attach Endorsement NC 03 12.

I. Coverage for Rented Vehicles

1. Insurers may offer coverage for rented vehicles with every motor vehicle policy covering a motor vehicle registered in North Carolina. Attach the Coverage for Rented Vehicles endorsement to the policy.
2. Rating
 - a. To add Coverage for Rented Vehicles, charge an annual premium of \$4 for personal auto liability policies which provide both comprehensive and collision coverages.
 - b. To add Coverage for Rented Vehicles, charge an annual premium of \$16 for personal auto liability policies which do not provide both comprehensive and collision coverages.
 - c. The premium for Coverage for Rented Vehicles is not subject to classification or modification by any rating plan.
3. Cancellation

If Coverage for Rented Vehicles is cancelled by the insured, the entire annual premium shall be fully earned by the company.

14. MISCELLANEOUS COVERAGES (Cont'd)

J. Original Equipment Manufacturer (OEM) Parts Loss Settlement

1. Coverage

A loss settlement Original Equipment Manufacturer (OEM) Parts coverage option may be made available when physical damage coverage is afforded under a policy. The OEM parts loss settlement option is subject to the following:

- a. If a repair results in the replacement of exterior sheet metal and/or exterior plastic parts, OEM parts shall be used if such parts are available.

If OEM parts are not available, non-OEM parts may be used.

- b. If a repair results in the replacement of any damaged parts other than exterior sheet metal and/or exterior plastic parts, the insurer may require or specify the use of non-OEM parts.

2. Rating

Charge 5% of the otherwise applicable premium for Comprehensive and 5% of the otherwise applicable premium for Collision coverages.

3. Endorsement

Attach the Loss Settlement – Original Equipment Manufacturer Parts Endorsement to the policy.

K. Coverage For Damage To Your Auto – Customizing Equipment Coverage

1. Coverage

Custom furnishings or equipment are automatically covered under the policy up to \$1,000 without additional premium charge. This limit may be increased.

Custom furnishings or equipment includes, but is not limited to:

- a. Special carpeting and insulation, furniture or bars;
- b. Facilities for cooking and sleeping;
- c. Height extending roofs or ladders;
- d. Custom windows, murals, paintings or other decals or graphics;
- e. Tool boxes and fifth wheel conversions;
- f. Side exhausts and headers;

- g. Winches and roll bars;
- h. Special wheels/tires; or
- i. Body or suspension alterations.

Note

The optional coverage buybacks for customized furnishings or equipment that are described in 2. below do not apply to the following:

- Camper bodies (refer to Rule 19.A.); and
- Caps, covers or bedliners.

2. Rating

- a. The provisions of Rule 4. Classifications and Rule 5. Safe Driver Insurance Plan do not apply for this coverage.

- b. The \$1,000 limit for custom furnishings or equipment may be increased to any one of the limits with premiums per auto shown below.

| Maximum Limit Of Liability For Customizing Equipment | Premium Per Auto |
|--|------------------|
| \$ 2,000 | \$ 60 |
| 3,000 | 120 |
| 4,000 | 180 |
| 5,000 | 240 |
| 6,000 | 300 |
| 7,000 | 360 |
| 8,000 | 420 |
| 9,000 | 480 |
| 10,000 | 540 |

For limits in excess of \$10,000, charge \$60 per \$1000 of coverage.

3. Endorsement

Attach Coverage For Damage To Your Auto Customizing Equipment Coverage, Coverage For Audio, Visual And Data Electronic Equipment Endorsement **NC 03 15**, to the policy.

15. CERTIFIED RISKS – FINANCIAL RESPONSIBILITY LAWS

For risks not eligible for rating under the Safe Driver Insurance Plan, a surcharge of 35% shall be applied in addition to the surcharge of 50%, 25% or 5% applicable under this Rule.

For risks rated under the Safe Driver Insurance Plan, the additional charge for each risk shall be \$4 for the period of coverage. The \$4 charge shall not be subject to modification under the provisions of any rating plan or other manual rate.

A. Surcharges

- 1. Surcharges apply to Liability coverages only.

15. CERTIFIED RISKS – FINANCIAL RESPONSIBILITY LAWS (Cont'd)

2. The appropriate charges shown below shall be applied to the final premium for the affected coverages for the period of time the certificate is required but not more than three years (after 3 years of 5% surcharge applies) as follows:
 - a. 50% for driving a motor vehicle while intoxicated, or failing to stop and report when involved in an accident, or homicide or assault arising out of the operation of a motor vehicle.
 - b. 25% for driving a motor vehicle at an excessive rate of speed or in a reckless manner, where an injury to person or damage to property actually results therefrom.
 - c. 5% for any reason requiring filing.

B. Owners

1. If an owner is required to file evidence of financial responsibility for owned autos and for the operation of autos which he does not own, the additional premium shall be computed by applying the proper surcharge to the sum of the premium for the highest rated auto owned by the insured and the total nonownership liability premium, modified in accordance with any applicable rating plan.
2. In all other cases, the additional premium shall be computed by applying the proper surcharge to the premium for the highest rated auto owned by the insured modified in accordance with any applicable rating plan.

C. Non-Owners

1. If a policy is written to insure a named individual, the additional premium shall be computed by applying the proper surcharge to the premium for the policy.
2. If coverage is provided under a policy which has been extended to cover a named individual in accordance with Rule 17. – Extended Non-Owned Liability Coverage, the additional premium shall be computed by applying the proper surcharge to:
 - a. The rates for the highest rated auto insured under the policy for the rating territory in which the named individual is located, or
 - b. If there is no auto at such location, 170% of the private passenger Base Rates for the territory in which the named individual is located.

B. Uninsured Motorists Insurance and Underinsured Motorists Insurance

Refer to Rule 14.

C. Attach the named non-owner coverage endorsement.

17. EXTENDED NON-OWNED LIABILITY COVERAGE (PERSONAL AUTO POLICY ONLY)

A. Liability Coverage

Liability coverage may be extended to an individual described below:

1. The insured named in the policy, including the spouse if a resident of the same household, or a resident relative who is furnished an auto for regular use but is NOT employed by a garage:
 - a. When no Primary Liability insurance is in effect on the auto, charge 50% of the liability premium which would apply if the furnished auto were being specifically insured as an owned auto by the individual.
 - b. When there is Primary Liability insurance in effect on the auto or if the auto is used in the business of the United States Government, charge the premiums per person shown in the table below:

| Person Named | Bodily Injury \$30/60 | Property Damage \$25,000 |
|--------------------------|-----------------------|--------------------------|
| Insured Named and Spouse | \$3 | \$1 |
| Relative | 6 | 2 |

2. The insured named in the policy, including the spouse if a resident of the same household, or a resident relative who is furnished an auto for regular use and is employed by a garage:
 - a. When garage has no liability insurance charge 170% of Base Rate for Liability
 - b. When garage has liability insurance, refer to Company.
3. In all other situations, charge the premiums per person shown in the table below:

| Person Named | Bodily Injury \$30/60 | Property Damage \$25,000 |
|--------------------------|-----------------------|--------------------------|
| Insured Named and Spouse | \$3 | \$1 |
| Relative | 6 | 2 |

16. NAMED NON-OWNER POLICY

(For individuals who do not own an auto)

A. Liability and Medical Payments Coverage

Charge 90% of the premium that would apply if such individual owned an auto.

17. EXTENDED NON-OWNED LIABILITY COVERAGE (PERSONAL AUTO POLICY ONLY) (Cont'd)

B. Medical Payments

Medical Payments coverage is available only if Bodily Injury and Property Damage coverages are extended. Medical Payments shall be provided at the same limits as the Medical Payments limit of policy to which attached. Premiums per person are displayed below.

| Medical Payments Limits of Policy to Which Attached | Auto Furnished For Regular Use | Auto Not Furnished For Regular Use |
|---|--------------------------------|------------------------------------|
| \$ 500 | \$ 4 | \$ 2 |

Use the factors in Rule 18.D. to determine premiums for Medical Payments limits above \$500.

18. INCREASED LIMITS

A. The tables in Sections B. and C. below contain the factors to be applied to the appropriate basic limits rates for Bodily Injury or Property Damage Liability. Refer to company for limits not displayed in these tables.

B. 30/60 Split Limit Bodily Injury Liability Increased Limits Table

Applicable to 30/60 Split Limit Bodily Injury Liability Rates Only:

| Total Limits | Factor |
|--------------|--------|
| \$ 30/60 | 1.00 |
| 50/100 | 1.14 |
| 100/100 | 1.25 |
| 100/200 | 1.30 |
| 100/300 | 1.32 |
| 300/300 | 1.50 |
| 250/500 | 1.52 |
| 500/1,000 | 1.67 |
| 1,000/1,000 | 1.76 |
| 1,000/2,000 | 1.81 |

C. \$25,000 Property Damage Liability Increased Limits Table

Applicable to \$25,000 Property Damage Liability Rates Only:

| Limit | Factor | Limit | Factor |
|---------|--------|-----------|--------|
| 25,000 | 1.000 | 250,000 | 1.059 |
| 35,000 | 1.005 | 500,000 | 1.113 |
| 50,000 | 1.010 | 750,000 | 1.153 |
| 100,000 | 1.030 | 1,000,000 | 1.202 |

D. Medical Payments Increased Limits

Applicable to \$500 Medical Payments Rates Only:

| Total Medical Payments Limits | Factor |
|-------------------------------|--------|
| \$ 750 | 1.33 |
| 1,000 | 1.60 |
| 2,000 | 2.34 |
| 5,000 | 3.38 |
| 10,000 | 3.86 |
| 25,000 | 4.53 |
| 50,000 | 5.13 |
| 75,000 | 5.39 |
| 100,000 | 5.50 |

E. Single Limit Coverages

The premium for single limit liability coverages shall be calculated as follows:

1. Apply a single discount of 3% to both the Bodily Injury and the Property Damage normal factors for separate limits equal to the desired single limit.
2. Calculate the separate Bodily Injury and Property Damage premiums, the sum of which is the combined premium.

19. MISCELLANEOUS TYPES

A. Trailers Designed for Use with Private Passenger Autos

Coverage may be provided for:

1. Recreational Trailers

Non-self-propelled units equipped as living quarters (including cooking, dining, plumbing or refrigeration facilities).

To be eligible for coverage, insured must maintain a separate and permanent residence other than the recreational trailer.

Note

1. Camper trailers shall be rated as Recreational Trailers.
2. A portable camper body used with a pickup truck shall be rated as a Recreational Trailer. The pickup truck shall be rated in accordance with Rule 4.F.

19. MISCELLANEOUS TYPES (Cont'd)

2. Other Trailers

All non-self-propelled units not included above.

Liability and Medical Payments Coverages

A Personal Auto Policy affording Liability and Medical Payments Coverage also covers trailers as described above for these coverages without additional premium charge and without specific description of the trailers when used with a private passenger auto.

Other Policies affording Liability and Medical Payments Coverage will also provide this coverage for trailers without additional premium charge and without specific description of the trailer except when the trailer is used with any auto owned or hired by the insured and not covered by like insurance in the company.

Refer to company for rates applicable to a trailer described above if:

1. Used with any auto owned or hired by the insured and not covered by like insurance in the company, or
2. No auto is owned by the insured.

Medical Payments Insurance

Medical payments insurance is available for a home trailer, office trailer, store trailer or display trailer, if used with a private passenger auto.

The rate shall be three times the medical payments rate for the applicable private passenger classification for the territory in which the risk is located.

Farm Wagons and Farm Implements:

Coverage is afforded without additional charge for farm wagons or farm implements when attached to private passenger type autos.

Physical Damage Coverages Only

Trailers are to be insured as separate items with separate premiums shown for each unit. If deductible coverage is written, the deductible shall apply separately to each unit.

1. Recreational Trailers – All Classes – Entire State
 - a. Contents

- (1) Auto Home Contents Coverage for Fire and Lightning and Combined Additional Coverage (including or excluding malicious mischief and vandalism) may be added.

Fire – Charge fire rate applicable to Mobilehome Insured.

Combined Additional Coverage Including Malicious Mischief and Vandalism – 25 cents per \$100.

Combined Additional Coverage Excluding Malicious Mischief and Vandalism – 20 cents per \$100.

Apply to company for endorsement.

- (2) Auto Home Coverage for TV antennas, awnings, and cabanas or equipment designed to create additional living facilities may be added.

Covered Property Coverage – \$50 Deductible – (Coverage Code 069) Charge \$1.45.

Coverage Property Coverage – \$100 Deductible – (Coverage Code 069) Charge \$1.15.

Attach Applicable Endorsement.

- b. Fire Rate – (new & old) – \$0.45
- c. Theft Rate – (new & old) – \$0.10
- d. Windstorm Rate – (new & old) – \$0.05
- e. Combined Additional Coverage without Malicious Mischief and Vandalism Rate – (new & old) – \$0.10
- f. Combined Additional Coverage with Malicious Mischief and Vandalism Rate – (new & old) – \$0.15
- g. Comprehensive

| | | |
|--------------------|-----------------|----------|
| Full Coverage | (Cov. Code 01) | – \$1.45 |
| \$ 50 Deductible | (Cov. Code 03) | – 1.25 |
| \$ 100 Deductible | (Cov. Code 10) | – 1.10 |
| \$ 250 Deductible | (Cov. Code 055) | – 0.95 |
| \$ 500 Deductible | (Cov. Code 726) | – 0.75 |
| \$1,000 Deductible | (Cov. Code 727) | – 0.50 |

19. MISCELLANEOUS TYPES (Cont'd)

h. Collision Premiums – All Classes – Entire State

| Original Cost | Deductibles | | | | | | | | | | | |
|----------------|-------------|-------|-------|------|-------|------|-------|------|-------|------|--------|------|
| | \$50 | | \$100 | | \$200 | | \$250 | | \$500 | | \$1000 | |
| | New | Old | New | Old | New | Old | New | Old | New | Old | New | Old |
| 0 – 600 | \$ 24 | \$ 19 | \$ 10 | \$ 8 | \$ 9 | \$ 7 | \$ 7 | \$ 6 | \$ 6 | \$ 5 | \$ 5 | \$ 4 |
| 601 – 800 | 26 | 21 | 12 | 9 | 11 | 9 | 8 | 6 | 7 | 6 | 6 | 5 |
| 801 – 1,050 | 29 | 23 | 13 | 10 | 12 | 10 | 9 | 7 | 8 | 6 | 7 | 6 |
| 1,051 – 1,300 | 31 | 25 | 15 | 12 | 14 | 11 | 10 | 8 | 9 | 7 | 8 | 6 |
| 1,301 – 1,600 | 34 | 27 | 18 | 14 | 16 | 13 | 13 | 10 | 11 | 9 | 9 | 7 |
| 1,601 – 1,900 | 37 | 30 | 20 | 16 | 18 | 14 | 15 | 12 | 12 | 10 | 10 | 8 |
| 1,901 – 2,400 | 42 | 34 | 23 | 18 | 21 | 17 | 18 | 14 | 14 | 11 | 12 | 10 |
| 2,401 – 3,000 | 47 | 38 | 28 | 22 | 25 | 20 | 21 | 17 | 17 | 14 | 14 | 11 |
| 3,001 – 4,000 | 56 | 45 | 34 | 27 | 31 | 25 | 25 | 20 | 20 | 16 | 17 | 14 |
| 4,001 – 5,000 | 66 | 53 | 42 | 34 | 38 | 30 | 30 | 24 | 25 | 20 | 21 | 17 |
| 5,001 – 6,000 | 77 | 62 | 50 | 40 | 45 | 36 | 35 | 28 | 30 | 24 | 25 | 20 |
| 6,001 – 7,000 | 87 | 70 | 58 | 46 | 52 | 42 | 41 | 33 | 35 | 28 | 29 | 23 |
| 7,001 – 8,000 | 98 | 78 | 66 | 53 | 59 | 47 | 46 | 37 | 40 | 32 | 33 | 26 |
| 8,001 – 9,000 | 108 | 86 | 74 | 59 | 67 | 54 | 52 | 42 | 44 | 35 | 37 | 30 |
| 9,001 – 10,000 | 119 | 95 | 82 | 66 | 74 | 59 | 57 | 46 | 49 | 39 | 41 | 33 |

(1) "New" means purchased new not more than 18 months prior to date insurance attaches.

"Old" – All Others

(2) For Recreational Trailers having a cost exceeding \$10,000, the indicated premiums for the \$9,001 to \$10,000 group shall be increased 10% per \$1,000 or fractions thereof in excess of \$10,000.

(3) The premiums shown above are subject to a retained Minimum Premium equal to 25% of the annual premium applicable.

2. All Other Trailers – All Classes – Entire State

All Non-Self-Propelled Units Not Included in Paragraph 1. Above.

Rates Per \$100 of Insurance

| Coverage | Rates |
|---|--------|
| Fire | \$0.10 |
| Theft | 0.05 |
| Windstorm | 0.05 |
| Combined Additional Coverage without Malicious Mischief & Vandalism | 0.10 |
| Combined Additional Coverage with Malicious Mischief & Vandalism | 0.15 |
| Comprehensive – Full Coverage – (Cov. Code 01) | 0.55 |
| Comprehensive – \$50 Deductible – (Cov. Code 03) | 0.37 |

COLLISION PREMIUMS – ALL CLASSES – ENTIRE STATE

| Original Cost New at Factory | \$25 Deduct. | \$50 Deduct. | \$100 Deduct. |
|------------------------------------|--------------|--------------|---------------|
| \$ 0 – \$ 400 | \$ 7 | \$ 4 | \$ 3 |
| 401 – 600 | 9 | 6 | 5 |
| 601 – 800 | 12 | 8 | 6 |
| 801 – 1,000 | 15 | 10 | 8 |
| 1,001 – 1,500 | 23 | 15 | 12 |
| 1,501 – 2,000 | 29 | 19 | 15 |
| 2,001 – 2,500 | 35 | 23 | 18 |
| 2,501 – 3,000 | 41 | 27 | 22 |
| Each Additional \$500 Over \$3,000 | 5 | 4 | 3 |

19. MISCELLANEOUS TYPES (Cont'd)

B. Motorcycles, Motorscooters, Motorbikes, Mopeds and Other Similar Motor Vehicles Not Used for Commercial Purposes

Liability Coverages Only

With respect to voluntary risks and "clean risks" ceded to the North Carolina Reinsurance Facility, determine the appropriate premium by applying the following factors to the applicable voluntary private passenger bodily injury, property damage and medical payments* rates. For Uninsured Motorists Coverage and Combined Uninsured/Underinsured Motorists Coverage, charge the applicable private passenger premium shown in Rule 14.

| Engine Size Cubic Centimeters (cc) | Bodily Injury and Property Damage | Medical Payments* |
|------------------------------------|-----------------------------------|-------------------|
| 0 - 499 | 0.19 | 0.50 |
| 500 - 1249 | 0.31 | 0.50 |
| 1250 - 1499 | 0.43 | 0.50 |
| 1500 - up | 0.56 | 0.50 |

* Note: Medical Payments coverage for these vehicles is not eligible for cession to the North Carolina Reinsurance Facility

With respect to other than "clean risks" ceded to the North Carolina Reinsurance Facility, determine the appropriate premium by applying the following factors to the applicable ceded private passenger bodily injury and property damage rates. For Uninsured Motorists Coverage and Combined Uninsured/Underinsured Motorists Coverage, charge the applicable private passenger premium shown in Rule 14.

| Engine Size Cubic Centimeters (cc) | Bodily Injury and Property Damage |
|------------------------------------|-----------------------------------|
| 0 - 499 | 0.17 |
| 500 - 1249 | 0.28 |
| 1250 - 1499 | 0.38 |
| 1500 - up | 0.50 |

Physical Damage Coverages Only

All Motorcycles and Motorscooters with three wheel chassis shall be rated as Commercial Types. Motorcycles with side-car attachment used for transportation or delivery of goods or merchandise shall be rated as Commercial Types.

| MOTOR-CYCLES (Except COMMERCIAL TYPES) | MOTOR-SCOOTERS (Except COMMERCIAL TYPES) | COMMERCIAL TYPES (Motorcycles and Motorscooters) |
|--|--|--|
|--|--|--|

RATES PER \$100 OF INSURANCE

| | | | |
|---------------|--------|-------|-------|
| Fire Rates - | \$.50 | \$.50 | \$.50 |
| Theft Rates - | 1.14 | .88 | .50 |

Combined Additional Coverage without Malicious Mischief & Vandalism - 17 cents per \$100 of insurance.

Combined Additional Coverage with Malicious Mischief & Vandalism - 22 cents per \$100 of insurance.

Collision - MOTORCYCLES AND MOTORSCOOTERS (Except Commercial Types):

1989 and Prior Model Years

Charge the following Percentages of the Symbol 7 Private Passenger Collision Rate for the applicable model year:

1990 and Subsequent Model Years

Charge the following Percentages of the Symbol 2 Private Passenger Collision Rate for the applicable model year:

| Engine Size Cubic Centimeters (cc) | Percentage |
|------------------------------------|------------|
| 0 - 100 | 29% |
| 101 - 200 | 48% |
| 201 - 300 | 66% |
| 301 - 450 | 106% |
| 451 - 600 | 115% |
| 601 - 750 | 161% |
| 751 - 900 | 220% |
| 901 - 1,000 | 286% |
| Over 1,000 | 353% |

Collision - COMMERCIAL TYPES (Motorcycles and Motorscooters):

Charge 75% of the Collision premiums for symbols determined in accordance with the table above.

Note

The Classification and Sub-Classification Rating Plans are applicable in rating all vehicles under this rule for all coverages. (See Rule 4. and Rule 5.)

19. MISCELLANEOUS TYPES (Cont'd)

C. SNOWMOBILES and similar vehicles equipped for travel over ice and snow, used principally off public roads, shall be rated as follows:

Liability Coverages Only

(Class Code 967000) – Excluding Passenger Hazard

(Class Code 959000) – Including Passenger Hazard

1. Bodily Injury (excluding the passenger hazard) – \$20, \$30,000/60,000 limits.

Bodily Injury (including the passenger hazard) – \$60, \$30,000/60,000 limits.

2. Property Damage – \$10, \$25,000 limits
3. Medical Payments – \$10, \$500 per person (no other limits).
4. Uninsured Motorists Coverage
Charge rates shown in Rule 14.
5. All rates apply for the period of coverage.
6. The applicable endorsement shall be attached to the policy.

Physical Damage Coverages Only
(Class Code 959000)

7. Comprehensive
\$100 Deductible – \$2.00 per \$100.
8. Collision
\$100 Deductible – \$2.00 per \$100.

Note

- a. Only Stated Amount Coverage is available.
 - b. A snowmobile and trailer designed to be towed by the snowmobile shall be considered one unit for determining the deductible amount to any loss, provided said trailer is described in the schedule on the endorsement.
9. The applicable endorsement shall be attached to the policy.
 10. All rates apply for the period of coverage.

D. Golfmobiles

Vehicles commonly known as Golfmobiles, used principally off public roads, not used for commercial purposes, with capacity to carry one or more persons.

Note

Vehicles of this type not meeting the above qualifications, rate as a motorcycle.

Liability Coverages Only

1. Charge 25% of the applicable private passenger Base Premiums. (Class Code 943500)

2. All rates apply for the period of coverage.

Physical Damage Coverages Only

Fire – \$.60 per \$100 of Insurance.
Theft – \$.20 per \$100 of Insurance.

Collision –

| Original Cost New | \$25 Ded. | \$50 Ded. | \$100 Ded. |
|-------------------|-----------|-----------|------------|
| \$ 0 – 750 | \$16 | \$10 | \$ 8 |
| 751 & Over | 24 | 15 | 10 |

E. Antique Autos

An antique auto is a motor vehicle of the private passenger type which is 25 or more years old that is maintained solely for use in exhibitions, club activities, parades and other functions of public interest, and occasionally used for other purposes.

Liability Coverages Only

Charge 40% of the private passenger base premiums. (Class Code 962000)

Physical Damage Coverages Only

These vehicles are to be insured on Stated Amount basis only. The rates are as shown below (Class Code 962000).

Rate Per \$100 of Insurance

| Deductible | Comprehensive | Collision | Fire | Theft |
|------------|---------------|-----------|-------|-------|
| \$ 50 | \$1.25 | \$1.50 | \$.35 | \$.35 |
| 100 | 1.10 | 1.25 | .31 | .31 |
| 250 | .96 | 1.00 | .27 | .27 |
| 500 | .74 | .75 | .21 | .21 |

F. Classic Autos

A classic auto is a motor vehicle of the private passenger type which is 10 or more years old and may be used on a regular basis. Its value is significantly higher than the average value of other autos of the same make and model year.

Liability, Medical Payments, Uninsured and Underinsured Motorists

Classify and rate as a private passenger auto.

Physical Damage

Attach the coverage for damage to your auto (stated amount maximum limit of liability) endorsement.

1. Determine the stated amount of coverage applicable to the vehicle.
2. Assign a symbol based on the stated amount, from the table for 1990 and subsequent model years on Page 1. of the Symbol and Identification Section.

Note

Prior to October 1, 1989, the table for 1981-1989 model years in the Symbol and Identification Section should be used for symbol assignment.

3. Classify and rate as a private passenger auto using the base rate for the current model year.

20. FINANCED AUTOS

Financed autos shall be written at manual rates and minimum charges except for single interest coverages.

For single interest rates, rules and forms, refer to company.

21. STATE RATE, TERRITORY SHEETS

- A. The state rate sheets show rates by territory.
- B. The territory sheets contain the definitions of the territorial divisions into which the state is divided and show for each territory the statistical code and the number of the rate schedule on the state rate sheets to be used.
 - 1. Each territory as defined embraces a certain area, usually a city and its surroundings. In many cases the area so defined includes several smaller cities, towns, and villages. The following provisions are applicable in this connection:
 - a. Any city, town, or village not specifically mentioned as included within a defined territory but which is inside of the boundary of the area so defined, shall take the territory schedule for that defined territory.
 - b. If a city, town, or village extends into more than one defined territory, the territory schedule for the higher rated territory applies to the entire city, town, or village.
 - c. Unless otherwise indicated, if a street, avenue or other public way serves as a dividing line between two territories, except when the public way serves as a boundary line of any political subdivision (state, county, township, city, town, village, etc.), the rates applicable to the lower rated of the two territories shall apply to autos principally garaged on either side of such street or avenue.
 - 2. The territory sheets also contain a list of Important Cities and Towns in a state indicating the counties in which such towns are located and the territories to which they are assigned. The rate territory for a town not listed should be determined as follows:
 - a. Ascertain the county in which the town is located.
 - b. If the name of the county is included in the list of territory definitions for the state as divided into two or more rate territories, it will be necessary to refer to a map to determine in which of the rate territories the town belongs.

- c. If the county is not so listed, then the entire county and all towns in it take the rates for the Remainder of State schedule.

22. INSTALLMENT PAYMENTS

The total premium for an auto policy is due and payable at the beginning of the policy period, unless the policy is issued on an installment payment basis in accordance with the following rules:

- A. The first installment shall be due on the effective date of the policy and the due date of the last installment shall be no later than one month prior to the policy anniversary date.
- B. An additional charge of \$3.00 shall be made for each installment.
- C. The premium paid to the company exclusive of the total installment payment charge shall never be less than the pro rata charge from the effective date of the policy to the due date of the next installment, where additional installments are to be paid, or to expiration of the policy where no further installments are due.
- D. Flat cancellation shall be accepted on business written on an installment basis only if there has been no coverage under the policy and the policy is returned to the company within thirty days. In all other cases, a pro rata earned premium shall be due to the company.
- E. This rule does not preclude the use of an installment payment plan which provides for deferring the due date of installment if the insurance is under suspension on the original due date.

23. EXCESS INDEMNITY POLICY

Bodily injury and property damage liability limits over primary limits may be afforded under an Excess Indemnity Policy with respect to an automobile classified and rated as a *private passenger automobile*. Primary insurance must be in force with respect to the automobile and the risk unable to obtain higher limits. If the company providing the excess limits coverage also provides the primary coverage to a risk, a letter of consent, signed by the insured, shall be secured and retained in the company's files. Refer to company for rating.

Bodily injury and property damage excess limits may be afforded separately or in conjunction with Medical Payments Insurance, Medical Payments Coverage is available on a \$100 deductible basis only. Refer to company for rating.

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

VOLUNTARY BUSINESS*

| Terr. | BODILY INJURY | | | | PROPERTY DAMAGE | | | MEDICAL PAYMENTS | | | | |
|-------|---------------|--------|---------|---------|-----------------|--------|---------|------------------|------|-------|-------|-------|
| | LIMIT | | | | LIMIT | | | LIMIT | | | | |
| | 30/60 | 50/100 | 100/300 | 300/300 | 25,000 | 50,000 | 100,000 | 500 | 750 | 1,000 | 2,000 | 5,000 |
| | LIMIT CODE | | | | LIMIT CODE | | | LIMIT CODE | | | | |
| | 6 | 6 | 8 | 1 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 6 |
| 11 | \$115 | \$131 | \$152 | \$173 | \$152 | \$154 | \$157 | \$12 | \$16 | \$19 | \$28 | \$41 |
| 13 | 177 | 202 | 234 | 266 | 187 | 189 | 193 | 19 | 25 | 30 | 44 | 64 |
| 14 | 169 | 193 | 223 | 254 | 185 | 187 | 191 | 18 | 24 | 29 | 42 | 61 |
| 15 | 188 | 214 | 248 | 282 | 181 | 183 | 186 | 20 | 27 | 32 | 47 | 68 |
| 16 | 152 | 173 | 201 | 228 | 187 | 189 | 193 | 16 | 21 | 26 | 37 | 54 |
| 17 | 193 | 220 | 255 | 290 | 181 | 183 | 186 | 21 | 28 | 34 | 49 | 71 |
| 18 | 138 | 157 | 182 | 207 | 160 | 162 | 165 | 15 | 20 | 24 | 35 | 51 |
| 24 | 141 | 161 | 186 | 212 | 149 | 150 | 153 | 15 | 20 | 24 | 35 | 51 |
| 25 | 163 | 186 | 215 | 245 | 173 | 175 | 178 | 18 | 24 | 29 | 42 | 61 |
| 26 | 205 | 234 | 271 | 308 | 152 | 154 | 157 | 22 | 29 | 35 | 51 | 74 |
| 31 | 172 | 196 | 227 | 258 | 164 | 166 | 169 | 18 | 24 | 29 | 42 | 61 |
| 32 | 144 | 164 | 190 | 216 | 157 | 159 | 162 | 15 | 20 | 24 | 35 | 51 |
| 33 | 172 | 196 | 227 | 258 | 136 | 137 | 140 | 18 | 24 | 29 | 42 | 61 |
| 40 | 215 | 245 | 284 | 323 | 182 | 184 | 187 | 23 | 31 | 37 | 54 | 78 |
| 41 | 179 | 204 | 236 | 269 | 167 | 169 | 172 | 19 | 25 | 30 | 44 | 64 |
| 43 | 161 | 184 | 213 | 242 | 134 | 135 | 138 | 17 | 23 | 27 | 40 | 57 |
| 47 | 169 | 193 | 223 | 254 | 146 | 147 | 150 | 18 | 24 | 29 | 42 | 61 |
| 51 | 138 | 157 | 182 | 207 | 168 | 170 | 173 | 15 | 20 | 24 | 35 | 51 |
| 52 | 185 | 211 | 244 | 278 | 198 | 200 | 204 | 20 | 27 | 32 | 47 | 68 |

* Including "clean risks" ceded to the North Carolina Reinsurance Facility.
See Premium Determination Rule for the definition of "clean risks".

CEDED BUSINESS*

| Terr. | BODILY INJURY | | | | PROPERTY DAMAGE | | | MEDICAL PAYMENTS | | | | |
|-------|---------------|--------|---------|---------|-----------------|--------|---------|------------------|------|-------|-------|-------|
| | LIMIT | | | | LIMIT | | | LIMIT | | | | |
| | 30/60 | 50/100 | 100/300 | 250/500 | 25,000 | 50,000 | 100,000 | 500 | 750 | 1,000 | 2,000 | 5,000 |
| | LIMIT CODE | | | | LIMIT CODE | | | LIMIT CODE | | | | |
| | 6 | 6 | 8 | 7 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 6 |
| 11 | \$167 | \$190 | \$220 | \$254 | \$208 | \$210 | \$214 | \$17 | \$23 | \$27 | \$40 | \$ 57 |
| 13 | 259 | 295 | 342 | 394 | 255 | 258 | 263 | 26 | 35 | 42 | 61 | 88 |
| 14 | 244 | 278 | 322 | 371 | 252 | 255 | 260 | 24 | 32 | 38 | 56 | 81 |
| 15 | 273 | 311 | 360 | 415 | 253 | 256 | 261 | 27 | 36 | 43 | 63 | 91 |
| 16 | 227 | 259 | 300 | 345 | 254 | 257 | 262 | 23 | 31 | 37 | 54 | 78 |
| 17 | 279 | 318 | 368 | 424 | 249 | 251 | 256 | 28 | 37 | 45 | 66 | 95 |
| 18 | 217 | 247 | 286 | 330 | 231 | 233 | 238 | 22 | 29 | 35 | 51 | 74 |
| 24 | 196 | 223 | 259 | 298 | 194 | 196 | 200 | 20 | 27 | 32 | 47 | 68 |
| 25 | 249 | 284 | 329 | 378 | 243 | 245 | 250 | 25 | 33 | 40 | 59 | 85 |
| 26 | 347 | 396 | 458 | 527 | 216 | 218 | 222 | 35 | 47 | 56 | 82 | 118 |
| 31 | 248 | 283 | 327 | 377 | 224 | 226 | 231 | 25 | 33 | 40 | 59 | 85 |
| 32 | 198 | 226 | 261 | 301 | 203 | 205 | 209 | 20 | 27 | 32 | 47 | 68 |
| 33 | 248 | 283 | 327 | 377 | 184 | 186 | 190 | 25 | 33 | 40 | 59 | 85 |
| 40 | 312 | 356 | 412 | 474 | 249 | 251 | 256 | 31 | 41 | 50 | 73 | 105 |
| 41 | 263 | 300 | 347 | 400 | 246 | 248 | 253 | 26 | 35 | 42 | 61 | 88 |
| 43 | 226 | 258 | 298 | 344 | 193 | 195 | 199 | 22 | 29 | 35 | 51 | 74 |
| 47 | 246 | 280 | 325 | 374 | 197 | 199 | 203 | 24 | 32 | 38 | 56 | 81 |
| 51 | 203 | 231 | 268 | 309 | 239 | 241 | 246 | 20 | 27 | 32 | 47 | 68 |
| 52 | 271 | 309 | 358 | 412 | 270 | 273 | 278 | 27 | 36 | 43 | 63 | 91 |

* Excluding "clean risks" as defined under the Premium Determination Rule.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 11**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 29 | 27 | 26 | 25 | 23 | 22 | 21 | 19 | 17 | 16 | 15 | 1 | 6 |
| 2 | 40 | 38 | 36 | 34 | 32 | 30 | 29 | 26 | 24 | 22 | 21 | 2 | 6 |
| 3 | 45 | 43 | 41 | 39 | 36 | 34 | 32 | 30 | 27 | 25 | 23 | 3 | 9 |
| 4 | 50 | 48 | 45 | 43 | 40 | 38 | 36 | 33 | 30 | 28 | 26 | 4 | 11 |
| 5 | 56 | 54 | 51 | 48 | 46 | 43 | 40 | 37 | 34 | 32 | 29 | 5 | 13 |
| 6 | 63 | 60 | 57 | 54 | 51 | 48 | 45 | 42 | 39 | 36 | 33 | 6 | 17 |
| 7 | 70 | 66 | 63 | 60 | 56 | 53 | 50 | 46 | 42 | 39 | 36 | 7 | 21 |
| 8 | 75 | 72 | 68 | 65 | 61 | 57 | 54 | 49 | 46 | 43 | 39 | 8 | 24 |
| 10 | 81 | 78 | 74 | 70 | 66 | 62 | 58 | 54 | 50 | 46 | 42 | 10 | 31 |
| 11 | 88 | 84 | 80 | 76 | 71 | 67 | 63 | 58 | 54 | 49 | 45 | 11 | 37 |
| 12 | 96 | 92 | 87 | 82 | 78 | 73 | 69 | 63 | 59 | 54 | 49 | 12 | 44 |
| 13 | 103 | 98 | 93 | 89 | 84 | 79 | 74 | 68 | 63 | 58 | 53 | 13 | 51 |
| 14 | 112 | 106 | 101 | 96 | 90 | 85 | 80 | 73 | 68 | 63 | 57 | 14 | 60 |
| 15 | 123 | 117 | 111 | 105 | 100 | 93 | 88 | 81 | 75 | 69 | 63 | 15 | 73 |
| 16 | 135 | 129 | 122 | 116 | 109 | 103 | 97 | 89 | 82 | 76 | 70 | 16 | 89 |
| 17 | 149 | 142 | 135 | 128 | 121 | 114 | 107 | 98 | 91 | 84 | 77 | 17 | 106 |
| 18 | 163 | 155 | 148 | 140 | 132 | 124 | 117 | 107 | 100 | 92 | 84 | 18 | 127 |
| 19 | 178 | 169 | 161 | 152 | 144 | 136 | 127 | 117 | 108 | 100 | 92 | 19 | 152 |
| 20 | 197 | 188 | 178 | 169 | 160 | 150 | 141 | 130 | 120 | 111 | 101 | 20 | 180 |
| 21 | 219 | 209 | 198 | 188 | 177 | 167 | 157 | 144 | 133 | 123 | 112 | 21 | 249 |
| 22 | 247 | 235 | 223 | 212 | 200 | 188 | 176 | 162 | 150 | 139 | 127 | | |
| 23 | 277 | 263 | 250 | 237 | 224 | 211 | 198 | 182 | 169 | 155 | 142 | | |
| 24 | 320 | 305 | 290 | 275 | 260 | 244 | 229 | 211 | 195 | 180 | 165 | | |
| 25 | 394 | 375 | 357 | 338 | 319 | 300 | 282 | 259 | 240 | 222 | 203 | | |
| 26 | 484 | 461 | 438 | 415 | 392 | 369 | 346 | 318 | 295 | 272 | 249 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 197 | 188 | 180 | 169 | 161 | 150 | 135 | 124 | 113 | 103 | 92 | 1 | 45 |
| 2 | 225 | 214 | 203 | 193 | 182 | 169 | 154 | 141 | 128 | 116 | 105 | 2 | 54 |
| 3 | 261 | 248 | 235 | 223 | 212 | 197 | 180 | 165 | 150 | 135 | 122 | 3 | 66 |
| 4 | 282 | 270 | 257 | 242 | 229 | 214 | 195 | 178 | 163 | 146 | 133 | 4 | 75 |
| 5 | 302 | 287 | 272 | 259 | 244 | 227 | 205 | 188 | 171 | 154 | 141 | 5 | 88 |
| 6 | 317 | 302 | 287 | 272 | 257 | 238 | 218 | 199 | 182 | 163 | 148 | 6 | 96 |
| 7 | 330 | 315 | 300 | 282 | 268 | 248 | 227 | 208 | 188 | 169 | 154 | 7 | 105 |
| 8 | 345 | 327 | 310 | 295 | 278 | 259 | 235 | 216 | 197 | 178 | 161 | 8 | 126 |
| 10 | 366 | 349 | 332 | 315 | 297 | 276 | 250 | 231 | 210 | 188 | 171 | 10 | 146 |
| 11 | 385 | 366 | 347 | 330 | 310 | 289 | 263 | 242 | 220 | 197 | 180 | 11 | 158 |
| 12 | 396 | 377 | 357 | 338 | 321 | 297 | 272 | 248 | 227 | 203 | 184 | 12 | 175 |
| 13 | 411 | 392 | 372 | 353 | 334 | 310 | 282 | 259 | 235 | 212 | 193 | 13 | 188 |
| 14 | 439 | 417 | 396 | 377 | 355 | 330 | 300 | 276 | 250 | 225 | 205 | 14 | 210 |
| 15 | 460 | 439 | 417 | 396 | 372 | 347 | 317 | 289 | 263 | 238 | 214 | 15 | 227 |
| 16 | 479 | 456 | 432 | 411 | 387 | 360 | 327 | 302 | 274 | 246 | 223 | 16 | 250 |
| 17 | 496 | 473 | 449 | 426 | 402 | 375 | 340 | 312 | 285 | 255 | 231 | 17 | 265 |
| 18 | 524 | 499 | 473 | 449 | 424 | 394 | 360 | 330 | 300 | 270 | 244 | 18 | 289 |
| 19 | 546 | 520 | 494 | 469 | 443 | 411 | 375 | 342 | 312 | 280 | 255 | 19 | 306 |
| 20 | 565 | 537 | 509 | 484 | 456 | 424 | 387 | 355 | 323 | 291 | 263 | 20 | 323 |
| 21 | 586 | 559 | 531 | 503 | 475 | 441 | 402 | 368 | 336 | 302 | 274 | 21 | 368 |
| 22 | 618 | 589 | 559 | 531 | 501 | 464 | 424 | 389 | 353 | 319 | 289 | | |
| 23 | 642 | 612 | 582 | 550 | 520 | 484 | 441 | 404 | 368 | 330 | 300 | | |
| 24 | 672 | 640 | 608 | 576 | 544 | 505 | 460 | 422 | 383 | 345 | 315 | | |
| 25 | 725 | 691 | 657 | 623 | 589 | 546 | 499 | 456 | 415 | 372 | 338 | | |
| 26 | 788 | 749 | 713 | 674 | 638 | 593 | 539 | 494 | 449 | 404 | 368 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 13

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 43 | 40 | 38 | 36 | 34 | 32 | 30 | 28 | 26 | 24 | 22 | 1 | 8 |
| 2 | 59 | 56 | 53 | 50 | 48 | 45 | 42 | 39 | 36 | 33 | 30 | 2 | 10 |
| 3 | 67 | 63 | 60 | 57 | 54 | 50 | 48 | 44 | 40 | 38 | 34 | 3 | 13 |
| 4 | 73 | 70 | 67 | 63 | 59 | 56 | 53 | 48 | 45 | 41 | 38 | 4 | 16 |
| 5 | 83 | 79 | 75 | 71 | 67 | 63 | 59 | 54 | 50 | 46 | 43 | 5 | 19 |
| 6 | 94 | 89 | 85 | 80 | 76 | 71 | 67 | 62 | 57 | 53 | 48 | 6 | 25 |
| 7 | 102 | 97 | 92 | 88 | 83 | 78 | 73 | 67 | 62 | 58 | 53 | 7 | 30 |
| 8 | 111 | 106 | 101 | 95 | 90 | 85 | 80 | 73 | 68 | 63 | 57 | 8 | 36 |
| 10 | 120 | 114 | 109 | 103 | 97 | 91 | 86 | 79 | 73 | 67 | 62 | 10 | 45 |
| 11 | 130 | 124 | 118 | 111 | 105 | 99 | 93 | 85 | 79 | 73 | 67 | 11 | 55 |
| 12 | 142 | 135 | 128 | 122 | 115 | 108 | 101 | 93 | 86 | 80 | 73 | 12 | 64 |
| 13 | 152 | 145 | 138 | 130 | 123 | 116 | 109 | 100 | 93 | 86 | 78 | 13 | 76 |
| 14 | 165 | 157 | 149 | 141 | 133 | 125 | 118 | 108 | 100 | 92 | 85 | 14 | 89 |
| 15 | 181 | 172 | 164 | 155 | 147 | 138 | 129 | 119 | 110 | 102 | 93 | 15 | 108 |
| 16 | 199 | 190 | 180 | 171 | 161 | 152 | 142 | 131 | 122 | 112 | 102 | 16 | 130 |
| 17 | 220 | 209 | 199 | 189 | 178 | 167 | 157 | 144 | 134 | 124 | 113 | 17 | 157 |
| 18 | 240 | 229 | 218 | 206 | 195 | 183 | 172 | 158 | 147 | 135 | 124 | 18 | 187 |
| 19 | 262 | 250 | 237 | 225 | 212 | 200 | 188 | 172 | 160 | 147 | 135 | 19 | 223 |
| 20 | 291 | 277 | 263 | 249 | 235 | 221 | 208 | 191 | 177 | 163 | 150 | 20 | 265 |
| 21 | 323 | 307 | 292 | 277 | 262 | 246 | 231 | 212 | 197 | 181 | 166 | 21 | 367 |
| 22 | 364 | 347 | 329 | 312 | 295 | 277 | 260 | 239 | 222 | 204 | 187 | | |
| 23 | 408 | 388 | 368 | 349 | 330 | 310 | 291 | 268 | 249 | 229 | 209 | | |
| 24 | 472 | 450 | 427 | 405 | 382 | 360 | 337 | 310 | 288 | 265 | 243 | | |
| 25 | 581 | 553 | 526 | 498 | 470 | 442 | 415 | 382 | 354 | 326 | 299 | | |
| 26 | 713 | 679 | 645 | 612 | 577 | 543 | 510 | 469 | 435 | 401 | 367 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 217 | 208 | 198 | 186 | 177 | 165 | 149 | 137 | 125 | 113 | 101 | 1 | 50 |
| 2 | 248 | 236 | 224 | 212 | 201 | 186 | 170 | 156 | 142 | 127 | 116 | 2 | 59 |
| 3 | 288 | 274 | 260 | 245 | 234 | 217 | 198 | 182 | 165 | 149 | 135 | 3 | 73 |
| 4 | 312 | 297 | 283 | 267 | 253 | 236 | 215 | 196 | 179 | 160 | 146 | 4 | 83 |
| 5 | 333 | 316 | 300 | 286 | 269 | 250 | 227 | 208 | 189 | 170 | 156 | 5 | 97 |
| 6 | 349 | 333 | 316 | 300 | 283 | 262 | 241 | 219 | 201 | 179 | 163 | 6 | 106 |
| 7 | 363 | 347 | 330 | 312 | 295 | 274 | 250 | 229 | 208 | 186 | 170 | 7 | 116 |
| 8 | 380 | 361 | 342 | 326 | 307 | 286 | 260 | 238 | 217 | 196 | 177 | 8 | 139 |
| 10 | 404 | 385 | 366 | 347 | 328 | 304 | 276 | 255 | 231 | 208 | 189 | 10 | 160 |
| 11 | 425 | 404 | 382 | 363 | 342 | 319 | 290 | 267 | 243 | 217 | 198 | 11 | 175 |
| 12 | 437 | 415 | 394 | 373 | 354 | 328 | 300 | 274 | 250 | 224 | 203 | 12 | 194 |
| 13 | 453 | 432 | 411 | 389 | 368 | 342 | 312 | 286 | 260 | 234 | 212 | 13 | 208 |
| 14 | 484 | 460 | 437 | 415 | 392 | 363 | 330 | 304 | 276 | 248 | 227 | 14 | 231 |
| 15 | 507 | 484 | 460 | 437 | 411 | 382 | 349 | 319 | 290 | 262 | 236 | 15 | 250 |
| 16 | 529 | 503 | 477 | 453 | 427 | 396 | 361 | 333 | 302 | 271 | 245 | 16 | 276 |
| 17 | 548 | 522 | 496 | 470 | 444 | 413 | 375 | 345 | 314 | 281 | 255 | 17 | 293 |
| 18 | 578 | 550 | 522 | 496 | 467 | 434 | 396 | 363 | 330 | 297 | 269 | 18 | 319 |
| 19 | 602 | 573 | 545 | 517 | 489 | 453 | 413 | 378 | 345 | 309 | 281 | 19 | 337 |
| 20 | 623 | 592 | 562 | 533 | 503 | 467 | 427 | 392 | 356 | 321 | 290 | 20 | 356 |
| 21 | 647 | 616 | 585 | 555 | 524 | 486 | 444 | 406 | 371 | 333 | 302 | 21 | 406 |
| 22 | 682 | 649 | 616 | 585 | 552 | 512 | 467 | 430 | 389 | 352 | 319 | | |
| 23 | 708 | 675 | 642 | 607 | 573 | 533 | 486 | 446 | 406 | 363 | 330 | | |
| 24 | 741 | 706 | 670 | 635 | 599 | 557 | 507 | 465 | 422 | 380 | 347 | | |
| 25 | 800 | 762 | 725 | 687 | 649 | 602 | 550 | 503 | 458 | 411 | 373 | | |
| 26 | 868 | 826 | 786 | 743 | 703 | 654 | 595 | 545 | 496 | 446 | 406 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 14**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|-----------------------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 40 | 38 | 36 | 34 | 32 | 31 | 29 | 27 | 24 | 22 | 21 | 1 | 8 |
| 2 | 56 | 53 | 50 | 48 | 45 | 42 | 40 | 37 | 34 | 31 | 29 | 2 | 9 |
| 3 | 63 | 60 | 57 | 54 | 51 | 48 | 45 | 41 | 38 | 36 | 32 | 3 | 13 |
| 4 | 69 | 66 | 63 | 60 | 56 | 53 | 50 | 46 | 42 | 39 | 36 | 4 | 15 |
| 5 | 78 | 75 | 71 | 67 | 64 | 60 | 56 | 51 | 48 | 44 | 40 | 5 | 18 |
| 6 | 89 | 84 | 80 | 76 | 72 | 67 | 63 | 58 | 54 | 50 | 46 | 6 | 23 |
| 7 | 97 | 92 | 87 | 83 | 78 | 74 | 69 | 64 | 59 | 55 | 50 | 7 | 29 |
| 8 | 105 | 100 | 95 | 90 | 85 | 80 | 75 | 69 | 64 | 59 | 54 | 8 | 34 |
| 10 | 113 | 108 | 103 | 98 | 92 | 86 | 81 | 75 | 69 | 64 | 58 | 10 | 43 |
| 11 | 123 | 117 | 111 | 105 | 100 | 94 | 88 | 81 | 75 | 69 | 63 | 11 | 52 |
| 12 | 134 | 128 | 121 | 115 | 109 | 102 | 96 | 88 | 82 | 75 | 69 | 12 | 61 |
| 13 | 144 | 137 | 130 | 123 | 117 | 110 | 103 | 95 | 88 | 81 | 74 | 13 | 72 |
| 14 | 156 | 148 | 141 | 134 | 126 | 119 | 111 | 102 | 95 | 87 | 80 | 14 | 84 |
| 15 | 171 | 163 | 155 | 147 | 139 | 130 | 122 | 113 | 104 | 96 | 88 | 15 | 102 |
| 16 | 189 | 180 | 171 | 162 | 153 | 144 | 135 | 124 | 115 | 106 | 97 | 16 | 123 |
| 17 | 208 | 198 | 188 | 179 | 169 | 158 | 149 | 137 | 127 | 117 | 107 | 17 | 148 |
| 18 | 227 | 217 | 206 | 195 | 184 | 173 | 163 | 149 | 139 | 128 | 117 | 18 | 177 |
| 19 | 248 | 236 | 225 | 213 | 201 | 189 | 178 | 163 | 151 | 139 | 128 | 19 | 211 |
| 20 | 275 | 262 | 249 | 236 | 223 | 209 | 197 | 181 | 167 | 154 | 142 | 20 | 251 |
| 21 | 305 | 291 | 277 | 262 | 248 | 233 | 218 | 201 | 186 | 172 | 157 | 21 | 347 |
| 22 | 345 | 328 | 312 | 295 | 279 | 262 | 246 | 226 | 210 | 193 | 177 | | |
| 23 | 386 | 367 | 349 | 331 | 312 | 294 | 276 | 253 | 235 | 217 | 198 | | |
| 24 | 447 | 426 | 404 | 383 | 362 | 340 | 319 | 294 | 272 | 251 | 230 | | |
| 25 | 550 | 524 | 498 | 471 | 445 | 419 | 393 | 361 | 335 | 309 | 283 | | |
| 26 | 675 | 643 | 611 | 579 | 546 | 514 | 482 | 444 | 411 | 379 | 347 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|-----------------------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 219 | 209 | 200 | 188 | 179 | 167 | 150 | 138 | 126 | 114 | 102 | 1 | 50 |
| 2 | 250 | 238 | 226 | 214 | 202 | 188 | 171 | 157 | 143 | 129 | 117 | 2 | 60 |
| 3 | 290 | 276 | 262 | 248 | 236 | 219 | 200 | 183 | 167 | 150 | 136 | 3 | 74 |
| 4 | 314 | 300 | 286 | 269 | 255 | 238 | 217 | 198 | 181 | 162 | 148 | 4 | 83 |
| 5 | 336 | 319 | 302 | 288 | 271 | 252 | 228 | 209 | 190 | 171 | 157 | 5 | 98 |
| 6 | 352 | 336 | 319 | 302 | 286 | 264 | 243 | 221 | 202 | 181 | 164 | 6 | 107 |
| 7 | 367 | 350 | 333 | 314 | 298 | 276 | 252 | 231 | 209 | 188 | 171 | 7 | 117 |
| 8 | 383 | 364 | 345 | 328 | 309 | 288 | 262 | 240 | 219 | 198 | 179 | 8 | 140 |
| 10 | 407 | 388 | 369 | 350 | 331 | 307 | 278 | 257 | 233 | 209 | 190 | 10 | 162 |
| 11 | 428 | 407 | 386 | 367 | 345 | 321 | 293 | 269 | 245 | 219 | 200 | 11 | 176 |
| 12 | 440 | 419 | 397 | 376 | 357 | 331 | 302 | 276 | 252 | 226 | 205 | 12 | 195 |
| 13 | 457 | 436 | 414 | 393 | 371 | 345 | 314 | 288 | 262 | 236 | 214 | 13 | 209 |
| 14 | 488 | 464 | 440 | 419 | 395 | 367 | 333 | 307 | 278 | 250 | 228 | 14 | 233 |
| 15 | 512 | 488 | 464 | 440 | 414 | 386 | 352 | 321 | 293 | 264 | 238 | 15 | 252 |
| 16 | 533 | 507 | 481 | 457 | 431 | 400 | 364 | 336 | 305 | 274 | 248 | 16 | 278 |
| 17 | 552 | 526 | 500 | 474 | 447 | 417 | 378 | 347 | 317 | 283 | 257 | 17 | 295 |
| 18 | 583 | 555 | 526 | 500 | 471 | 438 | 400 | 367 | 333 | 300 | 271 | 18 | 321 |
| 19 | 607 | 578 | 550 | 521 | 493 | 457 | 417 | 381 | 347 | 312 | 283 | 19 | 340 |
| 20 | 628 | 597 | 566 | 538 | 507 | 471 | 431 | 395 | 359 | 324 | 293 | 20 | 359 |
| 21 | 652 | 621 | 590 | 559 | 528 | 490 | 447 | 409 | 374 | 336 | 305 | 21 | 409 |
| 22 | 688 | 655 | 621 | 590 | 557 | 516 | 471 | 433 | 393 | 355 | 321 | | |
| 23 | 714 | 681 | 647 | 612 | 578 | 538 | 490 | 450 | 409 | 367 | 333 | | |
| 24 | 747 | 712 | 676 | 640 | 605 | 562 | 512 | 469 | 426 | 383 | 350 | | |
| 25 | 807 | 769 | 731 | 693 | 655 | 607 | 555 | 507 | 462 | 414 | 376 | | |
| 26 | 876 | 833 | 793 | 750 | 709 | 659 | 600 | 550 | 500 | 450 | 409 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 15

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 33 | 32 | 30 | 29 | 27 | 26 | 24 | 22 | 20 | 18 | 17 | 1 | 7 |
| 2 | 46 | 44 | 42 | 40 | 37 | 35 | 33 | 30 | 28 | 26 | 24 | 2 | 7 |
| 3 | 52 | 50 | 47 | 45 | 42 | 40 | 37 | 34 | 32 | 29 | 27 | 3 | 11 |
| 4 | 58 | 55 | 52 | 50 | 47 | 44 | 41 | 38 | 35 | 33 | 30 | 4 | 13 |
| 5 | 65 | 62 | 59 | 56 | 53 | 50 | 47 | 43 | 40 | 37 | 33 | 5 | 15 |
| 6 | 73 | 70 | 66 | 63 | 59 | 56 | 52 | 48 | 45 | 41 | 38 | 6 | 19 |
| 7 | 81 | 77 | 73 | 69 | 65 | 61 | 58 | 53 | 49 | 45 | 41 | 7 | 24 |
| 8 | 87 | 83 | 79 | 75 | 71 | 66 | 62 | 57 | 53 | 49 | 45 | 8 | 28 |
| 10 | 94 | 90 | 85 | 81 | 76 | 72 | 67 | 62 | 58 | 53 | 48 | 10 | 36 |
| 11 | 102 | 97 | 92 | 88 | 83 | 78 | 73 | 67 | 62 | 57 | 52 | 11 | 43 |
| 12 | 111 | 106 | 101 | 95 | 90 | 85 | 80 | 73 | 68 | 62 | 57 | 12 | 51 |
| 13 | 120 | 114 | 108 | 103 | 97 | 91 | 85 | 79 | 73 | 67 | 62 | 13 | 59 |
| 14 | 129 | 123 | 117 | 111 | 105 | 99 | 92 | 85 | 79 | 73 | 66 | 14 | 70 |
| 15 | 142 | 136 | 129 | 122 | 115 | 108 | 102 | 94 | 87 | 80 | 73 | 15 | 84 |
| 16 | 157 | 149 | 142 | 134 | 127 | 119 | 112 | 103 | 95 | 88 | 81 | 16 | 103 |
| 17 | 173 | 165 | 156 | 148 | 140 | 132 | 124 | 114 | 105 | 97 | 89 | 17 | 123 |
| 18 | 189 | 180 | 171 | 162 | 153 | 144 | 135 | 124 | 115 | 106 | 97 | 18 | 147 |
| 19 | 206 | 196 | 187 | 176 | 167 | 157 | 147 | 136 | 125 | 116 | 106 | 19 | 176 |
| 20 | 228 | 217 | 206 | 196 | 185 | 174 | 163 | 150 | 139 | 128 | 117 | 20 | 208 |
| 21 | 253 | 242 | 230 | 217 | 205 | 193 | 181 | 167 | 154 | 143 | 130 | 21 | 288 |
| 22 | 286 | 272 | 259 | 245 | 231 | 218 | 204 | 188 | 174 | 161 | 147 | | |
| 23 | 320 | 305 | 290 | 275 | 259 | 244 | 229 | 210 | 195 | 180 | 165 | | |
| 24 | 371 | 353 | 336 | 318 | 301 | 282 | 265 | 244 | 226 | 209 | 191 | | |
| 25 | 456 | 435 | 413 | 391 | 370 | 348 | 326 | 300 | 278 | 257 | 235 | | |
| 26 | 561 | 534 | 507 | 480 | 454 | 427 | 400 | 368 | 341 | 315 | 288 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 210 | 201 | 192 | 180 | 171 | 160 | 144 | 132 | 121 | 109 | 98 | 1 | 48 |
| 2 | 239 | 228 | 217 | 205 | 194 | 180 | 164 | 150 | 137 | 123 | 112 | 2 | 57 |
| 3 | 278 | 264 | 251 | 237 | 226 | 210 | 192 | 176 | 160 | 144 | 130 | 3 | 71 |
| 4 | 301 | 287 | 274 | 258 | 244 | 228 | 207 | 189 | 173 | 155 | 141 | 4 | 80 |
| 5 | 321 | 306 | 290 | 276 | 260 | 242 | 219 | 201 | 182 | 164 | 150 | 5 | 93 |
| 6 | 337 | 321 | 306 | 290 | 274 | 253 | 233 | 212 | 194 | 173 | 157 | 6 | 103 |
| 7 | 351 | 335 | 319 | 301 | 285 | 264 | 242 | 221 | 201 | 180 | 164 | 7 | 112 |
| 8 | 367 | 349 | 331 | 315 | 296 | 276 | 251 | 230 | 210 | 189 | 171 | 8 | 135 |
| 10 | 390 | 372 | 353 | 335 | 317 | 294 | 267 | 246 | 223 | 201 | 182 | 10 | 155 |
| 11 | 410 | 390 | 369 | 351 | 331 | 308 | 280 | 258 | 235 | 210 | 192 | 11 | 169 |
| 12 | 422 | 401 | 381 | 360 | 342 | 317 | 290 | 264 | 242 | 217 | 196 | 12 | 187 |
| 13 | 438 | 417 | 397 | 376 | 356 | 331 | 301 | 276 | 251 | 226 | 205 | 13 | 201 |
| 14 | 467 | 445 | 422 | 401 | 378 | 351 | 319 | 294 | 267 | 239 | 219 | 14 | 223 |
| 15 | 490 | 467 | 445 | 422 | 397 | 369 | 337 | 308 | 280 | 253 | 228 | 15 | 242 |
| 16 | 511 | 486 | 461 | 438 | 413 | 383 | 349 | 321 | 292 | 262 | 237 | 16 | 267 |
| 17 | 529 | 504 | 479 | 454 | 429 | 399 | 363 | 333 | 303 | 271 | 246 | 17 | 283 |
| 18 | 559 | 531 | 504 | 479 | 451 | 420 | 383 | 351 | 319 | 287 | 260 | 18 | 308 |
| 19 | 581 | 554 | 527 | 499 | 472 | 438 | 399 | 365 | 333 | 299 | 271 | 19 | 326 |
| 20 | 602 | 572 | 543 | 515 | 486 | 451 | 413 | 378 | 344 | 310 | 280 | 20 | 344 |
| 21 | 625 | 595 | 565 | 536 | 506 | 470 | 429 | 392 | 358 | 321 | 292 | 21 | 392 |
| 22 | 659 | 627 | 595 | 565 | 534 | 495 | 451 | 415 | 376 | 340 | 308 | | |
| 23 | 684 | 652 | 620 | 586 | 554 | 515 | 470 | 431 | 392 | 351 | 319 | | |
| 24 | 716 | 682 | 648 | 613 | 579 | 538 | 490 | 449 | 408 | 367 | 335 | | |
| 25 | 773 | 736 | 700 | 663 | 627 | 581 | 531 | 486 | 442 | 397 | 360 | | |
| 26 | 839 | 798 | 759 | 718 | 679 | 632 | 575 | 527 | 479 | 431 | 392 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 16**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|-----------------------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 35 | 33 | 31 | 30 | 28 | 27 | 25 | 23 | 21 | 19 | 18 | 1 | 7 |
| 2 | 48 | 46 | 44 | 41 | 39 | 37 | 35 | 32 | 29 | 27 | 25 | 2 | 8 |
| 3 | 55 | 52 | 49 | 47 | 44 | 41 | 39 | 36 | 33 | 31 | 28 | 3 | 11 |
| 4 | 60 | 58 | 55 | 52 | 49 | 46 | 43 | 40 | 37 | 34 | 31 | 4 | 13 |
| 5 | 68 | 65 | 62 | 58 | 55 | 52 | 49 | 45 | 41 | 38 | 35 | 5 | 16 |
| 6 | 77 | 73 | 69 | 66 | 62 | 58 | 55 | 51 | 47 | 43 | 40 | 6 | 20 |
| 7 | 84 | 80 | 76 | 72 | 68 | 64 | 60 | 55 | 51 | 47 | 43 | 7 | 25 |
| 8 | 91 | 87 | 83 | 78 | 74 | 69 | 65 | 60 | 56 | 52 | 47 | 8 | 29 |
| 10 | 98 | 94 | 89 | 85 | 80 | 75 | 70 | 65 | 60 | 55 | 51 | 10 | 37 |
| 11 | 107 | 102 | 97 | 92 | 86 | 81 | 76 | 70 | 65 | 60 | 55 | 11 | 45 |
| 12 | 116 | 111 | 105 | 100 | 94 | 89 | 83 | 76 | 71 | 65 | 60 | 12 | 53 |
| 13 | 125 | 119 | 113 | 107 | 101 | 95 | 89 | 82 | 76 | 70 | 64 | 13 | 62 |
| 14 | 135 | 129 | 122 | 116 | 109 | 103 | 97 | 89 | 82 | 76 | 69 | 14 | 73 |
| 15 | 149 | 142 | 135 | 127 | 121 | 113 | 106 | 98 | 91 | 84 | 76 | 15 | 88 |
| 16 | 164 | 156 | 148 | 140 | 132 | 125 | 117 | 108 | 100 | 92 | 84 | 16 | 107 |
| 17 | 181 | 172 | 163 | 155 | 146 | 138 | 129 | 119 | 110 | 102 | 93 | 17 | 129 |
| 18 | 197 | 188 | 179 | 169 | 160 | 150 | 141 | 130 | 121 | 111 | 102 | 18 | 154 |
| 19 | 215 | 205 | 195 | 184 | 174 | 164 | 154 | 142 | 131 | 121 | 111 | 19 | 184 |
| 20 | 239 | 227 | 216 | 205 | 193 | 182 | 171 | 157 | 145 | 134 | 123 | 20 | 218 |
| 21 | 265 | 253 | 240 | 227 | 215 | 202 | 190 | 174 | 161 | 149 | 136 | 21 | 301 |
| 22 | 299 | 285 | 270 | 256 | 242 | 228 | 213 | 196 | 182 | 168 | 154 | | |
| 23 | 335 | 319 | 303 | 287 | 271 | 255 | 239 | 220 | 204 | 188 | 172 | | |
| 24 | 388 | 369 | 351 | 333 | 314 | 295 | 277 | 255 | 236 | 218 | 200 | | |
| 25 | 477 | 454 | 432 | 409 | 386 | 363 | 341 | 314 | 291 | 268 | 246 | | |
| 26 | 586 | 558 | 530 | 502 | 474 | 446 | 419 | 385 | 357 | 329 | 301 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|-----------------------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 203 | 194 | 186 | 175 | 166 | 155 | 139 | 128 | 117 | 106 | 95 | 1 | 46 |
| 2 | 232 | 221 | 210 | 199 | 188 | 175 | 159 | 146 | 133 | 119 | 108 | 2 | 55 |
| 3 | 270 | 256 | 243 | 230 | 219 | 203 | 186 | 170 | 155 | 139 | 126 | 3 | 69 |
| 4 | 292 | 278 | 265 | 250 | 236 | 221 | 201 | 183 | 168 | 150 | 137 | 4 | 77 |
| 5 | 312 | 296 | 281 | 267 | 252 | 234 | 212 | 194 | 177 | 159 | 146 | 5 | 91 |
| 6 | 327 | 312 | 296 | 281 | 265 | 245 | 225 | 206 | 188 | 168 | 152 | 6 | 99 |
| 7 | 340 | 325 | 309 | 292 | 276 | 256 | 234 | 214 | 194 | 175 | 159 | 7 | 108 |
| 8 | 356 | 338 | 320 | 305 | 287 | 267 | 243 | 223 | 203 | 183 | 166 | 8 | 130 |
| 10 | 378 | 360 | 343 | 325 | 307 | 285 | 259 | 239 | 217 | 194 | 177 | 10 | 150 |
| 11 | 398 | 378 | 358 | 340 | 320 | 298 | 272 | 250 | 228 | 203 | 186 | 11 | 164 |
| 12 | 409 | 389 | 369 | 349 | 332 | 307 | 281 | 256 | 234 | 210 | 190 | 12 | 181 |
| 13 | 424 | 404 | 385 | 365 | 345 | 320 | 292 | 267 | 243 | 219 | 199 | 13 | 194 |
| 14 | 453 | 431 | 409 | 389 | 367 | 340 | 309 | 285 | 259 | 232 | 212 | 14 | 217 |
| 15 | 475 | 453 | 431 | 409 | 385 | 358 | 327 | 298 | 272 | 245 | 221 | 15 | 234 |
| 16 | 495 | 471 | 446 | 424 | 400 | 371 | 338 | 312 | 283 | 254 | 230 | 16 | 259 |
| 17 | 513 | 488 | 464 | 440 | 415 | 387 | 351 | 323 | 294 | 263 | 239 | 17 | 274 |
| 18 | 541 | 515 | 488 | 464 | 438 | 407 | 371 | 340 | 309 | 278 | 252 | 18 | 298 |
| 19 | 564 | 537 | 511 | 484 | 457 | 424 | 387 | 354 | 323 | 290 | 263 | 19 | 316 |
| 20 | 583 | 555 | 526 | 499 | 471 | 438 | 400 | 367 | 334 | 301 | 272 | 20 | 334 |
| 21 | 606 | 577 | 548 | 519 | 491 | 455 | 415 | 380 | 347 | 312 | 283 | 21 | 380 |
| 22 | 639 | 608 | 577 | 548 | 517 | 480 | 438 | 402 | 365 | 329 | 298 | | |
| 23 | 663 | 632 | 601 | 568 | 537 | 499 | 455 | 418 | 380 | 340 | 309 | | |
| 24 | 694 | 661 | 628 | 594 | 561 | 522 | 475 | 435 | 396 | 356 | 325 | | |
| 25 | 749 | 714 | 678 | 643 | 608 | 564 | 515 | 471 | 429 | 385 | 349 | | |
| 26 | 813 | 774 | 736 | 696 | 659 | 612 | 557 | 511 | 464 | 418 | 380 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 17

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 35 | 33 | 31 | 30 | 28 | 27 | 25 | 23 | 21 | 19 | 18 | 1 | 7 |
| 2 | 48 | 46 | 44 | 41 | 39 | 37 | 35 | 32 | 29 | 27 | 25 | 2 | 8 |
| 3 | 55 | 52 | 49 | 47 | 44 | 41 | 39 | 36 | 33 | 31 | 28 | 3 | 11 |
| 4 | 60 | 58 | 55 | 52 | 49 | 46 | 43 | 40 | 37 | 34 | 31 | 4 | 13 |
| 5 | 68 | 65 | 62 | 58 | 55 | 52 | 49 | 45 | 41 | 38 | 35 | 5 | 16 |
| 6 | 77 | 73 | 69 | 66 | 62 | 58 | 55 | 51 | 47 | 43 | 40 | 6 | 20 |
| 7 | 84 | 80 | 76 | 72 | 68 | 64 | 60 | 55 | 51 | 47 | 43 | 7 | 25 |
| 8 | 91 | 87 | 83 | 78 | 74 | 69 | 65 | 60 | 56 | 52 | 47 | 8 | 29 |
| 10 | 98 | 94 | 89 | 85 | 80 | 75 | 70 | 65 | 60 | 55 | 51 | 10 | 37 |
| 11 | 107 | 102 | 97 | 92 | 86 | 81 | 76 | 70 | 65 | 60 | 55 | 11 | 45 |
| 12 | 116 | 111 | 105 | 100 | 94 | 89 | 83 | 76 | 71 | 65 | 60 | 12 | 53 |
| 13 | 125 | 119 | 113 | 107 | 101 | 95 | 89 | 82 | 76 | 70 | 64 | 13 | 62 |
| 14 | 135 | 129 | 122 | 116 | 109 | 103 | 97 | 89 | 82 | 76 | 69 | 14 | 73 |
| 15 | 149 | 142 | 135 | 127 | 121 | 113 | 106 | 98 | 91 | 84 | 76 | 15 | 88 |
| 16 | 164 | 156 | 148 | 140 | 132 | 125 | 117 | 108 | 100 | 92 | 84 | 16 | 107 |
| 17 | 181 | 172 | 163 | 155 | 146 | 138 | 129 | 119 | 110 | 102 | 93 | 17 | 129 |
| 18 | 197 | 188 | 179 | 169 | 160 | 150 | 141 | 130 | 121 | 111 | 102 | 18 | 154 |
| 19 | 215 | 205 | 195 | 184 | 174 | 164 | 154 | 142 | 131 | 121 | 111 | 19 | 184 |
| 20 | 239 | 227 | 216 | 205 | 193 | 182 | 171 | 157 | 145 | 134 | 123 | 20 | 218 |
| 21 | 265 | 253 | 240 | 227 | 215 | 202 | 190 | 174 | 161 | 149 | 136 | 21 | 301 |
| 22 | 299 | 285 | 270 | 256 | 242 | 228 | 213 | 196 | 182 | 168 | 154 | | |
| 23 | 335 | 319 | 303 | 287 | 271 | 255 | 239 | 220 | 204 | 188 | 172 | | |
| 24 | 388 | 369 | 351 | 333 | 314 | 295 | 277 | 255 | 236 | 218 | 200 | | |
| 25 | 477 | 454 | 432 | 409 | 386 | 363 | 341 | 314 | 291 | 268 | 246 | | |
| 26 | 586 | 558 | 530 | 502 | 474 | 446 | 419 | 385 | 357 | 329 | 301 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 198 | 189 | 181 | 170 | 161 | 151 | 135 | 125 | 114 | 103 | 92 | 1 | 45 |
| 2 | 226 | 215 | 204 | 194 | 183 | 170 | 155 | 142 | 129 | 116 | 105 | 2 | 54 |
| 3 | 262 | 249 | 237 | 224 | 213 | 198 | 181 | 166 | 151 | 135 | 123 | 3 | 67 |
| 4 | 284 | 271 | 258 | 243 | 230 | 215 | 196 | 178 | 163 | 146 | 133 | 4 | 75 |
| 5 | 303 | 288 | 273 | 260 | 245 | 228 | 206 | 189 | 172 | 155 | 142 | 5 | 88 |
| 6 | 318 | 303 | 288 | 273 | 258 | 239 | 219 | 200 | 183 | 163 | 148 | 6 | 97 |
| 7 | 331 | 316 | 301 | 284 | 269 | 249 | 228 | 209 | 189 | 170 | 155 | 7 | 105 |
| 8 | 346 | 329 | 312 | 297 | 280 | 260 | 237 | 217 | 198 | 178 | 161 | 8 | 127 |
| 10 | 368 | 350 | 333 | 316 | 299 | 277 | 252 | 232 | 211 | 189 | 172 | 10 | 146 |
| 11 | 387 | 368 | 348 | 331 | 312 | 290 | 264 | 243 | 221 | 198 | 181 | 11 | 159 |
| 12 | 398 | 378 | 359 | 340 | 323 | 299 | 273 | 249 | 228 | 204 | 185 | 12 | 176 |
| 13 | 413 | 393 | 374 | 355 | 335 | 312 | 284 | 260 | 237 | 213 | 194 | 13 | 189 |
| 14 | 441 | 419 | 398 | 378 | 357 | 331 | 301 | 277 | 252 | 226 | 206 | 14 | 211 |
| 15 | 462 | 441 | 419 | 398 | 374 | 348 | 318 | 290 | 264 | 239 | 215 | 15 | 228 |
| 16 | 482 | 458 | 434 | 413 | 389 | 361 | 329 | 303 | 275 | 247 | 224 | 16 | 252 |
| 17 | 499 | 475 | 452 | 428 | 404 | 376 | 342 | 314 | 286 | 256 | 232 | 17 | 267 |
| 18 | 527 | 501 | 475 | 452 | 426 | 396 | 361 | 331 | 301 | 271 | 245 | 18 | 290 |
| 19 | 548 | 522 | 497 | 471 | 445 | 413 | 376 | 344 | 314 | 282 | 256 | 19 | 307 |
| 20 | 568 | 540 | 512 | 486 | 458 | 426 | 389 | 357 | 325 | 292 | 264 | 20 | 325 |
| 21 | 589 | 561 | 533 | 505 | 477 | 443 | 404 | 370 | 338 | 303 | 275 | 21 | 370 |
| 22 | 621 | 591 | 561 | 533 | 503 | 467 | 426 | 391 | 355 | 320 | 290 | | |
| 23 | 645 | 615 | 585 | 553 | 522 | 486 | 443 | 406 | 370 | 331 | 301 | | |
| 24 | 675 | 643 | 611 | 578 | 546 | 507 | 462 | 424 | 385 | 346 | 316 | | |
| 25 | 729 | 694 | 660 | 626 | 591 | 548 | 501 | 458 | 417 | 374 | 340 | | |
| 26 | 791 | 753 | 716 | 677 | 641 | 596 | 542 | 497 | 452 | 406 | 370 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 18**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 33 | 31 | 29 | 28 | 26 | 25 | 23 | 22 | 20 | 18 | 17 | 1 | 6 |
| 2 | 45 | 43 | 41 | 39 | 37 | 34 | 32 | 30 | 28 | 25 | 23 | 2 | 7 |
| 3 | 51 | 49 | 46 | 44 | 41 | 39 | 37 | 34 | 31 | 29 | 26 | 3 | 10 |
| 4 | 56 | 54 | 51 | 49 | 46 | 43 | 40 | 37 | 34 | 32 | 29 | 4 | 12 |
| 5 | 64 | 61 | 58 | 55 | 52 | 49 | 46 | 42 | 39 | 36 | 33 | 5 | 15 |
| 6 | 72 | 68 | 65 | 61 | 58 | 55 | 51 | 47 | 44 | 40 | 37 | 6 | 19 |
| 7 | 79 | 75 | 71 | 68 | 64 | 60 | 56 | 52 | 48 | 44 | 40 | 7 | 23 |
| 8 | 85 | 81 | 77 | 73 | 69 | 65 | 61 | 56 | 52 | 48 | 44 | 8 | 28 |
| 10 | 92 | 88 | 83 | 79 | 74 | 70 | 66 | 61 | 56 | 52 | 47 | 10 | 35 |
| 11 | 100 | 95 | 90 | 86 | 81 | 76 | 71 | 65 | 61 | 56 | 51 | 11 | 42 |
| 12 | 109 | 104 | 98 | 93 | 88 | 83 | 78 | 71 | 66 | 61 | 56 | 12 | 49 |
| 13 | 117 | 111 | 106 | 100 | 95 | 89 | 83 | 77 | 71 | 66 | 60 | 13 | 58 |
| 14 | 126 | 120 | 114 | 108 | 102 | 96 | 90 | 83 | 77 | 71 | 65 | 14 | 68 |
| 15 | 139 | 132 | 126 | 119 | 113 | 106 | 99 | 92 | 85 | 78 | 71 | 15 | 83 |
| 16 | 153 | 146 | 138 | 131 | 124 | 117 | 109 | 101 | 93 | 86 | 79 | 16 | 100 |
| 17 | 169 | 161 | 153 | 145 | 137 | 129 | 121 | 111 | 103 | 95 | 87 | 17 | 120 |
| 18 | 184 | 176 | 167 | 158 | 150 | 141 | 132 | 121 | 113 | 104 | 95 | 18 | 144 |
| 19 | 201 | 192 | 182 | 172 | 163 | 154 | 144 | 132 | 123 | 113 | 104 | 19 | 172 |
| 20 | 223 | 212 | 202 | 191 | 181 | 170 | 160 | 147 | 136 | 125 | 115 | 20 | 203 |
| 21 | 248 | 236 | 224 | 212 | 201 | 189 | 177 | 163 | 151 | 139 | 127 | 21 | 282 |
| 22 | 280 | 266 | 253 | 240 | 226 | 213 | 200 | 184 | 170 | 157 | 144 | | |
| 23 | 313 | 298 | 283 | 268 | 253 | 238 | 224 | 206 | 191 | 176 | 161 | | |
| 24 | 362 | 345 | 328 | 311 | 294 | 276 | 259 | 238 | 221 | 204 | 187 | | |
| 25 | 446 | 425 | 404 | 382 | 361 | 340 | 319 | 293 | 272 | 251 | 230 | | |
| 26 | 548 | 522 | 495 | 470 | 443 | 417 | 391 | 360 | 334 | 308 | 282 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 193 | 185 | 176 | 166 | 158 | 147 | 132 | 122 | 111 | 101 | 90 | 1 | 44 |
| 2 | 221 | 210 | 200 | 189 | 179 | 166 | 151 | 139 | 126 | 113 | 103 | 2 | 53 |
| 3 | 256 | 244 | 231 | 218 | 208 | 193 | 176 | 162 | 147 | 132 | 120 | 3 | 65 |
| 4 | 277 | 265 | 252 | 237 | 225 | 210 | 191 | 174 | 160 | 143 | 130 | 4 | 74 |
| 5 | 296 | 281 | 267 | 254 | 239 | 223 | 202 | 185 | 168 | 151 | 139 | 5 | 86 |
| 6 | 311 | 296 | 281 | 267 | 252 | 233 | 214 | 195 | 179 | 160 | 145 | 6 | 95 |
| 7 | 323 | 309 | 294 | 277 | 263 | 244 | 223 | 204 | 185 | 166 | 151 | 7 | 103 |
| 8 | 338 | 321 | 305 | 290 | 273 | 254 | 231 | 212 | 193 | 174 | 158 | 8 | 124 |
| 10 | 359 | 342 | 326 | 309 | 292 | 271 | 246 | 227 | 206 | 185 | 168 | 10 | 143 |
| 11 | 378 | 359 | 340 | 323 | 305 | 284 | 258 | 237 | 216 | 193 | 176 | 11 | 155 |
| 12 | 389 | 370 | 351 | 332 | 315 | 292 | 267 | 244 | 223 | 200 | 181 | 12 | 172 |
| 13 | 403 | 384 | 365 | 347 | 328 | 305 | 277 | 254 | 231 | 208 | 189 | 13 | 185 |
| 14 | 431 | 410 | 389 | 370 | 349 | 323 | 294 | 271 | 246 | 221 | 202 | 14 | 206 |
| 15 | 452 | 431 | 410 | 389 | 365 | 340 | 311 | 284 | 258 | 233 | 210 | 15 | 223 |
| 16 | 470 | 447 | 424 | 403 | 380 | 353 | 321 | 296 | 269 | 242 | 218 | 16 | 246 |
| 17 | 487 | 464 | 441 | 418 | 395 | 368 | 334 | 307 | 279 | 250 | 227 | 17 | 260 |
| 18 | 515 | 489 | 464 | 441 | 416 | 386 | 353 | 323 | 294 | 265 | 239 | 18 | 284 |
| 19 | 536 | 510 | 485 | 460 | 435 | 403 | 368 | 336 | 307 | 275 | 250 | 19 | 300 |
| 20 | 554 | 527 | 500 | 475 | 447 | 416 | 380 | 349 | 317 | 286 | 258 | 20 | 317 |
| 21 | 575 | 548 | 521 | 494 | 466 | 433 | 395 | 361 | 330 | 296 | 269 | 21 | 361 |
| 22 | 607 | 578 | 548 | 521 | 491 | 456 | 416 | 382 | 347 | 313 | 284 | | |
| 23 | 630 | 601 | 571 | 540 | 510 | 475 | 433 | 397 | 361 | 323 | 294 | | |
| 24 | 659 | 628 | 596 | 565 | 533 | 496 | 452 | 414 | 376 | 338 | 309 | | |
| 25 | 712 | 678 | 645 | 611 | 578 | 536 | 489 | 447 | 407 | 365 | 332 | | |
| 26 | 773 | 735 | 699 | 662 | 626 | 582 | 529 | 485 | 441 | 397 | 361 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 24

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 46 | 44 | 41 | 40 | 37 | 35 | 33 | 31 | 28 | 26 | 24 | 1 | 9 |
| 2 | 64 | 61 | 58 | 55 | 52 | 49 | 46 | 42 | 39 | 36 | 33 | 2 | 10 |
| 3 | 73 | 69 | 65 | 62 | 59 | 55 | 52 | 48 | 44 | 41 | 37 | 3 | 15 |
| 4 | 80 | 76 | 73 | 69 | 65 | 61 | 57 | 52 | 49 | 45 | 41 | 4 | 18 |
| 5 | 90 | 86 | 82 | 77 | 73 | 69 | 65 | 59 | 55 | 51 | 46 | 5 | 21 |
| 6 | 102 | 97 | 92 | 87 | 82 | 77 | 73 | 67 | 62 | 57 | 52 | 6 | 27 |
| 7 | 112 | 106 | 101 | 96 | 90 | 85 | 80 | 73 | 68 | 63 | 57 | 7 | 33 |
| 8 | 121 | 115 | 110 | 104 | 98 | 92 | 87 | 79 | 74 | 68 | 62 | 8 | 39 |
| 10 | 131 | 124 | 118 | 112 | 106 | 99 | 93 | 86 | 80 | 73 | 67 | 10 | 49 |
| 11 | 142 | 135 | 128 | 121 | 115 | 108 | 101 | 93 | 86 | 79 | 73 | 11 | 60 |
| 12 | 154 | 147 | 140 | 132 | 125 | 118 | 110 | 101 | 94 | 87 | 79 | 12 | 70 |
| 13 | 166 | 158 | 150 | 142 | 134 | 126 | 118 | 109 | 101 | 93 | 85 | 13 | 82 |
| 14 | 179 | 171 | 162 | 154 | 145 | 137 | 128 | 118 | 109 | 101 | 92 | 14 | 97 |
| 15 | 197 | 188 | 179 | 169 | 160 | 150 | 141 | 130 | 120 | 111 | 101 | 15 | 117 |
| 16 | 217 | 207 | 196 | 186 | 176 | 165 | 155 | 143 | 132 | 122 | 112 | 16 | 142 |
| 17 | 240 | 228 | 217 | 206 | 194 | 182 | 171 | 157 | 146 | 135 | 123 | 17 | 171 |
| 18 | 262 | 249 | 237 | 224 | 212 | 199 | 187 | 172 | 160 | 147 | 135 | 18 | 204 |
| 19 | 285 | 272 | 259 | 245 | 231 | 218 | 204 | 188 | 174 | 160 | 147 | 19 | 243 |
| 20 | 317 | 301 | 286 | 271 | 256 | 241 | 226 | 208 | 193 | 178 | 163 | 20 | 289 |
| 21 | 351 | 335 | 318 | 301 | 285 | 268 | 251 | 231 | 214 | 198 | 181 | 21 | 400 |
| 22 | 397 | 378 | 359 | 340 | 321 | 302 | 283 | 260 | 242 | 223 | 204 | | |
| 23 | 444 | 423 | 401 | 381 | 359 | 338 | 317 | 292 | 271 | 249 | 228 | | |
| 24 | 514 | 490 | 465 | 441 | 417 | 392 | 367 | 338 | 314 | 289 | 265 | | |
| 25 | 633 | 603 | 573 | 542 | 512 | 482 | 452 | 416 | 386 | 356 | 326 | | |
| 26 | 777 | 740 | 703 | 666 | 629 | 592 | 555 | 511 | 473 | 437 | 400 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 213 | 204 | 195 | 183 | 174 | 162 | 146 | 135 | 123 | 111 | 100 | 1 | 49 |
| 2 | 244 | 232 | 220 | 209 | 197 | 183 | 167 | 153 | 139 | 125 | 114 | 2 | 58 |
| 3 | 283 | 269 | 255 | 241 | 230 | 213 | 195 | 179 | 162 | 146 | 132 | 3 | 72 |
| 4 | 306 | 292 | 278 | 262 | 248 | 232 | 211 | 193 | 176 | 158 | 144 | 4 | 81 |
| 5 | 327 | 311 | 295 | 281 | 264 | 246 | 223 | 204 | 186 | 167 | 153 | 5 | 95 |
| 6 | 343 | 327 | 311 | 295 | 278 | 258 | 237 | 216 | 197 | 176 | 160 | 6 | 104 |
| 7 | 357 | 341 | 325 | 306 | 290 | 269 | 246 | 225 | 204 | 183 | 167 | 7 | 114 |
| 8 | 374 | 355 | 336 | 320 | 302 | 281 | 255 | 234 | 213 | 193 | 174 | 8 | 137 |
| 10 | 397 | 378 | 360 | 341 | 322 | 299 | 271 | 251 | 227 | 204 | 186 | 10 | 158 |
| 11 | 418 | 397 | 376 | 357 | 336 | 313 | 285 | 262 | 239 | 213 | 195 | 11 | 172 |
| 12 | 429 | 408 | 387 | 367 | 348 | 322 | 295 | 269 | 246 | 220 | 200 | 12 | 190 |
| 13 | 445 | 425 | 404 | 383 | 362 | 336 | 306 | 281 | 255 | 230 | 209 | 13 | 204 |
| 14 | 476 | 452 | 429 | 408 | 385 | 357 | 325 | 299 | 271 | 244 | 223 | 14 | 227 |
| 15 | 499 | 476 | 452 | 429 | 404 | 376 | 343 | 313 | 285 | 258 | 232 | 15 | 246 |
| 16 | 520 | 494 | 469 | 445 | 420 | 390 | 355 | 327 | 297 | 267 | 241 | 16 | 271 |
| 17 | 538 | 513 | 487 | 462 | 436 | 406 | 369 | 339 | 309 | 276 | 251 | 17 | 288 |
| 18 | 568 | 541 | 513 | 487 | 459 | 427 | 390 | 357 | 325 | 292 | 264 | 18 | 313 |
| 19 | 592 | 564 | 536 | 508 | 480 | 445 | 406 | 371 | 339 | 304 | 276 | 19 | 332 |
| 20 | 612 | 582 | 552 | 524 | 494 | 459 | 420 | 385 | 350 | 316 | 285 | 20 | 350 |
| 21 | 636 | 606 | 575 | 545 | 515 | 478 | 436 | 399 | 364 | 327 | 297 | 21 | 399 |
| 22 | 670 | 638 | 606 | 575 | 543 | 503 | 459 | 422 | 383 | 346 | 313 | | |
| 23 | 696 | 664 | 631 | 596 | 564 | 524 | 478 | 438 | 399 | 357 | 325 | | |
| 24 | 728 | 694 | 659 | 624 | 589 | 548 | 499 | 457 | 415 | 374 | 341 | | |
| 25 | 786 | 749 | 712 | 675 | 638 | 592 | 541 | 494 | 450 | 404 | 367 | | |
| 26 | 854 | 812 | 773 | 731 | 691 | 643 | 585 | 536 | 487 | 438 | 399 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 25**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 33 | 32 | 30 | 29 | 27 | 26 | 24 | 22 | 20 | 18 | 17 | 1 | 7 |
| 2 | 46 | 44 | 42 | 40 | 37 | 35 | 33 | 30 | 28 | 26 | 24 | 2 | 7 |
| 3 | 52 | 50 | 47 | 45 | 42 | 40 | 37 | 34 | 32 | 29 | 27 | 3 | 11 |
| 4 | 58 | 55 | 52 | 50 | 47 | 44 | 41 | 38 | 35 | 33 | 30 | 4 | 13 |
| 5 | 65 | 62 | 59 | 56 | 53 | 50 | 47 | 43 | 40 | 37 | 33 | 5 | 15 |
| 6 | 73 | 70 | 66 | 63 | 59 | 56 | 52 | 48 | 45 | 41 | 38 | 6 | 19 |
| 7 | 81 | 77 | 73 | 69 | 65 | 61 | 58 | 53 | 49 | 45 | 41 | 7 | 24 |
| 8 | 87 | 83 | 79 | 75 | 71 | 66 | 62 | 57 | 53 | 49 | 45 | 8 | 28 |
| 10 | 94 | 90 | 85 | 81 | 76 | 72 | 67 | 62 | 58 | 53 | 48 | 10 | 36 |
| 11 | 102 | 97 | 92 | 88 | 83 | 78 | 73 | 67 | 62 | 57 | 52 | 11 | 43 |
| 12 | 111 | 106 | 101 | 95 | 90 | 85 | 80 | 73 | 68 | 62 | 57 | 12 | 51 |
| 13 | 120 | 114 | 108 | 103 | 97 | 91 | 85 | 79 | 73 | 67 | 62 | 13 | 59 |
| 14 | 129 | 123 | 117 | 111 | 105 | 99 | 92 | 85 | 79 | 73 | 66 | 14 | 70 |
| 15 | 142 | 136 | 129 | 122 | 115 | 108 | 102 | 94 | 87 | 80 | 73 | 15 | 84 |
| 16 | 157 | 149 | 142 | 134 | 127 | 119 | 112 | 103 | 95 | 88 | 81 | 16 | 103 |
| 17 | 173 | 165 | 156 | 148 | 140 | 132 | 124 | 114 | 105 | 97 | 89 | 17 | 123 |
| 18 | 189 | 180 | 171 | 162 | 153 | 144 | 135 | 124 | 115 | 106 | 97 | 18 | 147 |
| 19 | 206 | 196 | 187 | 176 | 167 | 157 | 147 | 136 | 125 | 116 | 106 | 19 | 176 |
| 20 | 228 | 217 | 206 | 196 | 185 | 174 | 163 | 150 | 139 | 128 | 117 | 20 | 208 |
| 21 | 253 | 242 | 230 | 217 | 205 | 193 | 181 | 167 | 154 | 143 | 130 | 21 | 288 |
| 22 | 286 | 272 | 259 | 245 | 231 | 218 | 204 | 188 | 174 | 161 | 147 | | |
| 23 | 320 | 305 | 290 | 275 | 259 | 244 | 229 | 210 | 195 | 180 | 165 | | |
| 24 | 371 | 353 | 336 | 318 | 301 | 282 | 265 | 244 | 226 | 209 | 191 | | |
| 25 | 456 | 435 | 413 | 391 | 370 | 348 | 326 | 300 | 278 | 257 | 235 | | |
| 26 | 561 | 534 | 507 | 480 | 454 | 427 | 400 | 368 | 341 | 315 | 288 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 222 | 212 | 202 | 190 | 181 | 169 | 152 | 140 | 128 | 116 | 104 | 1 | 51 |
| 2 | 253 | 241 | 229 | 217 | 205 | 190 | 174 | 159 | 145 | 130 | 118 | 2 | 60 |
| 3 | 294 | 280 | 265 | 251 | 239 | 222 | 202 | 186 | 169 | 152 | 137 | 3 | 75 |
| 4 | 318 | 304 | 289 | 272 | 258 | 241 | 219 | 200 | 183 | 164 | 149 | 4 | 84 |
| 5 | 340 | 323 | 306 | 292 | 275 | 255 | 231 | 212 | 193 | 174 | 159 | 5 | 99 |
| 6 | 357 | 340 | 323 | 306 | 289 | 268 | 246 | 224 | 205 | 183 | 166 | 6 | 108 |
| 7 | 371 | 354 | 337 | 318 | 301 | 280 | 255 | 234 | 212 | 190 | 174 | 7 | 118 |
| 8 | 388 | 369 | 349 | 333 | 313 | 292 | 265 | 243 | 222 | 200 | 181 | 8 | 142 |
| 10 | 412 | 393 | 374 | 354 | 335 | 311 | 282 | 260 | 236 | 212 | 193 | 10 | 164 |
| 11 | 434 | 412 | 390 | 371 | 349 | 325 | 296 | 272 | 248 | 222 | 202 | 11 | 178 |
| 12 | 446 | 424 | 402 | 381 | 362 | 335 | 306 | 280 | 255 | 229 | 207 | 12 | 198 |
| 13 | 463 | 441 | 419 | 398 | 376 | 349 | 318 | 292 | 265 | 239 | 217 | 13 | 212 |
| 14 | 494 | 470 | 446 | 424 | 400 | 371 | 337 | 311 | 282 | 253 | 231 | 14 | 236 |
| 15 | 518 | 494 | 470 | 446 | 419 | 390 | 357 | 325 | 296 | 268 | 241 | 15 | 255 |
| 16 | 540 | 513 | 487 | 463 | 436 | 405 | 369 | 340 | 308 | 277 | 251 | 16 | 282 |
| 17 | 559 | 533 | 506 | 480 | 453 | 422 | 383 | 352 | 321 | 287 | 260 | 17 | 299 |
| 18 | 590 | 562 | 533 | 506 | 477 | 443 | 405 | 371 | 337 | 304 | 275 | 18 | 325 |
| 19 | 615 | 586 | 557 | 528 | 499 | 463 | 422 | 386 | 352 | 316 | 287 | 19 | 345 |
| 20 | 636 | 605 | 574 | 545 | 513 | 477 | 436 | 400 | 364 | 328 | 296 | 20 | 364 |
| 21 | 660 | 629 | 598 | 566 | 535 | 496 | 453 | 415 | 378 | 340 | 308 | 21 | 415 |
| 22 | 696 | 663 | 629 | 598 | 564 | 523 | 477 | 439 | 398 | 359 | 325 | | |
| 23 | 723 | 689 | 656 | 619 | 586 | 545 | 496 | 455 | 415 | 371 | 337 | | |
| 24 | 757 | 721 | 684 | 648 | 612 | 569 | 518 | 475 | 431 | 388 | 354 | | |
| 25 | 817 | 778 | 740 | 701 | 663 | 615 | 562 | 513 | 468 | 419 | 381 | | |
| 26 | 887 | 844 | 803 | 759 | 718 | 668 | 607 | 557 | 506 | 455 | 415 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 26

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 59 | 55 | 52 | 50 | 47 | 45 | 42 | 39 | 35 | 32 | 30 | 1 | 12 |
| 2 | 81 | 77 | 73 | 69 | 65 | 62 | 58 | 53 | 49 | 45 | 42 | 2 | 13 |
| 3 | 92 | 87 | 82 | 79 | 74 | 69 | 65 | 60 | 55 | 52 | 47 | 3 | 18 |
| 4 | 101 | 96 | 92 | 87 | 82 | 77 | 72 | 66 | 62 | 57 | 52 | 4 | 22 |
| 5 | 114 | 109 | 103 | 98 | 92 | 87 | 82 | 75 | 69 | 64 | 59 | 5 | 26 |
| 6 | 129 | 122 | 116 | 110 | 104 | 98 | 92 | 85 | 79 | 72 | 66 | 6 | 34 |
| 7 | 141 | 134 | 127 | 121 | 114 | 107 | 101 | 92 | 85 | 79 | 72 | 7 | 42 |
| 8 | 152 | 146 | 139 | 131 | 124 | 116 | 109 | 100 | 93 | 86 | 79 | 8 | 49 |
| 10 | 165 | 157 | 149 | 142 | 133 | 126 | 118 | 109 | 101 | 92 | 85 | 10 | 62 |
| 11 | 179 | 170 | 162 | 153 | 145 | 136 | 128 | 117 | 109 | 100 | 92 | 11 | 75 |
| 12 | 195 | 186 | 176 | 167 | 158 | 149 | 139 | 128 | 119 | 109 | 100 | 12 | 89 |
| 13 | 209 | 199 | 189 | 179 | 169 | 159 | 149 | 138 | 128 | 118 | 108 | 13 | 104 |
| 14 | 226 | 216 | 205 | 194 | 183 | 172 | 162 | 149 | 138 | 127 | 116 | 14 | 122 |
| 15 | 249 | 237 | 226 | 213 | 202 | 189 | 178 | 164 | 152 | 140 | 128 | 15 | 148 |
| 16 | 274 | 261 | 248 | 235 | 222 | 209 | 196 | 180 | 167 | 154 | 141 | 16 | 179 |
| 17 | 303 | 288 | 273 | 259 | 245 | 230 | 216 | 199 | 184 | 170 | 156 | 17 | 216 |
| 18 | 330 | 315 | 300 | 283 | 268 | 252 | 236 | 217 | 202 | 186 | 170 | 18 | 257 |
| 19 | 360 | 343 | 326 | 309 | 292 | 275 | 258 | 237 | 219 | 203 | 186 | 19 | 307 |
| 20 | 400 | 380 | 361 | 343 | 323 | 304 | 286 | 263 | 243 | 224 | 206 | 20 | 364 |
| 21 | 444 | 423 | 402 | 380 | 360 | 338 | 317 | 292 | 270 | 249 | 228 | 21 | 504 |
| 22 | 501 | 477 | 453 | 429 | 405 | 381 | 357 | 329 | 305 | 281 | 257 | | |
| 23 | 561 | 534 | 507 | 480 | 454 | 427 | 400 | 368 | 342 | 315 | 288 | | |
| 24 | 649 | 618 | 588 | 557 | 526 | 494 | 464 | 427 | 396 | 365 | 334 | | |
| 25 | 798 | 761 | 723 | 685 | 647 | 608 | 571 | 525 | 487 | 449 | 411 | | |
| 26 | 981 | 934 | 887 | 841 | 794 | 747 | 701 | 644 | 598 | 551 | 504 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 220 | 210 | 201 | 189 | 179 | 167 | 151 | 139 | 127 | 115 | 103 | 1 | 50 |
| 2 | 251 | 239 | 227 | 215 | 203 | 189 | 172 | 158 | 143 | 129 | 117 | 2 | 60 |
| 3 | 292 | 277 | 263 | 249 | 237 | 220 | 201 | 184 | 167 | 151 | 136 | 3 | 74 |
| 4 | 315 | 301 | 287 | 270 | 256 | 239 | 217 | 198 | 182 | 163 | 148 | 4 | 84 |
| 5 | 337 | 320 | 304 | 289 | 272 | 253 | 229 | 210 | 191 | 172 | 158 | 5 | 98 |
| 6 | 354 | 337 | 320 | 304 | 287 | 265 | 244 | 222 | 203 | 182 | 165 | 6 | 108 |
| 7 | 368 | 351 | 335 | 315 | 299 | 277 | 253 | 232 | 210 | 189 | 172 | 7 | 117 |
| 8 | 385 | 366 | 347 | 330 | 311 | 289 | 263 | 241 | 220 | 198 | 179 | 8 | 141 |
| 10 | 409 | 390 | 370 | 351 | 332 | 308 | 280 | 258 | 234 | 210 | 191 | 10 | 163 |
| 11 | 430 | 409 | 387 | 368 | 347 | 323 | 294 | 270 | 246 | 220 | 201 | 11 | 177 |
| 12 | 442 | 421 | 399 | 378 | 359 | 332 | 304 | 277 | 253 | 227 | 206 | 12 | 196 |
| 13 | 459 | 437 | 416 | 394 | 373 | 347 | 315 | 289 | 263 | 237 | 215 | 13 | 210 |
| 14 | 490 | 466 | 442 | 421 | 397 | 368 | 335 | 308 | 280 | 251 | 229 | 14 | 234 |
| 15 | 514 | 490 | 466 | 442 | 416 | 387 | 354 | 323 | 294 | 265 | 239 | 15 | 253 |
| 16 | 535 | 509 | 483 | 459 | 433 | 402 | 366 | 337 | 306 | 275 | 249 | 16 | 280 |
| 17 | 554 | 528 | 502 | 476 | 449 | 418 | 380 | 349 | 318 | 284 | 258 | 17 | 296 |
| 18 | 586 | 557 | 528 | 502 | 473 | 440 | 402 | 368 | 335 | 301 | 272 | 18 | 323 |
| 19 | 609 | 581 | 552 | 523 | 495 | 459 | 418 | 382 | 349 | 313 | 284 | 19 | 342 |
| 20 | 631 | 600 | 569 | 540 | 509 | 473 | 433 | 397 | 361 | 325 | 294 | 20 | 361 |
| 21 | 655 | 624 | 593 | 562 | 531 | 492 | 449 | 411 | 375 | 337 | 306 | 21 | 411 |
| 22 | 691 | 657 | 624 | 593 | 559 | 519 | 473 | 435 | 394 | 356 | 323 | | |
| 23 | 717 | 684 | 650 | 614 | 581 | 540 | 492 | 452 | 411 | 368 | 335 | | |
| 24 | 750 | 715 | 679 | 643 | 607 | 564 | 514 | 471 | 428 | 385 | 351 | | |
| 25 | 810 | 772 | 734 | 695 | 657 | 609 | 557 | 509 | 464 | 416 | 378 | | |
| 26 | 880 | 837 | 796 | 753 | 712 | 662 | 602 | 552 | 502 | 452 | 411 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 31**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|-----------------------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 45 | 42 | 40 | 38 | 36 | 34 | 32 | 30 | 27 | 25 | 23 | 1 | 9 |
| 2 | 62 | 59 | 56 | 53 | 50 | 47 | 44 | 41 | 38 | 35 | 32 | 2 | 10 |
| 3 | 70 | 67 | 63 | 60 | 57 | 53 | 50 | 46 | 42 | 40 | 36 | 3 | 14 |
| 4 | 77 | 74 | 70 | 67 | 63 | 59 | 55 | 51 | 47 | 44 | 40 | 4 | 17 |
| 5 | 87 | 83 | 79 | 75 | 71 | 67 | 63 | 57 | 53 | 49 | 45 | 5 | 20 |
| 6 | 99 | 94 | 89 | 84 | 80 | 75 | 70 | 65 | 60 | 55 | 51 | 6 | 26 |
| 7 | 108 | 103 | 97 | 93 | 87 | 82 | 77 | 71 | 65 | 61 | 55 | 7 | 32 |
| 8 | 117 | 112 | 106 | 100 | 95 | 89 | 84 | 77 | 71 | 66 | 60 | 8 | 38 |
| 10 | 126 | 120 | 114 | 109 | 102 | 96 | 90 | 83 | 77 | 71 | 65 | 10 | 48 |
| 11 | 137 | 130 | 124 | 117 | 111 | 104 | 98 | 90 | 83 | 77 | 70 | 11 | 58 |
| 12 | 149 | 142 | 135 | 128 | 121 | 114 | 107 | 98 | 91 | 84 | 77 | 12 | 68 |
| 13 | 160 | 153 | 145 | 137 | 130 | 122 | 114 | 106 | 98 | 90 | 83 | 13 | 80 |
| 14 | 173 | 165 | 157 | 149 | 140 | 132 | 124 | 114 | 106 | 97 | 89 | 14 | 94 |
| 15 | 191 | 182 | 173 | 163 | 155 | 145 | 136 | 126 | 116 | 107 | 98 | 15 | 113 |
| 16 | 210 | 200 | 190 | 180 | 170 | 160 | 150 | 138 | 128 | 118 | 108 | 16 | 137 |
| 17 | 232 | 221 | 209 | 199 | 188 | 176 | 166 | 152 | 141 | 130 | 119 | 17 | 165 |
| 18 | 253 | 241 | 230 | 217 | 205 | 193 | 181 | 166 | 155 | 142 | 130 | 18 | 197 |
| 19 | 276 | 263 | 250 | 237 | 224 | 211 | 198 | 182 | 168 | 155 | 142 | 19 | 235 |
| 20 | 306 | 291 | 277 | 263 | 248 | 233 | 219 | 201 | 186 | 172 | 158 | 20 | 279 |
| 21 | 340 | 324 | 308 | 291 | 276 | 259 | 243 | 224 | 207 | 191 | 175 | 21 | 386 |
| 22 | 384 | 365 | 347 | 329 | 310 | 292 | 274 | 252 | 234 | 215 | 197 | | |
| 23 | 430 | 409 | 388 | 368 | 348 | 327 | 307 | 282 | 262 | 241 | 221 | | |
| 24 | 497 | 474 | 450 | 427 | 403 | 379 | 355 | 327 | 303 | 280 | 256 | | |
| 25 | 612 | 583 | 554 | 525 | 496 | 466 | 437 | 402 | 373 | 344 | 315 | | |
| 26 | 752 | 716 | 680 | 644 | 608 | 572 | 537 | 494 | 458 | 422 | 386 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|-----------------------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 193 | 185 | 176 | 166 | 158 | 147 | 132 | 122 | 111 | 101 | 90 | 1 | 44 |
| 2 | 221 | 210 | 200 | 189 | 179 | 166 | 151 | 139 | 126 | 113 | 103 | 2 | 53 |
| 3 | 256 | 244 | 231 | 218 | 208 | 193 | 176 | 162 | 147 | 132 | 120 | 3 | 65 |
| 4 | 277 | 265 | 252 | 237 | 225 | 210 | 191 | 174 | 160 | 143 | 130 | 4 | 74 |
| 5 | 296 | 281 | 267 | 254 | 239 | 223 | 202 | 185 | 168 | 151 | 139 | 5 | 86 |
| 6 | 311 | 296 | 281 | 267 | 252 | 233 | 214 | 195 | 179 | 160 | 145 | 6 | 95 |
| 7 | 323 | 309 | 294 | 277 | 263 | 244 | 223 | 204 | 185 | 166 | 151 | 7 | 103 |
| 8 | 338 | 321 | 305 | 290 | 273 | 254 | 231 | 212 | 193 | 174 | 158 | 8 | 124 |
| 10 | 359 | 342 | 326 | 309 | 292 | 271 | 246 | 227 | 206 | 185 | 168 | 10 | 143 |
| 11 | 378 | 359 | 340 | 323 | 305 | 284 | 258 | 237 | 216 | 193 | 176 | 11 | 155 |
| 12 | 389 | 370 | 351 | 332 | 315 | 292 | 267 | 244 | 223 | 200 | 181 | 12 | 172 |
| 13 | 403 | 384 | 365 | 347 | 328 | 305 | 277 | 254 | 231 | 208 | 189 | 13 | 185 |
| 14 | 431 | 410 | 389 | 370 | 349 | 323 | 294 | 271 | 246 | 221 | 202 | 14 | 206 |
| 15 | 452 | 431 | 410 | 389 | 365 | 340 | 311 | 284 | 258 | 233 | 210 | 15 | 223 |
| 16 | 470 | 447 | 424 | 403 | 380 | 353 | 321 | 296 | 269 | 242 | 218 | 16 | 246 |
| 17 | 487 | 464 | 441 | 418 | 395 | 368 | 334 | 307 | 279 | 250 | 227 | 17 | 260 |
| 18 | 515 | 489 | 464 | 441 | 416 | 386 | 353 | 323 | 294 | 265 | 239 | 18 | 284 |
| 19 | 536 | 510 | 485 | 460 | 435 | 403 | 368 | 336 | 307 | 275 | 250 | 19 | 300 |
| 20 | 554 | 527 | 500 | 475 | 447 | 416 | 380 | 349 | 317 | 286 | 258 | 20 | 317 |
| 21 | 575 | 548 | 521 | 494 | 466 | 433 | 395 | 361 | 330 | 296 | 269 | 21 | 361 |
| 22 | 607 | 578 | 548 | 521 | 491 | 456 | 416 | 382 | 347 | 313 | 284 | | |
| 23 | 630 | 601 | 571 | 540 | 510 | 475 | 433 | 397 | 361 | 323 | 294 | | |
| 24 | 659 | 628 | 596 | 565 | 533 | 496 | 452 | 414 | 376 | 338 | 309 | | |
| 25 | 712 | 678 | 645 | 611 | 578 | 536 | 489 | 447 | 407 | 365 | 332 | | |
| 26 | 773 | 735 | 699 | 662 | 626 | 582 | 529 | 485 | 441 | 397 | 361 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 32

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 39 | 37 | 35 | 33 | 31 | 30 | 28 | 26 | 23 | 21 | 20 | 1 | 8 |
| 2 | 54 | 51 | 48 | 46 | 43 | 41 | 38 | 35 | 33 | 30 | 28 | 2 | 9 |
| 3 | 61 | 58 | 55 | 52 | 49 | 46 | 43 | 40 | 37 | 34 | 31 | 3 | 12 |
| 4 | 67 | 64 | 61 | 58 | 54 | 51 | 48 | 44 | 41 | 38 | 35 | 4 | 15 |
| 5 | 75 | 72 | 68 | 65 | 61 | 58 | 54 | 49 | 46 | 42 | 39 | 5 | 17 |
| 6 | 85 | 81 | 77 | 73 | 69 | 65 | 61 | 56 | 52 | 48 | 44 | 6 | 22 |
| 7 | 93 | 89 | 84 | 80 | 75 | 71 | 67 | 61 | 57 | 53 | 48 | 7 | 28 |
| 8 | 101 | 96 | 92 | 87 | 82 | 77 | 72 | 66 | 62 | 57 | 52 | 8 | 33 |
| 10 | 109 | 104 | 99 | 94 | 88 | 83 | 78 | 72 | 67 | 61 | 56 | 10 | 41 |
| 11 | 118 | 113 | 107 | 101 | 96 | 90 | 85 | 78 | 72 | 66 | 61 | 11 | 50 |
| 12 | 129 | 123 | 117 | 111 | 105 | 98 | 92 | 85 | 79 | 72 | 66 | 12 | 59 |
| 13 | 139 | 132 | 125 | 119 | 112 | 106 | 99 | 91 | 85 | 78 | 71 | 13 | 69 |
| 14 | 150 | 143 | 136 | 129 | 121 | 114 | 107 | 98 | 91 | 84 | 77 | 14 | 81 |
| 15 | 165 | 157 | 149 | 141 | 134 | 125 | 118 | 109 | 100 | 93 | 85 | 15 | 98 |
| 16 | 182 | 173 | 164 | 156 | 147 | 138 | 130 | 119 | 111 | 102 | 93 | 16 | 119 |
| 17 | 200 | 191 | 181 | 172 | 162 | 152 | 143 | 132 | 122 | 113 | 103 | 17 | 143 |
| 18 | 219 | 209 | 198 | 188 | 177 | 167 | 157 | 144 | 134 | 123 | 113 | 18 | 170 |
| 19 | 239 | 227 | 216 | 205 | 193 | 182 | 171 | 157 | 145 | 134 | 123 | 19 | 203 |
| 20 | 265 | 252 | 239 | 227 | 214 | 201 | 189 | 174 | 161 | 148 | 136 | 20 | 241 |
| 21 | 294 | 280 | 266 | 252 | 238 | 224 | 210 | 193 | 179 | 165 | 151 | 21 | 334 |
| 22 | 332 | 316 | 300 | 284 | 268 | 252 | 237 | 218 | 202 | 186 | 170 | | |
| 23 | 371 | 353 | 336 | 318 | 300 | 283 | 265 | 244 | 226 | 209 | 191 | | |
| 24 | 430 | 410 | 389 | 369 | 348 | 327 | 307 | 283 | 262 | 242 | 221 | | |
| 25 | 529 | 504 | 479 | 453 | 428 | 403 | 378 | 348 | 322 | 297 | 272 | | |
| 26 | 650 | 619 | 588 | 557 | 526 | 495 | 464 | 427 | 396 | 365 | 334 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 201 | 193 | 184 | 173 | 164 | 153 | 138 | 127 | 116 | 105 | 94 | 1 | 46 |
| 2 | 230 | 219 | 208 | 197 | 186 | 173 | 158 | 145 | 131 | 118 | 107 | 2 | 55 |
| 3 | 267 | 254 | 241 | 228 | 217 | 201 | 184 | 169 | 153 | 138 | 125 | 3 | 68 |
| 4 | 289 | 276 | 263 | 247 | 234 | 219 | 199 | 182 | 166 | 149 | 136 | 4 | 77 |
| 5 | 309 | 293 | 278 | 265 | 250 | 232 | 210 | 193 | 175 | 158 | 145 | 5 | 90 |
| 6 | 324 | 309 | 293 | 278 | 263 | 243 | 223 | 204 | 186 | 166 | 151 | 6 | 99 |
| 7 | 337 | 322 | 307 | 289 | 274 | 254 | 232 | 212 | 193 | 173 | 158 | 7 | 107 |
| 8 | 353 | 335 | 318 | 302 | 285 | 265 | 241 | 221 | 201 | 182 | 164 | 8 | 129 |
| 10 | 374 | 357 | 339 | 322 | 304 | 283 | 256 | 237 | 215 | 193 | 175 | 10 | 149 |
| 11 | 394 | 374 | 355 | 337 | 318 | 296 | 269 | 247 | 226 | 201 | 184 | 11 | 162 |
| 12 | 405 | 385 | 366 | 346 | 329 | 304 | 278 | 254 | 232 | 208 | 188 | 12 | 180 |
| 13 | 420 | 401 | 381 | 361 | 342 | 318 | 289 | 265 | 241 | 217 | 197 | 13 | 193 |
| 14 | 449 | 427 | 405 | 385 | 364 | 337 | 307 | 283 | 256 | 230 | 210 | 14 | 215 |
| 15 | 471 | 449 | 427 | 405 | 381 | 355 | 324 | 296 | 269 | 243 | 219 | 15 | 232 |
| 16 | 491 | 466 | 442 | 420 | 396 | 368 | 335 | 309 | 280 | 252 | 228 | 16 | 256 |
| 17 | 508 | 484 | 460 | 436 | 412 | 383 | 348 | 320 | 291 | 261 | 237 | 17 | 272 |
| 18 | 537 | 510 | 484 | 460 | 434 | 403 | 368 | 337 | 307 | 276 | 250 | 18 | 296 |
| 19 | 558 | 532 | 506 | 480 | 453 | 420 | 383 | 350 | 320 | 287 | 261 | 19 | 313 |
| 20 | 578 | 550 | 521 | 495 | 466 | 434 | 396 | 364 | 331 | 298 | 269 | 20 | 331 |
| 21 | 600 | 572 | 543 | 515 | 486 | 451 | 412 | 377 | 344 | 309 | 280 | 21 | 377 |
| 22 | 633 | 602 | 572 | 543 | 512 | 475 | 434 | 399 | 361 | 326 | 296 | | |
| 23 | 657 | 626 | 596 | 563 | 532 | 495 | 451 | 414 | 377 | 337 | 307 | | |
| 24 | 688 | 655 | 622 | 589 | 556 | 517 | 471 | 431 | 392 | 353 | 322 | | |
| 25 | 742 | 707 | 672 | 637 | 602 | 558 | 510 | 466 | 425 | 381 | 346 | | |
| 26 | 806 | 767 | 729 | 690 | 653 | 607 | 552 | 506 | 460 | 414 | 377 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 33**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 64 | 60 | 57 | 55 | 51 | 49 | 45 | 42 | 39 | 35 | 33 | 1 | 13 |
| 2 | 88 | 84 | 80 | 76 | 71 | 67 | 63 | 58 | 54 | 50 | 45 | 2 | 14 |
| 3 | 100 | 95 | 90 | 86 | 81 | 76 | 71 | 66 | 60 | 56 | 51 | 3 | 20 |
| 4 | 110 | 105 | 100 | 95 | 89 | 84 | 79 | 72 | 67 | 62 | 57 | 4 | 24 |
| 5 | 124 | 118 | 113 | 107 | 101 | 95 | 89 | 81 | 76 | 70 | 64 | 5 | 29 |
| 6 | 140 | 134 | 127 | 120 | 113 | 107 | 100 | 92 | 86 | 79 | 72 | 6 | 37 |
| 7 | 154 | 146 | 139 | 132 | 124 | 117 | 110 | 101 | 93 | 87 | 79 | 7 | 45 |
| 8 | 166 | 159 | 151 | 143 | 135 | 127 | 119 | 109 | 102 | 94 | 86 | 8 | 54 |
| 10 | 180 | 171 | 163 | 155 | 145 | 137 | 129 | 118 | 110 | 101 | 92 | 10 | 68 |
| 11 | 195 | 186 | 176 | 167 | 158 | 149 | 139 | 128 | 118 | 109 | 100 | 11 | 82 |
| 12 | 213 | 202 | 192 | 182 | 172 | 162 | 152 | 139 | 129 | 119 | 109 | 12 | 97 |
| 13 | 228 | 218 | 207 | 196 | 185 | 174 | 163 | 150 | 139 | 129 | 118 | 13 | 113 |
| 14 | 247 | 235 | 223 | 212 | 200 | 188 | 176 | 162 | 150 | 139 | 127 | 14 | 134 |
| 15 | 271 | 259 | 246 | 233 | 220 | 207 | 194 | 179 | 165 | 153 | 139 | 15 | 161 |
| 16 | 299 | 285 | 270 | 256 | 242 | 228 | 213 | 197 | 182 | 168 | 154 | 16 | 196 |
| 17 | 330 | 314 | 298 | 283 | 267 | 251 | 236 | 217 | 201 | 186 | 170 | 17 | 235 |
| 18 | 360 | 344 | 327 | 309 | 292 | 275 | 258 | 237 | 220 | 202 | 186 | 18 | 281 |
| 19 | 393 | 375 | 356 | 337 | 318 | 300 | 281 | 259 | 239 | 221 | 202 | 19 | 335 |
| 20 | 436 | 415 | 394 | 374 | 353 | 332 | 312 | 286 | 265 | 244 | 224 | 20 | 397 |
| 21 | 484 | 461 | 438 | 415 | 392 | 369 | 346 | 318 | 295 | 272 | 249 | 21 | 550 |
| 22 | 546 | 520 | 494 | 468 | 442 | 416 | 390 | 359 | 333 | 307 | 281 | | |
| 23 | 612 | 582 | 553 | 524 | 495 | 465 | 437 | 402 | 373 | 344 | 314 | | |
| 24 | 708 | 675 | 641 | 607 | 574 | 539 | 506 | 465 | 432 | 398 | 365 | | |
| 25 | 871 | 830 | 789 | 747 | 706 | 664 | 622 | 573 | 531 | 490 | 449 | | |
| 26 | 1070 | 1019 | 968 | 917 | 866 | 815 | 764 | 703 | 652 | 601 | 550 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 201 | 192 | 183 | 172 | 164 | 153 | 137 | 126 | 116 | 105 | 94 | 1 | 46 |
| 2 | 229 | 218 | 207 | 196 | 185 | 172 | 157 | 144 | 131 | 118 | 107 | 2 | 55 |
| 3 | 266 | 253 | 240 | 227 | 216 | 201 | 183 | 168 | 153 | 137 | 124 | 3 | 68 |
| 4 | 288 | 275 | 262 | 246 | 233 | 218 | 198 | 181 | 166 | 148 | 135 | 4 | 76 |
| 5 | 307 | 292 | 277 | 264 | 249 | 231 | 209 | 192 | 174 | 157 | 144 | 5 | 89 |
| 6 | 323 | 307 | 292 | 277 | 262 | 242 | 222 | 203 | 185 | 166 | 150 | 6 | 98 |
| 7 | 336 | 320 | 305 | 288 | 273 | 253 | 231 | 211 | 192 | 172 | 157 | 7 | 107 |
| 8 | 351 | 334 | 316 | 301 | 283 | 264 | 240 | 220 | 201 | 181 | 164 | 8 | 129 |
| 10 | 373 | 355 | 338 | 320 | 303 | 281 | 255 | 235 | 214 | 192 | 174 | 10 | 148 |
| 11 | 392 | 373 | 353 | 336 | 316 | 294 | 268 | 246 | 225 | 201 | 183 | 11 | 161 |
| 12 | 403 | 384 | 364 | 344 | 327 | 303 | 277 | 253 | 231 | 207 | 187 | 12 | 179 |
| 13 | 419 | 399 | 379 | 360 | 340 | 316 | 288 | 264 | 240 | 216 | 196 | 13 | 192 |
| 14 | 447 | 425 | 403 | 384 | 362 | 336 | 305 | 281 | 255 | 229 | 209 | 14 | 214 |
| 15 | 469 | 447 | 425 | 403 | 379 | 353 | 323 | 294 | 268 | 242 | 218 | 15 | 231 |
| 16 | 488 | 464 | 440 | 419 | 395 | 366 | 334 | 307 | 279 | 251 | 227 | 16 | 255 |
| 17 | 506 | 482 | 458 | 434 | 410 | 382 | 347 | 318 | 290 | 259 | 235 | 17 | 270 |
| 18 | 534 | 508 | 482 | 458 | 432 | 401 | 366 | 336 | 305 | 275 | 249 | 18 | 294 |
| 19 | 556 | 530 | 504 | 477 | 451 | 419 | 382 | 349 | 318 | 286 | 259 | 19 | 312 |
| 20 | 576 | 547 | 519 | 493 | 464 | 432 | 395 | 362 | 329 | 296 | 268 | 20 | 329 |
| 21 | 597 | 569 | 541 | 512 | 484 | 449 | 410 | 375 | 342 | 307 | 279 | 21 | 375 |
| 22 | 630 | 600 | 569 | 541 | 510 | 473 | 432 | 397 | 360 | 325 | 294 | | |
| 23 | 654 | 623 | 593 | 560 | 530 | 493 | 449 | 412 | 375 | 336 | 305 | | |
| 24 | 685 | 652 | 619 | 586 | 554 | 514 | 469 | 429 | 390 | 351 | 320 | | |
| 25 | 739 | 704 | 669 | 634 | 600 | 556 | 508 | 464 | 423 | 379 | 344 | | |
| 26 | 802 | 763 | 726 | 687 | 650 | 604 | 549 | 504 | 458 | 412 | 375 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 40

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 47 | 45 | 42 | 40 | 38 | 36 | 33 | 31 | 29 | 26 | 24 | 1 | 9 |
| 2 | 65 | 62 | 59 | 56 | 53 | 50 | 47 | 43 | 40 | 37 | 33 | 2 | 11 |
| 3 | 74 | 70 | 66 | 63 | 60 | 56 | 53 | 48 | 45 | 42 | 38 | 3 | 15 |
| 4 | 81 | 78 | 74 | 70 | 66 | 62 | 58 | 53 | 50 | 46 | 42 | 4 | 18 |
| 5 | 92 | 87 | 83 | 79 | 74 | 70 | 66 | 60 | 56 | 51 | 47 | 5 | 21 |
| 6 | 104 | 99 | 94 | 89 | 84 | 79 | 74 | 68 | 63 | 58 | 53 | 6 | 27 |
| 7 | 113 | 108 | 102 | 97 | 92 | 86 | 81 | 74 | 69 | 64 | 58 | 7 | 33 |
| 8 | 123 | 117 | 112 | 105 | 100 | 94 | 88 | 81 | 75 | 69 | 63 | 8 | 40 |
| 10 | 133 | 126 | 120 | 114 | 107 | 101 | 95 | 87 | 81 | 74 | 68 | 10 | 50 |
| 11 | 144 | 137 | 130 | 123 | 117 | 110 | 103 | 94 | 87 | 81 | 74 | 11 | 61 |
| 12 | 157 | 149 | 142 | 135 | 127 | 120 | 112 | 103 | 95 | 88 | 81 | 12 | 71 |
| 13 | 169 | 161 | 153 | 144 | 136 | 128 | 120 | 111 | 103 | 95 | 87 | 13 | 84 |
| 14 | 182 | 174 | 165 | 156 | 148 | 139 | 130 | 120 | 111 | 102 | 94 | 14 | 99 |
| 15 | 200 | 191 | 182 | 172 | 162 | 153 | 143 | 132 | 122 | 113 | 103 | 15 | 119 |
| 16 | 221 | 210 | 200 | 189 | 179 | 168 | 157 | 145 | 135 | 124 | 113 | 16 | 144 |
| 17 | 244 | 232 | 220 | 209 | 197 | 185 | 174 | 160 | 148 | 137 | 125 | 17 | 174 |
| 18 | 266 | 254 | 241 | 228 | 216 | 203 | 190 | 175 | 162 | 149 | 137 | 18 | 207 |
| 19 | 290 | 277 | 263 | 249 | 235 | 221 | 208 | 191 | 177 | 163 | 149 | 19 | 247 |
| 20 | 322 | 306 | 291 | 276 | 260 | 245 | 230 | 211 | 196 | 180 | 166 | 20 | 293 |
| 21 | 357 | 340 | 324 | 306 | 290 | 272 | 255 | 235 | 218 | 201 | 184 | 21 | 406 |
| 22 | 403 | 384 | 365 | 345 | 326 | 307 | 288 | 265 | 246 | 226 | 207 | | |
| 23 | 451 | 430 | 408 | 387 | 365 | 343 | 322 | 296 | 275 | 254 | 232 | | |
| 24 | 523 | 498 | 473 | 448 | 423 | 398 | 373 | 343 | 319 | 294 | 269 | | |
| 25 | 643 | 613 | 582 | 551 | 521 | 490 | 459 | 423 | 392 | 361 | 331 | | |
| 26 | 790 | 752 | 714 | 677 | 639 | 601 | 564 | 519 | 481 | 444 | 406 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 246 | 235 | 224 | 211 | 200 | 187 | 168 | 155 | 142 | 128 | 115 | 1 | 56 |
| 2 | 280 | 267 | 254 | 240 | 227 | 211 | 192 | 176 | 160 | 144 | 131 | 2 | 67 |
| 3 | 326 | 310 | 294 | 278 | 264 | 246 | 224 | 206 | 187 | 168 | 152 | 3 | 83 |
| 4 | 352 | 336 | 320 | 302 | 286 | 267 | 243 | 222 | 203 | 182 | 166 | 4 | 93 |
| 5 | 376 | 358 | 339 | 323 | 304 | 283 | 256 | 235 | 214 | 192 | 176 | 5 | 109 |
| 6 | 395 | 376 | 358 | 339 | 320 | 296 | 272 | 248 | 227 | 203 | 184 | 6 | 120 |
| 7 | 411 | 392 | 374 | 352 | 334 | 310 | 283 | 259 | 235 | 211 | 192 | 7 | 131 |
| 8 | 430 | 409 | 387 | 368 | 347 | 323 | 294 | 270 | 246 | 222 | 200 | 8 | 158 |
| 10 | 457 | 435 | 414 | 392 | 371 | 344 | 312 | 288 | 262 | 235 | 214 | 10 | 182 |
| 11 | 481 | 457 | 433 | 411 | 387 | 360 | 328 | 302 | 275 | 246 | 224 | 11 | 198 |
| 12 | 494 | 470 | 446 | 422 | 401 | 371 | 339 | 310 | 283 | 254 | 230 | 12 | 219 |
| 13 | 513 | 489 | 465 | 441 | 417 | 387 | 352 | 323 | 294 | 264 | 240 | 13 | 235 |
| 14 | 547 | 521 | 494 | 470 | 443 | 411 | 374 | 344 | 312 | 280 | 256 | 14 | 262 |
| 15 | 574 | 547 | 521 | 494 | 465 | 433 | 395 | 360 | 328 | 296 | 267 | 15 | 283 |
| 16 | 598 | 569 | 539 | 513 | 483 | 449 | 409 | 376 | 342 | 307 | 278 | 16 | 312 |
| 17 | 619 | 590 | 561 | 531 | 502 | 467 | 425 | 390 | 355 | 318 | 288 | 17 | 331 |
| 18 | 654 | 622 | 590 | 561 | 529 | 491 | 449 | 411 | 374 | 336 | 304 | 18 | 360 |
| 19 | 681 | 649 | 617 | 585 | 553 | 513 | 467 | 427 | 390 | 350 | 318 | 19 | 382 |
| 20 | 705 | 670 | 635 | 603 | 569 | 529 | 483 | 443 | 403 | 363 | 328 | 20 | 403 |
| 21 | 732 | 697 | 662 | 627 | 593 | 550 | 502 | 459 | 419 | 376 | 342 | 21 | 459 |
| 22 | 772 | 734 | 697 | 662 | 625 | 579 | 529 | 486 | 441 | 398 | 360 | | |
| 23 | 801 | 764 | 726 | 686 | 649 | 603 | 550 | 505 | 459 | 411 | 374 | | |
| 24 | 838 | 798 | 758 | 718 | 678 | 630 | 574 | 526 | 478 | 430 | 392 | | |
| 25 | 905 | 862 | 820 | 777 | 734 | 681 | 622 | 569 | 518 | 465 | 422 | | |
| 26 | 983 | 935 | 889 | 841 | 796 | 740 | 673 | 617 | 561 | 505 | 459 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 41**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 49 | 46 | 44 | 42 | 39 | 37 | 35 | 32 | 29 | 27 | 25 | 1 | 10 |
| 2 | 67 | 64 | 61 | 58 | 54 | 51 | 48 | 44 | 41 | 38 | 35 | 2 | 11 |
| 3 | 76 | 72 | 68 | 65 | 61 | 58 | 54 | 50 | 46 | 43 | 39 | 3 | 15 |
| 4 | 84 | 80 | 76 | 72 | 68 | 64 | 60 | 55 | 51 | 47 | 44 | 4 | 19 |
| 5 | 95 | 90 | 86 | 81 | 77 | 72 | 68 | 62 | 58 | 53 | 49 | 5 | 22 |
| 6 | 107 | 102 | 97 | 92 | 86 | 81 | 76 | 70 | 65 | 60 | 55 | 6 | 28 |
| 7 | 117 | 111 | 106 | 100 | 95 | 89 | 84 | 77 | 71 | 66 | 60 | 7 | 35 |
| 8 | 127 | 121 | 115 | 109 | 103 | 97 | 91 | 83 | 77 | 72 | 65 | 8 | 41 |
| 10 | 137 | 131 | 124 | 118 | 111 | 104 | 98 | 90 | 84 | 77 | 70 | 10 | 52 |
| 11 | 148 | 141 | 134 | 127 | 120 | 113 | 106 | 97 | 90 | 83 | 76 | 11 | 63 |
| 12 | 162 | 154 | 147 | 139 | 131 | 124 | 116 | 106 | 99 | 91 | 83 | 12 | 74 |
| 13 | 174 | 166 | 157 | 149 | 141 | 132 | 124 | 115 | 106 | 98 | 90 | 13 | 86 |
| 14 | 188 | 179 | 170 | 161 | 152 | 143 | 134 | 124 | 115 | 106 | 97 | 14 | 102 |
| 15 | 207 | 197 | 188 | 177 | 168 | 157 | 148 | 136 | 126 | 116 | 106 | 15 | 123 |
| 16 | 228 | 217 | 206 | 195 | 184 | 173 | 163 | 150 | 139 | 128 | 117 | 16 | 149 |
| 17 | 252 | 239 | 227 | 216 | 204 | 191 | 180 | 165 | 153 | 141 | 129 | 17 | 179 |
| 18 | 275 | 262 | 249 | 236 | 223 | 209 | 196 | 180 | 168 | 154 | 141 | 18 | 214 |
| 19 | 300 | 285 | 271 | 257 | 243 | 228 | 214 | 197 | 182 | 168 | 154 | 19 | 255 |
| 20 | 332 | 316 | 300 | 285 | 269 | 253 | 237 | 218 | 202 | 186 | 171 | 20 | 303 |
| 21 | 369 | 351 | 334 | 316 | 299 | 281 | 264 | 243 | 225 | 207 | 189 | 21 | 419 |
| 22 | 416 | 396 | 376 | 356 | 337 | 317 | 297 | 273 | 253 | 234 | 214 | | |
| 23 | 466 | 444 | 421 | 399 | 377 | 355 | 333 | 306 | 284 | 262 | 239 | | |
| 24 | 540 | 514 | 488 | 463 | 437 | 411 | 385 | 355 | 329 | 303 | 278 | | |
| 25 | 664 | 632 | 601 | 569 | 538 | 506 | 474 | 436 | 404 | 373 | 342 | | |
| 26 | 815 | 776 | 737 | 699 | 660 | 621 | 582 | 536 | 497 | 458 | 419 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 297 | 284 | 271 | 255 | 242 | 226 | 203 | 187 | 171 | 155 | 139 | 1 | 68 |
| 2 | 339 | 323 | 307 | 291 | 275 | 255 | 233 | 213 | 194 | 174 | 158 | 2 | 81 |
| 3 | 394 | 375 | 355 | 336 | 320 | 297 | 271 | 249 | 226 | 203 | 184 | 3 | 100 |
| 4 | 426 | 407 | 388 | 365 | 346 | 323 | 294 | 268 | 245 | 220 | 200 | 4 | 113 |
| 5 | 455 | 433 | 410 | 391 | 368 | 342 | 310 | 284 | 258 | 233 | 213 | 5 | 132 |
| 6 | 478 | 455 | 433 | 410 | 388 | 359 | 329 | 300 | 275 | 245 | 223 | 6 | 145 |
| 7 | 497 | 475 | 452 | 426 | 404 | 375 | 342 | 313 | 284 | 255 | 233 | 7 | 158 |
| 8 | 520 | 494 | 468 | 446 | 420 | 391 | 355 | 326 | 297 | 268 | 242 | 8 | 191 |
| 10 | 552 | 526 | 501 | 475 | 449 | 417 | 378 | 349 | 317 | 284 | 258 | 10 | 220 |
| 11 | 581 | 552 | 523 | 497 | 468 | 436 | 397 | 365 | 333 | 297 | 271 | 11 | 239 |
| 12 | 598 | 568 | 539 | 510 | 485 | 449 | 410 | 375 | 342 | 307 | 278 | 12 | 265 |
| 13 | 620 | 591 | 562 | 533 | 504 | 468 | 426 | 391 | 355 | 320 | 291 | 13 | 284 |
| 14 | 662 | 630 | 598 | 568 | 536 | 497 | 452 | 417 | 378 | 339 | 310 | 14 | 317 |
| 15 | 694 | 662 | 630 | 598 | 562 | 523 | 478 | 436 | 397 | 359 | 323 | 15 | 342 |
| 16 | 724 | 688 | 652 | 620 | 585 | 543 | 494 | 455 | 413 | 371 | 336 | 16 | 378 |
| 17 | 749 | 714 | 678 | 643 | 607 | 565 | 514 | 472 | 430 | 384 | 349 | 17 | 401 |
| 18 | 791 | 753 | 714 | 678 | 640 | 594 | 543 | 497 | 452 | 407 | 368 | 18 | 436 |
| 19 | 824 | 785 | 746 | 707 | 669 | 620 | 565 | 517 | 472 | 423 | 384 | 19 | 462 |
| 20 | 853 | 811 | 769 | 730 | 688 | 640 | 585 | 536 | 488 | 439 | 397 | 20 | 488 |
| 21 | 885 | 843 | 801 | 759 | 717 | 665 | 607 | 556 | 507 | 455 | 413 | 21 | 556 |
| 22 | 933 | 888 | 843 | 801 | 756 | 701 | 640 | 588 | 533 | 481 | 436 | | |
| 23 | 969 | 924 | 879 | 830 | 785 | 730 | 665 | 610 | 556 | 497 | 452 | | |
| 24 | 1014 | 966 | 917 | 869 | 820 | 762 | 694 | 636 | 578 | 520 | 475 | | |
| 25 | 1095 | 1043 | 992 | 940 | 888 | 824 | 753 | 688 | 627 | 562 | 510 | | |
| 26 | 1189 | 1131 | 1076 | 1017 | 963 | 895 | 814 | 746 | 678 | 610 | 556 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 43

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 46 | 43 | 41 | 39 | 37 | 35 | 32 | 30 | 28 | 25 | 23 | 1 | 9 |
| 2 | 63 | 60 | 57 | 54 | 51 | 48 | 45 | 41 | 38 | 35 | 32 | 2 | 10 |
| 3 | 71 | 68 | 64 | 61 | 58 | 54 | 51 | 47 | 43 | 40 | 37 | 3 | 14 |
| 4 | 79 | 75 | 71 | 68 | 64 | 60 | 56 | 52 | 48 | 44 | 41 | 4 | 17 |
| 5 | 89 | 85 | 80 | 76 | 72 | 68 | 64 | 58 | 54 | 50 | 46 | 5 | 20 |
| 6 | 100 | 95 | 91 | 86 | 81 | 76 | 71 | 66 | 61 | 56 | 52 | 6 | 26 |
| 7 | 110 | 104 | 99 | 94 | 89 | 83 | 79 | 72 | 67 | 62 | 56 | 7 | 32 |
| 8 | 119 | 113 | 108 | 102 | 97 | 91 | 85 | 78 | 73 | 67 | 61 | 8 | 38 |
| 10 | 128 | 122 | 116 | 110 | 104 | 98 | 92 | 85 | 79 | 72 | 66 | 10 | 49 |
| 11 | 139 | 133 | 126 | 119 | 113 | 106 | 100 | 91 | 85 | 78 | 71 | 11 | 59 |
| 12 | 152 | 145 | 137 | 130 | 123 | 116 | 109 | 100 | 92 | 85 | 78 | 12 | 69 |
| 13 | 163 | 155 | 148 | 140 | 132 | 124 | 116 | 107 | 100 | 92 | 84 | 13 | 81 |
| 14 | 176 | 168 | 160 | 151 | 143 | 134 | 126 | 116 | 107 | 99 | 91 | 14 | 95 |
| 15 | 194 | 185 | 176 | 166 | 157 | 148 | 139 | 128 | 118 | 109 | 100 | 15 | 115 |
| 16 | 214 | 203 | 193 | 183 | 173 | 163 | 152 | 140 | 130 | 120 | 110 | 16 | 140 |
| 17 | 236 | 224 | 213 | 202 | 191 | 179 | 169 | 155 | 143 | 133 | 121 | 17 | 168 |
| 18 | 257 | 245 | 233 | 221 | 209 | 196 | 184 | 169 | 157 | 145 | 133 | 18 | 200 |
| 19 | 281 | 268 | 254 | 241 | 227 | 214 | 201 | 185 | 171 | 158 | 145 | 19 | 239 |
| 20 | 311 | 296 | 281 | 267 | 252 | 237 | 223 | 205 | 190 | 175 | 160 | 20 | 284 |
| 21 | 346 | 329 | 313 | 296 | 280 | 263 | 247 | 227 | 211 | 194 | 178 | 21 | 393 |
| 22 | 390 | 371 | 353 | 334 | 316 | 297 | 278 | 256 | 238 | 219 | 200 | | |
| 23 | 437 | 416 | 395 | 374 | 353 | 332 | 312 | 287 | 266 | 245 | 224 | | |
| 24 | 506 | 482 | 458 | 434 | 410 | 385 | 361 | 332 | 308 | 284 | 260 | | |
| 25 | 622 | 593 | 563 | 533 | 504 | 474 | 445 | 409 | 379 | 350 | 320 | | |
| 26 | 764 | 728 | 691 | 655 | 619 | 582 | 546 | 502 | 466 | 430 | 393 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 188 | 180 | 171 | 161 | 153 | 143 | 129 | 118 | 108 | 98 | 88 | 1 | 43 |
| 2 | 214 | 204 | 194 | 184 | 173 | 161 | 147 | 135 | 122 | 110 | 100 | 2 | 51 |
| 3 | 249 | 237 | 224 | 212 | 202 | 188 | 171 | 157 | 143 | 129 | 116 | 3 | 63 |
| 4 | 269 | 257 | 245 | 231 | 218 | 204 | 186 | 169 | 155 | 139 | 126 | 4 | 71 |
| 5 | 288 | 273 | 259 | 247 | 233 | 216 | 196 | 180 | 163 | 147 | 135 | 5 | 84 |
| 6 | 302 | 288 | 273 | 259 | 245 | 226 | 208 | 190 | 173 | 155 | 141 | 6 | 92 |
| 7 | 314 | 300 | 286 | 269 | 255 | 237 | 216 | 198 | 180 | 161 | 147 | 7 | 100 |
| 8 | 328 | 312 | 296 | 282 | 265 | 247 | 224 | 206 | 188 | 169 | 153 | 8 | 120 |
| 10 | 349 | 333 | 316 | 300 | 284 | 263 | 239 | 220 | 200 | 180 | 163 | 10 | 139 |
| 11 | 367 | 349 | 330 | 314 | 296 | 275 | 251 | 231 | 210 | 188 | 171 | 11 | 151 |
| 12 | 377 | 359 | 341 | 322 | 306 | 284 | 259 | 237 | 216 | 194 | 175 | 12 | 167 |
| 13 | 392 | 373 | 355 | 337 | 318 | 296 | 269 | 247 | 224 | 202 | 184 | 13 | 180 |
| 14 | 418 | 398 | 377 | 359 | 339 | 314 | 286 | 263 | 239 | 214 | 196 | 14 | 200 |
| 15 | 439 | 418 | 398 | 377 | 355 | 330 | 302 | 275 | 251 | 226 | 204 | 15 | 216 |
| 16 | 457 | 435 | 412 | 392 | 369 | 343 | 312 | 288 | 261 | 235 | 212 | 16 | 239 |
| 17 | 473 | 451 | 428 | 406 | 384 | 357 | 324 | 298 | 271 | 243 | 220 | 17 | 253 |
| 18 | 500 | 475 | 451 | 428 | 404 | 375 | 343 | 314 | 286 | 257 | 233 | 18 | 275 |
| 19 | 520 | 496 | 471 | 447 | 422 | 392 | 357 | 326 | 298 | 267 | 243 | 19 | 292 |
| 20 | 539 | 512 | 486 | 461 | 435 | 404 | 369 | 339 | 308 | 277 | 251 | 20 | 308 |
| 21 | 559 | 532 | 506 | 479 | 453 | 420 | 384 | 351 | 320 | 288 | 261 | 21 | 351 |
| 22 | 590 | 561 | 532 | 506 | 477 | 443 | 404 | 371 | 337 | 304 | 275 | | |
| 23 | 612 | 583 | 555 | 524 | 496 | 461 | 420 | 386 | 351 | 314 | 286 | | |
| 24 | 641 | 610 | 579 | 549 | 518 | 481 | 439 | 402 | 365 | 328 | 300 | | |
| 25 | 692 | 659 | 626 | 594 | 561 | 520 | 475 | 435 | 396 | 355 | 322 | | |
| 26 | 751 | 714 | 679 | 643 | 608 | 565 | 514 | 471 | 428 | 386 | 351 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 47**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 44 | 42 | 39 | 38 | 35 | 34 | 31 | 29 | 27 | 24 | 23 | 1 | 9 |
| 2 | 61 | 58 | 55 | 52 | 49 | 46 | 44 | 40 | 37 | 34 | 31 | 2 | 10 |
| 3 | 69 | 66 | 62 | 59 | 56 | 52 | 49 | 45 | 42 | 39 | 35 | 3 | 14 |
| 4 | 76 | 73 | 69 | 66 | 61 | 58 | 55 | 50 | 46 | 43 | 39 | 4 | 17 |
| 5 | 86 | 82 | 78 | 74 | 70 | 66 | 61 | 56 | 52 | 48 | 44 | 5 | 20 |
| 6 | 97 | 92 | 88 | 83 | 78 | 74 | 69 | 64 | 59 | 55 | 50 | 6 | 26 |
| 7 | 106 | 101 | 96 | 91 | 86 | 81 | 76 | 70 | 64 | 60 | 55 | 7 | 31 |
| 8 | 115 | 110 | 104 | 99 | 93 | 88 | 82 | 75 | 70 | 65 | 59 | 8 | 37 |
| 10 | 124 | 118 | 113 | 107 | 100 | 95 | 89 | 82 | 76 | 70 | 64 | 10 | 47 |
| 11 | 135 | 128 | 122 | 115 | 109 | 103 | 96 | 88 | 82 | 75 | 69 | 11 | 57 |
| 12 | 147 | 140 | 133 | 126 | 119 | 112 | 105 | 96 | 89 | 82 | 75 | 12 | 67 |
| 13 | 158 | 150 | 143 | 135 | 128 | 120 | 113 | 104 | 96 | 89 | 81 | 13 | 78 |
| 14 | 171 | 162 | 154 | 146 | 138 | 130 | 122 | 112 | 104 | 96 | 88 | 14 | 92 |
| 15 | 187 | 179 | 170 | 161 | 152 | 143 | 134 | 124 | 114 | 106 | 96 | 15 | 111 |
| 16 | 206 | 197 | 187 | 177 | 167 | 157 | 147 | 136 | 126 | 116 | 106 | 16 | 135 |
| 17 | 228 | 217 | 206 | 195 | 184 | 173 | 163 | 150 | 139 | 128 | 117 | 17 | 162 |
| 18 | 249 | 237 | 226 | 213 | 202 | 190 | 178 | 164 | 152 | 140 | 128 | 18 | 194 |
| 19 | 271 | 259 | 246 | 233 | 220 | 207 | 194 | 179 | 165 | 153 | 140 | 19 | 231 |
| 20 | 301 | 287 | 272 | 258 | 244 | 229 | 215 | 198 | 183 | 169 | 155 | 20 | 274 |
| 21 | 334 | 318 | 303 | 287 | 271 | 255 | 239 | 220 | 204 | 188 | 172 | 21 | 380 |
| 22 | 377 | 359 | 341 | 323 | 305 | 287 | 269 | 248 | 230 | 212 | 194 | | |
| 23 | 422 | 402 | 382 | 362 | 342 | 321 | 302 | 277 | 258 | 237 | 217 | | |
| 24 | 489 | 466 | 443 | 419 | 396 | 372 | 349 | 321 | 298 | 275 | 252 | | |
| 25 | 601 | 573 | 545 | 516 | 487 | 458 | 430 | 396 | 367 | 338 | 310 | | |
| 26 | 739 | 704 | 668 | 633 | 598 | 563 | 528 | 485 | 450 | 415 | 380 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 204 | 195 | 186 | 175 | 167 | 155 | 140 | 129 | 118 | 107 | 95 | 1 | 47 |
| 2 | 233 | 222 | 211 | 200 | 189 | 175 | 160 | 147 | 133 | 120 | 109 | 2 | 56 |
| 3 | 271 | 258 | 244 | 231 | 220 | 204 | 186 | 171 | 155 | 140 | 127 | 3 | 69 |
| 4 | 293 | 280 | 266 | 251 | 238 | 222 | 202 | 184 | 169 | 151 | 138 | 4 | 78 |
| 5 | 313 | 297 | 282 | 269 | 253 | 235 | 213 | 195 | 178 | 160 | 147 | 5 | 91 |
| 6 | 329 | 313 | 297 | 282 | 266 | 246 | 226 | 206 | 189 | 169 | 153 | 6 | 100 |
| 7 | 342 | 326 | 311 | 293 | 278 | 258 | 235 | 215 | 195 | 175 | 160 | 7 | 109 |
| 8 | 357 | 340 | 322 | 306 | 289 | 269 | 244 | 224 | 204 | 184 | 167 | 8 | 131 |
| 10 | 380 | 362 | 344 | 326 | 309 | 286 | 260 | 240 | 218 | 195 | 178 | 10 | 151 |
| 11 | 400 | 380 | 360 | 342 | 322 | 300 | 273 | 251 | 229 | 204 | 186 | 11 | 164 |
| 12 | 411 | 391 | 371 | 351 | 333 | 309 | 282 | 258 | 235 | 211 | 191 | 12 | 182 |
| 13 | 426 | 406 | 386 | 366 | 346 | 322 | 293 | 269 | 244 | 220 | 200 | 13 | 195 |
| 14 | 455 | 433 | 411 | 391 | 369 | 342 | 311 | 286 | 260 | 233 | 213 | 14 | 218 |
| 15 | 477 | 455 | 433 | 411 | 386 | 360 | 329 | 300 | 273 | 246 | 222 | 15 | 235 |
| 16 | 497 | 473 | 448 | 426 | 402 | 373 | 340 | 313 | 284 | 255 | 231 | 16 | 260 |
| 17 | 515 | 491 | 466 | 442 | 417 | 389 | 353 | 324 | 295 | 264 | 240 | 17 | 275 |
| 18 | 544 | 517 | 491 | 466 | 440 | 408 | 373 | 342 | 311 | 280 | 253 | 18 | 300 |
| 19 | 566 | 539 | 513 | 486 | 460 | 426 | 389 | 355 | 324 | 291 | 264 | 19 | 317 |
| 20 | 586 | 557 | 528 | 502 | 473 | 440 | 402 | 369 | 335 | 302 | 273 | 20 | 335 |
| 21 | 608 | 579 | 551 | 522 | 493 | 457 | 417 | 382 | 349 | 313 | 284 | 21 | 382 |
| 22 | 642 | 611 | 579 | 551 | 519 | 482 | 440 | 404 | 366 | 331 | 300 | | |
| 23 | 666 | 635 | 604 | 571 | 539 | 502 | 457 | 420 | 382 | 342 | 311 | | |
| 24 | 697 | 664 | 630 | 597 | 564 | 524 | 477 | 437 | 397 | 357 | 326 | | |
| 25 | 753 | 717 | 682 | 646 | 611 | 566 | 517 | 473 | 431 | 386 | 351 | | |
| 26 | 817 | 777 | 739 | 699 | 662 | 615 | 559 | 513 | 466 | 420 | 382 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 51

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 32 | 30 | 29 | 27 | 26 | 24 | 23 | 21 | 19 | 18 | 16 | 1 | 6 |
| 2 | 44 | 42 | 40 | 38 | 36 | 34 | 32 | 29 | 27 | 25 | 23 | 2 | 7 |
| 3 | 50 | 47 | 45 | 43 | 40 | 38 | 36 | 33 | 30 | 28 | 26 | 3 | 10 |
| 4 | 55 | 53 | 50 | 47 | 45 | 42 | 39 | 36 | 34 | 31 | 29 | 4 | 12 |
| 5 | 62 | 59 | 56 | 53 | 50 | 47 | 45 | 41 | 38 | 35 | 32 | 5 | 14 |
| 6 | 70 | 67 | 63 | 60 | 57 | 53 | 50 | 46 | 43 | 39 | 36 | 6 | 18 |
| 7 | 77 | 73 | 69 | 66 | 62 | 58 | 55 | 50 | 47 | 43 | 39 | 7 | 23 |
| 8 | 83 | 79 | 76 | 71 | 68 | 63 | 60 | 55 | 51 | 47 | 43 | 8 | 27 |
| 10 | 90 | 86 | 81 | 77 | 73 | 68 | 64 | 59 | 55 | 50 | 46 | 10 | 34 |
| 11 | 97 | 93 | 88 | 84 | 79 | 74 | 70 | 64 | 59 | 55 | 50 | 11 | 41 |
| 12 | 106 | 101 | 96 | 91 | 86 | 81 | 76 | 70 | 65 | 60 | 55 | 12 | 48 |
| 13 | 114 | 109 | 103 | 98 | 92 | 87 | 81 | 75 | 70 | 64 | 59 | 13 | 57 |
| 14 | 123 | 118 | 112 | 106 | 100 | 94 | 88 | 81 | 75 | 69 | 63 | 14 | 67 |
| 15 | 136 | 129 | 123 | 116 | 110 | 103 | 97 | 89 | 83 | 76 | 70 | 15 | 81 |
| 16 | 150 | 142 | 135 | 128 | 121 | 114 | 107 | 98 | 91 | 84 | 77 | 16 | 98 |
| 17 | 165 | 157 | 149 | 142 | 134 | 126 | 118 | 108 | 100 | 93 | 85 | 17 | 118 |
| 18 | 180 | 172 | 163 | 155 | 146 | 137 | 129 | 118 | 110 | 101 | 93 | 18 | 140 |
| 19 | 197 | 187 | 178 | 168 | 159 | 150 | 141 | 129 | 120 | 110 | 101 | 19 | 168 |
| 20 | 218 | 207 | 197 | 187 | 176 | 166 | 156 | 143 | 133 | 122 | 112 | 20 | 199 |
| 21 | 242 | 231 | 219 | 207 | 196 | 184 | 173 | 159 | 147 | 136 | 124 | 21 | 275 |
| 22 | 273 | 260 | 247 | 234 | 221 | 208 | 195 | 179 | 166 | 153 | 140 | | |
| 23 | 306 | 291 | 276 | 262 | 247 | 233 | 218 | 201 | 186 | 172 | 157 | | |
| 24 | 354 | 337 | 320 | 304 | 287 | 270 | 253 | 233 | 216 | 199 | 182 | | |
| 25 | 436 | 415 | 394 | 373 | 353 | 332 | 311 | 286 | 265 | 245 | 224 | | |
| 26 | 535 | 509 | 484 | 459 | 433 | 407 | 382 | 352 | 326 | 301 | 275 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|-----------|------------|--------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990-1996 | Symbol (b) | 1989 & prior |
| 1 | 203 | 194 | 186 | 175 | 166 | 155 | 139 | 128 | 117 | 106 | 95 | 1 | 46 |
| 2 | 232 | 221 | 210 | 199 | 188 | 175 | 159 | 146 | 133 | 119 | 108 | 2 | 55 |
| 3 | 270 | 256 | 243 | 230 | 219 | 203 | 186 | 170 | 155 | 139 | 126 | 3 | 69 |
| 4 | 292 | 278 | 265 | 250 | 236 | 221 | 201 | 183 | 168 | 150 | 137 | 4 | 77 |
| 5 | 312 | 296 | 281 | 267 | 252 | 234 | 212 | 194 | 177 | 159 | 146 | 5 | 91 |
| 6 | 327 | 312 | 296 | 281 | 265 | 245 | 225 | 206 | 188 | 168 | 152 | 6 | 99 |
| 7 | 340 | 325 | 309 | 292 | 276 | 256 | 234 | 214 | 194 | 175 | 159 | 7 | 108 |
| 8 | 356 | 338 | 320 | 305 | 287 | 267 | 243 | 223 | 203 | 183 | 166 | 8 | 130 |
| 10 | 378 | 360 | 343 | 325 | 307 | 285 | 259 | 239 | 217 | 194 | 177 | 10 | 150 |
| 11 | 398 | 378 | 358 | 340 | 320 | 298 | 272 | 250 | 228 | 203 | 186 | 11 | 164 |
| 12 | 409 | 389 | 369 | 349 | 332 | 307 | 281 | 256 | 234 | 210 | 190 | 12 | 181 |
| 13 | 424 | 404 | 385 | 365 | 345 | 320 | 292 | 267 | 243 | 219 | 199 | 13 | 194 |
| 14 | 453 | 431 | 409 | 389 | 367 | 340 | 309 | 285 | 259 | 232 | 212 | 14 | 217 |
| 15 | 475 | 453 | 431 | 409 | 385 | 358 | 327 | 298 | 272 | 245 | 221 | 15 | 234 |
| 16 | 495 | 471 | 446 | 424 | 400 | 371 | 338 | 312 | 283 | 254 | 230 | 16 | 259 |
| 17 | 513 | 488 | 464 | 440 | 415 | 387 | 351 | 323 | 294 | 263 | 239 | 17 | 274 |
| 18 | 541 | 515 | 488 | 464 | 438 | 407 | 371 | 340 | 309 | 278 | 252 | 18 | 298 |
| 19 | 564 | 537 | 511 | 484 | 457 | 424 | 387 | 354 | 323 | 290 | 263 | 19 | 316 |
| 20 | 583 | 555 | 526 | 499 | 471 | 438 | 400 | 367 | 334 | 301 | 272 | 20 | 334 |
| 21 | 606 | 577 | 548 | 519 | 491 | 455 | 415 | 380 | 347 | 312 | 283 | 21 | 380 |
| 22 | 639 | 608 | 577 | 548 | 517 | 480 | 438 | 402 | 365 | 329 | 298 | | |
| 23 | 663 | 632 | 601 | 568 | 537 | 499 | 455 | 418 | 380 | 340 | 309 | | |
| 24 | 694 | 661 | 628 | 594 | 561 | 522 | 475 | 435 | 396 | 356 | 325 | | |
| 25 | 749 | 714 | 678 | 643 | 608 | 564 | 515 | 471 | 429 | 385 | 349 | | |
| 26 | 813 | 774 | 736 | 696 | 659 | 612 | 557 | 511 | 464 | 418 | 380 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES
TERRITORY 52**

NORTH CAROLINA (32)

| FULL COVERAGE COMPREHENSIVE (001) | | | | | | | | | | | | | |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 33 | 32 | 30 | 29 | 27 | 26 | 24 | 22 | 20 | 18 | 17 | 1 | 7 |
| 2 | 46 | 44 | 42 | 40 | 37 | 35 | 33 | 30 | 28 | 26 | 24 | 2 | 7 |
| 3 | 52 | 50 | 47 | 45 | 42 | 40 | 37 | 34 | 32 | 29 | 27 | 3 | 11 |
| 4 | 58 | 55 | 52 | 50 | 47 | 44 | 41 | 38 | 35 | 33 | 30 | 4 | 13 |
| 5 | 65 | 62 | 59 | 56 | 53 | 50 | 47 | 43 | 40 | 37 | 33 | 5 | 15 |
| 6 | 73 | 70 | 66 | 63 | 59 | 56 | 52 | 48 | 45 | 41 | 38 | 6 | 19 |
| 7 | 81 | 77 | 73 | 69 | 65 | 61 | 58 | 53 | 49 | 45 | 41 | 7 | 24 |
| 8 | 87 | 83 | 79 | 75 | 71 | 66 | 62 | 57 | 53 | 49 | 45 | 8 | 28 |
| 10 | 94 | 90 | 85 | 81 | 76 | 72 | 67 | 62 | 58 | 53 | 48 | 10 | 36 |
| 11 | 102 | 97 | 92 | 88 | 83 | 78 | 73 | 67 | 62 | 57 | 52 | 11 | 43 |
| 12 | 111 | 106 | 101 | 95 | 90 | 85 | 80 | 73 | 68 | 62 | 57 | 12 | 51 |
| 13 | 120 | 114 | 108 | 103 | 97 | 91 | 85 | 79 | 73 | 67 | 62 | 13 | 59 |
| 14 | 129 | 123 | 117 | 111 | 105 | 99 | 92 | 85 | 79 | 73 | 66 | 14 | 70 |
| 15 | 142 | 136 | 129 | 122 | 115 | 108 | 102 | 94 | 87 | 80 | 73 | 15 | 84 |
| 16 | 157 | 149 | 142 | 134 | 127 | 119 | 112 | 103 | 95 | 88 | 81 | 16 | 103 |
| 17 | 173 | 165 | 156 | 148 | 140 | 132 | 124 | 114 | 105 | 97 | 89 | 17 | 123 |
| 18 | 189 | 180 | 171 | 162 | 153 | 144 | 135 | 124 | 115 | 106 | 97 | 18 | 147 |
| 19 | 206 | 196 | 187 | 176 | 167 | 157 | 147 | 136 | 125 | 116 | 106 | 19 | 176 |
| 20 | 228 | 217 | 206 | 196 | 185 | 174 | 163 | 150 | 139 | 128 | 117 | 20 | 208 |
| 21 | 253 | 242 | 230 | 217 | 205 | 193 | 181 | 167 | 154 | 143 | 130 | 21 | 288 |
| 22 | 286 | 272 | 259 | 245 | 231 | 218 | 204 | 188 | 174 | 161 | 147 | | |
| 23 | 320 | 305 | 290 | 275 | 259 | 244 | 229 | 210 | 195 | 180 | 165 | | |
| 24 | 371 | 353 | 336 | 318 | 301 | 282 | 265 | 244 | 226 | 209 | 191 | | |
| 25 | 456 | 435 | 413 | 391 | 370 | 348 | 326 | 300 | 278 | 257 | 235 | | |
| 26 | 561 | 534 | 507 | 480 | 454 | 427 | 400 | 368 | 341 | 315 | 288 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| COLLISION DED. AMT. \$100 (074) | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|---------------|---------------|-----------------|
| Symbol (a) | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1990- 1996 | Symbol (b) | 1989 & prior |
| 1 | 220 | 210 | 201 | 189 | 179 | 167 | 151 | 139 | 127 | 115 | 103 | 1 | 50 |
| 2 | 251 | 239 | 227 | 215 | 203 | 189 | 172 | 158 | 143 | 129 | 117 | 2 | 60 |
| 3 | 292 | 277 | 263 | 249 | 237 | 220 | 201 | 184 | 167 | 151 | 136 | 3 | 74 |
| 4 | 315 | 301 | 287 | 270 | 256 | 239 | 217 | 198 | 182 | 163 | 148 | 4 | 84 |
| 5 | 337 | 320 | 304 | 289 | 272 | 253 | 229 | 210 | 191 | 172 | 158 | 5 | 98 |
| 6 | 354 | 337 | 320 | 304 | 287 | 265 | 244 | 222 | 203 | 182 | 165 | 6 | 108 |
| 7 | 368 | 351 | 335 | 315 | 299 | 277 | 253 | 232 | 210 | 189 | 172 | 7 | 117 |
| 8 | 385 | 366 | 347 | 330 | 311 | 289 | 263 | 241 | 220 | 198 | 179 | 8 | 141 |
| 10 | 409 | 390 | 370 | 351 | 332 | 308 | 280 | 258 | 234 | 210 | 191 | 10 | 163 |
| 11 | 430 | 409 | 387 | 368 | 347 | 323 | 294 | 270 | 246 | 220 | 201 | 11 | 177 |
| 12 | 442 | 421 | 399 | 378 | 359 | 332 | 304 | 277 | 253 | 227 | 206 | 12 | 196 |
| 13 | 459 | 437 | 416 | 394 | 373 | 347 | 315 | 289 | 263 | 237 | 215 | 13 | 210 |
| 14 | 490 | 466 | 442 | 421 | 397 | 368 | 335 | 308 | 280 | 251 | 229 | 14 | 234 |
| 15 | 514 | 490 | 466 | 442 | 416 | 387 | 354 | 323 | 294 | 265 | 239 | 15 | 253 |
| 16 | 535 | 509 | 483 | 459 | 433 | 402 | 366 | 337 | 306 | 275 | 249 | 16 | 280 |
| 17 | 554 | 528 | 502 | 476 | 449 | 418 | 380 | 349 | 318 | 284 | 258 | 17 | 296 |
| 18 | 586 | 557 | 528 | 502 | 473 | 440 | 402 | 368 | 335 | 301 | 272 | 18 | 323 |
| 19 | 609 | 581 | 552 | 523 | 495 | 459 | 418 | 382 | 349 | 313 | 284 | 19 | 342 |
| 20 | 631 | 600 | 569 | 540 | 509 | 473 | 433 | 397 | 361 | 325 | 294 | 20 | 361 |
| 21 | 655 | 624 | 593 | 562 | 531 | 492 | 449 | 411 | 375 | 337 | 306 | 21 | 411 |
| 22 | 691 | 657 | 624 | 593 | 559 | 519 | 473 | 435 | 394 | 356 | 323 | | |
| 23 | 717 | 684 | 650 | 614 | 581 | 540 | 492 | 452 | 411 | 368 | 335 | | |
| 24 | 750 | 715 | 679 | 643 | 607 | 564 | 514 | 471 | 428 | 385 | 351 | | |
| 25 | 810 | 772 | 734 | 695 | 657 | 609 | 557 | 509 | 464 | 416 | 378 | | |
| 26 | 880 | 837 | 796 | 753 | 712 | 662 | 602 | 552 | 502 | 452 | 411 | | |

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.

(b) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

| | Territory | Territory |
|--|---------------|---------------|
| ALAMANCE COUNTY – See Burlington-Graham and Remainder of State. | | |
| ASHEVILLE territory comprises the entire city of Asheville and all territory in Buncombe County included in the townships of Asheville, Limestone and Lower Hominy, including all of the following towns, cities or places..... | 11 | |
| Acton | Buena Vista | Luthers |
| Arden | Busbee | New Bridge |
| Asheville | Craggy | Oakley |
| School | Emma | Oteen |
| Biltmore | Enka | Shiloh |
| Forest | Haw Creek | Skyland |
| Boswell | Hominy | Woodfin |
| BEAUFORT COUNTY territory comprises all territory in Beaufort County..... | 33 | |
| BERTIE COUNTY territory comprises all territory in Bertie County..... | 33 | |
| BLADEN COUNTY territory comprises all territory in Bladen County..... | 33 | |
| BRUNSWICK COUNTY territory comprises all territory in Brunswick County not included in Wilmington territory..... | 26 | |
| BUNCOMBE COUNTY territory comprises all territory in Buncombe County not included in Asheville territory..... | 32 | |
| BURLINGTON-GRAHAM territory comprises the entire city of Burlington, the entire town of Graham, all territory in Alamance County included in Townships 3 (Boon Station), 6 (Graham), 10 (Melville), 12 (Burlington) and 13 (Haw River), the entire town of Mebane in Alamance and Orange Counties, and including all of the following towns, cities or places..... | 32 | |
| Elon College | Kirkpatrick | Richmond |
| Gibsonville | Heights | Hill |
| Glen Raven | Lake Latham | |
| Haw River | Ossipee | |
| CABARRUS COUNTY – see Concord-Kannapolis-Salisbury and Remainder of State. | | |
| CAMDEN COUNTY territory comprises all territory in Camden County..... | 33 | |
| CARTERET COUNTY territory comprises all territory in Carteret County..... | 33 | |
| CHARLOTTE territory comprises the entire city of Charlotte and all areas in Mecklenburg County except those areas with U.S. Postal Zip Codes 28025, 28026, 28031, 28036, 28075, 28078 and 28115..... | 52 | |
| CHOWAN COUNTY territory comprises all territory in Chowan County..... | | 33 |
| COLUMBUS COUNTY territory comprises all territory in Columbus County..... | | 26 |
| CONCORD-KANNAPOLIS-SALISBURY territory comprises the entire cities of Concord, Kannapolis and Salisbury, all territory in Cabarrus County included in Townships 1 (Rocky River), 2 (Poplar Tent), 4 (Kannapolis), 5 (Mount Gilead), 11 (Baptist Church) and 12 (Concord), and all territory in Rowan County included in the townships of China Grove, Franklin, Litaka and Salisbury, including all of the following towns, cities or places..... | | 32 |
| Brown- | Franklin | Roberta Mills |
| Norcott Mills | Glass | Rocky Ridge |
| China Grove | Harrisburg | Rocky River |
| Cooks | Jackson Park | South River |
| Crossing | Landis | Spencer |
| East Spencer | Majolica | Yadkin |
| Faggarts | Mount Gilead | Junction |
| Crossroads | Pharrs Mills | Yost |
| Faith | Pioneer Mills | |
| Craven County territory comprises all territory in Craven County..... | | 43 |
| CUMBERLAND COUNTY territory comprises all territory in Cumberland County not included in Fayetteville territory..... | | 26 |
| CURRITUCK COUNTY territory comprises all territory in Currituck County..... | | 33 |
| DARE COUNTY territory comprises all territory in Dare County..... | | 33 |
| DAVIDSON COUNTY – see Lexington-Thomasville and Remainder of State. | | |
| DUPLIN COUNTY territory comprises all territory in Duplin County..... | | 33 |
| DURHAM territory comprises the entire city of Durham and all territory in Durham County included in the townships of Durham, Oak Grove and Patterson, including all of the following towns, cities, or places..... | | 13 |
| Bethesda | Gorman | North Durham |
| Bilboa | Hope Valley | Oak Grove |
| Few | Joyland | Redwood |
| DURHAM COUNTY territory comprises all territory in Durham County not included in Durham territory..... | | 32 |
| EDGECOMBE COUNTY territory comprises all territory in Edgecombe County not included in Rocky Mount territory..... | | 33 |

NOTE: Refer to an atlas or map for places not listed.

| Territory | Territory |
|--|--|
| FAYETTEVILLE territory comprises the entire city of Fayetteville, all territory in the Fort Bragg and Pope Air Force Base Military Reservations in Cumberland County, and all territory in Cumberland County included in the townships of Carvers Creek, Cross Creek, Eastover, Manchester, Pearces Mill, Rockfish and Seventy First, including all of the following towns, cities or places.....40 | HERTFORD COUNTY territory comprises all territory in Hertford County 33 |
| Beard | |
| Bonnie Doone | |
| Cliffdale | |
| Cumberland | |
| Fenix | |
| Gardners | |
| Chapel | |
| Hope Mills | |
| Lakedale | |
| Linden | |
| Manchester | |
| Milan | |
| Myrtle Hill | |
| Owens | |
| Roslin | |
| Shaws | |
| Slocomb | |
| South | |
| Fayetteville | |
| Spring Lake | |
| Tokay | |
| Victory | |
| Wade | |
| FORSYTH COUNTY territory comprises all territory in Forsyth County not included in Winston-Salem territory.....32 | HIGH POINT territory comprises the entire city of High Point, the town of Westend, and all territory in Guilford County included in High Point township..... 15 |
| FRANKLIN COUNTY territory comprises all territory in Franklin County33 | HOKE COUNTY territory comprises all territory in Hoke County 26 |
| GASTON COUNTY territory comprises all territory in Gaston County25 | HYDE COUNTY territory comprises all territory in Hyde County 33 |
| GATES COUNTY territory comprises all territory in Gates County33 | JOHNSTON COUNTY territory comprises all territory in Johnston County 26 |
| GREENE COUNTY territory comprises all territory in Greene County33 | JONES COUNTY territory comprises all territory in Jones County 33 |
| GREENSBORO-HAMILTON LAKES territory comprises the entire city of Greensboro, the entire town of Hamilton Lakes and all territory in Guilford County included in the townships of Morehead and Gilmer, including all of the following towns, cities and places 14 | KINSTON territory comprises the entire city of Kinston and all territory in Lenoir County included in Kinston townships, including the following towns, cities or places..... 31 |
| Battle Ground | |
| Bessemer | |
| Four Mile | |
| Hamtown | |
| Hill Top | |
| Pomona | |
| GREENVILLE territory comprises the entire town of Greenville and all territory in Pitt County included in Greenville townships, including the following towns, cities or places.....31 | Georgetown |
| House | |
| James Mill | |
| Staton | |
| GUILFORD COUNTY territory comprises all territory in Guilford County not included in either Greensboro-Hamilton Lakes territory or High Point territory.....32 | Hines Junction |
| HALIFAX COUNTY territory comprises all territory in Halifax County33 | LEE COUNTY territory comprises all territory in Lee County 26 |
| HARNETT COUNTY territory comprises all territory in Harnett County26 | LENOIR COUNTY territory comprises all territory in Lenoir County not included in Kinston territory 33 |
| | LEXINGTON-THOMASVILLE territory comprises the entire cities of Lexington and Thomasville, all territory in Davidson County included in the townships of Lexington and Thomasville, and all territory in Randolph County included in Trinity township, including all of the following towns, cities or places 32 |
| | Archdale |
| | Arnold |
| | Cedar Lodge |
| | Fraziers |
| | Glen Anna |
| | Lake |
| | Trinity |
| | Welcome |
| | MARTIN COUNTY territory comprises all territory in Martin County 33 |
| | MECKLENBURG COUNTY territory comprises all territory in Mecklenburg County not included in Charlotte territory 51 |
| | NASH COUNTY territory comprises all territory in Nash County not included in Rocky Mount territory 33 |
| | NEW HANOVER COUNTY – see Wilmington. |
| | NORTHAMPTON COUNTY territory comprises all territory in Northampton County 33 |

NOTE: Refer to an atlas or map for places not listed.

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| Territory | | | Territory |
|---|--------------|------------|-----------|
| ONCLO COUNTY territory comprises all territory in Onslow County..... | | | 41 |
| ORANGE COUNTY – see Burlington-Graham and Remainder of State. | | | |
| PAMLICO COUNTY territory comprises all territory in Pamlico County..... | | | 33 |
| PASQUOTANK COUNTY territory comprises all territory in Pasquotank County..... | | | 33 |
| PENDER COUNTY territory comprises all territory in Pender County..... | | | 33 |
| PERQUIMANS COUNTY territory comprises all territory in Perquimans County..... | | | 33 |
| PITT COUNTY territory comprises all territory in Pitt County not included in Greenville territory..... | | | 33 |
| RALEIGH territory comprises the entire city of Raleigh, all territory in Wake County included in the townships of Cary, House Creek, Meredith, Neuse River, Raleigh, St. Mary's, St. Matthews and Swift Creek and the entire town of Knightdale in St. Matthews and Marks Creek townships, including all of the following towns, cities or places..... | | | 16 |
| Asbury | College View | Milbrook | |
| Auburn | Edgeton | Neuse | |
| Boushell | Fetner | Oakdale | |
| Camp Polk | Garner | South | |
| Caraleigh | Macedonia | Raleigh | |
| Carolina | McCullers | Westover | |
| Pines | Method | Wilders | |
| Cary | Milburnie | Grove | |
| RANDOLPH COUNTY – see Lexington-Thomasville and Remainder of State. | | | |
| ROBESON COUNTY territory comprises all territory in Robeson County..... | | | 26 |
| ROCKY MOUNT territory comprises the entire city of Rocky Mount, all territory in Nash County included in Rocky Mount and Stony Creek townships, all territory in Edgecombe County included in Township 12 (Rocky Mount), and the entire town of Sharpsburg in Edgecombe, Nash and Wilson Counties, including all of the following towns, cities or places..... | | | 31 |
| Armstrong | Dortches | Winsteads | |
| Brake | | Chapel | |
| ROWAN COUNTY – see Concord-Kannapolis-Salisbury and Remainder of State. | | | |
| SAMPSON COUNTY territory comprises all territory in Sampson County..... | | | 33 |
| SCOTLAND COUNTY territory comprises all territory in Scotland County..... | | | 26 |
| TYRRELL COUNTY territory comprises all territory in Tyrrell County..... | | | 33 |
| VANCE COUNTY territory comprises all territory in Vance County..... | | | 33 |
| WAKE COUNTY territory comprises all territory in Wake County not included in Raleigh territory..... | | | 31 |
| WARREN COUNTY territory comprises all territory in Warren County..... | | | 33 |
| WASHINGTON COUNTY territory comprises all territory in Washington County..... | | | 33 |
| WAYNE COUNTY territory comprises all territory in Wayne County..... | | | 47 |
| WILMINGTON territory comprises all of New Hanover County and in addition the following towns, cities or places..... | | | 17 |
| Belville | Lanvale | Navassa | |
| Clairmont | Leland | Woodburn | |
| El Paso | | | |
| WILSON territory comprises the entire town of Wilson and all territory in Wilson County included in the township of Wilson..... | | | 31 |
| WILSON COUNTY territory comprises all territory in Wilson County not included in the Rocky Mount or Wilson territories..... | | | 33 |
| WINSTON-SALEM territory comprises the entire city of Winston-Salem and all territory in Forsyth County included in the townships of Broadbay, Middle Fork, Old Town, South Fork and Winston, including all of the following towns, cities or places..... | | | 18 |
| Alsbaugh | Frontis | Reynolda | |
| Atwood | Hanes | Tiretown | |
| Daisy | Ogburntown | Walkertown | |
| Fisherville | Oldtown | | |
| REMAINDER OF STATE | | | 24 |

NOTE: Refer to an atlas or map for places not listed.

LIST OF IMPORTANT CITIES AND TOWNS

The following list contains all the more important cities, towns, boroughs, and villages in the state, together with their counties and territory and code assignments.

| City and County | Territory Code | City and County | Territory Code | City and County | Territory Code |
|------------------------------------|----------------|----------------------------------|----------------|---|----------------|
| A | | | | | |
| Abbey, Gaston | 25 | Bakersville, Mitchell..... | 24 | Brown-Norcott Mills, Cabarrus..... | 32 |
| Aberdeen, Moore | 24 | Balfours, Randolph..... | 24 | Bryson City, Swain | 24 |
| Acton, Buncombe..... | 11 | Bannertown, Surry | 24 | Buena Vista, Buncombe | 11 |
| Ahoskie, Hertford | 33 | Barker Heights, Henderson | 24 | Burgaw, Pender..... | 33 |
| Alamance, Alamance | 24 | Barnardsville, Buncombe | 32 | Burlington, Alamance | 32 |
| Albermarie, Stanly..... | 24 | Battle Ground, Guilford..... | 14 | Burnsville, Yancey | 24 |
| Alexander, Buncombe..... | 32 | Bayboro, Pamlico | 33 | Busbee, Buncombe | 11 |
| Alexanders Store, Mecklenburg..... | 52 | Beard, Cumberland..... | 40 | C | |
| Alexis, Gaston..... | 25 | Beattie, Gaston | 25 | Camden, Camden | 33 |
| Alsbaugh, Forsyth | 18 | Beaufort, Carteret..... | 33 | Camp LeJeune, Onslow | 41 |
| Altamahaw, Alamance | 24 | Belhaven, Beaufort..... | 33 | Camp Polk, Wake | 16 |
| Andrews, Cherokee | 24 | Belmont, Gaston | 25 | Candler, Buncombe..... | 32 |
| Angier, Harnett..... | 26 | Belmont, Halifax | 33 | Canton, Haywood | 24 |
| Apex, Wake | 31 | Belville, Brunswick | 17 | Caraleigh, Wake | 16 |
| Archdale, Randolph | 32 | Benson, Johnston | 26 | Caroleen, Rutherford | 24 |
| Arden, Buncombe | 11 | Bessemer, Guilford | 14 | Carolina Beach, New Hanover | 17 |
| Arlington, Gaston | 25 | Bessemer City, Gaston | 25 | Carolina Pines, Wake | 16 |
| Armstrong, Edgecombe | 31 | Bethel, Pitt..... | 33 | Carrboro, Orange | 24 |
| Arnold, Davidson..... | 32 | Bethesda, Durham | 13 | Carson, Mecklenburg | 52 |
| Asbury, Wake | 16 | Bilboa, Durham | 13 | Carthage, Moore..... | 24 |
| Asheboro, Randolph | 24 | Biltmore Forest, Buncombe..... | 11 | Cary, Wake..... | 16 |
| Asheville, Buncombe | 11 | Biscoe, Montgomery..... | 24 | Castalia, Nash | 33 |
| Asheville School, Buncombe | 11 | Black Mountain, Buncombe..... | 32 | Cedar Falls, Randolph..... | 24 |
| Atwood, Forsyth..... | 18 | Boger City, Lincoln | 24 | Cedar Lodge, Davidson | 32 |
| Auburn, Wake | 16 | Boiling Springs, Cleveland | 24 | Chadbourn, Columbus..... | 26 |
| Aulander, Bertie | 33 | Bonnie Doone, Cumberland | 40 | Chadwick-Hoskins Mills, Mecklenburg..... | 52 |
| Ayden, Pitt | 33 | Boogertown, Gaston | 25 | Chapel Hill, Orange | 24 |
| B | | | | | |
| Badin, Stanly..... | 24 | Boone, Watauga | 24 | Charlotte, Mecklenburg | 52 |
| Bailey, Nash..... | 33 | Boswell, Buncombe..... | 11 | Cherry Point, Craven | 43 |
| | | Boushell, Wake | 16 | | |
| | | Brake, Edgecombe..... | 31 | | |
| | | Brevard, Transylvania | 24 | | |

NOTE: Refer to an atlas or map for places not listed.

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| City and County | Territory Code | City and County | Territory Code | City and County | Territory Code |
|-------------------------------|----------------|------------------------------------|----------------|--|----------------|
| C | | D | | F | |
| Cherryville, Gaston | 25 | Dellview, Gaston | 25 | Faith, Rowan | 32 |
| China Grove, Rowan..... | 32 | Denton, Davidson..... | 24 | Farmville, Pitt..... | 33 |
| Clairmont, Brunswick | 17 | Derita, Mecklenburg..... | 52 | Fayetteville, Cumberland..... | 40 |
| Clayton, Johnston | 26 | Dobson, Surry | 24 | Fenix, Cumberland | 40 |
| Cleveland, Rowan..... | 24 | Dortches, Nash | 31 | Fetner, Wake | 16 |
| Cliffdale, Cumberland | 40 | Draper, Rockingham | 24 | Few, Durham | 13 |
| Cliffside, Rutherford | 24 | Duke Power Village, Gaston | 25 | Fisherville, Forsyth | 18 |
| Clinchfield, McDowell..... | 24 | Dunn, Harnett..... | 26 | Forest City, Rutherford | 24 |
| Clinton, Sampson..... | 33 | Durham, Durham..... | 13 | Fort Bragg, Cumberland | 40 |
| Coats, Harnett..... | 26 | E | | Fountain, Pitt | 33 |
| Coleridge, Randolph | 24 | East Gastonia, Gaston | 25 | Four Mile, Guilford | 14 |
| College View, Wake..... | 16 | East Spencer, Rowan..... | 32 | Franklin, Macon | 24 |
| Columbia, Tyrrell..... | 33 | East Wilmington, New Hanover..... | 17 | Franklin, Rowan..... | 32 |
| Columbus, Polk..... | 24 | Edenton, Chowan..... | 33 | Franklinton, Franklin | 33 |
| Concord, Cabarrus..... | 32 | Edgeton, Wake..... | 16 | Franklinville, Randolph | 24 |
| Conover, Catawba | 24 | Elizabeth City, Pasquotank | 33 | Fraziers, Randolph | 32 |
| Convent, Gaston | 25 | Elizabethtown, Bladen..... | 33 | Freeland, Brunswick | 26 |
| Cooks Crossing, Cabarrus..... | 32 | Elkin, Surry..... | 24 | Fremont, Wayne | 47 |
| Cooleemee, Davie | 24 | Eller, Davidson | 24 | Frontis, Forsyth..... | 18 |
| Cornelius, Mecklenburg | 51 | Elm City, Wilson | 33 | Fuquay Springs, Wake | 31 |
| Craggy, Buncombe | 11 | Elon College, Alamance | 32 | G | |
| Cramerton, Gaston | 25 | El Paso, Brunswick | 17 | Gardners Chapel, Cumberland..... | 40 |
| Croft, Mecklenburg..... | 52 | Emma, Buncombe..... | 11 | Garner, Wake | 16 |
| Cross Road, Surry | 24 | Enfield, Halifax | 33 | Gaston, Northampton | 33 |
| Crowders, Gaston..... | 25 | Enka, Buncombe..... | 11 | Gastonia, Gaston..... | 25 |
| Cumberland, Cumberland..... | 40 | Erwin, Harnett | 26 | Gatesville, Gates | 33 |
| Currituck, Currituck | 33 | F | | Georgetown, Lenoir | 31 |
| D | | Faggarts Crossroads, Cabarrus..... | 32 | Gibsonville, Guilford & Alamance | 32 |
| Daisy, Forsyth..... | 18 | Fair Bluff, Columbus..... | 26 | Glass, Cabarrus..... | 32 |
| Dallas, Gaston | 25 | Fairmont, Robeson..... | 26 | | |
| Danbury, Stokes | 24 | | | | |
| Davidson, Mecklenburg | 51 | | | | |

NOTE: Refer to an atlas or map for places not listed.

| City and County | Territory Code | City and County | Territory Code | City and County | Territory Code |
|----------------------------------|----------------|------------------------------------|----------------|-------------------------------------|----------------|
| G | | H | | K | |
| Glen Anna, Davidson | 32 | Hertford, Perquimans | 33 | Kings Mountain, Cleveland | 24 |
| Glen Raven, Alamance | 32 | Hickory, Catawba | 24 | Kinston, Lenoir | 31 |
| Goldsboro, Wayne | 47 | Hickory Grove, Mecklenburg | 52 | Kirkpatrick Heights, Alamance | 32 |
| Gorman, Durham | 13 | High Point, Guilford | 15 | Knightdale, Wake | 16 |
| Goshen, Gaston | 25 | High Shoals, Gaston | 25 | | |
| Graham, Alamance | 32 | Hillsboro, Orange | 24 | L | |
| Granite Falls, Caldwell | 24 | Hill Top, Guilford | 14 | La Grange, Lenoir | 33 |
| Granite Quarry, Rowan | 24 | Hines Junction, Lenoir | 31 | Lake, Davidson | 32 |
| Greenleaf, Wayne | 47 | Holly Ridge, Onslow | 41 | Lakedale, Cumberland | 40 |
| Greensboro, Guilford | 14 | Holly Springs, Wake | 31 | Lake Latham Alamance | 32 |
| Greenville, Pitt | 31 | Homestead, Mecklenburg | 52 | Landis, Rowan | 32 |
| Griffith, Mecklenburg | 52 | Hominy, Buncombe | 11 | Lanvale, Brunswick | 17 |
| Grifton, Pitt | 33 | Hope Mills, Cumberland | 40 | Laurinburg, Scotland | 26 |
| Grimesland, Pitt | 33 | Hope Valley, Durham | 13 | Leaksville, Rockingham | 24 |
| Grovemont, Buncombe | 32 | House, Pitt | 31 | Leicester, Buncombe | 32 |
| Groves, Gaston | 25 | Huntersville, Mecklenburg | 51 | Leland, Brunswick | 17 |
| Guilford, Guilford | 32 | Hutchinson, Mecklenburg | 52 | Lenoir, Caldwell | 24 |
| Guilford College, Guilford | 32 | | | Lewisville, Forsyth | 32 |
| | | J | | Lexington, Davidson | 32 |
| | | Jackson, Northampton | 33 | Liberty, Randolph | 24 |
| | | Jackson Park, Cabarrus | 32 | Lillington, Harnett | 26 |
| | | Jacksons Creek, Randolph | 24 | Lincolnton, Lincoln | 24 |
| | | Jacksonville, Onslow | 41 | Linden, Cumberland | 40 |
| | | James Mill, Pitt | 31 | Littleton, Halifax & Warren | 33 |
| | | Jamestown, Guilford | 32 | Longhurst, Person | 24 |
| | | Jefferson, Ashe | 24 | Longview, Catawba | 24 |
| | | Jonesville, Yadkin | 24 | Longwood Park, Richmond | 24 |
| | | Joyland, Durham | 13 | Louisburg, Franklin | 33 |
| | | Juno, Buncombe | 32 | Lowell, Gaston | 25 |
| | | Jupiter, Buncombe | 32 | Lucama, Wilson | 33 |
| | | | | Lucia, Gaston | 25 |
| | | K | | Lumberton, Robeson | 26 |
| | | Kannapolis, Cabarrus & Rowan | 32 | Luthers, Buncombe | 11 |
| | | Kenly, Johnston | 26 | | |
| | | Kernersville, Forsyth | 32 | | |

NOTE: Refer to an atlas or map for places not listed.

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| City and County | Territory Code | City and County | Territory Code | City and County | Territory Code |
|---------------------------------|----------------|----------------------------------|----------------|--|----------------|
| M | | | | | |
| McAdenville, Gaston | 25 | Mount Olive, Wayne | 47 | Paw Creek, Mecklenburg | 52 |
| McCullers, Wake | 16 | Mount Pleasant, Cabarrus | 24 | Pembroke, Robeson | 26 |
| Macclesfield, Edgecombe | 33 | Mount View, Gaston | 25 | Pharrs Mill, Cabarrus | 32 |
| Macedonia, Wake | 16 | Murfreesboro, Hertford | 33 | Phillipville, Haywood | 24 |
| Madison, Rockingham | 24 | Murphy, Cherokee | 24 | Pikeville, Wayne | 47 |
| Maiden, Catawba | 24 | Myrtle Hill, Cumberland | 40 | Pilot Mountain, Surry | 24 |
| Majolica, Rowan | 32 | N | | | |
| Manchester, Cumberland | 40 | Nashville, Nash | 33 | Pinehurst, Moore | 24 |
| Marion, McDowell | 24 | Navassa, Brunswick | 17 | Pinetops, Edgecombe | 33 |
| Marshall, Madison | 24 | Neuse, Wake | 16 | Pineville, Mecklenburg | 52 |
| Mars Hill, Madison | 24 | New Bern, Craven | 43 | Pinkney, Gaston | 25 |
| Marshville, Union | 24 | New Bridge, Buncombe | 11 | Pinoca, Mecklenburg | 52 |
| Matthews, Mecklenburg | 52 | Newel, Mecklenburg | 52 | Pioneer Mills, Cabarrus | 32 |
| Maxton, Robeson | 26 | Newfound, Buncombe | 32 | Pittsboro, Chatham | 24 |
| Mayodan, Rockingham | 24 | Newland, Avery | 24 | Pleasant Garden, Guilford | 32 |
| Mebane, Alamance & Orange | 32 | New Leaksville, Rockingham | 24 | Plymouth, Washington | 33 |
| Method, Wake | 16 | Newton, Catawba | 24 | Pomona, Guilford | 14 |
| Middlesex, Nash | 33 | North Belmont, Gaston | 25 | Pope Air Force Base, Cumberland | 40 |
| Midway Park, Onslow | 41 | North Durham, Durham | 13 | R | |
| Milan, Cumberland | 40 | North Wilkesboro, Wilkes | 24 | Raeford, Hoke | 26 |
| Milburnie, Wake | 16 | Norwood, Stanly | 24 | Ragan, Gaston | 25 |
| Millbrook, Wake | 16 | O | | | |
| Mocksville, Davie | 24 | Oakdale, Wake | 16 | Raleigh, Wake | 16 |
| Monroe, Union | 24 | Oak Grove, Durham | 13 | Ramseur, Randolph | 24 |
| Montreat, Buncombe | 32 | Oakhurst, Mecklenburg | 52 | Randleman, Randolph | 24 |
| Mooresville, Iredell | 24 | Oakley, Buncombe | 11 | Ranlo, Gaston | 25 |
| Morehead City, Carteret | 33 | Oak Ridge, Guilford | 32 | Red Springs, Robeson | 26 |
| Morganton, Burke | 24 | Ogburntown, Forsyth | 18 | Redwood, Durham | 13 |
| Morrisville, Wake | 31 | Oldtown, Forsyth | 18 | Reidsville, Rockingham | 24 |
| Mountain Island, Gaston | 25 | Ossipee, Alamance | 32 | Reynolda, Forsyth | 18 |
| Mount Airy, Surry | 24 | Oteen, Buncombe | 11 | Richmond Hill, Alamance | 32 |
| Mount Gilead, Cabarrus | 32 | Owens, Cumberland | 40 | Ridge, Gaston | 25 |
| Mount Gilead, Montgomery | 24 | Oxford, Grantville | 24 | Ridgecrest, Buncombe | 32 |
| Mount Holly, Gaston | 25 | | | Ridgeview, Mecklenburg | 52 |
| | | | | Roanoke Rapids, Halifax | 33 |
| | | | | Robbins, Moore | 24 |
| | | | | Robbinsville, Graham | 24 |

NOTE: Refer to an atlas or map for places not listed.

| City and County | Territory Code | City and County | Territory Code | City and County | Territory Code |
|---|----------------|--------------------------------------|----------------|-------------------------------|----------------|
| R | | S | | T | |
| Robersonville, Martin | 33 | Slocomb, Cumberland..... | 40 | Tabor City, Columbus | 26 |
| Roberta Mills, Cabarrus | 32 | Smithfield, Johnston..... | 26 | Tarboro, Edgecombe | 33 |
| Rockingham, Richmond..... | 24 | Smyre, Gaston | 25 | Taylorsville, Alexander | 24 |
| Rockwell, Rowan | 24 | Snow Hill, Greene | 33 | Terra Cotta, Guilford..... | 32 |
| Rocky Mount, Edgecombe & Nash..... | 31 | Southern Pines, Moore..... | 24 | Thomasville, Davidson | 32 |
| Rocky Ridge, Cabarrus..... | 32 | South Fayetteville, Cumberland | 40 | Thrift, Mecklenburg..... | 52 |
| Rocky River, Cabarrus..... | 32 | South Gastonia, Gaston | 25 | Tiretown, Forsyth..... | 18 |
| Robesville, Wake | 31 | Southmont, Davidson | 24 | Toast, Surry..... | 24 |
| Roseboro, Sampson | 33 | Southport, Brunswick | 26 | Tokay, Cumberland | 40 |
| Roslin, Cumberland | 40 | South Raleigh, Wake..... | 16 | Trenton, Jones..... | 33 |
| Rougemont, Durham..... | 32 | South River, Rowan | 32 | Trinity, Randolph | 32 |
| Rowland, Robeson..... | 26 | South Rosemary, Halifax..... | 33 | Troy, Montgomery | 24 |
| Roxboro, Person..... | 24 | Sparta, Alleghany..... | 24 | Tryon, Polk | 24 |
| Rural Hall, Forsyth..... | 32 | Spencer, Rowan..... | 32 | | |
| Rutherfordton, Rutherford..... | 24 | Spencer Mountain, Gaston..... | 25 | V | |
| | | Spindale, Rutherford | 24 | Valdese, Burke | 24 |
| S | | Spray, Rockingham..... | 24 | Valmead, Caldwell..... | 24 |
| Saint Pauls, Robeson | 26 | Spring Hope, Nash..... | 33 | Victory, Cumberland | 40 |
| Salisbury, Rowan | 32 | Spring Lake, Cumberland..... | 40 | Victory, Gaston | 25 |
| Sanford, Lee | 26 | Spruce Pine, Mitchell..... | 24 | | |
| Saratoga, Wilson..... | 33 | Stanley, Gaston..... | 25 | W | |
| Saxapahaw, Alamance | 24 | Stantonsburg, Wilson | 33 | Wade, Cumberland..... | 40 |
| Scotland Neck, Halifax..... | 33 | Statesville, Iredell | 24 | Wadesboro, Anson | 24 |
| Selma, Johnston | 26 | Staton, Pitt..... | 31 | Wake Forest, Wake | 31 |
| Selwyn Park, Mecklenburg | 52 | Stedman, Cumberland | 26 | Walkertown, Forsyth..... | 18 |
| Seymour Johnson A.F.B., Wayne..... | 47 | Stokesdale, Guilford | 32 | Wallace, Duplin..... | 33 |
| Shalotte, Brunswick..... | 26 | Stony Point, Alexander..... | 24 | Walnut Cove, Stokes | 24 |
| Sharpsburg, Edgecombe, Nash & Wilson | 31 | Summerfield, Guilford..... | 32 | Warrenton, Warren | 33 |
| Shaws, Cumberland..... | 40 | Sunnyside, Gaston..... | 25 | Warsaw, Duplin | 33 |
| Shelby, Cleveland..... | 24 | Swannanoa, Buncombe | 32 | Washington, Beaufort | 33 |
| Shiloh, Buncombe..... | 11 | Swanquarter, Hyde | 33 | Waynesville, Haywood | 24 |
| Siler City, Chatham..... | 24 | Sweepsonville, Alamance | 24 | Weaverville, Buncombe | 32 |
| Skyland, Buncombe..... | 11 | Sylva, Jackson | 24 | Welcome, Davidson..... | 32 |
| | | | | Weldon, Halifax | 33 |
| | | | | Wendell, Wake | 31 |
| | | | | Wentworth, Rockingham | 24 |
| | | | | Westend, Guilford..... | 15 |
| | | | | Westover, Wake | 16 |

NOTE: Refer to an atlas or map for places not listed.

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| City and County | Territory Code | City and County | Territory Code | City and County | Territory Code |
|-----------------------------------|-------------------|-------------------------------|-------------------|------------------------------|-------------------|
| W | | W | | Y | |
| Whitakers, Edgecombe & Nash | 33 | Windsor, Bertie..... | 33 | Yadkin Junction, Rowan | 32 |
| Whiteville, Columbus | 26 | Winnabow, Brunswick | 26 | Yadkinville, Yadkin | 24 |
| Whitnel, Caldwell | 24 | Windsteads Chapel, Nash | 31 | Yanceyville, Caswell | 24 |
| Wilders Grove, Wake | 16 | Winston-Salem, Forsyth | 18 | Yost, Rowan | 32 |
| Wilkesboro, Wilkes..... | 24 | Winterville, Pitt | 33 | Youngs Springs, Wilson | 31 |
| Williamston, Martin..... | 33 | Woodburn, Brunswick | 17 | Z | |
| Wilmington, New Hanover | 17 | Woodfin, Buncombe | 11 | Zebulon, Wake | 31 |
| Wilson, Wilson | 31 | Worthville, Randolph | 24 | | |

NOTE: Refer to an atlas or map for places not listed.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
AVERAGE NUMBER OF CLAIMS FOR LATEST TWO ACCIDENT YEARS

LIABILITY - VOLUNTARY AND CEDED

| Year Ended | Bodily Injury | Property Damage | Medical Payments |
|------------|---------------|-----------------|------------------|
| 12/31/2003 | 92,883 | 236,323 | 60,542 |
| 12/31/2004 | 93,280 | 240,283 | 58,349 |
| Average | 93,082 | 238,303 | 59,446 |

PHYSICAL DAMAGE - VOLUNTARY AND CONSENT TO RATE

| Year Ended | Comprehensive | Collision |
|------------|---------------|-----------|
| 12/31/2003 | 331,463 | 217,165 |
| 12/31/2004 | 301,693 | 209,435 |
| Average | 316,578 | 213,300 |

VOLUNTARY AND CEDED COMBINED

| Year Ended | Uninsured Motorists | Underinsured Motorists |
|------------|------------------------|---------------------------|
| 12/31/2003 | 15,863 | 1,185 |
| 12/31/2004 | 15,233 | 1,206 |
| Average | 15,548 | 1,196 |

NORTH CAROLINA PRIVATE PASSENGER AUTOMOTIVE INSURANCE
CALCULATION OF GENERAL AND OTHER ACQUISITION EXPENSES
LIABILITY COVERAGES

VOLUNTARY BUSINESS ONLY

| | (1) Earned Premiums at Manual Rates | (2) Current Level To Actual Level Factor | (3) Manual to Collected Factor | (4) Expense Factor | (5) General and Other Acquisition Expenses |
|------------------------|---|---|---|--------------------------|---|
| Year ending 12/31/2004 | | | | | |
| BI | 692,966,276 | 0.9423 | 0.9091 | 15.3% | 90,824,785 |
| PD | 666,228,725 | 0.9812 | 0.9091 | 15.3% | 90,925,141 |
| MP | 98,898,060 | 0.9735 | 0.9091 | 15.3% | 13,391,426 |
| Year ending 12/31/2003 | | | | | |
| BI | 675,910,633 | 0.9184 | 0.8874 | 14.7% | 80,976,297 |
| PD | 650,131,991 | 1.0281 | 0.8874 | 14.7% | 87,191,401 |
| MP | 95,333,302 | 0.9244 | 0.8874 | 14.7% | 11,495,856 |
| Year ending 12/31/2002 | | | | | |
| BI | 673,974,623 | 0.8977 | 0.8653 | 14.6% | 76,435,362 |
| PD | 648,323,016 | 0.9174 | 0.8653 | 14.6% | 75,139,748 |
| MP | 96,789,788 | 0.8276 | 0.8653 | 14.6% | 10,119,745 |

"CLEAN RISK" CEDED BUSINESS ONLY

| | (6) Earned Premiums at Vol. Manual Rates | (7) Current Level To Actual Level Factor | (8) Expense Factor | (9) General and Other Acquisition Expenses |
|------------------------|--|---|--------------------------|---|
| Year ending 12/31/2004 | | | | |
| BI | 150,338,680 | 0.9423 | 14.2% | 20,116,308 |
| PD | 140,772,358 | 0.9812 | 14.2% | 19,613,869 |
| MP | 13,386,412 | 0.9735 | 14.2% | 1,850,497 |
| Year ending 12/31/2003 | | | | |
| BI | 140,874,407 | 0.9184 | 13.4% | 17,336,793 |
| PD | 131,924,386 | 1.0281 | 13.4% | 18,174,616 |
| MP | 12,782,068 | 0.9244 | 13.4% | 1,583,310 |
| Year ending 12/31/2002 | | | | |
| BI | 134,466,948 | 0.8977 | 13.2% | 15,933,849 |
| PD | 125,819,650 | 0.9174 | 13.2% | 15,236,357 |
| MP | 12,463,457 | 0.8276 | 13.2% | 1,361,548 |

REVISED 3/10/06

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE
 CALCULATION OF GENERAL AND OTHER ACQUISITION EXPENSES
 LIABILITY COVERAGES

VOLUNTARY BUSINESS ONLY

| | (1) Earned Premiums at Manual Rates | (2) Current Level To Actual Level Factor | (3) Manual to Collected Factor | (4) Expense Factor | (5) General and Other Acquisition Expenses |
|------------------------|---|---|---|--------------------------|---|
| Year ending 12/31/2004 | | | | | |
| BI | 692,966,276 | 0.9423 | 0.9091 | 15.3% | 90,824,785 |
| PD | 666,228,725 | 0.9812 | 0.9091 | 15.3% | 90,925,141 |
| MP | 127,282,064 | 0.9735 | 0.9091 | 15.3% | 17,234,800 |
| Year ending 12/31/2003 | | | | | |
| BI | 675,910,633 | 0.9184 | 0.8874 | 14.7% | 80,976,297 |
| PD | 650,131,991 | 1.0281 | 0.8874 | 14.7% | 87,191,401 |
| MP | 121,135,239 | 0.9244 | 0.8874 | 14.7% | 14,607,207 |
| Year ending 12/31/2002 | | | | | |
| BI | 673,974,623 | 0.8977 | 0.8653 | 14.6% | 76,435,362 |
| PD | 648,323,016 | 0.9174 | 0.8653 | 14.6% | 75,139,748 |
| MP | 120,987,232 | 0.8276 | 0.8653 | 14.6% | 12,649,681 |

"CLEAN RISK" CEDED BUSINESS ONLY

| | (6) Earned Premiums at Vol. Manual Rates | (7) Current Level To Actual Level Factor | (8) Expense Factor | (9) General and Other Acquisition Expenses |
|------------------------|--|---|--------------------------|---|
| Year ending 12/31/2004 | | | | |
| BI | 150,338,680 | 0.9423 | 14.2% | 20,116,308 |
| PD | 140,772,358 | 0.9812 | 14.2% | 19,613,869 |
| MP | 16,526,438 | 0.9735 | 14.2% | 2,284,565 |
| Year ending 12/31/2003 | | | | |
| BI | 140,874,407 | 0.9184 | 13.4% | 17,336,793 |
| PD | 131,924,386 | 1.0281 | 13.4% | 18,174,616 |
| MP | 15,512,218 | 0.9244 | 13.4% | 1,921,492 |
| Year ending 12/31/2002 | | | | |
| BI | 134,466,948 | 0.8977 | 13.2% | 15,933,849 |
| PD | 125,819,650 | 0.9174 | 13.2% | 15,236,357 |
| MP | 14,767,126 | 0.8276 | 13.2% | 1,613,208 |

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF GENERAL AND OTHER ACQUISITION EXPENSES
LIABILITY COVERAGES

"NON-CLEAN RISK" CEDED BUSINESS ONLY

| | (10) | (11) | (12) | (13) | (14) |
|------------------------|--------------------------------------|--|-------------------|--|--|
| | Earned Premiums at Facility Rates | Current Level To Actual Level Factor | Expense Factor | General and Other Acquisition Expenses | Total Liability G&OA Expenses (5) + (9) + (13) |
| Year ending 12/31/2004 | | | | | |
| BI | 142,155,444 | 1.0028 | 14.2% | 20,242,594 | 131,183,687 |
| PD | 130,149,492 | 0.9329 | 14.2% | 17,241,137 | 127,780,147 |
| MP | 10,870,567 | 1.0353 | 14.2% | 1,598,110 | 16,840,033 |
| Year ending 12/31/2003 | | | | | |
| BI | 132,927,477 | 1.0243 | 13.4% | 18,245,120 | 116,558,211 |
| PD | 121,658,223 | 1.0195 | 13.4% | 16,620,095 | 121,986,111 |
| MP | 10,080,402 | 1.0643 | 13.4% | 1,437,629 | 14,516,795 |
| Year ending 12/31/2002 | | | | | |
| BI | 127,165,942 | 0.9661 | 13.2% | 16,216,862 | 108,586,074 |
| PD | 116,119,403 | 0.9589 | 13.2% | 14,697,790 | 105,073,895 |
| MP | 9,808,706 | 0.9895 | 13.2% | 1,281,154 | 12,762,448 |

Notes:

- (1), (6), (10) Voluntary and "Clean risk" ceded business at present voluntary manual rates. Non-clean risk ceded business at present facility rates.
- (2), (7), (11) Factor to adjust the earned premium at manual rates to the rate level in effect at the time the premium was written.
- (3) Factor to adjust the earned premium at manual rates to the collected level. See RB-5.
- (4), (8), (12) Sum of the general expense and other acquisition expense percentages shown on page H-687. Voluntary ratio is to collected premiums. Ceded ratio is to manual premiums.
- (5) = (1) x (2) x (3) x (4), (9) = (6) x (7) x (8), (13) = (10) x (11) x (12).

REVISED 3/10/06

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE
 CALCULATION OF GENERAL AND OTHER ACQUISITION EXPENSES
 LIABILITY COVERAGES

"NON-CLEAN RISK" CEDED BUSINESS ONLY

| | (10) | (11) | (12) | (13) | (14) |
|------------------------|--------------------------------------|--|-------------------|--|--|
| | Earned Premiums at Facility Rates | Current Level To Actual Level Factor | Expense Factor | General and Other Acquisition Expenses | Total Liability G&OA Expenses (5) + (9) + (13) |
| Year ending 12/31/2004 | | | | | |
| BI | 142,155,444 | 1.0028 | 14.2% | 20,242,594 | 131,183,687 |
| PD | 130,149,492 | 0.9329 | 14.2% | 17,241,137 | 127,780,147 |
| MP | 13,420,455 | 1.0353 | 14.2% | 1,972,976 | 21,492,341 |
| Year ending 12/31/2003 | | | | | |
| BI | 132,927,477 | 1.0243 | 13.4% | 18,245,120 | 116,558,211 |
| PD | 121,658,223 | 1.0195 | 13.4% | 16,620,095 | 121,986,111 |
| MP | 12,233,497 | 1.0643 | 13.4% | 1,744,695 | 18,273,395 |
| Year ending 12/31/2002 | | | | | |
| BI | 127,165,942 | 0.9661 | 13.2% | 16,216,862 | 108,586,074 |
| PD | 116,119,403 | 0.9589 | 13.2% | 14,697,790 | 105,073,895 |
| MP | 11,621,688 | 0.9895 | 13.2% | 1,517,955 | 15,780,845 |

Notes:

- (1), (6), (10) Voluntary and "Clean risk" ceded business at present voluntary manual rates. Non-clean risk ceded business at present facility rates.
- (2), (7), (11) Factor to adjust the earned premium at manual rates to the rate level in effect at the time the premium was written.
- (3) Factor to adjust the earned premium at manual rates to the collected level. See RB-5.
- (4), (8), (12) Sum of the general expense and other acquisition expense percentages shown on page H-687. Voluntary ratio is to collected premiums. Ceded ratio is to manual premiums.
- (5) = (1) x (2) x (3) x (4), (9) = (6) x (7) x (8), (13) = (10) x (11) x (12).

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF GENERAL AND OTHER ACQUISITION EXPENSES
PHYSICAL DAMAGE COVERAGES

VOLUNTARY BUSINESS ONLY

| | (1) Earned Premiums at Manual Rates | (2) Current Level To Actual Level Factor | (3) Manual to Collected Factor | (4) Expense Factor | (5) General and Other Acquisition Expenses |
|------------------------|---|--|--------------------------------------|--------------------------|--|
| Year ending 12/31/2004 | | | | | |
| Comp | 393,814,622 | 0.97638 | 0.9177 | 13.7% | 48,342,612 |
| Coll | 776,745,147 | 1.05033 | 0.9177 | 13.7% | 102,571,473 |
| Year ending 12/31/2003 | | | | | |
| Comp | 400,519,598 | 1.19895 | 0.8711 | 12.7% | 53,124,439 |
| Coll | 789,491,712 | 1.20161 | 0.8711 | 12.7% | 104,949,849 |
| Year ending 12/31/2002 | | | | | |
| Comp | 399,614,091 | 1.12753 | 0.8440 | 13.3% | 50,578,404 |
| Coll | 788,108,416 | 1.10129 | 0.8440 | 13.3% | 97,427,673 |

CONSENT TO RATE BUSINESS ONLY

| | (6) Earned Premiums at Manual Rates | (7) Current Level To Actual Level Factor | (8) Manual to Collected Factor | (9) Expense Factor | (10) General and Other Acquisition Expenses | (11) Total Physical Damage G&OA Expenses (5) + (10) |
|------------------------|---|--|--------------------------------------|--------------------------|---|--|
| Year ending 12/31/2004 | | | | | | |
| Comp | 78,721,448 | 0.97638 | 1.6866 | 10.1% | 13,093,169 | 61,435,780 |
| Coll | 182,430,264 | 1.05033 | 1.6866 | 10.1% | 32,640,512 | 135,211,985 |
| Year ending 12/31/2003 | | | | | | |
| Comp | 68,865,859 | 1.19895 | 1.5050 | 9.7% | 12,053,505 | 65,177,943 |
| Coll | 161,021,256 | 1.20161 | 1.5050 | 9.7% | 28,245,824 | 133,195,673 |
| Year ending 12/31/2002 | | | | | | |
| Comp | 62,522,615 | 1.12753 | 1.6042 | 10.0% | 11,308,966 | 61,887,370 |
| Coll | 149,626,736 | 1.10129 | 1.6042 | 10.0% | 26,434,256 | 123,861,929 |

Notes:

- (1), (6) Voluntary and Consent to Rate business at present voluntary manual rates.
 (2), (7) Factor to adjust the earned premium at manual rates to the rate level and average model year and symbol in effect at the time the premium was written.
 (3), (8) Factor to adjust the earned premium at manual rates to the collected level. See RB-5. Factors for consent to rate business are estimated amounts.
 (4), (9) Sum of the general expense and other acquisition expense percentages shown on pages H-688, H-689.
 (5) = (1) x (2) x (3) x (4), (10) = (6) x (7) x (8) x (9)

North Carolina Dividends and Deviations

EXHIBIT RB-5.
Sheet 1

| LIABILITY | | | | | | | |
|-----------|------------------------------------|----------------------|--------------------------|------------------------------------|-------------------------|--------------------------------------|---|
| Year | Vol + Ced Direct Writ. Prem. | Ceded Writ. Prem. | Voluntary Writ. Prem. | Vol + Ced Manual Writ. Prem. | Amount of Deviation* | Voluntary Manual Writ. Prem.** | Deviations as % of Vol. Manual Writ. Prem. |
| 1999 | 1,872,322,547 | 538,201,589 | 1,334,120,958 | 2,092,185,598 | 219,863,051 | 1,553,984,009 | 14.15% |
| 2000 | 1,931,613,561 | 522,081,636 | 1,409,531,925 | 2,128,075,319 | 196,461,758 | 1,605,993,683 | 12.23% |
| 2001 | 1,896,237,159 | 538,604,648 | 1,357,632,511 | 2,088,424,946 | 192,187,787 | 1,549,820,298 | 12.40% |
| 2002 | 1,966,486,164 | 579,008,135 | 1,387,478,029 | 2,182,501,620 | 216,015,456 | 1,603,493,485 | 13.47% |
| 2003 | 2,131,701,669 | 648,665,044 | 1,483,036,625 | 2,319,914,842 | 188,213,173 | 1,671,249,798 | 11.26% |
| 2004 | 2,186,772,183 | 608,314,532 | 1,578,457,651 | 2,344,630,005 | 157,857,822 | 1,736,315,473 | 9.09% |
| Total | 11,985,133,283 | 3,434,875,584 | 8,550,257,699 | 13,155,732,330 | 1,170,599,047 | 9,720,856,746 | 12.04% |

| LIABILITY | | | | | |
|-----------|-------------------------------------|------------------------------|-----------------------------|-----------------------|--|
| Year | Vol + Ced Manual Earned Prem. | Ceded Manual Earned Prem. | Vol. Manual Earned Prem. | Amount of Dividend | Dividend as % of Vol. Manual Earned Prem.** |
| 1999 | 2,083,579,171 | 552,192,682 | 1,531,386,489 | 9,908,211 | 0.65% |
| 2000 | 2,140,805,296 | 518,450,412 | 1,622,354,884 | 10,342,532 | 0.64% |
| 2001 | 2,091,064,008 | 535,554,795 | 1,555,509,213 | 4,513,114 | 0.29% |
| 2002 | 2,153,995,534 | 565,394,826 | 1,588,600,708 | 2,954,393 | 0.19% |
| 2003 | 2,272,048,154 | 631,807,943 | 1,640,240,211 | 5,324,725 | 0.32% |
| 2004 | 2,317,791,914 | 598,931,651 | 1,718,860,263 | 3,789,615 | 0.22% |
| Total | 13,059,284,077 | 3,402,332,309 | 9,656,951,768 | 36,832,590 | 0.38% |

| PHYSICAL DAMAGE | | | | | | | |
|-----------------|---------------------------------|---------------------------------|-------------------------|--|-----------------------------------|-----------------------|---|
| Year | Phy Dam Direct Writ. Prem | Phy Dam Manual Writ. Prem | Amount of Deviation* | Deviations as % of Manual Writ. Prem.*** | Phy Dam Manual Earned Prem. | Amount of Dividend | Dividend as % of Manual Earned Prem.*** |
| 1999 | 1,047,907,939 | 1,267,949,336 | 220,041,397 | 17.35% | 1,228,983,189 | 7,381,326 | 0.60% |
| 2000 | 1,116,897,092 | 1,345,742,651 | 228,845,559 | 17.01% | 1,359,709,253 | 11,186,621 | 0.82% |
| 2001 | 1,143,486,328 | 1,330,687,657 | 187,201,329 | 14.07% | 1,313,398,020 | 3,480,352 | 0.26% |
| 2002 | 1,258,370,573 | 1,490,991,571 | 232,620,998 | 15.60% | 1,447,773,272 | 2,523,591 | 0.17% |
| 2003 | 1,235,884,923 | 1,418,704,510 | 182,819,587 | 12.89% | 1,473,060,263 | 4,905,255 | 0.33% |
| 2004 | 1,192,451,971 | 1,299,366,808 | 106,914,837 | 8.23% | 1,273,836,672 | 3,416,980 | 0.27% |
| Total | 6,994,998,826 | 8,153,442,533 | 1,158,443,707 | 14.21% | 8,096,760,669 | 32,894,125 | 0.41% |

* Deviations from Rate Bureau rates on voluntary liability and standard physical damage business.

** Excludes Facility business

*** Excludes Non-Standard business.

Calculation of estimated overall deviation for 2004

| | (1) Premium at Rate <u>Bureau Rates</u> | (2) Deviation from Bureau <u>Rates</u> | (3) Anticipated Premium <u>(1) x (2)</u> | (4) Clean Risk Recoupment <u>Factor</u> | (5) Recoupment Amount <u>(1) x (4)*</u> | (6) Total Revenue <u>(3) + (5)</u> | (7) Difference <u>(6) - (1)</u> | (8) Pct. Difference <u>(7) / (1)</u> |
|------------------------|---|--|---|--|--|---|--|---|
| Liability | | | | | | | | |
| Voluntary | 1,639,329,375 | 0.9091 | 1,490,314,335 | 0.052 | 85,245,128 | 1,575,559,463 | -63,769,912 | |
| Clean ceded | 317,388,311 | 1 | 317,388,311 | 0.052 | 16,504,192 | 333,892,503 | 16,504,192 | |
| Non clean ceded | 223,577,630 | 1.356 | 303,171,266 | 0.052 | 15,764,906 | 318,936,172 | 95,358,542 | |
| Liability Total | 2,180,295,316 | 0.968 | 2,110,873,912 | | 117,514,226 | 2,228,388,138 | 48,092,822 | 2.2% |
| | (9) Premium at Rate <u>Bureau Rates</u> | (10) Deviation from Bureau <u>Rates</u> | (11) Anticipated Premium <u>(9) x (10)</u> | | (12) Total Revenue <u>=Col (11)</u> | (13) Difference <u>(12) - (9)</u> | (14) Pct. Difference <u>(13) / (9)</u> | |
| Physical Damage | | | | | | | | |
| Standard | 1,170,559,769 | 0.9177 | 1,074,222,700 | | 1,074,222,700 | -96,337,069 | | |
| Non-Standard | 268,474,026 | 1.687 | 452,798,260 | | 452,798,260 | 184,324,234 | | |
| Phys Dam Total | 1,439,033,795 | 1.061 | 1,527,020,960 | | 1,527,020,960 | 87,987,165 | 6.1% | |
| | (15) Premium at Rate Bureau Rates <u>(1) + (9)</u> | | | | (16) Total Revenue <u>(6) + (12)</u> | (17) Difference <u>(16) - (15)</u> | (18) Pct. Difference <u>(17) / (15)</u> | |
| Grand Total | 3,619,329,111 | | | | 3,755,409,098 | 136,079,987 | 3.8% | |

* Column (5) = Column (3) x Column (4) for Non-clean ceded business.

Calculation of estimated overall deviation for 2004

| | (1) Premium at Rate <u>Bureau Rates</u> | (2) Deviation from Bureau <u>Rates</u> | (3) Anticipated Premium <u>(1) x (2)</u> | (4) Clean Risk Recoupment <u>Factor</u> | (5) Recoupment Amount <u>(1) x (4)*</u> | (6) Total Revenue <u>(3) + (5)</u> | (7) Difference <u>(6) - (1)</u> | (8) Pct. Difference <u>(7) / (1)</u> |
|------------------------|---|--|---|--|--|---|--|--|
| Liability | | | | | | | | |
| Voluntary | 1,667,713,379 | 0.9091 | 1,516,118,233 | 0.052 | 86,721,096 | 1,602,839,329 | -64,874,050 | |
| Clean ceded | 320,528,337 | 1 | 320,528,337 | 0.052 | 16,667,474 | 337,195,811 | 16,667,474 | |
| Non clean ceded | 226,469,884 | 1.356 | 307,093,163 | 0.052 | 15,968,844 | 323,062,007 | 96,592,123 | |
| Liability Total | 2,214,711,600 | 0.968 | 2,143,739,733 | | 119,357,414 | 2,263,097,147 | 48,385,547 | 2.2% |
| | (9) Premium at Rate <u>Bureau Rates</u> | (10) Deviation from Bureau <u>Rates</u> | (11) Anticipated Premium <u>(9) x (10)</u> | | | (12) Total Revenue <u>=Col (11)</u> | (13) Difference <u>(12) - (9)</u> | (14) Pct. Difference <u>(13) / (9)</u> |
| Physical Damage | | | | | | | | |
| Standard | 1,170,559,769 | 0.9177 | 1,074,222,700 | | | 1,074,222,700 | -96,337,069 | |
| Non-Standard | 268,474,026 | 1.687 | 452,798,260 | | | 452,798,260 | 184,324,234 | |
| Phys Dam Total | 1,439,033,795 | 1.061 | 1,527,020,960 | | | 1,527,020,960 | 87,987,165 | 6.1% |
| | (15) Premium at Rate Bureau Rates <u>(1) + (9)</u> | | | | | (16) Total Revenue <u>(6) + (12)</u> | (17) Difference <u>(16) - (15)</u> | (18) Pct. Difference <u>(17) / (15)</u> |
| Grand Total | 3,653,745,395 | | | | | 3,790,118,107 | 136,372,712 | 3.7% |

* Column (5) = Column (3) x Column (4) for Non-clean ceded business.

Calculation of estimated overall deviation for 2003

| | (1) Premium at Rate Bureau Rates | (2) Deviation from Bureau Rates | (3) Anticipated Premium (1) x (2) | (4) Clean Risk Recoupment Factor | (5) Recoupment Amount (1) x (4)* | (6) Total Revenue (3) + (5) | (7) Difference (6) - (1) | (8) Pct. Difference (7) / (1) |
|------------------------|--|---|--|---|---|--|-----------------------------------|---|
| Liability | | | | | | | | |
| Voluntary | 1,594,099,704 | 0.8874 | 1,414,604,077 | 0.059 | 94,051,883 | 1,508,655,960 | -85,443,744 | |
| Clean ceded | 297,096,762 | .1 | 297,096,762 | 0.059 | 17,528,709 | 314,625,471 | 17,528,709 | |
| Non clean ceded | 208,174,180 | 1.4 | 291,443,852 | 0.059 | 17,195,187 | 308,639,039 | 100,464,859 | |
| Liability Total | 2,099,370,646 | 0.954 | 2,003,144,691 | | 128,775,779 | 2,131,920,470 | 32,549,824 | 1.6% |
| Physical Damage | | | | | | | | |
| Standard | 1,190,011,310 | 0.8711 | 1,036,618,852 | | | 1,036,618,852 | -153,392,458 | |
| Non-Standard | 276,051,473 | 1.505 | 415,448,336 | | | 415,448,336 | 139,396,863 | |
| Phys Dam Total | 1,466,062,783 | 0.99 | 1,452,067,188 | | | 1,452,067,188 | -13,995,595 | -1.0% |
| Grand Total | | | | | | | | |
| | (15) Premium at Rate Bureau Rates (1) + (9) | (10) Deviation from Bureau Rates | (11) Anticipated Premium (9) x (10) | | | (16) Total Revenue (6) + (12) | (17) Difference (16) - (15) | (18) Pct. Difference (17) / (15) |
| Grand Total | 3,565,433,429 | | | | | 3,583,987,658 | 18,554,229 | 0.5% |

* Column (5) = Column (3) x Column (4) for Non-clean ceded business.

Calculation of estimated overall deviation for 2003

| | (1) Premium at Rate <u>Bureau Rates</u> | (2) Deviation from Bureau <u>Rates</u> | (3) Anticipated Premium <u>(1) x (2)</u> | (4) Clean Risk Recoupment <u>Factor</u> | (5) Recoupment Amount <u>(1) x (4)*</u> | (6) Total Revenue <u>(3) + (5)</u> | (7) Difference <u>(6) - (1)</u> | (8) Pct. Difference <u>(7) / (1)</u> |
|------------------------|---|--|---|--|--|---|--|---|
| Voluntary | 1,619,901,641 | 0.8874 | 1,437,500,716 | 0.059 | 95,574,197 | 1,533,074,913 | -86,826,728 | |
| Clean ceded | 299,826,912 | 1 | 299,826,912 | 0.059 | 17,689,788 | 317,516,700 | 17,689,788 | |
| Non clean ceded | 210,530,917 | 1.4 | 294,743,284 | 0.059 | 17,389,854 | 312,133,138 | 101,602,221 | |
| Liability Total | 2,130,259,470 | 0.954 | 2,032,070,912 | | 130,653,839 | 2,162,724,751 | 32,465,281 | 1.5% |
| | (9) Premium at Rate <u>Bureau Rates</u> | (10) Deviation from Bureau <u>Rates</u> | (11) Anticipated Premium <u>(9) x (10)</u> | | (12) Total Revenue <u>=Col (11)</u> | (13) Difference <u>(12) - (9)</u> | (14) Pct. Difference <u>(13) / (9)</u> | |
| Physical Damage | | | | | | | | |
| Standard | 1,190,011,310 | 0.8711 | 1,036,618,852 | | 1,036,618,852 | -153,392,458 | | |
| Non-Standard | 276,051,473 | 1.505 | 415,448,336 | | 415,448,336 | 139,396,863 | | |
| Phys Dam Total | 1,466,062,783 | 0.99 | 1,452,067,188 | | 1,452,067,188 | -13,995,595 | -1.0% | |
| | (15) Premium at Rate Bureau Rates <u>(1) + (9)</u> | | | | (16) Total Revenue <u>(6) + (12)</u> | (17) Difference <u>(16) - (15)</u> | (18) Pct. Difference <u>(17) / (15)</u> | |
| Grand Total | 3,596,322,253 | | | | 3,614,791,939 | 18,469,686 | 0.5% | |

* Column (5) = Column (3) x Column (4) for Non-clean ceded business.

Calculation of estimated overall deviation for 2002

| | (1) Premium at Rate <u>Bureau Rates</u> | (2) Deviation from Bureau <u>Rates</u> | (3) Anticipated Premium <u>(1) x (2)</u> | (4) Clean Risk Recoupment <u>Factor</u> | (5) Recoupment Amount <u>(1) x (4)*</u> | (6) Total Revenue <u>(3) + (5)</u> | (7) Difference <u>(6) - (1)</u> | (8) Pct. Difference <u>(7) / (1)</u> |
|------------------------|---|--|---|--|--|---|--|--|
| Liability | | | | | | | | |
| Voluntary | 1,591,991,086 | 0.8653 | 1,377,549,887 | 0.071 | 113,031,367 | 1,490,581,254 | -101,409,832 | |
| Clean ceded | 283,481,469 | 1 | 283,481,469 | 0.071 | 20,127,184 | 303,608,653 | 20,127,184 | |
| Non clean ceded | 198,935,705 | 1.422 | 282,886,573 | 0.071 | 20,084,947 | 302,971,520 | 104,035,815 | |
| Liability Total | 2,074,408,260 | 0.937 | 1,943,917,928 | | 153,243,498 | 2,097,161,426 | 22,753,166 | 1.1% |
| | (9) Premium at Rate <u>Bureau Rates</u> | (10) Deviation from Bureau <u>Rates</u> | (11) Anticipated Premium <u>(9) x (10)</u> | | | (12) Total Revenue <u>=Col (11)</u> | (13) Difference <u>(12) - (9)</u> | (14) Pct. Difference <u>(13) / (9)</u> |
| Physical Damage | | | | | | | | |
| Standard | 1,187,722,507 | 0.844 | 1,002,437,796 | | | 1,002,437,796 | -185,284,711 | |
| Non-Standard | 235,278,552 | 1.604 | 377,444,368 | | | 377,444,368 | 142,165,816 | |
| Phys Dam Total | 1,423,001,059 | 0.97 | 1,379,882,164 | | | 1,379,882,164 | -43,118,895 | -3.0% |
| | (15) Premium at Rate Bureau Rates <u>(1) + (9)</u> | | | | | (16) Total Revenue <u>(6) + (12)</u> | (17) Difference <u>(16) - (15)</u> | (18) Pct. Difference <u>(17) / (15)</u> |
| Grand Total | 3,497,409,319 | | | | | 3,477,043,590 | -20,365,729 | -0.6% |

* Column (5) = Column (3) x Column (4) for Non-clean ceded business.

Calculation of estimated overall deviation for 2002

| | (1) Premium at Rate <u>Bureau Rates</u> | (2) Deviation from Bureau <u>Rates</u> | (3) Anticipated Premium <u>(1) x (2)</u> | (4) Clean Risk Recoupment <u>Factor</u> | (5) Recoupment Amount <u>(1) x (4)*</u> | (6) Total Revenue <u>(3) + (5)</u> | (7) Difference <u>(6) - (1)</u> | (8) Pct. Difference <u>(7) / (1)</u> |
|------------------------|---|--|---|--|--|---|--|--|
| Voluntary | 1,616,188,530 | 0.8653 | 1,398,487,935 | 0.071 | 114,749,386 | 1,513,237,321 | -102,951,209 | |
| Clean ceded | 286,583,292 | 1 | 286,583,292 | 0.071 | 20,347,414 | 306,930,706 | 20,347,414 | |
| Non clean ceded | 200,123,444 | 1.422 | 284,575,537 | 0.071 | 20,204,863 | 304,780,400 | 104,656,956 | |
| Liability Total | 2,102,895,266 | 0.937 | 1,969,646,764 | | 155,301,663 | 2,124,948,427 | 22,053,161 | 1.0% |
| | (9) Premium at Rate <u>Bureau Rates</u> | (10) Deviation from Bureau <u>Rates</u> | (11) Anticipated Premium <u>(9) x (10)</u> | | | (12) Total Revenue <u>=Col (11)</u> | (13) Difference <u>(12) - (9)</u> | (14) Pct. Difference <u>(13) / (9)</u> |
| Physical Damage | | | | | | | | |
| Standard | 1,187,722,507 | 0.844 | 1,002,437,796 | | | 1,002,437,796 | -185,284,711 | |
| Non-Standard | 235,278,552 | 1.604 | 377,444,368 | | | 377,444,368 | 142,165,816 | |
| Phys Dam Total | 1,423,001,059 | 0.97 | 1,379,882,164 | | | 1,379,882,164 | -43,118,895 | -3.0% |
| | (15) Premium at Rate Bureau Rates <u>(1) + (9)</u> | | | | | (16) Total Revenue <u>(6) + (12)</u> | (17) Difference <u>(16) - (15)</u> | (18) Pct. Difference <u>(17) / (15)</u> |
| Grand Total | 3,525,896,325 | | | | | 3,504,830,591 | -21,065,734 | -0.6% |

* Column (5) = Column (3) x Column (4) for Non-clean ceded business.

NORTH CAROLINA
PRIVATE PASSENGER
VOLUNTARY BUSINESS
LIABILITY AND PHYSICAL DAMAGE

EXHIBIT RB-6

Page 1

| YEAR | WRITTEN PREMIUMS | EARNED PREMIUMS | LOSS AND LAE | LOSS AND LAE RATIO | COMMISSION % * | OTHER ACQ. % |
|------|---------------------|--------------------|-----------------|-----------------------|----------------|-----------------|
| 1995 | 1840759 | 1798987 | 1364639 | 0.759 | 0.086 | 0.083 |
| 1996 | 1975779 | 1944114 | 1623367 | 0.835 | 0.093 | 0.074 |
| 1997 | 2157042 | 2087512 | 1543295 | 0.739 | 0.097 | 0.076 |
| 1998 | 2287522 | 2240769 | 1636574 | 0.730 | 0.099 | 0.080 |
| 1999 | 2382029 | 2336167 | 1738270 | 0.744 | 0.098 | 0.088 |
| 2000 | 2526429 | 2542555 | 1803961 | 0.710 | 0.095 | 0.078 |
| 2001 | 2492185 | 2493270 | 1819022 | 0.730 | 0.100 | 0.073 |
| 2002 | 2645849 | 2598079 | 1820642 | 0.701 | 0.101 | 0.081 |
| 2003 | 2718922 | 2715099 | 1952034 | 0.719 | 0.098 | 0.082 |
| 2004 | 2770910 | 2737477 | 1903825 | 0.695 | 0.097 | 0.088 |

| YEAR | GEN EXP % | TAXES % * | DIVIDENDS % | EXPENSE RATIO | COMBINED RATIO ** | PROFIT (OR LOSS) |
|------|-----------|-----------|-------------|------------------|----------------------|---------------------|
| 1995 | 0.044 | 0.023 | 0.012 | 0.248 | 1.007 | -0.007 |
| 1996 | 0.043 | 0.022 | 0.006 | 0.238 | 1.073 | -0.073 |
| 1997 | 0.047 | 0.021 | 0.018 | 0.259 | 0.998 | 0.002 |
| 1998 | 0.044 | 0.023 | 0.017 | 0.263 | 0.993 | 0.007 |
| 1999 | 0.052 | 0.022 | 0.007 | 0.267 | 1.011 | -0.011 |
| 2000 | 0.055 | 0.022 | 0.008 | 0.258 | 0.968 | 0.032 |
| 2001 | 0.060 | 0.024 | 0.003 | 0.260 | 0.990 | 0.010 |
| 2002 | 0.059 | 0.024 | 0.002 | 0.267 | 0.968 | 0.032 |
| 2003 | 0.056 | 0.024 | 0.004 | 0.264 | 0.983 | 0.017 |
| 2004 | 0.058 | 0.023 | 0.002 | 0.268 | 0.963 | 0.037 |

ALL PREMIUM AND LOSS FIGURES ARE IN THOUSANDS

PREMIUM REFUNDS ARE REFLECTED IN THE YEARS MADE.

* COMMISSIONS AND TAXES ARE RATIOS TO WRITTEN PREMIUMS. FOR LIABILITY COMMISSIONS, THE VOLUNTARY PORTION OF THE RATIO IS DETERMINED USING THE VOLUNTARY/CEDED PREMIUM DISTRIBUTION AND AN ASSUMED 10.0% CEDED RATIO TO WRITTEN PREMIUMS.

** COMBINED RATIO IS THE SUM OF LOSS AND LAE RATIO AND EXPENSE RATIO

NORTH CAROLINA
PRIVATE PASSENGER
VOLUNTARY BUSINESS
LIABILITY

EXHIBIT RB-6

Page 2

| YEAR | WRITTEN PREMIUMS | EARNED PREMIUMS | LOSS AND LAE | LOSS AND LAE RATIO | COMMISSION % * | OTHER ACQ. % |
|------|---------------------|--------------------|-----------------|-----------------------|----------------|-----------------|
| 1995 | 1264817 | 1215060 | 849559 | 0.699 | 0.086 | 0.083 |
| 1996 | 1322395 | 1316901 | 899232 | 0.683 | 0.093 | 0.073 |
| 1997 | 1285833 | 1281036 | 934049 | 0.729 | 0.097 | 0.074 |
| 1998 | 1311060 | 1296393 | 913735 | 0.705 | 0.097 | 0.080 |
| 1999 | 1334121 | 1316484 | 931296 | 0.707 | 0.100 | 0.089 |
| 2000 | 1409532 | 1420789 | 1007843 | 0.709 | 0.095 | 0.077 |
| 2001 | 1348699 | 1362247 | 1057484 | 0.776 | 0.100 | 0.073 |
| 2002 | 1387478 | 1373793 | 1002238 | 0.730 | 0.100 | 0.081 |
| 2003 | 1483037 | 1448251 | 1085449 | 0.749 | 0.097 | 0.086 |
| 2004 | 1578458 | 1566306 | 1139980 | 0.728 | 0.099 | 0.089 |

| YEAR | GEN EXP % | TAXES % * | DIVIDENDS % | EXPENSE RATIO | COMBINED RATIO ** | PROFIT (OR LOSS) |
|------|-----------|-----------|-------------|------------------|----------------------|---------------------|
| 1995 | 0.046 | 0.023 | 0.012 | 0.250 | 0.949 | 0.051 |
| 1996 | 0.044 | 0.022 | 0.006 | 0.238 | 0.921 | 0.079 |
| 1997 | 0.049 | 0.021 | 0.020 | 0.261 | 0.990 | 0.010 |
| 1998 | 0.046 | 0.023 | 0.019 | 0.265 | 0.970 | 0.030 |
| 1999 | 0.053 | 0.022 | 0.007 | 0.271 | 0.978 | 0.022 |
| 2000 | 0.059 | 0.022 | 0.007 | 0.260 | 0.969 | 0.031 |
| 2001 | 0.064 | 0.024 | 0.003 | 0.264 | 1.040 | -0.040 |
| 2002 | 0.065 | 0.025 | 0.002 | 0.273 | 1.003 | -0.003 |
| 2003 | 0.061 | 0.024 | 0.004 | 0.272 | 1.021 | -0.021 |
| 2004 | 0.064 | 0.023 | 0.002 | 0.277 | 1.005 | -0.005 |

ALL PREMIUM AND LOSS FIGURES ARE IN THOUSANDS

PREMIUM REFUNDS ARE REFLECTED IN THE YEARS MADE.

* COMMISSIONS AND TAXES ARE RATIOS TO WRITTEN PREMIUMS. FOR LIABILITY COMMISSIONS, THE VOLUNTARY PORTION OF THE RATIO IS DETERMINED USING THE VOLUNTARY/CEDED PREMIUM DISTRIBUTION AND AN ASSUMED 10.0% CEDED RATIO TO WRITTEN PREMIUMS.

** COMBINED RATIO IS THE SUM OF LOSS AND LAE RATIO AND EXPENSE RATIO

NORTH CAROLINA
PRIVATE PASSENGER
VOLUNTARY BUSINESS
PHYSICAL DAMAGE

EXHIBIT RB-6

Page 3

| YEAR | WRITTEN PREMIUMS | EARNED PREMIUMS | LOSS AND LAE | LOSS AND LAE RATIO | COMMISSION % * | OTHER ACQ. % |
|------|---------------------|--------------------|-----------------|-----------------------|----------------|-----------------|
| 1995 | 575942 | 583927 | 515080 | 0.882 | 0.085 | 0.084 |
| 1996 | 653384 | 627213 | 724135 | 1.155 | 0.094 | 0.075 |
| 1997 | 871209 | 806476 | 609246 | 0.755 | 0.096 | 0.078 |
| 1998 | 976462 | 944376 | 722839 | 0.765 | 0.101 | 0.080 |
| 1999 | 1047908 | 1019683 | 806974 | 0.791 | 0.096 | 0.086 |
| 2000 | 1116897 | 1121766 | 796118 | 0.710 | 0.096 | 0.080 |
| 2001 | 1143486 | 1131023 | 761538 | 0.673 | 0.100 | 0.074 |
| 2002 | 1258371 | 1224286 | 818404 | 0.668 | 0.102 | 0.080 |
| 2003 | 1235885 | 1266848 | 866585 | 0.684 | 0.099 | 0.077 |
| 2004 | 1192452 | 1171171 | 763845 | 0.652 | 0.094 | 0.086 |

| YEAR | GEN EXP % | TAXES % * | DIVIDENDS % | EXPENSE RATIO | COMBINED RATIO ** | PROFIT (OR LOSS) |
|------|-----------|-----------|-------------|------------------|----------------------|---------------------|
| 1995 | 0.040 | 0.023 | 0.013 | 0.245 | 1.127 | -0.127 |
| 1996 | 0.041 | 0.022 | 0.005 | 0.237 | 1.392 | -0.392 |
| 1997 | 0.045 | 0.021 | 0.014 | 0.254 | 1.010 | -0.010 |
| 1998 | 0.042 | 0.022 | 0.015 | 0.260 | 1.026 | -0.026 |
| 1999 | 0.051 | 0.022 | 0.007 | 0.262 | 1.053 | -0.053 |
| 2000 | 0.049 | 0.022 | 0.010 | 0.257 | 0.967 | 0.033 |
| 2001 | 0.056 | 0.024 | 0.003 | 0.257 | 0.930 | 0.070 |
| 2002 | 0.053 | 0.023 | 0.002 | 0.260 | 0.928 | 0.072 |
| 2003 | 0.050 | 0.023 | 0.004 | 0.253 | 0.937 | 0.063 |
| 2004 | 0.051 | 0.022 | 0.003 | 0.256 | 0.908 | 0.092 |

ALL PREMIUM AND LOSS FIGURES ARE IN THOUSANDS

PREMIUM REFUNDS ARE REFLECTED IN THE YEARS MADE.

* COMMISSIONS AND TAXES ARE RATIOS TO WRITTEN PREMIUMS

** COMBINED RATIO IS THE SUM OF LOSS AND LAE RATIO AND EXPENSE RATIO

NORTH CAROLINA

DERIVATION OF INCURRED-TO-PAID FACTOR (A)

| (1) | (2) | (3) | (4) |
|-------------|------------------------|--------------------|---------------|
| <u>Year</u> | <u>Incurred Losses</u> | <u>Paid Losses</u> | <u>Factor</u> |
| 2002 | 945,858,497 | 924,802,886 | 1.023 |
| 2003 | 1,043,631,340 | 1,046,934,672 | 0.997 |
| 2004 | 934,796,980 | 937,982,831 | 0.997 |

(A) Source: Page 15 Private Passenger Auto Physical Damage (line 21.1)

NORTH CAROLINA

DERIVATION OF ADJUSTED COMPREHENSIVE LOSSES FOR STATEWIDE RATE LEVEL

| | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|--|---------------|---------------|---------------|
| (1) Total Paid Losses (a) Page D-13, Col. (2) | \$207,651,735 | \$273,003,069 | \$188,887,754 |
| (2) Non-Wind and Water Losses (a) Page D-13, Col. (3) | 187,664,416 | 201,116,554 | 169,822,682 |
| (3) Ratio (2)/(1) | 0.904 | 0.737 | 0.899 |
| (4) Excess Wind and Water Ratio Page D-13, Col. (5) | 0.000 | 0.164 | 0.000 |
| (5) Total paid losses (b) | 261,259,509 | 341,378,386 | 247,489,860 |
| (6) Total excess wind and water losses (3)x(4)x(5) | 0 | 41,261,723 | 0 |
| (7) Total paid losses excluding excess wind and water (5) - (6) | 261,259,509 | 300,116,663 | 247,489,860 |

(a) Voluntary only loss data.

(b) Voluntary and consent to rate combined loss data.

NORTH CAROLINA

PRIVATE PASSENGER INSTALLMENT PAYMENT INCOME

| Year | Inst. Charges | Liability Written Premium | Phy. Dam. Written Premium | Total Premium | Inst. Charges as a % of Prem. |
|-----------------|------------------|---------------------------------|---------------------------------|------------------|----------------------------------|
| 1995 | 16,428 | 1,761,893 | 803,003 | 2,564,896 | 0.6% |
| 1996 | 23,552 | 1,823,594 | 920,020 | 2,743,614 | 0.9% |
| 1997 | 25,670 | 1,850,184 | 1,213,426 | 3,063,610 | 0.8% |
| 1998 | 26,860 | 1,880,844 | 1,330,395 | 3,211,239 | 0.8% |
| 1999 | 32,058 | 1,873,493 | 1,427,542 | 3,301,035 | 1.0% |
| 2000 | 32,936 | 1,758,477 | 1,484,735 | 3,243,212 | 1.0% |
| 2001 | 38,858 | 1,893,769 | 1,571,089 | 3,464,858 | 1.1% |
| 2002 | 36,805 | 1,985,194 | 1,743,154 | 3,728,348 | 1.0% |
| 2003 | 44,105 | 2,154,552 | 1,761,240 | 3,915,792 | 1.1% |
| 2004 | 42,329 | 2,141,604 | 1,715,924 | 3,857,528 | 1.1% |
| Latest 5 years: | 195,033 | 9,933,596 | 8,276,142 | 18,209,738 | 1.1% |

(in thousands)

Installment fees increased from \$2 to \$3 effective 1/1/95.

PREFILED TESTIMONY
OF
RAYMOND F. EVANS, JR.

FEBRUARY 1, 2006

NONFLEET PRIVATE PASSENGER MOTOR VEHICLE RATE FILING
BY THE NORTH CAROLINA RATE BUREAU

- Q: Would you state your full name and business address?
- A. Raymond F. Evans, Jr., CPCU, 5401 Six Forks Road, Raleigh, North Carolina.
- Q. Are you employed by the North Carolina Rate Bureau ("Bureau")?
- A. Yes.
- Q. In what capacity?
- A. I am the General Manager.
- Q. How long have you been employed by the Bureau?
- A: Since September 2000.
- Q. Would you summarize your educational background?
- A. I graduated from Ohio State University with a Bachelor of Science Degree in Accounting. I also have the designation of Chartered Property Casualty Underwriter.
- Q. What was your work experience after graduation and prior to your employment by the Bureau?
- A. From March 1966 to July 2000, I was employed by the State Auto Insurance Companies, Columbus, Ohio in various capacities, including the position of Executive Vice President of a subsidiary. I have extensive industry experience in underwriting and rate and form promulgation for private passenger auto.
- Q. What is the Bureau's function with respect to rates for automobile insurance, and what is your role?
- A. The Bureau files rates for nonfleet private passenger automobile insurance used by its members in North Carolina. My position as General Manager of the Rate Bureau requires me,

upon direction of the Governing Committee, to file rates with the Commissioner of Insurance.

Q. Can you identify Exhibits RB-1 through RB-36.

A. Yes. This is the 2006 filing (the "Filing") submitted by the Bureau to the Honorable James E. Long, Commissioner of Insurance, with respect to revised private passenger automobile and motorcycle insurance rates in North Carolina.

Q. Do you know how the expense data underlying the private passenger automobile portions of the Filing were compiled?

A. Yes.

Q. Would you describe how they were compiled?

A. The underwriting expense provisions included in the Filing were derived on the basis of a Special Call for Expense Experience that is issued on an annual basis by the Bureau. The Special Call, or request for data, was sent to all member companies of the Bureau. The responses received from that Special Call were compiled, checked by the Bureau and furnished to Insurance Services Office ("ISO") for incorporation into the Filing.

Q. Are there any changes in the procedure used to collect expense data in the Special Call?

A. Yes, the Rate Bureau has a continuing program to monitor and improve the quality and accuracy of expense data.

Specifically, the changes included using a web based data collection program which enabled insurers to enter data directly which reduces entry errors. The Bureau continues to work with the Department of Insurance on the Special Call to produce consistent and reliable data.

Q. Do you know how the premium, loss and expense data underlying the motorcycle portion of the Filing were compiled?

A. Yes.

Q. Would you describe how they were compiled?

A. The premium, loss and expense provisions included in the Filing were derived on the basis of special calls for motorcycle experience that are issued to all member companies of the Bureau. The responses received from the special calls for 2002-2004 data were compiled, checked, reconciled and edited by the Bureau and furnished to ISO for incorporation into the Filing.

- Q. Can you identify the document marked Exhibit RB-2 and entitled the North Carolina Personal Auto Manual?
- A. Yes. The North Carolina Personal Auto Manual is a manual of the rules, rates and classifications used for policies of nonfleet private passenger automobile insurance in North Carolina. This manual and any approved amendments are on file with the North Carolina Department of Insurance. A copy of this Manual is maintained at the offices of the Bureau.
- Q. Has the Bureau furnished to ISO, for use in the Filing, information appearing in the Annual Statements and the Insurance Expense Exhibits of its member companies?
- A. Yes.
- Q. How was that information obtained by the Bureau?
- A. Information from the Annual Statements and the Insurance Expense Exhibits was obtained by Bureau Staff from NAIC approved submissions of Annual Statements and Insurance Expense Exhibits filed by the companies with the Insurance Department. The Annual Statements and the Insurance Expense Exhibits are part of the official records maintained at the Department of Insurance.
- Q. What is a "deviation?"
- A. In the context of this filing, a deviation is a variation from the approved Bureau manual rates. In North Carolina the Bureau establishes the rates, subject to approval by the Department of Insurance, for coverages within its jurisdiction. Companies are permitted to deviate from those rates if the rates they charge are approved by the Commissioner of Insurance.
- Q. Do companies that file for downward deviations from Bureau rates in North Carolina report those downward deviations to the Bureau?
- A. The companies are required by statute to file a copy of their downward deviation filing with the Bureau. The original is filed with the Department of Insurance and a copy of each approved deviation is forwarded to the Bureau. The Bureau maintains a list of all such deviations in force.
- Q. In connection with the preparation of the Filing, did the Bureau gather any information with respect to deviations and policyholder dividends for private passenger nonfleet automobile insurance in North Carolina?

A. Yes. Using information from the responses to the special calls for expense experience, we furnished to ISO data with respect to the historical levels of downward deviations and policyholder dividends in North Carolina. We also furnished to ISO data with respect to the calendar year written premiums on business ceded to the North Carolina Reinsurance Facility for the years corresponding to the years for which dividend and deviation data were furnished. The purpose of our furnishing those data was to enable ISO to determine the level of dividends and downward deviations. ISO thereafter prepared an exhibit, which has been included in the Filing as page one of Exhibit RB-5, which was furnished to the Automobile Committee and our consultants for their use in the preparation of the Filing.

Q. Was the Special Call, Annual Statement, Insurance Expense Exhibit, Reinsurance Facility and deviation and dividend information which the Bureau furnished to ISO in connection with the Filing correct and accurate to the best of your knowledge, information and belief?

A. Yes.

Q. Does the North Carolina Rate Bureau have actuaries on its staff?

A. No.

Q. To the extent that actuarial expertise was necessary in the preparation of this Filing, where did the Bureau obtain that expertise?

A. Actuarial expertise was obtained from Insurance Services Office, from the members of the North Carolina Rate Bureau's Automobile Committee and from Mr. Mike Miller. The majority of the Automobile Committee is made up of actuaries who review the data underlying the Filing and make recommendations to the Governing Committee of the North Carolina Rate Bureau as to the items contained in the Filing. Insurance Services Office is employed by the Bureau to provide actuarial services to the Bureau for, among numerous other things, preparation of this Filing. Mr. Miller has been employed by the Bureau to conduct a review of the data and to assist in the preparation of this Filing.

Q. What is the proposed effective date of the rates in the Filing?

A. The effective date is October 1, 2006. The new rates will apply to all policies effective on or after October 1, 2006.

- Q. Does the Filing propose changes in the relativities used to determine motorcycle rates?
- A. Yes.
- Q. Would you define a "relativity?"
- A. A relativity is a percentage or a factor.
- Q. How are motorcycle rates determined and why did the Bureau request these relativity changes for motorcycle insurance?
- A. A separate rate level analysis is conducted for motorcycle insurance. Then, motorcycle liability rates are displayed as a percentage of the private passenger automobile rates. In order to factor in the effects of the filed increase for the private passenger automobile liability rates, the Bureau filed for changes in the relativities used to establish the motorcycle liability premiums. If the automobile liability rate changes proposed in the Filing are not implemented in their entirety, it will be necessary to increase the relativities used to establish the motorcycle rates. The relativity changes for motorcycle liability premiums contained in the Filing assume that the entire private passenger automobile liability rates are implemented as filed.
- Q. Did the Bureau review physical damage deductible relativities in this filing?
- A. Yes. Section I of the filing shows the individual deductible relativity data separately for comprehensive and collision coverages. The Automobile Committee reviewed these data and decided to recommend no changes to these relativities this year. However, the Automobile Committee indicated that it would review these relativities again in its review of data for the 2006 filing to determine if any changes in deductible relativities would be appropriate, particularly in the higher deductibles.
- Q. How many companies are presently licensed to write automobile insurance in North Carolina?
- A. As of January 1, 2006, there were 596 companies licensed to write nonfleet private passenger automobile insurance in North Carolina.
- Q. How many companies actually write automobile insurance in North Carolina?
- A. Based upon information in the 2004 Annual Statements, 138 companies actually wrote automobile liability insurance and

144 companies actually wrote automobile physical damage insurance in North Carolina.

Q. Do the Filing and the materials submitted to the Commissioner with it include, to the extent available, the information to be furnished in connection with filings under Article 36 of Chapter 58 of the General Statutes?

A. Yes. Those data that were available have been submitted to the Commissioner along with the Filing. As shown and explained in that submission, some data were not collected or, if collected, were not retrievable from the statistical data in the form requested. The individual circumstances with respect to such data are explained in the submission.

Q. Article 36 of Chapter 58 of the General Statutes requires the Rate Bureau to make a complete review of the filed classification rates, at least every three years, to determine whether they are proper and supported by statistical evidence. Does the Filing contain such a classification rate review?

A. Yes, in section J of the Filing.

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**AMENDED
PREFILED TESTIMONY
OF
PATRICK B. WOODS**

**2006 PRIVATE PASSENGER NONFLEET
AUTOMOBILE INSURANCE RATE FILING
BY THE NORTH CAROLINA RATE BUREAU**

Q. Please state your name and business address.

A. My name is Patrick B. Woods. My business address is Insurance Services Office, 545 Washington Boulevard, Jersey City, New Jersey.

Q. By whom are you employed?

A. I am employed by Insurance Services Office ("ISO") and have been employed by ISO since May 10, 1976.

Q. What are your responsibilities at ISO?

A. I am generally responsible for managing and overseeing the operations of the Personal Automobile Actuarial Division at ISO. The Personal Automobile Actuarial Division is responsible for ISO's total ratemaking operation as it pertains to private passenger automobile insurance. We are generally responsible for doing everything that pertains to ratemaking for the personal automobile coverages including reviewing experience, making filings, analysis of classification plans, etc. ISO is involved in ratemaking for the personal automobile coverages in general in 49 of the 50 states plus the District of Columbia and Puerto Rico, as well as ISO's ongoing work for the Government of Israel for the Compulsory Auto Coverages.

Q. What is your employment background?

A. I have been employed by ISO for over twenty-nine years in various actuarial positions in the Personal Lines area. I was hired as an Actuarial Assistant in the Personal Property Actuarial Division in 1976. I was promoted to Assistant Actuarial Supervisor in Personal Property. I was later transferred to Private Passenger Actuarial and promoted to Actuarial Supervisor. At my next promotion I was named as Assistant Actuary in ISO's Data Quality Division. While in this area, I worked exclusively on New York's Special Examination of ISO and NAII in their role as statistical agents for personal automobile insurance. Upon completion of this assignment, I joined the Personal Lines Actuarial Division. In January of 1987, I was named Actuary and Manager of the Personal Lines Actuarial Division. In 2003, because of the growth of our international commitment, ISO split the Personal Lines Actuarial Division into two Divisions—Personal Automobile Actuarial and Personal Property Actuarial. I am

presently Assistant Vice President and Actuary in charge of the Personal Automobile Actuarial Division.

Q. What is your background in actuarial science and your educational background?

A. I have a Bachelor of Science degree and a Master of Arts degree in mathematics from St. John's University. I am a Fellow of the Casualty Actuarial Society ("CAS") and a member of the American Academy of Actuaries. I am currently chair of the CAS Program Planning Committee and I am a member of the Professional Education Policy Committee. I have served on the CAS Committee on Principles, on the CAS Examination Committee, on the CAS Risk Classification Committee and on the CAS Editorial Committee. I have also served as a member of the American Academy of Actuaries Committee on Property and Liability Issues. I am currently a member of the Casualty Committee of the Actuarial Standards Board, and I am chairman of the Ratemaking Subcommittee of the Casualty Committee of the Actuarial Standards Board.

Q. Are you familiar with automobile ratemaking in other states?

A. As part of my duties at ISO, I know the data collection and ratemaking procedures in use in states other than North Carolina. I have worked on rate filings for virtually every state in which ISO has jurisdiction. I am responsible at the present time for either preparing or supervising the preparation of filings for all of the states and the District of Columbia and Puerto Rico.

Q. What work have you performed with respect to the Rate Bureau's 2006 automobile rate filing in North Carolina?

A. Through ISO I have been involved in the preparation of the 2006 automobile rate filing for the Rate Bureau in two respects. First, ISO is one of three statistical organizations that collect rate-related statistical data from the companies writing automobile insurance in North Carolina. The Property Casualty Insurers Association of America ("PCI" and formerly the National Association of Independent Insurers or "NAII") and the National Independent Statistical Service ("NISS") are the other statistical organizations that collect such data. The three statistical organizations subject the data that are reported to them to a series of verification edits and then consolidate the data. The data which PCI and NISS collect are sent to ISO and consolidated with the ISO-collected data in the proper format so that they can be reviewed to determine whether rates are adequate or inadequate. ISO then produces the hard-copy exhibits of the combined data in a format and detail necessary for ratemaking.

Second, ISO provides consulting actuarial services directly to the Rate Bureau. I have been directly involved in this aspect of the Rate Bureau's private passenger automobile insurance rate filings for a number of years. As in the past, my staff and I compiled the ratemaking data to be reviewed by the Automobile Committee in preparation of the filing. Also, as in

the past, I have participated in all of the discussions of the Automobile Committee in preparation of the filing.

Under my direction, my staff put together the vast majority of the data and information contained in Exhibit RB-1.

Finally, I have reviewed the filed rates to determine if they are calculated in accordance with the Casualty Actuarial Society's (CAS) Statement of Principles Regarding Property and Casualty Insurance Ratemaking. In accordance with Actuarial Standard of Practice No. 17 Expert Testimony by Actuaries, I conducted my review in terms of reasonableness rather than solely in terms of whether there is precise agreement on each issue. In addition, I applied the rate standards set forth in North Carolina General Statute 58-36-10(2), i.e., that rates must be adequate, not excessive and not unfairly discriminatory.

Q. Mr. Woods, could you describe generally the steps taken to ensure that the statistical data contained in this filing are reasonable and reliable for ratemaking purposes?

A. Yes. The data received from the companies are subject to various edits which check for the validity of the coded information and the appropriateness of the relationship of the codes to each other on each record. After the data have been edited at the transaction level, they are subject to a set of distributional edits which check that the distribution of the data is consistent with a company's prior submissions. The data are also balanced on a company-by-company basis to page 15 of the Annual Statement. After all these checks and reviews have been made on a company basis, the aggregate data are reviewed for overall reasonableness. This includes checking to see that the changes observed in various summary totals are consistent with known activities and other compiled information, as well as previous years' statistics.

In addition, the Rate Bureau requested that the statistical agents provide the companies that are on the Auto Committee with their own and the industry data distributions by class, territory and deductible. These data were provided to them in order to verify that the data compiled by the statistical agents accurately represents the company's writings in each of the last three years. To the best of my knowledge, these reviews did not raise any question regarding the reasonableness and reliability of the data for ratemaking purposes.

As a result of all these data checks, the Rate Bureau concluded that the data were appropriate for determination of revised rate levels and rate relativities.

Q. Would you describe the data utilized in Exhibit RB-1?

A. The ratemaking experience reflected in Exhibit RB-1 is, in general, the data which has been supplied by the individual insurance companies to the statistical organizations and consolidated into the appropriate format and detail for ratemaking as described above. The supporting data for the rate level changes for bodily injury liability, property damage liability, medical payments, comprehensive and collision coverages are contained in

Section C. Three years of exposure, loss and expense experience are displayed for each of the coverages in Section C. The three years are the years ended December 31, 2002, December 31, 2003, and December 31, 2004. The Automobile Committee discussed the number of years of experience to be used in determining indicated rates. After the indicated required premium per exposure for each of the years were produced, the Committee reviewed the results for each year and considered the impact of giving equal weight to each of the three years. After consideration of the three years of data, the Committee concluded, based on standard actuarial credibility considerations, and balancing the issue of stability versus responsiveness, that the exposure distributions and the losses and expenses attributable to these exposures for the year ended December 31, 2004 were fully credible and could be given 100% credibility weighting for calculating anticipated rate level needs. Accordingly, the mathematical calculations underlying the indicated rate level changes and filed rate changes are based on the exposure distribution, loss and expense experience for the year ended December 31, 2004. This is the same weighting procedure that has been utilized by the Rate Bureau in previous automobile insurance rate filings since the inception of the Rate Bureau in 1977, and it is used on all coverages except for Uninsured Motorists, Underinsured Motorists and Motorcycles, as noted later.

The loss experience used in the filing for the liability and medical payments coverages is what we call "accident year" experience. I can explain that best by giving you an example. The losses for the accident year ended December 31, 2004 consist of all losses caused by accidents which occurred during the one year period ended December 31, 2004. If an accident occurred December 29, 2003 and resulted in either a loss being paid or a reserve being established after January 1, 2004, that loss would be a part of the accident year losses for the period ended December 31, 2003. The test for breaking losses down into accident years is the date the accident occurred.

For the collision and comprehensive coverages, the loss experience used in the filing is "calendar year" experience. What this means is that the losses include all payments which are made during the particular year. For example, if an accident occurs on December 29, 2003 and the loss is actually paid on January 10, 2004, this would be a loss during the calendar year ended December 31, 2004. The reason we do not use "accident year" experience for physical damage coverages is that the lag between the time an accident happens and the time the loss is paid is usually very short and the difference between accident year and calendar year experience is nominal. The use of calendar year experience is traditional for the physical damage coverages.

- Q. What data are included in the preparation of the indicated required premiums in the filing?
- A. The Bureau calculated the needed average indicated premiums by using the loss and expense experience of all drivers who apply to the companies for the coverages in this filing. In filings prior to the 2005 filing, the loss and expense experience was limited to drivers that were ultimately written and retained by the companies at the manual rate or at a downward deviated rate. Risks written and retained by the companies at the manual rate or at a downward deviated rate have significantly better loss and expense experience

than risks written by the companies but ceded to the Facility (both clean risks and other-than-clean risks) and physical damage risks written at higher than the manual rates through the consent to rate process. Instead of calculating the average loss and expense level of all the drivers who apply for and purchase (under the Bureau's non-fleet private passenger automobile policy) the coverages in this filing, the prior procedure calculated the average loss and expense level of only the better drivers in the state. The average loss and expense levels by coverage in this filing are the actual average loss and expense levels of all North Carolina drivers who buy the coverages for which rates are made in this filing.

Since the rate level calculation is made using a pure premium methodology, the indicated average rate is simply determined as the sum of prospective average loss and loss adjustment expense per exposure, and the expenses per exposure for general and other acquisition expenses, a provision for variable expenses (commissions, premium taxes, etc.) and a provision for underwriting profit.

- Q. Why did the Bureau include the experience of all these North Carolina drivers in determining the average indicated premiums in the filing?
- A. As a result of ongoing discussions with the Department of Insurance, the Bureau spent considerable time in 2004 studying the appropriate experience to use when determining the average rate in North Carolina. In studying the issue, it became clear that the rates determined in prior filings did not reflect the true average loss and expense experience of all the drivers purchasing the coverages in the filing. They instead resulted in rates that reflected the average loss and expense level of only the better drivers insured by the companies in what is typically referred to as the voluntary market under the Bureau's non-fleet private passenger automobile policy. The Bureau determined that it was necessary to include the experience of all North Carolina drivers in order to calculate the actual average loss and expense level of drivers purchasing the coverages in the filing and to set the manual rates at an average level that appropriately takes into account all of that experience. The Bureau recognized that some drivers will pay more than the premium levels determined in the filing (consent to rate risks, Facility other than clean risks) and that some drivers will pay less than the premium levels determined in the filing (risks receiving downward deviations). Given the historic distributions as shown on RB-5, Sheets 2, 3 and 4, there is no reason to believe that the amounts anticipated to be collected from all of these drivers (even if you include clean risk recoupment which is not premium) will vary significantly from the amount necessary to pay the anticipated losses and expenses and the fair profit contained in the filing. By utilizing the experience of all these drivers, the Bureau has taken into account in this filing virtually all of the variations from the true average rate, and therefore does not believe it is necessary to include an additional provision for rate deviations. .
- Q. Does the filing contain an exhibit which shows the criteria for determining the credibility to be assigned to a single year's data?

- A. Yes. The credibility table at the top of page D-27 of the filing shows the number of claims which are necessary for assigning full credibility to a single year's data. It also shows the number of claims that would be necessary for assigning partial credibility. These are the criteria which are currently used by ISO on a countrywide basis. These credibility standards are based on a formula described in the paper "On the Credibility of the Pure Premium" by Mayerson, Jones and Bowers. This paper was published in the Proceedings of the Casualty Actuarial Society for 1968, Volume LV. The full standard of 4,000 claims is based on the criterion that the observed (actual) pure premium should be within 5% of the expected pure premium with a probability of 95%. In simpler terms, we are using a P (probability) value of 95%, and a k (tolerance) value of plus or minus 5%.

The chart shows that if the average number of claims is 4,000 or greater, 100% credibility should be assigned to the latest year's data, with zero weight being assigned to data for the earlier years. The average number of claims is the average for the two latest accident years. If the average number of claims for a particular coverage over a two year period were 3,700, that would mean that you should use both years' experience in calculating rates. Ninety (90%) percent weight should be given to the latest year and 10% to the earlier year.

- Q. Was this criteria for determining the accident year weights applied to all coverages?

- A. No, as I mentioned earlier, there were three exceptions to this criteria—Uninsured Motorists, Underinsured Motorists and Motorcycles. Since the experience for the Uninsured Motorist coverage can be less stable, an exposure-weighted average of the latest three years was used. In filings from 1997 through 2002, the Rate Bureau used a premium-weighted average to calculate the final results for this coverage. When the Bureau switched to a pure premium based methodology, the Bureau switched to an exposure-weighted average. For Underinsured Motorists the three year average is used because of the leveraged nature of the coverage, an excess cover over the party at fault's underlying bodily injury coverage. This could lead to relatively unstable results from year to year as the losses are subject to the mix of the limits purchased and at fault in the accidents. (It is worth noting that, while the data shown appears to be quite stable, the potential for large claims - since this analysis is on a total limits basis - should be recognized by the use of the three year experience period.) For motorcycles, the experience was collected by a Rate Bureau call for financial data, and therefore no claim count by year was available. In addition, the results by year for this coverage can be quite variable. Based on these two facts, a premium-weighted average of the three latest years was used.

- Q. Page D-27 also has a table showing the factors for territorial credibility. Please explain that.

- A. Once the statewide rate change is determined, it is necessary to apply the overall change to each of the territories in the state. The territory credibility table is used to determine how much credibility is assigned to the three-year experience for a particular territory. The reason for the difference in the number of claims as between statewide credibility and territorial credibility is that for the development of rates by territory a wider confidence

interval is permitted. We use a 90% confidence interval for territory purposes, but a stricter 95% confidence interval for the statewide rate level calculation.

Q. Please explain the trend credibility table in the lower right-hand portion of page D-27.

A. In some states the number of claims is so small that full credibility should not be assigned to the calculated trends. That is clearly not the case in North Carolina. The trend credibility table shows that 10,623 claims are necessary for full credibility for trends. With the exception of the uninsured motorist coverage, the number of claims far exceeds that standard. Therefore it is appropriate for the bodily injury, property damage, medical payments, collision and comprehensive coverages to give the trend calculations full credibility. This does not mean that the past trends will necessarily continue into the future. That is something which we have to consider and evaluate carefully. It does mean, however, that we can be confident that the trend calculations are accurate representations of what did in fact occur during the period covered by the trend calculations.

Q. As part of your testimony, have you prepared an exhibit that shows the average number of claims over the last two accident years for each of the coverages in the filing?

A. Yes. Exhibit RB-3 shows the average number of claims for the accident years ended December 31, 2003 and December 31, 2004. It shows that for each of the coverages the number of claims was far in excess of the 4,000 which is the standard for assigning full credibility to the latest year. Accordingly, for the purpose of calculating the statewide rate indication for each of the coverages, it is actuarially sound and reasonable to give 100% credibility weight to the data for the accident year ended December 31, 2004.

Q. Has the Rate Bureau made any adjustment in the filing to reflect seat belt usage in North Carolina over the last few years?

A. No, the Rate Bureau has not made an explicit adjustment to the otherwise indicated rate levels because the program in North Carolina directed at increasing the awareness of the law regarding the use of seat belts was put in place in late 1993, and its effects are fully reflected in the 2002, 2003 and 2004 data. In addition, data from the National Highway Traffic Safety Administration indicates that the usage percentage subsequent to the experience period is similar to the usage in the experience period.

Q. Has the Rate Bureau given any consideration to the impact of the graduated license program?

A. Yes, the Rate Bureau has again considered the impact of the graduated license program. The Committee noted that the program was effective in late 1997. This means that all three of the years of experience considered by the Auto Committee were fully reflective of the graduated license program.

Q. Mr. Woods, please turn to page C-1 of Exhibit RB-1. Would you explain what that page is.

- A. Page C-1 is what we call a statewide indicated average rate level calculation for the liability coverages for North Carolina. Although technically the medical payments coverage is not a liability coverage, for ratemaking purposes we generally treat it as such. Therefore, if I refer in my testimony to the liability coverages, it includes not only bodily injury and property damage but also the medical payments coverage unless I specify otherwise. Page C-1 is a determination of what the indicated average rate levels are for bodily injury, property damage, and medical payments coverages.
- Q. The column on page C-1 for bodily injury contains a reference to "30/60". What does that mean?
- A. These are the minimum bodily injury liability policy limits which are needed to comply with the financial responsibility laws in North Carolina. Here we are calculating the indicated average rate that is needed for this "basic limits" coverage. We assume that losses are "capped" at these basic limits. What this means is that the indicated average rate we get from the calculation is the actuarially sound average rate assuming everyone in North Carolina purchased basic limits coverage. There is a separate procedure which is followed to determine what the additional premium should be for those people who buy higher limits, and the results of that procedure are incorporated at the end of the calculation on page C-1 in order to get the total limits premium. This use of "basic limits" losses for the purpose of determining the statewide indicated average rate is the proper procedure to be followed. As far as I am aware, the use of basic limits data is universally accepted. To illustrate how it works, assume that a person bought a policy with 100/300 bodily injury policy limits and had an accident which caused his insurance company to make a payment to a claimant of \$75,000. The losses which are shown on line 1 would include only \$25,000 as opposed to the \$75,000 total loss.
- Q. Referring to line 1 on page C-1 under the bodily injury column, what are "reported incurred losses and allocated loss adjustment expense"?
- A. The reported incurred losses on line 1 are the losses resulting from accidents which occurred during the one year period ending December 31, 2004. The figure includes both losses which have already been paid and losses which are not yet paid and are represented by outstanding claim reserves. The figure also includes allocated loss adjustment expenses. Allocated loss adjustment expenses are expenses which relate to a specific claim. For example, the fees which an insurance company pays to attorneys to defend a claim would be classified as allocated loss adjustment expenses. On the other hand, adjustment-related expenses which cannot be identified to a specific claim are called unallocated loss adjustment expenses. An example of this would be the salaries and overhead associated with operating a company's in-house claims department. Allocated loss adjustment expenses are included in line 1; unallocated loss adjustment expenses are not.
- Q. Have the losses and allocated loss adjustment expenses as reported by the companies been adjusted in any way to get to the number in line 1?

A. Yes. As I mentioned earlier, ratemaking is done on a 30/60 limits basis. For that reason we adjust the reported losses by eliminating those losses which exceed the amount which would have been paid had the policy limits been 30/60.

Q. Would you please explain lines 2 and 3 on page C-1?

A. Yes. Those lines reflect the incorporation of loss development into the calculation. Line 2 shows the loss development factor, and line 3 is the result of multiplying the incurred losses and allocated loss adjustment expenses in line 1 by that loss development factor. As I mentioned a moment ago, the losses on line 1 of page C-1 do not include losses which are not yet reported. By definition, since they are not yet reported, we cannot simply take a reported number and add it in. They are included by what is known as an adjustment for IBNR (incurred but not reported) losses. This is accomplished through the use of loss development factors. The losses as they are reported to us cover all accidents which occur during the one year period ended December 31, 2004. When they are reported to us they are evaluated as of March 31, 2005. As of March 31, 2005, some of the losses have already been paid and some have not, i.e., they are represented by loss reserves. The loss reserves, of course, are estimates of what will ultimately be paid on these outstanding claims. Since we want the estimates to be as accurate as possible, we look at history to see how losses have changed, or "developed," in the past from the time they were initially reported to the time they were ultimately paid. For example, if we look back and see that historically there has been a 1% increase in the amount of losses from the time they were initially reported as reserves until the time they were ultimately paid, we would logically assume that the same development pattern will hold true for losses incurred during the year ended December 31, 2004. Accordingly we would make an adjustment by increasing the losses as they are initially reported to us by 1%.

Q. What causes losses to change or develop as you have described?

A. The losses which are paid as of the date of the initial reporting, of course, do not change. As to the reserve portion of the losses, however, changes would typically result from the fact that the ultimate loss payments are more or less than estimated at the time of the initial report. Another factor would be the late reporting of claims. For example, if an accident occurred on December 28 of any given year and for some reason was not timely reported to the company, it might very well be that the losses as initially reported would not include any provision for that particular claim. By the time of the next year's evaluation, however, the claim would have worked its way into the system and the total loss would include either the paid amount or the reserved amount for that particular claim. This would cause an upward development in the losses as initially reported.

Q. Will you please refer to page D-14 of RB-1 and explain how the loss development factor for bodily injury in the filing was calculated?

A. Yes. In the top section of that page the combined voluntary and ceded losses evaluated as of 15, 27, 39, 51 and 63 months for the accident years for which data are available are

shown. The first entry for the accident year ended December 31, 2000 is \$467,248,204. This is in the column which is labeled "15 Months." This is the first evaluation of the losses caused by accidents which occurred during the year which ended December 31, 2000. The evaluation was made as of March 31, 2001 -- 15 months after the beginning of the accident year. Twelve months later (March 31, 2002), the losses caused by accidents which occurred during the year ended December 31, 2000 had grown to \$494,966,053. This is the evaluation as of 27 months after the beginning of the accident year. This increase from roughly \$467 million to \$494 million represents a growth in losses, or a positive development, of 5.9% (1.059) as shown in the column on the lower portion of the page labeled "15 to 27 Mos." As shown on page D-14, we have looked at the average development from 15 months to 27 months over the three year period of accident year 2000 to 2002 and over the latest five years. The average development for the three years was 1.053 or 5.3%, and the average development for the latest five years was 1.054 or 5.4%. The choice to exclude the 15 to 27 month factor for the 2003 year was made because one large company had made some changes in how reserves were set for accident year 2003 and the Automobile Committee felt that the use of that data in a three year average would bias the factor. As in the past, the Automobile Committee decided to use the factors based on the three year averages. I believe that such factors provide the best balance of stability and responsiveness.

Q. Does page D-14 also show development figures for periods later than 27 months?

A. Yes. Studies have shown that for the bodily injury liability coverage virtually all losses have been paid by the time of the evaluation at 63 months after the beginning of an accident year. For that reason we also calculate loss development factors for the periods from 27 months to 39 months, 39 months to 51 months and 51 months to 63 months. For example, by the time of the 39 month evaluation the losses for the accident year ended December 31, 2000 had grown to \$505,863,721. This represents a change of 2.2% in the losses for the same accident year evaluated as of 27 months. The average development over the period 27 months to 39 months for the three most recent years for which the data are available was 1.024 or 2.4%.

Q. Are the data which were used to determine loss development for later periods also shown on page D-14?

A. Yes. The figures showing how losses developed from the 39-month evaluation to the 51-month evaluation and then the 63-month evaluation are also shown on that page. The development factors were calculated in the same manner I just described for the "15 to 27" and "27 to 39" development factors. As you can see on the page, we have had to use earlier accident years to get the later evaluations. This is because we do not yet know what the ultimate developments will be on the later accident years.

Q. Will you explain how the loss development factor used to determine the ultimate payment value of the accident year ended December 31, 2003 losses was determined?

A. Yes. The development factors for each of the applicable periods, as shown on page D-14, are:

| <u>Development Period</u> | <u>Factor</u> |
|---------------------------|---------------|
| 15 to 27 | 1.053 |
| 27 to 39 | 1.024 |
| 39 to 51 | 1.013 |
| 51 to 63 | 1.004 |

If you multiply all of these factors, you will get the average development from the initial evaluation at 15 months to the ultimate payment value at 63 months. The result of that multiplication is 1.096 or 9.6% total development. Since losses have historically increased or developed by 9.6% from the time they are initially reported to the time they are paid, the assumption is that the losses for the accident year ended December 31, 2004 will do likewise. Accordingly the developed losses shown in the filing for the accident year ended December 31, 2003 include a 9.6% upward adjustment for loss development.

Q. Is this the same loss development procedure that has been employed in previous automobile insurance rate filings in North Carolina?

A. Yes.

Q. Please refer to line 5 of page C-1. With reference to the column headed "Bodily Injury," please tell us what the figure \$66,846,850 represents.

A. These are the unallocated loss adjustment expenses associated with accidents that occurred in the accident year ended December 31, 2004. As I explained earlier, unallocated loss adjustment expenses are those loss adjustment expenses which cannot be attributed on an accident-by-accident basis. That number is the result of multiplying the developed losses and ALAE in line 3 by the factor of 0.113 in line 4.

Q. Have you reviewed the Rate Bureau's compilation of the expense data furnished by its member companies in response to the special call?

A. Yes, I have. When ISO gets the expense information from the Rate Bureau, we routinely review it relative to earlier years for consistency.

Q. Please refer to page C-1, line 6 entitled "General and Other Acquisition Expenses." With reference to the figure \$131,183,687 shown under the column headed "Bodily Injury," what does that figure represent?

A. These are the general and other acquisition expenses associated with the accident year ended December 31, 2004. These are the so-called fixed expenses for that year. They are fixed in that they do not vary as a direct function of the premium dollar. For example,

employee salaries (other than claims employees) would be classified as either general expenses or other acquisition expenses. Those salaries are fixed in the sense that they do not vary directly as a function of premium. Such things as commissions and premium taxes, on the other hand, are examples of expenses which do rise or fall directly with premium. Line 6 of page C-1 represents the expenses (other than claims-related expenses) which are fixed in this sense.

The amounts shown on line 6 for each of the coverages are also derived from the most recent special call responses received by the Rate Bureau. The figures reported in response to the special call are total general expenses and total other acquisition expenses. It would not be appropriate to include the total figures actually reported since some of those expenses should be the "increased limits" portion of the total rates. Since what is calculated on page C-1 is the required premium needed for basic limits, we want to use only those fixed expenses which are attributable to the basic limits premium. As shown on page C-2 at footnote (c), the total limits fixed expenses were 6.4 % for general expenses and 8.9 % for other acquisition expenses, for a total of 15.3 % of total limits collected earned premium for voluntary and ceded collected earned premium and 5.9% for general expense and 8.3% for other acquisition expense of the voluntary and ceded manual earned premium. (The data for these percentages is shown on page H-687.) By multiplying these percentages times the basic limits premium on a collected level for voluntary premium and on a manual level for ceded business for policies associated with the year ended December 31, 2004, you get the total fixed expenses which are attributable to the basic limits coverage. This is shown on Exhibit RB-4.

- Q. What is the assumed effective date which was used in the preparation of the present filing?
- A. The filing was put together on the assumption that the revised rates will become effective October 1, 2006 for new and renewal business.
- Q. Would you please explain line 7?
- A. The figure 6,263,630 in line 7 displays the earned exposures for the Bodily Injury coverage for the year 2004. An earned exposure represents one car insured for one year. Thus, the 6,263,630 represents the number of cars that were provided with coverage under the Bureau's nonfleet private passenger automobile policy during the year 2004. The earned exposures will serve as the denominator in the calculation of the projected values that will be used in calculating the required per risk premium.
- Q. Would you please explain lines 8 through 10?
- A. These lines are shown for general information purposes. The incurred claims in line 8 are multiplied by the claim development factor in line 9 to produce the number of developed claims in line 10.

Q. Referring to page C-1, please explain what is meant by line 11 -- Average Annual Change in Losses and ALAE.

A. What the Rate Bureau is doing in the filing is making rates to cover policies issued for new business and for renewals of existing business during the period October 1, 2006 through September 30, 2007. In order to do that, it is necessary to project the amount of losses which will be covered under policies issued during these periods. Since we know that losses change because of such things as changes in accident frequency and changes in injury and damage costs, it would not be appropriate to assume that the losses covered under 2006 and 2007 policies will be the same as the losses which are shown on line 3 for the accident year ended December 31, 2004. The purpose of line 11 is to trend the losses which are shown on line 3 to the anticipated level for 2006 and 2007 policies. Line 11 shows what is generally referred to as the trend factor. It is the anticipated annualized rate of change in losses. For the bodily injury liability coverage, the annual factor is 1.017 or 1.7% per year. These are referred to as "pure premium" trends. In order to apply that annual trend to policies to be written under the new rates, the trend is applied over a period of 3.03 years, as shown in line 13 on page C-1. Mathematically this is done by raising the factor of 1.017 to the 3.03 power. This gives you the total amount of the trend projection.

Q. How were these trends determined?

A. They were selected by the Automobile Committee based on its review and discussion of a variety of information presented at the December 15 meeting. Much of the information they reviewed was provided by ISO. The primary data for this analysis are what we refer to as "internal" trend data. These are the cost and frequency data for all companies writing private passenger non-fleet automobile insurance in North Carolina, for which trend lines were determined for several different time intervals both on a linear and on an exponential basis in order to determine what the actual changes for both cost and frequency have been in the recent past. This information is included in the filing at pages H-631 through H-664.

Fasttrack data were also provided. This is data from the so-called Fasttrack Data System, a program administered under the auspices of the National Association of Insurance Commissioners ("NAIC"). This program was developed in the 1970's in response to a concern that the internal trend data were not produced currently enough to indicate the most up-to-date trends in accident frequency or severity. Fasttrack data are collected, as the name implies, on a more expedited basis from among a number of the larger automobile insurance writers. There are a number of problems with Fasttrack data. For instance, they do not include the trend data of all insurers and are not subjected to the verification procedures which are applied to the internal trend data. Further, the Fasttrack data, which are also compiled on a calendar year basis, are somewhat biased due to the relative growth of participating companies and the share of the market in claims and exposures they represent. Nonetheless, they can be useful on some coverages as a tool to assist in making judgments about likely trends where they are more current than other available data. It should be noted that the Fasttrack data used in this filing are the same Fasttrack data

supplied directly to the Commissioners by ISO and PCI. The fasttrack data and trend calculations are included in the filing at pages H-619 through H-630.

Q. Was there any other trend information provided to the Automobile Committee?

A. In addition to the internal trend and the fasttrack trends, various external information was provided. This information included various government indices (such as the Consumer Price Indices for medical care, physician services and auto body work), statistics with respect to gasoline prices, and miles driven.

Q. Is there any one mathematical procedure which can be used to determine the average annual change in pure premium?

A. No, there is not. The determination of an average annual change based on trend curves will give an accurate calculation as to what the past trend has been. However, the trend numbers calculated in that fashion should be used as a prospective trend factor only to the extent that one anticipates that the past trends will continue into the future.

Q. Have you reviewed the trends used in the filing?

A. Yes. The Rate Bureau adopted for use in the filing the selections made by the Automobile Committee. Those are set out below:

| COVERAGE | COST | FREQUENCY | PURE PREMIUM |
|------------------------|------|-----------|--------------|
| Bodily Injury (B/L) | 1.9% | -0.2% | 1.7% |
| Bodily Injury (T/L) | 3.5% | -0.2% | - |
| Property Damage | 0.0% | 0.0% | 0.0% |
| Medical Payments | 4.0% | -3.0% | 0.9% |
| Comprehensive | 0.0% | -2.0% | -2.0% |
| Collision | 2.0% | -3.0% | -1.1% |
| Uninsured Motorists | - | - | 0.5% |
| Underinsured Motorists | - | - | 5.0% |

Q. Do you have an opinion with respect to the reasonableness of these trends?

A. Yes, based on my own review of the data, I do. I believe that the Rate Bureau has been reasonable in its trend selections. By that I mean that the Bureau has selected trends that were within my range of reasonableness.

For the Bodily Injury coverage, the Rate Bureau has selected a cost trend of 1.9 % based on the fairly narrow range of the fitted annual rates of change. The 12 point, 9 point and 6 point fits annual rate of change are within the range of 1.1% to 2.9%. The selection of 1.9% is reasonable and is consistent with giving consideration to both the longer term and shorter term trends.

For Bodily Injury claim frequency, the Rate Bureau selected -0.2%. The Bureau examined the fitted paid claim frequency data and noted that annual rate of change for claim frequency was within a very narrow range for the 15 point, 12 point and 9 point fits. The selection of -0.2% is consistent with this period of stability.

For the Property Damage coverage, the Rate Bureau selected a cost trend of 0.0% and for claim frequency an annual rate of change of 0.0%. The selection of the 0.0% for cost and frequency reflects the relatively narrow range of the resulting pure premium changes when the 15 point, 12 point and 9 point fits are examined for cost and frequency in combination.

For the Medical Payments coverage, the Rate Bureau selected a cost trend of +4.0%. This selection is reasonable based on the fact that the rates of change for this coverage have been in this range when looking at all of the fitted changes.. In addition, government forecasts are that the rate of change for medical care will continue to increase at current levels.

For Medical Payments frequency, the Rate Bureau selected a frequency trend of -3.0%. The annual rates of change for each of the fits displayed have been negative. The selection of this change is based on consideration of the longer term fits.

For Comprehensive, the Rate Bureau selected a cost trend of 0.0%. This is based on fitted changes for the various deductibles for data through June 30, 2005 as follows:

| | Full Coverage | \$50 Deductible | \$100 Deductible | \$250 Deductible |
|-----------|---------------|-----------------|------------------|------------------|
| 15 Points | -2.2 | -3.0 | -3.1 | -0.9 |
| 12 Points | -3.1 | -4.6 | -4.2 | -1.8 |
| 9 Points | -3.5 | -4.3 | -4.6 | -3.5 |
| 6 Points | -1.9 | -0.8 | -2.4 | -7.0 |

The selection of the 0.0% cost trend was based on the discussion of the changes in the cost of the items for which Comprehensive pays. The Committee felt that there were no known a priori reasons for the cost of these items to be declining.

Because of the way claims appear to have been reported during the various hurricanes that have occurred in North Carolina, the Auto Committee examined Comprehensive trend data excluding wind and water and other property damage losses.

The Comprehensive claim frequencies for the Full Coverage, \$50 deductible and \$100 deductible (which contains the vast majority of the data) show a pattern of slightly negative annual rates of change over the medium term. The Committee also discussed the items that would likely be impacting Comprehensive frequency in selecting the 0.0% change. This results in a composite 0.0% pure premium trend. The underlying data is found on pages H-640 through H-651.

For collision cost trend, the Rate Bureau selection of 2.0% is supported by the data found on pages H-652 through H-655. The fitted annual rates of change for the predominant deductibles are all increasing in the 2.0% range over the longer term fits.

For collision frequency trends, the Rate Bureau selection of -3.0% is primarily based on the longer term fits for the three predominant deductibles.

The UM trend factor of 0.5% is based on the pure premium fits found on page H-664. This data is showing an increase in the rate of change over the more recent points. The selection based on the rates of change shown over the entire period with greater weight given to the 6 point and 4 point fits.

The UIM trend factor of 5.0% is based on the pure premium fits found on page E-12. This data shows that the UIM pure premium has been increasing steadily over the latest 5 years of available data. The Auto Committee examined annual rates of change based on the 3 year, 4 year and 5 year fits. The selected trend is based on roughly the average of the 4 point and 5 point rates of change. Given this data the 5.0% is a reasonable selection

Q. In making your evaluation of the Rate Bureau's trend selections, have you relied on any other data?

A. Yes, I have. I relied on the various CPI cost information, information on gasoline prices, and miles driven data. In looking at the trend data, my judgment and interpretation of the trend data were influenced by my awareness and analyses of these external data

Q. Please refer to line 12 of page C-1 of Exhibit RB-1 and explain the purpose of that line.

A. The average annual change in expense cost of 3.7% represents the expected change in general expenses, other acquisition expenses and unallocated loss adjustment expenses. These expenses are treated as fixed expenses and do not vary in direct relationship to the actual premium dollars. These expenses represent salaries, overhead, rents and expenses that should vary according to general economic trends and not as a direct function of how premium increases or decreases. For example, commissions are calculated as a percent of premium. If the premium rate goes up, the dollars of commission go up. On the other hand, the salary paid to an employee in the Home Office, which is a part of general expenses and other acquisition expenses, is not tied to premium. Just because premium may go up 10% does not mean that the employee's salary will go up 10%. The salary will

be influenced by general economic trends and not what the premium level is doing. That is why general expenses and other acquisition expenses are treated differently from those expenses that vary as a function of premium in this filing.

Q. Would you explain how the 3.7% factor in line 12 was determined?

A. The average annual change in expenses is based on analysis of the latest average annual change in the All Items CPI and the Compensation Cost Index. The data are shown on pages D-11 and D-12 of the filing. Based on an analysis of this data, a selected factor of 3.7% is quite reasonable as the various fits examined showed an annual rate of change predominantly in the 3.49% to 4.25% range.

Q. How do you apply the average annual change in expenses set forth in line 12?

A. The procedures on how the average annual change in expenses is applied are described in footnotes (f) and (g) on page C-2. The expenses set forth on lines 5 and 6 are multiplied by the prospective trend factor to adjust the expenses for the projected future changes in expenses. The general and other acquisition expenses are trended to six months past the effective date and the unallocated loss adjustment expense is trended to the average date of loss for policies which will be written at the proposed rates.

Q. Will you explain line 16 on page C-1 entitled "Projected Losses and ALAE"?

A. The projected losses and allocated loss adjustment expenses of \$622,326,426 are the losses and allocated loss adjustment expenses set forth on line 3 multiplied by the total trend projection. This gives you the losses that we expect will be incurred under the revised rates.

Q. Line 13 on page C-1 and footnote (e) on page C-2 indicate that losses are trended for a period of 3.03 years. Will you explain how the 3.03 years of projection was calculated?

A. The incurred losses set forth on line 3 are the developed losses for the accident year ended December 31, 2004. These losses actually occurred during that time frame. The average date of loss of those accidents is the mid-point of that accident period or July 1, 2004. In order to adjust these losses to the future level expected to prevail under the proposed rates, you have to adjust them by the trend factor. The proposed effective date for purposes of the calculations in the filing is October 1, 2006. This means that policies will be written, assuming annual revisions, anywhere on average from October 1, 2006 through September 30, 2007. A policy written on the last day of that interval, September 30, 2007, assuming it is an annual policy, will expire on September 30, 2008. The period for which accidents will occur under these policies will be anywhere from October 1, 2006 through September 30, 2008. If you were to assume that all of the policies were annual policies, the average date of accident underlying the proposed rates would be the mid-point of that two-year period or October 1, 2007. If we were only talking about annual policies we would trend from the average date of accident underlying our base experience period, July 1, 2004, to October 1, 2007 - a period of 3.25 years. This would be the amount of the trend you

would have to use in order to take your base losses and adjust them to the appropriate future level.

If you were to assume that all of the policies were six month policies, then a policy written on September 30, 2007 would expire on March 31, 2008. The period for which accidents will occur on these policies will be from October 1, 2006 through March 31, 2008. Thus the average date of accident underlying the proposed rates for 6 month policies would be the midpoint of that 18 month period, July 1, 2007.

In North Carolina, not all policies are annual policies. Most automobile policies in North Carolina are six-month policies (approximately 87% - see page D-6). Based on the "mix" of policy terms being written in North Carolina, the average date of loss will be July 12, 2007. Therefore, in order to adjust the base losses from July 1, 2004 level to July 12, 2007 level, it is necessary to apply the annual trend factors for a total period of 3.03 years.

Q. Will you explain the projected ULAE in line 17 on page C-1 of the filing?

A. These are the unallocated loss adjustment expenses in line 5 projected by the average annual change in expenses in line 12 to the average date of expense for policies issued under the proposed rates. These loss adjustment expenses have to be adjusted for the same 3.03 year period since loss adjustment expenses occur at approximately the same time that losses occur.

Q. Will you explain line 18 entitled "Projected Losses and LAE per exposure"?

A. What line 18 shows is the anticipated average cost per insured vehicle for losses and all loss adjustment expenses. The value is calculated by adding the projected losses and ALAE in line 16 and the projected ULAE in line 17 and then dividing the total by the earned exposures in line 7.

Q. Will you explain line 19 entitled "Projected G & OA Expenses"?

A. As shown in footnote (g) on page C-2, projected general and other acquisition expenses are the general and other acquisition expenses in line 6 projected by the average annual change in expense in line 12. The projected period of 2.75 years is utilized because general and other acquisition expenses are generally incurred at the time a policy is written as opposed to the date that a loss occurs. Therefore, the average date of expense is different from the average date of expense utilized for loss adjustment expenses. The trend period is from the midpoint of the year to April 1, 2007, the average date of expense for policies to be issued under the revised rates.

Q. What does line 20 entitled "Projected Fixed Expenses per exposure" show?

A. Line 20 entitled "Projected Fixed Expenses per exposure" takes the Projected G & OA Expenses shown on line 19 and divides them by the earned exposures in line 7. This figure

represents the amount of expenses that will be incurred for general and other acquisition expenses on a per exposure basis.

Q. What does line 21 entitled "Projected Loss, LAE and G & OA Expenses per Exposure" show?

A. Line 21 is, as indicated, just a combination of lines 18 and 20; it is the sum of projected losses and ALAE, projected ULAE and projected general and other acquisition expenses all stated as an average amount per earned exposure. These are the projected costs that can be expected to be incurred during the experience period and are the major components for which the average rate will need to provide.

Q. What does line 22 entitled "Percentage Dividends" show?

A. Line 22 shows the Rate Bureau's selected provision of 0% for anticipated dividends to policyholders. This is based on the data shown on RB-5 which shows that dividends have generally declined over the most recent period.

Q. What does line 23 on page C-1 entitled "Permissible Loss, LAE and G & OA Expense Ratio" show?

A. This line takes into account the other expense items, such as commissions and brokerage and taxes, and provides for underwriting profit. If you look at page D-20 of the filing, you can see that, for the liability coverages, the commissions and brokerage are 9.9% of the premium dollar, and taxes, licenses and fees are 2.3% of the premium dollar. The provision utilized in this filing for underwriting profit for liability is 7.5%, and there is a 0% margin for contingencies. All these items add up to 19.7%. These items are what are known as variable expenses. They vary in direct proportion with the premium dollar. You know that out of every dollar of premium you write, 19.7 cents will have to go to pay for these expenses and you are left with only 80.3 cents to pay for losses, loss adjustment expenses and general and other acquisition expenses. The permissible loss and fixed expense ratio shows the percentage of the premium dollar you will have available to pay for trended losses, trended loss adjustment expenses and trended general and other acquisition expenses.

Q. What is the source of the percentages on page D-20 with respect to commissions and brokerage and taxes, licenses, and fees?

A. They were calculated from the 2005 North Carolina expense call for 2004 data undertaken by the North Carolina Rate Bureau.

Q. Why does the filing this year contain a 0% provision for contingencies?

A. The 0% provision for contingencies was selected by the Rate Bureau through the same analysis used in the past. They examined the underwriting results for all voluntary business

after consideration of dividends to policyholders and deviations from the Rate Bureau rates. These results were compared to the underwriting profit provisions contained in the Commissioner's decisions from past rate filings. These data are shown on Exhibit RB-6.

Q. Would you explain line 24 entitled "Adjustment Factor for Increase in MVR Expense"?

A. The Adjustment Factor for Increase in MVR Expenses is an adjustment made to the needed overall Projected Loss, LAE and Expenses per Exposure found in line 21 to account for the increase in MVR charge from \$5 to \$8. (The factor of 1.0058 was the amount that the Rate Bureau and the Department agreed to in the 2005 rate hearing as representing the effect on rates of the increase in MVR costs.) Because the Rate Bureau has developed the indicated rate by means of a pure premium analysis this is applied as a multiplicative to each coverage. In the aggregate this balances to an additive of .58% across each coverage.)

Q. Would you explain line 25 entitled "Premium Required per Exposure"?

A. This is the required amount of premium that the companies need to collect, on average, from each insured in order for the companies in the aggregate to have sufficient premium to pay the expected losses and expenses and allow for the companies in the aggregate to achieve the target profit provisions included in the Bureau filing. This amount is calculated by taking the Projected Losses, LAE and Expenses per Exposure, adjusted for the change in MVR fee, and loading them for the variable expenses such as commissions, taxes and profit. In effect, the Projected Losses, LAE and Expenses per Exposure are divided by the Permissible Loss, LAE and G & OA Ratio.

Q. What is the Distributional Adjustment Factor as shown on line 26?

A. The distributional adjustment factor as shown on line 26 is the average class factor reflecting the mix of the various use classes, inexperienced operator classes, multi car/single car risks and the average SDIP factor. It provides a measurement of how far from the base class on average the average risk is. For example, the 0.886 distributional adjustment factor for bodily injury liability indicates that, because of the application of these various rating factors, the average risk will pay 88.6% of the otherwise applicable base rate.

Q. Could you please explain line 27 entitled "Required 30/60/25 Base Class Premium"?

A. The figure shown on line 26 is the needed average base class premium statewide. It is determined by dividing the average premium in line 25 by the distributional adjustment factor in line 26. This is the average statewide premium required for a single car, pleasure use, no SDIP and no inexperienced operators risk. This premium will be used in the development of the territory base rates where it will be distributed based on the difference from the statewide average of each territory's three year pure premium.

Q. Are the calculations of the indicated average rate level changes for the property damage and medical payments coverages performed in the same manner as for the bodily injury coverage you just described?

A. Yes, while the inputs are obviously different for the different coverages, the calculations are performed in the same general manner. It should be noted that for the property damage coverage required \$25,000 base class premium in line 29 the Bureau has included the overall effect of the increased limits experience indication, as shown on line 28, in the new \$25,000 base premium. The Bureau has done this because the change for property damage liability increased limits is small and no change is being made to the higher limits factors.

As noted on page C-1, the medical payments indications are performed on a total limits basis. Therefore, there are no adjustments anywhere in the calculation to a basic limits basis and no adjustment in line 28 for the total limits change. However, the distributional adjustment factor for Medical Payments will be that much larger, since as part of the calculation to put the premium at a base class level, the premium must be presented at basic limits, and therefore the medical payments total limits premium is divided by the average increased limits factor in addition to the average class factor.

In addition, the three year average loss development factors for property damage and medical payments were based on the latest three years for each of the specific link ratios (15 to 27 months, etc.) as the change in reserving for the one large company did not apply to the property damage liability or medical payments coverage.

Q. What are the indicated average rate level changes for bodily injury, property damage and total limits medical payments coverages resulting from the calculations on page C-1?

A. The indicated average rate level changes resulting from the calculations on page C-1, which are posted on page A-1, are determined by taking the ratio of the statewide average required base class premium to the current statewide average base class premium. The required base class premiums by territory are determined by distributing the required base class premium, as shown on the appropriate statewide rate review pages (C-1 for Liability), using the relative changes by territory found in Column (7) on pages C-13, C-14 and C-18 and the appropriate expense flattening adjustment. The statewide average for both is determined by taking the weighted average by territory using the earned car years for the year ended 12/31/04.

As shown on page A-1, the result of all of these calculations is that the indicated average rates will generate indicated average rate level changes of 21.0% for bodily injury, 5.7% for property damage and 32.0% for medical payments.

Q. Mr. Woods, the Rate Bureau amended its February 1, 2006 filing to change the filed rates for Medical Payments coverage. Can you explain the error in the original filing that necessitated that amendment?

- A. Yes. As part of a process of changing the ISO system used to calculate premiums at present rates (“PPR”) for North Carolina Personal Auto, ISO discovered that the programming code used to calculate the PPR for Medical Payments was not applying the factors for the airbag discount as specified in Rule 4 G of the Rate Bureau’s Personal Auto Manual. The result of not applying the discount factors was that the PPR figures for Medical Payments were too high. The largest effect by far of this was that the Distributional Adjustment Factor for Medical Payments was too high. A much smaller effect was that the General and Other Acquisition Expenses were overstated. The net effect was an understatement of the indicated base class premium and the resulting percentage rate change. The correct rate change for Medical Payments is 32.0% instead of the originally filed 8.1%. That changes the overall rate change to 7.4% instead of the original 6.7%.
- Q. Could you explain the changes and how they work their way through to the final filed rates?
- A. Yes. Due to the programming error, the airbag discount factor was not included in determining the average rate that is used to calculate the Distributional Adjustment Factor shown on line (26) of page C-1. The formula for the average rate for Medical Payments should be:

(Exposures by class * territory base rate * average class factor * average increased limits factor * average airbag discount factor) / total exposures.

The item “average airbag discount factor” was the item that was omitted from the calculation in the original filing. As a result, the Distributional Adjustment Factor was too high. On page C-1, line 26 originally showed a value of 1.865. When the overall average airbag discount factor of .784 is properly included in the calculation, the Distributional Adjustment Factor is 1.463.

In addition, the correction of the PPR calculation for Medical Payments impacts the general and other acquisition expenses shown in line (6) of pages C-1, C-3 and C-5. The calculation of these expenses is shown on Exhibit RB-4. The proper inclusion of the average airbag discount factor in the calculation of the Medical Payments earned premiums in columns (1), (6) and (10) on pages 1 and 2 of that exhibit causes those earned premiums to be lower, with the result that the general and other acquisition expenses for Medical Payments are also lower.

The net result of these changes to the Medical Payments calculations is that the Required Base Class Premium on line 29 of page C-1 is \$23.11 instead of the \$18.86 originally displayed. This target base class rate of \$23.11 then is inserted in line (4) on page C-18. The resulting values in columns (10), (11), (12) and (14) (including the derivation of the indicated rates by territory) are derived from the inputs to the exhibit.

Page C-21 shows the derivation of the Distributional Adjustment Factor. The present average premium values in Column (2) are reduced by the average airbag discount factor and the individual territory and aggregate factors are lowered, with the overall value of 1.865 being reduced to 1.463.

Q. Are there any other changes in the filing as a result of the correction for the program error?

A. Yes. The motorcycle relativities for Medical Payments are revised due to the change in the indication for Medical Payments for the automobile risks. The revised calculations are shown on page F-6.

There are also revisions to supporting material on pages H-3, H-10, H-460, H-530, H-564 and H-734. The correction also impacted the calculations of the estimated overall deviation for 2004, 2003 and 2002 as shown on Exhibit RB-5, Sheets 2-4.

Q. Page C-7 is entitled "North Carolina Private Passenger Automobile Insurance Physical Damage Coverages Statewide Rate Review Calendar Year Ended 12/31/04." What is displayed on that page?

A. Page C-7 sets forth the calculations underlying the indicated average rate level based upon the year ended December 31, 2004, for the comprehensive and collision coverages in North Carolina. That is the latest available physical damage ratemaking data for North Carolina, including data on policies written under consent-to-rate programs. Policies written at or below manual rates are referred to in the filing as "voluntary" or "standard." Policies written under consent to rate programs are referred to in the filing as "consent to rate" or "nonstandard."

Q. Referring to line 4 on page C-7 entitled "Incurred Losses," would you explain what the figure \$262,539,223 represents?

A. These are the incurred losses for the comprehensive coverage for the year ended December 31, 2004. This figure results from adjusting the actual paid losses excluding excess wind and water losses for the year ended December 31, 2004 in line 1 to an incurred basis by multiplying by the factor of .997 shown in line 2 and then multiplying by the excess wind and water factor of 1.064 shown in line 3. Exhibit RB-7 shows the derivation of the paid-to-incurred factor of .997. The paid-to-incurred factor is used in the calculation of physical damage rates because the losses for physical damage coverage are reported on a paid basis and must be adjusted to an incurred basis. The paid-to-incurred factor is calculated using Page 15 Annual Statement data for 2004, which includes data on policies written at downward deviated rates, policies written at manual rates and policies written under consent to rate programs. Page 15 data are data set forth on Page 15 of the Annual Statement that each company must file with the North Carolina Insurance Department. These are North Carolina only data.

The calculation of the excess wind and water factor of 1.064 is shown on page D-13 of the filing. Comprehensive coverages are subject to catastrophic influences, and it is therefore necessary to take a long-term look at the contribution to losses that are a function of wind and water or catastrophic type occurrences. A procedure which has been developed for use in automobile insurance ratemaking is to spread the excess years for the catastrophic losses over a thirty year period. Page D-13 shows this experience. Wind and water paid losses have been divided by total paid losses excluding wind and water for the comprehensive coverage in order to determine the long-term average wind and water ratio in North Carolina. Excess years are then shown in column 6 as those years with wind and water losses in excess of the long-term average. The excess portion of the losses has been spread over the time period in order to get an appropriate load for the prospective catastrophic losses. That catastrophe factor is 1.064.

Q. Are you saying that the incurred losses of \$262,539,223 for the calendar year ended December 31, 2004 are not the total incurred losses for North Carolina comprehensive coverages for that calendar year?

A. That is correct. The actual incurred losses for the calendar year ended December 31, 2004 are as shown on Exhibit RB-8. The excess wind and water procedure smoothes the excess losses by backing them out of the rate level computation and including them in the excess wind and water calculation. This prevents shock influences in the rates associated with catastrophes.

Q. Page D-13 of the filing shows significantly more losses beginning in the year ended 12/31/99 than in the earlier years. Could you explain the reason for the increase?

A. The 1999 year had significant excess wind and water losses. In addition, the 1999, 2000, 2001, 2002, 2003 and 2004 years include PCI data in the calculation of the Excess Wind and Water factor. The review of the data showed it to have results similar to the ISO only data.

I should also note that calendar year 1993 is the first year that Nationwide Insurance Company's data is included in this calculation. This is because that was the first full year that Nationwide's data was reported to ISO. The inclusion of Nationwide's data did not cause any material change to the results of this analysis. This is noteworthy in that it reinforces the Rate Bureau's belief that the ISO only data is fairly representative of the wind and water loss data for the entire industry and that its use in this calculation is appropriate.

Q. Are loss adjustment expenses and general and other acquisition expenses in lines 6 and 9 of the physical damage coverages on page C-7 of the filing generated in the same manner to which you testified with respect to the liability expenses?

A. Yes. The only exception is that the loss adjustment expenses set forth on line 6 are all loss adjustment expenses for the physical damage coverages. The allocated loss adjustment expenses are not separately identified for physical damage losses and therefore line 6

contains all loss adjustment expenses, both allocated and unallocated. Unlike the liability coverages, there are no loss adjustment expenses included in the incurred losses in line 4 of this calculation. Also, the general and other acquisition expenses are without any adjustment for basic limits.

Q. Would you explain the difference between line 11 on page C-1 of the filing with respect to liability coverages entitled "Average Annual Change in Losses and ALAE" and line 10 on page C-7 of the filing with respect to physical damage coverages entitled "Average Annual Change in Losses"?

A. There are no differences. The average annual change in losses on page C-1 for liability coverages and the average annual change in losses on page C-7 of the filing with respect to physical damage coverages measure the same types of changes. Both of these numbers measure the change in frequency of loss and in severity of loss. Based on the frequency and cost trends I have previously indicated, the pure premium loss trends used in the rate level calculations for the comprehensive and collision coverages are -2.0% and -1.1% respectively.

Q. Line 11 of page C-7 shows an average annual change in expense costs for both the collision and comprehensive coverages of 3.7%. Is that the same 3.7% average annual change in expenses about which you testified earlier with respect to the liability coverages?

A. Yes.

Q. Was it calculated and applied in the same manner as you have previously testified with respect to the liability coverages?

A. Yes.

Q. You have previously testified as to how, for the liability coverages, the annual loss trends are applied to losses in order to determine trended losses. For the physical damage coverages, are the trends applied in the same manner to determine trended physical damage losses?

A. Yes, they are applied exactly the same way.

Q. Are the remaining portions of the rate level calculation with respect to the physical damage coverages performed in the same manner as the liability coverages?

A. There is one difference from the liability calculation. In the physical damage coverages, which are rated based on the model year of the vehicle and the symbol, the rate for vehicles increases as a new model year is introduced or a vehicle is assigned a higher symbol. Because of this it is necessary to reflect the additional revenue that can be anticipated because of the prospective distribution of vehicles by model year and symbol. This has been accounted for by the model year and symbol trend factors displayed on lines 25 and 26.

Q. Could you explain how the increase in premiums reflecting the prospective distribution of symbols was calculated in this filing?

A. The required average premium per exposure for the comprehensive coverage and for the collision coverage has been adjusted by annual effects of 1.5% and 1.0% per year respectively. The Automobile Committee selected these percentages after examining the change in average symbol relativities on the current table. Pages H-683 and H-684 display average relativities from the current table on a year-ended semiannual basis. The selected annual changes used in the calculation of the symbol trend factor in line 26 on page C-7 were based on an examination of the most recent one year, two year, three year and four year changes. These selections seem reasonable to me based on my examination of the data. The selected annual changes were applied from the average date of writing for policies that are earned in the latest year to the average date of writing for policies that will be written under the proposed rates.

Q. What are the results of these adjustments?

A. Line 28, the Required Base Class Premium, reflects the results of applying the model year and symbol trend factors and provides the appropriate base class premium for each coverage.

Q. Are all other calculations for the physical damage coverages, such as the inclusion of fixed and variable expenses, treated in the same way as the liability coverages?

A. Yes.

Q. Does this filing propose any change in uninsured and underinsured motorists coverage rates?

A. The filing proposes an increase for uninsured motorists coverage rates and an increase in underinsured motorists coverage rates.

Q. How has the rate for uninsured motorists coverage been calculated?

A. The basic limits uninsured motorists coverage shown on page E-1 was reviewed on a combined voluntary and ceded basis. The incurred losses have been limited to 30/60 for UMBI and \$25,000 for UMPD and adjusted for the effect of inter-policy stacking that was introduced via legislative changes that were effective January 1, 2004. They have been adjusted for unallocated loss adjustment expense, and the UMBI losses have been developed by North Carolina UMBI loss development factors, the calculation of which is found on page E-3. Please note that the loss development factors for UMBI are based on the average of the latest five years of available data. The UMPD losses have been developed using the PD liability loss development. The combined UMBI and UMPD losses have been trended with an annual trend factor of 0.5%. The trended losses are

compared to the earned exposures and loaded for expenses in the same manner as bodily injury, property damage and medical payments to produce the required premium per exposure.

Page E-1 shows the rate calculations based on the most recent three years, and line 23 shows the basic limits rate as the exposure-weighted average of the required basic limit premium per exposure from the three latest years. The Rate Bureau weighted the three years on exposures instead of premium as part of its change to a pure premium methodology in the 2003 filing. The same calculations are shown on page E-2 on a total limits basis.

Q. What is the resulting change for UM?

A. The resulting change for UM selected by the Bureau is -5.9% for the 30/60/25 limits and +2.0% for total limits. These reflect an effective date of October 1, 2006 for new and renewal business.

Q. How were the filed rate changes for UM determined?

A. As derivable from the material on page E-7 of the filing, the Rate Bureau elected to file an effective change of -5.9% for basic limits 30/60/25 UM (revised rate of \$16 compared to a current of \$17) and selected changes for the higher limits of UM based on an excess limits change of 150.5%. This produced, including the effect of stacking and after whole dollar rounding, a total limits effect of 1.3%.

Q. Does this filing also include a change to the bodily injury underinsured motorist coverage?

A. Yes, it does.

Q. Please explain the manner in which these changes were developed.

A. The change in the increments for bodily injury underinsured motorists (UIM) are based on an analysis of 3 years of Underinsured Motorist experience as shown on page E-9 and E-10. These pages display the experience review and subsequent calculation of the filed rates for the Underinsured Motorists coverage. The use of an experience review for Underinsured Motorists represents a departure from the previous procedure in which a pricing model was utilized to calculate indicated UIM rates by limit.

The indicated required premium per exposure of \$34.44 as shown on Line (15) of page E-9 represents a 106.7% increase from the current average premium per exposure of \$16.66. In consideration of the fact that the indication resulting from the experience review is significantly larger than recently filed indications resulting from the UIM pricing model, a statewide average rate of \$27.00 was selected for UIM coverage (see page E-9, Line (16)). As a result of applying the resulting change in average rates ($\$27.00/\$16.66 = 1.621$) across

all limits equally and rounding to the nearest whole dollar, an overall effective change of +61.6% has been filed for UIM coverage.

Q. How was the filed change of 61.6% determined?

A. As shown on page E-10, the ratio of the selected average rate and average present rate was applied uniformly to each of the present rates. Then for each limit, the indicated UIM rate was rounded to a whole dollar rate. These whole dollar rates were weighted by the policy limit distribution to produce an average filed rate. This filed average rate was compared to the current average rate to give us the filed average change.

Q. How are motorcycle insurance rates determined in North Carolina for the liability coverages (bodily injury, property damage and medical payments)?

A. The indicated rate changes are calculated separately using motorcycle experience in North Carolina. The resulting rates are then presented as a percentage of the rates applicable to private passenger non-fleet automobile insurance. The percentage is what is commonly referred to as a "relativity." If, for example, the motorcycle's engine size is 499 cubic centimeters or less, the relativity for the bodily injury and property damage liability coverage is 15% of the rate for private passenger non-fleet automobile insurance. Similarly relativities for engine size groups (in cubic centimeters) of 500 to 1249, 1250 to 1499 and 1500 and up are also currently displayed. The same relativity of 50% exists for Medical Payments for all engine size groups.

Q. Given the fact that motorcycle rates are shown in the manual as a percentage of rates for private passenger non-fleet automobile insurance, what would the effect be on motorcycle rates of a 19.7% increase in automobile liability insurance rates for the bodily injury and property damage coverages?

A. If the motorcycle rate relativities are not adjusted, a 14.2% increase in the automobile liability insurance rates would automatically result in the same approximate percentage increase in the motorcycle liability rates.

Q. Does Exhibit RB-1 contain calculations which seek to determine what the indicated change in rates should be for the motorcycle liability coverages?

A. Yes. Page F-2 of the filing shows that for voluntary and ceded business a 2.2% increase is needed for the bodily injury, property damage and medical payments motorcycle coverages.

Q. Please refer to page F-2 of the filing and explain how the indicated rate change of 2.2% was determined.

A. The figures shown on lines 1, 2 and 5 of page F-2 were reported to the Rate Bureau by its member companies in response to a call for motorcycle data issued by the Rate Bureau. The information was compiled by the Rate Bureau and then furnished to ISO. The earned

premiums at present rates were calculated by means of an actuarial technique known as earned on level factors. This technique uses adjustment factors to reflect the impact of any rate level changes made during and subsequent to each calendar year to bring the historic data up to current level.

Line 3 is a factor based on the total loss adjustment expenses for all three years in the experience period divided by the total incurred losses for the three-year period. The Rate Bureau made this change several years ago because the calendar year incurred loss adjustment expenses reported in the Rate Bureau call were significantly impacted by reserve changes. The method selected by the Bureau smoothes out the impact of any such changes. The resulting loss adjustment expenses are the products of the factor on line 3 and the incurred losses on line 2. These are displayed on line 4.

The figures shown on line 6 are the annual percentage trends in losses. They were determined by taking a weighted average of the trends used to calculate automobile rates for bodily injury, property damage and medical payments coverages.

The figure in line 7 for average annual change in expense costs is 3.7% per year. This is the same prospective expense trend figure that was used in the Rate Bureau's automobile insurance filing. The 3.7% figure was determined and applied in the same manner as in the automobile coverage.

The figure for projected losses in line 8 is simply the amount shown in line 2, with the annual percentage trend from line 6 applied. The manner in which the trend is applied is the same as was used in the automobile filing. The procedures for trending the loss adjustment expenses (line 9) and the general expenses and other acquisition expenses (line 10) are also the same as were used in the automobile filing. Line 11 is simply the total of lines 8, 9 and 10.

The projected loss, LAE and G & OA expense ratio shown in line 12 is simply line 11 divided by line 1. Taking the year ended 12/31/04, for example, \$16,951,443 shown in line 11 is divided by the \$21,778,264 in line 1. The result is .778. What this means is that, if rates are not changed, 77.8 cents of every dollar of premium will be needed to cover losses, loss adjustment expenses, general expenses and other acquisition expenses.

Q. How was the Permissible Loss, LAE and G & OA Expense Ratio in line 13 calculated and what is their significance?

A. There are certain expenses which vary in direct proportion to the premium dollar. For example, commission and brokerage are determined as a percentage of written premium. Likewise, taxes vary on the basis of written premium. The percentages used to determine the permissible loss, LAE and G & OA expense ratio in line 13 are shown on page F-4 of the filing and are as follows for the liability coverages:

| | | |
|------|------|------|
| 2002 | 2003 | 2004 |
|------|------|------|

| | | | |
|--------------------------|-------------|-------------|-------------|
| Commission and Brokerage | 11.8% | 11.4% | 10.3% |
| Taxes, licenses, etc. | <u>2.5%</u> | <u>2.2%</u> | <u>2.1%</u> |
| | 14.3% | 13.6% | 12.4% |

In addition, the filing includes a provision of 7.5% for profit and a 0% provision for contingencies. When these are added to the combined amounts for commission and brokerage and taxes, licenses, etc., the results for three years are 21.8%, 21.1 and 19.9% respectively. The figures shown on line 13 of page F-2 are simply the difference between 1.000 and the percentage figures I have just mentioned. For example, the variable expenses plus profit and contingencies for 2004 were 19.9%. 1.000 minus 0.199 is equal to 0.801. What this means is that if 19.9 cents out of every premium dollar are allocated to the variable expenses, profit and contingencies, you have only 80.1 cents available to pay losses, loss adjustment expenses, general expenses and other acquisition expenses.

Since line 12 tells us that, based on the 2004 data, we will need 77.8 cents of every premium dollar to pay for the losses and the so-called "fixed expenses," and line 13 tells us that we will have 80.1 cents available for those purposes, we can divide line 12 by line 13 (and adjust this for the increase in MVR fees as shown in line 14 that became effective after the experience period) in order to get the percentage rate change which is necessary. The indicated percentages are 2.9%, 6.8% and -2.3% for the years 2002, 2003 and 2004 respectively.

- Q. How was the figure in line 16 entitled "Final Selected Rate Level Change" determined?
- A. Line 16 is simply the weighted average of the three figures shown in line 14. In other words, we have weighed the 2.9%, 6.8% and -2.3% by premiums in line 1. The resulting average is 2.2%.
- Q. You indicated that the Rate Bureau's automobile rate filing was for an average increase of 14.2% for the bodily injury and property damage liability coverages combined and that if the motorcycle relativities were not adjusted the result would be a similar change in motorcycle rates. Please explain how the new relativities proposed in the motorcycle filing were determined for the liability coverages.
- A. The revised liability relativities for motorcycles are shown on page B-10 of the filing. What this shows is that if the bodily injury and property damage liability insurance rates increase 14.2% and the motorcycle liability insurance rates go up 2.2%, the current motorcycle liability relativities should be multiplied by 1.022/1.142 or .895. Thus, the present liability relativity for motorcycles having engines of up to 499 cubic centimeters should be decreased to approximately .152. The same adjustment factor is applied to each engine size group and the calculation is shown on page F-6. The filed relativities are the indicated relativities rounded to two decimal places. The relativity changes proposed in the filing are actuarially sound and proper assuming that the liability rate changes proposed in the rate filing by the Rate Bureau for private passenger non-fleet automobile insurance are fully

implemented. If those changes are not fully implemented, the proper relativities can be calculated by the following formula:

$$\text{New Relativity} = \frac{\text{Current Relativity}}{\text{Manual Rate Change in Auto BI/PD or Medical Payment Rates}} \times 1.022$$

- Q. Does this filing propose any changes to the factors for higher limits of liability insurance?
- A. The filing includes changes for the factors for higher limits of bodily injury coverage. The property damage liability coverage effect is fully reflected in the basic limits rates.
- Q. What are these indications based on?
- A. The indicated changes are based on an assumed effective date of October 1, 2006. The indicated changes are based on an analysis comparing the ratio of total limits losses to basic limits losses for the latest three accident years ended 12/31 to a projected average increased limits factor. Based on this analysis, the indicated change for total limits bodily injury liability is 8.6% and the indicated change for total limits property damage liability is a decrease of 0.3%.
- Q. Could you briefly describe the development of the overall change for bodily injury liability?
- A. The overall change for bodily injury is based on comparing the ratio of total limits to basic limits losses to a projected average increased limits factor. On page G-3, basic limits losses are developed and trended to the average date of accident (7/12/07). The basic limits trend factor of 1.9% was used in this analysis. The total limits losses are also trended to the average date of accident (7/12/07). The total limits trend factor used in this analysis was 3.5%. This is based upon the total limits cost trend data contained on page H-632, showing fitted changes of 2.8% for the latest 15 points, 3.1% for the latest 12 points, 3.6% for the latest 9 points and 3.9% for the latest 6 points. After the total limits and basic limits losses have been trended, we sum the three years and then take the ratio of total limits losses to basic limits losses. This ratio is in effect our indicated increased limits factor (line 13 of page G-3). In order to calculate the needed total limits change, this ratio is compared to the average increased limits factor (line 14 of page G-3).
- Q. Why do you combine three years of data when doing the increased limits review?
- A. The three years of data are combined because of concern for stability. Because we are looking at losses at very high limits, they can be much more unstable than basic limits. Averaging across a longer time period tends to smooth out the shock effects of individual large losses.
- Q. How were the revised bodily injury increased limits factors determined?

- A. The revised bodily injury increased limits factors were developed by means of a procedure known as the uniform excess change method. As part of the calculation of the overall need, the methodology compares the portion of the losses over the basic limit to the portion of the premium that is above the basic limit. In this case the calculation produces a percentage difference of 53.7%. What this says is that the portion of the premium over the basic limits must increase 53.7% so that the excess losses and excess premium are in balance. In this filing the Bureau applied this factor uniformly to all limits.
- Q. Does this filing contain an analysis of the physical damage—comprehensive and collision—deductible relativities?
- a. Yes, it does and it can be found on pages I-1 through I-5.
- Q. Could you explain how these relativities were reviewed?
- A. Using year ended December 31, 2002, 2003 and 2004 ISO only North Carolina comprehensive and collision size of loss distributions, indicated loss relativities were calculated. These loss relativities were then used to calculate the indicated rate relativity for each deductible. The calculated rate relativity reflects the fact that a higher deductible will not change the level of fixed expenses needed to write the policy.
- Q. How were the indicated loss relativities calculated?
- A. The method that has been used is the standard actuarial technique of loss elimination in moving from a lower to a higher deductible. I can best illustrate this by an example. Assume we have three claims all on a full coverage comprehensive policy; one for \$300, a second for \$400 and a third for \$75. If we want to evaluate what would be paid if the policies had been written on a \$100 deductible basis, we would restate the amounts as such:

| Original Loss | Loss on \$100 Deductible Basis |
|---------------|--------------------------------|
| \$75 | 0 |
| \$300 | 200 |
| \$400 | 300 |

The total effect would be that the original losses of \$775 would become \$500. This would give us a loss relativity of .645 (500 divided by 775).

We can see that what we have done is eliminate all claims below our new deductible amount (in the case of our example the \$75 loss) and reduce all claims above our deductible amount by the difference in the new deductible and the original deductible (\$100 and full cover). The loss relativity is the ratio of our loss after the new deductible related to the original deductible losses.

Because we are using the data from the years ended December 31, 2002, 2003 and 2004, we adjusted the distributions to reflect the expected size of loss distributions that will exist during the period in which our rates will be in effect. The resulting loss relativities for the various deductibles are shown on page I-2.

Q. How are the rate relativities calculated from the loss relativities?

A. The rate relativities are calculated by means of the formula:

$$R = \frac{(Ld+F)}{(1-V)}$$

where,

R= rate relativity

L= provision for loss and loss adjustment expense

d= loss relativity

F= provision in proposed rates for fixed expenses

V= provision in proposed rates for expenses
that vary with premium

The resulting indicated rate relativities are shown on page I-3 for each of the 3 years.

After reviewing these indications, the Automobile Committee recommended changing the \$1000 Collision relativity from .75 to .77.

Q. Are there any changes in this filing to the classification factors?

A. Yes, these changes are summarized on Pages J-3 to J-4. The Rate Bureau has filed changes in the use classes for comprehensive, and the inexperienced operator classes for all coverages and the SDIP surcharges.

Q. Please explain how the indicated changes are calculated?

A. For the purpose of explanation, I will use the Principal Operator < 1 year experience class as an example. On Page J-8 the premiums for each class are calculated at experienced rates and displayed in Column (1). This premium reflects all the other rating factors (SDIP, multi-car, etc.) but does not reflect any premium from inexperienced operator surcharges. The loss ratio for each experience class group (no inexperienced, Principal < 1, Occasional < 1, etc.) is calculated relative to this premium and is shown in Column (8). Column (9)—Needed Premium—is the premium needed in each driving experience class to make the loss ratio for that class be equal to the loss ratio for the base class (no inexperienced operator). Column (10)—Shortfall—is the difference between the premium in Column (9) and Column (1). The indicated factor in Column (11) is determined by taking the ratio of the shortfall to the premiums at no inexperienced operator rates in Column (2). (The premiums as base rates are the premiums at pleasure use, single car, no inexperienced operator and no SDIP points).

- Q. Are these revised factors introduced in such a manner that the change in factors produces no overall increase or decrease in premium?
- A. Yes they are. This is accomplished by means of an off-balance factor which is displayed on Page J-11.
- Q. Does the filing include a revision of the present territorial relativities?
- A. Yes. In connection with the overall changes we have been discussing, new territory rates are displayed; these are shown on pages B-1 and B-2. In these rates, the new territorial relativities are determined in such a way that no overall statewide rate level change is caused. In other words, the relativities are revised based on each territory's indications.
- Q. How has the Bureau considered deviations in this filing?
- A. The Bureau has considered deviations in this filing by using the data from all risks as the basis for determining the Rate Bureau manual rates. By calculating the manual rates using the experience of all risks, the Bureau recognizes that there will be risks that will be written at rates lower than the manual rates, through downward deviations, and risks that will be written at rates higher than the manual rate, either through physical damage consent to rate or pointed liability risks ceded to the Facility. This method is a market-based treatment of deviations and recognizes that risks will pay a range of rates around the Bureau manual rates. Setting the Bureau manual rates this way provides a balanced treatment grounded in the economic reality of the marketplace—around the average, some pay more and some pay less—that is what having an average means.
- Q. What does Exhibit RB-5 show?
- A. Exhibit RB-5 displays the historical difference between the premiums that would have been generated by the manual rates in effect at different times throughout the period shown and the premiums generated on voluntary liability and standard physical damage business by the rates actually charged to those policyholders by the companies. Exhibit RB-5 also displays the policyholder dividends paid during the period shown. These data come from the Rate Bureau's annual special call for expense experience and Page 15 of the NAIC Annual Statement. The exhibit sets forth the historical levels of downward deviations and policyholder dividends on voluntary liability and standard physical damage private passenger non-fleet automobile business in North Carolina.
- Q. How has the Rate Bureau treated general and other acquisition expense by territory?
- A. The Rate Bureau has treated 100% of general expense and other acquisition as not varying by territory.
- Q. Please turn to page A-1 of Exhibit RB-1 and explain what is shown on that page?

- A. Page A-1 of Exhibit RB-1 shows the filed rate level changes. These percentage changes relate the filed rate levels to the current Bureau manual rate levels. The overall percentages are calculated by multiplying the changes shown for each coverage by the total limits premium for each of the coverages and then dividing by the total premium for all coverages in order to calculate what the average impact is for each category. The premiums that were utilized for this calculation are shown on page A-1.
- Q. Do you have an opinion as to whether the data utilized and the method of calculating the filed rate level changes contained in the filing are sound and actuarially reliable and, if so, what is that opinion?
- A. Yes, I have an opinion. In my opinion, the data utilized and the ratemaking methodologies used by the Rate Bureau are consistent with generally accepted actuarial procedures and they are actuarially sound and reliable.
- Q. Do you have an opinion as to whether the filed rate level changes contained in Exhibit RB-1 are fully justified and, if so, what is that opinion?
- A. In my opinion, they are fully justified and are not excessive.
- Q. Do you have an opinion as to whether the data utilized and the methods of calculating and determining the filed changes to the territorial relativities contained in the filing are sound and actuarially reliable and, if so, what is that opinion?
- A. Yes. My opinion is that the data utilized and the methods used to calculate and determine those changes are consistent with generally accepted actuarial procedures and are actuarially sound and reliable. Further, in my opinion, the filed relativities are fully justified.
- Q. Are there any qualifications you wish to attach to your opinion?
- A. Yes. In reaching my opinion, I have relied on the accuracy of the data supplied by the Rate Bureau and the PCI and I have relied on Professor Vander Weide and Dr. Appel for the determination of the appropriate profit component of the rates.

Prefiled Direct Testimony

of

Michael J. Miller

on behalf of the

North Carolina Rate Bureau

pertaining to the

**Private Passenger Nonfleet
Automobile Insurance Rate Filing**

February 1, 2006

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Introduction

Q.1 Please state your name, business affiliation and address.

A.1 My name is Michael J. Miller. I am a consulting actuary with Tillinghast/Towers Perrin. My business address is 138 Lakeshore Drive, Minocqua, Wisconsin.

Q.2 Please describe your employment background.

A.2 I was first employed in the insurance business in 1967 by State Farm in its auto actuarial department. During my tenure at State Farm, I was responsible for pricing auto insurance and for making rate filings in the United States and Canada. From 1984 through 1993 I was employed by Tillinghast, an international actuarial and management consulting firm. I was a principal of Tillinghast and served as manager of its property and casualty products and pricing practice. From January 1994 through 2002 I was a consultant with Miller, Herbers, Lehmann. At the beginning of 2003 we organized a new consulting firm, EPIC Consulting, LLC. In October 2004 we moved our practice at EPIC to the Tillinghast/Towers Perrin organization.

Q.3 Please describe your professional qualifications and activities.

A.3 I am a Fellow of the Casualty Actuarial Society (CAS) and a member of the American Academy of Actuaries. I have served the CAS as a director (two terms), an officer, and as chairperson of several professional committees. Much of my work on behalf of the profession has focused on the development of statements of actuarial principles and standards of practice. A more complete description of my educational background and professional activities is set forth in a curriculum vitae which is labeled Exhibit RB-13.

As a member of the CAS and the American Academy of Actuaries I am required to satisfy prescribed basic education, experience, and continuing education requirements in order to render certain public opinions. An actuarial opinion concerning rate level indications, when issued for purposes of compliance with a law or regulation, is an example of the type of opinion to which the education and experience requirements apply. I meet the basic education, experience and continuing education requirements to render such actuarial opinions.

Q.4 Have you previously been offered and accepted in North Carolina as an expert witness in property and casualty actuarial science, including ratemaking and the determination of expected costs?

A.4 Yes. I was first so qualified in North Carolina in about 1972 and have testified as an actuarial expert on many occasions in North Carolina since that time.

Q.5 What services did the Rate Bureau ask you to perform in connection with its 2006 filing for revised private passenger auto and motorcycle rates?

A.5 I was requested to provide actuarial advice and consultations to the Automobile Committee of the Rate Bureau in its review of the data and preparation of the indicated rates and to provide this testimony which explains the basis for my actuarial opinion of the rate filing.

Q.6 Have you provided the requested services?

A.6 Yes. I attended a meeting of the Automobile Committee on December 15, 2005. I also participated in telephone conferences of that Committee on January 5, 2006, January 10, 2006, and January 13, 2006. These conferences ultimately resulted in the filing submitted February 1, 2006.

Q.7 What actuarial principles and standards were applied in the preparation of the rate filing?

A.7 The filing has been prepared consistent with the CAS Statement of Principles Regarding Property and Casualty Insurance Ratemaking. That Statement of Principles is attached as Exhibit RB-14. I have also attached, as Exhibit RB-15 through Exhibit RB-20, six Standards of Practice promulgated by the Actuarial Standards Board which I consider to be directly relevant to the actuarial work related to this filing. These Standards of Practice cover the topics of trending, expert testimony, data quality, credibility procedures, expense provisions and profit and contingency provisions.

In addition to the actuarial standards, the rate standards set forth in North Carolina's insurance statutes have also been applied. The statutory standards that rates must be neither excessive, inadequate, nor unfairly discriminatory are actuarial terms of art (see CAS Statement of Ratemaking Principles). These standards are common to most states and are rooted in historical actuarial and insurance literature.

Data Quality

Q.8 Is it your professional responsibility to review the data underlying this rate filing for reasonableness?

A.8 Yes. As an actuary I am not professionally required to conduct an audit of the data for accuracy. But actuaries should review the data being analyzed for reasonableness and consistency with the data used in the prior analysis. If the actuary becomes aware of any material imperfections in the data being analyzed, those material imperfections and their potential impact on the actuary's opinion should be disclosed to the users of the opinion. I have attached as Exhibit RB-17 the Actuarial Standard of Practice on Data Quality which describes the actuary's responsibility for the quality of the data.

Q.9 What constitutes a material imperfection in the data?

A.9 There may be no scientific answer to that question. The clear implication of the materiality standard is that some errors in the data are tolerable and do not necessarily render the data unreliable. I doubt that any large database, insurance data or otherwise, is 100% error-free. In my judgment, if insurance data are being used to estimate loss ratios or expense ratios and the data imperfections are only affecting the ratios in the third or fourth decimal place, then ordinarily that would not be a material imperfection. Insurance ratemaking by its very nature involves the estimation of future costs. To expect precision in the estimates in the third decimal place and beyond is simply expecting too much precision in the projection process. Projecting future costs cannot be expected to be precise to the third decimal place, so requiring precision to the third and fourth decimal place of the data being analyzed is likewise unreasonable.

Q.10 Are you aware of any material imperfections in the data underlying this filing?

A.10 No.

Q.11 What checks for reasonableness of the data in this filing have you performed?

A.11 I compared each year's aggregate premiums, undeveloped loss data, loss development data, trend data and expense data to the data used in the previous rate filing. This gives me a good way to check for year-to-year consistency in the data reported for each year in this filing.

I am also generally familiar with the internal edits of data performed by insurers before the data are reported to a licensed statistical agent. I am aware that those statistical agents also have extensive edit checks of the data. After the North Carolina data from the statistical agents are consolidated, the consolidation is reviewed by actuaries from the Insurance Services Office, actuaries from the Automobile Committee of the Rate Bureau, and myself. After the filing is submitted, the data are further reviewed by actuaries employed by or representing the North Carolina Department of Insurance.

This series of edits and reviews certainly does not guarantee perfection in the data, nor does it provide a 100% guarantee against material errors. But this series of edits should give the Commissioner some assurance that the aggregate data are reliable for the purpose to which the data are being used.

Q.12 Has there been more extensive checking of the data in this filing than was done for older Rate Bureau filings?

A.12 Yes, over the past several years the Rate Bureau has strengthened its data editing processes for the data it receives directly from insurers through its Call for Automobile and Motorcycle Expense Experience. After the hearing on the 2002 rate filing I worked with the Rate Bureau to define and implement additional edit checks and tolerance levels for these data.

Q.13 What do you mean by tolerance levels?

A.13 The edit checks include a year-to-year comparison of expense ratios being reported by each insurer. If the expense ratios remain relatively constant, then the tolerance levels allow those expenses to pass without further check. But if an expense ratio changes more than the tolerance level allows, the data is “flagged” for further review by the Rate Bureau. This further review involves the Rate Bureau contacting the insurer and seeking explanation as to why the ratio has changed. By setting the tolerance levels even tighter than I proposed, the Rate Bureau’s editing checks will be “flagging” even more data elements for follow-up review.

One of the problems with which we are confronted is that the data being reported is on a calendar-year basis. This is a significant consideration when editing loss adjustment expenses (i.e., defense and other adjustment expenses). There can be significant changes in loss adjustment expense reserves for claims from prior accident-years that impact the current calendar-year. These reserve changes can cause a significant, and legitimate,

change in the loss adjustment expense ratios from one calendar-year to the next. Just because a change in an expense ratio exceeds the Rate Bureau's tolerance levels does not necessarily mean there is an error in the reported data.

Q.14 What additional data edits did you recommend to the Rate Bureau?

A.14 The Rate Bureau was already reconciling the actual written premiums, earned premiums, incurred losses, ALAE, commissions and taxes, licenses and fees which were reported on the Expense Call to what was reported on each insurer's Annual Statement Page 15. I recommended additional reconciliation checks for unallocated loss adjustment expense ratios, other acquisition expense ratios and general expense ratios to the ratios shown on each insurer's Insurance Expense Exhibit.

I also recommended a series of edits to check the reasonableness of the earned premiums in relation to the written premiums; the reasonableness of the relationship of loss adjustment expenses to incurred losses; the year-to-year consistency in the expense ratios; and the reasonableness of the relationship between manual and actual earned premiums. All of these year-to-year consistency checks were also to be applied to the motorcycle data.

I have found nothing to suggest that this database contains errors of sufficient magnitude to have a material impact on the indicated statewide average rates in this filing.

Q.15 How are the data from the Annual Expense Call used in the Rate Bureau's rate filing?

A.15 The private passenger automobile data are used to calculate the industrywide average ratio of unallocated loss adjustment expenses to the sum of the incurred losses and ALAE for the liability coverages; the industrywide average ratio of all loss adjustment expenses to incurred losses for the physical damage coverages; the industrywide average ratios of commissions and taxes, licenses and fees to written premiums; the industrywide average ratios of other acquisition and general administrative expenses to earned premiums; and the historical levels of policyholder dividends and downward rate deviations.

In summary, the primary purpose of the Annual Expense Call is to provide five industrywide average ratios (a loss adjustment expense ratio and four expense ratios for both the liability coverages and the physical damage coverages).

Q.16 How do the uses of the data affect your determination as to what constitutes a material imperfection in the Annual Expense Call data?

A.16 The automobile database with which we are working has over \$2.3 billion of liability premiums annually and over \$1.5 billion of physical damage premiums annually. There can be \$2.3 million of net error in any one of the liability expense categories and \$1.5 million of net error in any one of the physical damage expense categories before the industrywide expense ratios are affected by even one point in the third decimal position of an expense ratio.

Q.17 What do you mean by net error?

A.17 I mean that in any large database there will likely be some errors where expenses are being underreported and other instances where expenses are erroneously high. It is the sum of these offsetting errors that is of concern when calculating industrywide average ratios. If the errors are exactly offsetting, then the ratios we are trying to determine will be totally unaffected by any errors in the data. In other words, there can be errors in the absolute dollar values of the premiums, losses, and expenses being reported and yet have little or no impact on the ratios of interest.

Q.18 Doesn't accuracy in the third decimal place of any calculation affect what North Carolinians pay for auto insurance?

A.18 No. There are innumerable judgments and calculations that go into this rate filing. An error of a point or two in the third decimal position of a ratio that is part of the rate calculation has no material impact on anyone's rate unless you make the unrealistic assumption that every other piece of the rate calculation was precisely correct. It should also be remembered that the final rates are rounded to the nearest whole dollar making precise accuracy in the third decimal place even less important.

In my opinion, it makes no sense to make an extraordinary effort to squeeze every dollar of potential error out of a database if there is no more impact than a point or two in the third decimal place of a ratio. The ratemaking process is simply not precise enough to demand complete accuracy in the third decimal place and beyond.

Prospective Ratemaking

Q.19 What does it mean to say that insurance ratemaking is prospective in nature?

A.19 It means that rates are based on the expected value of future costs. Specifically in this filing, rates are proposed to be revised for all new and renewal policies written on or after October 1, 2006. The proposed rates are therefore based on the costs which are expected to be incurred on those policies written on or after October 1, 2006.

Q.20 What future costs are included in the rate calculation?

A.20 The CAS has defined the costs which actuaries should include in the rates to be incurred claim losses, all claim settlement expenses, commission and brokerage expenses, other acquisition expenses, general administrative expenses, miscellaneous taxes, licenses and fees, policyholder dividends, contingencies, and profit. The North Carolina insurance rate statute, like that of most other states, includes similar costs when it refers to losses, expenses, profit, contingencies, and dividends, savings, or unabsorbed premium deposits allowed or returned by insurers to their policyholders. The costs included in this filing are consistent with the actuarial principles of ratemaking and the North Carolina insurance rate statutes.

Q.21 In the CAS Statement of Ratemaking Principles, is the term “costs” interchangeable with the term “expenses”?

A.21 No. I was a principal author of the Statement of Ratemaking Principles. The term “costs” was used because it was considered to be a broader term than “expenses.” In the insurance industry, expenses are commonly considered as a provision in the rate that is

distinct from the provisions for claim losses, policyholder dividends, contingencies, and profit. Most insurance professionals use the term expenses to refer to claim settlement expenses, acquisition expenses, general administrative expenses, or taxes, licenses and fees. It would have been confusing to people if we had labeled claim losses, policyholder dividends, contingencies, and profit as expense items.

We were also aware that most states have rate regulatory laws, like that of North Carolina, which refer to claim losses, policyholder dividends, contingencies and profit as being separate and distinct from expenses.

Q.22 The CAS Statement of Ratemaking Principles refers to future costs associated with the transfer of risk. What is the significance of the term “transfer of risk” in this context?

A.22 The early drafts of the Statement referred to costs related to insurance. In order to clarify that the Statement applied to all risk transfers, not just traditional insurance operations, the insurance terminology was broadened to include all risk transfer mechanisms. It was never the intent for the “transfer of risk” terminology to imply that some of the costs of an insurance operation were to be included and some were not. The Statement is very clear that all costs are to be included, and those costs are specifically defined and listed in the Statement.

Q.23 Does the fact that rates are based on future costs mean that historical loss and expense data are irrelevant?

A.23 No. The historical data, to the extent of its actuarial credibility, can provide a reliable basis upon which the prospective costs are developed.

Q.24 Are the rates proposed in the subject rate filing based on prospective costs?

A.24 Yes. Each of the provisions in the proposed rates in this filing is based on prospective costs.

Ratemaking Methodology

Q.25 What ratemaking methodology did the Rate Bureau use in this rate filing?

A.25 The Rate Bureau used a methodology that is commonly referred to in the actuarial profession as the “pure premium method.”

Q.26 Is the pure premium method the same methodology used by the Rate Bureau in its past rate filings?

A.26 The pure premium method has been used beginning with the 2003 rate filing. In filings prior to 2003 the Rate Bureau used the “loss ratio method.”

Q.27 Is the pure premium method the same as the loss ratio method?

A.27 The two methods are mathematically equivalent and can be expected to produce identical indicated rates, if the two methods are applied to the same database and identical assumptions and judgments are utilized. The pure premium method uses the cost provisions of a rate to build the indicated rate directly without reference to the current rates being charged. In other words, the indicated rate is the sum of a provision for claim losses, plus provisions for the various expense components, plus a provision for profit.

The loss ratio method uses the same cost provisions of a rate as are used in the pure premium method, but rather than calculating the indicated rate directly, the loss ratio method relates the cost provisions to a rate base and produces an indicated percentage change in the tested rate. The pure premium method produces the indicated rate without reference to the current rate level or any rate level, whereas the loss ratio method derives

the indicated rate by first calculating an indicated percentage change in the rate being tested. The two methods result in the same indicated average rate level.

Q.28 If the two ratemaking methods are mathematically equivalent, why did the Rate Bureau choose in 2003 to change to the pure premium method rather than continue with the loss ratio method?

A.28 In the past there was a substantial and time-consuming debate between the Rate Bureau witnesses and the Department witnesses as to whether the rate level to be tested by the loss ratio method should be the premiums that would have been generated had every insurer in North Carolina charged the rates in the Rate Bureau's rate manual, or whether the rate level to be tested should be based on the premiums actually charged by this hypothetical, single insurer representing all North Carolina insurers combined. Unfortunately, throughout these time-consuming debates over which rate level should be tested, there was a failure to recognize that the choice of which rate level to test had absolutely no impact on the indicated rate level.

The use of the pure premium method makes irrelevant any debate over the rate level to be tested. The pure premium method does not test any rate level, current rate level or otherwise, as part of calculating the indicated rate. The focus of the pure premium rate analysis is entirely upon the cost provisions which should go into the indicated rate without reference to any current rate, manual or actual. The pure premium method sets out clearly each of the provisions for losses, expenses, profit, contingencies, and policyholder dividends that go into the rate calculation. The pure premium method

makes it more evident to everyone that the indicated rate is always, and solely, a function of the expected losses, expenses, profit, contingencies and policyholder dividends.

Database

Q.29 What data are utilized in Exhibit RB-1?

A.29 There are a variety of data presented in Exhibit RB-1. The type of data and the length of the historical database reviewed depends upon the particular element of the rate formula being analyzed. The attached Exhibit RB-21 provides a list of most elements of the rate review and the nature of the data reviewed for each element.

Q.30 Why are some of the data listed in Exhibit RB-21 stated on a calendar-year basis and some on an accident-year basis?

A.30 The term accident-year has meaning only with respect to loss and allocated loss adjustment expense data. All other expense and premium data are accounted for on a calendar-year basis.

Claim loss experience can be accounted for on a number of different bases, including calendar-year or accident-year. The claim loss experience for the private passenger auto bodily injury liability, property damage liability, medical payments, and uninsured motorist coverages are stated on an accident-year basis in this filing. The claim loss experience of the comprehensive and collision coverages are on a calendar-year basis.

The accident-year accounting method for the liability coverages and the calendar-year method for the physical damage coverages are well-established actuarial procedures.

These methods of accounting for the claim loss data have been used consistently by the Rate Bureau in past North Carolina auto insurance rate filings.

Q.31 As shown in Exhibit RB-21, why does the number of historical years of data reviewed vary from one rate element to another?

A.31 The number of historical years of data reviewed vary by rate element because every segment of the rate analysis is focused on determining the best estimate for each specific cost provision for inclusion in the rate. Sometimes the most credible estimate can be derived only from a very long experience period, such as the catastrophe loss provision for the comprehensive coverage, and sometimes the very latest data provide the most credible estimate of the prospective cost for a specific element of the rate. It depends entirely upon the nature of the rate element being analyzed as to whether a long or short experience period provides the best estimate of future costs.

Credibility of the Database

Q.32 Are you aware that the North Carolina insurance statute requires that due consideration shall be given to actual loss and expense experience for the most recent three-year period?

A.32 Yes, and the Bureau has done so in this filing.

The North Carolina rate statute does not say that every provision in the rate, or that every factor which goes into the calculation of a specific rate provision, must be derived from an arithmetical three-year average of the latest historical experience. As an actuary, I interpret the North Carolina rate statute to mean that I must take into account the most recent three years of loss and expense experience but that I can also rely on a shorter experience period or a longer experience period if I judge that to give a more reliable estimate of future costs.

The calculation of the rate change indications involves making projections for each of the various components or elements of the needed rate. As Exhibit RB-21 illustrates, in making projections of each rate element in this filing consideration was given in all instances to at least three years of actual loss and expense experience, and in many instances consideration was given to more than three years of experience.

Q.33 What does the term “due consideration” mean to you as an actuary?

A.33 It means that, in projecting each of the rate elements, an actuary should take into account the type, quantity and quality of the data available so as to make the best projection of

what the value of each particular rate element will be during the future projection period. A statute requiring an actuary to give due consideration to a certain number of years of data is not the same as dictating how much weight to give the data, nor should it limit an actuary's exercise of expert judgment. The weight given to specific data should depend upon the rate element being analyzed and projected.

Q.34 Did the Rate Bureau average the indicated rates calculated for each of the latest available three years of loss and expense data?

A.34 No, except for the uninsured motorist coverage and for motorcycles. Having given due consideration to three years of loss and expense data, it is my opinion that a more accurate private passenger rate calculation is derived based on the latest year of data. Actuaries have generally accepted methods to determine what weight should be given to historical loss data when determining prospective costs. Actuaries use explicit credibility standards, based partially on the volume of the data and its statistical variance, to determine the reliability of historical data in projecting future costs. Based on standard actuarial credibility procedures used for many years in North Carolina and elsewhere, the Automobile Committee concluded that the loss and expense data for the year 2004 were 100% credible as a database for the private passenger bodily injury, property damage, medical payments, comprehensive and collision coverages. Being 100% credible means that the loss and expense data provide the best and most reliable base for projecting the loss and expense provisions in the indicated rates.

The losses and expenses for each of the years in the database (i.e., 2002, 2003, and 2004) were adjusted as appropriate by a series of adjustments, including loss development factors, loss trends and expense trends so as to derive the projected losses and expenses for the year for which rates are being made. Each of these various adjustments were derived from a review of a number of years of data. It would not be accurate to say that rates in this filing were based solely on the review of one year of data. A number of years of data were utilized to complete each piece of the rate calculations. After all of the calculations and adjustments were made, the actuarial credibility standards tell us that the projections derived from the 2004 losses and expenses for each coverage are the most reliable estimates of future losses and expenses.

Q.35 How do you know that assigning 100% credibility to the latest year of loss and expense experience provides a more reliable projection of future losses and expenses?

A.35 I have analyzed actual data from the Rate Bureau auto rate filings back in time through the 1995 filing (see Exhibit RB-22). I found that reliance on the pure premium for the latest year in the filing provided a more responsive and reliable prediction of the next year's pure premium than would have been predicted by reliance on a three-year average pure premium. I made the same comparison of responsiveness of the latest year's pure premium to the use of a weighted three-year average pure premium and again found that the latest year pure premium was more responsive.

The only potential exception to my observations pertained to the comprehensive coverage. With respect to the comprehensive coverage, I found that reliance on the latest

year pure premium was just as responsive as reliance on a three-year average pure premium, but not significantly more responsive.

The three-year weighted average I used in my analysis for each coverage gave 50% weight to the pure premium for the latest year, 30% weight to the first preceding year, and 20% weight to the second preceding year.

With respect to the provision in the rate for the fixed expenses, I found the use of the latest year of expense data to be more responsive for the BI Liability and Collision coverages. I found only a marginal advantage of responsiveness for the latest year versus a three-year average expense provision for P.D. Liability, Medical Payments, and Comprehensive.

Q.36 What do you mean by the term responsiveness?

A.36 The most responsive historical data are the data which best predict what will actually occur in the future. My analysis determined which historical loss and expense data were the closest to the average claim loss and average expense per exposure which actually materialized one year later.

Q.37 Reliance on the latest year of loss and expense data may provide a more responsive and reliable estimate of future losses and expenses, but doesn't assigning 100% credibility to the latest year of data introduce an undesirable instability in the rates?

A.37 My analysis of Rate Bureau filings since 1995 shows that utilization of a three-year average database (either weighted average or a simple average) does not increase the stableness of the projections of the indicated rate changes. It may be intuitively appealing to jump to a conclusion that use of a three-year database will always be more stable than reliance on the latest year. But such is not the case with North Carolina all-industry data. The North Carolina all-industry database is of such a size that year-to-year random fluctuations are not as significant as sometimes exists in other, smaller databases.

Q.38 Does your analysis of data from filings since 1995 represent an analysis of identical data across the entire period?

A.38 No. The data underlying the 2005 and 2006 filings were total market data, whereas the data from the 2004 filing and prior were voluntary, standard only data. The change in the database in the 2005 filing caused an increase in the underlying pure premiums and an increase in the rate change indications. This one-time change in the pure premiums was not a random fluctuation in the data, but rather a real change caused by a decision to shift to total market loss data. By the same token, the increase in the rate change indications in the 2005 filing stemming from the use of total market data is not an indication of instability in the rate calculation process, but rather a real, one-time change in the underlying database.

I chose to continue my analysis of responsiveness and stability despite this change in the underlying database because the change in the database was well-known and its impact could be quantified if someone thought it necessary. Despite the one-time upward blip in

the pure premiums and the one-time jump in the rate change indications, the data continue to show that reliance on the latest year of data makes rates more responsive to significant changes in losses and expenses without sacrificing any degree of rate stability.

Q.39 In past Rate Bureau hearings Department witnesses have testified that a one-year database can be distorted by random fluctuations. Do you agree with that testimony?

A.39 I do not agree with that testimony with respect to the industrywide database used in this filing. My analysis of actual Rate Bureau filings since 1995 shows this theoretical concern about stability is not an issue with this database. Department witnesses theorize the existence of a significant parameter risk in the criticism of the Rate Bureau's credibility standard. However, the actual data since 1995 show that reliance on a three-year average database would not have caused the indicated rate changes since 1995 to be more stable than indicated rate changes based on the latest year of data.

Q.40 In past Rate Bureau hearings Department witnesses have testified that your analysis of responsiveness is flawed unless you adjust the historical loss and expenses to a comparable cost level. Do you agree with that testimony?

A.40 No. Any such adjustment would be purely hypothetical. There is no objective way to distinguish between random fluctuations in the data and real changes in the underlying cost levels. Any assumption about the real changes in cost levels could destroy the objectivity of the analysis because the assumption could dictate the results of the analysis. More importantly, it would be improper to adjust the historical loss and expenses for changes in cost levels because it is these significant year-to-year changes in cost levels to

which the rate calculation process should be responsive. The only way to objectively test the responsiveness of the historical data is to determine which historical database is most accurately duplicated in the future.

Q.41 How then should an actuary balance the sometimes competing goals of responsiveness and stability?

A.41 First of all it is important to understand that the standard actuarial measure of credibility used in this filing was created to objectively balance the goals of responsiveness and stability.

In the case of the North Carolina all-industry database, my retrospective test of rate filings back to 1995 (see Exhibit RB-22) shows that the actuarial choice is clear. The rate filings since 1995 show that assigning 100% credibility to the latest year of loss and expense data provides a more reliable and responsive prediction of the next year's losses and expenses. My analysis shows that this responsiveness has been achieved without the sacrifice of any rate stability. The rate filings since 1995 show there would have been no measurable difference in rate stability had a three-year average database been used instead of the latest year. The volume of the North Carolina all-industry data is so great that reliance on the earlier years of data would not add stability to the rates, but would instead detract from the responsiveness and accuracy of the projected losses and expenses. It makes no sense to sacrifice responsiveness and accuracy when nothing at all can be gained in rate stability.

Q.42 The Commissioner has in the recent past found that each of the most recent three years of data was fully credible and based his rate level calculations on an average of the indications of the most recent three years. Do you believe that such a procedure is appropriate if the latest year of data is fully credible?

A.42 No. If the latest year of data is fully credible and not biased by unusual events, bringing earlier years of data into the calculation of a rate level will tend to reduce the responsiveness, or accuracy, in forecasting future losses and expenses.

Q.43 Is there an exhibit in this filing which shows the criteria for determining the credibility to be assigned to the underlying data when calculating auto rate change indications?

A.43 Yes. The credibility table at the top of page D-27 of the filing shows the number of claims necessary for assigning full credibility to a one-year data base. This credibility standard does not apply to every aspect of the rate change calculations, such as the selection of loss trends. It applies only to the selection of the number of years of data for claims losses to be used as a base to which trends are applied and from which projected losses, and ultimately rates, are calculated.

The credibility table on page D-27 is a standard credibility table used by the ISO on a countrywide basis. It is the same table used by the Rate Bureau in past North Carolina filings.

Q.44 Was the credibility table applied to all coverages?

A.44 Yes, with the exception of the uninsured motorist coverage, the underinsured motorist coverage, and the rate calculations for motorcycles. For these three rate calculations a three-year average database was used to derive the indicated rates.

Q.45 Why was a three-year average database used for motorcycles?

A.45 Claim count data are not available for motorcycles, so the standard credibility table could not be applied. Use of a three-year average database for motorcycles is the same procedure used by the Rate Bureau in its past rate filings.

Q.46 Why was a three-year average database used for the uninsured motorist and underinsured motorist coverages?

A.46 In the filing of May 1, 1995 the projected uninsured motorist loss ratio jumped dramatically from 1991 to 1992 and then decreased again in 1993. Those changes in the database loss ratios appeared to be random year-to-year fluctuations in the claims experience. If the only explanation of the year-to-year change in that data was random fluctuation, then it was preferable to use more than one year of data as a basis for developing the projected experience. The Automobile Committee considered the fluctuation in the data and decided for the May 1, 1995 filing that the most reliable and credible rate change indication was that which was based on a three-year average. The Committee has continued that same procedure for subsequent filings, and in this filing has extended the procedure to the underinsured motorist coverage.

Total Market Data

Q.47 Do the loss and expense data in this filing include the experience of all private passenger auto insureds in North Carolina?

A.47 Yes. The loss experience includes claims from insureds written and retained in the voluntary market as well as those insureds subsequently ceded to the North Carolina Reinsurance Facility. The voluntary market insureds include those written at deviated rate levels, those written at the standard manual rates, and those written utilizing the consent-to-rate procedures permitted for the physical damage coverages. Likewise, the expense provisions in the rates are calculated to reflect the expense experience of all private passenger insureds in North Carolina. In short, the loss and expense data underlying this filing include the experience of all non-fleet private passenger insureds in North Carolina, regardless of the actual rate being charged to each insured.

Q.48 Is this a new methodology for calculating rates in North Carolina?

A.48 The Rate Bureau has not introduced a new ratemaking methodology. The Rate Bureau is using the pure premium ratemaking methodology as it did in the 2004 and 2005 rate filings. The only difference is that the Rate Bureau, as it did in the 2005 auto filing, is applying the pure premium ratemaking methodology to the loss and expense data from the entire market, rather than restricting the database to only those insureds written voluntarily at standard manual rates or downward deviated rates.

Q.49 Why did the Rate Bureau include in this filing the loss and expense data for the entire North Carolina private passenger auto insurance market?

A.49 The loss and expense experience of the entire market was included in this filing because it is the best and most direct way to calculate a Rate Bureau rate level which reflects the aggregate average North Carolina anticipated losses and expenses. In this way, the Rate Bureau rate level becomes a true average for all private passenger auto insureds in North Carolina. Under the Rate Bureau's filed rates, a private passenger auto insured with average anticipated losses and expenses can be written at the filed rates.

Q.50 Is it true that basing the indicated rates on the total market loss and expense data is tantamount to including the effect of rate deviations into the rate calculations?

A.50 No, absolutely not. Any inclusion of a provision for expected deviations in the indicated rates is completely independent of the decision as to what losses and expenses are included in the rate calculations. If this rate filing were to include a provision for expected rate deviations, the indicated rate levels would be higher by the amount of any such provision. The provisions in the indicated rates in this filing are perfectly transparent. For example, refer to page C-1 of the filing. The indicated rate is the arithmetic sum of the expected losses and loss adjustment expenses (line 18), plus a provision for fixed expenses (line 20), with that sum increased by a factor reflecting variable expenses, profit, and contingencies. There are no other provisions in the indicated rates other than those transparently presented in this arithmetic formula. The rates being charged in the marketplace, whether they be the Rate Bureau's manual rates or rates below or above manual rates, have absolutely no impact on any of the provisions included in the indicated rates.

Q.51 Would premium revenues be sufficient to provide for the losses and expenses of the entire market if the Rate Bureau's rates were based solely on the loss and expense experience of the risks written and retained in the voluntary market?

A.51 No. The population of liability insureds historically written and retained in the voluntary market (i.e., those written at or below the Rate Bureau's manual rate) and the physical damage insureds written at or below the Rate Bureau's manual rates, have better loss experience than the average for the entire market. The Rate Bureau's rates reflect the average loss and expense experience of the entire private passenger market by using a database for ratemaking that includes the loss and expense experience of the entire market. If rates are based solely on the loss and expense experience of the liability risks historically written and retained in the voluntary market and the physical damage risks written at or below the Rate Bureau's manual rates, insureds with anticipated average loss and expense experience will only pay enough premium to cover their anticipated losses and expenses if they are ceded to the Facility or insured through consent-to-rate physical damage rates.

Q.52 Would the market be overfunded if the Rate Bureau's rates were based on the total market loss and expense experience and some insureds were then allowed to be charged even higher rates through the consent-to-rate procedure for physical damage or through the Reinsurance Facility for liability?

A.52 No. The Rate Bureau's indicated rates reflect an average rate for the entire market. As with any average, some insureds will pay more than the average and some will pay less than the average.

Q.53 Have you prepared an exhibit which shows how the market is properly funded when using total market loss and expense experience in the ratemaking database?

A.53 Yes. In the attached Exhibit RB-23 I present five hypothetical liability risks. Driver 4 represents the “clean” risks in North Carolina that are ceded to the Reinsurance Facility. Driver 5 represents other-than-clean risks that are ceded to the Facility. Drivers 1, 2, 3 represent drivers written and retained in the voluntary market. Some of the drivers in the voluntary market segment will be written at rates below (i.e., a downward deviation) the Rate Bureau rates. The magnitude of the downward deviation will be dependent upon the difference between the Rate Bureau’s approved manual rate and the rate indicated by those drivers’ loss and expense experience.

Scenario I of Exhibit RB-23 shows what will tend to happen in the market if the Rate Bureau’s manual rate is based solely on insureds in the voluntary market (i.e., \$250 indicated rate based on an average of Drivers 1, 2, and 3). In this case, there will be downward deviations for all drivers represented by Driver 1. All drivers represented by Driver 2 will likely be written at the manual rates. All drivers represented by Driver 3 will tend to be ceded to the Facility because the rate of \$250 is inadequate for these risks. The entire market will be required to subsidize (i.e., total subsidy of \$210) all insureds represented by Driver 4 because the rate of \$250 is inadequate for these insureds. All insureds represented by Driver 5 pay adequate rates in my hypothetical because in the real world North Carolina requires other-than-clean risks ceded to the Facility to pay adequate rates.

Basing the Rate Bureau rates solely on the voluntary loss and expense experience of drivers who pay a rate equal to or less than the manual rate in Scenario I causes the market to be underfunded in total because competitive market forces will cause insurers to deviate downward (i.e., to \$200) on insureds represented by Driver 1 and insurers will not be permitted to deviate upwards on insureds represented by Driver 3. Even when the clean-risk subsidy of \$210 is considered, total revenue is only \$1,820 (\$1,610 of premium plus \$210 of subsidy), but \$1,870 is needed.

Q.54 Is it not true that downward deviations are voluntary actions of insurers and that the underfunding in Scenario I could be avoided if insurers stopped deviating?

A.54 No. It would be disingenuous to characterize downward rate deviations as voluntary actions of insurers. There are many insurers competing for business in North Carolina. If an insurer were to stop downward deviations for insureds represented by Driver 1, those insureds would move to another insurer that offered the lower rates. If an insurer desires to stay in business, an insurer has no choice but to provide downward deviated rates, when the lower rates are indicated by its loss and expense experience.

Q.55 How does Scenario II of RB-23 differ from Scenario I?

A.55 In Scenario I it was necessary to cede Driver 3 to the Facility because the manual rates were inadequate for Driver 3. Scenario II reflects an increase in those insureds ceded to the Facility (now Drivers 3, 4, and 5) and a decrease in the insureds retained in the voluntary market (now only Drivers 1 and 2). In Scenario II the manual rate continues to

be based on solely voluntary experience, which is now only Drivers 1 and 2. As a result, the manual rate falls from \$250 to \$225, which in turn increases the rate inadequacy for clean drivers ceded to the Facility (i.e., Drivers 3 and 4), and increases the total required subsidy from \$210 to \$310. The total market continues to be underfunded because the total premium revenue of \$1,535, plus the \$310 subsidy does not equal the total needed revenue of \$1,870.

Q.56 What does Scenario III of RB-23 show?

A.56 Scenario III shows what happens when the Rate Bureau's manual rates are based on the total market loss and expense experience. Insureds represented by Drivers 1 and 2 will be written in the voluntary market with downward rate deviations reflecting their reduced loss and expense experience. Insureds represented by Driver 3 are of average risk for the entire market and they can be written at the manual rate, with no necessity of ceding to the Facility. "Clean" Facility risks will still be written at inadequate rates, but not as inadequate as was the case for either Scenario I or II. As a result the Facility subsidy is reduced to \$160. The total market revenue of \$1,710 and the subsidy of \$160 provides for the necessary total market funding of \$1,870.

Q.57 In the past, witnesses for the Department of Insurance have contended that Scenario III shows an overfunding of the market. Do you agree with that testimony?

A.57 No. The erroneous contention is that the total manual premium of \$1,860, plus the subsidy of \$160, provides for more revenue than the required total revenue of \$1,870. But that contention, while acknowledging and accounting for the fact that drivers pay

more than the manual rate when their anticipated losses and expenses are worse than the average loss and expenses in the manual rate, ignores the fact that insurers do, and will, deviate downward (charge less) from the manual rates for many insureds whose expected losses and expenses are less than the manual rate. In a competitive market, insurers have no choice but to deviate downward on risks with lower than average losses and expenses. The correct analysis of Scenario III is to add the \$160 subsidy to the premiums that insurers are likely to charge (i.e., \$1,710), rather than to the manual premiums of \$1,860 which we know for certain will not be charged.

Q.58 In the past, Department witnesses have contended that the scenarios in RB-23 are flawed because they are based on an assumption that the manual rates are unfairly discriminatory. Is that contention correct?

A.58 No. RB-23 makes no assumptions concerning unfair discrimination. RB-23 reflects the reality that the Rate Bureau's rates reflect an average and that some insureds will have lower than average loss and expense experience and some insureds will have higher than average experience. The reality is the competitive market will force insurers to deviate downward where justified. In cases where the experience is higher than average, insurers will be able to charge higher rates for physical damage through the consent-to-rate procedures. For the liability coverages, the Commissioner does not allow charging rates higher than the Rate Bureau rates, which means insureds with higher than average loss and expense experience will likely be ceded to the Facility.

The Department witnesses seem to be saying that the reality of downward deviations in the market, the reality of upward deviations for physical damage coverages, and the reality of ceding some inadequately rated insureds to the Facility are proof that the Rate Bureau's rates are unfairly discriminatory. Their implied definition of unfair discrimination is completely unworkable in North Carolina because every Rate Bureau schedule, whether proposed by the Rate Bureau, or proposed by Department witnesses, or promulgated by the Commissioner, would fail such a definition of unfair discrimination.

Q.59 Does North Carolina currently have a large residual market for the private passenger automobile liability coverages?

A.59 Yes. As shown in RB-24, approximately 30% of the non-fleet private passenger liability premiums for the entire North Carolina market were reinsured through the Facility in 2003 and 2004. No other state comes anywhere close to having such a large proportion of its total market written, or reinsured, through its residual market mechanism. Further, also shown in RB-24 is the fact that in 2002 nearly one-half (i.e., 49.5%) of all cars in the United States written through a residual market mechanism were reinsured through North Carolina's Facility. In 2003, this number rose to 52.4%. This again shows the unusual size of North Carolina's residual market when compared to every other state.

Q.60 Why is the residual market so large in North Carolina?

A.60 There are likely to be several factors which cause an individual insurer to cede a policy to the Facility. However, in the long-run the size of the residual market will be dictated by the availability of adequate rates in the voluntary market. If insurers continue to be

prevented from deviating upwards from the Rate Bureau's liability manual rates, there will always be a market segment of higher than average risks which will be ceded to the Facility. Such is the natural result of an average rate. However, the number of cessions can be aggravated, or mitigated, depending upon the level at which the manual rate level is established. If the manual rate level is based on an average of only the lowest risks in the market (i.e., the voluntary market), such manual rate will be lower than if the manual rate level is based on the total market. The lower manual rate derived from voluntary data only will mean more risks in North Carolina will have loss and expense exposure above the manual rate level and more risks will be ceded to the Facility. Establishing the Rate Bureau manual rate level using the total market data will raise the manual rate and mitigate the number of cessions to the Facility. This is exactly the desired result which is described in Scenario III of RB-23.

Premiums

Q.61 How were the premiums for the private passenger auto coverages used in this filing?

A.61 The Rate Bureau used the pure premium methodology to calculate the indicated average rate level. The pure premium method of calculating the indicated rate is completely independent of actual or expected premiums. After the indicated rate was calculated, it was desirable to relate the indicated rate to the old rate so that the filing could be summarized and expressed as a percentage change to the current, standard manual rate level. To make the calculation of the current standard manual average rate and premiums, the exposures (i.e., number of cars) in each rating cell were multiplied by the current applicable Rate Bureau rate for each cell. The summation of this calculation for all exposures, divided by the total number of exposures, represents the average premium that would have been earned if this hypothetical composite insurer had charged the Rate Bureau's manual rate to every non-fleet private passenger auto insured in North Carolina.

Q.62 Was this calculation of premiums influenced by the rates actually being charged by each insurer in the marketplace?

Q.62 No. The calculation of the indicated rate level is independent of whether an individual insured was written voluntarily using deviated or consent-to-rate premiums, or whether the insured was ceded to the Reinsurance Facility. After calculating the indicated average rate level, the indicated average rate was then compared to the average rate which would have existed, hypothetically, if the current standard manual rates had been charged to every North Carolina non-fleet private passenger auto insured.

Q.63 Was this process of multiplying exposures by the Rate Bureau's rates used to determine the motorcycle premiums?

A.63 No. The Rate Bureau has continued to use the loss ratio ratemaking method for motorcycles because reliable exposure data are not available for motorcycles. The motorcycle premiums for the rate analysis were reported to the Rate Bureau by its member companies in response to a special call for motorcycle data. The earned premiums produced by that data call are actual collected premiums. These actual collected premiums were then adjusted to the present rate level using a method which actuaries commonly refer to as a geometric, current-level procedure.

Q.64 Are premium trends required when using the pure premium method of ratemaking?

A.64 Yes, for the physical damage coverages. The premium trend serves to reduce the otherwise indicated change in the base rate. The premium trend reflects that portion of the needed rate change which can be realized automatically through the workings of the class plan without the necessity of actually implementing a change in the current rate schedule.

Q.65 How were premium trends applied in this filing?

A.65 The symbol trend and the model-year trend were used to reduce the otherwise indicated comprehensive and collision base rates so as to reflect the expectation that the average rates will increase automatically due to new cars being insured each year. As new cars are added each year, the average rates for the comprehensive and collision coverages will increase. This is because the new and more expensive cars are charged higher rates. The

addition of the new cars each year to the “fleet” of insured cars also causes some upward trend in the claim costs. That effect on claim costs is reflected in the claim loss trends used in the analysis. If the claim cost effect of the new cars is built into the claim cost trends, then it logically follows that any effect on the average rates should also be recognized in the calculations. The greater the trend in average rates, the less is needed in the way of a rate schedule change to offset the rising costs. Therefore, the higher the premium trend, the lower is the indicated change in the current rate schedule.

Q.66 Please explain how the premium trends were calculated in this filing.

A.66 The filing utilizes a model-year trend which recognizes the shift of insured cars to newer models. Since the distributions by model year for all insured cars in North Carolina are not available, the latest available distributions of insured cars for insurers reporting to the ISO and for Automobile Committee members reporting to the NAII were utilized. The anticipated effect on the average model year rating relativity is based on the expected distribution of cars during the time the new rates will be in effect. As shown on H-696 of the filing, it is anticipated the annual increase in comprehensive premiums will be 5.5% and the increase in collision premiums will be 6.4%. The procedure used to calculate the model-year premium trends is consistent with the procedure used in past North Carolina filings and is reasonable.

Annual premium trends were also calculated to reflect the shift in insured cars to higher symbol categories. The trends were calculated for each deductible for a variety of time periods. The symbol trends vary by deductible and by the time period analyzed. The

Automobile Committee agreed that the data as a whole indicate an annual symbol trend of +1.5% for comprehensive and +1.0% for collision should be used to reflect the effects of the expected shift of insureds into the higher symbol categories.

It is my view that the selected model-year and symbol trends for comprehensive and collision are well within the range of reasonable trends indicated by the data.

Incurred Losses and Allocated Loss Adjustment Expenses

Q.67 Please describe the losses and allocated loss adjustment expenses used in this filing.

A.67 The historical losses and allocated loss adjustment expenses (ALAE) to which projection factors are applied include data from the latest three available years ending 12/31/02, 12/31/03 and 12/31/04. The claim losses and ALAE for each of the years in the database are stated on an accident-year basis for the liability coverages and on a calendar-year basis for the physical damage coverages.

The claim losses for each accident-year include paid losses plus reserves for payments yet to be made on claims which occurred during the specific accident-year.

The claim losses for each calendar-year include loss payments and changes in total reserves which transpired during the calendar-year, no matter when the claim may have occurred.

Claim losses stated on an accident-year basis typically change from the time an accident first occurs until the claim is ultimately and finally settled. As such, it is necessary to apply loss development factors to accident-year data so as to derive a reasonable estimate of the total losses which will ultimately be incurred when all claims from a specific accident-year are finally settled.

The claim losses for the physical damage coverages are reported on a paid basis. These data are adjusted to an incurred basis using the industry average ratio of incurred to paid

losses and are derived from Page 15 Private Passenger Auto Physical Damage (Line 21.1) of the Annual Statement. The factors to adjust paid losses to incurred losses are calculated in Exhibit RB-7.

The allocated loss adjustment expenses (ALAE) are stated on an accident-year basis and are included with the claim losses for the liability coverages. For the physical damage coverages, all loss adjustment expenses are included on a calendar-year basis by means of a factor based on data reported to the Rate Bureau through its Annual Expense Call.

Q.68 Why are calendar-year loss data used for the physical damage coverages?

A.68 It is a common practice to use calendar-year data for physical damage ratemaking, because there is usually a short time between the time an accident occurs and the time the final payment is made on the claim. As a result, there is minimal difference between loss data organized on an accident-year basis and data on a calendar-year basis for the physical damage coverages. The use of accident-year data for the liability coverages and calendar-year data for the physical damage coverages is a common actuarial practice and is the procedure used by the Rate Bureau in past auto insurance rate filings.

Loss Development Factors

Q.69 What is the purpose of loss development factors in the ratemaking formula?

A.69 Incurred losses reported on an accident-year basis include paid amounts plus case reserves. Case reserves are amounts which a claims person expects to be paid in the future for a known claim. The sum of paid amounts and case reserves are commonly referred to as reported incurred amounts. Reported incurred amounts change from one evaluation date to another, because the estimate of case reserves changes as more information (including claim payments) becomes available and because claims which occurred, but were not reported, are eventually reported to the insurer. The loss development factors are used as estimates of how the reported incurred amounts for each accident-year that is not fully developed will change by the time that all claims are finally settled.

Q.70 Please describe your review and conclusions with respect to the loss development factors.

A.70 The traditional approach for calculating loss development factors (LDF's) is to observe how past accident-year losses have developed from one time period to the next, and then select an LDF based on some average of this historical experience. That is exactly the approach utilized by the Rate Bureau for the bodily injury liability, property damage liability, medical payments, and uninsured motorist coverages. Because the physical damage rate change indications are based on a calendar-year ratemaking methodology, it was not necessary to calculate and apply loss development factors to those coverages.

The Rate Bureau calculated average LDF's based on the latest three and the latest five reported incurred factors for each time interval. The Rate Bureau relied on the LDF's based on an average of the three latest years for bodily injury, property damage and medical payments. For uninsured motorist-bodily injury (UM-BI) and underinsured motorist-bodily injury (UIM-BI), the Rate Bureau relied on the LDF's based on an average of the latest five years. For uninsured motorist-property damage (UM-PD), the Rate Bureau relied on an average of the latest three years.

In my review of the data, I also calculated LDF's as an average of the middle three of the latest five factors. This analysis produced results consistent with the LDF's used by the Rate Bureau for each of the liability coverages. There are very small differences between the LDF's calculated using any of the three methods. This caused me to conclude that the LDF's selected by the Rate Bureau for each of the liability coverages were justified by the data and were reasonable.

Loss Trends

Q.71 What are loss trend factors?

A.71 Because ratemaking is prospective, it is necessary to adjust the historical claim losses and ALAE to reflect the anticipated future cost levels. This adjustment to the data is accomplished by the application of trend factors which reflect the estimated annual change in both the frequency of claims and the average cost of claims.

Q.72 What is the basis for the determination of the loss trends used in this filing?

A.72 The loss trends are based on a review of North Carolina claim severity, claim frequency and pure premium data as reported by all auto insurance carriers in the State. North Carolina trend data reported to the Fast-Track reporting system, as well as other external data, were also reviewed and considered.

Because auto insurance claim severities in North Carolina and countrywide have historically shown a pattern of change that appears to be non-cyclical, I have generally placed more reliance on the indicated average claim cost trends calculated over a three-year period. Because auto insurance claim frequencies generally exhibit a more cyclical behavior, I have relied on both the indicated long-term frequency trends and the indicated short-term frequency trends.

Q.73 What trends were selected by the Auto Committee for this filing?

A.73 The following table summarizes the selected severity and frequency trends, as well as the resulting pure premium trends.

Selected Annual Trend

| <u>Coverage</u> | <u>Severity</u> | <u>Frequency</u> | <u>Pure Premium</u> |
|-----------------------|-----------------|------------------|---------------------|
| BI – Basic | +1.9% | -0.2% | +1.7% |
| BI – Total | +3.5% | — | — |
| Property Damage | 0.0% | 0.0% | 0.0% |
| Medical Payments | +4.0% | -3.0% | +0.9% |
| Comprehensive | 0.0% | -2.0% | -2.0% |
| Collision | +2.0% | -3.0% | -1.1% |
| Uninsured Motorist | — | — | +0.5% |
| Underinsured Motorist | — | — | +5.0% |

Q.74 Do you have an opinion as to the reasonableness of the selected trends?

A.74 Yes, the annual trends selected by the Rate Bureau and used in this filing are reasonable and they are supported by the all-industry North Carolina claims data.

The short-term and long-term annual claim severity trends for the bodily injury liability, property damage liability and medical payments coverages vary within a tight range. The basic limits bodily injury trends range from 0.9% to 2.9%. The total limits bodily injury trends range from 2.8% to 3.9%. The property damage trends range from -0.1% to -1.4% and the medical payments severity trends range from 3.2% to 4.2%. The annual severity

trends selected by the Rate Bureau for these coverages are within the range of indicated trends and are reasonably supported by the North Carolina all-industry data.

The Rate Bureau selected a bodily injury liability frequency trend of -0.2%, a property damage liability frequency trend of 0%, and a medical payments frequency trend of -3.0%. Each of these selected trends is within the range of indicated trends and reasonably supported by the North Carolina all-industry data.

The Rate Bureau applied a -2.0% pure premium trend to all comprehensive deductibles. While the indicated severity trends for all deductibles suggest modest decreases, there has been an upturn in costs since mid-2004. The selected severity trend of 0% reasonably reflects this apparent leveling, or possible upturn, in costs. The indicated claim frequency trends are mixed with some small decreases indicated, as well as more significant decreases indicated. The selected frequency trend of -2.0% is reasonable, when the data for all deductibles and all trend periods are considered in the aggregate.

For the collision coverage, the Rate Bureau's selected severity trend is +2.0%. The 12-point severity trends range from +1.3% to +3.6% across all the deductible forms of this coverage. The selected severity trend reasonably reflects the North Carolina data for this coverage.

The Rate Bureau has selected a collision claim frequency trend of -3.0%. The indicated trends vary by time period analyzed and by deductible. The -3.0% selected trend is

within the range of indicated trends, when the data for all deductibles and all trend periods are considered in the aggregate.

The +0.5% annual pure premium trend selected by the Rate Bureau for the uninsured motorist coverage is based on the pure premium data which show a long history of increases through 1997, then turning down through 2001, and then followed with three years of erratic behavior. The latest available pure premium now appears approximately equal to the pure premium in the 1999-2001 period. The 0.5% pure premium trend is reasonably supported by the North Carolina all-industry data over the latest five- to six-year period.

An annual loss trend of +5.0% was selected by the Rate Bureau for the underinsured motorist coverage based on an analysis of North Carolina pure premiums for this coverage for the period 2000 through 2004. The indicated trends were in the 4.4% to 7.2% range, with the 5.0% selected trend well within the range of indications.

Q.75 How much reliance did you place on the North Carolina all-industry trend data versus the North Carolina Fast-Track data?

A.75 I placed far more reliance on the North Carolina all-industry trend data than I did the Fast-Track data. I am aware that the Fast-Track data are not subject to the same level of edit procedures as are the all-industry data, but more importantly the Fast-Track data do not include data from all North Carolina insurers. As such, the Fast-Track data can only be considered as a non-random sample of the all-industry total data. The sample data

provided through Fast-Track provide less insight into the true North Carolina trends than do the all-industry data which by definition include all North Carolina insurers. If the all-industry trend data were not available for review, then the Fast-Track data would be given more credibility and reliance. But when a total data set is available for analysis, nothing can be added by relying on a subset of the total.

Perhaps the only value that the Fast-Track data add to the analysis is that the Fast-Track data are published quicker and often provide more recent data than the all-industry data and may be indicative of turning points in the trends.

Q.76 Were the selected annual trends applied on an exponential basis?

A.76 Yes. Projecting the annual trends into the future was done on an exponential basis. An exponential trend extension assumes the same percentage increase each year. A linear trend extension assumes a decreasing rate of increase each year.

Q.77 Which trend extension method is correct?

A.77 It depends upon the assumptions underlying the selected annual trend. If, for example, the ratemaker assumes that losses will increase 3% in each of the next two years, the trend should be extended exponentially. In this case the factor would be 1.03 for the first year times another increase of 3% (1.03) for the second year, producing a total change of 6.1% over the entire period ($1.03 \times 1.03 = 1.061$).

If the ratemaker assumes that losses will not increase by a constant percentage each year, then the trend extension would be done linearly. In the linear case, the total two year increase would be 6% (1.06) produced by a 3% increase the first year compounded by an increase of approximately 2.9% in the second year.

Because trend factors are usually selected with the assumption that the percentage increase is constant over time, the technically correct procedure is an exponential trend extension. There is no reason to assume that the annual trends will decrease each year, so the exponential trend is the preferable approach.

Q.78 How far into the future were the losses trended?

A.78 Claim losses and ALAE were trended to July 12, 2007. The trend extension date assumes the revised rates will be effective on October 1, 2006. For six-month policies, the average date of claim loss will be July 1, 2007. For twelve-month policies, the average date of claim loss will be October 1, 2007. The latest available data from the ISO indicate that approximately 87% of the auto policies in North Carolina are six-month terms and approximately 13% are for annual terms. Using this distribution of policies as weights, an average date of claim loss for all policies was determined to be July 12, 2007.

Catastrophes

Q.79 How were potential catastrophe losses recognized in this filing?

A.79 The comprehensive coverage is subject to the potential for catastrophe losses. Page D-13 of the filing summarizes the history since 1975 of North Carolina wind and water losses of those companies reporting to the ISO. For example, as can be seen in column 5 of page D-13, wind and water losses in 2003 were greater than usual wind and water losses as measured over the thirty-year history. These excess wind and water losses are referred to as catastrophe losses and are removed from the 2003 database. A catastrophe provision of 1.064, based on the thirty-year average, was included in the calculation of the indicated comprehensive rate so as to reflect the expected catastrophe losses.

The purpose of the catastrophe procedure is to recognize that catastrophes tend to occur with relative infrequency. Utilizing a one-, two- or three-year database would provide an insufficient history to determine expected future catastrophes. The Rate Bureau's catastrophe procedure relies on a thirty-year experience period for the catastrophe loss portion of the comprehensive rate. The long-term historical method used in this filing is consistent with the catastrophe procedure used in past Rate Bureau filings and is consistent with traditional actuarial practices for auto insurance ratemaking.

Claim Settlement and Underwriting Expenses

Q.80 How are the claim settlement expenses included in the ratemaking formula?

A.80 The allocated loss adjustment expenses are reported and included with the accident-year losses for the bodily injury liability, property damage liability and medical payments coverages. The unallocated loss adjustment expenses for these coverages are derived from the Annual Expense Call which the Rate Bureau sends to its member companies.

For the comprehensive and collision coverages, the total loss adjustment expenses, both allocated and unallocated loss adjustment expenses, are derived from the Annual Expense Call.

For the uninsured motorist coverage, the allocated loss adjustment expenses are reported and included with the accident-year losses. Since the Annual Expense Call does not separately identify expense data for the uninsured motorist coverage, the procedure used in this filing is to use the same unallocated loss adjustment expense factors as are used for the bodily injury liability and property damage liability coverages. This procedure is the same procedure used in past filings.

Q.81 What is the source of the underwriting expenses used in the filing?

A.81 The expense provisions for commissions, other acquisition, general administrative and miscellaneous taxes, licenses and fees are derived from the Annual Expense Call and are summarized on pages H-701, H-702 and H-703 of the filing.

Q.82 Are the expense data inclusive of voluntary business and business ceded to the Reinsurance Facility?

A.82 Yes. Expense data are for the entire market, both voluntary and ceded business. The voluntary business includes insureds written at either deviated rates, or standard manual rates, or rates utilizing the consent-to-rate procedures.

Q.83 How are the total market expense ratios calculated if the ratios include business written at deviated rates, or standard manual rates, or consent-to-rate rates?

A.83 The premiums used to calculate the expense ratios are the premiums that would have been generated had each insured in North Carolina been charged the standard manual rates. In other words, the expense ratios are a comparison of expenses to the current Rate Bureau rates.

Q.84 Are there other adjustments made to the expenses?

A.84 Yes. The expenses are trended so as to determine future expected expenses.

Q.85 Why does the expense trend apply only to the other acquisition, general, and unallocated loss adjustment expenses?

A.85 The allocated adjustment expenses are directly related to losses. Therefore, it is appropriate to apply the loss trend to those expenses rather than the expense trend.

Commissions, taxes, licenses and fees are treated as being directly variable with premium and are expected to increase or decrease in proportion to the rate change for each coverage. Therefore, no trend factor is necessary for these expenses.

The other acquisition, general, and unallocated loss adjustment expenses are treated as “fixed” expenses. This means that while these expenses are expected to increase from year to year, the increase will not necessarily be directly in proportion to either the rate change or to the change in losses. The trend factor applied to the other acquisition, general and unallocated loss adjustment expenses reflects the expected annual change in these expenses.

Q.86 What expense trend is used in this filing?

A.86 The annual expense trend in this filing is +3.7%.

Q.87 What is the basis for this trend?

A.87 The 3.7% annual expense trend was selected based on a review of the All-Items CPI and the Total Compensation Cost Index, both published by the Bureau of Labor Statistics. The indices used to determine the expense trend are the same as has been used in past filings and result in a reasonable expense trend.

Q.88 How is this 3.7% expense trend applied?

A.88 The expense trend is applied from the mid-point of the experience period and projected to April 1, 2007. This date represents the average date of incurring expenses for policies which will be issued utilizing the new rates to be effective on October 1, 2006.

Deviations

Q.89 Do current or prospective rate deviations have any impact on the indicated average rate levels in this filing?

A.89 No. The rates actually charged, or anticipated to be charged, by auto insurers in North Carolina are not a part of the calculation of the indicated average rate levels in this filing. The indicated rate levels are calculated directly from the aggregate losses and expenses of the entire private passenger auto insurance market without reference to the current premium being charged to each insured.

Q.90 Some witnesses for the Department in past hearings have contended that deviations are being implicitly reflected in the rate calculations through the use of total market loss and expense data. Do you agree with that testimony?

A.90 No. There are no implicit provisions that affect the indicated rate level in this filing. Every provision in the indicated rates is explicitly and transparently presented in the filing. The explicit provisions included in the rate calculations are provisions for losses, loss adjustment expenses, fixed expenses, variable expenses, profit, contingencies, and policyholder dividends. The indicated rate levels in this filing would be what they are whether the average downward deviation in the market was 10%, or 50%, or any other amount.

Q.91 How then were deviations considered in this filing?

A.91 History tells us that some insureds will be charged more than the Rate Bureau's average rates and some insureds will be charged less. Insureds that are charged rates which

deviate upwards from the Rate Bureau's average rates include some Reinsurance Facility insureds and some insureds which purchase physical damage coverages utilizing the consent-to-rate procedures. Insureds that are charged rates which deviate downwards from the Rate Bureau's average rates are those insureds which purchase coverage from insurers that have filed rates below those of the Rate Bureau. To the extent that the upward and downward deviations from the Rate Bureau's average rates are offsetting, the amount of premiums collected from all non-fleet private passenger auto insureds in North Carolina will cover the anticipated losses and expenses and provide the needed profit.

Q.92 Do you expect that the upward and downward deviations from the Rate Bureau's average rates will be offsetting?

A.92 No, not precisely offsetting, but reasonably close to being offsetting. As shown in RB-5, the actual revenue for the total market for the years 2002-2004 (including actual premiums collected and clean-risk recoupments) has been approximately equal to what the total revenue would have been if the total revenue had been generated by charging the Rate Bureau's manual rates. Since the off-balance in revenue is close to zero there is a reasonable expectation that the overall indicated rate level increase of 6.7% will be achieved and the total market will be neither overfunded nor underfunded. The Automobile Committee decided not to incorporate an explicit off-balance adjustment in the calculation of the base rates, unless the off-balance was a significant amount. In this case the three-year average liability and physical damage off-balance factor is a small amount.

Policyholder Dividends

Q.93 What are policyholder dividends?

A.93 From an insurance accounting point of view, policyholder dividends are a return of premium by stock or mutual insurers to policyholders “on the basis of certain savings in losses or expenses realized by the insurer on the participating class of business.” This definition is from the text entitled, Property-Liability Insurance Accounting, edited by Robert W. Strain. Policyholder dividends are accounted for on the statutory insurance Annual Statement as a reduction to current income, rather than as a direct charge to surplus.

The Casualty Actuarial Society defines policyholder dividends as “non-guaranteed returns of premium charged to operations as an expense.” This definition is consistent with the accounting treatment on the statutory Annual Statement.

The Actuarial Standards Board defines policyholder dividends as “non-guaranteed returns of premium or distributions of surplus” and further indicates a provision may be included in the rates for dividends based on past dividend history and other considerations.

For Federal tax purposes, the IRS treats policyholder dividends as a return of premium, rather than taxable income to the policyholder. From the insurer's point of view, the IRS' treatment of policyholder dividends is equivalent to the treatment of business expenses

because both are deductible from current income.

I believe the Casualty Actuarial Society's definition most succinctly captures the accounting and legal aspects of policyholder dividends and is most consistent with tax treatments. Policyholder dividends are a return of premium. According to statutory accounting rules, policyholder dividends are accounted for as a reduction to current income. Just as current expense items reduce current profits, so do policyholder dividends.

Q.94 Are policyholder dividends the same as stockholder dividends?

A.94 Not at all. The difference is so fundamental that it is unfortunate that the word "dividend" is used in both terms. Stockholder dividends are distributions of capital or profits to its shareholders from a company's capital accounts. In the insurance business, a policyholder dividend is a return of premium revenue to customers. Policyholder dividends never reach the insurer's capital accounts, therefore policyholder dividends are not the same as stockholder dividends.

Q.95 Is it not true that policyholder dividends and stockholders dividends are both dividends to owners of the company?

A.95 No, not always. Stockholder dividends are clearly a distribution of capital or profits to the owners of the company. However, policyholder dividends are a return of premium to customers. In the case of a mutual company the customers also happen to be the owners, but in this case the return of premium is being made to them in their role as customers,

rather than a distribution of capital in their role as owners.

It is also possible to have policyholder dividends paid by a stock insurer using a participating policy. In that case the policyholder dividend is going to customers, most of which are probably not owners of the stock insurer.

In the case of an insurance exchange or reciprocal, a distribution of savings or a return of deposit premium to customers would be akin to a policyholder dividend rather than a distribution of capital to owners. The dual role of customers and their rights as owners of a reciprocal is not clear-cut and likely varies from one organization to the next.

Q.96 Does the Casualty Actuarial Society categorize policyholder dividends as an expense item?

A.96 No it does not. The CAS Ratemaking Principles (see Exhibit RB-14) sets forth all of the “cost” elements that are to be included in a rate calculation. Policyholder dividends are identified as a separate “cost” category. Policyholder dividends are separate from claim losses; separate from all of the claim settlement expenses; separate from profit and contingencies; and separate from the operational and administrative expenses such as commissions, other acquisition, taxes, licenses and fees and general administrative expenses.

Q.97 Do you consider policyholder dividends as an expense item?

A.97 No. I have always understood policyholder dividends to be a return of premium.

Similarities between policyholder dividends and expenses can be drawn, but within the insurance industry literature and within all of the state rating laws of which I am familiar, policyholder dividends is a category unto itself. I must assume that if the North Carolina legislature had intended dividends to be considered as an expense item there would have been no need to establish separate categories for expenses and dividends in the rate statutes.

Q.98 Do you understand that the North Carolina statutes require a unique treatment of policyholder dividends as compared to other states?

A.98 No. I understand the North Carolina statutes to simply mean that an insurer cannot pay policyholder dividends when doing so would reduce its surplus position below the legal minimum requirements. To my knowledge, North Carolina utilizes the same insurance statutory accounting rules as other states, and those accounting procedures treat policyholder dividends as a deduction from current income and not as a direct charge to surplus.

The annual accounting statement for property and casualty insurers, required by statute in North Carolina and other states, shows policyholder dividends as a deduction from current net income on line 14 of page 4 of the Annual Statement. If policyholder dividends were used as a means to distribute surplus, the deduction would need to be shown as a direct charge to surplus on a line below line 17, page 4 of the Statement, just as dividends to stockholders are shown. Any assertion that policyholder dividends are essentially the same as stockholder dividends and are somehow contained in profit is

belied by the accounting treatment by North Carolina's statutorily required accounting statement. (See N.C. Gen. Stat. §58-2-165). There is no economic incentive for insurers to use policyholder dividends as a means of distributing surplus. From a tax standpoint, the preferable approach for both the insurer and the insured is a reduction in rates or a return of premium.

Whether accounted for as a reduction to current income or accounted for as a direct charge to surplus, the ultimate result is a reduction in the surplus of the companies, just as is true for any other incurred, operating expenditure. Just because operating expenses, or claim losses, or policyholder dividends ultimately result in reduced surplus does not make any of those items a distribution of surplus.

Q.99 How should policyholder dividends be treated in the ratemaking formula?

A.99 Most often auto insurers establish rates in anticipation of no payment of policyholder dividends. Policyholder dividends are not an issue in most rate filings, because the anticipated provision for policyholder dividends is zero for most insurers. There are, however, a few insurers which plan on paying policyholder dividends and those insurers customarily do include the anticipated dividend amount in their rate calculations as a separate provision in the rate calculation. The Rate Bureau has treated anticipated policyholder dividends as a separate provision to be included in the rate. However, in this particular filing the dividend provision happens to be zero. It is actuarially sound and reasonable and consistent with the North Carolina ratemaking statutes to include a provision for anticipated policyholder dividends when there is a reasonable expectation

that policyholder dividends will be declared.

Q.100 Does the Rate Bureau's ability or inability to control the declaration of policyholder dividends impact the consideration to be given dividends in the ratemaking formula?

A.100 No. The Rate Bureau has no control over the payment of policyholder dividends. But, more importantly, the controllability of any cost provision in the rate is not a criterion for inclusion of that provision in the ratemaking formula. Unless constrained by law, the indicated rates should reflect all costs expected to be incurred by the insurance operation. Nearly all cost provisions in the rate can be thought of as discretionary because they are the direct result of management decisions relating to selected markets, methods of operation, staffing levels, etc. The question isn't whether the cost provisions are discretionary, but rather whether the cost provisions are anticipated for the future. If one reasonably expects policyholder dividends to be declared in the future, then it follows that those expected costs must be acknowledged and recognized in the ratemaking formula. Further, in North Carolina the ratemaking statute separately lists policyholder dividends as one of the factors to be considered in making rates.

Under North Carolina law, the Rate Bureau is to be regarded as if it were the only insurance company operating in North Carolina and as if it had an earned premium experience, an incurred loss experience and an operating expense experience equivalent to the composite of those companies actually in operation. The operation of this single, hypothetical insurer is a reflection of the operations and management decisions made independently by each of the insurers actually operating in the marketplace. The Rate

Bureau does not and cannot manage or control this single, composite company. The actions and decisions of this single, composite company are merely the composite of the myriad of independent decisions made by the managers of the insurers actually in operation. That means that policyholder dividends will be declared regardless of what the Rate Bureau might consider to be appropriate.

Q.101 Does the declaration of dividends in the past mean that rates were excessive in the past?

A.101 No. The purpose of this rate filing is not to calculate rates which meet the statutory standards of neither excessive, inadequate, nor unfairly discriminatory for each of the individual insurers actually operating in North Carolina. The purpose of this filing is to calculate rates which meet the statutory standards for this single, hypothetical insurer with premium, loss and expense experience equivalent to the composite of all insurers. This necessarily means that the Rate Bureau rates may precisely meet the rate standards for the composite company, but be inadequate for some insurers and excessive for other insurers. Some insurers may naturally respond to this situation, as they have in the past, by declaring dividends to policyholders. That doesn't mean the Rate Bureau rates were excessive for the composite company. It only means that an individual insurer decided that it had certain savings which it wanted to pass to its policyholders in the way of dividends.

Contingencies

Q.102 What is the purpose of a contingency provision in the calculation of property and casualty rates?

A.102 The contingency provision, as defined in the CAS Statement of Ratemaking Principles, is "a charge for any systematic variation of the estimated costs from the expected costs." The Actuarial Standards Board in its Standard of Practice No. 30 defines the term as "a provision for the expected differences, if any, between the estimated costs and the average actual costs, that cannot be eliminated by changes in other components of the ratemaking process."

We can expect the actual losses and expenses to vary randomly from year to year around the expected costs. If the variation is random and not biased, then over a period of time, the actual results will average to the expected. However, if there is some bias or systematic variation in the rate setting process, then the average actual results will not equal the average expected results. It is this potential systematic variation which the contingency provision is intended to measure.

Q.103 What provision for contingencies did the Rate Bureau include in this filing?

A.103 The Rate Bureau has included a 0% contingency provision in this year's filing.

The Rate Bureau has calculated underwriting profit or loss results for the years 1995 through 2004 as shown in Exhibit RB-6. When the actual results are compared to the

underwriting profits anticipated from the rates actually implemented, the data support the selected contingency provision of 0%.

Profit

Q.104 What underwriting profit provision did the Rate Bureau utilize in this filing?

A.104 The Rate Bureau utilized before-tax underwriting profit provisions of 7.5% for the liability coverages and 10.0% for the physical damage coverages. Based on the profit analysis provided to the Rate Bureau, these underwriting profit provisions, if realized, can be expected to produce overall returns that are not excessive, even if one considers investment income from capital and surplus. Therefore, it necessarily follows that the filed underwriting profit provisions will not produce excessive returns if investment income from capital and surplus is not considered.

Q.105 Did you prepare an independent analysis of the underwriting profit provisions and a recommendation for review by the Automobile Committee?

A.105 No. The profit analysis was performed by Dr. Appel and Professor Vander Weide. Their testimonies are included with this filing.

Q.106 Is it necessary for you to opine on the underwriting profit provisions in the filing in order for you to provide an actuarial opinion on the other aspects of the filing?

A.106 No. I can provide an actuarial opinion on selected elements of a rate filing as long as my opinion clearly sets forth the appropriate limitations and qualifications.

Uninsured Motorist Coverage

Q.107 What changes are being proposed for the uninsured motorist coverage rates?

A.107 The filing includes a 1.3% increase in the uninsured motorist coverage rates. The analysis of the uninsured motorist data is presented on pages E-1 and E-2 of the filing.

Q.108 Please describe the loss trends and the loss development factors used in the calculation of the uninsured motorist rate change indication.

A.108 I previously discussed the +0.5% annual loss trend selected by the Rate Bureau. The trend selection was based on the trend calculations on page E-5 of the filing.

The loss development factors for the uninsured motorist-bodily injury coverage are calculated on page E-3 and E-4 of the filing. Since loss development data are not available for the uninsured motorist-property damage coverage, it has been the practice in past North Carolina rate filings to rely on the property damage liability loss development data. The loss development factors used for the uninsured motorist-property damage coverage are based on the three-year average of the property damage liability factors calculated on page D-15 of the filing.

Underinsured Motorist Coverage

Q.109 What changes are proposed for the underinsured motorist coverage rates?

A.109 The filing includes a 61.6% increase for the underinsured motorist coverage.

Q.110 How was the rate change for underinsured motorist coverage calculated?

A.110 The rate change for the underinsured motorist (UIM) rates is based on a review of three years of data, just as was done for the uninsured motorist coverage. The loss development factors for the underinsured motorist coverage are based on five-year averages as presented on page E-5 of the filing. I previously discussed the +5.0% annual loss trend selected by the Rate Bureau. The trend selection was based on the trend calculations on page E-11 of the filing.

Q.111 Is this method of calculating indicated underinsured motorist rates a change in methodology for the Rate Bureau?

A.111 Yes. In past filings the Rate Bureau has used a model approach to ratemaking. Models are the best alternative when sufficient data are not available. This year the Committee placed more reliance on the actual UIM data and selected a rate change that was between the rate change indicated by the model and the rate change indicated by the UIM loss and expense experience.

Rate Factors

Q.112 Did the Rate Bureau review the experience of the various rate factors used in the rating plan?

A.112 Yes. The Rate Bureau reviewed the experience for the increased limit factors for the liability coverages, the multi-car discount factors, the driving record (i.e., SDIP) factors, the use-of-car factors, the driving experience factors, and the physical damage deductible factors.

Q.113 Does this filing include proposed changes for any of these rating factors?

A.113 Yes. There are revisions to some BI increased limit factors, to some use-of-car and driving experience factors, to some driving record factors, and to the \$1,000 collision deductible factor. The changes to the increased limit factors are shown in Section G of the filing. The changes to the various class plan rating factors are in Section J and the changes to the collision deductible factors are in Section I.

Motorcycles

Q.114 Has the Rate Bureau conducted an analysis of the motorcycle experience?

A.114 Yes, that analysis is presented in Section F of the filing. Page F-2 of the filing presents the calculation of an indicated 4.4% decrease for the bodily injury liability, property damage liability and medical payments coverages for motorcycles.

Q.115 Please describe the calculation of the indicated 4.4% decrease.

A.115 The collected premium, loss and expense data on lines (1) through (5) were reported to the Rate Bureau in response to a special call for motorcycle data.

The selected annual trends in losses are shown on line (6). They were determined by taking a weighted average of the trends used to calculate private passenger auto rates for bodily injury, property damage and medical payments coverages.

The 3.7% expense trend on line (7) is the same prospective expense trend figure that was used in the Rate Bureau's automobile rate calculations. The 3.7% figure was determined and applied in the same manner as for the automobile coverages.

The projected losses on line (8) were calculated by extending the amount shown on line (2) at the annual trend rate shown on line (6). The manner in which the trend is applied is the same as used for automobile rates. The procedures for projecting the loss adjustment expenses, the general expenses, and the other acquisition expenses on lines (9) and (10) are also the same as used for automobile rates.

Q.116 How were the Permissible Ratios on line (13) calculated?

A.116 These ratios represent the proportion of premium which can be expended for losses, loss adjustment expenses, and general and other acquisition expenses and still be able to provide for variable expenses (i.e. commissions, taxes, licenses and fees) and the filed profit and contingency provisions.

The motorcycle liability rate calculation also includes a provision of 7.5% for profit and a 0% provision for contingencies. Both provisions are the same as those used for private passenger autos. When the profit provision and the contingency provision are added to the combined amounts for commission and brokerage and taxes, licenses, and fees, the results for 2002, 2003 and 2004 are 21.8%, 21.1% and 19.9%, respectively. The figures shown on line (13) of page F-2 are the difference between 1.000 and the percentage figures I have just mentioned.

Q.117 How was the rate level change on line (15) determined?

A.117 Line (15) is the premium-weighted average of the three figures shown on line (14).

Q.118 Are the premiums, losses and expenses on page F-2 distinguished as between voluntary and ceded business?

A.118 No, they are not. The Rate Bureau's special call for motorcycle experience does not distinguish between voluntary and ceded business. The motorcycle rates are based on total market data just as is done for the private passenger rates.

Territory Base Rates

Q.119 Does the filing include a revision of the present territorial relativities?

A.119 Yes.

Q.120 Please explain how those relativities have been revised.

A.120 The indicated relationships between the territory base rates are based on the average loss experience for the three years ending December 31, 2004. The average loss costs for each territory are adjusted to remove any class distribution differences by territory and further adjusted for credibility, using standard actuarial credibility procedures. The indicated territory relativities based solely on the credibility adjusted loss experience are further modified to reflect the fact that general and other acquisition expenses are “fixed,” or non-variable with premium. This adjustment means there is a constant dollar provision for these expenses in each territory. The adjustment for fixed expenses has the effect of flattening the relativities between the various territories.

The territory ratemaking procedures in this filing are commonly accepted actuarial procedures and have been used in past North Carolina rate filings. The calculations are summarized on filing pages C-13 through C-23.

Conclusion

Q.121 Do you have an opinion as to whether the rates proposed in the Rate Bureau's filing are neither excessive, inadequate nor unfairly discriminatory?

A.121 Yes. The indicated rates in this filing have been calculated using generally accepted actuarial methods in all respects. I have reviewed the data and am confident that the assumptions and projections made in this filing are a reasonable reflection of past and prospective North Carolina experience. It is my actuarial opinion that the proposed rates are neither excessive nor inadequate. With respect to the standard of unfair discrimination, it is my opinion that the proposed Rate Bureau's rates reasonably reflect underlying cost differences between classes and market segments, subject to legal restrictions on certain risk classifications and the practical limitations inherent in attempting to establish average rates for the entire market.

Q.122 Are there any qualifications which you wish to attach to this opinion?

A.122 I would offer two qualifications to my opinion. As previously discussed there has been an extensive effort to identify and remove any material errors in the data which underlie the rate calculations in this filing. Based on the information available at this time there is every reason to believe it reasonable to rely on the data in this filing. However, there is always a possibility of an undiscovered, material error in this, or any, database. My opinion is based on the reasonable accuracy of the data. My actuarial opinion of the indicated rate level change could change if material errors in the data were discovered.

I also qualify my opinion so as to clarify that I have relied on Dr. Appel and Professor Vander Weide for the determination of the appropriate profit component of the rate.

CURRICULUM VITAE

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Minocqua, WI 54548
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EDUCATION: ILLINOIS STATE UNIVERSITY
Bachelor of Science – 1968
Major – Mathematics
Minor – Accounting

CONTINUING EDUCATION: Estimated study time exceeding 3,000 hours necessary for completion of 10 qualifying exams for membership in Casualty Actuarial Society (CAS).

Participation as an attendee and on the faculty of the CAS Loss Reserve Seminar, the CAS Ratemaking Seminar, and other CAS educational seminars on special topics, such as rate of return and underwriting practices.

Meet all continuing education requirements of the American Academy of Actuaries necessary to sign a public actuarial opinion.

MEMBERSHIP IN PROFESSIONAL ORGANIZATIONS:

| | |
|-------------------------------------|-----------|
| Casualty Actuarial Society (CAS) | |
| Associate Member | 1971 |
| Fellow | 1981 |
| American Academy of Actuaries (AAA) | 1975 |
| Conference of Consulting Actuaries | 2002-2004 |
| Fellow | |
| International Actuarial Association | |
| Midwestern Actuarial Forum | |
| Chartered Life Underwriter (CLU) | |

**PROFESSIONAL
ACTIVITIES:**

| | |
|--|------------------------|
| CAS Committee on Risk Classification, Member | 1982-1984 |
| Chairman | 1983-1984 |
| CAS Committee on Principles of Ratemaking Member | 1985-1987 |
| Chairman | 1991-1992 |
| CAS Examination Consultant | 1987-1990 |
| CAS Long-Range Planning Committee | 1993-1994 1997-2000 |
| CAS Board of Directors | 1992-1993 2001-2003 |
| CAS Officer, Vice President – Research and Development | 1993-1996 |
| CAS Task Force on Non-Traditional Practice Areas Chairman | 1998-2000 |
| CAS/SOA Joint Task Force on Financial Engineers | 1998-2001 |
| AAA, Liaison Committee to the National Association of Insurance Commissioners | 1985-1988 |
| Actuarial Education and Research Fund Board of Directors | 1994-1996 |
| AAA, Casualty Practice Council | 1990-1993 |
| Property Casualty Committee of Actuarial Standards Board, Member | 1987-1993 |
| Chairman of Ratemaking Subcommittee | 1987-1988 |
| Chairman of Property/Casualty Committee | 1989-1993 |
| Midwestern Actuarial Forum Education Officer | 1986-1987 |
| President | 1988 |

**EMPLOYMENT
HISTORY:**

| | |
|--|-----------|
| State Farm Insurance | 1967-1984 |
| M. J. Miller and Company | 1984 |
| Tillinghast | 1984-1993 |
| Miller, Herbers, Lehmann, & Associates, Inc. | 1994-2002 |
| EPIC Consulting, LLC | 2003-2004 |
| Tillinghast/Towers Perrin | 2004 |

**PROFESSIONAL
PUBLICATIONS:**

“Private Passenger Automobile Insurance
Ratemaking”, Proceedings of CAS, Volume LXVI.

“Review – Risk Classification Standards by
Walters”, Proceedings of CAS, Volume LXVII.

“A History of the Rating and Regulation of
Personal Car Insurance in the United States”,
The Institute of Actuaries of Australia, February, 1990.

“An Evaluation of Surplus Allocation Methods
Underlying Risk Based Capital Applications”,
CAS Discussion Paper Program, Volume I, 1992.

“How to Successfully Manage the Pricing Decision
Process”, CAS Discussion Paper Program, 1993.

“Building a Public Access PC-Based DFA Model”,
CAS Forum, Summer 1997, Volume 2.

“Auto Choice: Whose Fault Is It Anyway”, Contingencies,
January/February 1998

“Actuarial Implications of Texas Tort Reform”, CAS Forum,
Spring 1998.

PRESENTATIONS:

Faculty member on National Association of Insurance
Commissioners’ orientation program for new insurance
commissioners, 1987-1994.

Faculty member on National Association of Independent
Insurers’ seminars on ratemaking and loss reserving.

“Key Provision in Rate Filings”, Society of State Filers.

Numerous presentations at educational seminars and meetings
conducted by the Casualty Actuarial Society on topics including
ratemaking, loss reserving, underwriting, risk classification
and rate of return.

EXPERT TESTIMONY:

Rate Regulatory Hearings in Alberta, California, Florida, Georgia,
Louisiana, Maryland, Massachusetts, Michigan, Mississippi,
New Brunswick, New Jersey, New York, North Carolina, Ohio,
Oklahoma, Ontario, Pennsylvania, Texas, Vermont, West Virginia,
and Wyoming.

Courts in Alabama, California, Florida, Minnesota, Mississippi, New
Hampshire, Pennsylvania.

1 **STATEMENT OF PRINCIPLES REGARDING**
2 **PROPERTY AND CASUALTY**
3 **INSURANCE RATEMAKING**

4 (AS ADOPTED MAY 1988)

5 The purpose of this Statement is to identify and describe principles applicable to the deter-
6 mination and review of property and casualty insurance rates. The principles in this Statement
7 are limited to that portion of the ratemaking process involving the estimation of costs associated
8 with the transfer of risk. This statement consists of four parts:

9 I. Definitions

10 II. Principles

11 III. Considerations

12 IV. Conclusion

13 The principles contained in this Statement provide the foundation for the development of
14 actuarial procedures and standards of practice. It is important that proper actuarial procedures
15 be employed to derive rates that protect the insurance system's financial soundness and promote
16 equity and availability for insurance consumers.

17 Although this Statement addresses property and casualty insurance ratemaking, the princi-
18 ples contained in this Statement apply to other risk transfer mechanisms.

19 I. *Definitions*

20 Ratemaking is the process of establishing rates used in insurance or other risk transfer
21 mechanisms. This process involves a number of considerations including marketing goals, com-
22 petition and legal restrictions to the extent they affect the estimation of future costs associated
23 with the transfer of risk. This Statement is limited to principles applicable to the estimation of
24 these costs. Such costs include claims, claim settlement expenses, operational and administrative
25 expenses, and the cost of capital. Summary descriptions of these costs are as follows:

- 26 • Incurred losses are the cost of claims insured.
- 27 • Allocated loss adjustment expenses are claims settlement costs directly assignable to
28 specific claims.
- 29 • Unallocated loss adjustment expenses are all costs associated with the claim settlement
30 function not directly assignable to specific claims.
- 31 • Commission and brokerage expenses are compensation to agents and brokers.
- 32 • Other acquisition expenses are all costs, except commission and brokerage, associated
33 with the acquisition of business.
- 34 • Taxes, licenses and fees are all taxes and miscellaneous fees except federal income taxes.
- 35 • Policyholder dividends are a non-guaranteed return of premium charged to operations
36 as an expense.
- 37 • General administrative expenses are all other operational and administrative costs.

- 38 • The underwriting profit and contingency provisions are the amounts that, when consid-
39 ered with net investment and other income, provide an appropriate total after-tax return.

40 II. *Principles*

41 Ratemaking is prospective because the property and casualty insurance rate must be devel-
42 oped prior to the transfer of risk.

43 Principle 1: A rate is an estimate of the expected value of future costs.

44 Ratemaking should provide for all costs so that the insurance system is financially sound.

45 Principle 2: A rate provides for all costs associated with the transfer of risk.

46 Ratemaking should provide for the costs of an individual risk transfer so that equity among
47 insureds is maintained. When the experience of an individual risk does not provide a credible
48 basis for estimating these costs, it is appropriate to consider the aggregate experience of similar
49 risks. A rate established from such experience is an estimate of the costs of the risk transfer for
50 each individual in the class.

51 Principle 3: A rate provides for the costs associated with an individual risk transfer.

52 Ratemaking produces cost estimates that are actuarially sound if the estimation is based on Prin-
53 ciples 1, 2, and 3. Such rates comply with four criteria commonly used by actuaries: reasonable,
54 not excessive, not inadequate and not unfairly discriminatory.

55 Principle 4: A rate is reasonable and not excessive, inadequate, or unfairly discriminatory
56 if it is an actuarially sound estimate of the expected value of all future costs
57 associated with an individual risk transfer.

58 III. *Considerations*

59 A number of ratemaking methodologies have been established by precedents or common
60 usage within the actuarial profession. Since it is desirable to encourage experimentation and
61 innovation in ratemaking, the actuary need not be completely bound by these precedents. Re-
62 gardless of the ratemaking methodology utilized, the material assumptions should be docu-
63 mented and available for disclosure. While no ratemaking methodology is appropriate in all
64 cases, a number of considerations commonly apply. Some of these considerations are listed be-
65 low with summary descriptions. These considerations are intended to provide a foundation for
66 the development of actuarial procedures and standards of practice.

67 *Exposure Unit*

68 The determination of an appropriate unit or premium basis is essential. It is desirable that
69 the exposure unit vary with the hazard and be practical and verifiable.

70 *Data*

71 Historical premium, exposure, loss and expense experience is usually the starting point of
72 ratemaking. This experience is relevant if it provides a basis for developing a reasonable indica-
73 tion of the future. Other relevant data may supplement historical experience. These other data
74 may be external to the company or to the insurance industry and may indicate the general direc-
75 tion of trends in insurance claim costs, claim frequencies, expenses and premiums.

76

Organization of Data

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There are several acceptable methods of organizing data including calendar year, accident year, report year and policy year. Each presents certain advantages and disadvantages; but, if handled properly, each may be used to produce rates. Data availability, clarity, simplicity, and the nature of the insurance coverage affect the choice.

81

Homogeneity

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Ratemaking accuracy often is improved by subdividing experience into groups exhibiting similar characteristics. For a heterogeneous product, consideration should be given to segregating the experience into more homogeneous groupings. Additionally, subdividing or combining the data so as to minimize the distorting effects of operational or procedural changes should be fully explored.

87

Credibility

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Credibility is a measure of the predictive value that the actuary attaches to a particular body of data. Credibility is increased by making groupings more homogeneous or by increasing the size of the group analyzed. A group should be large enough to be statistically reliable. Obtaining homogeneous groupings requires refinement and partitioning of the data. There is a point at which partitioning divides data into groups too small to provide credible patterns. Each situation requires balancing homogeneity and the volume of data.

94

Loss Development

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When incurred losses and loss adjustment expenses are estimated, the development of each should be considered. The determination of the expected loss development is subject to the principles set forth in the Casualty Actuarial Society's Statement of Principles Regarding Property and Casualty Loss and Loss Adjustment Expense Reserves.

99

Trends

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101

Consideration should be given to past and prospective changes in claim costs, claim frequencies, exposures, expenses and premiums.

102

Catastrophes

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104

Consideration should be given to the impact of catastrophes on the experience and procedures should be developed to include an allowance for the catastrophe exposure in the rate.

105

Policy Provisions

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Consideration should be given to the effect of salvage and subrogation, coinsurance, coverage limits, deductibles, coordination of benefits, second injury fund recoveries and other policy provisions.

109

Mix of Business

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Consideration should be given to distributional changes in deductibles, coverage limitations or type of risks that may affect the frequency or severity of claims.

112

Reinsurance

113

Consideration should be given to the effect of reinsurance arrangements.

114 **Operational Changes**

115 Consideration should be given to operational changes such as changes in the underwriting
116 process, claim handling, case reserving and marketing practices that affect the continuity of the
117 experience.

118 **Other Influences**

119 The impact of external influences on the expected future experience should be considered.
120 Considerations include the judicial environment, regulatory and legislative changes, guaranty
121 funds, economic variables, and residual market mechanisms including subsidies of residual mar-
122 ket rate deficiencies.

123 **Classification Plans**

124 A properly defined classification plan enables the development of actuarially sound rates.

125 **Individual Risk Rating**

126 When an individual risk's experience is sufficiently credible, the premium for that risk
127 should be modified to reflect the individual experience. Consideration should be given to the
128 impact of individual risk rating plans on the overall experience.

129 **Risk**

130 The rate should include a charge for the risk of random variation from the expected costs.
131 This risk charge should be reflected in the determination of the appropriate total return consis-
132 tent with the cost of capital and, therefore, influences the underwriting profit provision. The rate
133 should also include a charge for any systematic variation of the estimated costs from the expected
134 costs. This charge should be reflected in the determination of the contingency provision.

135 **Investment and Other Income**

136 The contribution of net investment and other income should be considered.

137 **Actuarial Judgment**

138 Informed actuarial judgments can be used effectively in ratemaking. Such judgments may
139 be applied throughout the ratemaking process and should be documented and available for dis-
140 closure.

141 **IV. Conclusion**

142 The actuary, by applying the ratemaking principles in this Statement, will derive an estima-
143 tion of the future costs associated with the transfer of risk. Other business considerations are also
144 a part of ratemaking. By interacting with professionals from various fields including underwrit-
145 ing, marketing, law, claims and finance, the actuary has a key role in the ratemaking process.

ACTUARIAL STANDARD

OF PRACTICE

NO. 13

TRENDING PROCEDURES

IN PROPERTY/CASUALTY INSURANCE RATEMAKING

Adopted by the

Actuarial Standards Board

July 1990

Developed by the

Subcommittee on Ratemaking

of the

Casualty Committee of the ASB

(Doc. No. 071)

ACTUARIAL STANDARD OF PRACTICE NO. 13

TRENDING PROCEDURES
IN PROPERTY/CASUALTY INSURANCE RATEMAKING

PREAMBLE

Section 1. Purpose, Scope, and Effective Date

- 1.1 Purpose - This Standard of Practice provides a basis for assessing procedures appropriate for estimating future, expected values by analyzing historical data and other relevant information. The historical data to be considered for analysis are those referred to in the Statement of Principles Regarding Property and Casualty Insurance Ratemaking of the Casualty Actuarial Society (CAS).
- 1.2 Scope - This Standard of Practice is applicable to all property and casualty lines of insurance.
- 1.3 Effective Date - This Standard will be effective three months after its adoption by the Actuarial Standards Board.

Section 2. Definitions

- 2.1 Experience Period - The period of time to which historical data used for actuarial analysis pertain.
- 2.2 Forecast Period - The future time period to which the historical data are projected.
- 2.3 Social Inflation - The impact on insurance costs of societal changes such as changes in claim consciousness, court practices, and judicial attitudes, as well as in other noneconomic factors.
- 2.4 Trending Period - The time between the average date of writing, earning, or costs of the experience period and the corresponding projected date in the forecast period.
- 2.5 Trending Procedure - A process by which the actuary evaluates how changes over time affect such items as claim costs, claim frequencies, expenses, exposures, and premiums.

Section 3. Background and Historical Issues

- 1.1 Inflation - Economic and social inflation have led to a need for increasingly sophisticated trending procedures.
- 1.2 Alternative Procedures - The Proceedings and the Syllabus of Examinations of the CAS, and many other publications such as statistics and economics textbooks, provide extensive information on alternative procedures. The actuary may refer to these or develop other procedures, as appropriate for each situation.

Section 4. Current Practices and Alternatives

- 1.1 Historical Insurance Data - Trending procedures are used in rate-making for most property/casualty insurance plans or policies. In such procedures, actuaries generally place reliance on (i) data generated by the book of business being priced, (ii) other insurance data, and (iii) non-insurance data, in that order of preference.
- 1.2 Models - Mathematical models are often used to smooth and extrapolate from historical data. In the absence of strong contrary indications, there is a reliance on extrapolations of historical insurance data from the mathematical models. Models based on non-insurance data are also used as trending procedures.
- 1.3 Actuarial Judgment - In trending procedures, judgmental considerations generally include, but are not limited to, the historical data used, the success of the model in making prior projections, the statistical goodness of fit of the model to the historical data, and the impact of any sudden, nonrecurring changes (e.g., tort reform) which had not yet been incorporated in the historical data.

STANDARD OF PRACTICE

Section 5. Analysis of Issues and Recommended Practices

- 1 Estimating Future Costs - Principle 1 of the CAS Statement of Principles Regarding Property and Casualty Insurance Rate-making states that "a rate is an estimate of the expected value of future costs." Accordingly, the application of appropriate trending procedures in the ratemaking process is essential to estimate those future costs.

- 5.2 Selection of Models - The actuary should be familiar with and consider various methods in statistics and numerical analysis for measuring trends. This process also involves steps for evaluating the tentatively selected model and possibly revising the model.
- 5.3 Purpose of Trending Procedures - The purpose of trending procedures is to estimate future expected values by analyzing historical data and other relevant information. Therefore, the actuary should apply trending procedures which appropriately reflect projected changes in such components as claim costs, claim frequencies, expenses, exposures, and premiums over the trending period.
- 5.4 Analysis of Historical Insurance Data - The actuary should select trending procedures with appropriate consideration given to the analysis of historical insurance data. This includes, but is not limited to, evaluation of:
 - a. trending procedures established by precedent or common usage in the actuarial profession
 - b. trending procedures used in previous analyses
 - c. the choice of an appropriate data base and methodology, with particular emphasis given to the credibility of the data relied upon
 - d. the effect of known biases or distortions on the experience relied upon (e.g., impact of catastrophic influences, seasonality, coverage changes, nonrecurring events, and distributional changes in deductibles, types of risks, and policy limits)
- 5.5 Analysis of Non-Insurance Data - Relevant non-insurance data may supplement insurance data. These non-insurance data may indicate general trends in such components as claim costs, claim frequencies, expenses, exposures, and premiums.
- 5.6 Economic and Social Influences - Many economic and social influences can have an impact on trends. In selecting the appropriate trending procedure, the actuary should consider those economic and social influences which may have an impact on trends. It is inappropriate to analyze only those factors which have an impact on trend in only one direction.

5.7 Criteria for Determining Trending Period - In determining the parameters (e.g., average dates of writing, earning, or costs) associated with the experience and forecast periods, criteria such as the following should be considered:

- a. the length of the experience period
- b. the expected length of the forecast period (e.g., 2 years)
- c. the term of the policies (e.g., 1 year, 3 years) contributing to the experience and forecast periods
- d. the distribution of policies written or costs incurred throughout the experience and forecast periods (e.g., uniform distribution)

5.8 Informed Actuarial Judgment - Any trending procedure requires the actuary to exercise informed judgment, using information on historical insurance data and the impact of relevant economic and social factors, as well as statistical validation and testing procedures.

Section 6. Communications and Disclosures

5.1 Documentation and Disclosure Standard - The actuary should be mindful that the provisions of Actuarial Standard of Practice No. 9, Documentation and Disclosure in Property and Casualty Insurance Ratemaking and Loss Reserving, adopted by the Actuarial Standards Board in April 1989, apply to all aspects of ratemaking.

5.2 Trend Selection - If a trend is selected which is substantially different from one that is suggested by the range of available relevant information, the reasons for such a selection should be documented and disclosed.

6.3 Deviation from Standard - An actuary who uses a procedure which differs from this Standard should include, in the actuarial communication disclosing the result of the procedure, an appropriate and explicit statement with respect to the nature, rationale, and effect of such use.



ACTUARIAL STANDARDS BOARD

**Actuarial Standard
of Practice
No. 17**

Expert Testimony by Actuaries

Revised Edition

**Developed by the
Expert Witness Task Force of the
General Committee of the
Actuarial Standards Board**

**Adopted by the
Actuarial Standards Board
March 2002**

(Doc. No. 087)

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March 2002

TO: Members of Actuarial Organizations Governed by the Standards of Practice of the Actuarial Standards Board and Other Persons Interested in Expert Testimony by Actuaries

FROM: Actuarial Standards Board (ASB)

SUBJ: Actuarial Standard of Practice (ASOP) No. 17

This booklet contains the final version of ASOP No. 17, *Expert Testimony by Actuaries*.

Background

The ASB originally adopted ASOP No. 17, *Expert Testimony by Actuaries* (Doc. No. 029) in 1991. Since that time, actuarial practice in this area has evolved. Under the direction of the ASB, the Expert Witness Task Force has revised ASOP No. 17 to be consistent with the current ASOP format adopted by the ASB in May 1996 for all future actuarial standards of practice and to reflect current practices in the area of expert testimony.

Actuarial opinions that are widely divergent may raise a question about the reasonableness of one or more opinions. This question is likely to arise when the basis for any opinion is not soundly thought out or not well explained. By contrast, actuarial opinions that are supportable and carefully prepared and explained, though divergent, can generate confidence in actuaries' competence to evaluate the costs and benefits of future contingent events. The focus of this standard is on the preparation and delivery of sound expert testimony by actuaries.

Exposure Draft

The exposure draft of this revised standard was issued in March 2001 with a comment deadline of August 15, 2001. The Expert Witness Task Force with the help of the General Committee carefully considered the eighteen comment letters received. For a summary of the substantive issues contained in these comment letters, please see appendix 2.

The most significant changes from the exposure draft were as follows:

1. The first paragraph of section 1.2, Scope, was reworded to clarify the extent to which the standard applies to actuaries providing litigation support;
2. A sentence was added to section 3.5, Identity of Principal, to specifically address the extent to which the actuary can rely upon information and instructions received from representatives of principals;
3. The last sentence of section 3.9, Cross-Examination, which advised that the actuary should expect to be cross-examined on the basis of prior statements, was stricken as being redundant with section 3.10, Consistency with Prior Statements;
4. Section 3.12, Limitation of Expert Testimony (previously titled, "Nature of the Forum"), was retitled and substantially rewritten in response to suggestions that the disclosure and compliance obligations of the actuary be more precisely identified; and
5. Section 4.3, Prescribed Statement of Actuarial Opinion, was amended to use the alternative language provided in the Transmittal Memorandum of the exposure draft.

The task force would like to thank former General Committee members Donald F. Behan, Lee R. Steeneck, and Paul B. Zeisler for their contribution to the revision of this standard.

The ASB voted in March 2002 to adopt this standard.

Expert Witness Task Force

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ACTUARIAL STANDARD OF PRACTICE NO. 17

EXPERT TESTIMONY BY ACTUARIES

STANDARD OF PRACTICE

Section 1. Purpose, Scope, Cross References, and Effective Date

- 1.1 Purpose—This actuarial standard of practice (ASOP) provides guidance to actuaries providing expert testimony.
- 1.2 Scope—This standard applies to actuaries when they testify as actuarial experts at trial, in hearing or arbitration, in deposition, or by declaration or affidavit. This standard does not apply to actuaries providing litigation support other than the expert testimony itself. However, actuaries providing such litigation support may consider the guidance in this standard to the extent that it is applicable and appropriate.

This standard supplements the *Code of Professional Conduct* and is intended to provide specific guidance with respect to expert testimony. Reference should also be made to other actuarial standards of practice concerned with the actuarial substance of the assignment.

Nothing in this standard is intended to discourage reasonable differences of actuarial opinion, or to inhibit responsible creativity in advancing the practice of actuarial science. Further, this standard is not intended to restrain unreasonably the selection of actuarial assumptions or methods, the communication of actuarial opinions, or the relationship between the actuary and a principal. Nothing in this standard is intended to prevent the actuary from challenging the application or a particular interpretation of existing precedent, law, or regulation where such application or interpretation would, in the opinion of the actuary, be inconsistent with otherwise appropriate actuarial practice.

To the extent that the guidance in this standard may conflict with the guidance in other ASOPs, the actuary should use professional judgment in reconciling such conflict. If a conflict exists between this standard and applicable law or regulation, compliance with applicable law or regulation is not considered to be a deviation from this standard.

- 1.3 Cross References—When this standard refers to the provisions of other documents, the reference includes the referenced documents as they may be amended or restated in the future, and any

successor to them, by whatever name called. If any amended or restated document differs materially from the originally referenced document, the actuary should consider the guidance in this standard to the extent it is applicable and appropriate.

- 1.4 Effective Date—This standard is effective for all expert testimony provided on or after July 15, 2002.

Section 2. Definitions

The terms below are defined for use in this actuarial standard of practice.

- 2.1 Actuarial Assumption—The value of a parameter or other actuarial choice having an impact on an estimate of a future cost or other actuarial item under evaluation.
- 2.2 Actuarial Method—A procedure by which data are analyzed and utilized for the purpose of estimating a future cost or other actuarial item.
- 2.3 Actuarial Opinion—A conclusion drawn by an actuary from actuarial knowledge or from the application of one or more actuarial methods to a body of data.
- 2.4 Data—Statistical or other information that is generally numerical in nature or susceptible to quantification.
- 2.5 Expert—One who is qualified by knowledge, skill, experience, training, or education to render an opinion or otherwise testify concerning the matter at hand.
- 2.6 Material—An item is material if it has an impact on the affected actuarial opinion, which is significant to the interested parties.
- 2.7 Principal—A client or employer of the actuary.
- 2.8 Testimony—Communication presented in the capacity of an expert witness at trial, in hearing or arbitration, in deposition, or by declaration or affidavit. Such testimony may be oral or written, direct or responsive, formal or informal.

Section 3. Analysis of Issues and Recommended Practices

An actuary providing expert testimony performs an important service to the actuary's principal, the forum, and the public by explaining complex technical concepts that can be critical to resolution of disputes. Actuaries may differ in their conclusions even when applying reasonable assumptions and appropriate methods, and a difference of opinion between actuaries is not, in and of itself, proof that an actuary has failed to meet professional standards. However, an actuary providing expert testimony should comply with the requirements of the *Code of Professional Conduct*. In particular, the actuary should act honestly, with integrity and competence, and in a manner to fulfill the profession's responsibility to the public, and should take reasonable steps to ensure that the expert testimony is not used to mislead other parties.

- 3.1 Review and Compliance—In addition to complying with this standard, the actuary providing expert testimony should review and comply with applicable actuarial standards of practice, the *Qualification Standards for Prescribed Statements of Actuarial Opinion*, and the *Code of Professional Conduct*.
- 3.2 Conflict with Laws and Regulations—If the actuary believes that a relevant law or regulation contains a material conflict with appropriate actuarial practices, the actuary should disclose the conflict, subject to the constraints of the forum.
- 3.3 Conflict of Interest—The actuary should be alert to the possibility of conflict of interest, and should address any real or apparent conflict of interest in accordance with Precept 7 of the *Code of Professional Conduct*.
- 3.4 Advocacy—There may be occasions when an actuary acts as an advocate for a principal when giving expert testimony. Nothing in this standard prohibits the actuary from acting as an advocate. However, acting as an advocate does not relieve the actuary of the responsibility to comply with the *Code of Professional Conduct* and to use reasonable assumptions and appropriate methods (unless using prescribed or alternative methods or assumptions and so disclosing in accordance with section 3.6).
- 3.5 Identity of Principal—The actuary should identify the principal on whose behalf the actuary is to give expert testimony. This principal usually names a representative, such as an attorney or manager, to whom the actuary reports during the course of the assignment. Even though that representative may retain or pay the actuary, the actuary's ultimate obligation is to the principal and not to the principal's representative. However, in the absence of evidence to the contrary, the actuary may rely upon information and instructions from the representative as though they came directly from the principal.
- 3.6 Prescribed or Alternative Methods and Assumptions—If the actuary performs calculations using prescribed or alternative assumptions or methods different from the assumptions or methods

selected by the actuary in forming the actuary's expert opinion, the actuary should state, subject to the constraints of the forum, whether the results are consistent with the actuary's own expert opinion.

- 3.7 Hypothetical Questions—The actuary may be asked to answer hypothetical questions. Hypothetical questions may fairly reflect facts in evidence, may include only a part of the facts in evidence, or may include assumptions the actuary believes to be untrue or unreasonable. The actuary may refuse to answer hypothetical questions based upon unreasonable assumptions, subject to the constraints of the forum.
- 3.8 Testifying Concerning Other Relevant Testimony—When the actuary testifies concerning other relevant testimony, including opposing testimony, the actuary should testify objectively, focusing on the reasonableness of the other testimony and not solely on whether it agrees or disagrees with the actuary's own opinion.
- 3.9 Cross-Examination—Although the actuary must respond truthfully to questions posed during cross-examinations, the actuary need not volunteer information that may be adverse to the interest of the principal.
- 3.10 Consistency with Prior Statements—When giving expert testimony, the actuary should be mindful of statements the actuary may have made on the same subject. If the actuary employs different methods or assumptions in the current situation, the actuary should be prepared to explain why.
- 3.11 Discovery of Error—If, after giving expert testimony, the actuary discovers that a material error was made, the actuary should make appropriate disclosure of the error to the principal or the principal's representative as soon as practicable.
- 3.12 Limitation of Expert Testimony—The actuary's expert testimony should be presented in a manner appropriate to the nature of the forum. If any constraints are imposed or expected to be imposed on the actuary's ability to comply with the *Code of Professional Conduct* or other professional standards, the actuary should consider whether it is appropriate to serve or continue to serve as an expert.

Section 4. Communications and Disclosures

- 4.1 Written Reports—Expert testimony delivered by means of a written report should describe the scope of the assignment, including any limitations or constraints. The written report should include descriptions and sources of the data, actuarial methods, and actuarial assumptions used in the analysis in a manner appropriate to the intended audience.

- 4.2 Oral Testimony—In delivering expert testimony orally, the actuary should express opinions in a manner appropriate to the intended audience. In addition, the actuary should, to the extent practicable, be prepared to document oral testimony.
- 4.3 Prescribed Statement of Actuarial Opinion—The actuary providing expert testimony should satisfy the *Qualification Standards for Prescribed Statements of Actuarial Opinion* promulgated by the American Academy of Actuaries in each practice area that is a primary subject of the actuary's testimony.
- 4.4 Deviation from Standard—An actuary must be prepared to justify the use of any procedures that depart materially from those set forth in this standard and must include, in any actuarial communication disclosing the results of the procedures, an appropriate statement with respect to the nature, rationale, and effect of such use, subject to the constraints imposed by the nature of the forum.

Appendix 1

Background and Current Practices

Note: The following appendix is provided for informational purposes, but is not part of the standard of practice.

Background

The Actuarial Standards Board first adopted Actuarial Standard of Practice No. 17, *Expert Testimony by Actuaries*, in January of 1991. The standard addressed a type of practice, expert testimony, which had not been explicitly addressed in previously adopted standards. The standard also crossed traditional practice areas to apply whenever actuaries offered expert testimony concerning pensions or insurance. As such, the standard contained a significant amount of educational material.

Since the standard was first adopted, actuaries have become increasingly active as expert witnesses, appearing in a greater variety of venues and addressing an expanding range of topics. As actuaries have become more knowledgeable about providing expert testimony, the need for educational material has lessened to some degree. The Actuarial Standards Board has also adopted a new format for standards, and this standard reflects that format.

Current Practices

Actuaries may be called upon to give expert testimony concerning a broad range of issues, such as the following:

- a. actuarial present values of retirement or other benefits;
- b. actuarial values incident to a divorce;
- c. adequacy or appropriateness of reserves, premium rates, pricing or underwriting procedures, or provision for administrative costs;
- d. cost impact of claims-made or claims-paid financing;
- e. cost impact of risk classification systems, tort liability decisions, or legislative/regulatory proposals;

- f. lost earnings of a decedent or injured person and the actuarial present value of such lost earnings;
- g. malpractice alleged of an actuary;
- h. relationships between risk and return on investments;
- i. value of an insurance company or other entity; and
- j. withdrawal liability assessments under multiemployer benefit plans.

Actuarial expert testimony may be given in many forums including, but not limited to, the following:

- a. administrative hearings or other executive branch proceedings;
- b. arbitration or other extra-judicial proceedings;
- c. committee hearings or other legislative branch proceedings; and
- d. courts of law or other judicial branch proceedings, including depositions, declarations, and affidavits.

Actuarial testimony may be oral or written, direct or responsive, formal or informal. Actuaries may also be called upon to provide expert analysis or other litigation support in settings where they are not expected to testify.

Although actuaries sometimes provide expert testimony and support directly to a legislator, regulator, arbitrator, or judge, more typically the actuary's principal is a party to the proceedings at which testimony is to be given. Parties to such proceedings may be the shareholders of a corporation, the policyholders of an insurer, the electorate of a political jurisdiction, the employers who maintain a state fund, or another individual or group of persons. In most instances, the principal will have retained an attorney or other representative. Often, it is the attorney or representative who retains the actuary on the principal's behalf.

Actuaries may find themselves testifying in opposition to the opinions of other actuaries or other experts in another field (for example, accountants, statisticians, or economists) who are on opposite sides of a proceeding. At times, the opinions, assumptions, and/or conclusions expressed in expert testimony by others will be in conflict with those of the actuary. These situations may generate doubt in the minds of the audience as to which expert to believe. In such a situation, if asked to comment on the differences in testimony, actuaries attempt to demonstrate factually that the other expert's opinions, assumptions, and/or conclusions are based on flawed data or methods. Alternatively, depending on the

circumstances, the actuary may seek to demonstrate that differences between the actuary's conclusions and those of the other expert are not material.

One challenge faced by actuaries testifying as experts is that often the audience lacks the necessary background to readily understand an actuary's testimony. Individuals who are unfamiliar with actuarial concepts may be unable to understand communications that presuppose basic actuarial knowledge, particularly if such communications are presented using terms or acronyms with which they are unfamiliar. When an actuary testifies, it is generally important to explain technical terms and concepts so that, to the extent practicable, the audience can understand them, particularly if the audience is not sufficiently familiar with actuarial methods and assumptions to distinguish testimony that is precisely accurate but ultimately misleading. It is usually beneficial for the actuary to provide expert testimony as clearly as practicable.

Actuarial projections have a degree of uncertainty because they are based on the probability of occurrence of future contingent events. An important challenge for the testifying actuary, and arguably a most difficult one, is to convey the inherent uncertainty of actuarial estimates. Because a projection necessarily has a degree of uncertainty associated with it, actuaries may be called upon to explain the concept of uncertainty and to convey to the audience whether the actuary's own expectations for future results are within a range believed to be acceptable to most actuaries. Moreover, when providing expert testimony, actuaries generally defend against the characterization of actuarial science or specific actuarial opinions as "guesses," "guesstimates," or the like. Although there are uncertainties inherent in future projections and stochastic processes, that uncertainty does not make an actuarially sound analysis the equivalent of a "guess."

Attorneys may seek on cross-examination to attack actuarial opinions and judgments incrementally, a tactic that may be harmful to the credibility of a testifying actuary who does not respond appropriately to it. For example, if an actuary has testified to an opinion that a reasonable range for a specific liability is between \$5 and \$6 million, when asked on cross-examination whether \$4,999,999 would be a reasonable liability, an appropriate response would be along the lines of, "that number would fall outside of my range of reasonable estimates and would therefore be categorized as not being reasonable." A response such as "that liability is only one dollar below my range of reasonable estimates and, therefore, could be reasonable," is likely to generate further incremental attacks (for example, "what about \$4,999,998?") that weaken the credibility of the actuary's testimony.

Disclosure of pertinent information (including, but not limited to, the name of the principal, the actuarial methods used, the assumptions selected and support therefor, and any potential conflicts of interest) strengthens the credibility of the actuary's testimony. Such disclosure can be particularly important when testimony is subsequently discovered to be in error. The actuary testifying as an expert witness may not have access to all parties who have relied upon expert testimony subsequently discovered to be in error, but an actuary who discovers a material error in testimony is usually prudent to correct the error, particularly if the actuary is recalled to the stand, and to document in writing the corrective steps taken.

Ultimately, the actuary seeks to provide the forum with a valid actuarial opinion based upon truthful expression of the underlying facts. This serves not only the actuary's principal, but others who may be directly or indirectly affected by the proceedings. These others may include the principal's opponent in a lawsuit, the current and potential policyholders in a rate hearing, the plan participants and their dependents in an employee benefit plan action, the creditors in bankruptcy court, or others. Actuaries benefit the public when they apply their professional skills in a manner that promotes the general welfare, and they enhance relations with their professional peers when they represent their work fairly and give credit where appropriate.

Appendix 2

Comments on the 2001 Exposure Draft and Task Force Responses

The exposure draft of this actuarial standard of practice (ASOP), titled *Expert Testimony by Actuaries*, was issued in March 2001, with a comment deadline of August 15, 2001. Eighteen comment letters were received. The Expert Witness Task Force, with the help of the General Committee, carefully considered all comments received. Summarized below are the significant issues and questions contained in the comment letters and the task force's responses.

| GENERAL COMMENTS | |
|--|--|
| Comment | Some commentators suggested that the standard should more explicitly address the actuary's duty to the public and the actuarial profession by emphasizing objectivity and explicitly requiring the actuary to consider all material factors. |
| Response | The task force believes that the standard appropriately addresses the commentators' concerns and made no change. |
| Comment | One commentator suggested establishing a hierarchy of actuarial standards of practice to address potential conflicts between standards. |
| Response | The task force believes that the actuarial standards of practice appropriately address potential conflicts and, in any event, that the establishment of such a hierarchy would be beyond the scope of this standard. |
| Comment | Several commentators suggested editorial changes in various sections of the standard. |
| Response | The task force implemented such suggestions if they enhanced clarity and did not alter the intent of the section. |
| SECTION 1. PURPOSE, SCOPE, CROSS-REFERENCES, AND EFFECTIVE DATE | |
| Section 1.1, Purpose | |
| Comment | One commentator suggested changing "the actuary" to "actuaries" in this section. |
| Response | The task force adopted the commentator's suggestion. |
| Section 1.2, Scope | |
| Comment | Some commentators expressed support for the scope of the proposed standard. One commentator suggested editorial changes to clarify this section. Another commentator suggested clarifying how an actuary might challenge existing precedent, law, or regulation. |
| Response | The task force adopted the commentators' proposed changes as appropriate. |
| Comment | One commentator stated that an actuary who challenges existing precedent, law or regulation should note that fact as part of the testimony. |
| Response | The task force believes that section 3.2 adequately addresses this point. |

| SECTION 2. DEFINITIONS | |
|--|---|
| Comment | One commentator suggested adding a definition of “declaration.” |
| Response | The task force believes that this term is adequately defined in common legal usage and that, therefore, no definition is needed. |
| Comment | One commentator suggested restoring the definition of “actuarial literature.” |
| Response | The term “actuarial literature” is not used in the standard and it is not the practice of the ASB to define terms that do not appear in a standard. The task force made no change. |
| Section 2.3, Actuarial Opinion | |
| Comment | One commentator suggested revising the definition of “actuarial opinion” to be “an opinion drawn by an actuary from actuarial knowledge or from the application of one or more actuarial methods and actuarial assumptions that the actuary endorses to a body of data.” |
| Response | The task force disagreed and made no change. |
| Section 2.7, Principal | |
| Comment | One commentator suggested changing this definition to provide a broader description of client relationships and the actuary’s duty to other participants in litigation. |
| Response | The definition is consistent with the <i>Code of Professional Conduct</i> and the task force believes that section 3.5 of the standard adequately addresses the actuary’s responsibilities to the various participants in litigation. No changes were made in the definition. |
| SECTION 3. ANALYSIS OF ISSUES AND RECOMMENDED PRACTICES | |
| Section 3.1, Review and Compliance | |
| Comment | One commentator thought the reference to the <i>Code of Professional Conduct</i> should have spoken to the Codes of the five U.S.-based organizations representing actuaries. |
| Response | The task force disagreed, noting that all of the U.S.-based organizations have adopted the same <i>Code of Professional Conduct</i> . |
| Section 3.3, Conflict of Interest | |
| Comment | One commentator suggested that Precept 7 of the <i>Code of Professional Conduct</i> be reprinted in this section. |
| Response | The task force disagreed. |
| Section 3.4, Advocacy | |
| Comment | One commentator suggested revising this section to be more specific in addressing particular circumstances. |
| Response | Although the task force did not agree that particular circumstances needed to be addressed more specifically, the task force did revise section 3.4 to emphasize the actuary’s responsibilities under the <i>Code of Professional Conduct</i> . |
| Section 3.5, Identity of Principal | |
| Comment | One commentator suggested clarifying revisions to this section. |
| Response | The task force adopted the commentator’s suggestion. |

| Section 3.6, Prescribed or Alternative Methods and Assumptions | |
|---|--|
| Comment | Two commentators observed that this section was unclear. |
| Response | The task force disagreed, finding the guidance in this section clear and appropriate. |
| Comment | One commentator suggested that this section might be interpreted to require the actuary to disclose an excessively broad range of results. |
| Response | The task force disagreed and made no change. |
| Comment | One commentator suggested that this section be revised to direct the actuary to explain why the opinion lies within the reasonable range of results rather than requiring the actuary to identify particular results that might differ. |
| Response | The task force believes that the guidance in the standard is appropriate and made no change. |
| Comment | One commentator suggested that this section might be inconsistent with section 3.9, Cross-Examination. |
| Response | The task force disagreed. |
| Section 3.7, Hypothetical Questions | |
| Comment | One commentator suggested adding guidance on how the actuary should respond if required to answer a hypothetical question. |
| Response | The task force disagreed and made no change. |
| Section 3.9, Cross-Examination | |
| Comment | Some commentators believed that this section gave the actuary too much leeway to withhold information inimical to the principal. |
| Response | The task force disagreed, concluding that the guidance offered in this section is appropriate when considered in conjunction with section 3.4, Advocacy. |
| Comment | One commentator suggested deleting the last sentence of this section as unnecessary. |
| Response | The task force agreed that this sentence was redundant with section 3.10 and deleted it. |
| Section 3.10, Consistency with Prior Statements | |
| Comment | One commentator believed that the guidance in this section was generic and should be moved to the appendix. |
| Response | The task force believed the guidance was appropriately placed within the standard and made no change. |
| Section 3.11, Discovery of Error | |
| Comment | Some commentators suggested that the actuary's responsibility to disclose error should extend beyond disclosure to the actuary's principal. |
| Response | The task force disagreed, concluding that the scope of the actuary's responsibility is appropriately stated and noting that the <i>Code of Professional Conduct</i> and other Actuarial Standards of Practice also provide guidance on this issue. |

| | |
|--|---|
| Section 3.12, Limitation of Expert Testimony (previously titled, "Nature of the Forum") | |
| Comment | One commentator expressed discomfort with the actuary's merely reviewing and explaining the standard with the principal. Another commentator offered clarifying language which focused on the actuary's presentation within a forum and the appropriate actions to be taken when constraints occur. |
| Response | The task force adopted part of the second commentator's suggested language and strengthened the language dealing with constraints, thereby addressing the concerns of the first commentator as well. |
| SECTION 4. COMMUNICATIONS AND DISCLOSURES | |
| Section 4.2, Oral Testimony (previously titled "Oral Reports and Testimony") | |
| Comment | One commentator suggested that an actuary be required to provide a written actuarial report or memorandum to support all oral testimony. |
| Response | The task force disagreed and made no change. |
| Section 4.3, Prescribed Statement of Actuarial Opinion | |
| Comment | Some commentators objected to characterizing expert testimony as a "prescribed statement of actuarial opinion" for purposes of the <i>Qualification Standards for Prescribed Statements of Actuarial Opinion</i> . Other commentators agreed with the characterization, while still others expressed support for the more limited approach described in the transmittal memorandum accompanying the exposure draft. |
| Response | After carefully considering all comments received, the task force decided to adopt the more limited language described in the transmittal memorandum. |



ACTUARIAL STANDARDS BOARD

**Actuarial Standard
of Practice
No. 23**

Data Quality

Revised Edition

**Developed by the
General Committee of the
Actuarial Standards Board and
Applies to All Practice Areas**

**Adopted by the
Actuarial Standards Board
December 2004**

(Doc. No. 097)

ASOP No. 23—December 2004

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ASOP No. 23—December 2004

December 2004

TO: Members of Actuarial Organizations Governed by the Standards of Practice of the Actuarial Standards Board and Other Persons Interested in Data Quality

FROM: Actuarial Standards Board (ASB)

SUBJ: Actuarial Standard of Practice (ASOP) No. 23

This booklet contains the final version of a revision of ASOP No. 23, *Data Quality*.

Background

The ASB originally adopted ASOP No. 23, *Data Quality* (Doc. No. 044), in 1993. The previous ASOP was prepared by the Data Quality Task Force of the Specialty Committee of the ASB. The General Committee has prepared this revision of ASOP No. 23 to be consistent with the current ASOP format, to reflect current, generally accepted practice with respect to data quality, and to provide guidance concerning other information relevant to the use of data.

Exposure Draft

The exposure draft of this ASOP was approved for exposure in October 2003 with a comment deadline of March 31, 2004. Twenty-eight comment letters were received and considered in developing the final standard. A summary of the substantive issues contained in the exposure draft comment letters and the General Committee's responses are provided in appendix 2.

The most significant changes from the exposure draft were as follows:

1. Section 1.2, Scope, has been clarified to indicate that if this standard establishes requirements in addition to those imposed by law, the actuary should satisfy the requirements of both the standard and the law.
2. When data are supplied by others, section 3.3 clarifies that the actuary should follow the guidance of section 3.5, Review of Data, before relying on such data. This means that the actuary should review the data for reasonableness and consistency unless, in the actuary's professional judgment, such a review is not necessary or not practical.

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3. Similarly, section 3.4, Reliance on Other Information Relevant to the Use of Data, allows reliance on such information, but now does so “unless it is or becomes apparent to the actuary during the time of the assignment that the information contains material errors or is otherwise unreliable.”
4. The standard clarifies that section 3.5, Review of Data, applies whether the actuary prepared the data or received the data from a third party. The section also suggests that, in doing the review of the data, the actuary attempt to determine the definition of each data element used in the analysis. A definition of “review” has been added to section 2, pointing out that this is an informal examination of the obvious characteristics of the data.
5. The sentence that appeared in the previous ASOP No. 23 but was removed from the exposure draft of this revision, which stated that the actuary is not expected to “develop additional data compilations solely for the purpose of searching for questionable or inconsistent data,” was reinserted in section 3.6, Limitation of the Actuary’s Responsibility.
6. Section (c) of 3.7, Use of Data, was expanded to apply to results that are highly uncertain, in addition to those that have a material bias. Appropriate disclosure is required in section 4.1 if the actuary decides to complete the assignment in such circumstances.
7. The committee clarified section 3.8 by explicitly requiring the actuary to document any material defects in the data, in keeping with the requirements of ASOP No. 41, *Actuarial Communications*.

The General Committee thanks everyone who took the time to contribute comments on the exposure draft.

The ASB voted in December 2004 to adopt this standard.

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General Committee of the ASB

W.H. Odell, Chairperson

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| Phillip N. Ben-Zvi | Ethan E. Kra |
| Thomas K. Custis | Mark E. Litow |
| Larry M. Gorski | Donna C. Novak |
| Burton D. Jay | Ronnie Susan Thierman |

Actuarial Standards Board

Michael A. LaMonica, Chairperson

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ACTUARIAL STANDARD OF PRACTICE NO. 23

DATA QUALITY

STANDARD OF PRACTICE

Section 1. Purpose, Scope, Cross References, and Effective Date

- 1.1 **Purpose**—The purpose of this actuarial standard of practice (ASOP) is to give guidance to the actuary in the following:
- a. selecting the data that underlie the actuarial work product;
 - b. relying on data supplied by others;
 - c. reviewing data;
 - d. using data; and
 - e. making appropriate disclosures with regard to data quality.
- 1.2 **Scope**—This standard applies to actuaries when providing professional actuarial services in all practice areas. Other actuarial standards of practice may contain additional considerations related to data quality that are applicable to particular areas of practice or types of actuarial assignment.

This standard does not require the actuary to audit data.

If this standard establishes requirements in addition to those imposed by applicable law, regulation, or other binding authority, the actuary should satisfy the requirements of both the applicable law and the standard. To the extent applicable law conflicts with this standard, compliance with such applicable law shall not be deemed a deviation from this standard, provided the actuary discloses that the actuarial assignment was performed in accordance with the requirements of such applicable law.

- 1.3 **Cross References**—When this standard refers to the provisions of other documents, the reference includes the referenced documents as they may be amended or restated in the future, and any successor to them, by whatever name called. If any amended or restated document differs materially from the originally referenced document, the actuary should consider the guidance in this standard to the extent it is applicable and appropriate.

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- 1.4 Effective Date—This standard will be effective for any actuarial work product for which data were provided to or developed by the actuary on or after May 1, 2005. In all cases, this standard will be effective for any actuarial work product commenced on or after July 1, 2006.

Section 2. Definitions

The terms below are defined for use in this actuarial standard of practice.

- 2.1 Appropriate Data—For purposes of data quality, data are appropriate if they are suitable for the intended purpose of an analysis and relevant to the system or process being analyzed.
- 2.2 Audit—To conduct a formal and systematic examination of a set of data for the purpose of testing its accuracy, using techniques commonly employed by audit professionals.
- 2.3 Comprehensive Data—For purposes of data quality, data obtained from inventory or sampling methods are comprehensive if they contain sufficient data elements or records needed for the analysis.
- 2.4 Data—For purposes of this standard, the term refers to numerical, census, or classification information and not to general or qualitative information. Assumptions are not data, but data are commonly used in the development of actuarial assumptions.
- 2.5 Data Element—An item of information, such as date of birth or risk classification.
- 2.6 Practical—Realistic in approach during the time of the assignment, given the purpose and nature of the assignment and any constraints, including cost and time considerations.
- 2.7 Review—An informal examination of the obvious characteristics of the selected data to determine if such data appear reasonable and consistent for purposes of the assignment. A review is not an audit of data.

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Section 3. Analysis of Issues and Recommended Practices

- 3.1 **Overview**—Data that are completely accurate, appropriate, and comprehensive are frequently not available. The actuary should use available data that, in the actuary’s professional judgment, allow the actuary to perform the desired analysis. However, if material data limitations are known to the actuary, the actuary should disclose those limitations and their implications. The following sections discuss such considerations in more detail.
- 3.2 **Selection of Data**—In undertaking an analysis, the actuary should consider what data to use. The actuary should consider the scope of the assignment and the intended use of the analysis being performed in order to determine the nature of the data needed and the number of alternative data sets or data sources, if any, to be considered. The actuary should do the following:
- a. consider the data elements that are desired and possible alternative data elements; and
 - b. select the data with due consideration of the following:
 - 1. appropriateness for the intended purpose of the analysis, including whether the data are sufficiently current;
 - 2. reasonableness and comprehensiveness of the necessary data elements, with particular attention to internal and external consistency;
 - 3. any known, material limitations of the data;
 - 4. the cost and feasibility of obtaining alternative data, including the ability to obtain the information in a reasonable time frame;
 - 5. the benefit to be gained from an alternative data set or data source as balanced against its availability and the time and cost to collect and compile it; and
 - 6. sampling methods, if used to collect the data.
- 3.3 **Reliance on Data Supplied by Others**—In most situations, the data are provided to the actuary by others. The accuracy and comprehensiveness of data supplied by others are the responsibility of those who supply the data. The actuary may rely on data supplied by others, subject to the guidance in section 3.5. In doing so, the actuary should disclose such reliance in an appropriate actuarial communication.

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- 3.4 **Reliance on Other Information Relevant to the Use of Data**—In many situations, the actuary is provided with other information relevant to the appropriate use of data, such as contract provisions, plan documents, and reinsurance treaties. The validity and comprehensiveness of such information are the responsibility of those who supply such information. The actuary may rely on such information supplied by another, unless it is or becomes apparent to the actuary during the time of the assignment that the information contains material errors or is otherwise unreliable. The actuary should disclose reliance on information provided by another in an appropriate actuarial communication.
- 3.5 **Review of Data**—A review of data may not always reveal existing defects. Nevertheless, whether the actuary prepared the data or received the data from others, the actuary should review the data for reasonableness and consistency, unless, in the actuary’s professional judgment, such review is not necessary or not practical. In exercising such professional judgment, the actuary should take into account the extent of any checking, verification, or auditing that has already been performed on the data, the purpose and nature of the assignment, and relevant constraints.

When determining the nature and extent of such a review, the actuary should consider the following:

- a. **Data Definitions**—The actuary should make a reasonable effort to determine the definition of each data element used in the analysis, as described in section 3.2.
- b. **Identify Questionable Data Values**—The actuary should review the data used directly in the actuary’s analysis for the purpose of identifying data values that are materially questionable or relationships that are materially inconsistent. If the actuary believes questionable or inconsistent data values could have a material effect on the analysis, the actuary should consider further steps, when practical, to improve the quality of the data.
- c. **Review of Prior Data**—If similar work has been previously performed for the same or recent periods, the actuary should consider reviewing the current data for consistency with the data used in the prior analysis. If the actuary does not have the prior data, the actuary should consider requesting the prior data.

If, in the actuary’s professional judgment, it is not appropriate to perform a review of the data, the actuary should disclose that the actuary has not done such a review and should disclose any resulting limitation on the use of the actuarial work product.

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- 3.6 Limitation of the Actuary's Responsibility—The actuary is not required to do any of the following:
- a. determine whether data or other information supplied by others are falsified or intentionally misleading;
 - b. develop additional data compilations solely for the purpose of searching for questionable or inconsistent data; or
 - c. audit the data.
- 3.7 Use of Data—Because data that are completely accurate, appropriate, and comprehensive are frequently not available, the actuary should make a professional judgment about which of the following is applicable:
- a. the data are of sufficient quality to perform the analysis;
 - b. the data require enhancement before the analysis can be performed, and it is practical to obtain additional or corrected data that will allow the analysis to be performed;
 - c. judgmental adjustments or assumptions can be applied to the data that allow the actuary to perform the analysis. If the actuary judges that the use of the data, even with adjustments and assumptions applied, may cause the results to be highly uncertain or contain a material bias, the actuary may choose to complete the assignment, but should disclose the potential existence of the uncertainty or bias, and, if reasonably determinable, their nature and potential magnitude;
 - d. if the actuary believes that the data are likely to contain material defects, the actuary should determine, if practical, the nature and extent of any checking, verification, or auditing that may have been performed on the data. Then, if, in the actuary's professional judgment, a more extensive review is needed, the actuary should arrange for such a review prior to completing the assignment; or
 - e. if, in the actuary's professional judgment, the data are so inadequate that the data cannot be used to satisfy the purpose of the analysis, then the actuary should obtain different data or decline to complete the assignment.
- 3.8 Documentation—The actuary should comply with the requirements of ASOP No. 41, *Actuarial Communications*, regarding the preparation and retention of the documentation. In addition, the actuary's documentation should include the following:

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- a. the process the actuary followed to evaluate the data, including the review or consideration of prior data;
- b. a description of any material defects the actuary believes are in the data;
- c. a description of any adjustments or modifications made to the data, other than routine corrections made by reference to source documents, including the rationale for any such adjustments or modifications; and
- d. any other documentation necessary to comply with the disclosure requirements of section 4.1.

Section 4. Communications and Disclosures

- 4.1 Disclosure—When issuing communications under this standard, the actuary should refer to ASOP No. 41. In addition, the actuary should disclose the following items:
- a. the source(s) of the data;
 - b. whether the actuary reviewed the data and, if not, any resulting limitations on the use of the actuarial work product;
 - c. the extent of the actuary's reliance on data and other information relevant to the use of data supplied by others;
 - d. any material judgmental adjustments or assumptions that the actuary applied to the data, or are known by the actuary to have been applied to the data, to allow the actuary to perform the analysis;
 - e. any limitations on the use of the actuarial work product due to uncertainty about the quality of the data;
 - f. any unresolved concerns the actuary may have about the data that could have a material effect on the actuarial work product;
 - g. (1) the existence of results that are highly uncertain or have a potentially material bias of which the actuary is aware due to the quality of the data; and (2) the nature and potential magnitude of such uncertainty or bias, if they can be reasonably determined; and
 - h. any conflicts that arose from complying with applicable law, regulation, or other binding authority.

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- 4.2 Prescribed Statement of Actuarial Opinion—This ASOP does not require a prescribed statement of actuarial opinion (PSAO) as described in the *Qualification Standards for Prescribed Statements of Actuarial Opinion* promulgated by the American Academy of Actuaries. However, law, regulation, or accounting requirements may also apply to an actuarial communication prepared under this standard, and as a result, such actuarial communication may be a PSAO.
- 4.3 Deviation from Standard—The actuary must be prepared to justify to the actuarial profession's disciplinary bodies, or to explain to a principal, another actuary, or other intended users of the actuary's work, the use of any procedures that depart materially from those set forth in this standard. If a conflict exists between this standard and applicable law or regulation, compliance with applicable law or regulation is not considered to be a deviation from this standard.

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Appendix 1

Background and Current Practices

Note: The following appendix is provided for informational purposes, but is not part of the standard of practice.

Background

An actuarial analysis is based upon an analysis of data, along with practical knowledge of the field of practice and training in actuarial theory, which together enable the actuary to interpret the results of calculations. Throughout the analytic process, data play an important role. The accuracy and validity of the actuarial analysis are dependent on, among other things, the quality of the data used. Hence, an actuarial standard of practice concerning data quality is appropriate.

Data frequently contain errors, are not fully complete, and are not precisely appropriate for the intended analysis. Actuaries deal with these limitations, the majority of which are non-critical. However, actuaries are often called upon to perform actuarial services in situations where data limitations may be critical. Actuaries use professional judgment when determining whether and how to refine data or make modifications within the analysis.

Current Practices

Actuaries use informed judgment to determine what kinds of data are appropriate for a particular analysis. It is important that the data used are relevant to the system or process being analyzed.

Persons or organizations responsible for generating, collecting, or publishing data may apply different standards of quality assurance, ranging from straightforward compilation of figures to extensive verification. Actuaries, in turn, deal with the question of the quality of data underlying their work products in a variety of ways and with varying levels of review or checking.

Actuaries are called upon to provide analyses for a broad range of uses, from limited distribution within an organization to public exposure.

Important aspects of data utilization include documentation and disclosure of (1) the sources of data; (2) review of data; (3) material biases resulting from data used by the actuary; (4) adjustments or corrections made to the data; and (5) the extent of reliance on data supplied by others. Typically, actuaries do not audit data.

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APPENDIX 2

Comments on the Exposure Draft and Committee Responses

The exposure draft of this revision of ASOP No. 23, *Data Quality*, was issued in October 2003 with a comment deadline of March 31, 2004. Twenty-eight comment letters were received, some of which were submitted on behalf of multiple commentators, such as by firms or committees. For purposes of this appendix, the term “commentator” may refer to more than one person associated with a particular comment letter. The General Committee carefully considered all comments received. Summarized below are the significant issues and questions contained in the comment letters and the committee’s responses. Unless otherwise noted, the section numbers and titles used below refer to those in the exposure draft.

| GENERAL COMMENTS | |
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| Several commentators suggested various editorial changes in addition to those addressed specifically below. The committee implemented such suggestions if they enhanced clarity and did not alter the intent of the section. | |
| In the transmittal memorandum of the exposure draft, the committee asked readers to comment on whether the exposure draft clarified the previous standard. Most commentators believed that the revisions did clarify the standard, and others had suggestions that are addressed in the following responses. | |
| Comment | One commentator suggested that the standard should address issues concerning how results vary when using data with different time horizons. |
| Response | The committee believed that issue was more about credibility than data quality and made no change in the standard. |
| Comment | A commentator believed that the standard should also provide guidance on privacy, confidentiality, and distribution of the actuarial report. |
| Response | The committee believed such issues were beyond the scope of this standard. ASOP No. 41, <i>Actuarial Communications</i> , provides guidance with respect to actuarial reports. |
| Comment | One commentator recommended expanding the title of the standard to add “Actuaries’ Responsibilities in Selecting, Reviewing, and Using Data.” |
| Response | The committee believed that this was unnecessary, because section 1.1, Purpose, identifies the specific professional services discussed in the standard. |
| Comment | A commentator suggested that, since it is common for actuaries to extract their own data for use in their analyses, the standard should more clearly indicate the actuary’s responsibility to review data that the actuary has independently created. |
| Response | The committee agreed and revised section 3.5, Review of Data, in response. |
| Comment | One commentator thought that the actuary should be required to disclose and resolve material differences between prior and current period data. |
| Response | The committee believed that the actuary should be satisfied that the current data are appropriate and should disclose other concerns related to data quality in accordance with section 4.1(g) (now 4.1(f)). The reconciliation of data from one period to the next is beyond the scope of this standard. |

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| SECTION 1. PURPOSE, SCOPE, CROSS REFERENCES, AND EFFECTIVE DATE | |
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| Section 1.2, Scope | |
| Comment | One commentator objected to not requiring the actuary to audit the data, while several others supported the statement in the standard that audits are not required. |
| Response | The committee believed that the actuary should generally be required to review, but not audit the data, and left this scope limitation unchanged. |
| Comment | Several commentators recognized that the actuary must comply with law, regulation, or other binding authority, but disagreed that the actuary should disclose such a conflict. |
| Response | The committee disagreed and retained the disclosure requirement, consistent with other standards. In response to another comment, the committee also added a sentence clarifying that the actuary must comply with both the standard and the law when the standard has more extensive requirements than the law. Finally, the wording of this section was modified to clarify that the standard applied only to professional "actuarial" services. |
| Section 1.4, Effective Date | |
| Comment | A commentator pointed out that it is common in some practice areas to use a significant amount of data collected in prior years and then perform the current analysis after the latest data have been added to the database or using relevant current data. The commentator believed that the prior data should be subject only to requirements in effect when the data were originally collected and not be subject to any new requirements in the standard. |
| Response | The committee discussed this point and made no change to this section, because it believed that other sections of the standard gave sufficient guidance to the actuary regarding the extent to which the actuary should review the data, including consideration of practicality and materiality. |
| SECTION 2. DEFINITIONS | |
| Some commentators suggested adding definitions of other terms. In most cases, the committee did not believe that was necessary. However, it did add a definition of "review," as suggested by one commentator, to clarify that a review is less formal than an audit and does not verify the accuracy of data, but merely consists of observing its obvious characteristics and abnormalities. | |
| Section 2.1, Appropriate (now Appropriate Data) | |
| Comment | Several commentators suggested adding the word "data" to the title of this section. |
| Response | The committee agreed and added "data" here and in the title of section 2.3. |
| Comment | One commentator suggested deleting the phrase "relevant to the system or process being analyzed." |
| Response | The committee thought the existing language was necessary and sufficiently clear and made no change. |
| Section 2.2, Audit | |
| Comment | Some editorial suggestions were made to improve the definition. |
| Response | The committee adopted some of the suggestions, adding "for the purpose of testing its accuracy" and removing "or review," because that latter term is now defined and differentiated from an audit. |
| Section 2.3, Comprehensive (now Comprehensive Data) | |
| Comment | A commentator recommended that "sufficient data elements" be used in this definition in place of "each data element." |
| Response | The committee agreed that this was more appropriate wording and made the change. |
| Comment | One commentator suggested adding a discussion of inventory or sampling methods. |
| Response | The committee did not see the need for such a discussion. |

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| Section 2.4, Data | |
| Comment | A commentator pointed out that actuaries often use data contained in reports prepared by other professionals and suggested that such data be covered by this definition. |
| Response | The committee made no change to this definition, because sections 3.3 and 3.4 address reliance on data and other information supplied by others. |
| Comment | One commentator suggested expanding the definition to indicate that sometimes assumptions are used to develop certain data elements. |
| Response | The committee did not believe such an expansion was necessary. The use of assumptions to perform such analyses is referenced in section 3.7(c). |
| Section 2.6, Practical | |
| Comment | A number of comments were received on the inclusion of the defined term “practical” in response to the committee’s request in the transmittal letter of the exposure draft. Some commentators thought the definition was unnecessary, and some offered suggestions for further improvement. |
| Response | Because the concept of practicality is an important consideration in this standard in aiding an actuary to make professional judgments regarding selection of data, and whether and to what extent to review the data, among other things, the committee strongly believed that a definition of this term should be included. |
| Comment | One commentator pointed out that use of hindsight would be inappropriate in determining what was practical. |
| Response | The committee agreed and added “during the time of the assignment” to the definition. |
| Comment | One commentator wanted to add guidance on considerations for evaluating materiality. |
| Response | The committee believed that materiality is a subjective concept that depends on the actuary’s professional judgment, and that it was beyond the scope of this standard to define or provide guidance on materiality. |
| SECTION 3. ANALYSIS OF ISSUES AND RECOMMENDED PRACTICES | |
| Section 3.1, Overview | |
| Comment | One commentator pointed out that some assignments do, in fact, require perfect data, and that the standard should recognize this. |
| Response | The committee disagreed that the standard should be written to address specific situations that would require more diligent treatment. Sections 3.2 and 3.5 state that consideration should be given to the purpose and nature of the assignment. |
| Section 3.2, Selection of Data | |
| Comment | One commentator wanted to clarify the language relating to “review.” |
| Response | The committee decided to delete reference to “review” in this section as it is thoroughly covered in section 3.5. |

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| Comment | One commentator believed that section 3.2(b)(5) should be eliminated or at least restricted to alternate data sources reasonably known to the actuary. |
| Response | The committee believed this guidance is important and, in view of the comment, carefully considered the wording again and revised the wording to clarify that the actuary is provided adequate leeway to consider the benefits of seeking alternative data sources versus the effort necessary to get them. |
| Comment | One commentator suggested that the terms “data sets” and “data sources” should be consistent here and in section 3.2(b)(5). |
| Response | The committee agreed and made changes to accomplish this. |
| Comment | One commentator believed “subject to the limitations presented by the actuary’s reliance on others...” should be added to clarify how this section relates to sections 3.3 and 3.4. |
| Response | The committee believed that the guidance for selection of data should not depend on whether or not the actuary needs to rely on others to supply the data and did not believe such an addition was necessary or appropriate. |
| Comment | One commentator suggested deleting “relative availability” and adding “time and” in front of the word “cost” in section 3.2(b)(5). |
| Response | The committee did drop “relative” and did add “time and.” |
| Section 3.3, Reliance on Data Supplied by Others | |
| Comment | One commentator supported the concept of what was labeled “blind reliance.” A couple of commentators were uncertain as to whether the implication of such reliance was appropriate and consistent with sections 3.1 or 3.5. Several others commented that such reliance was inappropriate. |
| Response | After much discussion and careful consideration, the committee ultimately agreed that additional clarity was needed. Accordingly, the committee added the phrase “subject to the guidance in section 3.5,” and that section provides that the actuary should review the data for reasonableness and consistency unless, in the actuary’s professional judgment, it is not practical or not necessary to do so. |
| Section 3.4, Reliance on Other Information Relevant to the Use of Data | |
| Comment | Two commentators were uncomfortable with the implication of absolute reliance in this section, believing that it could conflict with the guidance in other sections of the ASOP by setting a different standard. |
| Response | The committee believed a lower standard was appropriate but agreed that the actuary should not proceed with the analysis based on information that is known by the actuary to be suspect. Accordingly, the committee added the phrase “unless it is or becomes apparent to the actuary during the time of the assignment that the information contains material errors or is otherwise unreliable.” |
| Comment | Two commentators thought that “or summaries of such documents” should be specifically added to the list. |
| Response | Because the list provides examples only, the committee believed that this added language was not needed. |
| Section 3.5, Review of Data | |
| Comment | Several commentators questioned the meaning of the word “appropriate.” |
| Response | The committee deleted the word “appropriate” where it might be confusing. |
| Comment | Several commentators questioned whether it was always necessary to review prior data and suggested adding the word “consider” in section 3.5(a) regarding review of prior data. |
| Response | The committee agreed and incorporated this wording change in what is now section 3.5(c). |

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| Comment | One commentator believed that a new section on the time period of the data should be added. |
| Response | The committee believed this was sufficiently covered in section 3.2(b)(1). |
| Comment | Two commentators were unclear if this section applied to data received from others. |
| Response | The committee clarified that it does apply and that the actuary should review for reasonableness and consistency “unless, in the actuary’s professional judgment, such review is not necessary or not practical.” |
| Comment | One commentator suggested adding a new consideration: “Data Definitions—The actuary should make a reasonable effort to determine the definition of each data element provided.” |
| Response | The committee agreed and added what is now section 3.5(a). |
| Comment | One commentator interpreted section 3.5(b) as requiring a datum-by-datum review and a datum-by-datum correction process, thereby precluding any type of sampling procedure. |
| Response | The committee disagreed with this interpretation. Section 3.2 specifically allows for sampling procedures. Based on the definition of “review,” the committee believed guidance for the actuary to look for obvious errors or inconsistencies that may materially affect the analysis was appropriate. |
| Section 3.6, Limitation of the Actuary’s Responsibility | |
| Comment | Several commentators responded to a question requesting comments about whether it was appropriate to delete the following language from section 5.3(a) of the previous ASOP No. 23: “The actuary is not required to develop additional data compilations solely for the purpose of searching for questionable or inconsistent data.” While a couple of commentators believed the deletion was appropriate, most believed that the language should be put back into the revision. |
| Response | The committee agreed with the majority and reinserted what is now section 3.6(b). |
| Comment | Several comments suggested eliminating the word “intentionally” inaccurate. |
| Response | The committee disagreed and left this wording, because just removing the word “intentionally” would weaken the standard by implying that the actuary is relieved of any responsibility for inaccurate data, whether intentional or not. However, after lengthy discussions the committee revised the section by amending the wording of what is now section 3.6(a), in addition to reinserting section 3.6(b). |
| Section 3.7, Use of Data | |
| Comment | One commentator suggested clarifying section (d) to apply when material defects are likely, not just possibilities. |
| Response | The committee agreed and added the words “are likely to” to this subsection. |
| Comment | One commentator suggested changing the word “should” to “must,” eliminating the words “when practical,” and specifying that this disclosure should be in the summary level presentation of the results. |
| Response | The committee disagreed and left the wording as is. |
| Comment | Two commentators suggested changing the wording in the opening paragraph to clarify that data are rarely completely accurate, appropriate, and comprehensive. |
| Response | The committee agreed and changed the wording in the opening paragraph. |

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| Comment | One commentator suggested that section 3.7 could be viewed to be in conflict with section 4.1, Disclosure. |
| Response | The committee disagreed that there would be a conflict. If the actuary believes there is a material defect in the data, the actuary can still perform the assignment and make the disclosures in section 4.1. |
| Comment | One commentator suggested removing the words “if practical” from section (d). |
| Response | The committee disagreed and left this wording. |
| Comment | One commentator suggested defining a process for what to do if material defects have been found or are known to exist in the data. |
| Response | The committee prepared this section to provide guidance to the actuary in discriminating between different types of situations. The committee believed that sections (d) and (e) provided adequate guidance in this respect. |
| Comment | One commentator suggested removing the first sentence of this section since all items in this section are based on the premise that the actuary is aware of data deficiencies. |
| Response | The committee revised the first paragraph of section 3.7 to clarify that the actuary should decide which of the circumstances in sections (a)–(e) apply, even if the actuary is not necessarily aware of material defects in the data. |
| Comment | One commentator suggested removing the first sentence from section (d). |
| Response | The committee disagreed and left the first sentence. |
| Comment | One commentator suggested that this section provides only two alternatives for inadequate data. |
| Response | The committee disagrees and refers the commentator to the four alternatives contained in sections (b)–(e). The committee also added a consideration in section (c) to address results that may be highly uncertain. |
| Section 3.8, Documentation | |
| Comment | One commentator suggested adding a section requiring a description of any material defects the actuary believes are in the data and the review conducted by the actuary on this data. |
| Response | The committee agreed in respect of material defects and added appropriate wording to section 3.8(b). |
| Comment | Two commentators suggested eliminating the first sentence since it was confusing. |
| Response | The committee agreed with this commentator and eliminated the first sentence of this section. |
| Comment | One commentator suggested changing the wording of section (b) by replacing it with “whether the actuary reviewed the data as contemplated by section 3.5 and, if so, the scope of the review.” |
| Response | The committee agreed that additional clarity was needed and revised the entire section 3.8. |
| Comment | One commentator suggested changing the wording of section (c) by inserting the words “if reasonably estimable, the” before “effect.” |
| Response | The committee agreed that this language could be too burdensome and revised the language in section (c). |

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| Comment | One commentator suggested adding words to this section similar to those in the disclosure section pertaining to a description of the insufficiencies or issues with the data that may have an impact on the results. |
| Response | The committee revised section 3.8, adding sections (b) and (d) to deal with this issue. |
| Comment | One commentator suggested that this section is not needed as long as the disclosure section exists. |
| Response | The committee believed there is a need for this section, because this section applies to the work papers of the actuary and not the disclosure that goes along with a work product. In addition, some items that should be documented need not be disclosed. |
| Comment | Numerous commentators suggested changes to section (b). |
| Response | The committee agreed with these commentators and reworded section (b) with consequential changes to section (a). |
| SECTION 4. COMMUNICATIONS AND DISCLOSURES | |
| Section 4.1, Disclosure | |
| Comment | One commentator suggested that the standard does not appear to require disclosure of the actuary's unresolved concerns, particularly in the case of an actuarial opinion, regarding data that could have a material effect on the actuarial work product. |
| Response | Section (g) (now (f)) requires the actuary to disclose any unresolved concerns the actuary may have about the data. That disclosure is required in an appropriate actuarial communication, regardless of whether it is an actuarial opinion. |
| Comment | One commentator suggested adding the words "to the principal" after "following items" to clarify to whom the disclosure is to be made and also wanted to add the words "if other than the principal" to item (a). |
| Response | The committee did not concur with this commentator. |
| Comment | Several commentators believed that section (b) was unclear or unnecessary. |
| Response | The committee deleted section (b). |
| Comment | One commentator suggested changing the wording in section (c) (now (b)) to reflect the fact that the standard seems to mandate that actuaries almost always review data. Another commentator believed that section (c) (now (b)) should read, "the extent of the actuary's review of the data" rather than "whether the actuary reviewed the data." |
| Response | The committee very carefully considered this issue and revised what is now section (b) to require, where no review was performed, disclosure of any resulting limitations on the use of the actuarial work product. |
| Comment | Two commentators suggested adding "material" before "judgmental adjustments" in section (e) (now section (d)). |
| Response | The committee agreed and made this change. |

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|----------------------------------|--|
| Comment | One commentator believed that section (f) (now (e)) would be clearer if it ended after the phrase “work product.” |
| Response | The committee revised the language to omit reference to “not sufficiently reviewed,” thereby including situations where the actuary did not review the data as well as situations where the actuary did review the data but is uncertain about the data. |
| Comment | One commentator believed that section (g) (now (f)) was unnecessary because it was covered by section (h) (now (g)). The commentator believed it was burdensome for the actuary to disclose concerns that would not have a material effect. |
| Response | The committee disagreed and believed that both sections are needed to fully describe required disclosure because they cover different situations. However, the committee did agree that only “unresolved concerns the actuary may have about the data that could have a material effect...” are required to be disclosed, and the wording of these two sections incorporates the word “material” to support this. |
| Comment | One commentator believed that section (g) (now (f)) could conflict with section 3.7, which does not contain an option for producing a work product with adequate disclosure if there is a material effect in the data. |
| Response | The committee did not believe there was a conflict, but revised section 3.7(c) to clarify that the actuary may produce a work product even if the data (after judgmental adjustments or assumptions have been applied) may produce results that “are highly uncertain or contain a material bias” as long as this is disclosed. |
| APPENDIX (now Appendix 1) | |
| Current Practices | |
| Comment | One commentator suggested inserting the words “important aspects of data utilization include such” in the last paragraph of this section as well as deleting the words “of such items” after the word “disclosure” in this same section. The commentator also suggested deleting the word “the” after “reliance on” and deleting the words “are important aspects of utilization of data” in the last paragraph of this section. |
| Response | The committee agreed with the general thrust of these comments and made appropriate changes. |
| Comment | One commentator suggested removing the words “complete and independent verification of the data” in the second paragraph of this section. The commentator went on to suggest that actuaries deal with the quality of data in a variety of ways and “with varying levels of review or checking.” |
| Response | The committee agreed with this commentator and changed the wording as suggested. |

ACTUARIAL STANDARD
OF PRACTICE
NO. 25

CREDIBILITY PROCEDURES APPLICABLE
TO ACCIDENT AND HEALTH, GROUP TERM LIFE, AND
PROPERTY/CASUALTY COVERAGES

Exhibit RB-18

Developed by the
Casualty and Health Committees of the
Actuarial Standards Board

Adopted by the
Actuarial Standards Board
October 1996

(Doc. No. 051)

ACTUARIAL STANDARD OF PRACTICE NO. 25

CREDIBILITY PROCEDURES APPLICABLE
TO ACCIDENT AND HEALTH, GROUP TERM LIFE, AND
PROPERTY/CASUALTY COVERAGES

STANDARD OF PRACTICE

Section 1. Purpose, Scope, and Effective Date

- 1.1 **Purpose**—The purpose of this standard of practice is to provide guidance to actuaries in the selection of a credibility procedure and the assignment of credibility values to sets of data including subject experience and related experience.
- 1.2 **Scope**—This standard of practice is applicable to accident and health; group term life; property/casualty coverage; and other forms of non-life coverage. This standard also applies to other financial security systems, such as self-insurance, that provide similar coverages. This standard is applicable to rate-making, prospective experience rating, and whenever else credibility procedures are used, including but not limited to reserve analysis, solvency testing, and asset/liability management. This standard does not apply to annuities and pension plans.
- 1.3 **Effective Date**—This standard will be effective with respect to work performed after March 1, 1997.

Section 2. Definitions

The definitions below are defined for use in this actuarial standard of practice.

- 2.1 **Credibility**—A measure of the predictive value in a given application that the actuary attaches to a particular body of data (*predictive* is used here in the statistical sense and not in the sense of predicting the future).
- 2.2 **Full Credibility**—The level at which the subject experience is assigned full predictive value based on a selected confidence interval.

Rate-making—The process of determining estimates of the expected value of future costs per unit of exposure for a group of risks.

Related Experience—Premiums, losses, exposures, expenses, and other relevant data for coverage analogous to the coverage under consideration. Other data may include established rate levels or differentials. Such data might also be external to the client or the insurance industry, such as information on trends in claim costs or patterns of claim frequencies.

Subject Experience—Premiums, losses, exposures, expenses, and other data relevant to the coverage under consideration.

Section 3. Analysis of Issues and Recommended Practices

Purpose and Use of Credibility Procedures—The purpose of credibility procedures is to blend information from subject experience with information from one or more sets of related experience when the subject experience does not have full credibility in order to improve the estimate of expected values, or to determine when the subject experience should have full credibility and blending is unnecessary. Credibility procedures should be used in rate-making and prospective experience rating and may be used for other purposes. When such procedures are used, this standard applies.

Selection of Credibility Procedures—The actuary should be familiar with and consider various methods of determining credibility. The models selected may be different for different applications. The selection process involves testing the tentatively selected model and possibly revising the model. The actuary should recognize those instances where it may not be cost-effective to perform this selection process. Additional calculations may be made to satisfy applicable regulations and statutes.

The actuary should select credibility procedures that do the following:

- a. produce results that are reasonable in the professional judgment of the actuary,
- b. do not tend to bias the results in any material way,
- c. are practical to implement, and
- d. give consideration to the need to balance responsiveness and stability.

3.3

Choice of Related Experience—The actuary should use care in selecting the related experience that is to be blended with the subject experience. Such related experience should have frequency, severity, or other determinable characteristics that may reasonably be expected to be similar to the subject experience. If the proposed related experience does not or cannot be adjusted to meet such criteria, it should not be used. The actuary should apply credibility procedures that appropriately reflect the characteristics of both the subject experience and the related experience.

3.4

Informed Actuarial Judgment—Any credibility procedure requires the actuary to exercise informed judgment, using relevant information. The use of credibility procedures is not always a precise mathematical process.

3.5

Homogeneity of Data—In carrying out credibility procedures, the actuary should consider the homogeneity of both the subject experience and the related experience. Within each set of experience, there may be segments that are not representative of the experience set as a whole. Credibility can sometimes be enhanced by separate treatment of these segments.

Section 4. Communications and Disclosures

4.1

Disclosure—Whenever appropriate in the actuary's professional judgment, the actuary should disclose the credibility procedures used. Any material changes from prior credibility procedures should be disclosed and supported.

4.2

Deviation from Standard—An actuary must be prepared to justify the use of any procedures that depart materially from those set forth in this standard and must include, in any actuarial communication disclosing the results of the procedures, an appropriate statement with respect to the nature, rationale, and effect of such departures.

**ACTUARIAL STANDARD
OF PRACTICE
NO. 29**

**EXPENSE PROVISIONS
IN PROPERTY/CASUALTY
INSURANCE RATEMAKING**

**Developed by the
Subcommittee on Ratemaking of the
Casualty Committee of the
Actuarial Standards Board**

**Adopted by the
Actuarial Standards Board
July 1997**

(Doc. No. 056)

ACTUARIAL STANDARD
OF PRACTICE
NO. 29

EXPENSE PROVISIONS
IN PROPERTY/CASUALTY
INSURANCE RATEMAKING

STANDARD OF PRACTICE

Section 1. Purpose, Scope, and Effective Date

- 1.1 Purpose—The purpose of this standard of practice is to provide guidance to actuaries in estimating costs for property/casualty insurance ratemaking other than (1) incurred losses, (2) the provision for profit and contingencies, (3) investment expenses, and (4) federal and foreign income taxes.
- 1.2 Scope—This standard of practice applies to all property/casualty insurance coverages. This standard also applies to property/casualty risk financing systems, such as self-insurance, that provide similar coverages. References in the standard to *risk transfer* should be interpreted to include risk financing systems that provide for risk retention in lieu of risk transfer.
- 1.3 Effective Date—This standard will be effective with respect to work performed after December 1, 1997.

Section 2. Definitions

The definitions below are defined for use in this actuarial standard of practice.

- 2.1 Commission and Brokerage Fees—Compensation to agents and brokers.
- 2.2 Expense Limitations—Legislative or regulatory rules that disallow or limit certain categories of expenses in determining rates.

General Administrative Expenses—All operational and administrative expenses (other than investment expenses) not specifically defined elsewhere in this section.

Loss Adjustment Expenses (LAE)—All expenses incurred in investigating and settling claims.

Other Acquisition Expenses—All costs, other than commission and brokerage fees, associated with the acquisition of business.

Policyholder Dividends—Nonguaranteed returns of premium or distributions of surplus.

Premium-Related Expenses—Those expenses that vary in direct proportion to premium, e.g., premium taxes. These expenses are sometimes referred to as *variable expenses*.

Rate—An estimate of the expected value of future costs.

Residual Market Provision—A provision for the entity's costs that represents its share of residual market profits or losses.

Statutory Assessment Provision—A provision for the entity's costs stemming from any mandated assessment.

Taxes, Licenses, and Fees—All taxes and miscellaneous fees except federal and foreign income taxes.

Section 3. Analysis of Issues and Recommended Practices

Categorizing Expenses—The actuary should be familiar with the pertinent requirements for defining expenses, such as those prescribed in the *Instructions for Uniform Classification of Expenses*, published by the National Association of Insurance Commissioners (NAIC), or Regulation 30 of the New York State Insurance Department. The actuary should also be familiar with the entity's own methods of classifying and assigning expenses.

Determining Expense Provisions—The actuary should determine the provisions for loss adjustment expenses; commission and brokerage fees; other acquisition expenses; general administrative expenses; and taxes, licenses, and fees that are appropriate for the policies to be written or coverages provided during the time the rates are expected to be in effect. In addition,

where appropriate, the actuary should consider subdividing the expense categories. Expense provisions should reflect the conditions expected during the time these policies or coverages are expected to be in effect and should include all expenses expected to be incurred in connection with the transfer of risk.

For expenses other than premium-related expenses, the actuary should consider estimating these expenses on a basis that is not directly proportional to premium, such as per policy, per coverage, a percentage of claim losses, or per unit of exposure. Studies or actuarial judgment may support such estimates.

3.3 **Start-Up Costs**—The actuary may amortize start-up or development costs using an appropriate amortization period.

3.4 **Expense Trending**—In determining the future expense components of the rate, the actuary should be guided by Actuarial Standard of Practice (ASOP) No. 13, *Trending Procedures in Property/Casualty Insurance Ratemaking*.

3.5 **Policyholder Dividends**—The *Statement of Principles Regarding Property and Casualty Insurance Ratemaking* of the Casualty Actuarial Society (CAS) classifies policyholder dividends as an expense to operations. When the actuary determines that policyholder dividends are a reasonably expected expense and are associated with the risk transfer, the actuary may include a provision in the rate for the expected amount of policyholder dividends. In making this determination, the actuary should consider the following: the company's dividend payment history, its current dividend policy or practice, whether dividends are related to loss experience, the capitalization of the company, and other considerations affecting the payment of dividends.

3.6 **Residual Market and Statutory Assessment Provisions**—The actuary should include a provision in the rate for any residual market costs or statutory assessments expected to occur during the period of time the rates are expected to be in effect. If these costs are assessed retrospectively, it may be appropriate to include a provision to recover these costs to the extent they were not included in previous rates.

3.7 **Provision for Reinsurance**—The actuary may elect whether to include the cost of reinsurance as an expense provision. If a provision for reinsurance is included, the actuary should consider the amount to be paid to the reinsurer; ceding commissions or allowances; expected reinsurance recoveries; and other relevant information specifically relating to cost, such as a retrospective

profit-sharing agreement and reinstatement premiums between the reinsured and the reinsurer.

Section 4. Communications and Disclosures

Conflict with Law or Regulation—The rate filed with a regulator may differ from an actuarially determined rate because of expense limitations. If a law or regulation conflicts with the provisions of this standard, the actuary should develop a rate in accordance with the law or regulation, and disclose any material difference between the rate so developed and the actuarially determined rate to the client or employer.

Documentation—The actuary should be guided by the provisions of ASOP No. 9, *Documentation and Disclosure in Property and Casualty Insurance Ratemaking, Loss Reserving, and Valuations*.

Deviation from Standard—An actuary must be prepared to justify the use of any procedures that depart materially from those set forth in this standard and must include, in any actuarial communication disclosing the results of the procedures, an appropriate statement with respect to the nature, rationale, and effect of such departures.

**ACTUARIAL STANDARD
OF PRACTICE
NO. 30**

**TREATMENT OF PROFIT AND CONTINGENCY
PROVISIONS AND THE COST OF CAPITAL
IN PROPERTY/CASUALTY INSURANCE RATEMAKING**

**Developed by the
Task Force on Rate of Return of the
Casualty Committee of the
Actuarial Standards Board**

**Adopted by the
Actuarial Standards Board
July 1997**

(Doc. No. 057)

Exhibit RB-20

ACTUARIAL STANDARD
OF PRACTICE
NO. 30

TREATMENT OF PROFIT AND CONTINGENCY
PROVISIONS AND THE COST OF CAPITAL
IN PROPERTY/CASUALTY INSURANCE RATEMAKING

STANDARD OF PRACTICE

Section 1. Purpose, Scope, and Effective Date

- 1.1 **Purpose**—According to the *Statement of Principles Regarding Property and Casualty Insurance Ratemaking* (hereafter the *Statement of Principles*) of the Casualty Actuarial Society, insurance rates should provide for the cost of capital through underwriting profit and contingency provisions. This standard of practice provides guidance to actuaries in estimating the cost of capital and evaluating underwriting profit and contingency provisions.
- 1.2 **Scope**—This standard of practice applies to all property/casualty insurance coverages. This standard also applies to property/casualty risk financing systems, such as self-insurance, that provide similar coverages. References in the standard to *risk transfer* should be interpreted to include risk financing systems that provide for risk retention in lieu of risk transfer. Further, as is true of the *Statement of Principles*, this standard is limited to defining a *rate* as the estimation of future *costs* and does not address other considerations that may affect a *price*, such as marketing goals, competition, and legal restrictions.
- 1.3 **Effective Date**—This standard will be effective with respect to work performed after December 1, 1997.

Section 2. Definitions

The definitions below are defined for use in this actuarial standard of practice.

- 2.1 **Capital**—The funds intended to assure payment of obligations from insurance contracts, over and above those funds backing the liabilities.
- 2.2 **Contingency Provision**—A provision for the expected differences, if any, between the estimated costs and the average actual costs, that cannot be eliminated by changes in other components of the ratemaking process.
- 2.3 **Cost of Capital**—The rate of return that capital could be expected to earn in alternative investments of equivalent risk; also known as *opportunity cost*.
- 2.4 **Insurance Cash Flows**—Funds from premiums and miscellaneous (non-investment) income from insurance operations, and payments for losses, expenses, and policyholder dividends. Associated income taxes are recognized when the analysis is on a post-tax basis.
- 2.5 **Insurance Risk**—The extent to which the level or timing of actual insurance cash flows is likely to differ from expected insurance cash flows.
- 2.6 **Investment Income**—Proceeds (other than the return of principal) derived from the investment of assets, minus investment expenses. Associated income taxes are recognized when the analysis is on a post-tax basis.
- 2.7 **Investment Income from Insurance Operations**—The income associated with the investment of insurance cash flows. (This is sometimes referred to as *investment income on policyholder-supplied funds*.)
- 2.8 **Investment Risk**—The extent to which the level or timing of actual investment proceeds is likely to differ from what is expected.
- 2.9 **Leverage**—A measure of the relative amount of risk to which capital is exposed, typically expressed as the ratio of an exposure measure (such as premium or liabilities) to the capital amount.
- 2.10 **Operating Profit**—The sum of underwriting profit, miscellaneous (non-investment) income from insurance operations, and investment income from insurance operations. Associated income taxes are recognized when the analysis is on a post-tax basis.

- 2.11 **Rate**—An estimate of the expected value of future costs.
- 2.12 **Total Return**—The sum of operating profit and investment income capital, usually after income taxes, often expressed in percentage terms.
- 2.13 **Underwriting Expenses**—All expenses except losses, loss adjustment expenses, investment expenses, policyholder dividends, and income taxes.
- 2.14 **Underwriting Profit**—Premiums less losses, loss adjustment expense underwriting expenses, and policyholder dividends.
- 2.15 **Underwriting Profit Provision**—The provision for underwriting profit in the actuarially developed rate, typically expressed as a percentage of the rate.

Section 3. Analysis of Issues and Recommended Practices

- 3.1 **Estimating the Cost of Capital and the Underwriting Profit Provision**—Property/casualty insurance rates should provide for all expected costs, including an appropriate cost of capital associated with the specific risk transfer. This cost of capital can be provided for by estimating that cost and translating it into an underwriting profit provision, after taking leverage and investment income into account. Alternatively, the actuary may develop an underwriting profit provision and test that profit provision for consistency with the cost of capital. The actuary may use any appropriate method, as long as such method is consistent with the considerations in this standard.

For historical and practical reasons, this standard separately discusses the underwriting profit provision, investment income from insurance operations, and investment income on capital. The actuary should keep in mind that evaluation of whether the cost of capital is appropriately recognized does not necessarily require these distinctions.
- 3.2 **Basis for Cost of Capital Estimates**—In estimating the cost of capital, the actuary should consider the relationship between risk and return. The methods used for estimating the cost of capital should reflect the risks involved in the risk transfer under consideration. These risks may include insurance, investment, inflation, and regulatory risks, as well as diversification, debt structure, leverage, reinsurance, market structure, and other appropriate aspects of the social, economic, and legal environments.

Thus, the cost of capital is likely to vary from one insurer to another. The actuary should recognize that the capital which is needed to support any risk transfer has an opportunity cost regardless of the source of capital or the structure of the insurer.

3.3

Estimates of Future Costs—Since all components of a rate should be estimates of future costs relating to the risk transfer during the prospective period of time to which the rate applies, capital costs, investment income, income taxes, cash flows, and leverage factors used in calculating the profit provision should all be based on expected future values.

3.4

Parameters of the Risk Transfer—The actuary should recognize that the cost of capital associated with an individual risk transfer may vary, based on the specific parameters of the transfer. To the extent that deductibles, dividend or return of premium plans, reinsurance, etc., affect the risk of the insurer, the cost of capital and the amount of capital needed to support the transaction may be affected.

3.5

Investment Income—There are two elements of investment income that the actuary should consider: investment income from insurance operations and investment income on capital.

The actuary should assess the investment risk, since the amount and cost of capital should reflect investment risk as well as the risk associated with the insurance cash flows. Investment risk addresses the cost of default, reinvestment risk, and other investment uncertainties. Such risks can result in a significantly different yield than the stated yield rate.

Any of several general approaches may be used by the actuary to estimate investment income, as long as the assumptions are reasonable and appropriate. The investment yield rates used should be appropriate for the cash flow patterns associated with the coverages under consideration. If historical balance sheet and cash flow data are used to project investment income, the data should be adjusted to represent future investment income from the associated coverages.

The actuary may use any of a number of methods for recognizing investment income from insurance operations. Two such approaches are as follows:

- a. Methods that estimate investment income based on projected insurance cash flows. The insurance cash flows are projected for each future period, and the expected investment yield rate appropriate for

each future period is applied to the insurance cash flow for that period. The investment yield rates should be appropriate for the cash flow patterns associated with the coverages under consideration.

b.

Methods that apply an expected investment yield rate to assets representing the liabilities for losses, loss adjustment expenses, a. unearned premium net of agents' balances and prepaid expenses. historic liability-to-premium relationships are used, they should be adjusted to reflect expected future relationships between liabilities and premiums. The actuary should also consider, for example, the effects of growth, changes in expected loss or expense patterns, and the effect of the delayed receipt of investment income. The investment yield rate selected should represent the expected investment yield for the insurer during the period the rates are expected to be in effect.

3.6

Income Taxes—To the extent income taxes are not included in the expense provision, the actuary should use provisions for expected income taxes that are consistent with the earnings expected from the insurance transaction being evaluated.

3.7

Contingency Provision—The actuary should include a contingency provision if the assumptions used in the ratemaking process produce cost estimates that are not expected to equal average actual costs, and if this difference cannot be eliminated by changes in other components of the ratemaking process.

While the estimated costs are intended to equal the average actual costs over time, differences between the estimated and actual costs of the risk transfer are to be expected in any given year. If a difference persists, the difference should be reflected in the ratemaking calculations as a contingency provision. The contingency provision is not intended to measure the variability of results and, as such, is not expected to be earned as profit.

3.8

Use of Different Bases—The cost of capital can be expressed as a percentage of capital, a percentage of assets, a percentage of premium, or other appropriate base. The actuary may choose any such appropriate base. Actuaries may use different bases, which can be converted from one to another. Regardless of which base is used to reflect the cost of capital, the actuary should clearly identify the base used and should document the relevant assumptions.

3.9 Accounting Rules for Computing the Cost of Capital—The accounting rules employed within any model should be internally consistent. When comparing one industry with another, the actuary should make any necessary adjustments so that costs of capital of industries with different accounting methods can be properly compared.

4.1 Conflict with Law or Regulation—If a law or regulation conflicts with the provisions of this standard, the actuary should develop a rate in accordance with the law or regulation, and disclose any material difference between the rate so developed and the actuarially determined rate to the client or employer.

4.2 Documentation—The actuary should be guided by the provisions of ASOP No. 9, *Documentation and Disclosure in Property and Casualty Insurance Rating, Loss Reserving, and Valuations*.

4.3 Deviation from Standard—An actuary must be prepared to justify the use of any procedures that depart materially from those set forth in this standard and must include, in any actuarial communication disclosing the results of the procedures, an appropriate statement with respect to the nature, rationale, and effect of such departures.

Section 4. Communications and Disclosures

**North Carolina Rate Bureau
Data Reviewed**

| <u>Rate Element</u> | <u>Type of Data</u> | <u>Number of Years Reviewed</u> |
|---|---------------------|---------------------------------|
| <i>Loss Provision:</i> | | |
| BI, PD, Med Pay, UM | Accident Year | 3 |
| Comprehensive, Collision | Calendar Year | 3 |
| Motorcycles | Calendar Year | 3 |
| BI – Increased Limits | Accident Year | 3 |
| PD – Increased Limits | Accident Year | 3 |
| <i>Loss Adjustment Factors:</i> | | |
| Loss Trends (except UM) | Calendar Year | 6.75 |
| Loss Trends - UM | Calendar Year | 18 |
| Loss Development | Accident Year | 14 |
| Catastrophe Losses - Comprehensive | Calendar Year | 30 |
| <i>Premium Adjustment Factors:</i> | | |
| Symbol Trend | Calendar Year | 4.5 |
| <i>Expenses:</i> | | |
| ULAE | Calendar Year | 5 |
| General | Calendar Year | 5 |
| Other Acquisition | Calendar Year | 5 |
| Taxes, Licenses, & Fees | Calendar Year | 5 |
| Expense Trends | Calendar Year | 4 |
| <i>Other Factors:</i> | | |
| Territory Rating Factors | Calendar Year | 3 |
| Dividends | Calendar Year | 6 |
| Deviation | Calendar Year | 6 |
| Capital Gains | Calendar Year | 10 |
| Contingencies | Calendar Year | 10 |
| Installment Income | Calendar Year | 10 |

**North Carolina Rate Bureau
Data Reviewed**

| <u>Rate Element</u> | <u>Type of Data</u> | <u>Number of Years Reviewed</u> |
|---|---------------------|---------------------------------|
| <i>Loss Provision:</i> | | |
| BI, PD, Med Pay, UM | Accident Year | 3 |
| Comprehensive, Collision | Calendar Year | 3 |
| Motorcycles | Calendar Year | 3 |
| BI – Increased Limits | Accident Year | 3 |
| PD – Increased Limits | Accident Year | 3 |
| <i>Loss Adjustment Factors:</i> | | |
| Loss Trends (except UM) | Calendar Year | 6.75 |
| Loss Trends - UM | Calendar Year | 18 |
| Loss Development | Accident Year | 14 |
| Catastrophe Losses - Comprehensive | Calendar Year | 30 |
| <i>Premium Adjustment Factors:</i> | | |
| Symbol Trend | Calendar Year | 4.5 |
| <i>Expenses:</i> | | |
| ULAE | Calendar Year | 5 |
| General | Calendar Year | 5 |
| Other Acquisition | Calendar Year | 5 |
| Taxes, Licenses, & Fees | Calendar Year | 5 |
| Expense Trends | Calendar Year | 4 |
| <i>Other Factors:</i> | | |
| Territory Rating Factors | Calendar Year | 3 |
| Dividends | Calendar Year | 6 |
| Deviation | Calendar Year | 6 |
| Capital Gains | Calendar Year | 10 |
| Contingencies | Calendar Year | 10 |
| Installment Income | Calendar Year | 10 |

**Personal Auto
North Carolina**

**Test of Responsiveness
Loss and LAE Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Pure Premium</u> | | | <u>Difference</u> | | |
|------------------------|-----------------------|---------------------|-----------------------|-------------------------|--------------------|-----------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Average</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Average</u> | <u>1-Year Better?</u> |
| Bodily Injury | 1995 | \$88.55 | \$80.67 | \$88.97 | -.005 | -.093 | Yes |
| | 1996 | 88.97 | 85.20 | 88.53 | +0.005 | -.038 | Yes |
| | 1997 | 88.53 | 85.57 | 84.91 | +0.043 | +0.008 | No |
| | 1998 | 84.91 | 85.25 | 86.45 | -.018 | -.014 | Tie |
| | 1999 | 86.45 | 86.47 | 80.46 | +0.074 | +0.075 | Tie |
| | 2000 | 80.46 | 82.69 | 78.95 | +0.019 | +0.047 | Yes |
| | 2001 | 78.95 | 79.41 | 72.88 | +0.083 | +0.090 | Yes |
| | 2002 | 72.88 | 76.23 | 73.12 | -.003 | +0.043 | Yes |
| | 2003 | 73.12 | 75.78 | 75.01 | -.025 | +0.010 | No |
| | 2004 | 75.01 | 74.97 | 103.18 | -.273 | -.273 | Tie |
| | 2005 | 103.18 | 103.81 | 105.12 | -.018 | -.012 | No |
| | 2006 | 105.12 | 106.33 | | | | |
| Average Absolute Value | | | | | .051 | .064 | 5/3/3 |
| Property Damage | 1995 | \$57.16 | \$51.98 | \$64.73 | -.117 | -.197 | Yes |
| | 1996 | 64.73 | 58.40 | 70.44 | -.081 | -.171 | Yes |
| | 1997 | 70.44 | 64.11 | 75.30 | -.065 | -.149 | Yes |
| | 1998 | 75.30 | 69.94 | 76.61 | -.017 | -.087 | Yes |
| | 1999 | 76.61 | 74.95 | 79.53 | -.037 | -.058 | Yes |
| | 2000 | 79.53 | 77.98 | 82.38 | -.035 | -.053 | Yes |
| | 2001 | 82.38 | 79.81 | 82.36 | .000 | -.031 | Yes |
| | 2002 | 82.36 | 81.08 | 79.93 | +0.030 | +0.014 | No |
| | 2003 | 79.93 | 81.30 | 79.61 | +0.004 | +0.021 | Yes |
| | 2004 | 79.61 | 80.54 | 100.77 | -.210 | -.201 | No |
| | 2005 | 100.77 | 99.65 | 98.66 | +0.021 | +0.010 | No |
| | 2006 | 98.66 | 99.82 | | | | |
| Average Absolute Value | | | | | .056 | .090 | 8/3/0 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

**Test of Responsiveness
Loss and LAE Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Pure Premium</u> | | | <u>Difference</u> | | |
|------------------------|-----------------------|---------------------|-----------------------|-------------------------|--------------------|-----------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Average</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Average</u> | <u>1-Year Better?</u> |
| Med Pay | 1995 | \$18.63 | \$17.40 | \$19.09 | -.024 | -.089 | Yes |
| | 1996 | 19.09 | 18.43 | 19.52 | -.022 | -.056 | Yes |
| | 1997 | 19.52 | 19.11 | 19.32 | +.010 | -.011 | Tie |
| | 1998 | 19.32 | 19.44 | 18.90 | +.022 | +.029 | Yes |
| | 1999 | 18.90 | 19.52 | 18.14 | +.042 | +.076 | Yes |
| | 2000 | 18.14 | 18.99 | 18.76 | -.033 | +.012 | No |
| | 2001 | 18.76 | 18.89 | 18.48 | +.015 | +.022 | Yes |
| | 2002 | 18.48 | 18.76 | 18.63 | -.008 | +.007 | Tie |
| | 2003 | 18.63 | 18.78 | 19.65 | -.052 | -.044 | No |
| | 2004 | 19.65 | 19.10 | 22.55 | -.129 | -.153 | Yes |
| | 2005 | 22.55 | 22.49 | 22.18 | +.017 | +.014 | Tie |
| | 2006 | 22.18 | 22.66 | | | | |
| Average Absolute Value | | | | | .034 | .047 | 6/2/3 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

**Test of Responsiveness
Loss and LAE Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Pure Premium</u> | | | <u>Difference</u> | | |
|----------------------|------------------------|---------------------|-----------------------|-------------------------|--------------------|-----------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Average</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Average</u> | <u>1-Year Better?</u> |
| Comprehensive | 1995 | \$53.51 | \$45.73 | \$50.07 | +.069 | -.087 | Yes |
| | 1996 | 50.07 | 48.78 | 54.43 | -.080 | -.104 | Yes |
| | 1997 | 54.43 | 52.14 | 68.31 | -.203 | -.237 | Yes |
| | 1998 | 68.31 | 57.90 | 62.11 | +.100 | -.068 | No |
| | 1999 | 62.11 | 62.16 | 67.20 | -.076 | -.075 | Tie |
| | 2000 | 67.20 | 66.50 | 72.04 | -.067 | -.077 | Yes |
| | 2001 | 72.04 | 67.67 | 72.96 | -.013 | -.073 | Yes |
| | 2002 | 72.96 | 71.25 | 64.01 | +.140 | +.113 | No |
| | 2003 | 64.01 | 69.72 | 70.12 | -.087 | -.006 | No |
| | 2004 | 70.12 | 68.92 | 82.40 | -.149 | -.164 | Yes |
| | 2005 | 82.40 | 76.97 | 67.98 | +.212 | +.132 | No |
| | 2006 | 67.98 | 75.81 | | | | |
| | Average Absolute Value | | | | .109 | .103 | 6/4/1 |
| Collision | 1995 | \$100.93 | \$93.18 | \$111.48 | -.095 | -.164 | Yes |
| | 1996 | 111.48 | 99.66 | 120.20 | -.073 | -.171 | Yes |
| | 1997 | 120.20 | 109.69 | 134.71 | -.108 | -.186 | Yes |
| | 1998 | 134.71 | 122.20 | 131.24 | +.026 | -.068 | Yes |
| | 1999 | 131.24 | 128.89 | 132.67 | -.011 | -.028 | Yes |
| | 2000 | 132.67 | 132.90 | 142.02 | -.066 | -.064 | Tie |
| | 2001 | 142.02 | 135.19 | 148.69 | -.045 | -.091 | Yes |
| | 2002 | 148.69 | 141.18 | 139.71 | +.064 | +.011 | No |
| | 2003 | 139.71 | 143.53 | 147.55 | -.053 | -.027 | No |
| | 2004 | 147.55 | 145.22 | 165.06 | -.106 | -.120 | Yes |
| | 2005 | 165.06 | 166.37 | 161.20 | +.024 | +.032 | Yes |
| | 2006 | 161.20 | 165.94 | | | | |
| | Average Absolute Value | | | | .061 | .087 | 8/2/1 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

**Test of Responsiveness
Loss and LAE Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Pure Premium</u> | | | <u>Difference</u> | | |
|------------------------|------------------------|---------------------|-------------------------|-------------------------|--------------------|-------------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Wtd. Ave.</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Wtd. Ave.</u> | <u>1-Year Better?</u> |
| Bodily Injury | 1995 | \$88.55 | \$83.10 | \$88.97 | -.005 | -.066 | Yes |
| | 1996 | 88.97 | 86.34 | 88.53 | +.005 | -.025 | Yes |
| | 1997 | 88.53 | 86.40 | 84.91 | +.043 | +.018 | No |
| | 1998 | 84.91 | 85.23 | 86.45 | -.018 | -.014 | Tie |
| | 1999 | 86.45 | 86.38 | 80.46 | +.074 | +.074 | Tie |
| | 2000 | 80.46 | 82.02 | 78.95 | +.019 | +.039 | Yes |
| | 2001 | 78.95 | 79.13 | 72.88 | +.083 | +.086 | Tie |
| | 2002 | 72.88 | 75.32 | 73.12 | -.003 | +.030 | Yes |
| | 2003 | 73.12 | 74.95 | 75.01 | -.025 | -.001 | No |
| | 2004 | 75.01 | 74.80 | 103.18 | -.273 | -.275 | Tie |
| | 2005 | 103.18 | 103.72 | 105.12 | -.018 | -.013 | No |
| | 2006 | 105.12 | 106.07 | | | | |
| | Average Absolute Value | | | | .051 | .058 | 4/3/4 |
| Property Damage | 1995 | \$57.16 | \$53.50 | \$64.73 | -.117 | -.173 | Yes |
| | 1996 | 64.73 | 60.26 | 70.44 | -.081 | -.145 | Yes |
| | 1997 | 70.44 | 66.01 | 75.30 | -.065 | -.123 | Yes |
| | 1998 | 75.30 | 71.60 | 76.61 | -.017 | -.065 | Yes |
| | 1999 | 76.61 | 75.66 | 79.53 | -.037 | -.049 | Yes |
| | 2000 | 79.53 | 78.37 | 82.38 | -.035 | -.049 | Yes |
| | 2001 | 82.38 | 80.57 | 82.36 | .000 | -.022 | Yes |
| | 2002 | 82.36 | 81.50 | 79.93 | +.030 | +.020 | No |
| | 2003 | 79.93 | 81.01 | 79.61 | +.004 | +.018 | Yes |
| | 2004 | 79.61 | 80.17 | 100.77 | -.210 | -.204 | No |
| | 2005 | 100.77 | 99.92 | 98.66 | +.021 | +.013 | No |
| | 2006 | 98.66 | 99.63 | | | | |
| | Average Absolute Value | | | | .056 | .080 | 8/0/3 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

**Test of Responsiveness
Loss and LAE Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Pure Premium</u> | | | <u>Difference</u> | | |
|------------------------|-----------------------|---------------------|-------------------------|-------------------------|--------------------|-------------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Wtd. Ave.</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Wtd. Ave.</u> | <u>1-Year Better?</u> |
| Med Pay | 1995 | \$18.63 | \$17.79 | \$19.09 | -.024 | -.068 | Yes |
| | 1996 | 19.09 | 18.64 | 19.52 | -.022 | -.045 | Yes |
| | 1997 | 19.52 | 19.24 | 19.32 | +.010 | -.004 | No |
| | 1998 | 19.32 | 19.45 | 18.90 | +.022 | +.029 | Yes |
| | 1999 | 18.90 | 19.34 | 18.14 | +.042 | +.066 | Yes |
| | 2000 | 18.14 | 18.75 | 18.76 | -.033 | -.001 | No |
| | 2001 | 18.76 | 18.82 | 18.48 | +.015 | +.018 | Tie |
| | 2002 | 18.48 | 18.70 | 18.63 | -.008 | +.004 | Tie |
| | 2003 | 18.63 | 18.72 | 19.65 | -.052 | -.047 | No |
| | 2004 | 19.65 | 19.25 | 22.55 | -.129 | -.146 | Yes |
| | 2005 | 22.55 | 22.57 | 22.18 | +.017 | +.018 | Tie |
| | 2006 | 22.18 | 22.53 | | | | |
| Average Absolute Value | | | | | .036 | .044 | 5/3/3 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

**Test of Responsiveness
Loss and LAE Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Pure Premium</u> | | | <u>Difference</u> | | |
|------------------------|-----------------------|---------------------|-------------------------|-------------------------|--------------------|-------------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Wtd. Ave.</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Wtd. Ave.</u> | <u>1-Year Better?</u> |
| Comprehensive | 1995 | \$53.51 | \$47.84 | \$50.07 | +.069 | -.045 | No |
| | 1996 | 50.07 | 49.52 | 54.43 | -.080 | -.090 | Yes |
| | 1997 | 54.43 | 52.59 | 68.31 | -.203 | -.230 | Yes |
| | 1998 | 68.31 | 60.78 | 62.11 | +.100 | -.021 | No |
| | 1999 | 62.11 | 62.80 | 67.20 | -.076 | -.065 | No |
| | 2000 | 67.20 | 66.30 | 72.04 | -.067 | -.080 | Yes |
| | 2001 | 72.04 | 69.05 | 72.96 | -.013 | -.054 | Yes |
| | 2002 | 72.96 | 71.87 | 64.01 | +.140 | +.123 | No |
| | 2003 | 64.01 | 68.32 | 70.12 | -.087 | -.026 | No |
| | 2004 | 70.12 | 68.76 | 82.40 | -.149 | -.165 | Yes |
| | 2005 | 82.40 | 78.63 | 67.98 | +.212 | +.157 | No |
| | 2006 | 67.98 | 74.10 | | | | |
| Average Absolute Value | | | | | .109 | .096 | 5/6/0 |
| Collision | 1995 | \$100.93 | \$95.11 | \$111.48 | -.095 | -.147 | Yes |
| | 1996 | 111.48 | 103.03 | 120.20 | -.073 | -.143 | Yes |
| | 1997 | 120.20 | 112.99 | 134.71 | -.108 | -.161 | Yes |
| | 1998 | 134.71 | 125.80 | 131.24 | +.026 | -.041 | Yes |
| | 1999 | 131.24 | 130.19 | 132.67 | -.011 | -.019 | Yes |
| | 2000 | 132.67 | 132.67 | 142.02 | -.066 | -.066 | Tie |
| | 2001 | 142.02 | 136.98 | 148.69 | -.045 | -.079 | Yes |
| | 2002 | 148.69 | 143.54 | 139.71 | +.064 | +.027 | No |
| | 2003 | 139.71 | 142.90 | 147.55 | -.053 | -.031 | No |
| | 2004 | 147.55 | 145.34 | 165.06 | -.106 | -.111 | Yes |
| | 2005 | 165.06 | 166.44 | 161.20 | +.024 | +.033 | Yes |
| | 2006 | 161.20 | 164.47 | | | | |
| Average Absolute Value | | | | | .061 | .078 | 8/2/1 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

**Test of Responsiveness
General and Other Acquisition Expenses
Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Expenses Per Exposure</u> | | | <u>Difference</u> | | |
|------------------------|------------------------|------------------------------|-----------------------|-------------------------|--------------------|-----------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Average</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Average</u> | <u>1-Year Better?</u> |
| Bodily Injury | 1995 | \$15.23 | \$14.05 | \$15.42 | -.012 | -.089 | Yes |
| | 1996 | 15.42 | 14.85 | 18.36 | -.160 | -.191 | Yes |
| | 1997 | 18.36 | 16.35 | 18.04 | +.018 | -.094 | Yes |
| | 1998 | 18.04 | 17.38 | 16.80 | +.074 | +.035 | No |
| | 1999 | 16.80 | 17.79 | 16.84 | -.002 | +.056 | Yes |
| | 2000 | 16.84 | 17.22 | 18.37 | -.083 | -.063 | No |
| | 2001 | 18.37 | 17.35 | 17.17 | +.070 | +.010 | No |
| | 2002 | 17.17 | 17.47 | 15.93 | +.078 | +.097 | Yes |
| | 2003 | 15.93 | 17.02 | 15.87 | +.004 | +.073 | Yes |
| | 2004 | 15.87 | 15.59 | 18.79 | -.155 | -.170 | Yes |
| | 2005 | 18.79 | 18.35 | 20.94 | -.103 | -.124 | Yes |
| | 2006 | 20.94 | 19.47 | | | | |
| | Average Absolute Value | | | | .069 | .091 | 8/3/0 |
| Property Damage | 1995 | \$9.92 | \$10.49 | \$10.33 | -.040 | +.015 | No |
| | 1996 | 10.33 | 10.50 | 10.64 | -.029 | -.013 | No |
| | 1997 | 10.64 | 10.40 | 9.72 | +.095 | +.070 | No |
| | 1998 | 9.72 | 10.28 | 12.03 | -.192 | -.145 | No |
| | 1999 | 12.03 | 10.83 | 13.32 | -.097 | -.187 | Yes |
| | 2000 | 13.32 | 11.69 | 14.51 | -.082 | -.184 | Yes |
| | 2001 | 14.51 | 13.30 | 13.74 | +.056 | -.032 | No |
| | 2002 | 13.74 | 13.85 | 14.78 | -.070 | -.063 | No |
| | 2003 | 14.78 | 14.39 | 16.15 | -.085 | -.109 | Yes |
| | 2004 | 16.15 | 14.34 | 19.66 | -.178 | -.271 | Yes |
| | 2005 | 19.66 | 17.68 | 20.40 | -.036 | -.133 | Yes |
| | 2006 | 20.40 | 19.39 | | | | |
| | Average Absolute Value | | | | .087 | .111 | 5/6/0 |

Data Source: NCRB Personal Auto Rate Filings

**Personal Auto
North Carolina**

**Test of Responsiveness
General and Other Acquisition Expenses
Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Expenses Per Exposure</u> | | | <u>Difference</u> | | |
|------------------------|-----------------------|------------------------------|-----------------------|-------------------------|--------------------|-----------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Average</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Average</u> | <u>1-Year Better?</u> |
| Med Pay | 1995 | \$3.22 | \$2.95 | \$3.27 | -.015 | -.098 | Yes |
| | 1996 | 3.27 | 3.11 | 3.69 | -.114 | -.157 | Yes |
| | 1997 | 3.69 | 3.39 | 3.53 | +.045 | -.040 | No |
| | 1998 | 3.53 | 3.52 | 3.47 | +.017 | +.014 | Tie |
| | 1999 | 3.47 | 3.57 | 3.53 | -.017 | +.011 | No |
| | 2000 | 3.53 | 3.50 | 3.83 | -.078 | -.086 | Yes |
| | 2001 | 3.83 | 3.61 | 3.66 | +.046 | -.014 | No |
| | 2002 | 3.66 | 3.67 | 3.44 | +.064 | +.067 | Tie |
| | 2003 | 3.44 | 3.63 | 3.53 | -.025 | +.028 | Tie |
| | 2004 | 3.53 | 3.40 | 3.99 | -.115 | -.148 | Yes |
| | 2005 | 3.99 | 3.69 | 4.62 | -.136 | -.201 | Yes |
| | 2006 | 4.62 | 4.07 | | | | |
| Average Absolute Value | | | | | .061 | .079 | 5/3/3 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

**Test of Responsiveness
General and Other Acquisition Expenses
Per Exposure**

| <u>Coverage</u> | <u>Year of Filing</u> | <u>Expense Per Exposure</u> | | | <u>Difference</u> | | |
|----------------------|------------------------|-----------------------------|-----------------------|-------------------------|--------------------|-----------------------|-----------------------|
| | | <u>Latest Year</u> | <u>3-Year Average</u> | <u>Actual Next Year</u> | <u>Latest Year</u> | <u>3-Year Average</u> | <u>1-Year Better?</u> |
| Comprehensive | 1995 | \$8.53 | \$8.58 | \$8.21 | +039 | +045 | Yes |
| | 1996 | 8.21 | 8.14 | 8.99 | -.087 | -.095 | Yes |
| | 1997 | 8.99 | 8.95 | 7.99 | +125 | +120 | No |
| | 1998 | 7.99 | 8.34 | 10.56 | -.243 | -.210 | No |
| | 1999 | 10.56 | 9.03 | 11.71 | -.098 | -.229 | Yes |
| | 2000 | 11.71 | 10.24 | 13.33 | -.122 | -.232 | Yes |
| | 2001 | 13.33 | 11.61 | 13.12 | +016 | -.115 | Yes |
| | 2002 | 13.12 | 12.51 | 12.65 | +037 | -.011 | No |
| | 2003 | 12.65 | 12.93 | 13.32 | -.050 | -.029 | No |
| | 2004 | 13.32 | 12.67 | 14.79 | -.099 | -.143 | Yes |
| | 2005 | 14.79 | 14.69 | 13.81 | +071 | +064 | No |
| | 2006 | 13.81 | 14.37 | | | | |
| | Average Absolute Value | | | | .090 | .118 | 6/5/0 |
| Collision | 1995 | \$17.12 | \$18.95 | \$16.25 | +054 | +166 | Yes |
| | 1996 | 16.25 | 16.85 | 18.16 | -.105 | -.072 | No |
| | 1997 | 18.16 | 18.13 | 15.91 | +141 | +140 | Tie |
| | 1998 | 15.91 | 16.90 | 21.72 | -.267 | -.222 | No |
| | 1999 | 21.72 | 18.17 | 24.60 | -.117 | -.261 | Yes |
| | 2000 | 24.60 | 21.08 | 27.37 | -.101 | -.230 | Yes |
| | 2001 | 27.37 | 24.09 | 26.89 | +018 | -.104 | Yes |
| | 2002 | 26.89 | 25.89 | 26.58 | +012 | -.026 | Yes |
| | 2003 | 26.58 | 26.86 | 27.82 | -.045 | -.034 | No |
| | 2004 | 27.82 | 26.40 | 32.37 | -.141 | -.184 | Yes |
| | 2005 | 32.37 | 31.95 | 32.60 | -.007 | -.020 | Yes |
| | 2006 | 32.60 | 32.01 | | | | |
| | Average Absolute Value | | | | .092 | .133 | 7/3/1 |

Data Source: NCRB Personal Auto Rate Filings
Note: Tie if absolute difference less than .005

**Personal Auto
North Carolina**

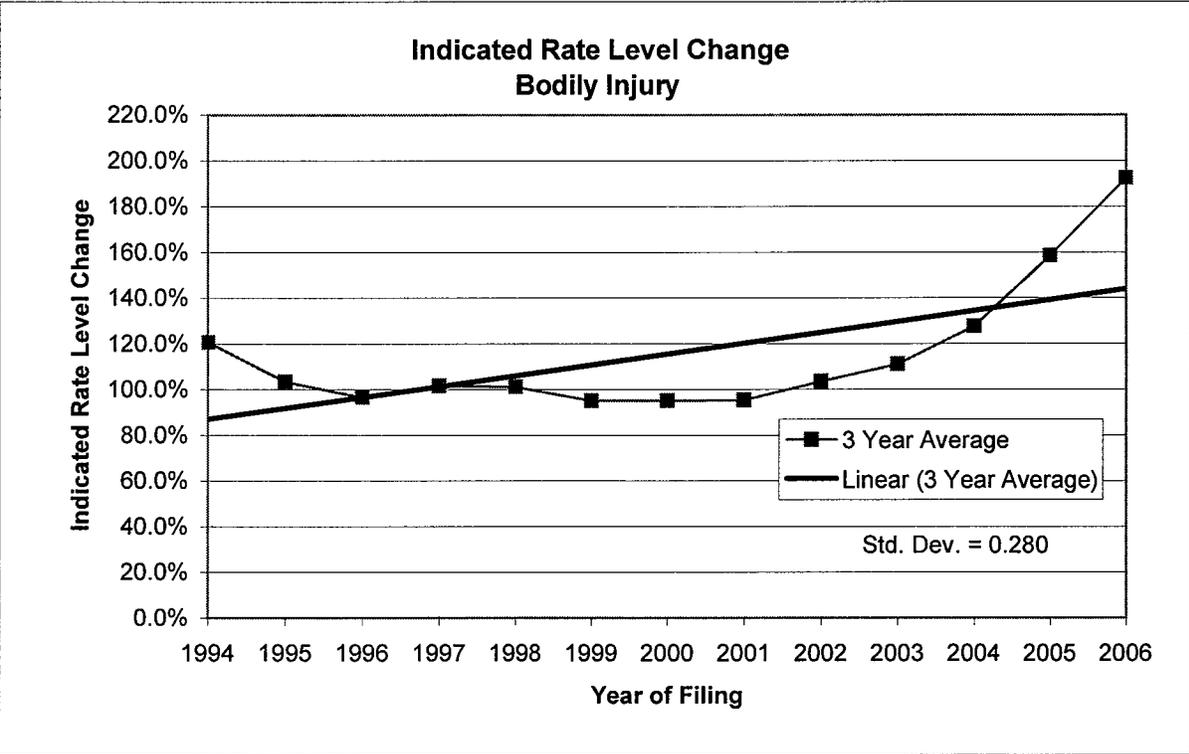
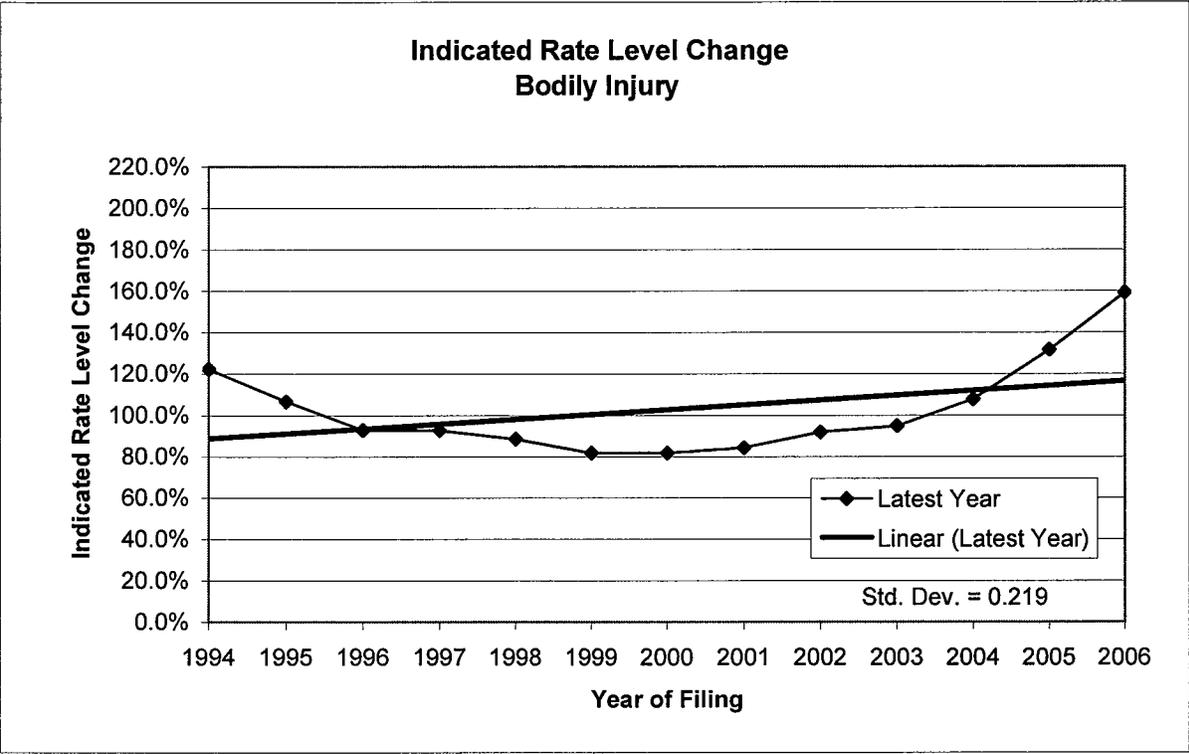
Indicated Rate Level Changes

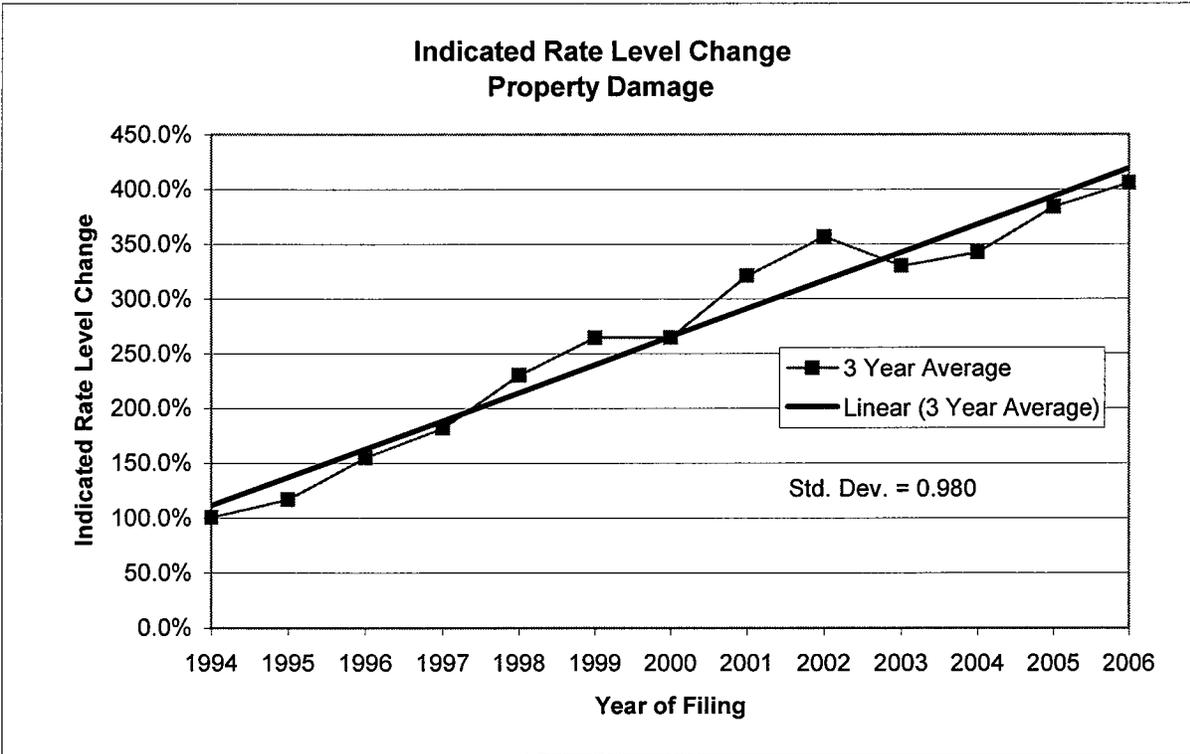
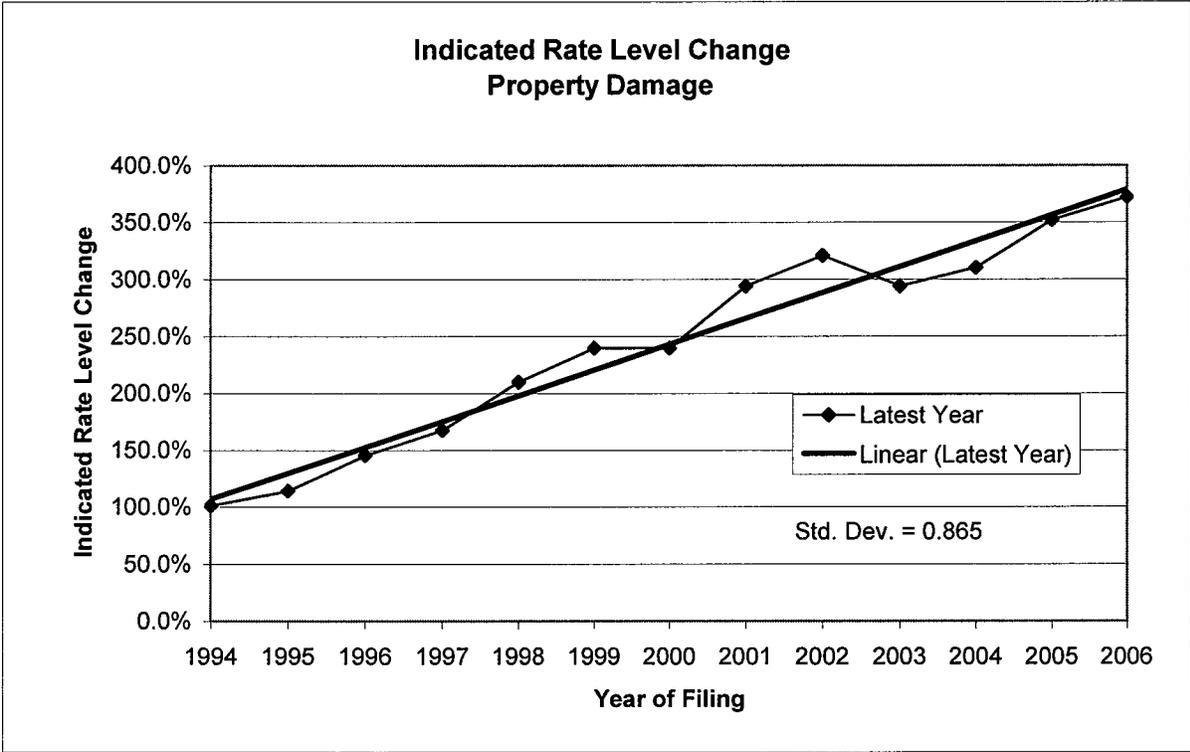
| Year of Filing | Latest Year | | | | | 3-Year Average | | | | |
|-----------------------|--------------------|-----------|------------|-------------|-------------|-----------------------|-----------|------------|-------------|-------------|
| | BI | PD | MPC | Comp | Coll | BI | PD | MPC | Comp | Coll |
| 1994 | 22.4% | 1.3% | 13.7% | -6.8% | -3.7% | 20.6% | 0.6% | 12.5% | -10.7% | -5.2% |
| 1995 | -12.9% | 12.9% | -4.1% | 36.1% | 23.2% | -14.2% | 16.4% | -2.3% | 32.7% | 25.2% |
| 1996 | -12.9% | 27.2% | -2.1% | 15.2% | 25.7% | -6.7% | 32.3% | 2.7% | 15.6% | 26.0% |
| 1997 | -0.2% | 15.1% | 5.8% | -2.3% | 8.8% | 5.3% | 17.3% | 7.2% | -5.2% | 10.7% |
| 1998 | -4.5% | 25.4% | 3.2% | 9.4% | 8.6% | -0.5% | 26.7% | 2.6% | 3.6% | 5.5% |
| 1999 | -7.7% | 14.2% | 2.8% | -13.9% | -11.6% | -6.0% | 14.8% | 3.7% | -17.6% | -13.9% |
| 2000 | NOT AVAILABLE | | | | | NOT AVAILABLE | | | | |
| 2001 | 3.2% | 22.7% | 9.6% | 13.3% | 12.3% | 0.2% | 21.4% | 7.0% | 5.5% | 8.5% |
| 2002 | 8.9% | 9.1% | 14.8% | 3.5% | 4.4% | 8.7% | 11.2% | 17.7% | 7.3% | 5.7% |
| 2003 | 3.3% | -8.4% | 2.7% | -24.1% | -16.4% | 7.1% | -7.5% | 4.2% | -19.7% | -12.1% |
| 2004 | 13.6% | 5.5% | 15.5% | 12.9% | 14.2% | 14.9% | 3.7% | 16.7% | 4.9% | 14.7% |
| 2005 | 22.2% | 13.5% | 10.6% | 4.5% | -4.0% | 24.3% | 12.1% | 10.4% | -0.2% | -0.2% |
| 2006 | 21.0% | 5.7% | 8.1% | -12.0% | -1.5% | 21.3% | 5.7% | 8.7% | -6.0% | +0.3% |

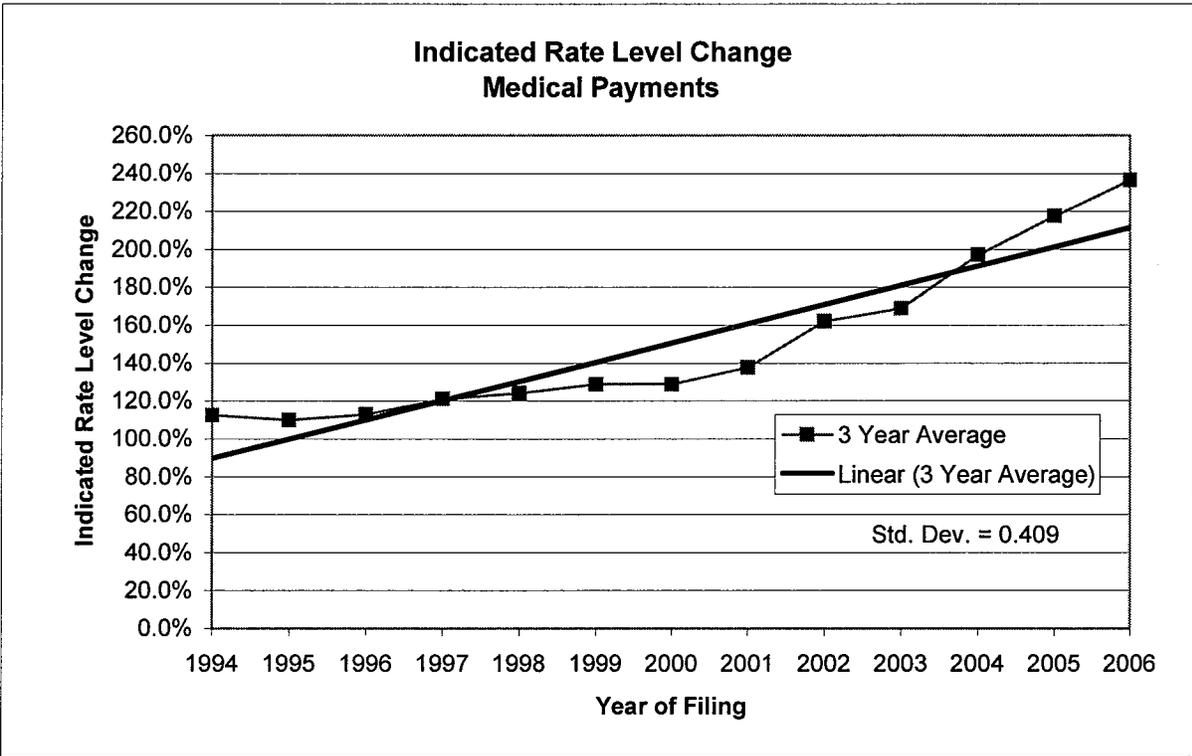
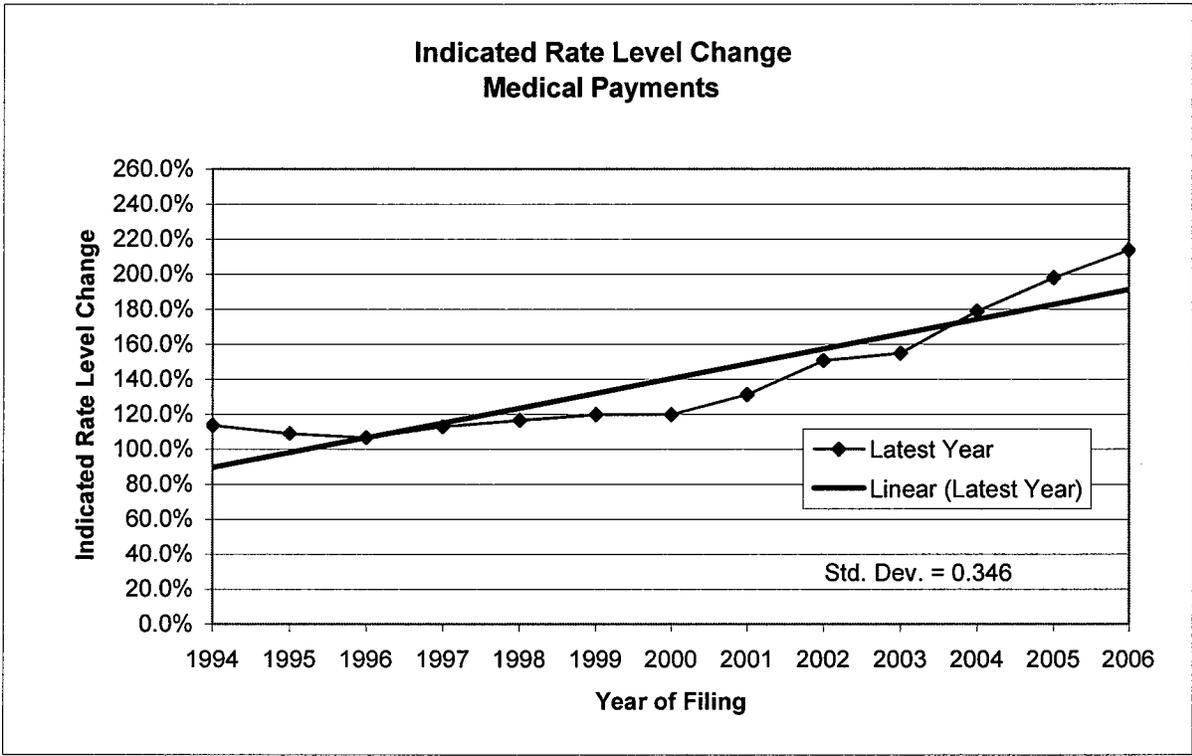
**Personal Auto
North Carolina**

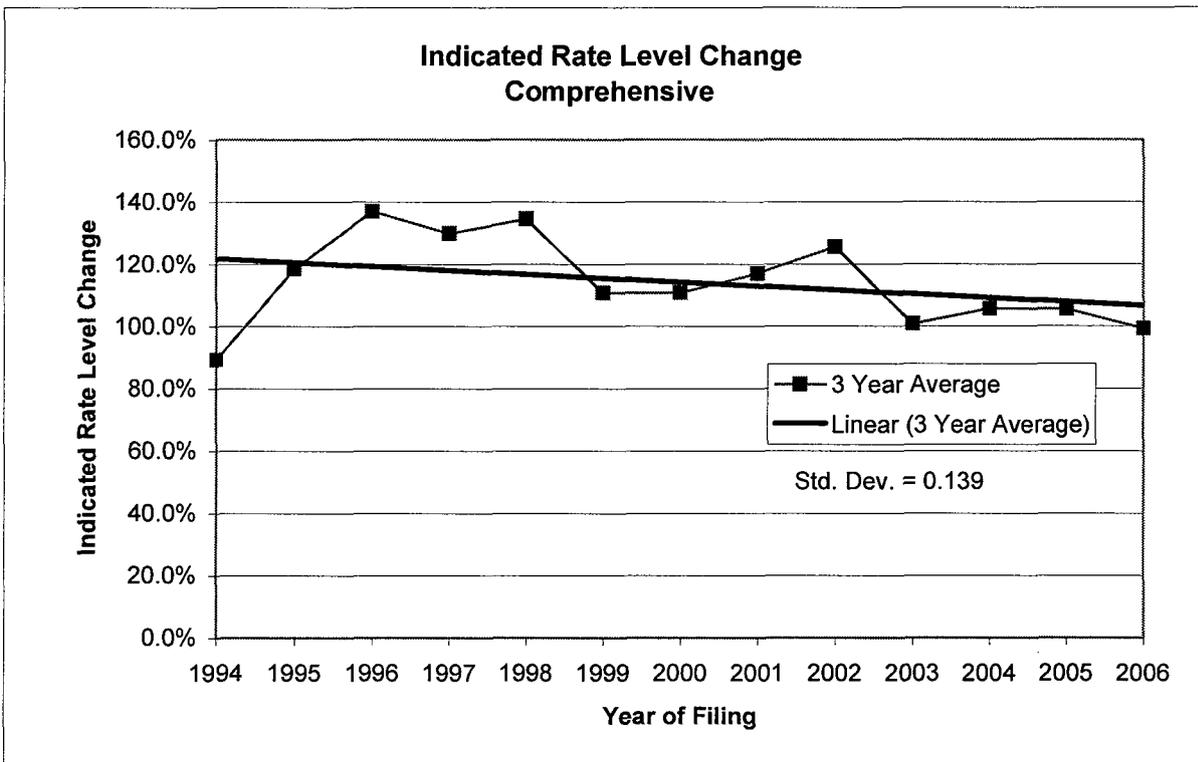
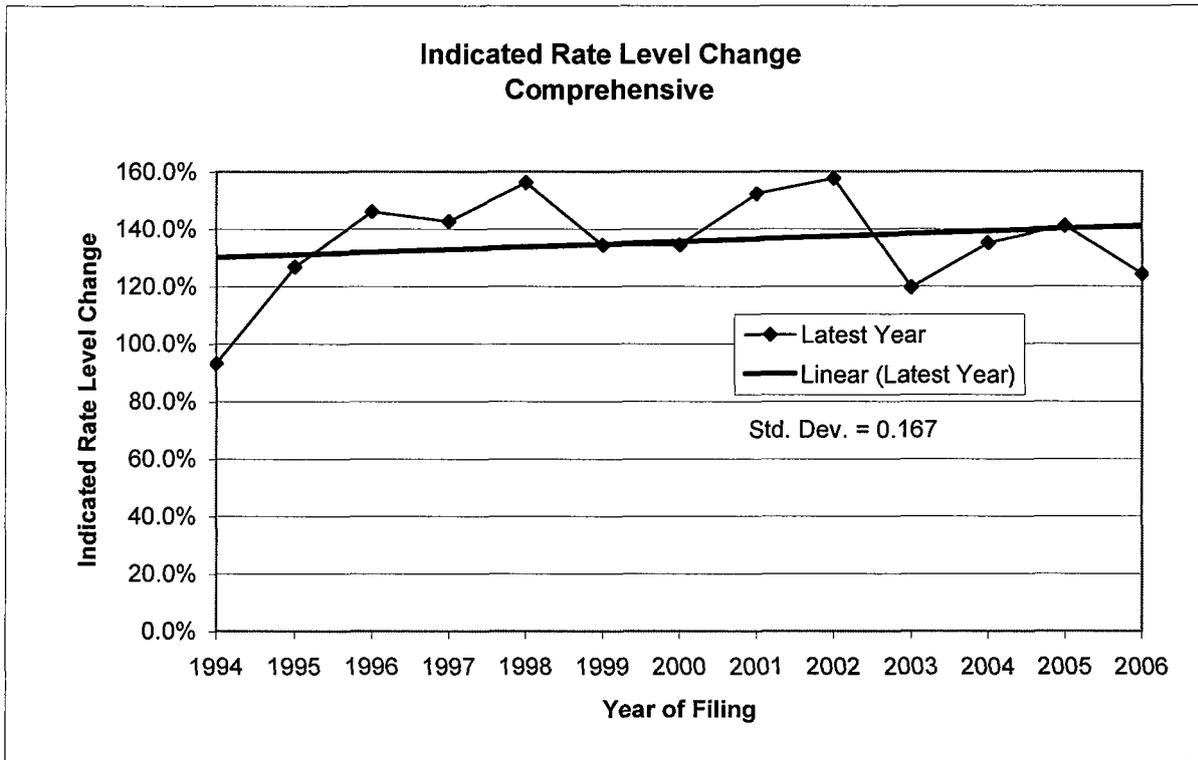
Cumulative Rate Level Indices

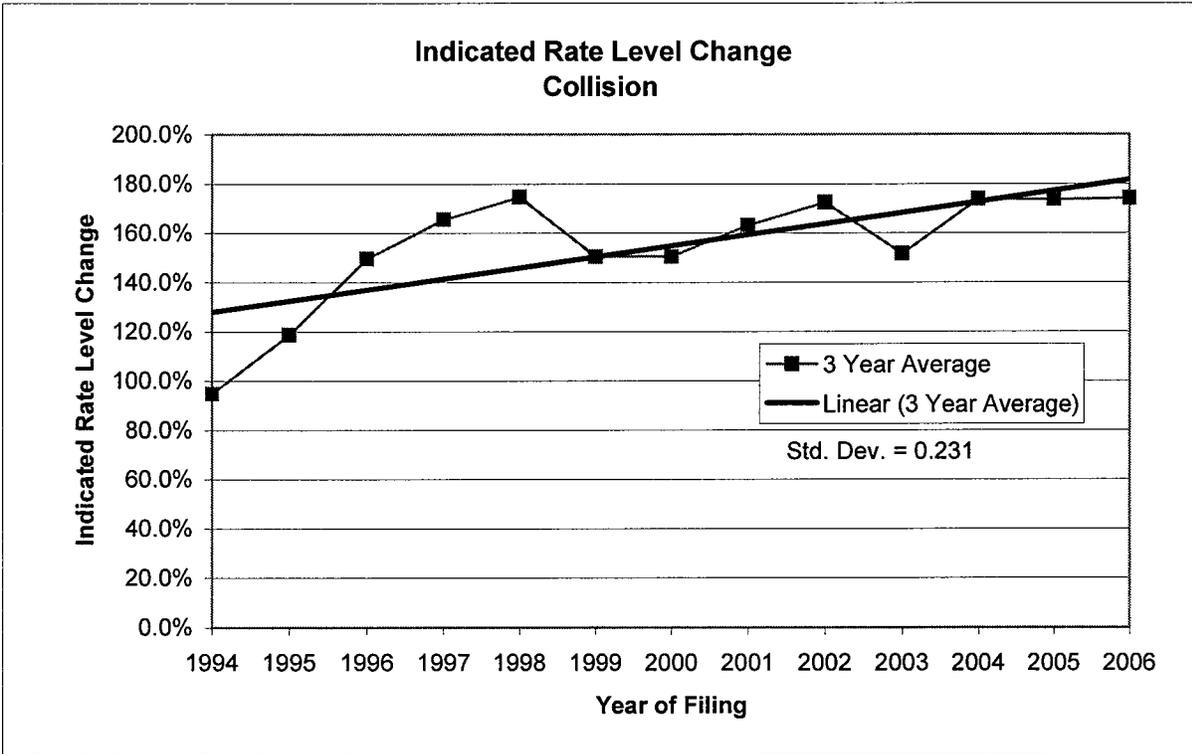
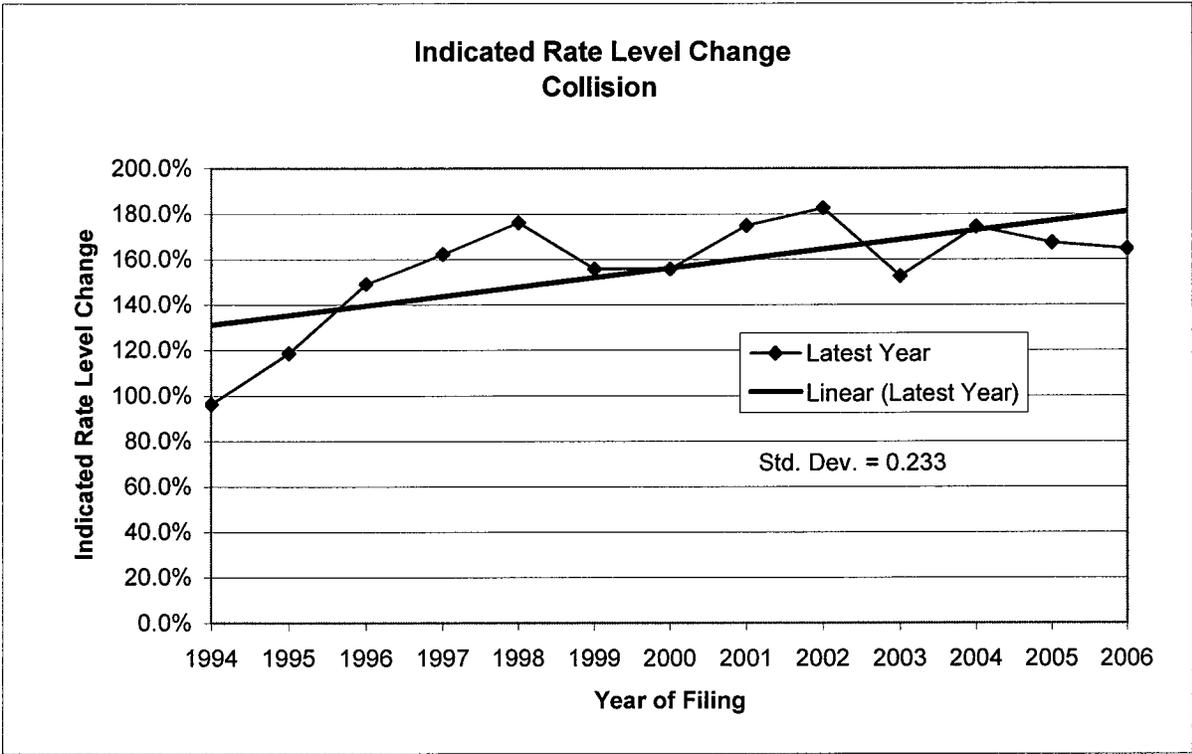
| <u>Year of Filing</u> | <u>Latest Year</u> | | | | | <u>3-Year Average</u> | | | | |
|-----------------------|-------------------------|-----------|------------|-------------|-------------|-------------------------|-----------|------------|-------------|-------------|
| | <u>BI</u> | <u>PD</u> | <u>MPC</u> | <u>Comp</u> | <u>Coll</u> | <u>BI</u> | <u>PD</u> | <u>MPC</u> | <u>Comp</u> | <u>Coll</u> |
| 1994 | 1.224 | 1.013 | 1.137 | .932 | .963 | 1.206 | 1.006 | 1.125 | .893 | .948 |
| 1995 | 1.066 | 1.144 | 1.090 | 1.268 | 1.186 | 1.035 | 1.171 | 1.099 | 1.185 | 1.187 |
| 1996 | .929 | 1.455 | 1.067 | 1.461 | 1.491 | .965 | 1.549 | 1.129 | 1.370 | 1.495 |
| 1997 | .927 | 1.675 | 1.129 | 1.428 | 1.623 | 1.017 | 1.817 | 1.210 | 1.299 | 1.656 |
| 1998 | .885 | 2.100 | 1.166 | 1.562 | 1.762 | 1.012 | 2.302 | 1.242 | 1.345 | 1.747 |
| 1999 | .817 | 2.398 | 1.198 | 1.345 | 1.558 | .951 | 2.643 | 1.287 | 1.109 | 1.504 |
| 2000 | N O T A V A I L A B L E | | | | | N O T A V A I L A B L E | | | | |
| 2001 | .843 | 2.942 | 1.313 | 1.524 | 1.749 | .953 | 3.209 | 1.378 | 1.170 | 1.632 |
| 2002 | .918 | 3.210 | 1.508 | 1.577 | 1.826 | 1.036 | 3.568 | 1.621 | 1.255 | 1.725 |
| 2003 | .948 | 2.940 | 1.549 | 1.197 | 1.527 | 1.110 | 3.300 | 1.689 | 1.008 | 1.516 |
| 2004 | 1.077 | 3.102 | 1.789 | 1.351 | 1.743 | 1.275 | 3.423 | 1.971 | 1.057 | 1.739 |
| 2005 | 1.316 | 3.521 | 1.979 | 1.412 | 1.673 | 1.585 | 3.837 | 2.176 | 1.055 | 1.736 |
| 2006 | 1.592 | 3.722 | 2.139 | 1.243 | 1.648 | 1.923 | 4.056 | 2.365 | .992 | 1.741 |











**Personal Auto
North Carolina**

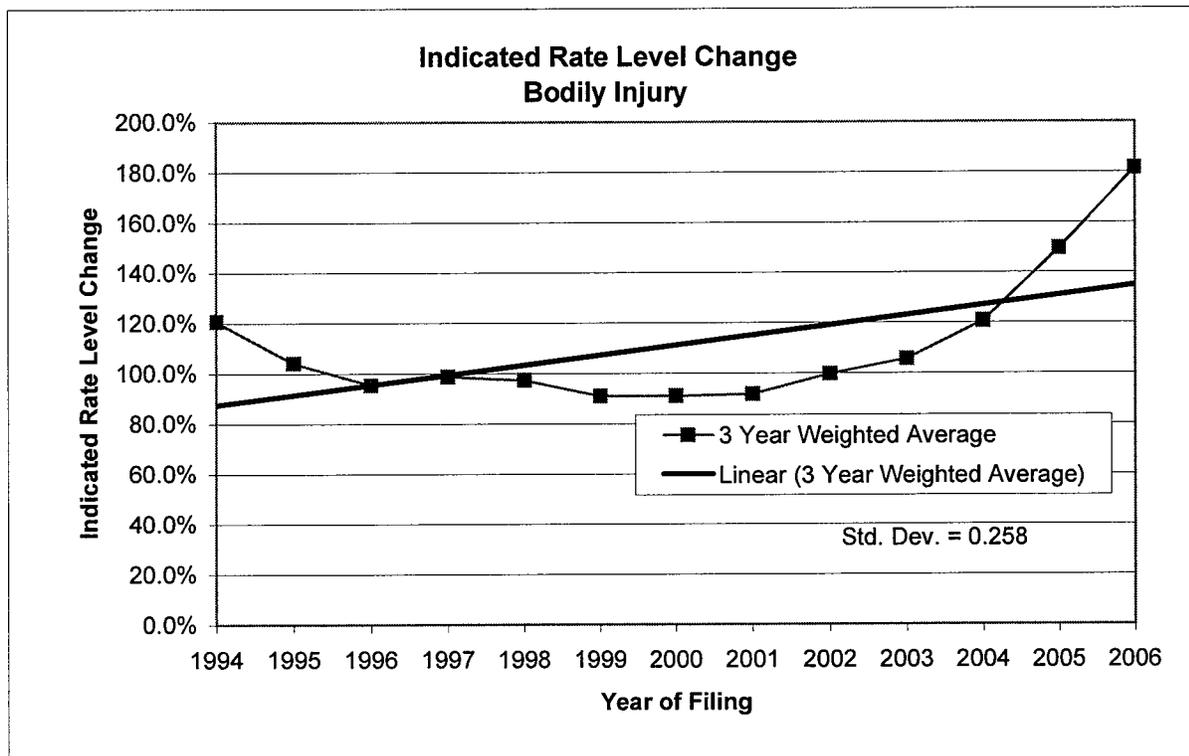
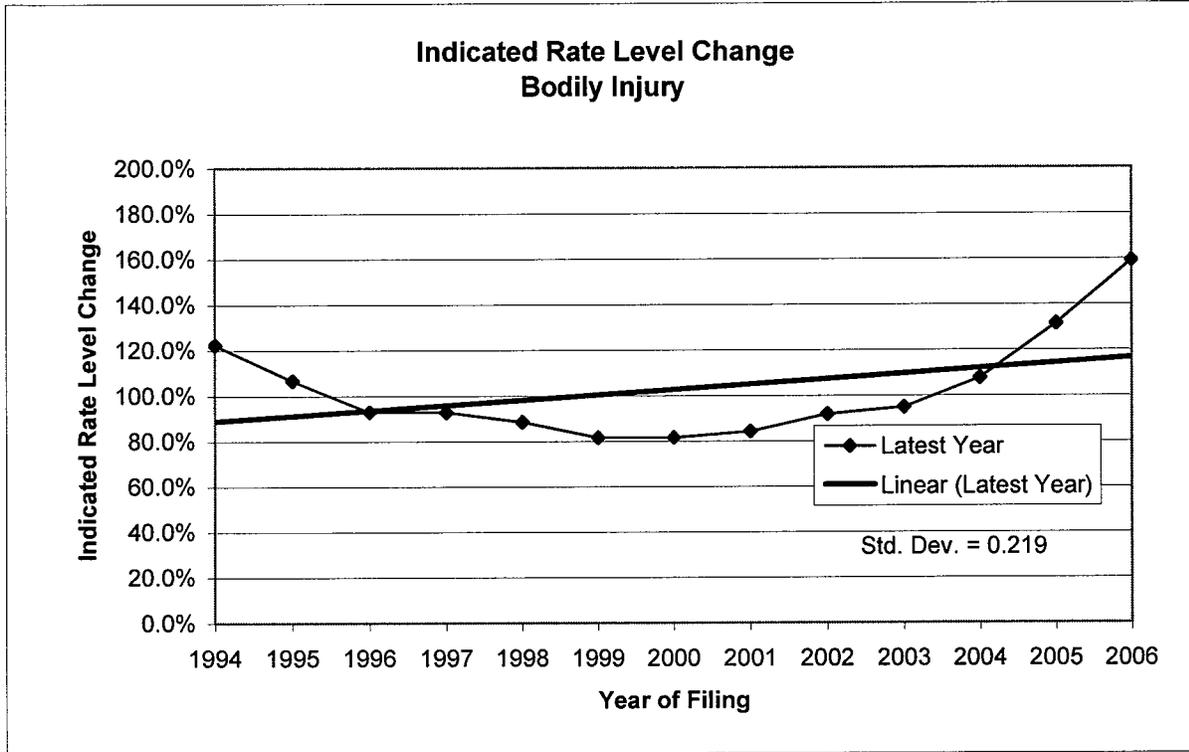
Indicated Rate Level Changes

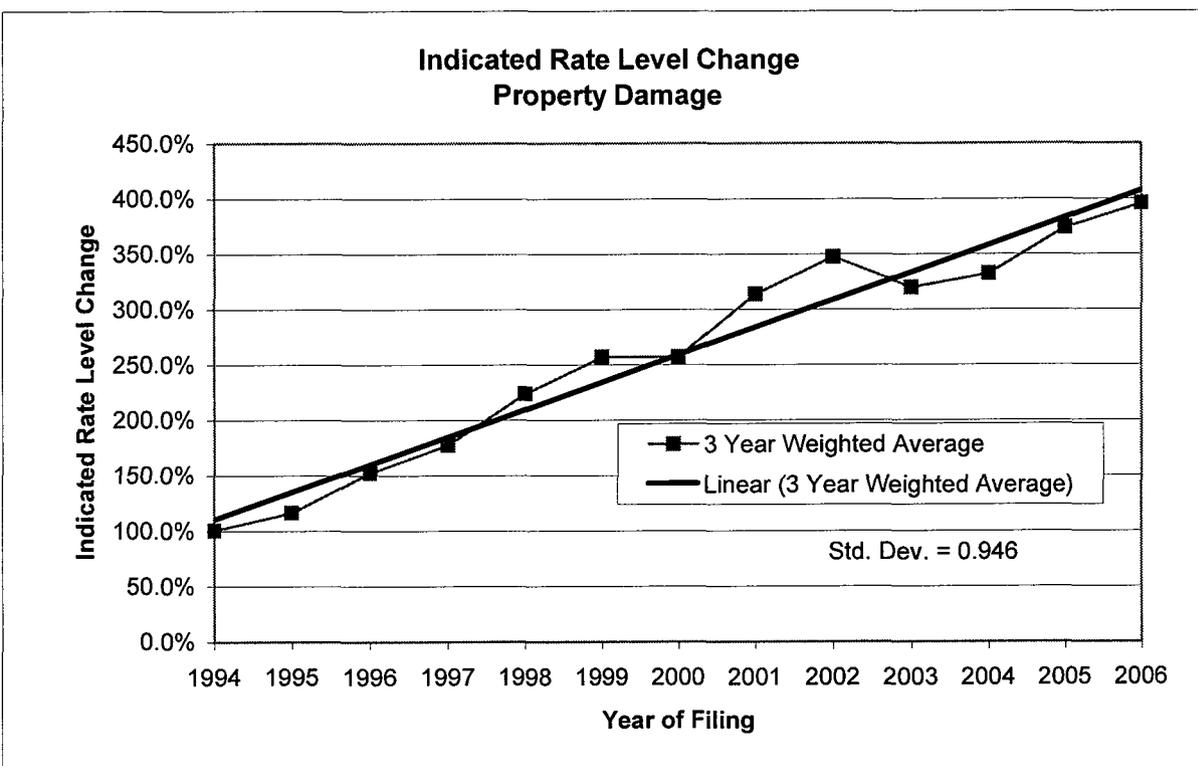
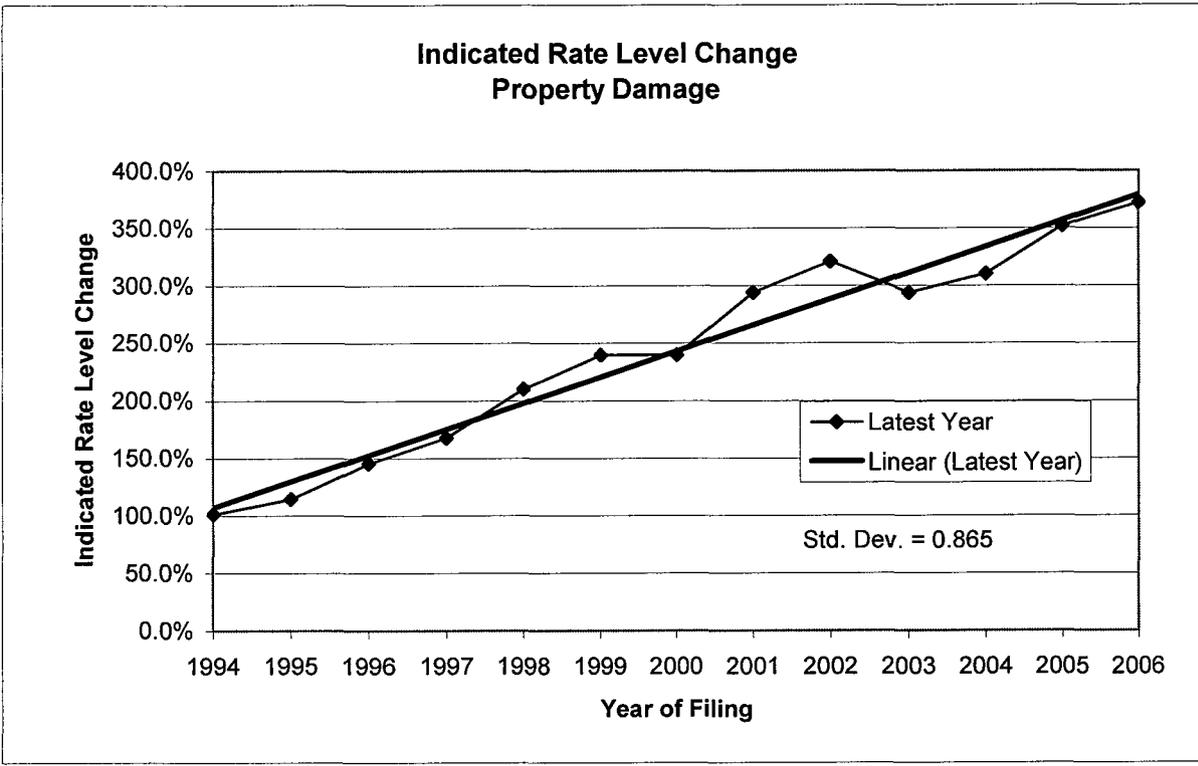
| Year of Filing | Latest Year | | | | | 3-Year Weighted Average | | | | |
|---------------------------|-------------------------|-----------|------------|-------------|-------------|--------------------------------|-----------|------------|-------------|-------------|
| | BI | PD | MPC | Comp | Coll | BI | PD | MPC | Comp | Coll |
| 1994 | 22.4% | 1.3% | 13.7% | -6.8% | -3.7% | 20.7% | 0.7% | 12.6% | -9.9% | -4.7% |
| 1995 | -12.9% | 12.9% | -4.1% | 36.1% | 23.2% | -13.8% | 15.6% | -2.7% | 34.1% | 24.7% |
| 1996 | -12.9% | 27.2% | -2.1% | 15.2% | 25.7% | -8.4% | 30.8% | 1.4% | 15.3% | 25.7% |
| 1997 | -0.2% | 15.1% | 5.8% | -2.3% | 8.8% | 3.6% | 16.5% | 6.6% | -4.6% | 10.3% |
| 1998 | -4.5% | 25.4% | 3.2% | 9.4% | 8.6% | -1.5% | 26.3% | 2.9% | 5.4% | 6.1% |
| 1999 | -7.7% | 14.2% | 2.8% | -13.9% | -11.6% | -6.5% | 14.7% | 3.5% | -16.5% | -13.1% |
| 2000 | N O T A V A I L A B L E | | | | | N O T A V A I L A B L E | | | | |
| 2001 | 3.2% | 22.7% | 9.6% | 13.3% | 12.3% | 0.8% | 22.0% | 7.7% | 7.9% | 9.5% |
| 2002 | 8.9% | 9.1% | 14.8% | 3.5% | 4.4% | 8.8% | 10.7% | 17.2% | 6.8% | 5.6% |
| 2003 | 3.3% | -8.4% | 2.7% | -24.1% | -16.4% | 5.9% | -7.9% | 3.7% | -21.2% | -13.3% |
| 2004 | 13.6% | 5.5% | 15.5% | 12.9% | 14.2% | 14.4% | 3.9% | 16.5% | 6.7% | 14.3% |
| 2005 | 22.2% | 13.5% | 10.6% | 4.5% | -4.0% | 23.8% | 12.5% | 10.5% | 1.5% | -1.0% |
| 2006 | 21.0% | 5.7% | 8.1% | -12.0% | -1.5% | 21.3% | 5.9% | 8.7% | -7.3% | -0.4% |

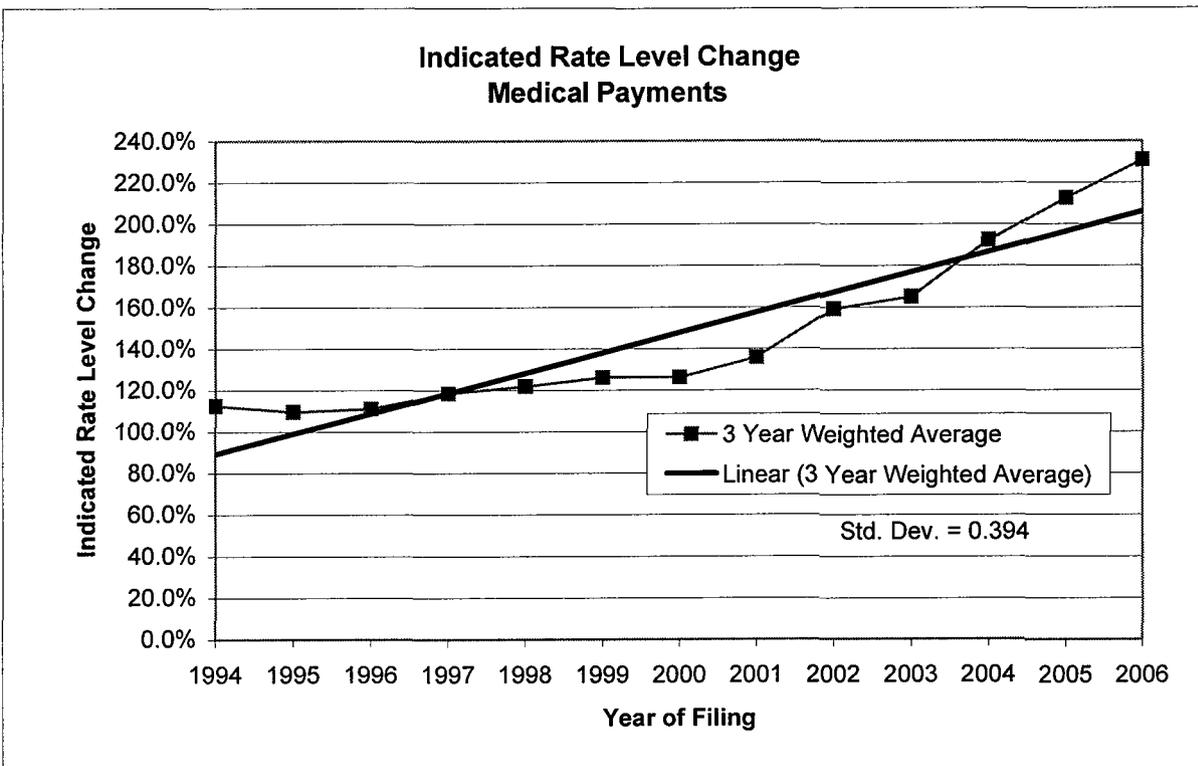
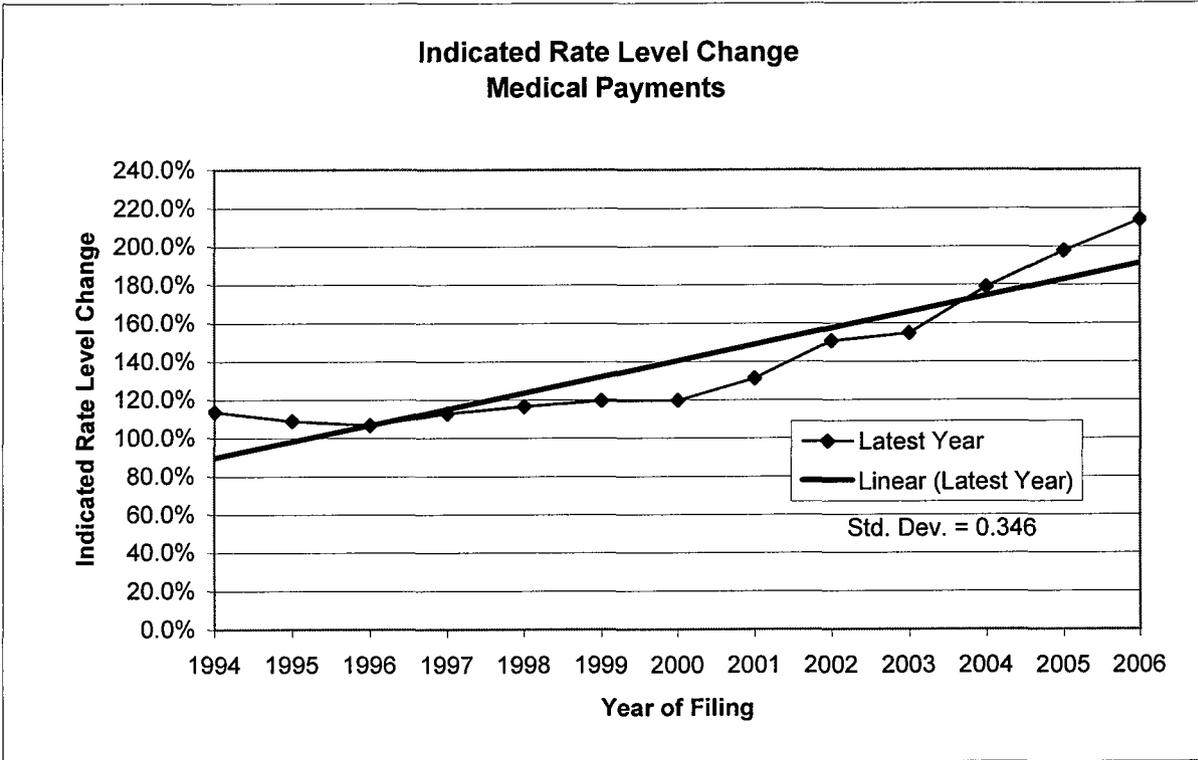
**Personal Auto
North Carolina**

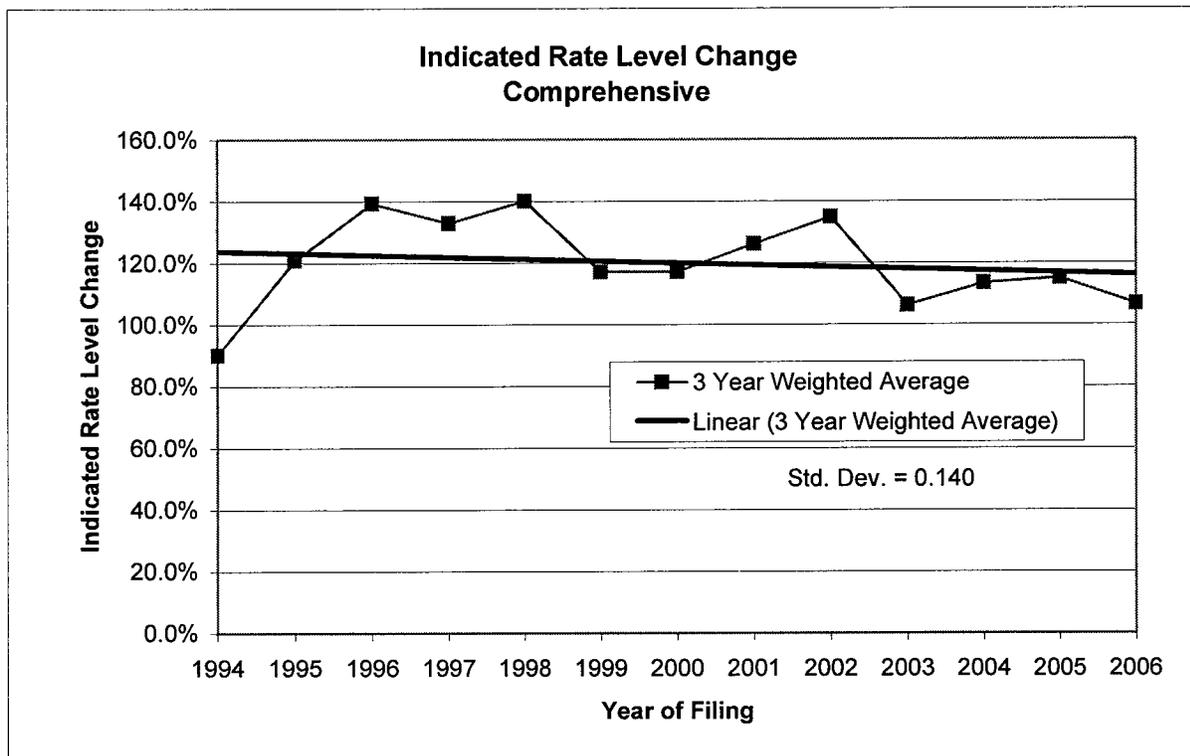
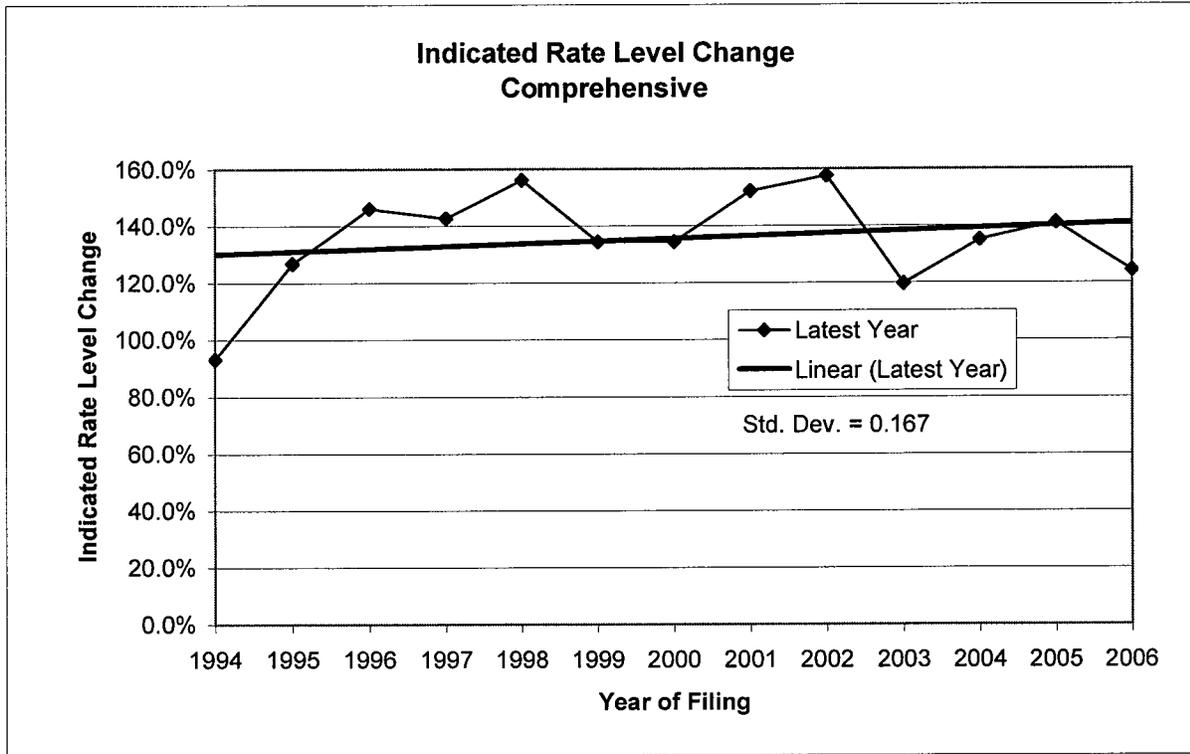
Cumulative Rate Level Indices

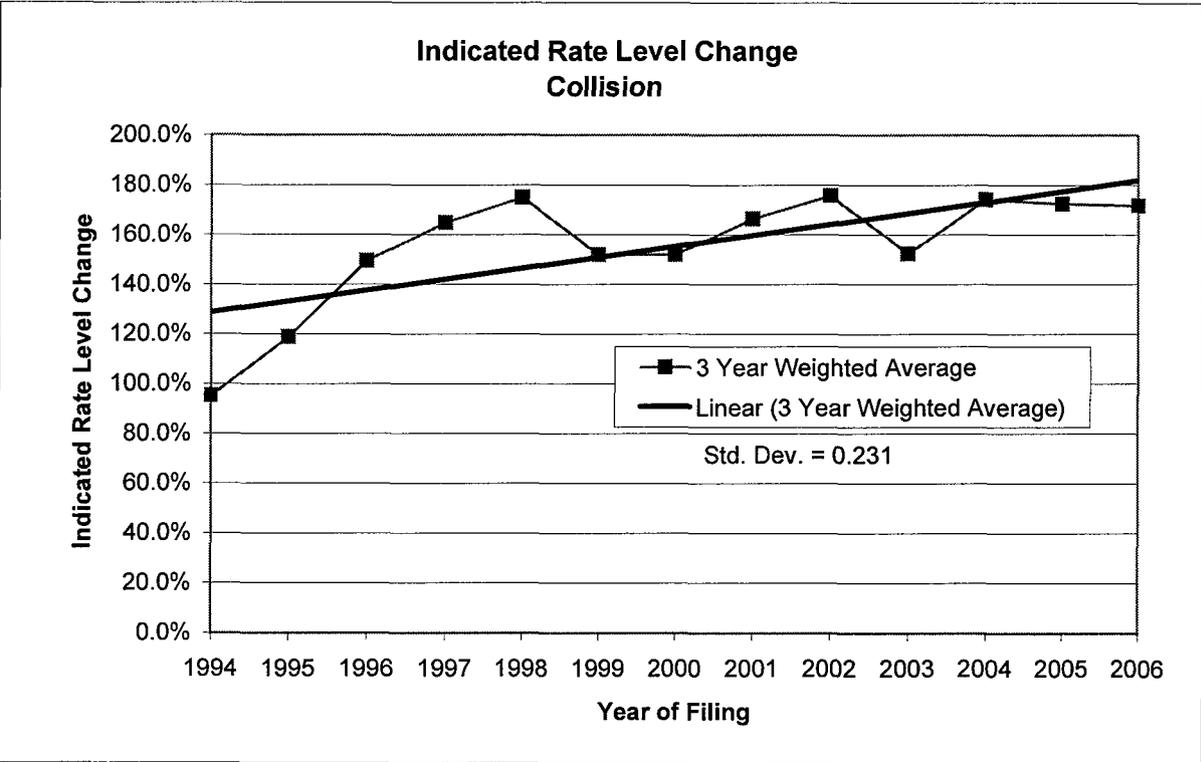
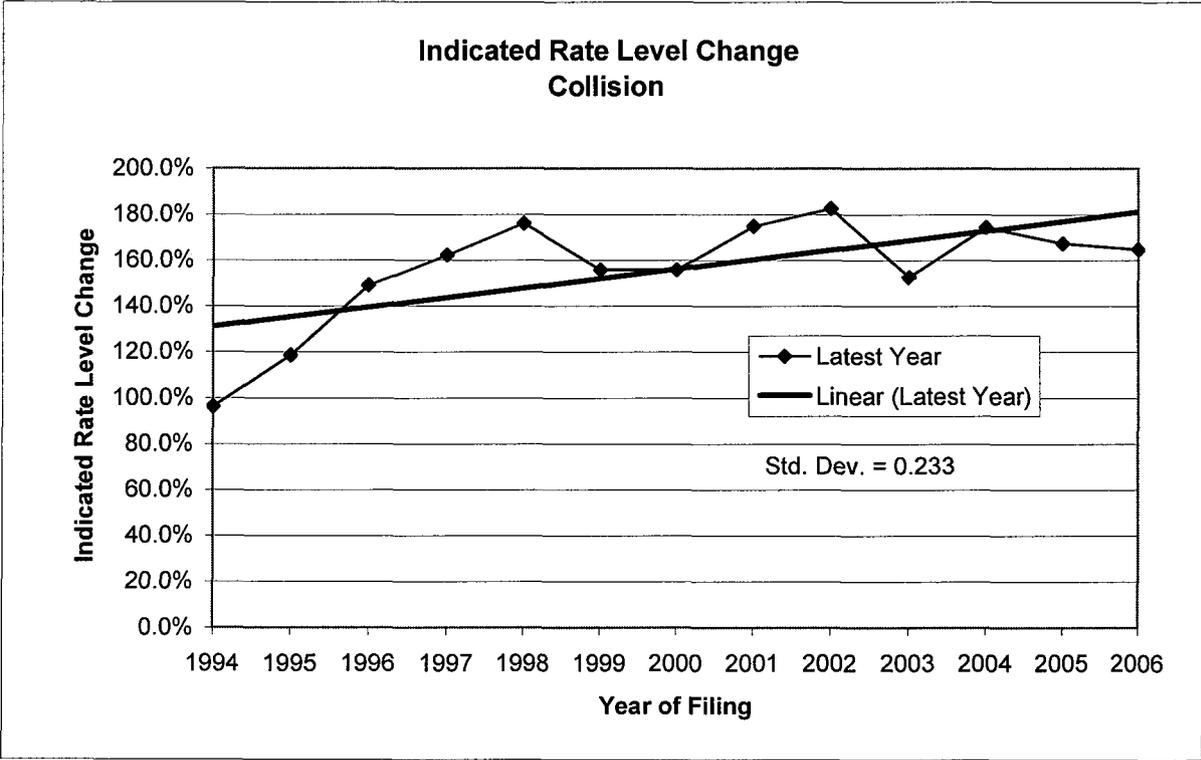
| Year of Filing | Latest Year | | | | | 3-Year Weighted Average | | | | |
|-----------------------|-------------------------|-----------|------------|-------------|-------------|--------------------------------|-----------|------------|-------------|-------------|
| | BI | PD | MPC | Comp | Coll | BI | PD | MPC | Comp | Coll |
| 1994 | 1.224 | 1.013 | 1.137 | .932 | .963 | 1.207 | 1.007 | 1.126 | .901 | .953 |
| 1995 | 1.066 | 1.144 | 1.090 | 1.268 | 1.186 | 1.040 | 1.164 | 1.096 | 1.208 | 1.188 |
| 1996 | .929 | 1.455 | 1.067 | 1.461 | 1.491 | .953 | 1.523 | 1.111 | 1.393 | 1.494 |
| 1997 | .927 | 1.675 | 1.129 | 1.428 | 1.623 | .987 | 1.774 | 1.184 | 1.329 | 1.648 |
| 1998 | .885 | 2.100 | 1.166 | 1.562 | 1.762 | .973 | 2.240 | 1.219 | 1.401 | 1.748 |
| 1999 | .817 | 2.398 | 1.198 | 1.345 | 1.558 | .909 | 2.570 | 1.261 | 1.170 | 1.519 |
| 2000 | N O T A V A I L A B L E | | | | | N O T A V A I L A B L E | | | | |
| 2001 | .843 | 2.942 | 1.313 | 1.524 | 1.749 | .917 | 3.135 | 1.358 | 1.262 | 1.663 |
| 2002 | .918 | 3.210 | 1.508 | 1.577 | 1.826 | .997 | 3.471 | 1.592 | 1.348 | 1.757 |
| 2003 | .948 | 2.940 | 1.549 | 1.197 | 1.527 | 1.056 | 3.197 | 1.651 | 1.062 | 1.523 |
| 2004 | 1.077 | 3.102 | 1.789 | 1.351 | 1.743 | 1.208 | 3.322 | 1.923 | 1.133 | 1.741 |
| 2005 | 1.316 | 3.521 | 1.979 | 1.412 | 1.673 | 1.496 | 3.737 | 2.125 | 1.150 | 1.724 |
| 2006 | 1.592 | 3.722 | 2.139 | 1.243 | 1.648 | 1.815 | 3.957 | 2.310 | 1.066 | 1.717 |











SCENARIO I

| <u>Market</u> | <u>Driver</u> | <u>Indicated Rate</u> | <u>Manual Rate</u> | <u>Charged Rate*</u> | <u>Clean Risk Surcharge</u> |
|----------------------|----------------------|----------------------------------|-------------------------------|---------------------------------|--|
| Voluntary | Driver 1 | \$200.00 | \$250.00 | \$200.00 | \$31.63 |
| Voluntary | Driver 2 | \$250.00 | \$250.00 | \$250.00 | \$31.63 |
| Voluntary | Driver 3 | \$300.00 | \$250.00 | \$250.00 | \$31.63 |
| Clean | Driver 4 | \$460.00 | \$250.00 | \$250.00 | \$31.63 |
| Other than Clean | Driver 5 | \$660.00 | \$660.00 | \$660.00 | \$83.49 |
| | TOTAL | \$1,870.00 | \$1,660.00 | \$1,610.00 | \$210.01 |

Clean Risk Recoupment = 0.127

* Assumes that insurers deviate on Driver 1 because of individual loss and expense exposure and that Drivers 3 and 4 are capped at the manual rate in the voluntary market.

Observations:

- Manual rate based solely on voluntary experience
- Market not fully funded because amount paid (\$1,610 + \$210) does not equal indicated rate (\$1,870)
- Insurers will cede Driver 3, leading to Scenario II

SCENARIO II

| <u>Market</u> | <u>Driver</u> | <u>Indicated Rate</u> | <u>Manual Rate</u> | <u>Charged Rate*</u> | <u>Clean Risk Surcharge</u> |
|------------------|---------------|-----------------------|--------------------|----------------------|-----------------------------|
| Voluntary | Driver 1 | \$200.00 | \$225.00 | \$200.00 | \$44.71 |
| Voluntary | Driver 2 | \$250.00 | \$225.00 | \$225.00 | \$44.71 |
| Voluntary | Driver 3 | \$300.00 | \$225.00 | \$225.00 | \$44.71 |
| Clean | Driver 4 | \$460.00 | \$225.00 | \$225.00 | \$44.71 |
| Other than Clean | Driver 5 | \$660.00 | \$660.00 | \$660.00 | \$131.14 |
| | TOTAL | \$1,870.00 | \$1,560.00 | \$1,535.00 | \$309.98 |

Clean Risk Recoupment = 0.199

* Assumes that insurers deviate on Driver 1 because of individual loss and expense exposure and that Drivers 2, 3 and 4 are capped at the manual rate in the voluntary market.

Observations:

- Manual rate based solely on voluntary experience (i.e., Drivers 1 and 2)
- Size of residual market grew
- Clean risk recoupment increased from .127 to .199
- Market not fully funded because amount paid (\$1,535 + \$310) does not equal indicated rate (\$1,870)
- Shortfall in funding reduced from \$50 to \$25 because risks shifted to Reinsurance Facility where shortfall can be recouped
- Insurers will cede Driver 2, leading to voluntary rates for Driver 1 only and further increase in size of residual market

SCENARIO III

| <u>Market</u> | <u>Driver</u> | <u>Indicated Rate</u> | <u>Manual Rate</u> | <u>Charged Rate*</u> | <u>Clean Risk Surcharge</u> |
|------------------|---------------|-----------------------|--------------------|----------------------|-----------------------------|
| Voluntary | Driver 1 | \$200.00 | \$300.00 | \$200.00 | \$25.80 |
| Voluntary | Driver 2 | \$250.00 | \$300.00 | \$250.00 | \$25.80 |
| Voluntary | Driver 3 | \$300.00 | \$300.00 | \$300.00 | \$25.80 |
| Clean | Driver 4 | \$460.00 | \$300.00 | \$300.00 | \$25.80 |
| Other than Clean | Driver 5 | \$660.00 | \$660.00 | \$660.00 | \$56.76 |
| | TOTAL | \$1,870.00 | \$1,860.00 | \$1,710.00 | \$159.96 |

Clean Risk Recoupment = 0.086

* Assumes that insurers deviate on Driver 1 because of individual loss and expense exposure and that Driver 4 is capped at the manual rate in the voluntary market.

Observations:

- Manual rate based on total market
- Market adequately funded and not overfunded – amount.paid (\$1,710 + \$160) equals indicated rate (\$1,870)
- Drivers 1, 2 and 3, who have average or better than average exposure, can find coverage in the voluntary market
- Manual rates will stabilize at a level equal to the total market average, with rate changes dependent solely on changes in losses and expenses

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CHART 9A

Automobile Residual Market as a Percent of the Total Written Premium by Line, 2004

Residual Market Size Relative to Total Market by State and Line

Chart 9A shows, in ranking state order, the automobile residual market as a percent of total automobile written premiums by classification and coverage for 2004.

| State | Rank | 2004 Residual Market Written Prem. | % of state's Total Auto PPNF Liability | % of state's Total Auto PPNF Phys.Dam. | % of state's Total Auto Comm Liability | % of state's Total Auto Comm Phys.Dam. | % of state's Total Auto |
|----------------------|------|------------------------------------|--|--|--|--|-------------------------|
| NEW YORK | 1 | \$833,123,837 | 8.3 | 1.4 | 9.3 | 1.2 | 6.4 |
| NORTH CAROLINA | 2 | \$695,888,600 | 29.5 | N/A | 10.8 | N/A | 15.0 |
| MASSACHUSETTS | 3 | \$656,625,095 | 10.9 | 8.1 | 24.3 | 26.2 | 12.1 |
| NEW JERSEY | 4 | \$527,343,046 | 7.5 | 3.7 | 11.8 | 5.1 | 6.9 |
| MARYLAND | 5 | \$241,845,057 | 8.1 | 4.3 | 3.2 | 2.0 | 6.0 |
| CALIFORNIA | 6 | \$102,645,454 | 0.4 | N/A | 2.6 | N/A | 0.5 |
| PENNSYLVANIA | 7 | \$56,084,779 | 1.0 | 0.1 | 1.0 | 0.2 | 0.7 |
| RHODE ISLAND | 8 | \$44,137,734 | 8.3 | 0.5 | 4.3 | 1.0 | 5.4 |
| VIRGINIA | 9 | \$38,134,337 | 0.6 | 0.3 | 3.5 | 1.3 | 0.8 |
| MICHIGAN | 10 | \$31,437,442 | 0.3 | 0.2 | 2.3 | 0.6 | 0.4 |
| TEXAS | 11 | \$31,143,381 | 0.4 | N/A | 0.3 | N/A | 0.2 |
| CONNECTICUT | 12 | \$17,885,251 | 0.5 | 0.1 | 2.2 | 1.0 | 0.6 |
| HAWAII | 13 | \$17,161,896 | 1.8 | 0.2 | 9.3 | 7.0 | 2.4 |
| FLORIDA | 14 | \$16,550,260 | 0.1 | 0.0 | 0.6 | 0.0 | 0.1 |
| NEW HAMPSHIRE | 15 | \$12,636,987 | 0.9 | 0.6 | 5.1 | 4.8 | 1.4 |
| LOUISIANA | 16 | \$8,408,845 | 0.1 | 0.0 | 1.5 | 0.0 | 0.2 |
| ILLINOIS | 17 | \$8,181,783 | 0.1 | 0.1 | 0.3 | 0.2 | 0.1 |
| DISTRICT OF COLUMBIA | 18 | \$6,233,410 | 1.8 | 0.8 | 7.0 | 0.0 | 2.1 |
| KENTUCKY | 19 | \$6,189,396 | 0.1 | N/A | 1.8 | N/A | 0.2 |
| VERMONT | 20 | \$5,065,873 | 1.5 | 0.3 | 3.1 | 2.0 | 1.3 |
| MINNESOTA | 21 | \$3,965,480 | 0.0 | 0.0 | 1.0 | 0.0 | 0.1 |
| DELAWARE | 22 | \$3,764,432 | 0.1 | 0.1 | 3.2 | 1.4 | 0.5 |
| KANSAS | 23 | \$3,752,958 | 0.2 | 0.0 | 0.9 | 0.3 | 0.2 |
| ALASKA | 24 | \$3,665,420 | 1.0 | 0.4 | 1.4 | 0.1 | 0.8 |
| WISCONSIN | 25 | \$3,246,410 | 0.0 | 0.0 | 0.8 | 0.0 | 0.1 |
| ARIZONA | 26 | \$3,176,574 | 0.0 | 0.0 | 0.7 | 0.2 | 0.1 |
| MISSISSIPPI | 27 | \$2,870,492 | 0.1 | 0.0 | 1.0 | 0.0 | 0.2 |
| OKLAHOMA | 28 | \$2,708,425 | 0.0 | 0.0 | 0.9 | 0.2 | 0.1 |
| WEST VIRGINIA | 29 | \$2,631,729 | 0.1 | 0.0 | 1.3 | 0.1 | 0.2 |
| MISSOURI | 30 | \$2,602,899 | 0.0 | 0.0 | 0.5 | 0.1 | 0.1 |
| SOUTH CAROLINA | 31 | \$1,792,553 | 0.0 | 0.0 | 0.6 | 0.1 | 0.1 |
| ALABAMA | 32 | \$1,692,280 | 0.0 | 0.0 | 0.5 | 0.0 | 0.1 |
| MAINE | 33 | \$1,692,021 | 0.1 | 0.0 | 0.8 | 0.4 | 0.2 |
| GEORGIA | 34 | \$1,668,777 | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| OREGON | 35 | \$1,608,134 | 0.0 | 0.0 | 0.4 | 0.6 | 0.1 |
| TENNESSEE | 36 | \$1,303,925 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 |
| INDIANA | 37 | \$1,274,038 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| WASHINGTON | 38 | \$1,263,423 | 0.0 | 0.0 | 0.2 | 0.3 | 0.0 |
| IDAHO | 39 | \$1,156,519 | 0.0 | 0.0 | 0.8 | 0.6 | 0.2 |
| NEBRASKA | 40 | \$1,079,217 | 0.0 | N/A | 0.7 | N/A | 0.1 |
| SOUTH DAKOTA | 41 | \$992,829 | 0.0 | 0.0 | 1.6 | 0.1 | 0.2 |
| UTAH | 42 | \$851,661 | 0.0 | 0.0 | 0.4 | 0.3 | 0.1 |
| COLORADO | 43 | \$587,753 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 |
| IOWA | 44 | \$498,633 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 |
| MONTANA | 45 | \$483,194 | 0.1 | 0.0 | 0.3 | 0.0 | 0.1 |
| NEW MEXICO | 46 | \$437,019 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 |
| NEVADA | 47 | \$397,926 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 |
| WYOMING | 48 | \$361,752 | 0.0 | 0.0 | 0.8 | 0.0 | 0.1 |
| NORTH DAKOTA | 49 | \$334,360 | 0.0 | 0.0 | 0.5 | 0.2 | 0.1 |
| OHIO | 50 | \$218,445 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ARKANSAS | 51 | \$186,543 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| COUNTRYWIDE | | \$ 3,408,988,284 | 2.3 | 0.5 | 3.3 | 1.1 | 1.8 |

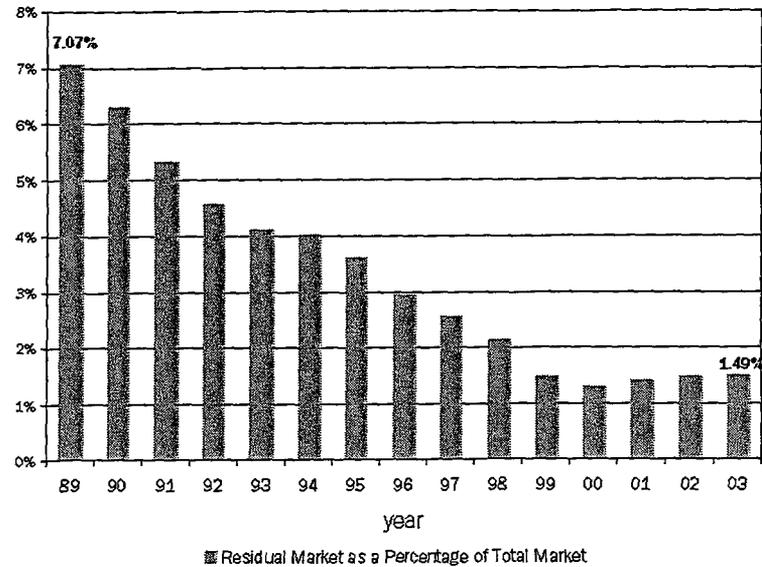
*Countrywide percentages represent the residual market's share of the total auto written premium for that classification of coverage.

N/A=coverage not available, or does not apply in this jurisdiction.

Market Cycle

Chart 10B reflects the trends of the residual market's share of the total market for PPNF liability car years insured from 1989 through 2003.

CHART 10B
PPNF Liability Insurance Residual Market
as a Percentage of the Total Market *of all jurisdictions reporting data to AIPSO*

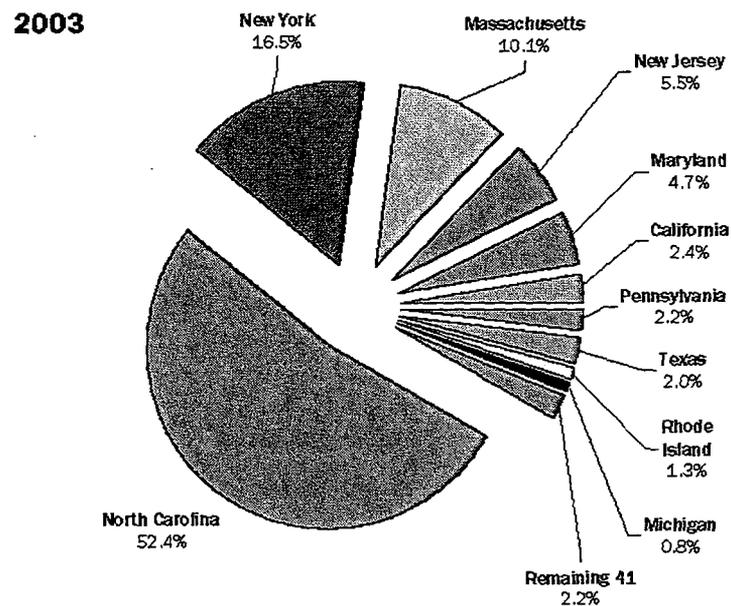


Market Concentration

Approximately 97.8% of the total private passenger nonfleet residual market business for 2003 was concentrated in ten states, each of which exceeded 21,000 written car years.

Chart 10C illustrates the concentration of residual market private passenger liability car years in 2003.

CHART 10C
Concentration of PPNF Liability Car Years Written



Ranking by State

In 2003, North Carolina was once again the only state to develop a population of more than one million written car years in the residual market.

The number of car years for the top ten jurisdictions and the corresponding percentage of the total are displayed in Chart 10D.

Chart 10D
PPNF Liability Car Years, 2003

| Rank | Jurisdiction | Amount | % of Total |
|------|-------------------------------|-----------|------------|
| 1 | North Carolina | 1,449,896 | 52.37% |
| 2 | New York | 456,061 | 16.47% |
| 3 | Massachusetts | 278,462 | 10.06% |
| 4 | New Jersey | 152,952 | 5.52% |
| 5 | Maryland | 130,669 | 4.72% |
| 6 | California | 66,869 | 2.42% |
| 7 | Pennsylvania | 60,033 | 2.17% |
| 8 | Texas | 55,250 | 2.00% |
| 9 | Rhode Island | 36,630 | 1.32% |
| 10 | Michigan | 21,040 | 0.76% |
| | Total of the 10 Jurisdictions | 2,707,862 | 97.81% |
| | Remaining 41 | 60,767 | 2.19% |
| | Total | 2,768,629 | 100.00% |

Largest Changes in Size

In 2003, 25 jurisdictions experienced increases in the residual market private passenger liability car years written. The five largest increases are shown in Chart 10E.

Chart 10E
Top Five Increases In Residual Market PPNF Liability Car Years, 2003

| Jurisdiction | Number Increased | Percent Change |
|----------------|------------------|----------------|
| North Carolina | 116,844 | 8.8% |
| New Jersey | 21,790 | 16.6% |
| California | 13,712 | 25.8% |
| Texas | 12,679 | 29.8% |
| Pennsylvania | 11,393 | 23.4% |

In 2003, 25 jurisdictions recorded declines in the number of residual market private passenger liability car years written. The five largest decreases are shown in Chart 10F.

In Chart 11 (page 26), the number of registered private passenger vehicles and private passenger liability written car years insured for the period 1999 through 2003 are shown.

Chart 11A (page 27) shows the breakdown of insured written car years between the voluntary and residual markets.

Chart 10F
Top Five Decreases In Residual Market PPNF Liability Car Years, 2003

| Jurisdiction | Number Decreased | Percent Change |
|----------------|------------------|----------------|
| New York | -31,870 | -6.5% |
| Massachusetts | -23,961 | -7.9% |
| Michigan | -11,302 | -34.9% |
| South Carolina | -3,484 | -94.5% |
| Virginia | -3,458 | -15.0% |

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CHART 9A

Automobile Residual Market as a Percent of the Total Written Premium by Line, 2003

Residual Market Size Relative to Total Market by State and Line

Chart 9A shows, in ranking state order, the automobile residual market as a percent of total automobile written premiums by classification and coverage for 2003.

| State | Rank | 2003 Residual Market Written Prem. | % of state's Total Auto PPNF Liability | % of state's Total Auto PPNF Phys.Dam. | % of state's Total Auto Comm Liability | % of state's Total Auto Comm Phys.Dam. | % of state's Total Auto |
|----------------------|------|------------------------------------|--|--|--|--|-------------------------|
| NEW YORK | 1 | \$1,014,708,842 | 11.0 | 2.2 | 7.3 | 1.3 | 8.0 |
| NORTH CAROLINA | 2 | \$706,793,690 | 30.1 | 0.0 | 9.8 | 0.0 | 15.0 |
| MASSACHUSETTS | 3 | \$645,811,310 | 11.1 | 8.6 | 26.1 | 24.4 | 12.6 |
| NEW JERSEY | 4 | \$499,000,310 | 7.4 | 3.6 | 12.0 | 5.2 | 6.7 |
| MARYLAND | 5 | \$236,717,353 | 8.4 | 4.6 | 3.3 | 2.1 | 6.3 |
| CALIFORNIA | 6 | \$101,879,253 | 0.5 | 0.0 | 2.2 | 0.0 | 0.5 |
| PENNSYLVANIA | 7 | \$60,823,693 | 1.1 | 0.2 | 0.9 | 0.5 | 0.8 |
| MICHIGAN | 8 | \$53,192,033 | 0.7 | 0.5 | 2.7 | 0.7 | 0.8 |
| FLORIDA | 9 | \$48,493,932 | 0.4 | 0.0 | 1.2 | 0.1 | 0.4 |
| VIRGINIA | 10 | \$45,097,322 | 0.9 | 0.5 | 3.4 | 1.7 | 1.0 |
| RHODE ISLAND | 11 | \$44,749,969 | 8.8 | 0.9 | 5.5 | 0.0 | 5.8 |
| TEXAS | 12 | \$43,210,326 | 0.6 | 0.0 | 0.3 | 0.0 | 0.3 |
| CONNECTICUT | 13 | \$19,101,251 | 0.7 | 0.2 | 2.0 | 1.4 | 0.7 |
| HAWAII | 14 | \$17,086,617 | 2.2 | 0.3 | 9.5 | 5.3 | 2.6 |
| NEW HAMPSHIRE | 15 | \$13,992,417 | 1.1 | 0.8 | 4.5 | 5.8 | 1.7 |
| ILLINOIS | 16 | \$8,157,048 | 0.1 | 0.1 | 0.3 | 0.1 | 0.1 |
| LOUISIANA | 17 | \$7,452,523 | 0.1 | 0.0 | 1.4 | 0.0 | 0.2 |
| KENTUCKY | 18 | \$7,074,785 | 0.1 | 0.0 | 2.3 | 0.0 | 0.3 |
| DISTRICT OF COLUMBIA | 19 | \$5,695,153 | 2.0 | 0.9 | 5.6 | 0.0 | 2.0 |
| VERMONT | 20 | \$5,676,406 | 1.7 | 0.5 | 3.8 | 1.7 | 1.5 |
| DELAWARE | 21 | \$4,005,568 | 0.2 | 0.1 | 3.1 | 2.1 | 0.6 |
| ALASKA | 22 | \$3,948,191 | 0.9 | 0.4 | 2.6 | 0.0 | 0.9 |
| WISCONSIN | 23 | \$3,564,150 | 0.0 | 0.0 | 0.9 | 0.0 | 0.1 |
| KANSAS | 24 | \$3,174,516 | 0.2 | 0.0 | 0.8 | 0.3 | 0.2 |
| MISSOURI | 25 | \$3,022,951 | 0.0 | 0.0 | 0.7 | 0.0 | 0.1 |
| OKLAHOMA | 26 | \$2,586,447 | 0.0 | 0.0 | 0.8 | 0.0 | 0.1 |
| WEST VIRGINIA | 27 | \$2,514,456 | 0.1 | 0.0 | 1.5 | 0.0 | 0.2 |
| SOUTH CAROLINA | 28 | \$2,016,173 | 0.0 | 0.0 | 0.7 | 0.1 | 0.1 |
| MAINE | 29 | \$1,862,458 | 0.1 | 0.0 | 1.2 | 0.3 | 0.2 |
| MINNESOTA | 30 | \$1,724,508 | 0.0 | 0.0 | 0.4 | 0.0 | 0.0 |
| TENNESSEE | 31 | \$1,698,592 | 0.0 | 0.0 | 0.3 | 0.0 | 0.1 |
| ARIZONA | 32 | \$1,352,138 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| MISSISSIPPI | 33 | \$1,285,031 | 0.1 | 0.0 | 0.3 | 0.2 | 0.1 |
| GEORGIA | 34 | \$1,125,513 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 |
| INDIANA | 35 | \$708,122 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 |
| SOUTH DAKOTA | 36 | \$693,981 | 0.0 | 0.0 | 1.1 | 0.0 | 0.2 |
| NEW MEXICO | 37 | \$608,595 | 0.0 | 0.0 | 0.3 | 0.0 | 0.1 |
| MONTANA | 38 | \$504,502 | 0.1 | 0.0 | 0.2 | 0.0 | 0.1 |
| ALABAMA | 39 | \$367,649 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| COLORADO | 40 | \$355,027 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| WYOMING | 41 | \$328,978 | 0.0 | 0.0 | 0.7 | 0.0 | 0.1 |
| NEVADA | 42 | \$318,952 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| IOWA | 43 | \$299,332 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| WASHINGTON | 44 | \$273,881 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| NEBRASKA | 45 | \$242,454 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| NORTH DAKOTA | 46 | \$181,586 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| UTAH | 47 | \$176,886 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| OHIO | 48 | \$137,400 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| IDAHO | 49 | \$110,255 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OREGON | 50 | \$105,708 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ARKANSAS | 51 | \$58,449 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| COUNTRYWIDE | | 3,624,066,682 | 2.7 | 0.6 | 3.1 | 1.1 | 2.0 |

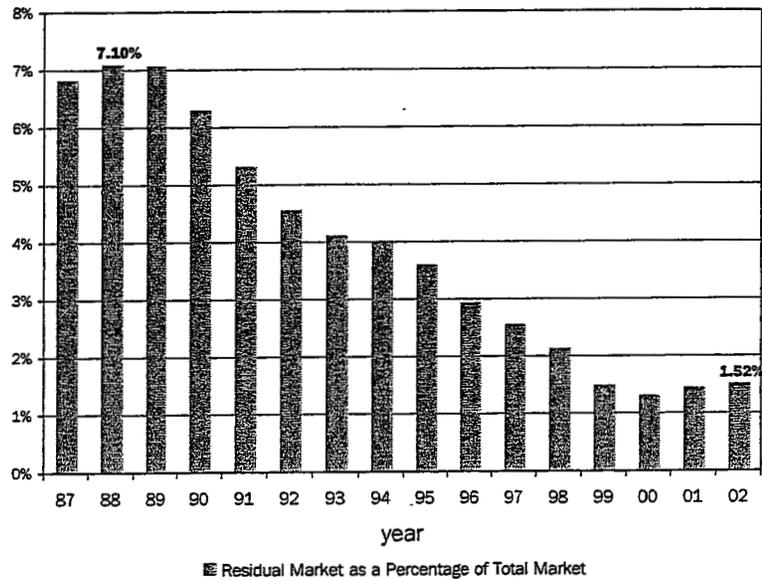
*Countrywide percentages represent the residual market's share of the total auto written premium for that classification of coverage.

N/A=coverage not available, or does not apply in this jurisdiction.

Market Cycle

Chart 10B reflects the trends of the residual market's share of the total market for PPNF liability car years insured from 1987 through 2002.

CHART 10B
PPNF Liability Insurance Residual Market
as a Percentage of the Total Market *of all jurisdictions reporting data to AIPSO*

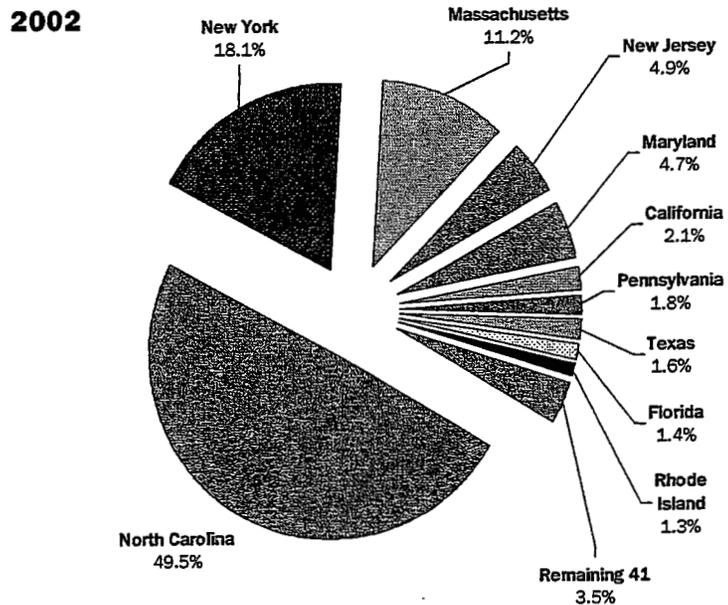


Market Concentration

Approximately 96.5% of the total private passenger nonfleet residual market business for 2002 was concentrated in ten states, each of which exceeded 33,000 insured car years.

Chart 10C illustrates the concentration of residual market private passenger liability car years in 2002.

CHART 10C
Concentration of PPNF Liability Car Years Written



Ranking by State

In 2002, North Carolina remained the only state to develop a population of more than one million car years in the residual market.

The number of car years for the top ten jurisdictions and the corresponding percentage of the total are displayed in Chart 10D.

Chart 10D
PPNF Liability Car Years, 2002

| Rank | Jurisdiction | Amount | % of Total |
|------|-------------------------------|-----------|------------|
| 1 | North Carolina | 1,333,052 | 49.51% |
| 2 | New York | 487,931 | 18.12% |
| 3 | Massachusetts | 302,423 | 11.23% |
| 4 | New Jersey | 131,162 | 4.87% |
| 5 | Maryland | 127,666 | 4.74% |
| 6 | California | 55,224 | 2.05% |
| 7 | Pennsylvania | 48,640 | 1.81% |
| 8 | Texas | 42,571 | 1.58% |
| 9 | Florida | 36,400 | 1.35% |
| 10 | Rhode Island | 33,863 | 1.26% |
| | Total of the 10 Jurisdictions | 2,598,932 | 96.52% |
| | Remaining 41 | 93,691 | 3.48% |
| | Total | 2,692,623 | 100.00% |

Largest Changes in Size

In 2002, 34 jurisdictions experienced increases in the residual market private passenger liability car years written. The five largest increases are shown in Chart 10E.

Chart 10E
Top Five Increases in Residual Market PPNF Liability Car Years, 2002

| Jurisdiction | Number Increased | Percent Change |
|----------------|------------------|----------------|
| New York | 73,785 | 17.8% |
| North Carolina | 61,383 | 4.8% |
| New Jersey | 29,254 | 28.7% |
| Maryland | 23,654 | 22.7% |
| California | 21,646 | 64.5% |

In 2002, 17 jurisdictions recorded declines in the number of residual market private passenger liability car years written. The five largest decreases are shown in Chart 10F.

In Chart 11 (page 26), the number of registered private passenger vehicles and private passenger liability written car years insured for the period 1998 through 2002 are shown.

Chart 11A (page 27) shows the breakdown of insured written car years between the voluntary and residual markets.

Chart 10F
Top Five Decreases in Residual Market PPNF Liability Car Years, 2002

| Jurisdiction | Number Decreased | Percent Change |
|----------------|------------------|----------------|
| Florida | -33,347 | -47.8% |
| South Carolina | -28,047 | -88.4% |
| Hawaii | -1,570 | -14.4% |
| Massachusetts | -1,107 | -0.4% |
| Mississippi | -933 | -60.4% |

PREFILED TESTIMONY
OF
JAMES H. VANDER WEIDE

2006 PRIVATE PASSENGER NONFLEET
AUTOMOBILE INSURANCE RATE FILING
BY THE NORTH CAROLINA RATE BUREAU

Q. WHAT IS YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS?

A. My name is James H. Vander Weide. I am Research Professor of Finance and Economics at the Fuqua School of Business of Duke University. I am also President of Financial Strategy Associates, a firm that provides strategic and financial consulting services to corporate clients. My business address is 3606 Stoneybrook Drive, Durham, North Carolina.

Q. WOULD YOU PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PRIOR ACADEMIC EXPERIENCE?

A. I graduated from Cornell University with a Bachelor's Degree in Economics and then attended Northwestern University where I earned a Ph.D. in Finance. I joined the faculty of the School of Business at Duke University where I was subsequently named Assistant Professor, Associate Professor, and then Professor.

Since joining the faculty I have taught courses in corporate finance, investment management, and management of financial institutions. I have also taught a graduate seminar on the

theory of public utility pricing and lectured in executive development seminars on the cost of capital, financial analysis, capital budgeting, mergers and acquisitions, real options, cash management, short-run financial planning, and competitive strategy.

I have served as Program Director and taught in numerous executive education programs at the Fuqua School of Business, including the Duke Advanced Management Program, the Duke Executive Program in Telecommunications, Competitive Strategies in Telecommunications, and the Duke Program for Manager Development for managers from the former Soviet Union. I also teach in tailored programs developed for corporations such as ABB, Accenture, Allstate, Ameritech, AT&T, Bell Atlantic, BellSouth, Carolina Power & Light, Contel, Fisons, Glaxo Wellcome, GTE, Lafarge, MidAmerican Energy, New Century Energies, Norfolk Southern, Pacific Bell Telephone, The Rank Group, Siemens, Southern New England Telephone, TRW, and Wolseley PLC.

In addition to my teaching and executive education activities, I have written research papers on such topics as portfolio management, the cost of capital, capital budgeting, the effect of regulation on the performance of public utilities, and cash management. My articles have been

published in *American Economic Review*, *Financial Management*, *International Journal of Industrial Organization*, *Journal of Finance*, *Journal of Financial and Quantitative Analysis*, *Journal of Bank Research*, *Journal of Accounting Research*, *Journal of Cash Management*, *Management Science*, *The Journal of Portfolio Management*, *Atlantic Economic Journal*, *Journal of Economics and Business*, and *Computers and Operations Research*. I have written a book titled *Managing Corporate Liquidity: an Introduction to Working Capital Management*, and a chapter for *The Handbook of Modern Finance*, "Financial Management in the Short Run."

Q. HAVE YOU PREVIOUSLY PRESENTED EVIDENCE ON THE COST OF CAPITAL AND OTHER REGULATORY ISSUES?

A. Yes. As an expert on financial and economic theory, I have testified on the cost of capital, competition, risk, incentive regulation, forward-looking economic cost, economic pricing guidelines, depreciation, accounting, valuation, and other financial and economic issues in approximately 370 cases before the U.S. Congress, the Federal Communications Commission, the National Telecommunications and Information Administration, the Federal Energy Regulatory Commission, the Canadian Radio-Television and Telecommunications Commission, the public service commissions of 40 states and the District of

Columbia, the insurance commissions of five states, the Iowa State Board of Tax Review, and the National Association of Securities Dealers. In addition, I have testified as an expert witness in proceedings before the U.S. District Court for the Northern District of California; U.S. District Court for the District of Nebraska; United States District Court for the District of New Hampshire; U.S. District Court for the Eastern District of North Carolina; Superior Court, North Carolina; the U.S. Bankruptcy Court for the Southern District of West Virginia; and the United States District Court for the Eastern District of Michigan.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I have been asked by the North Carolina Rate Bureau to make an independent appraisal of the aggregate cost of equity capital for the companies writing private passenger automobile insurance in North Carolina and to recommend a rate of return on equity which is fair, reasonable, and commensurate with returns on investments of comparable risk and which will allow those companies in the aggregate to attract and retain capital on reasonable terms.

Q. WHAT DO YOU MEAN BY THE PHRASE "COST OF EQUITY CAPITAL?"

A. A firm's cost of equity capital is the rate of return expectation that is required in the marketplace on equity

investments of comparable risk. If an investor does not expect to earn a return on an equity investment in a firm that is at least as large as the return the investor could expect to earn on other investments of comparable risk, then the investor will not invest in that firm's shares. Thus, a firm's cost of equity capital is also the rate of return expectation that is required in the marketplace in order to induce equity investors to purchase shares in that firm.

Q. IS THE COST OF EQUITY CAPITAL THE SAME AS THE RETURN ON EQUITY?

A. No. The cost of equity capital is a market-based concept that reflects investors' future expectations, while the return on equity is an accounting concept that measures results of past performance. The return on equity is equal to income available for common equity divided by the book value of common equity.

Q. HAVE YOU FORMED AN OPINION REGARDING THE COST OF EQUITY CAPITAL FOR THE AVERAGE COMPANY WRITING PRIVATE PASSENGER AUTOMOBILE INSURANCE IN NORTH CAROLINA?

A. Yes.

Q. WHAT IS YOUR OPINION IN THAT REGARD?

A. The cost of equity capital for such a company is in the range 11.0 percent to 13.7 percent.

Q. WHAT ECONOMIC PRINCIPLES DID YOU CONSIDER IN ARRIVING AT THAT OPINION?

A. There are two primary economic principles relevant to my appraisal of the cost of equity capital. The first, relating to the demand for capital, states that a firm should continue to invest in plant and equipment only so long as the return on its investment is greater than or equal to its cost of capital. In the context of a regulated firm which has only limited opportunity to choose the timing of its investments, this principle suggests that the regulatory agency should establish revenue levels which will assure equality between the firm's return on investment and its cost of capital.

The second principle, relating to the supply of capital, states that rational investors are maximizing their total return on capital only if the returns they expect to receive on investments of comparable risk are equal. If these returns are not equal, rational investors will reduce or completely eliminate investments in those activities yielding lower expected returns for a given level of risk and will increase investments in those activities yielding

higher expected returns. The second principle implies that regulated firms will be unable to obtain the capital required to expand service on reasonable terms unless they are able to provide investors returns equal to those expected on investments of comparable risk.

Q. DO THESE ECONOMIC PRINCIPLES APPLY TO THE SETTING OF INSURANCE RATES?

A. Yes. These are general economic principles that apply to investing in any business activity, including insurance.

Q. HOW DID YOU GO ABOUT DETERMINING THE COST OF EQUITY CAPITAL FOR THE AVERAGE COMPANY WRITING PRIVATE PASSENGER AUTOMOBILE INSURANCE IN NORTH CAROLINA?

A. I used two generally accepted methods to estimate the cost of equity: (i) the Discounted Cash Flow (DCF) Model, and (ii) the Risk Premium Approach.

Q. PLEASE DESCRIBE THE DCF MODEL.

A. The DCF Model suggests that investors value an asset on the basis of the future cash flows they expect to receive from owning the asset. Thus, investors value an investment in a bond because they expect to receive a sequence of semi-annual coupon payments over the life of the bond and a terminal payment equal to the bond's face value at the time

the bond matures. Likewise, investors value an investment in a firm's stock because they expect to receive a sequence of dividend payments and, perhaps, expect to sell the stock at a higher price sometime in the future.

A second fundamental principle of the DCF approach is that investors value a dollar received in the future less than a dollar received today. This is because, if they had the dollar today, they could invest it in an interest earning account and increase their wealth. This principle is called the time value of money.

Applying the two fundamental DCF principles noted above to an investment in a bond suggests that investors should value their investment in the bond on the basis of the present value of the bond's future cash flows. Thus, the price of the bond should be equal to:

Equation 1

$$P_B = \frac{C}{(1+i)} + \frac{C}{(1+i)^2} + \dots + \frac{C+F}{(1+i)^n}$$

where:

- P_B = Bond price;
- C = Cash value of the coupon payment (assumed for notational convenience to occur annually rather than semi-annually);
- F = Face value of the bond;

- i = The rate of interest the investor could earn by investing his money in an alternative bond of equal risk; and
 n = The number of periods before the bond matures.

Applying these same principles to an investment in a firm's stock suggests that the price of the stock should be equal to:

Equation 2

$$P_s = \frac{D_1}{(1+k)} + \frac{D_2}{(1+k)^2} + \dots + \frac{D_n + P_n}{(1+k)^n}$$

where:

- P_s = Current price of the firm's stock;
 $D_1, D_2 \dots D_n$ = Expected annual dividend per share on the firm's stock;
 P_n = Price per share of stock at the time the investor expects to sell the stock; and
 k = Return the investor expects to earn on alternative investments of the same risk, i.e., the investor's required rate of return.

Equation (2) is frequently called the Annual Discounted Cash Flow (DCF) Model of stock valuation.

Q. HOW DO YOU USE THE DCF MODEL TO DETERMINE THE COST OF EQUITY CAPITAL?

A. The "k" in the equation is the cost of equity capital. We make certain simplifying assumptions regarding the other factors in the equation and then mathematically solve for "k."

Q. WHAT ARE THE ASSUMPTIONS YOU MAKE?

A. Most analysts make three simplifying assumptions. First, they assume that dividends are expected to grow at the constant rate ("g") into the indefinite future. Second, they assume that the stock price at time "n" is simply the present value of all dividends expected in periods subsequent to "n." Third, they assume that the investors' required rate of return, "k," exceeds the expected dividend growth rate, "g."

Q. DOES THE ANNUAL DCF MODEL OF STOCK VALUATION PRODUCE APPROPRIATE ESTIMATES OF A FIRM'S COST OF EQUITY CAPITAL?

A. No. The Annual DCF Model of stock valuation produces appropriate estimates of a firm's cost of equity capital only if the firm pays dividends just once a year. Since most firms pay dividends quarterly, the Annual DCF Model produces downwardly biased estimates of the cost of equity.

Investors can expect to earn a higher annual effective return on an investment in a firm that pays quarterly dividends than in one which pays the same amount of dollar dividends once at the end of each year. A complete analysis of the implications of the quarterly payment of dividends on the DCF Model is provided in Exhibit RB-26. For the reasons

cited there, I employed the Quarterly DCF Model throughout my calculations.

Q. PLEASE DESCRIBE THE QUARTERLY DCF MODEL YOU USED.

A. The Quarterly DCF Model I used is described by Equation 10 on page 11 in Exhibit RB-26. This equation shows that the cost of equity is: the sum of the dividend yield and the growth rate, where the dividend in the dividend yield is the equivalent dividend at the end of the year, and the growth rate is the expected growth in dividends or earnings per share.

Q. HOW DID YOU APPLY THE DCF APPROACH TO OBTAIN THE COST OF EQUITY CAPITAL FOR THE COMPANIES WRITING PRIVATE PASSENGER AUTOMOBILE INSURANCE IN NORTH CAROLINA?

A. I applied the DCF approach to three groups of companies: Value Line's group of property/casualty insurance companies, a subset of those companies that have a high percentage of revenues from private passenger automobile insurance, and the S&P 500.

Q. WHY DID YOU APPLY THE DCF APPROACH TO THE S&P 500 AS WELL AS TO VALUE LINE'S PROPERTY/CASUALTY INSURANCE COMPANIES?

A. As I noted previously, the cost of equity is defined as the rate of return investors expect to earn on investments in

other companies of comparable risk. I applied the DCF approach to the S&P 500 because they are a large group of companies that, on average, are typically viewed as being comparable in risk to the property/casualty insurance industry. The use of a larger set of comparable risk companies should provide an accurate estimate of the cost of equity for the companies writing private passenger automobile insurance in North Carolina.

Q. DID YOU INCLUDE ALL THE VALUE LINE PROPERTY/CASUALTY INSURANCE COMPANIES?

A. No. Among the Value Line property/casualty insurance companies, I deleted any firm which either pays no dividend, has recently lowered its dividend, or has fewer than three five-year earnings forecasts available from I/B/E/S (formerly known as the Institutional Brokers Estimate System, now part of Thomson Financial). The Value Line property/casualty companies I used are shown in Exhibit RB-27.

Q. DO ANY OF THE PROPERTY/CASUALTY INSURANCE COMPANIES INCLUDED IN YOUR EXHIBIT HAVE A SIGNIFICANT PERCENTAGE OF REVENUES FROM PRIVATE PASSENGER AUTOMOBILE INSURANCE?

A. Yes. The following companies have a significant percentage of revenues from private passenger automobile insurance:

Allstate, Progressive, SAFECO, and Selective. Thus, I show DCF results for this subset of property/casualty insurance companies on Exhibit RB-28.

Q. WHAT CRITERIA DID YOU USE TO SELECT COMPANIES IN THE S&P 500?

A. I included those firms which pay dividends and which have at least three five-year earnings forecasts available from I/B/E/S. I excluded the insurance companies in the S&P 500, as identified by I/B/E/S Thomson Financial, because I had already calculated DCF results for the Value Line property/casualty insurance companies. To be conservative, I also eliminated those companies whose DCF results exceeded the mean by one standard deviation. The S&P 500 companies I used are shown in Exhibit RB-29.

Q. WHY DID YOU ELIMINATE ANY COMPANY WHICH HAD RECENTLY LOWERED ITS DIVIDEND OR WHICH FAILS TO PAY DIVIDENDS?

A. I eliminated those companies because it is extremely difficult to make a reliable estimate of the future dividend growth rate for companies that have recently lowered their dividends or do not pay dividends. If a company has recently lowered its dividend, investors do not know whether the company will again lower its dividend in the future, or whether the company will attempt to increase its dividend

back toward its previous level. If a company does not pay a dividend, one cannot mathematically apply the DCF approach.

Q. HOW DID YOU ESTIMATE THE GROWTH COMPONENT OF THE QUARTERLY DCF MODEL?

A. I used the average of analysts' estimates of future earnings per share (EPS) growth reported by I/B/E/S. As part of their research, financial analysts working at Wall Street firms periodically estimate EPS growth for each firm they follow. The EPS forecasts for each firm are then published. The forecasts are used by investors who are contemplating purchasing or selling shares in individual companies.

Q. WHAT IS I/B/E/S?

A. I/B/E/S is a collection of analysts' forecasts for a broad group of companies expressed in terms of a mean forecast and a standard deviation of forecast for each firm. The mean forecast is used by investors as an estimate of future firm performance.

Q. WHY DID YOU USE THE I/B/E/S GROWTH ESTIMATES?

A. The I/B/E/S growth rates (1) are widely circulated in the financial community, (2) include the projections of a large number of reputable financial analysts who develop estimates of future growth, (3) are reported on a timely basis to

investors, and (4) are widely used by institutional and other investors. For these reasons, I believe these estimates represent unbiased estimates of investors' expectations of each firm's long-term growth prospects and, accordingly, are incorporated by investors into their return requirements. Consequently, in my opinion, they provide the best available estimate of investors' long-term growth expectations.

Q. WHY DID YOU RELY EXCLUSIVELY ON ANALYSTS' PROJECTIONS OF FUTURE EPS GROWTH IN ESTIMATING THE INVESTORS' EXPECTED GROWTH RATE RATHER THAN LOOKING AT PAST HISTORICAL GROWTH RATES?

A. There is considerable empirical evidence that analysts' forecasts are more highly correlated with stock prices than are firms' historical growth rates, and, thus, that investors actually use these forecasts.

Q. HAVE YOU PERFORMED ANY STUDIES CONCERNING THE USE OF ANALYSTS' FORECASTS AS THE BEST ESTIMATE OF INVESTORS' EXPECTED GROWTH RATE, G?

A. Yes, I prepared a study in conjunction with Willard T. Carleton, Karl Eller Professor of Finance at the University of Arizona, on why analysts' forecasts provide the best estimate of investors' expectations of future

long-term growth. This study is described in a paper entitled "Investor Growth Expectations and Stock Prices: the Analysts versus Historical Growth Extrapolation," published in the Spring 1988 edition of *The Journal of Portfolio Management*.

Q. PLEASE SUMMARIZE THE RESULTS OF YOUR STUDY.

A. First, we performed a correlation analysis to identify the historically-oriented growth rates which best described a firm's stock price. Then we did a regression study comparing the historical growth rates with the consensus analysts' forecasts. In every case, the regression equations containing the average of analysts' forecasts statistically outperformed the regression equations containing the historical growth estimates. These results are consistent with those found by Cragg and Malkiel, the early major research in this area. These results are also consistent with the hypothesis that investors use analysts' forecasts, rather than historically-oriented growth calculations, in making buy and sell decisions. They provide overwhelming evidence that the analysts' forecasts of future growth are superior to historically-oriented growth measures in predicting a firm's stock price.

Q. WHAT PRICE DID YOU USE IN YOUR DCF MODEL?

A. I used a simple average of the monthly high and low stock prices for each firm for the three - month period, September through November 2005. These high and low stock prices were obtained from Thomson Financial.

Q. WHY DID YOU USE THE THREE - MONTH AVERAGE STOCK PRICE, P_0 , IN APPLYING THE DCF METHOD?

A. I used a three - month average stock price in applying the DCF method because stock prices fluctuate daily, while financial analysts' forecasts for a given company are generally changed less frequently, often on a quarterly basis. Thus, to match the stock price with an earnings forecast, it is appropriate to average stock prices over a three - month period.

Q. PLEASE EXPLAIN YOUR INCLUSION OF FLOTATION COSTS.

A. All firms that have sold securities in the capital markets have incurred some level of flotation costs, including underwriters' commissions, legal fees, printing expense, etc. These costs are paid from the proceeds of the stock sale and must be recovered over the life of the equity issue. Costs vary depending upon the size of the issue, the type of registration method used and other factors, but in general these costs range between four percent and five percent of the proceeds from the issue. In addition to

these costs, for large equity issues there is likely to be a decline in price associated with the sale of shares to the public. On average, the decline due to market pressure has been estimated at two percent to three percent.

These cost ranges have been developed and confirmed in a number of generally accepted studies. I believe a combined five percent allowance for flotation costs and market pressure is a conservative estimate that can be used in applying the DCF model in this proceeding.

Q. PLEASE SUMMARIZE THE RESULTS OF YOUR APPLICATION OF THE DCF METHOD TO THE PROPERTY/CASUALTY INSURANCE COMPANIES AND THE S&P 500.

A. As shown in Exhibits RB-27, RB-28, and RB-29, the average DCF cost of equity capital for my group of Value Line property/casualty companies is 13.7 percent; for the insurance companies that have a significant percentage of revenues from private passenger automobile insurance, 12.9 percent; and for the S&P 500 companies, 13.5 percent.¹

Q. WHAT CONCLUSION DO YOU REACH FROM YOUR DCF ANALYSIS ABOUT THE COST OF EQUITY CAPITAL FOR COMPANIES WRITING PRIVATE PASSENGER AUTOMOBILE INSURANCE IN NORTH CAROLINA?

A. On the basis of my DCF analysis, I would conclude that for companies writing private passenger automobile insurance in North Carolina the cost of equity is in the range 12.9 percent to 13.7 percent.

Q. YOU SAID THE SECOND METHOD YOU USED TO ESTIMATE THE COST OF EQUITY CAPITAL FOR COMPANIES WRITING PRIVATE PASSENGER AUTOMOBILE INSURANCE IN NORTH CAROLINA WAS A RISK PREMIUM APPROACH. PLEASE DESCRIBE THAT APPROACH.

A. I performed a study of the comparable returns received by bond and stock investors over the last 78 years. I estimated the returns on stock and bond portfolios, using stock price and dividend yield data on the S&P 500 stock portfolio and bond yield data on Moody's A-rated utility bonds.

My study consisted of analyzing the historically achieved returns on broadly based stock and bond portfolios going back to 1926. For stocks, I used the S&P 500 stock portfolio and for bonds I used Moody's A-rated utility bonds. The resulting annual returns on the stock and bond portfolios purchased in each year from 1926 through 2004 are shown on Exhibit RB-30. The difference between the stock

¹ I also eliminated those companies with DCF results that varied from the mean by one standard deviation or more.

return and the bond return over that period of time on an arithmetic average basis was 5.22 percent.

Q. WHAT CONCLUSIONS DO YOU DRAW FROM YOUR RISK PREMIUM ANALYSES?

A. My own studies, combined with my analysis of other studies, provide strong evidence for the belief that investors today require an equity return of approximately 5.22 percentage points above the expected yield on A-rated long-term debt issues.

Interest rates on Moody's seasoned A-rated utility bonds during the three months September through November 2005 ranged from 5.5 percent to 5.9 percent. On the basis of this information and my knowledge of bond market conditions, I conclude that the long-term yield on A-rated utility bonds is approximately 5.7 percent. Adding 5.2 percentage points risk premium to the 5.7 percent expected yield on A-rated utility bonds, I obtain an expected return on equity of approximately 11.0 percent.²

Q. BASED ON YOUR ANALYSES, WHAT IS YOUR OPINION AS TO THE COST OF CAPITAL FOR THE AVERAGE INSURANCE COMPANY WRITING PRIVATE PASSENGER AUTOMOBILE INSURANCE IN NORTH CAROLINA?

² Apparent discrepancy due to rounding.

A. Based on my review and studies, I believe that a conservative estimate of the cost of common equity capital for the average insurance company writing private passenger automobile insurance in North Carolina is in the range 11.0 percent to 13.7 percent.

Q. IS THE COST OF EQUITY A FAIR RETURN ON EQUITY?

A. No. The cost of equity is a market-based concept that reflects the return investors expect on the market value of their investment. The fair return on equity is an accounting concept that expresses the accounting rate of return the company earns on the book value of its investment. The cost of equity and the fair return on equity will be equal only when the market value of equity is equal to the book value of equity. Generally, the market value of equity is greater than the book value of equity for both the average firm and the average property/casualty insurer. When the market value of equity is greater than the book value of equity, the fair rate of return on equity must exceed the cost of equity capital for the equity investors to have a reasonable expectation of earning their required return on investment.

Q. DID YOU CONVERT YOUR COST OF EQUITY CAPITAL TO A FAIR RETURN ON EQUITY?

A. No. In this proceeding I have not converted my cost of equity capital to the fair return on equity. The data that I previously used to convert my cost of equity to a fair return on equity has not been updated in several years. Given recent experience in the capital markets, I am confident that the fair return on equity would exceed the cost of equity. However, in the absence of data necessary to perform an explicit study, to be conservative, I recommend that my cost of equity estimate also be used as an estimate of the fair return on equity.

THE QUARTERLY DCF MODEL

The simple DCF Model assumes that a firm pays dividends only at the end of each year. Since firms in fact pay dividends quarterly and investors appreciate the time value of money, the annual version of the DCF Model generally underestimates the value investors are willing to place on the firm's expected future dividend stream. In this appendix, we review two alternative formulations of the DCF Model that allow for the quarterly payment of dividends.

When dividends are assumed to be paid annually, the DCF Model suggests that the current price of the firm's stock is given by the expression:

$$P_0 = \frac{D_1}{(1+k)} + \frac{D_2}{(1+k)^2} + \dots + \frac{D_n + P_n}{(1+k)^n} \quad (1)$$

where

| | | |
|------------------------|---|--|
| P_0 | = | current price per share of the firm's stock, |
| D_1, D_2, \dots, D_n | = | expected annual dividends per share on the firm's stock, |
| P_n | = | price per share of stock at the time investors expect to sell the stock, and |
| k | = | return investors expect to earn on alternative investments of the same risk, i.e., the investors' required rate of return. |

Unfortunately, expression (1) is rather difficult to analyze, especially for the purpose of estimating k . Thus, most analysts make a number of simplifying assumptions. First, they assume that dividends are expected to grow at the constant rate g into the indefinite future. Second, they assume that the stock price at time n is simply the present value of all dividends expected in periods subsequent to n . Third, they assume that the investors' required rate of return, k , exceeds the expected dividend growth rate g . Under the above simplifying assumptions, a firm's stock price may be written as the following sum:

$$P_0 = \frac{D_0(1+g)}{(1+k)} + \frac{D_0(1+g)^2}{(1+k)^2} + \frac{D_0(1+g)^3}{(1+k)^3} + \dots, \quad (2)$$

where the three dots indicate that the sum continues indefinitely.

As we shall demonstrate shortly, this sum may be simplified to:

$$P_0 = \frac{D_0(1+g)}{(k-g)}$$

First, however, we need to review the very useful concept of a geometric progression.

Geometric Progression

Consider the sequence of numbers 3, 6, 12, 24, ..., where each number after the first is obtained by multiplying the preceding number by the factor 2. Obviously, this sequence of numbers may also be expressed as the sequence 3, 3 x 2, 3 x 2², 3 x 2³, ... This sequence is an example of a geometric progression.

Definition: A geometric progression is a sequence in which each term after the first is obtained by multiplying some fixed number, called the common ratio, by the preceding term.

A general notation for geometric progressions is: a, the first term, r, the common ratio, and n, the number of terms. Using this notation, any geometric progression may be represented by the sequence:

$$a, ar, ar^2, ar^3, \dots, ar^{n-1}.$$

In studying the DCF Model, we will find it useful to have an expression for the sum of n terms of a geometric progression. Call this sum S_n. Then

$$S_n = a + ar + \dots + ar^{n-1}. \tag{3}$$

However, this expression can be simplified by multiplying both sides of equation (3) by r and then subtracting the new equation from the old. Thus,

$$rS_n = ar + ar^2 + ar^3 + \dots + ar^n$$

and

$$S_n - rS_n = a - ar^n \quad ,$$

or

$$(1 - r) S_n = a (1 - r^n) \quad .$$

Solving for S_n , we obtain:

$$S_n = \frac{a(1-r^n)}{(1-r)} \quad (4)$$

as a simple expression for the sum of n terms of a geometric progression. Furthermore, if $|r| < 1$, then S_n is finite, and as n approaches infinity, S_n approaches $a \div (1 - r)$. Thus, for a geometric progression with an infinite number of terms and $|r| < 1$, equation (4) becomes:

$$S = \frac{a}{1 - r} \quad (5)$$

Application to DCF Model

Comparing equation (2) with equation (3), we see that the firm's stock price (under the DCF assumption) is the sum of an infinite geometric progression with the first term

$$a = \frac{D_0(1+g)}{(1+k)}$$

and common factor

$$r = \frac{(1+g)}{(1+k)}$$

Applying equation (5) for the sum of such a geometric progression,
we obtain

$$S = a \cdot \frac{1}{(1-r)} = \frac{D_0(1+g)}{(1+k)} \cdot \frac{1}{1-\frac{1+g}{1+k}} = \frac{D_0(1+g)}{(1+k)} \cdot \frac{1+k}{k-g} = \frac{D_0(1+g)}{k-g}$$

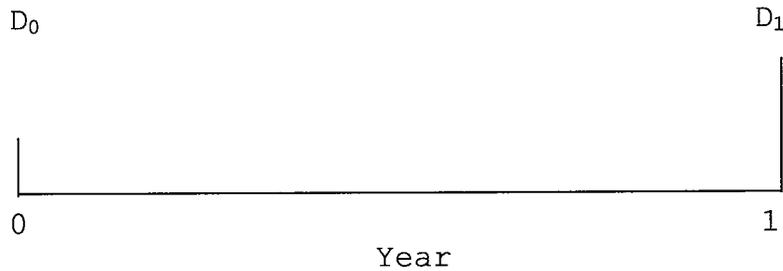
as we suggested earlier.

Quarterly DCF Model

The Annual DCF Model assumes that dividends grow at an annual rate of $g\%$ per year (see Figure 1).

Figure 1

Annual DCF Model

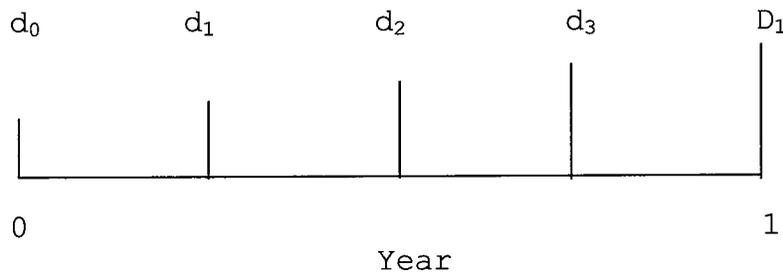


$$D_0 = 4d_0$$

$$D_1 = D_0(1 + g)$$

Figure 2

Quarterly DCF Model (Constant Growth Version)



$$d_1 = d_0(1+g)^{.25}$$

$$d_2 = d_0(1+g)^{.50}$$

$$d_3 = d_0(1+g)^{.75}$$

$$d_4 = d_0(1+g)$$

In the Quarterly DCF Model, it is natural to assume that quarterly dividend payments differ from the preceding quarterly dividend by the factor $(1 + g)^{.25}$, where g is expressed in terms of percent per year and the decimal .25 indicates that the growth has only occurred for one quarter of the year. (See Figure 2.) Using this assumption, along with the assumption of constant growth and $k > g$, we obtain a new expression for the firm's stock price, which takes account of the quarterly payment of dividends. This expression is:

$$P_0 = \frac{d_0(1+g)^{\frac{1}{4}}}{(1+k)^{\frac{1}{4}}} + \frac{d_0(1+g)^{\frac{2}{4}}}{(1+k)^{\frac{2}{4}}} + \frac{d_0(1+g)^{\frac{3}{4}}}{(1+k)^{\frac{3}{4}}} + \dots \quad (6)$$

where d_0 is the last quarterly dividend payment, rather than the last annual dividend payment. (We use a lower case d to remind the reader that this is not the annual dividend.)

Although equation (6) looks formidable at first glance, it too can be greatly simplified using the formula [equation (4)] for the sum of an infinite geometric progression. As the reader can easily verify, equation (6) can be simplified to:

$$P_0 = \frac{d_0(1+g)^{\frac{1}{4}}}{(1+k)^{\frac{1}{4}} - (1+g)^{\frac{1}{4}}} \quad (7)$$

Solving equation (7) for k , we obtain a DCF formula for

estimating the cost of equity under the quarterly dividend assumption:

$$k = \left[\frac{d_0(1+g)^{\frac{1}{4}}}{P_0} + (1+g)^{\frac{1}{4}} \right]^4 - 1 \quad (8)$$

An Alternative Quarterly DCF Model

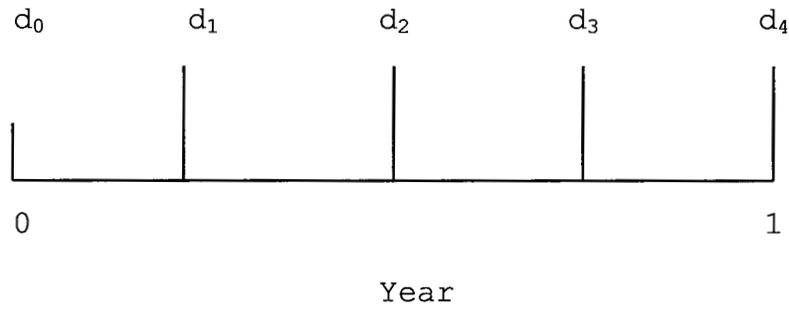
Although the constant growth Quarterly DCF Model [equation (8)] allows for the quarterly timing of dividend payments, it does require the assumption that the firm increases its dividend payments each quarter. Since this assumption is difficult for some analysts to accept, we now discuss a second Quarterly DCF Model that allows for constant quarterly dividend payments within each dividend year.

Assume then that the firm pays dividends quarterly and that each dividend payment is constant for four consecutive quarters. There are four cases to consider, with each case distinguished by varying assumptions about where we are evaluating the firm in relation to the time of its next dividend increase. (See Figure 3.)

Figure 3

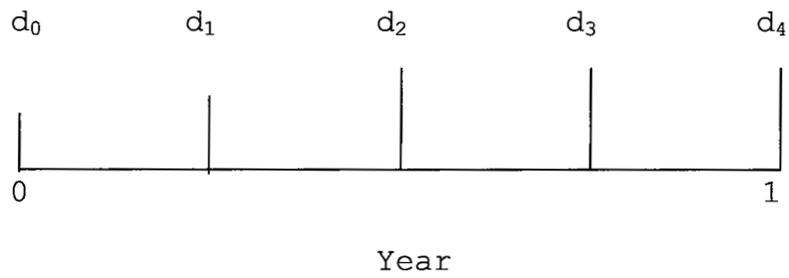
Quarterly DCF Model (Constant Dividend Version)

Case 1



$$d_1 = d_2 = d_3 = d_4 = d_0(1+g)$$

Case 2

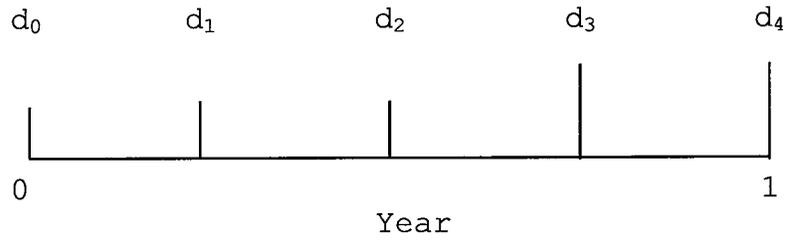


$$d_1 = d_0$$

$$d_2 = d_3 = d_4 = d_0(1+g)$$

Figure 3 (continued)

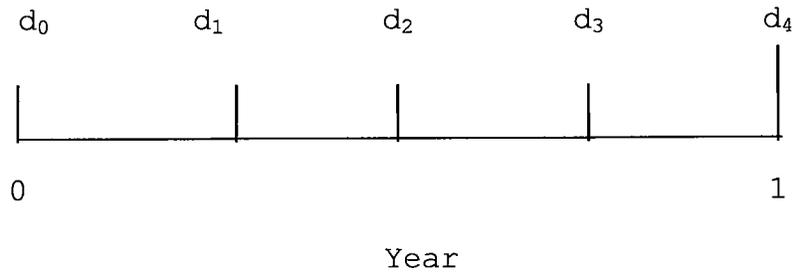
Case 3



$$d_1 = d_2 = d_0$$

$$d_3 = d_4 = d_0(1+g)$$

Case 4



$$d_1 = d_2 = d_3 = d_0$$

$$d_4 = d_0(1+g)$$

If we assume that the investor invests the quarterly dividend in an alternative investment of the same risk, then the amount accumulated by the end of the year will in all cases be given by

$$D_1^* = d_1 (1+k)^{3/4} + d_2 (1+k)^{1/2} + d_3 (1+k)^{1/4} + d_4$$

where d_1 , d_2 , d_3 and d_4 are the four quarterly dividends. Under these new assumptions, the firm's stock price may be expressed by an Annual DCF Model of the form (2), with the exception that

$$D_1^* = d_1 (1 + k)^{3/4} + d_2 (1 + k)^{1/2} + d_3 (1 + k)^{1/4} + d_4 \quad (9)$$

is used in place of $D_0(1+g)$. But, we already know that the Annual DCF Model may be reduced to

$$P_0 = \frac{D_0(1+g)}{k-g}$$

Thus, under the assumptions of the second Quarterly DCF Model, the firm's cost of equity is given by

$$k = \frac{D_1^*}{P_0} + g \quad (10)$$

with D_1^* given by (9).

Although equation (10) looks like the Annual DCF Model,

there are at least two very important practical differences. First, since D_1^* is always greater than $D_0(1+g)$, the estimates of the cost of equity are always larger (and more accurate) in the Quarterly Model (10) than in the Annual Model. Second, since D_1^* depends on k through equation (9), the unknown "k" appears on both sides of (10), and an iterative procedure is required to solve for k .

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS FOR
PROPERTY/CASUALTY INSURANCE COMPANIES

| Company | D_0 | P_0 | g | K |
|-----------------------|-------|---------|-------|-------|
| ACE Limited | 0.230 | 49.337 | 11.66 | 13.8% |
| Allstate Corp. | 0.320 | 53.970 | 10.40 | 13.1% |
| Berkley (W.R.) | 0.050 | 41.077 | 13.20 | 13.8% |
| Chubb Corp. | 0.430 | 90.580 | 11.18 | 13.4% |
| Cincinnati Financial | 0.305 | 41.960 | 10.25 | 13.5% |
| Everest Re Group Ltd. | 0.110 | 97.326 | 13.25 | 13.8% |
| Fidelity National | 0.250 | 39.573 | 11.75 | 14.7% |
| HCC Insurance Hldgs. | 0.075 | 28.953 | 15.67 | 16.8% |
| Old Republic | 0.170 | 25.910 | 9.75 | 12.6% |
| PartnerRe Ltd. | 0.380 | 63.767 | 12.20 | 15.0% |
| PMI Group | 0.053 | 39.267 | 11.67 | 12.2% |
| Progressive (Ohio) | 0.030 | 110.529 | 9.94 | 10.1% |
| RLI Corp. | 0.160 | 49.892 | 11.75 | 13.2% |
| SAFECO Corp. | 0.250 | 53.915 | 10.67 | 12.7% |
| Selective Ins. Group | 0.220 | 52.053 | 13.86 | 15.7% |
| XL Capital Ltd. | 0.500 | 67.110 | 11.67 | 15.2% |
| Average | | | | 13.7% |

Notes:

- d_0 = Latest quarterly dividend per *Value Line*.
- d_1, d_2, d_3, d_4 = Expected next four quarterly dividends.
- P_0 = Average of the monthly high and low stock prices during the three months ending November 2005 per Thomson Financial.
- FC = Flotation costs.
- g = I/B/E/S forecast of future earnings growth November 2005.
- k = Cost of equity using the quarterly version of the DCF Model and a five percent allowance for flotation costs and market pressure (selling costs) as shown by the formula below:

$$k = \frac{d_1(1+k)^{25} + d_2(1+k)^{30} + d_3(1+k)^{35} + d_4}{P_0(1-FC)} + g$$

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS FOR
PROPERTY/CASUALTY INSURANCE COMPANIES
THAT HAVE A SIGNIFICANT PORTION OF REVENUES FROM PRIVATE
PASSENGER AUTOMOBILE INSURANCE

| <i>Company</i> | d_0 | P_0 | g | K |
|----------------------|-------|---------|-------|-------|
| Allstate Corp. | 0.320 | 53.970 | 10.40 | 13.1% |
| Progressive (Ohio) | 0.030 | 110.529 | 9.94 | 10.1% |
| SAFECO Corp. | 0.250 | 53.915 | 10.67 | 12.7% |
| Selective Ins. Group | 0.220 | 52.053 | 13.86 | 15.7% |
| Average | | | | 12.9% |

Notes:

- d_0 = Latest quarterly dividend per Value Line.
- d_1, d_2, d_3, d_4 = Expected next four quarterly dividends.
- P_0 = Average of the monthly high and low stock prices during the three months ending November 2005 per Thomson Financial.
- FC = Selling and flotation costs.
- g = I/B/E/S forecast of future earnings growth November 2005.
- k = Cost of equity using the quarterly version of the DCF Model and a five percent allowance for flotation costs and market pressure (selling costs) as shown by the formula below:

$$k = \frac{d_1(1+k)^{75} + d_2(1+k)^{50} + d_3(1+k)^{25} + d_4}{P_0(1-FC)} + g$$

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS FOR
S&P 500 COMPANIES

| COMPANY | D_0 | P_0 | g | k |
|------------------------|-------|---------|--------|-------|
| 3M | 1.68 | 74.193 | 11.64% | 14.3% |
| ABBOTT LABS. | 1.10 | 42.510 | 9.40% | 12.4% |
| AETNA | 0.04 | 86.387 | 16.25% | 16.3% |
| AIR PRDS. & CHEMS. | 1.28 | 56.343 | 9.34% | 12.0% |
| ALBERTO CULVER | 0.46 | 43.512 | 11.50% | 12.7% |
| ALBERTSONS | 0.76 | 23.978 | 7.35% | 11.0% |
| ALCOA | 0.60 | 25.082 | 14.20% | 17.1% |
| ALTRIA GROUP INCO. | 3.20 | 72.240 | 8.50% | 13.6% |
| AMBAC FINANCIAL | 0.60 | 70.952 | 11.33% | 12.3% |
| AMER. STANDARD | 0.60 | 42.168 | 13.33% | 15.0% |
| AMEREN | 2.54 | 52.812 | 5.21% | 10.6% |
| AMERICAN EXPRESS | 0.48 | 49.897 | 13.21% | 14.4% |
| AMERIPRISE FINL. | 0.44 | 37.317 | 10.60% | 12.0% |
| AMERISOURCEBERGEN | 0.20 | 76.690 | 11.95% | 12.3% |
| AMSOUTH BANC. | 1.04 | 25.458 | 7.67% | 12.4% |
| ANADARKO PETROLEUM | 0.72 | 91.227 | 13.00% | 13.9% |
| ANHEUSER-BUSCH COS. | 1.08 | 42.992 | 7.56% | 10.4% |
| APACHE | 0.40 | 69.222 | 11.83% | 12.5% |
| APPLIED MATS. | 0.12 | 17.152 | 15.36% | 16.2% |
| ARCHER-DANLS. -MIDL. | 0.34 | 23.873 | 8.75% | 10.4% |
| AT&T | 1.29 | 23.767 | 5.98% | 12.2% |
| AUTOMATIC DATA PROC. | 0.74 | 44.818 | 12.13% | 14.1% |
| AVERY DENNISON | 1.56 | 55.045 | 11.00% | 14.3% |
| AVON PRODUCTS | 0.66 | 27.715 | 11.57% | 14.4% |
| BANK OF AMERICA | 2.00 | 43.452 | 8.79% | 14.2% |
| BANK OF NEW YORK CO. | 0.84 | 30.730 | 10.79% | 14.0% |
| BARD C R | 0.52 | 64.467 | 15.64% | 16.6% |
| BAUSCH & LOMB | 0.52 | 77.458 | 14.67% | 15.5% |
| BAXTER INTL. | 0.58 | 38.741 | 11.25% | 13.0% |
| BB & T | 1.52 | 41.010 | 9.30% | 13.6% |
| BEAR STEARNS | 1.00 | 106.678 | 9.80% | 10.9% |
| BECTON DICKINSON | 0.86 | 53.293 | 12.18% | 14.1% |
| BELLSOUTH | 1.16 | 26.030 | 10.38% | 15.6% |
| BIOMET | 0.25 | 35.547 | 15.48% | 16.3% |
| BLACK & DECKER | 1.12 | 82.732 | 9.79% | 11.4% |
| BOEING | 1.00 | 66.173 | 13.96% | 15.8% |
| BRUNSWICK | 0.60 | 38.950 | 12.40% | 14.2% |
| BURL. NTHN. SANTA FE C | 0.80 | 60.007 | 14.80% | 16.4% |
| BURLINGTON RES. | 0.40 | 73.817 | 12.25% | 12.9% |
| CAPITAL ONE FINL. | 0.11 | 78.695 | 13.73% | 13.9% |
| CARDINAL HEALTH | 0.24 | 62.328 | 12.79% | 13.2% |
| CATERPILLAR | 1.00 | 55.837 | 11.75% | 13.9% |
| CENDANT | 0.44 | 18.977 | 13.20% | 16.0% |
| CENTERPOINT EN. | 0.24 | 13.868 | 9.75% | 11.8% |
| CENTEX | 0.16 | 65.963 | 14.67% | 15.0% |
| CHARLES SCHWAB | 0.10 | 14.349 | 13.78% | 14.6% |
| CHEVRON | 1.80 | 60.420 | 13.64% | 17.2% |
| CINTAS | 0.32 | 40.862 | 13.89% | 14.8% |
| CIRCUIT CITY STORES | 0.07 | 17.795 | 14.53% | 15.0% |
| CIT GP. | 0.64 | 46.187 | 10.70% | 12.3% |
| CITIGROUP | 1.76 | 46.050 | 9.58% | 14.1% |
| CITIZENS COMMS. | 1.00 | 12.967 | 4.75% | 13.5% |

| COMPANY | D_0 | P_0 | g | k |
|------------------------|-------|---------|--------|-------|
| CLEAR CHL.COMMS. | 0.75 | 31.868 | 11.88% | 14.7% |
| CLOROX | 1.16 | 54.952 | 9.13% | 11.6% |
| COCA COLA | 1.12 | 42.765 | 9.03% | 12.1% |
| COCA COLA ENTS. | 0.16 | 19.708 | 9.08% | 10.0% |
| COLGATE-PALM. | 1.16 | 52.735 | 9.67% | 12.2% |
| COMERICA | 2.20 | 58.523 | 8.11% | 12.5% |
| COMPASS BANCSHARES | 1.40 | 46.984 | 9.46% | 12.9% |
| COMPUTER ASSOCS.INTL. | 0.16 | 27.873 | 10.26% | 10.9% |
| CONAGRA FOODS | 1.09 | 23.298 | 6.00% | 11.3% |
| CONSTELLATION EN. | 1.34 | 56.410 | 11.36% | 14.2% |
| COOPER INDS. | 1.48 | 69.492 | 9.36% | 11.8% |
| COSTCO WHOLESALE | 0.46 | 45.784 | 13.50% | 14.7% |
| CVS | 0.14 | 27.227 | 14.23% | 14.8% |
| DANAHER | 0.08 | 53.065 | 15.29% | 15.5% |
| DARDEN RESTAURANTS | 0.08 | 31.755 | 11.92% | 12.2% |
| DEERE | 1.24 | 62.798 | 7.75% | 10.0% |
| DOLLAR GENERAL | 0.18 | 18.968 | 14.72% | 15.9% |
| DOMINION RES. | 2.68 | 79.423 | 8.00% | 11.9% |
| DOW CHEMICALS | 1.34 | 44.127 | 11.57% | 15.2% |
| DOW JONES & CO | 1.00 | 37.002 | 12.92% | 16.2% |
| DTE ENERGY | 2.06 | 44.395 | 5.60% | 10.9% |
| DU PONT E I DE NEMOURS | 1.48 | 40.695 | 9.80% | 14.1% |
| DUKE ENERGY | 1.24 | 27.511 | 5.55% | 10.6% |
| EASTMAN CHEMICALS | 1.76 | 50.350 | 6.67% | 10.6% |
| EATON | 1.24 | 61.857 | 10.83% | 13.2% |
| ECOLAB | 0.35 | 32.550 | 13.00% | 14.3% |
| ELI LILLY | 1.52 | 52.580 | 9.43% | 12.8% |
| EMERSON ELECTRIC | 1.78 | 70.418 | 10.81% | 13.8% |
| ENGELHARD | 0.48 | 28.062 | 10.33% | 12.3% |
| ENERGY | 2.16 | 71.559 | 7.38% | 10.8% |
| EOG RES. | 0.16 | 69.248 | 15.99% | 16.3% |
| SLM | 0.88 | 52.908 | 15.38% | 17.4% |
| FAMILY DOLLAR STORES | 0.38 | 21.712 | 11.31% | 13.4% |
| FEDERATED DEPT. STRS. | 1.00 | 64.439 | 10.44% | 12.3% |
| FEDERATED INVR. 'B' | 0.60 | 33.895 | 10.89% | 13.0% |
| FEDEX | 0.32 | 88.660 | 15.05% | 15.5% |
| FIFTH THIRD BANCORP | 1.52 | 39.392 | 10.12% | 14.7% |
| FIRST DATA | 0.24 | 41.138 | 12.85% | 13.5% |
| FIRST HORIZON NATIONAL | 1.80 | 37.903 | 7.88% | 13.4% |
| FLUOR | 0.64 | 64.177 | 12.10% | 13.3% |
| FORD MOTOR | 0.40 | 8.978 | 6.40% | 11.5% |
| FORTUNE BRANDS | 1.44 | 79.875 | 12.40% | 14.5% |
| FPL GROUP | 1.42 | 44.212 | 6.31% | 10.0% |
| FRANK.RES. | 0.40 | 86.640 | 13.70% | 14.3% |
| FREDDIE MAC | 1.40 | 59.432 | 8.20% | 10.9% |
| GANNETT | 1.16 | 66.532 | 8.52% | 10.5% |
| GAP | 0.18 | 17.493 | 12.53% | 13.8% |
| GENERAL DYNAMICS | 1.60 | 117.398 | 10.54% | 12.1% |
| GENERAL ELECTRIC | 1.00 | 34.100 | 11.14% | 14.6% |
| GENERAL MILLS | 1.32 | 47.670 | 8.33% | 11.5% |
| GENERAL MOTORS | 2.00 | 28.307 | 5.33% | 13.4% |
| GOLDEN WEST FINL. | 0.32 | 60.317 | 13.28% | 13.9% |
| GOLDMAN SACHS GP. | 1.00 | 121.783 | 12.27% | 13.2% |
| GRAINGER W W | 0.96 | 65.522 | 12.29% | 14.0% |
| GUIDANT | 0.40 | 65.822 | 15.76% | 16.5% |
| H & R BLOCK | 0.50 | 24.842 | 11.17% | 13.5% |

| COMPANY | D_0 | F_0 | g | k |
|--------------------------|-------|---------|--------|-------|
| HARLEY-DAVIDSON | 0.64 | 49.675 | 12.50% | 14.0% |
| HARRAHS ENT.M. | 1.45 | 64.746 | 14.57% | 17.3% |
| HASBRO | 0.36 | 19.735 | 10.33% | 12.5% |
| HCA | 0.60 | 48.482 | 12.01% | 13.5% |
| HEALTH MAN.AS.A | 0.24 | 22.633 | 13.83% | 15.1% |
| HEINZ HJ | 1.20 | 35.667 | 7.33% | 11.2% |
| HEWLETT-PACKARD | 0.32 | 28.240 | 11.63% | 13.0% |
| HILTON HOTELS | 0.16 | 21.302 | 15.17% | 16.1% |
| HOME DEPOT | 0.40 | 40.297 | 12.84% | 14.0% |
| HONEYWELL INTL. | 0.82 | 36.182 | 11.58% | 14.3% |
| HUNTINGTON BCSH. | 0.86 | 23.115 | 6.33% | 10.6% |
| ILLINOIS TOOL WKS. | 1.32 | 83.620 | 13.10% | 15.0% |
| IMS HEALTH | 0.08 | 24.858 | 12.59% | 13.0% |
| INGERSOLL-RAND | 0.64 | 38.438 | 12.29% | 14.3% |
| INTERNATIONAL BUS.MACH. | 0.80 | 82.153 | 10.71% | 11.8% |
| ITT INDUSTRIES | 0.72 | 106.605 | 12.76% | 13.6% |
| JANUS CAPITAL GP. | 0.04 | 16.488 | 11.11% | 11.4% |
| JOHNSON & JOHNSON | 1.32 | 62.848 | 11.03% | 13.5% |
| JOHNSON CONTROLS | 1.12 | 64.817 | 12.50% | 14.6% |
| JONES APPAREL GROUP | 0.48 | 28.038 | 10.00% | 12.0% |
| JP MORGAN CHASE & CO. | 1.36 | 35.663 | 9.74% | 14.2% |
| KELLOGG | 1.11 | 44.945 | 9.02% | 11.9% |
| KEYCORP | 1.30 | 32.363 | 7.16% | 11.8% |
| KIMBERLY-CLARK | 1.80 | 58.943 | 7.93% | 11.4% |
| KINDER MORGAN KANS | 3.00 | 92.127 | 11.50% | 15.4% |
| KLA TENCOR | 0.48 | 48.423 | 16.05% | 17.3% |
| KNIGHT-RIDDER | 1.48 | 58.693 | 7.04% | 9.9% |
| L3 COMMUNICATIONS | 0.50 | 78.892 | 12.63% | 13.4% |
| LEGGETT&PLATT | 0.64 | 21.191 | 12.10% | 15.7% |
| LEHMAN BROS.HDG. | 0.64 | 116.445 | 12.11% | 12.8% |
| LENNAR 'A' | 0.64 | 57.498 | 14.60% | 15.9% |
| LIMITED BRANDS | 0.60 | 20.552 | 11.28% | 14.7% |
| LIZ CLAIBORNE | 0.22 | 37.265 | 11.88% | 12.6% |
| LOCKHEED MARTIN | 1.00 | 60.922 | 10.94% | 12.9% |
| LOWE'S COMPANIES | 0.24 | 63.455 | 16.93% | 17.4% |
| M&T BK. | 1.80 | 106.613 | 10.00% | 12.0% |
| MANOR CARE | 0.60 | 38.450 | 15.12% | 17.0% |
| MARATHON OIL | 1.32 | 63.658 | 8.06% | 10.4% |
| MARRIOTT INTL.'A' | 0.42 | 61.967 | 14.74% | 15.6% |
| MARSHALL & ILSLEY | 0.96 | 42.920 | 9.83% | 12.4% |
| MASCO | 0.80 | 29.632 | 13.57% | 16.8% |
| MATTEL | 0.50 | 16.350 | 9.75% | 13.3% |
| MAYTAG | 0.36 | 17.725 | 7.75% | 10.1% |
| MBIA | 1.12 | 58.455 | 10.43% | 12.7% |
| MBNA | 0.56 | 25.380 | 9.41% | 12.0% |
| MCCORMICK & CO NV. | 0.72 | 31.130 | 9.42% | 12.1% |
| MCDONALDS | 0.67 | 33.035 | 8.30% | 10.6% |
| MCGRAW-HILL | 0.66 | 48.628 | 11.78% | 13.4% |
| MCKESSON | 0.24 | 46.587 | 14.36% | 15.0% |
| MEDTRONIC | 0.38 | 55.580 | 15.02% | 15.9% |
| MELLON FINL. | 0.80 | 32.315 | 10.25% | 13.2% |
| MEREDITH | 0.56 | 50.140 | 11.83% | 13.2% |
| MERRILL LYNCH & CO. | 0.80 | 62.568 | 10.65% | 12.1% |
| MICROSOFT | 0.32 | 26.608 | 10.88% | 12.3% |
| MOLEX | 0.20 | 25.950 | 14.67% | 15.6% |
| MOLSON COORS BREWING 'B' | 1.28 | 64.490 | 11.87% | 14.2% |

| COMPANY | D_0 | P_0 | g | k |
|-------------------------|-------|--------|--------|-------|
| MONSANTO | 0.68 | 63.167 | 14.00% | 15.3% |
| MOODYS | 0.22 | 53.047 | 14.75% | 15.3% |
| MORGAN STANLEY | 1.08 | 53.385 | 11.86% | 14.3% |
| MOTOROLA | 0.16 | 22.450 | 12.04% | 12.9% |
| NAT.CITY | 1.48 | 34.373 | 7.77% | 12.7% |
| NATIONAL SEMICON. | 0.12 | 24.525 | 14.69% | 15.3% |
| NEW YORK TIMES 'A' | 0.66 | 29.525 | 7.53% | 10.1% |
| NEWELL RUBBERMAID | 0.84 | 22.755 | 8.87% | 13.2% |
| NIKE 'B' | 1.24 | 83.003 | 13.50% | 15.3% |
| NORDSTROM | 0.34 | 34.825 | 12.58% | 13.7% |
| NORTH FORK BANCORP. | 0.88 | 25.582 | 9.64% | 13.7% |
| NORTHERN TRUST | 0.92 | 50.897 | 11.81% | 14.0% |
| NORTHROP GRUMMAN | 1.04 | 54.995 | 12.93% | 15.2% |
| NOVELLUS SYSTEMS | 0.15 | 24.035 | 16.55% | 17.3% |
| OFFICEMAX | 0.60 | 29.813 | 11.67% | 14.1% |
| OMNICOM GP. | 0.90 | 81.957 | 12.25% | 13.6% |
| PALL | 0.40 | 27.487 | 9.33% | 11.0% |
| PARKER-HANNIFIN | 0.92 | 64.812 | 12.50% | 14.2% |
| PENNEY JC | 0.50 | 49.535 | 13.96% | 15.2% |
| PEOPLES ENERGY | 2.18 | 38.178 | 4.47% | 10.9% |
| PEPSI BOTTLING GP. | 0.32 | 28.490 | 9.79% | 11.1% |
| PEPSICO | 1.04 | 57.358 | 10.94% | 13.1% |
| PFIZER | 0.76 | 23.563 | 6.89% | 10.6% |
| PINNACLE WEST CAP. | 2.00 | 42.678 | 6.00% | 11.3% |
| PITNEY-BOWES | 1.24 | 41.822 | 7.33% | 10.7% |
| PLUM CREEK TIMBER | 1.52 | 37.587 | 6.67% | 11.3% |
| PNC FINL.SVS.GP. | 2.00 | 59.307 | 8.51% | 12.4% |
| PPG INDUSTRIES | 1.88 | 59.598 | 8.52% | 12.2% |
| PPL | 1.00 | 31.190 | 7.17% | 10.8% |
| PRAXAIR | 0.72 | 48.465 | 10.66% | 12.4% |
| PROCTER & GAMBLE | 1.12 | 56.857 | 11.00% | 13.3% |
| PROGRESS ENERGY | 2.36 | 43.580 | 3.94% | 10.0% |
| PULTE HOMES | 0.16 | 40.807 | 14.67% | 15.1% |
| QUEST DIAGNOSTICS | 0.36 | 49.188 | 15.61% | 16.5% |
| RADIOSHACK | 0.25 | 23.573 | 11.00% | 12.2% |
| REEBOK INTL. | 0.30 | 57.017 | 13.14% | 13.8% |
| REGIONS FINL.NEW | 1.36 | 32.097 | 8.22% | 13.1% |
| REYNOLDS AMERICAN | 4.20 | 83.458 | 6.00% | 11.7% |
| ROCKWELL AUTOMATION | 0.90 | 53.482 | 14.50% | 16.5% |
| ROCKWELL COLLINS | 0.48 | 46.135 | 13.57% | 14.8% |
| ROHM & HAAS | 1.16 | 42.340 | 9.73% | 12.9% |
| SABRE HDG. | 0.36 | 20.337 | 10.00% | 12.1% |
| SAFEWAY | 0.20 | 24.001 | 9.11% | 10.1% |
| SARA LEE | 0.79 | 18.436 | 8.27% | 13.2% |
| SCIENTIFIC ATLANTA | 0.04 | 37.183 | 17.14% | 17.3% |
| SHERWIN-WILLIAMS | 0.82 | 43.267 | 11.75% | 14.0% |
| SIEBEL SYS. | 0.10 | 10.020 | 11.67% | 12.8% |
| SIGMA ALDRICH | 0.76 | 63.365 | 9.41% | 10.8% |
| SNAP-ON | 1.00 | 35.957 | 11.67% | 15.0% |
| SOVEREIGN BANC. | 0.24 | 22.480 | 8.83% | 10.1% |
| SPRINT NEXTEL | 0.50 | 24.200 | 14.37% | 16.9% |
| STANLEY WORKS | 1.16 | 46.250 | 12.00% | 15.0% |
| STAPLES | 0.17 | 22.103 | 16.10% | 17.0% |
| STARWOOD HTLS.& RESORTS | 0.84 | 58.247 | 15.54% | 17.3% |
| STATE STREET | 0.72 | 52.598 | 12.30% | 13.9% |
| SUNTRUST BANKS | 2.20 | 71.010 | 9.31% | 12.9% |

| COMPANY | D_0 | P_0 | g | k |
|---------------------|-------|--------|--------|-------|
| SUPERVALU | 0.65 | 31.913 | 7.58% | 9.9% |
| SYMBOL TECHS. | 0.02 | 9.570 | 17.00% | 17.3% |
| SYNOVUS FINL. | 0.73 | 27.773 | 13.50% | 16.7% |
| SYSCO | 0.68 | 32.073 | 13.43% | 16.0% |
| T ROWE PRICE GP. | 0.92 | 65.415 | 12.33% | 14.0% |
| TARGET | 0.40 | 54.343 | 15.13% | 16.0% |
| TECO ENERGY | 0.76 | 17.400 | 6.60% | 11.6% |
| TEKTRONIX | 0.24 | 24.750 | 12.25% | 13.4% |
| TEXTRON | 1.40 | 72.218 | 11.83% | 14.1% |
| THE HERSHEY COMPANY | 0.98 | 56.595 | 10.13% | 12.2% |
| TIFFANY & CO | 0.32 | 39.170 | 12.82% | 13.8% |
| TIME WARNER | 0.20 | 18.035 | 12.14% | 13.5% |
| TJX COS. | 0.24 | 21.778 | 13.10% | 14.4% |
| TYCO INTL. | 0.40 | 27.762 | 13.33% | 15.1% |
| UNITED PARCEL SER. | 1.32 | 71.800 | 14.02% | 16.2% |
| UNITED TECHNOLOGIES | 0.88 | 51.540 | 11.11% | 13.1% |
| US BANCORP | 1.20 | 29.120 | 9.96% | 14.8% |
| UST | 2.20 | 40.460 | 6.25% | 12.5% |
| V F | 1.16 | 55.775 | 9.33% | 11.7% |
| VERIZON COMMS. | 1.62 | 31.512 | 5.06% | 10.9% |
| VIACOM 'B' | 0.28 | 32.803 | 13.20% | 14.2% |
| WACHOVIA | 2.04 | 49.957 | 9.59% | 14.4% |
| WAL MART STORES | 0.60 | 46.186 | 13.71% | 15.3% |
| WALGREEN | 0.26 | 44.905 | 15.73% | 16.4% |
| WALT DISNEY | 0.24 | 25.077 | 13.02% | 14.2% |
| WASHINGTON MUTUAL | 1.96 | 40.020 | 9.44% | 15.2% |
| WASTE MAN. | 0.80 | 28.757 | 11.40% | 14.7% |
| WELLS FARGO & CO | 2.08 | 60.083 | 11.42% | 15.5% |
| WENDY'S INTL. | 0.68 | 47.060 | 11.71% | 13.4% |
| WEYERHAEUSER | 2.00 | 65.085 | 6.75% | 10.2% |
| WILLIAMS COS. | 0.30 | 22.635 | 14.84% | 16.5% |
| WRIGLEY WILLIAM JR. | 1.12 | 70.242 | 10.67% | 12.5% |
| WYETH | 1.00 | 44.780 | 8.23% | 10.8% |
| YUM! BRANDS | 0.46 | 49.173 | 11.22% | 12.3% |
| ZIONS BANCORP. | 1.44 | 72.073 | 10.75% | 13.1% |
| Average | | | | 13.5% |

Notes: In applying the DCF Model to the S&P 500, I included in the DCF analysis only those companies in the S&P 500 group which pay a dividend, have a positive growth rate, and have at least three analysts' long-term growth estimates. In addition, I excluded all companies in the I/B/E/S group of insurance companies. I also eliminated those companies with DCF results that varied from the mean by one standard deviation or more.

Notes:

D_0 = Latest dividend per Thomson Financial.
 d_0 = Latest quarterly dividend.
 P_0 = Average of monthly high and low stock prices September, October, and November 2005 per Thomson Financial.
 FC = Selling and flotation costs.
 g = I/B/E/S forecast of future earnings growth November 2005.
 k = Cost of equity using the quarterly version of the DCF Model and a five percent allowance for flotation costs and market pressure (selling costs) as shown by the formula below:

$$k = \left[\frac{d_0(1+g)^{\frac{1}{4}}}{P_0(1-FC)} + (1+g)^{\frac{1}{4}} \right]^4 - 1$$

COMPARATIVE RETURNS ON S&P 500 STOCKS
AND MOODY'S A-RATED UTILITY BONDS 1926-2004

| <i>Year</i> | <i>S&P 500 Stock Price</i> | <i>Stock Dividend Yield</i> | <i>Stock Return</i> | <i>A-rated Bond Price</i> | <i>Bond Return</i> |
|-------------|--|-------------------------------------|-------------------------|-----------------------------------|------------------------|
| 2004 | 1,132.52 | 0.0161 | | \$70.87 | |
| 2003 | 895.84 | 0.0180 | 28.22% | \$62.26 | 20.27% |
| 2002 | 1,140.21 | 0.0138 | -20.05% | \$57.44 | 15.35% |
| 2001 | 1,335.63 | 0.0116 | -13.47% | \$56.40 | 8.93% |
| 2000 | 1,425.59 | 0.0118 | -5.13% | \$52.60 | 14.82% |
| 1999 | 1,248.77 | 0.0130 | 15.46% | \$63.03 | -10.20% |
| 1998 | 963.35 | 0.0162 | 31.25% | \$62.43 | 7.38% |
| 1997 | 766.22 | 0.0195 | 27.68% | \$56.62 | 17.32% |
| 1996 | 614.42 | 0.0231 | 27.02% | \$60.91 | -0.48% |
| 1995 | 465.25 | 0.0287 | 34.93% | \$50.22 | 29.26% |
| 1994 | 472.99 | 0.0269 | 1.05% | \$60.01 | -9.65% |
| 1993 | 435.23 | 0.0288 | 11.56% | \$53.13 | 20.48% |
| 1992 | 416.08 | 0.0290 | 7.50% | \$49.56 | 15.27% |
| 1991 | 325.49 | 0.0382 | 31.65% | \$44.84 | 19.44% |
| 1990 | 339.97 | 0.0341 | -0.85% | \$45.60 | 7.11% |
| 1989 | 285.41 | 0.0364 | 22.76% | \$43.06 | 15.18% |
| 1988 | 250.48 | 0.0366 | 17.61% | \$40.10 | 17.36% |
| 1987 | 264.51 | 0.0317 | -2.13% | \$48.92 | -9.84% |
| 1986 | 208.19 | 0.0390 | 30.95% | \$39.98 | 32.36% |
| 1985 | 171.61 | 0.0451 | 25.83% | \$32.57 | 35.05% |
| 1984 | 166.39 | 0.0427 | 7.41% | \$31.49 | 16.12% |
| 1983 | 144.27 | 0.0479 | 20.12% | \$29.41 | 20.65% |
| 1982 | 117.28 | 0.0595 | 28.96% | \$24.48 | 36.48% |
| 1981 | 132.97 | 0.0480 | -7.00% | \$29.37 | -3.01% |
| 1980 | 110.87 | 0.0541 | 25.34% | \$34.69 | -3.81% |
| 1979 | 99.71 | 0.0533 | 16.52% | \$43.91 | -11.89% |
| 1978 | 90.25 | 0.0532 | 15.80% | \$49.09 | -2.40% |
| 1977 | 103.80 | 0.0399 | -9.06% | \$50.95 | 4.20% |
| 1976 | 96.86 | 0.0380 | 10.96% | \$43.91 | 25.13% |
| 1975 | 72.56 | 0.0507 | 38.56% | \$41.76 | 14.75% |
| 1974 | 96.11 | 0.0364 | -20.86% | \$52.54 | -12.91% |
| 1973 | 118.40 | 0.0269 | -16.14% | \$58.51 | -3.37% |
| 1972 | 103.30 | 0.0296 | 17.58% | \$56.47 | 10.69% |
| 1971 | 93.49 | 0.0332 | 13.81% | \$53.93 | 12.13% |
| 1970 | 90.31 | 0.0356 | 7.08% | \$50.46 | 14.81% |
| 1969 | 102.00 | 0.0306 | -8.40% | \$62.43 | -12.76% |
| 1968 | 95.04 | 0.0313 | 10.45% | \$66.97 | -0.81% |
| 1967 | 84.45 | 0.0351 | 16.05% | \$78.69 | -9.81% |
| 1966 | 93.32 | 0.0302 | -6.48% | \$86.57 | -4.48% |
| 1965 | 86.12 | 0.0299 | 11.35% | \$91.40 | -0.91% |
| 1964 | 76.45 | 0.0305 | 15.70% | \$92.01 | 3.68% |
| 1963 | 65.06 | 0.0331 | 20.82% | \$93.56 | 2.61% |

COMPARATIVE RETURNS ON S&P 500 STOCKS
AND MOODY'S A-RATED UTILITY BONDS 1926-2004

| <i>Year</i> | <i>S&P 500 Stock Price</i> | <i>Stock Dividend Yield</i> | <i>Stock Return</i> | <i>A-rated Bond Price</i> | <i>Bond Return</i> |
|-------------------|--|-------------------------------------|-------------------------|-----------------------------------|------------------------|
| 1962 | 69.07 | 0.0297 | -2.84% | \$89.60 | 8.89% |
| 1961 | 59.72 | 0.0328 | 18.94% | \$89.74 | 4.29% |
| 1960 | 58.03 | 0.0327 | 6.18% | \$84.36 | 11.13% |
| 1959 | 55.62 | 0.0324 | 7.57% | \$91.55 | -3.49% |
| 1958 | 41.12 | 0.0448 | 39.74% | \$101.22 | -5.60% |
| 1957 | 45.43 | 0.0431 | -5.18% | \$100.70 | 4.49% |
| 1956 | 44.15 | 0.0424 | 7.14% | \$113.00 | -7.35% |
| 1955 | 35.60 | 0.0438 | 28.40% | \$116.77 | 0.20% |
| 1954 | 25.46 | 0.0569 | 45.52% | \$112.79 | 7.07% |
| 1953 | 26.18 | 0.0545 | 2.70% | \$114.24 | 2.24% |
| 1952 | 24.19 | 0.0582 | 14.05% | \$113.41 | 4.26% |
| 1951 | 21.21 | 0.0634 | 20.39% | \$123.44 | -4.89% |
| 1950 | 16.88 | 0.0665 | 32.30% | \$125.08 | 1.89% |
| 1949 | 15.36 | 0.0620 | 16.10% | \$119.82 | 7.72% |
| 1948 | 14.83 | 0.0571 | 9.28% | \$118.50 | 4.49% |
| 1947 | 15.21 | 0.0449 | 1.99% | \$126.02 | -2.79% |
| 1946 | 18.02 | 0.0356 | -12.03% | \$126.74 | 2.59% |
| 1945 | 13.49 | 0.0460 | 38.18% | \$119.82 | 9.11% |
| 1944 | 11.85 | 0.0495 | 18.79% | \$119.82 | 3.34% |
| 1943 | 10.09 | 0.0554 | 22.98% | \$118.50 | 4.49% |
| 1942 | 8.93 | 0.0788 | 20.87% | \$117.63 | 4.14% |
| 1941 | 10.55 | 0.0638 | -8.98% | \$116.34 | 4.55% |
| 1940 | 12.30 | 0.0458 | -9.65% | \$112.39 | 7.08% |
| 1939 | 12.50 | 0.0349 | 1.89% | \$105.75 | 10.05% |
| 1938 | 11.31 | 0.0784 | 18.36% | \$99.83 | 9.94% |
| 1937 | 17.59 | 0.0434 | -31.36% | \$103.18 | 0.63% |
| 1936 | 13.76 | 0.0327 | 31.10% | \$96.46 | 11.12% |
| 1935 | 9.26 | 0.0424 | 52.84% | \$82.23 | 22.17% |
| 1934 | 10.54 | 0.0336 | -8.78% | \$66.78 | 29.13% |
| 1933 | 7.09 | 0.0542 | 54.08% | \$79.55 | -11.03% |
| 1932 | 8.30 | 0.0822 | -6.36% | \$70.67 | 18.23% |
| 1931 | 15.98 | 0.0550 | -42.56% | \$84.49 | -11.63% |
| 1930 | 21.71 | 0.0438 | -22.01% | \$81.19 | 8.99% |
| 1929 | 24.86 | 0.0336 | -9.31% | \$83.95 | 1.48% |
| 1928 | 17.53 | 0.0431 | 46.12% | \$86.71 | 1.43% |
| 1927 | 13.40 | 0.0502 | 35.84% | \$83.28 | 8.92% |
| 1926 | 12.65 | 0.0446 | 10.39% | \$80.81 | 8.01% |
| Return 1926--2004 | Stocks | 11.83% | | | |
| | Bonds | 6.61% | | | |
| Risk Premium | | 5.22% | | | |

Exhibit RB-31

**PREFILED TESTIMONY
OF
DAVID APPEL**

**2006 PRIVATE PASSENGER NONFLEET
AUTOMOBILE INSURANCE RATE FILING
BY THE NORTH CAROLINA RATE BUREAU**

I. QUALIFICATIONS AND SUMMARY

Q. Please state your name and present business address.

A. My name is David Appel, and my business address is 1 Pennsylvania Plaza, New York, NY.

Q. What is your occupation?

A. I am Director of Economics Consulting and a Principal with the firm of Milliman, Inc.

Q. What is Milliman, Inc.?

A. Milliman (formerly Milliman & Robertson) is one of the nation's largest independently owned firms of actuaries and consultants. The company operates offices in 30 cities in the U.S., and, through our international network, Milliman Global, is affiliated with similar firms in more than 20 countries worldwide. Our U.S. employees number over 1,800 and our clients number in the thousands. They include insurers, self-insured entities, Federal and State Governments, private corporations, non-profit organizations, unions, and many others. I am a Principal with the firm, and I am in charge of its Economics Consulting practice.

Q. Please describe your educational and employment history.

A. A complete statement of my educational, employment and academic credentials is included as Exhibit RB-32 filed with this testimony.

To summarize, I have a B.A. in economics from Brooklyn College, City University of New York, and M.A. and Ph.D. degrees in economics from Rutgers University. Prior to joining Milliman, I was employed for nine years by the National Council on Compensation Insurance (NCCI), the nation's largest workers compensation insurance statistical, research and ratemaking organization. I joined NCCI as Research Economist in 1980, and held progressively responsible positions as Senior Research Economist, Director of Research, Assistant Vice President and finally Vice President beginning in July 1985. Prior to 1980, I was an instructor in economics at Rutgers University.

Q. Would you please describe some of your other professional activities?

A. Yes. Throughout my professional career, I have participated in a variety of academic and business activities related to insurance. I have been a member of the Board of Directors of the American Risk and Insurance Association, the leading learned society of insurance academics. I am currently a member of the editorial board of the Journal of Insurance Regulation (the official research publication of the National Association of Insurance Commissioners), as well as the journal Benefits Quarterly. I act as a peer referee for a number of scholarly journals in economics and insurance, and I maintain an active program of research and publication on issues of current interest in insurance economics. In addition, I was, for twelve years, an Adjunct Professor of Economics at Rutgers University.

Q. Have you ever published any papers or books?

A. Yes. During my career, I have authored many papers on various aspects of insurance that have been published in refereed books or scholarly journals. In addition, I have published a large number of papers in non-refereed journals as well. I have also co-edited three volumes of research papers dealing with various aspects of workers compensation and property-casualty insurance. My refereed publications are listed in Exhibit RB-32 filed with this testimony.

Q. Are you a member of any professional associations?

A. Yes, I am a member of the American Risk and Insurance Association, and an elected fellow of the National Academy of Social Insurance.

Q. Have you ever testified in insurance rate regulatory proceedings?

A. Yes. I have testified on many occasions in such proceedings, including several occasions in North Carolina in the past several years. A complete list is contained in Exhibit RB-32 filed with this testimony.

Q. What was the general nature of your testimony in these cases?

A. I have addressed a wide variety of insurance issues during public testimony, including such diverse topics as the impact of economic and demographic factors on insurance costs, the effects of regulation on insurance availability, the use of econometric and statistical models in insurance forecasting, and the use of modern financial theory in developing insurance prices. In North Carolina, my testimony in recent years has focused primarily on the last of these issues, specifically on matters relating to the cost of capital and the expected returns attributable to the business of insurance.

Q. Have you been retained by the North Carolina Rate Bureau as a consultant with respect to the subject of profitability in this rate case?

A. Yes. I have considered the following four specific matters in connection with this case:

1. Dr. Vander Weide's estimation of the cost of capital.
2. Whether interest rate sensitivity creates additional risk which affects insurers.
3. Whether the size distribution of insurers in North Carolina should be considered in estimating the cost of capital in this case.
4. The returns insurers would expect to earn from underwriting auto insurance in North Carolina, given that the filed underwriting profit provisions are realized.

I have performed various studies and analyses on these matters.

Q. Have you reached any conclusions in regard to these matters?

A. Yes. I will summarize them in bullet form here, and then discuss them each more fully later in the testimony.

1. I have reviewed Dr. Vander Weide's cost of capital estimates, which rely on the two most widely recognized models used for this purpose, and find them to be reasonable. However, Dr. Vander Weide's estimates are based on the implicit assumption that insurers present investors with roughly average risk, relative to all possible investment activities. I believe that investors in the property-casualty insurance industry are subject to an above average degree of risk, and therefore I think it would be prudent to view Dr. Vander Weide's estimates as a conservative estimate of the return to which insurers are entitled.
2. I have considered the impact of interest rate sensitivity on the risk and required return for insurers. Because of the high degree of financial leverage and the substantial share of medium and long term bonds in insurer asset portfolios, insurers are particularly subject to interest rate risk that cannot be diversified away. Based on my analysis, I have found that investors must be compensated for this risk in the form of an additional risk premium above that required for the average security.
3. I have considered the size distribution of insurers in North Carolina, and am aware that the firms providing auto insurance coverage in the state tend to be smaller than those used in Dr. Vander Weide's cost of capital analysis. Since there is conclusive evidence that, over the long run, smaller firms have earned higher returns, this finding must be considered evidence that investors expect higher returns from small firms. This provides additional support for my opinion that Dr. Vander Weide's cost of capital estimates should be viewed as a conservative estimate of the return to which insurers are entitled.

4. In order to test the underwriting profit provisions selected and filed by the NCRB, I have estimated the returns insurers would expect to earn from North Carolina auto liability and physical damage coverages assuming the filed underwriting profit provisions are fully earned. I am aware that North Carolina law provides that insurers are entitled to expect to earn a return equal to the returns of industries of comparable risk, and that in calculating that expected return, investment income from capital and surplus funds is not to be considered. I refer to that operating return as the statutory return. However, as is evident from the attached exhibits, I have estimated insurer pro forma returns both including and excluding expected investment income from capital and surplus. (I refer to the return including investment income on surplus as the total return.) I have done this to demonstrate that if the filed underwriting profits are actually realized, and even if investment income on surplus is considered, insurer returns will not be excessive. Obviously, if returns are not excessive including investment income from capital and surplus, they will be non-excessive excluding such income.

Based on my calculations, the selected underwriting profit provisions generate statutory returns on net worth of 7.8% for the liability coverages and 7.7% for the physical damage coverages. In addition, the total returns on net worth (i.e., including investment income on surplus) are 11.3% for the liability coverages and 11.2% for the physical damage coverages. Since all these returns, even those that include investment income on surplus funds, are near the lower bound of Dr. Vander Weide's range for the fair rate of return, I conclude that the underwriting profit provisions are clearly not excessive.

II. COST OF CAPITAL REVIEW

- Q. You said your first assignment was to review Dr. Vander Weide's estimate of the cost of capital. Are you familiar with Dr. Vander Weide's approach to estimating the cost of capital in insurance rate cases?
- A. Yes. I am aware of the methodology upon which Dr. Vander Weide relies to estimate the cost of capital and have reviewed it on a number of occasions in the course of previous rate cases in North Carolina. Dr. Vander Weide has used the most widely recognized and accepted models for this purpose, namely the Discounted Cash Flow (DCF) model and the risk premium method. These models, when taken together and properly applied to a reasonably selected data set, provide acceptable estimates of the cost of capital for regulated insurers.
- Q. What has Dr. Vander Weide concluded with respect to the fair rate of return in this case?
- A. Dr. Vander Weide has concluded that the fair rate of return for insurers is in the range of 11.0% -13.7% on net worth as determined under generally accepted accounting principles (GAAP).
- Q. In your opinion, is this an appropriate estimate of the required rate of return?

- A. Yes, however as I indicated a moment ago, I believe that Dr. Vander Weide may have been conservative in his estimates, since he has assumed that the property-casualty industry presents investors with average risk. Based on research I have conducted, I conclude the following:
1. There is evidence that the industry is considerably above average with respect to the volatility of the returns that it provides to investors. This higher volatility of returns makes the property-casualty industry an investment of above average risk.
 2. Since investors require higher returns from smaller firms, and since the firms in Dr. Vander Weide's cost of capital analysis are significantly larger than the average property-casualty insurer in the North Carolina auto insurance market, his approach tends to underestimate the true cost of capital for North Carolina auto insurers.

III. LEVERAGE AND INTEREST RATE RISK

- Q. Let us turn to the impact of interest rate sensitivity on insurers' risk and required return. Please turn to this area and describe your analysis.
- A. I considered whether there was any reason to believe that the interest rate sensitivity of insurers' asset portfolios contributed to insurer risk. To address this question, I considered both the theoretical and empirical dimensions of the issue. Based on these analyses, I have concluded that the high degree of financial leverage and large share of intermediate and long term bonds in insurer asset portfolios combine to create a significant exposure to interest rate changes. This high degree of interest rate risk causes property-casualty stock returns to have a high degree of volatility, which requires additional compensation above that demanded for the average security.
- Q. Why are investors concerned with the volatility of returns to investments in the stocks of property-casualty insurance companies?
- A. One of the fundamental principles of financial economics is that investors are generally risk averse -- that is, all else equal, they would prefer stable (rather than volatile) streams of cash returns to their investments. For example, given a choice between receiving a certain \$1,000 per year on an investment of \$10,000, or an equally likely possibility of \$0 or \$2000, most investors would prefer to take the fixed \$1000 per year. Because of this aversion to risk, investors tend to hold diversified investment portfolios, as such portfolios enable the investor to reduce the variability in returns.
- Q. Have regulatory authorities recognized the role of risk in determining the fair rate of return for regulated business?
- A. Yes. The concept of risk and its relationship to required return is central to the two seminal judicial decisions regarding the fair rate of return for regulated businesses. These decisions

were rendered in two cases before the U.S. Supreme Court - Bluefield Waterworks and Hope Natural Gas. In Bluefield, the Court stated:

A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public equal to that generally being made at the same time and in the same part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties....

Bluefield Waterworks & Improvement Company v. Public Service Commission of West Virginia, 262 U.S. 679, 692-693 (1923). In Hope, the Court stated:

From the investor or company point of view, it is important that there be enough revenue not only for operating expenses, but also for the capital costs of the business. These include service on the debt and dividends on the stock. By that standard the return to the equity owner should be commensurate with the returns on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital.

Federal Power Commission v. Hope Natural Gas Co., 320 U.S. 591, 603 (1944).

These decisions indicate a clear recognition of the relationship between risk and required return. Moreover, they emphasize the importance of providing returns which will attract investors. Since investment funds are acquired in capital markets, this leads us to a consideration of the risk and required returns for property-casualty insurance industry stocks.

- Q. What is your opinion regarding the riskiness of property-casualty insurance stocks?
- A. The property-casualty insurance industry is often viewed as being of average risk, based on estimates of its market risk. However, I have found that property-casualty insurance stocks are subject to a high degree of interest rate risk in addition to market risk. It is this combination of market and interest rate risk that makes insurance stocks riskier than average.
- Q. Can you please explain what you mean by market risk?
- A. Yes. As I mentioned earlier, investors prefer stability rather than volatility in their investment returns. While virtually all securities have a certain degree of volatility in their expected returns, part of the risk that is associated with that volatility can be eliminated through the process of diversification. The portion of risk that can be eliminated by diversification is termed diversifiable risk.

Market risk is the risk associated with movements in the overall stock market. It is not possible to eliminate this sort of risk by holding a diversified portfolio of stocks, because

there are certain economic events which influence the returns on all stocks simultaneously. These are system-wide events that make the stock market move as a whole.

In general, risk that is not diversifiable is known as systematic risk. Systematic risk stems from events that take place on an economy-wide basis. Investors can only diversify away risks that have offsetting factors somewhere else in the economy. For instance, if one company has a bad year due to reasons specific to it alone, it is highly likely that another company will have a good year which will offset the bad performance. That sort of risk is diversifiable. However, events that take place economy-wide without offsetting factors are not diversifiable.

Q. How is market risk measured?

A. A value that is frequently applied for the purpose of measuring market risk is known as beta. Beta measures the sensitivity of an individual security's return (or price) to changes on the returns (or price) of a broad market index. For example, if a security has a beta of 1.5, then a 10% excess return in the stock market as a whole would imply an expected 15% excess return on that specific security, where excess return is defined as the excess of the security's return over the rate of interest on U.S. Treasury Bills. Such a security would be viewed as having above average market risk because it is more sensitive to the factors that cause fluctuations in the overall stock market.

According to the theory that justifies the use of beta (the Capital Asset Pricing Model), securities with betas equal to one are deemed of average risk, while those with betas greater (less) than one are deemed to be of greater (less) than average risk. Since the value of beta for the property-casualty insurance stocks followed by Value Line is approximately one, this has often led to the conclusion that the property-casualty insurance industry has average risk. However, empirical research has cast considerable doubt on the ability of beta to quantify adequately the risks to which investors are exposed. This has led researchers to consider other factors, such as interest rate risk, in explaining the required returns to investors, particularly when considering the stocks of financial institutions such as insurers.

Q. You have made reference to the term interest rate risk. Can you please define this term?

A. Yes. Interest rate risk refers to the risk that the value of fixed income investments will fluctuate with changes in interest rates. Suppose an investor buys a bond for \$10,000 that yields a return of 10% per year. If interest rates go up to 11% one year later, then that investor will not be able to earn 11% because of the previous investment in the lower yielding bond. If the investor chooses to sell the bond at that time, he or she will suffer a loss in value - a capital loss - because other investors must be compensated for purchasing a bond that yields less than current market rates. Consequently, the value of a bond goes down when interest rates go up.

Q. Does this mean that investments in bonds are riskier than investments in equities?

A. No, it just means that there is also risk associated with holding bonds, particularly those with a relatively long term to maturity. Investments in equities are still considerably riskier than investments in long term bonds, as evidenced by the fact that returns to large company stocks have had a mean of 13.0% and standard deviation of 20.2% over the period 1926 to 1997, compared to a mean of 5.6% and standard deviation of 9.2% for long term government bonds over the same period.

Q. Does interest rate risk affect investments in property-casualty insurance stocks?

A. Yes. Property-casualty insurance companies invest large amounts of funds in bonds issued by both corporations and governmental bodies. (In fact, according to Best's Aggregates and Averages, in 2003 these companies had more than 1.8 times their statutory surplus invested in bonds alone.) The risk that investors face is that when interest rates change, the values of the bonds also change, and hence their investments in property-casualty stocks are subject to interest rate risk. This fact is widely recognized by the financial community.

Q. You said earlier that many investors hold diversified portfolios in order to reduce risk. Why isn't interest rate risk diversified away?

A. Interest rate risk is a systematic risk. Since it stems from events that take place on an economy-wide basis, interest rate risk is not diversifiable. The returns to holders of intermediate and long term bonds are usually higher than those on short term bonds precisely because of interest rate risk--the risk that the values of these bonds will decline due to interest rate increases. If investors could diversify that risk away, we would see little difference between the rates for bonds of different maturities. On the contrary, the existence of the "liquidity premium," which is the differential between long and short term rates due to interest rate risk, is one of the more robust findings of empirical finance. Therefore when investors purchase property-casualty insurance stocks they are taking on additional risk that is not diversifiable.

Q. How does interest rate risk affect investors?

A. Since investors cannot diversify away interest rate risk, only the prospect of higher returns will induce them to purchase interest-sensitive stocks. That is, investors must be compensated for purchasing interest-sensitive stocks because they are increasing their exposure to interest rate risk.

Q. Why is interest rate risk different from market risk?

A. Interest rate risk is a separate source of volatility for insurance stocks. Interest rates often change as a result of changes in expectations of future inflation. These changes primarily affect firms that hold what are called nominal assets and liabilities. Nominal assets and liabilities have cash flows that are fixed in nominal terms (for example, accounts receivable, most contracts, and bonds) and are thus subject to erosion in value due to inflation. On the other hand, the cash flows associated with manufacturing and service operations tend to

fluctuate with the price level. Since most non-financial firms hold relatively few nominal assets and liabilities, their stocks are not particularly sensitive to changes in interest rates that are due to changes in expected inflation. Therefore interest rate risk adds additional risk to insurance stocks, above and beyond market risk, that is not diversifiable.

Changes in interest rates that are not associated with changes in expected inflation will affect all stocks. This accounts for the moderate degree of correlation between changes in long term interest rates and returns to common stocks. However, the fact that most stocks are not very sensitive to changes in interest rates that are due to changes in expected inflation means that interest rate risk is not fully captured in measures of market risk.

Q. Is it possible to measure interest rate risk?

A. Yes, and I have conducted a number of studies designed specifically to address this issue during the past several years. For purposes of this testimony, I will refer to the most recent of these studies, which was conducted early in 1999.

Q. Did you update this study for your testimony in this case?

A. No, I did not. I originally performed this analysis in 1995, and subsequently updated it in 1997 and 1999. Although the details of the empirical results were not identical in each case, they differed only very slightly from year to year, and were sufficiently similar that I felt it was unnecessary to update it for this testimony. In my opinion, the results from the 1999 study are perfectly acceptable for the purpose to which they are put in this testimony.

Q. How does one measure interest rate risk?

A. A measure that is widely used for this purpose in finance is known as duration. Duration measures how much the value of a cash flow stream changes for a one percentage point change in interest rates. Using data from Best's Aggregates and Averages, for instance, I calculated that the average duration of the bonds held by property-casualty insurers was approximately six years. This means that the value of insurers' bond portfolios would go down by 6% when interest rates go up by one percentage point.

Q. How does this translate into risk for investors in property-casualty insurance stocks?

A. In 1997, insurer bond portfolios were 66% larger than statutory surplus – that is, the value of bonds was 1.66 times the value of statutory surplus. However, I estimated that the value of statutory surplus was approximately 45% of the market value of the property-casualty industry. These facts, taken together, imply that bond portfolios were approximately 75% of the market value of these firms. This means that if interest rates had increased by one percentage point, the value of an investment in insurance stocks would have decreased by 4.5% due to the decline in the value of bonds. (It is not surprising, then, that property-casualty stocks performed very poorly in 1994, for instance, when interest rates on ten year government bonds went from 5.73% in December of 1993 to 7.81% in December of 1994.)

Q. Why do you refer to the interest rates on ten year government bonds?

A. The average maturity of the bonds held by property-casualty insurers is approximately nine years. Data are available from the Federal Reserve on the monthly yields of government bonds with maturities of ten years. Since this is the term to maturity that most closely matches the term to maturity of property-casualty bond portfolios, this is the data series to which I refer.

The longer the term to maturity, the more sensitive the value of a bond is to interest rate risk. In fact, that is exactly what is being measured by duration, after adjusting for the fact that some cash flows are received earlier, e.g., the interest payments.

Q. Isn't it true that when interest rates increase, investment income also increases, offsetting the decline in the value of the bond portfolio?

A. It is true that an increase in interest rates leads to an increase in investment income and therefore to a decline in the market value of insurer liabilities. However, this decline only partially offsets the decline in the value of the bond portfolio, because the value of property-casualty insurance liabilities is not nearly as sensitive to interest rates as the value of property-casualty insurance assets.

A substantial portion of the industry's liabilities are in what are called "short- and medium-tailed" lines, meaning that claim payments are made relatively soon after premiums are received. This implies that liabilities are considerably less sensitive to changes in interest rates than are assets. In fact, the duration of liabilities was approximately 2 years, which means that their value would decline by 2 percent when interest rates increase by one percentage point. Since discounted liabilities were approximately 80% of the market value of the industry, they are responsible for a 1.6% increase in the market value of property-casualty stocks when a one percentage point increase in interest rates takes place.

Q. Are there any other significant changes in the market values of insurer assets and liabilities that result from changes in interest rates?

A. Yes. Insurers also hold common stocks which change in value with changes in interest rates. Since the value of the common stocks held by insurers was approximately 25% of the market value of the industry, and since a very conservative estimate of the duration of stocks is approximately 2, they are responsible for a 0.5% ($0.25 \times 2 = 0.50\%$) decline in the market value of property-casualty stocks when a one percentage point increase in interest rates takes place.

Q. What is the net impact of a one percentage point increase in interest rates on the value of insurance stocks?

A. Since bonds and stocks cause declines of 4.5% and 0.5% respectively, and liabilities cause an increase of 1.6%, the net effect on property-casualty stocks of a one percentage point increase in interest rates is a decline in value of approximately $4.5\% + 0.5\% - 1.6\% = 3.4\%$. On the other hand, if interest rates were to decrease by one percentage point, an increase in value of 3.4% would result.

Q. Can't investors practice asset-liability management in order to control interest rate risk?

A. Yes, interest rate risk is one of the major reasons that asset-liability management has become so important. There are limits, however, to the effectiveness of asset-liability management. Forecasts must be made regarding the behavior of asset and liability values and cash flows, and when they are inaccurate even the most sophisticated techniques can fail to control interest rate risk. The most important point to note, however, is that asset-liability management techniques come at a cost. Investors can reduce their exposure to interest rate risk, but only by sacrificing some of their expected returns. Reduced risk almost always comes at the cost of reduced returns. When investors purchase the stocks of property-casualty firms, they are amplifying their interest rate risk exposure and must be compensated for taking on additional risk.

Q. What do you conclude from this investigation of the insurance industry's exposure to interest rate risk?

A. In my opinion, these facts unambiguously indicate that insurers are subject to above average risk. While the market risk for insurers as measured by beta is roughly average, the degree of interest rate risk to which the industry is exposed is considerably higher than average. Since this risk cannot be entirely diversified away, the overall risk associated with an investment in property/casualty insurance is greater than average. As a consequence, insurers are entitled to a rate of return above that allowed for the average risk investment in the U.S. economy.

Q. You mentioned earlier that you also conducted an empirical study of the risks of investing in the property-casualty insurance industry. How does one measure the riskiness of an investment?

A. The approach we have taken is to calculate the mean and standard deviation of the returns that investors have earned in the past. This measures what investors have earned, and how much risk they have had to bear in order to reap those returns. A fundamental principle of financial economics is that higher returns are required in order to induce investors to bear higher risk.

Q. Have you calculated the mean and standard deviation of the returns to investing in the property-casualty insurance industry?

A. Yes, I have. In order to do this, I gathered statistics on prices, dividends, and number of shares outstanding from the December 31, 1998 edition of Compustat Research Insight. This data source contains up to 20 years of historical information on 141 property-casualty

insurance stocks; to my knowledge, this is one the largest collections of data on property-casualty insurance companies that has ever been assembled for this purpose.

In order to determine the returns to investors in the property-casualty industry, I calculated the monthly returns to investments in each of the stocks in the sample by computing the percentage change in price plus any dividend yield. I then assumed that an investor would purchase shares in each of the stocks in proportion to their market value. Thus, if one company was twice as large as another, the investor would put twice as much money into the larger company. As new companies came into the database over time, their returns were included on this market-value weighted basis. In this way I was able to calculate the returns that all investors in the aggregate earned over the period from 1980 to 1998.

Q. What were the results of your analysis?

A. The results of my analysis are contained in Exhibit RB-33. There I have listed the annualized mean and standard deviation for investments in the property-casualty industry and for the Standard & Poor's index of 500 large company stocks from Ibbotson SBBI 1998 Yearbook. This index is often used to calculate the risk and return of the average investment in equities. Exhibit RB-33 shows that the standard deviation of returns to investors in property-casualty insurance stocks was greater than the standard deviation of returns on the S&P 500 in each of the four sub-periods shown, while the mean return was higher over the entire period from 1980 to 1998. (Returns to the industry were depressed in this period largely due to poor performance in both 1990 and 1994. The savings and loan crisis of 1990 affected the performance of insurance stocks in that year, and in 1994 industry returns suffered from both the Northridge earthquake and rising interest rates which substantially reduced the market value of insurer bond portfolios.)

Q. What do these results imply as respects the issues of risk and return?

A. These data indicate that insurance stocks are more volatile, and hence riskier, than the average security in the economy. In addition, the higher than average returns for these securities indicate that investors have been compensated for this additional risk.

Q. Why are returns to investing in property-casualty insurance stocks more volatile than investing in the stocks that make up the Standard & Poor's 500?

A. I believe that there are three main reasons for this.

First, as I have discussed at length, the high degree of financial leverage and mismatched durations of assets and liabilities contributes to the volatility of returns to investors in insurance stocks.

Second, the insurance industry is in the business of bearing risk. Individuals and corporations transfer to property-casualty insurers potential liability for a wide range of possible adverse events, ranging from property damage to professional liability. In light of

the unforeseen events that can occur, and, in the recent past, actually have occurred, investors in property-casualty insurance stocks are subject to considerable risk.

Finally, insurance is in the unique position of being a highly competitive industry that is also subject to a high degree of regulation. This combination of regulation and competition creates an environment in which insurers are subject not only to the demands of the market but also to the pressures of the political process. There is substantial evidence that regulation can increase risk for a regulated enterprise, and when that is combined with an aggressively competitive industrial structure, risk is increased.

Q. How do you know that interest rate risk contributes to the higher volatility of property-casualty stocks?

A. My studies have shown that, over the period from 1980-1998, returns to property-casualty stocks varied with changes in interest rates even after adjusting for movements in the overall stock market. Interest rate risk causes fluctuations in the returns of property-casualty stocks above and beyond the volatility that is due to movements in the market as a whole.

Q. Can the higher volatility of property-casualty stocks be eliminated by diversifying across industries?

A. No. As I indicated above, property-casualty stocks have a beta of approximately one, which means that the volatility of their returns will be approximately equal to that of the market. In addition, they take on additional volatility because of interest rate risk, which is not diversifiable. Therefore, although there may be some reduction in volatility by diversifying across industries, the volatility of property-casualty returns will always be expected to exceed that of the market. The combination of average market risk and above average interest rate risk leads to the above average systematic risk of property-casualty insurance stocks.

Q. You said that the combination of regulation and competition increased risk for insurers. Can you describe what you mean?

A. Yes. Traditionally, direct price and rate of return regulation has been imposed on industries known as "public utilities," such as generation and transmission of electric power, distribution of natural gas, provision of local water and sewer service and the like. Because of the nature of the production process, these industries are characterized as "natural monopolies," meaning that it is most efficient for a single producer to provide the service in question. In such circumstances, the state normally grants a monopoly to a single provider and then regulates that firm directly to prevent abuse of monopoly power.

Property-casualty insurance differs dramatically from this model. Rather than a single firm providing service, there are in most states literally hundreds of firms competing in the market, none of which typically have significant market power. (For example, in North Carolina there are about 600 companies licensed to write auto insurance and approximately 140 actually writing auto liability or physical damage insurance in the state.) These firms compete aggressively to increase market share and attract the best insureds by offering a

variety of price and quality combinations that are best tailored to their business objectives. This vigorous competition provides discipline in the marketplace, and, when combined with direct rate of return regulation, the risk for insurers is increased.

I should note that in the past a number of competitively structured industries (such as airlines, trucking, and telecommunications) were subject to regulation, but in recent years there has been a movement to deregulate these activities. This is due in part to the widespread agreement that competition itself is an adequate regulator.

Q. Can you please summarize your testimony on the cost of capital of the property-casualty insurance industry?

A. Yes. Dr. Vander Weide has assumed that the property-casualty insurance industry presents investors with risks comparable to the average investment in equities. My analysis has shown that property-casualty insurance stocks are subject to additional volatility due to interest rate sensitivity. Since this additional risk requires compensation in the form of a higher return, I conclude that Dr. Vander Weide has been conservative in his calculation of the required rate of return on property-casualty insurance investments.

IV. THE SIZE DISTRIBUTION OF INSURERS

Q. You also said that you considered whether the size distribution of North Carolina insurers should impact the cost of capital in this case. Can you please describe this issue briefly and discuss its implications for this case?

A. Yes. It is a well established fact of empirical finance that small stocks tend to outperform large stocks. Ibbotson Associates, for instance, reports that firms in the ninth and tenth deciles of stocks listed on the principal U.S. stock exchanges have outperformed the market as a whole by approximately 3.5 percentage points over the period 1926 to 2002 even after accounting for the fact that these firms have above average betas. Therefore an adjustment should be made to the cost of capital to the extent that the property-casualty insurance industry is composed of small stocks.

Q. Have you conducted any studies with respect to the significance of the small stock effect in this case?

A. Yes. As with the issue of interest rate risk that I discussed earlier, I have conducted a number of studies relating to the size of insurers in North Carolina, and the implication of their size on the cost of capital. The last such study was performed in 2001, and I have not updated it for this testimony. As with my research on interest rate risk, the results of each study of the small stock effect have been virtually identical, hence I did not see the need to update the study this year. Therefore the results discussed below are based on the last small stock study I conducted in 2001. (All references in the discussion below, including those to Dr. Vander Weide's cost of capital analysis, refer to the 2001 study.)

Q. What are the major findings of your research regarding the small stock effect?

A. I am aware that investors have earned higher returns from small stocks than from large stocks. Furthermore, I have reviewed data on the market capitalization and statutory surplus of the insurers in Dr. Vander Weide's cost of capital analysis and insurers writing auto insurance in North Carolina, and I have come to the following conclusions:

1. The companies in Dr. Vander Weide's cost of capital analysis are among the largest companies in the U.S. economy;
2. They are larger, on average, than the companies in the property-casualty insurance industry;
3. They are larger, on average, than the companies writing auto insurance in North Carolina.

These facts reaffirm my conclusion that the cost of capital that Dr. Vander Weide has presented is conservative.

Q. What evidence do you have that investors require higher returns from smaller companies?

A. There are a considerable number of studies that have demonstrated that small companies have higher returns than large companies. The relationship between firm size and returns is not limited to the largest or smallest stocks, but is evident across firms of all sizes.

Page 1 of Exhibit RB-34 presents the average annual returns for the companies on the New York/American/NASDAQ Stock Exchanges arranged into deciles. Over the 1926-2000 period:

1. The average annual return for companies in the first decile--consisting of the largest 10% of the companies--was 12.1%,
2. The average return for the companies in the fifth decile--slightly above median size--was 15.2%, and
3. The average return for companies in the decile with the smallest companies was 20.9%.

Q. What evidence do you have that the property-casualty companies in the cost of capital analysis are among the largest companies in the U.S. economy?

A. In its S&P 2001 Yearbook, Ibbotson Associates presents the market capitalization thresholds for NYSE companies arranged into ten firm-size deciles. I computed the market capitalization for each of the 17 companies in Dr. Vander Weide's cost of capital analysis and identified the firm-size decile in which each company is located. The results from this analysis are presented in Exhibit RB-34, Page 2.

Of special interest, all 17 of the companies were in the first five deciles--that is, the upper one-half of all NYSE companies. The average decile was 2.6.

I performed the same computations for the 78 other publicly traded property-casualty insurance companies that are tracked in Standard & Poor's Compustat Research Insight. The firm-size deciles for these companies, assigned on the basis of market capitalization, are also presented in Exhibit RB-34, Page 2. Only 22 of the 78 companies were in the upper half of the NYSE companies, and nearly two thirds (i.e., 50) of the 78 companies were in the smallest three firm-size deciles. The average decile for these companies was 7.4.

Comparing the average and median-sized firms is another means to demonstrate the differences in firm sizes. As shown at the bottom of Page 2 of Exhibit RB-34, the median-sized firm in Dr. Vander Weide's cost of capital analysis is more than 17 times larger than the median firm in the additional set of companies.

Q. What evidence do you have that the companies in the cost of capital analysis are larger than the average auto insurer in North Carolina?

A. Market capitalization figures are not available for many of the companies that write auto insurance in North Carolina because they are either mutuals or not publicly traded. However, the statutory surplus of these companies (which on average is considerably smaller than market value) is available and provides a good proxy for relative market value. In Exhibit RB-34, Page 3, I have assigned the 17 Value Line companies from Dr. Vander Weide's cost capital analysis, as well as the other 67 insurance company groups that wrote auto insurance in North Carolina in that year, into firm-size deciles based on the statutory surplus as reported in their 2000 annual statements filed with the National Association of Insurance Commissioners (NAIC). While 16 of the 17 companies in the cost of capital analysis are in the largest decile, only 40 of the 67 other company groups that wrote auto insurance in North Carolina in 2000 were in that same decile. The median surplus for the 17 Value Line companies in Dr. Vander Weide's analysis was almost \$1.3 billion, which was more than twice the median surplus for the latter group.

Q. What are your conclusions from this evidence on firm size and investors' required returns?

A. There are two principal findings from my analysis of firm size, rates of return, and cost of capital:

1. There is conclusive evidence that, over the long run, smaller firms have earned higher returns, and this finding must be considered evidence that investors expect higher returns from small firms.
2. The firms in Dr. Vander Weide's cost of capital analysis are among the larger firms in the U.S. economy, and they are significantly larger than the average property-casualty insurer, both nationally and in the North Carolina auto insurance market.

In summary, the estimates from Dr. Vander Weide's cost of capital analysis should be viewed as a lower-bound estimate for property-casualty insurers writing North Carolina auto insurance.

V. UNDERWRITING PROFIT AND EXPECTED RETURN ON INSURANCE OPERATIONS

Q. Earlier you said that you had calculated the statutory and total returns insurers would expect from underwriting auto insurance in North Carolina. Have you conducted such an analysis?

A. Yes, I have. I developed a model using traditional insurance profitability analyses and have calculated the statutory and total returns on equity that would be expected to arise assuming that actual underwriting and investment results materialize exactly as projected in this filing. The results are contained in Exhibits RB-35 and RB-36 filed with this testimony.

Q. What do you mean when you say you calculated the returns on equity that would be expected to arise *assuming* that actual underwriting and investment results materialize exactly as projected in this filing?

A. The rate of return presented in these exhibits is based on a series of assumptions regarding such inputs as underwriting profit, investment gain, leverage, and the like. If these assumptions actually materialize, then the rates of return calculated in the exhibits will prevail. However, to the extent that these assumptions are not realized, the rate of return will differ from that calculated in the exhibits. Therefore, I want to stress that these results are conditional on the assumptions underlying the analysis. To emphasize that fact, I use the term "pro forma" in connection with the rate of return calculations.

Q. Are you aware of the provisions of G.S. 58-36-10, providing that in making rates the NCRB is to consider investment income earned and realized on unearned premium and loss reserves?

A. Yes, and I understand that investment income on capital and surplus is not to be considered. As I have already indicated, I have estimated and presented the returns that can be expected if the filed underwriting profit provisions are fully earned and realized, both excluding and including investment income on capital and surplus, and all of those returns are either below or within the low end of Dr. Vander Weide's range for the industry's fair rate of return. Since the NCRB's filed underwriting profit provisions generate expected returns that are not excessive even if the investment income on capital and surplus is included, the expected returns which exclude that investment income cannot be excessive.

Q. Can you please now describe the components of the model you developed?

A. Yes. The model really consists of a single page for each line of business, which calculates the rate of return on equity attributable to undertaking the insurance activity. It sets forth estimates of income derived from underwriting, installment fees and investment of reserves

and estimates of costs, comprised of losses, expenses and taxes. This exhibit is supported by several other exhibits which provide calculations of investment yield rates, tax rates, premium to surplus and net worth to surplus ratios, and installment fee income. I will describe the principal elements of these exhibits below.

1. Underwriting profit is the difference between earned premiums at manual rates and incurred losses and expenses, expressed as a percent of manual premium.
 2. Installment fee income is projected based on historical installment revenues.
 3. Taxes are calculated assuming that the regular corporate tax rate applies to statutory underwriting (plus installment fee) income, and that an additional tax liability applies due to the reserve discounting and revenue offset provisions of the 1986 Tax Reform Act. Taxes on investment income are calculated assuming that the current statutory tax rates apply to the various classes of investment income earned.
 4. Investment gain on the insurance transaction is estimated as the product of an investment yield rate and the investible funds available from loss, loss adjustment expense and unearned premium reserves (*i.e.*, policyholder supplied funds). The investment yield rate is derived as the average of the "embedded yield" and the "current yield," based on the actual portfolios of securities held by insurers. This estimated yield rate includes income from interest, dividends, real estate, and other assets, as well as realized capital gains. The investible funds are estimated using the well known ISO State-X calculation, modified as described below.
 5. In my estimates of the expected total return, investment gain on surplus is estimated as the product of the aforementioned investment yield rate and the amount of surplus attributable to the insurance transaction. The amount of surplus attributable to the transaction includes an adjustment to reflect the additional surplus required to support the prepayment of expenses. (In statutory accounting, the prepayment of expenses acts to reduce statutory surplus. Since prepaid expenses are already deducted from investible reserves in the investment income calculation, they are added back here to avoid deducting them from the investible balance twice.)
- Q. In previous testimony in North Carolina, you identified certain changes you made to the traditional rate of return analysis that is performed using this model. Did you continue these changes for this year's filing?
- A. Yes, I modified the rate of return calculation from the traditional analysis in two ways.

First, I removed the reduction of investible funds by the amount of agents' balances from the ISO State-X calculation. However, it continues to be true that the funds represented by agents' balances are not available for investment by insurers. Therefore, in the rate of return calculation, the investment income from this modified State-X calculation is reduced by the

investment income attributable to agents' balances. This calculation recognizes (1) that the majority of agents' balances represent premiums not yet paid by insureds because of installment payment plans, and hence is unavailable for investment and (2) that for the minority of premiums collected by agents but not yet remitted to the companies, the investment income on that premium is additional compensation to the agents and a cost to the companies as part of the insurance transaction.

In addition, I adjusted the trended loss, LAE and fixed expense ratios to reflect the proposed rate change. That is to say, I have divided the trended loss and expense ratios at present rates by one plus the proposed premium level change to reflect the change in these ratios that occur when rates are changed.

Q. Could you please clarify how the underwriting profit provision contained in the rate filing was determined?

A. Yes. The issue of how the Rate Bureau determines the underwriting profit and contingency factor has routinely arisen in rate hearings in North Carolina over the past several years. Although it is evident from my exhibits that the Rate Bureau selects an underwriting profit and contingency provision to be included in the rates, there has been lengthy cross examination on this issue in every rate hearing in recent memory. Therefore, to clarify this matter, I will briefly discuss the procedure used by the Rate Bureau to determine the underwriting profit and contingency factor that is included in the proposed rates.

Each year, prior to making its rate filing, the Automobile Committee of the Rate Bureau meets to review data and determine procedures and values for the components of the proposed rates. One of these components is the underwriting profit factor. To determine this value, a procedure is followed in which I provide the committee with the estimated returns on equity (both statutory returns as well as returns adjusted to include investment income on surplus) associated with alternative underwriting profit provisions, and the committee then selects a provision that is consistent with the cost of capital that has been developed by Dr. Vander Weide. Thus, the process is best described as one in which I test alternative underwriting profit provisions, and the committee selects a value based on these tests.

Q. How do you know what values of the underwriting profit provision to test?

A. I have been performing this type of analysis on behalf of the NCRB for many years, and I am quite familiar with the dynamics of these models. Therefore, it is relatively easy to know the general range of values around which the underwriting profit is likely to fall. Normally, for each line of business, I will select approximately five or six values of the underwriting profit provision to test that comprise a range of perhaps two to three percentage points, and the committee typically selects a value within that range. (For example, for this filing, I believe I tested underwriting profit provisions for liability in one-half percentage point increments ranging from 6.5% to 9.0%, and the committee selected a value of 7.5%.) Of course, if the committee is not satisfied with the range of values I propose, it is relatively straightforward to calculate returns associated with alternative values proposed by the committee.

Q. From what you've said, it appears that the NCRB *selects* an underwriting profit provision, rather than *deriving* such a provision from the cost of capital. Is that correct, and if so, is that an accepted method of determining underwriting profit provisions for ratemaking purposes?

A. It is correct that the Rate Bureau committee selects an underwriting profit provision and then tests whether that provision results in an expected rate of return on net worth that is consistent with the cost of capital. This is an accepted method of determining an underwriting profit provision for use in setting rates. Despite what appears to be suggested by Department witnesses, it is *not true* that actuarial standards of practice require that an underwriting profit be derived from the cost of capital. In fact, that issue is addressed explicitly in Actuarial Standard of Practice No. 30, entitled "Treatment of Underwriting Profit and Contingency Factors and the Cost of Capital in Property/Casualty Insurance Ratemaking." Section 3.1 of that ASOP, entitled "Estimating the Cost of Capital and the Underwriting Profit Provision," states the following:

Property/casualty insurance rates should provide for all expected costs, including an appropriate cost of capital associated with the specific risk transfer. This cost of capital can be provided for by estimating that cost and translating it into an underwriting profit provision, after taking leverage and Investment Income into account. Alternatively, the actuary may develop an underwriting profit provision and test that profit provision for consistency with the cost of capital. The actuary may use any appropriate method, as long as such method is consistent with the considerations in this standard.

The procedure utilized by the Rate Bureau is exactly the approach articulated in Section 3.1 of the ASOP (i.e., "the actuary may develop an underwriting profit provision and test that profit provision for consistency with the cost of capital").

Q. Could you please clarify how you selected your investment yield rate and premium to surplus ratio?

A. Yes. To select the investment yield rate, I was asked by the Rate Bureau to compute the average of what are known as the "embedded" and "current" yields, where each was based on the actual asset portfolios insurers currently hold. The Commissioner adopted an approach of averaging the embedded and current yields in his 1994 automobile decision, and in his decision in the 1996 case, he selected a yield which approximated the yield obtained from this approach. Since that time, the Rate Bureau has chosen to follow that methodology.

To estimate the embedded yield, I calculated the ratio of 2004 investment income divided by average invested assets and added to that an estimate of the ten year average ratio of realized capital gains to invested assets. The sum of these two is the estimated embedded yield.

To estimate the current yield, I determined the yields available in today's capital markets for the portfolio of securities currently held by the property-casualty insurance industry. I then calculated a weighted average of these yield rates based on the proportion of assets held by the industry in each of the various securities such as stocks, bonds, real estate and the like.

As far as the premium to surplus ratio is concerned, I also relied on information which reflects the actual degree of leverage for insurers writing auto insurance in North Carolina. My premium to surplus ratio is calculated by using the ten year (1995-2004) average premium to surplus ratio for the top 30 company groups which wrote auto insurance in North Carolina over the past ten years.

Q. Can you please provide the results of your calculations regarding the projected rate of return to the insurance transaction if your underlying assumptions are realized?

A. Yes. For the liability line of coverage, I estimate that insurers should expect to earn a statutory return on GAAP equity (excluding investment income on surplus) of 7.8%. If one includes consideration of investment income on surplus, the expected total rate of return on GAAP equity equals 11.3%.

For the physical damage line of coverage, the expected statutory rate of return on GAAP equity is 7.7%, while the total rate of return including investment income on surplus is 11.2%.

All these returns fall within (albeit at the lower end of) or below the range of Dr. Vander Weide's cost of capital.

Q. It appears that the Rate Bureau has not incorporated any assumption that insurers will provide savings to policyholders (i.e., deviations) in its development of the filed manual rate change. Is that correct?

A. It is not entirely correct. In this filing, the Rate Bureau has continued the approach to the development of the rate change relied upon last year, which utilizes all the data relating to non-fleet private passenger automobile insurance in North Carolina, regardless of whether the data reflects insureds written at manual rates, downward deviated rates, Facility rates or through consent-to-rate rates. In doing so, the Rate Bureau recognizes that the market price for insurance coverage will vary from the manual rates for some insureds, due to the granting of deviations, payment of Facility rates or payment of higher rates for physical damage coverage under the consent to rate provisions of the law. In essence, the Bureau has conservatively assumed that all of these variations will balance themselves out, such that an explicit reflection of anticipated deviations in the rate of return calculations is not necessary.

I believe that, by adopting this approach, the Bureau has given due consideration to deviations (or savings to policyholders). However, I would hasten to repeat that there is absolutely no explicit provision for deviations in the current filing, and any representations to the contrary by other parties are simply incorrect.

VI. CONCLUSION

Q. Based on the studies you have conducted, have you come to any conclusions regarding the underwriting profit provisions that have been filed by the NCRB in this case?

A. Yes. Based on my evaluation of Dr. Vander Weide's cost of capital estimates, my consideration of insurer specific risk characteristics, and my estimation of projected and expected returns, I believe that the underwriting profit provisions comply with North Carolina law and the returns expected to be realized by insurers if those underwriting profit provisions are realized will not be excessive.

Q. Does this conclude your testimony?

A. Yes, it does.

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PROFESSIONAL EXPERIENCE:

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|-----------------|---|
| 1989 to present | MILLIMAN, INC. Principal & Director - Economics Consulting Responsible for the formation, development and management of a national consulting practice in insurance economics. |
| 1980 to 1989 | NATIONAL COUNCIL ON COMPENSATION INSURANCE Economic and Social Research Division |
| 1985 to 1989 | Vice President |
| 1983 | Assistant Vice President Responsible for all economic and social research of NCCI |
| 1982 | Director of Economic and Social Research |
| 1981 | Senior Research Economist |
| 1980 | Associate Research Economist |
| 1976 to 1997 | RUTGERS UNIVERSITY |
| 1981-97 | Associate of the Graduate Faculty, Department of Economics, Newark, New Jersey |
| 1981-93 | Teach variety of graduate courses including: Microeconomic Theory, Industrial Organization, Public Finance |
| 1978-80 | Instructor, Department of Economics, New Brunswick, New Jersey |
| 1976-78 | Adjunct Instructor, Department of Economics, Newark, New Jersey |

EDUCATION:

| | |
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| 1980 | Ph.D., Economics, Rutgers University |
| 1976 | M.A., Economics, Rutgers University |
| 1972 | B.A., Economics, Brooklyn College, CUNY Certified ARIAS Arbitrator and Umpire Member: AAA Panel of Neutrals |

PAPERS AND PUBLICATIONS

"Comment on Jaffee and Russell" in Deregulating Property-Liability Insurance, J. David Cummins, Editor, Brookings Institution Press, Washington, DC, 2002

"Dynamic Financial Analysis of a Workers Compensation Insurer," CAS Call Papers Program, 1997 (with Susan Witcraft and Mark Mulvaney)

"The Impact of Managed Care on Workers Compensation Claim Costs" in a volume of conference proceedings published by the Workers' Compensation Research Institute, September 1994 (with Philip Borba)

"Health Care Costs in Workers' Compensation," Benefits Quarterly, Vol. 9, No. 4, Fourth Quarter, 1993

"The Transition From Temporary to Permanent Disability: A Longitudinal Analysis" in Workers' Compensation Insurance: Claims Costs, Prices and Regulation, David Durbin and Philip Borba, Editors, Kluwer Academic Publishers, Boston, 1992 (with Richard Butler, David Durbin and John Worrall)

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Benefits, Costs and Cycles in Workers' Compensation, Kluwer Academic Publishers, Boston, 1990 (co-editor with Philip Borba)

"Benefit Increases in Workers' Compensation," Southern Economics Journal, January 1990 (with Richard J. Butler)

"Internal Rate of Return Criteria in Ratemaking," NCCI Digest, Vol. IV, Issue III, September 1990 (with Richard J. Butler)

"Social Inflation in Workers' Compensation: The Phenomenon of Benefit Utilization," Proceedings of the Casualty Loss Reserve Seminar, 1988; also in Contingencies, Nov/Dec., 1989

Workers' Compensation Insurance Pricing: Current Programs and Proposed Reforms, Kluwer Academic Publishers, Boston, 1988 (co-editor with Philip Borba)

"Prices and Costs of Workers' Compensation" in Workers' Compensation Insurance Pricing: Current Programs and Proposed Reforms, Kluwer Academic Publishers, Boston, 1988 (with Philip Borba)

"1986 Tax Reform Act: Effects on Workers' Compensation Profitability," NCCI Digest, Vol. II, Issue II, July 1987 (with James Gerofsky)

"The Propensity for Permanently Disabled Workers to Hire Legal Services," Industrial and Labor Relations Review, April 1987 (with Philip Borba)

"Sex, Marital Status, and Medical Utilization by Injured Workers," Journal of Risk and Insurance, Vol. LIV, No. 1, March 1987 (with John Worrall and Richard Butler)

"The Impact of Workers' Compensation Benefits on Low Back Claims" in Clinical Concepts in Regional Musculoskeletal Illness, Nordin M. Hadler, Editor (Boston: 1986, Grune and Stratton) (with John Worrall)

"Workers' Compensation and Employment: An Industry Analysis" in Disability and the Labor Market: Economic Problems, Policies and Programs, M. Anne Hill and Monroe Berkowitz, Editors (Ithaca: 1986 ILR Press) (with James Lambrinos)

"Some Benefit Issues in Workers' Compensation" in Workers' Compensation Benefits: Adequacy, Equity, Efficiency (Ithaca: 1985 ILR Press) (with John Worrall)

Workers' Compensation Benefits: Adequacy, Equity, Efficiency (co-editor with John Worrall) (Ithaca: 1985 ILR Press)

"Survivorship and the Size Distribution of the Property-Liability Insurance Industry," Journal of Risk and Insurance, October 1985 (with John Worrall and Richard Butler)

"Regulating Competition - The Case of Workers' Compensation Insurance," Journal of Insurance Regulation, June 1985 (with James Gerofsky)

"The Wage Replacement Rate and Benefit Utilization in Workers' Compensation Insurance," Journal of Risk and Insurance, September 1982 (with John Worrall)

"Property Damages" in Joseph Seneca and Peter Asch, The Benefits of Air Pollution Control in New Jersey, Center for Coastal and Environmental Studies, Rutgers University, 1979

WORKING PAPERS

"Workers' Compensation Pricing: The Role of Policyholder Dividends" (with David Durbin)

"The Impact of Lifetime Work on Mortality: Do Unisex Pensions Matter?" (with Richard J. Butler)

"Regulatory Survival: Rate Changes in Workers' Compensation" (with Richard J. Butler and John D. Worrall)

"Framing, Firm Size and Financial Incentives in Workers' Compensation Insurance" (with Richard J. Butler and John D. Worrall)

"Application of NAIC Profitability Models to Long Tailed Lines of Insurance" (with James Gerofsky)

INVITED PRESENTATIONS

New Orleans, Louisiana, March 11, 2005
CAS Ratemaking Seminar
"Including Reinsurance Costs in Primary Insurance Rates"

Philadelphia, Pennsylvania, March 11, 2004
CAS Ratemaking Seminar
"The Consideration of Risk Loads and Reinsurance Costs in Primary Insurance Ratemaking"

New York, New York, December 12, 2003
Goldman Sachs Insurance Conference
"Interest Rate Changes and Insurance Underwriting"

San Antonio, Texas, March 28, 2003
CAS Ratemaking Seminar
"The Consideration of Risk Loads and Reinsurance Costs in Primary Insurance Ratemaking"

San Antonio, Texas, March 27, 2003
CAS Ratemaking Seminar
"Rate of Return Models in Insurance Ratemaking"

San Diego, California, May 20, 2002
CAS Annual Meeting
"The Actuary as an Expert Witness"

Tampa, Florida, March 7, 2002
CAS Ratemaking Seminar
"Parameterizing Rate of Return Models in Insurance Ratemaking"

Chicago, Illinois, December 10, 2001
NAIC Meeting
"The Impact of Proposition 103 in California"

Kansas City, Missouri, April 30, 2001
NAIC Meeting
"Personal Lines Regulation"

Las Vegas, Nevada, March 12, 2001
CAS Ratemaking Seminar
"Parameterizing Rate of Return Models in Insurance Ratemaking"

Washington DC, January 18, 2001
Brookings Institution Conference on Insurance Regulation
"Auto Insurance Experience in California"

Bermuda, September 14, 2000
Ace Insurance Worldwide Actuarial Conference
"Rate of Return Models in Property Casualty Insurance Ratemaking"

Orlando, Florida, June 9, 1998
Florida Managed Care Institute Annual Conference
"Issues in Integrated Health Care"

Seattle, Washington, July 21, 1997
CAS Dynamic Financial Analysis Seminar
"Dynamic Financial Analysis of a Workers' Compensation Insurer"

Boston, Massachusetts, March 14, 1997
CAS Ratemaking Seminar
"Discounted Cash Flow Models in Insurance Ratemaking"

East Lansing, Michigan, July 15, 1996
National Symposium on Workers' Compensation
"Managed Care in Workers' Compensation"

New Orleans, Louisiana, March 20, 1996
Global Business Research Seminar: Partnerships between Insurers and Providers
"Integrating the Data Systems"

Orlando, Florida, November 15, 1995
Global Business Research Seminar: Documenting Savings from Managed Care
"Evaluating Savings from Managed Care"

Orlando, Florida, October 27, 1995
Self Insurance Association of America Annual Meeting
"Managed Care in Workers Compensation: A Magic Act or Humbug?"

San Diego, California, October 16, 1995
Global Business Research Seminar: Documenting Savings from Managed Care
"Technical Issues in Measuring Savings from Managed Care"

Durham, North Carolina, September 6, 1995
North Carolina HMO Association Annual Meeting
"Workers' Compensation in North Carolina: Risks and Opportunities for HMOs"

Washington, DC, May 22, 1995
Global Business Research Seminar: Outcomes for Workers' Compensation Managed Care
"Measuring and Reporting the Savings"

Orlando, Florida, April 13, 1995
NCCI Annual Meeting
"Managed Care in Workers' Compensation"

Phoenix, Arizona, April 3, 1995
Casualty Actuarial Society Seminar on Profitability
"Rate of Return Models - Selecting the Parameters"

New Orleans, Louisiana, March 16, 1995
Casualty Actuarial Society Ratemaking Seminar
"Discounted Cash Flow Models for Insurance Ratemaking"

Orlando, Florida, March 14, 1995
Standard & Poor's Rating Conference
"Consolidation in the Property/Casualty Insurance Industry"

Minneapolis, Minnesota, October 11, 1994
Casualty Actuarial Society Seminar on Medical Cost Containment
"Managed Care and Workers' Compensation"

Toronto, Ontario, August 22, 1994
American Risk and Insurance Association Annual Meeting
"Current Issues in Workers' Compensation"

Boston, Massachusetts, May 17, 1994
Casualty Actuarial Society Annual Meeting
"Standard of Practice on Profit and Contingency"

Hartford, Connecticut, April 20, 1994
University of Connecticut Blue Cross/Blue Shield Symposium
"24 Hour Coverage - What Will It Involve"

Atlanta, Georgia, March 10, 1994
Casualty Actuarial Society Ratemaking Seminar
"Cash Flow Models for Insurance Ratemaking"

Cambridge, Massachusetts, March 2, 1994
Workers' Compensation Research Institute Health Care Reform Conference
"Early Results of the Florida Pilot Project"

Phoenix, Arizona, November 15, 1993
Casualty Actuarial Society Annual Meeting
"The Use of Managed Care in Workers' Compensation"

New York, New York, October 20, 1993
Insurance Information Institute/Reinsurance Association of America Research Conference
"The Impact of Health Care Reform on Casualty Insurance"

Somerset, New Jersey, July 13, 1993
National Symposium on Workers' Compensation
"Economic Analysis of Workers' Compensation Issues"

Boston, Massachusetts, June 30, 1993
Institute of Actuaries of Japan Special Meeting
"Health Care Costs in Workers' Compensation"

Dallas, Texas, June 15, 1993
Stirling-Cooke Workers' Compensation Seminar
"Workers' Compensation Medical Costs: Trends, Causes and Solutions"

New York, New York, June 3, 1993
New York Business Group on Health
"The Crisis in Workers' Compensation Health Care"

Mauna Lani Bay, Hawaii, May 3, 1993
Western Association of Insurance Brokers Annual Meeting
"Trends in Insurance Insolvency"

Kingston, Ontario, April 28, 1993
Queen's University Workers' Compensation Conference
"Exposure Bases for Workers' Compensation: Equity vs. Practicality"

Sanibel Island, Florida, March 29, 1993
Workers' Compensation Reinsurance Bureau Annual Meeting
"The Use of Managed Care in Workers' Compensation"

Baltimore, Maryland, March 23, 1993
CAMAR Annual Meeting
"Estimating the Cost of Capital in Insurance Ratemaking"

Philadelphia, Pennsylvania, December 1, 1992
Economic Issues in Workers' Compensation Seminar
"Rate of Return Regulation in Workers' Compensation"

Seattle, Washington, October 16, 1992
Casualty Actuarial Society Seminar on Profitability
"Risk Based Capital Standards for Property Casualty Insurers"

Washington, DC, August 18, 1992
American Risk and Insurance Association Annual Meeting
"The Crisis in Workers' Compensation"

New York, New York, May 19, 1992
Executive Enterprises Institute Seminar: Winning Approval of Rate and Form Filings
"Determining a Fair Rate of Return for Property/Casualty Insurers"

Palm Beach, Florida, April 23, 1992
NCCI Annual Meeting
"Is the Workers' Compensation Industry Competitive?"

Philadelphia, Pennsylvania, March 20, 1992
University of Pennsylvania/Duncanson & Holt Special Seminar
"Current Issues in Workers' Compensation"

Dallas, Texas, March 12, 1992
Casualty Actuarial Society Ratemaking Seminar
"Profitability Models in Insurance Ratemaking: Estimating the Parameters"

Houston, Texas, December 11, 1991
NCCI/NAIC Commissioners Symposium
"Rate Adequacy: Solvency and Safety Implications"

New York, New York, November 17, 1991
Executive Enterprises Institute Seminar: Winning Approval of Rate and Form Filings
"Determining a Fair Rate of Return for Property/Casualty Insurers"

Philadelphia, Pennsylvania, November 12, 1991
Casualty Actuarial Society Annual Meeting
"The Impact of Medical Costs on Casualty Coverages"

New York, New York, May 17, 1991
Executive Enterprises Institute Seminar: Winning Approval of Rate and Form Filings
"Determining a Fair Rate of Return for Property/Casualty Insurers"

Kiawah Island, South Carolina, April 15 & 16, 1991
Casualty Actuarial Society Seminar on Profitability
"Cost of Capital Estimation: Lessons from Public Utilities"

Chicago, Illinois, March 14, 1991
Casualty Actuarial Society Ratemaking Seminar
"The Use of Profitability Models in Insurance Ratemaking"

Orlando, Florida, October 24, 1990
Financial Management Association Annual Meeting
"Current Issues in Insurance Rate Regulation: California Prop. 103 and Pennsylvania Act 6"

New Brunswick, New Jersey, May 18, 1990
Joint Conference on Workers' Compensation
"Current State Issues and Benefit Reforms"

Orlando, Florida, May 8, 1990
National Association of Insurance Commissioners Southeast Zone Raters Conference
"Loss Cost Rating for Workers' Compensation"

Orlando, Florida, April 3, 1990
Workers' Compensation Reinsurance Bureau Annual Meeting
"Medical Costs in Workers' Compensation: Recent Trends in Cost Containment"

Philadelphia, Pennsylvania, March 15, 1990
CAS Ratemaking Seminar
"Rate of Return Models in Insurance Regulation: Return on Sales vs. Return on Equity"

Chicago, Illinois, November 10, 1989
Alliance of American Insurers Research Committee
"Recent Developments in Rate Regulation: California Proposition 103"

New York, New York, October 5, 1989
NCCI Legal Trends Seminar
"Medical Cost Containment in Workers' Compensation"

Philadelphia, Pennsylvania, September 7, 1989
Workers' Compensation Congress
"Medical Cost Containment in Workers' Compensation"

Denver, Colorado, August 21, 1989
American Risk and Insurance Association Annual Meeting
"Regulatory Survival: Rate Changes in Workers' Compensation" (with Richard J. Butler)

Hilton Head, South Carolina, April 4, 1989
Workers' Compensation Reinsurance Bureau Annual Meeting
"Prospects for Workers' Compensation in the 1990s"

Mountain Lakes, New Jersey, March 29, 1989
St. Clares-Riverside Medical Center
"Stress in the Workplace"

Dallas, Texas, March 16, 1989
Casualty Actuarial Society Ratemaking Seminar
"The Impact of Tax Reform on Insurance Profitability"

New Orleans, Louisiana, December 15, 1988
NAIC-NCCI Commissioners School
"A Forecast for Workers' Compensation"

Philadelphia, Pennsylvania, November 17, 1988
Economic Issues in Workers' Compensation Seminar
"The Impact of Regulation on the Probability of Insolvency" (with John D. Worrall and David Durbin)

Boston, Massachusetts, November 14, 1988
American Public Health Association Annual Meeting
"Stress in the Workplace"

Atlanta, Georgia, September 14, 1988
Casualty Loss Reserve Seminar
"Estimating the Cost of Social Inflation in Workers' Compensation"

Reno, Nevada, August 15, 1988
American Risk and Insurance Association Annual Meeting
"Benefit Increases in Workers' Compensation"

New York, New York, June 13, 1988
National Association of Insurance Commissioners Annual Meeting
"Alternative Rate of Return Models for Insurance Regulation"

Syracuse, New York, May 5, 1988
Current Issues in Workers' Compensation Symposium
"Workers' Compensation Stress Claims"

Hilton Head, South Carolina, April 22, 1988
Workers' Compensation Reinsurance Bureau Annual Meeting
"A Forecast for Workers' Compensation Insurers"

Absecon, New Jersey, April 19, 1988
Pennsylvania Coal Mine Rating Bureau Annual Meeting
"The Use of Rate of Return Models in Insurance Rate Regulation"

Philadelphia, Pennsylvania, November 17, 1987
Economic Issues in Workers' Compensation Seminar
"The Transition to Permanent Disability Status" (with John D. Worrall and David Durbin)

Charlotte, North Carolina, October 20, 1987
American Insurance Association Government Affairs Conference
"Prospects for Workers' Compensation in 1988"

Minneapolis, Minnesota, September 29, 1987
Minnesota Workers' Compensation Reinsurance Association Annual Meeting
"Economic and Demographic Characteristics of Workers' Compensation Claims"

Airlie, Virginia, July 7, 1987
National Symposium on Workers' Compensation
"Forecasting Workers' Compensation Experience"

Santa Clara, California, June 30, 1987
Symposium on Recent Advances in Ratemaking
"Econometric Models of Workers' Compensation Losses"

Storrs, Connecticut, May 1, 1987
University of Connecticut Symposium on Current Issues in Workers' Compensation
"Current Research in Workers' Compensation"

Philadelphia, Pennsylvania, April 16, 1987
Wharton School Graduate Seminar Series
"Impact of Tax Reform on Workers' Compensation Profitability"

Boca Raton, Florida, December 4, 1986
National Association of Insurance Commissioners/NCCI Commissioners School
Panel Discussion on Current Issues in Workers' Compensation

Philadelphia, Pennsylvania, November 7, 1985
Wharton School, University of Pennsylvania, Graduate Seminar Series
"Litigation in Workers' Compensation"

Vancouver, British Columbia, August 19, 1985
American Risk and Insurance Association Annual Meeting
"Earnings Loss and Permanent Disability"

Washington, D.C., April 23, 1985
Washington Conference on the Economics of Disability
"Employment Effects of Workers' Compensation Insurance"

Schenectady, New York, January 18, 1985
Union University Graduate Business Seminar Series
"The Use of Modern Portfolio Theory in Insurance Regulation"

EXPERT TESTIMONY

Raleigh, North Carolina, September 28, 2005
Auto Insurance Rate Hearing

Providence, Rhode Island, September 27, 2005
Norcal Medical Malpractice Insurance Rate Hearing

San Francisco, CA, August 23, 2005
Safeco Insurance Company Earthquake Rate Hearing

Boston, Massachusetts, April 15, 2005
Massachusetts Workers Compensation Rate Hearing

Lawrence, Massachusetts, February 14, 2005
Highground, Inc. v. Mazonson

New York, NY, January 21, 2005
NFHA v. Prudential Deposition

Austin, Texas, July 13, 2004
Medical Protective Insurance Company Medical Malpractice Insurance Rate Hearing

Austin, Texas, December 16, 2003
Biennial Title Insurance Rate Hearing

Providence, Rhode Island, November 17, 2003
Norcal Medical Malpractice Insurance Rate Hearing

San Francisco, California, September 16, 2003
Century National Proposition 103 Rollback Hearing

Austin, Texas, September 11, 2003
Farmers Insurance Exchange Homeowner Rate Rollback Hearing

Austin, Texas, September 2, 2003
State Farm Lloyds Homeowners Rate Rollback Hearing

Austin, Texas, May 21, 2003
Farmers Insurance Group Settlement Hearing

Boston, Massachusetts, April 29, 2003
Massachusetts Workers Compensation Rate Hearing

Los Angeles, California, March 12, 2003
SCPIE Medical Malpractice Rate Hearing

Raleigh, North Carolina, July 17, 2002
Auto Insurance Rate Hearing

Tallahassee, Florida, February 25, 2002
NCCI Workers Compensation Insurance Rate Hearing

Austin, Texas, February 5, 2002
Biennial Title Insurance Rate Hearing

Raleigh, North Carolina, September 24, 2001
Auto Insurance Rate Hearing

Boston, Massachusetts, August 14, 2001
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, March 6, 2001
Texas Auto Benchmark Rate Hearing

Boston, Massachusetts, August 23, 2000
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, December 7, 1999
Texas Auto Insurance Plan Association Rate Hearing

Raleigh, North Carolina, December 3, 1999
Auto Insurance Rate Hearing

Austin, Texas, November 3, 1999
Biennial Title Insurance Rate Hearing

Austin, Texas, September 8, 1999
Texas Auto Benchmark Rate Hearing

Boston, Massachusetts, August 13, 1999
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, June 22, 1999
Texas Property Benchmark Rate Hearing

Honolulu, Hawaii, December 16, 1998
NCCI Workers Compensation Insurance Rate Hearing

Richmond, Virginia, November 15, 1998
NCCI Workers Compensation Insurance Rate Hearing

Boston, Massachusetts, October 9, 1998
Massachusetts Auto Insurance Bureau Rate Hearing

Austin, Texas, May 19, 1998
Texas Auto Insurance Plan Association Rate Hearing

Austin, Texas, April 7, 1998
Auto Insurance Benchmark Rate Hearing

Austin, Texas, February 17, 1998
Property Insurance Benchmark Rate Hearing

Austin, Texas, November 18, 1997
Biennial Title Insurance Rate Hearing

Tallahassee, Florida, September 8, 1997
NCCI Workers Compensation Insurance Rate Hearing

Austin, Texas, April 8, 1997
Texas Auto Insurance Plan Association Rate Hearing

Austin, Texas, March 10, 1997
Auto Insurance Benchmark Rate Hearing

San Francisco, California, March 4, 1997
Insurance Department Hearing on Rating Factors

Raleigh, North Carolina, July 16, 1996
Auto Insurance Rate Hearing

San Francisco, California, March 11, 1996
Century National Proposition 103 Rollback Hearing

Sacramento, California, January 30, 1996
Hartford Steam Boiler Proposition 103 Rollback Hearing

San Francisco, California, January 8, 1996
SAFECO Insurance Company Earthquake Rate Hearing

Austin, Texas, December 21, 1995
Residential Property Insurance Benchmark Rate Hearing

Clearwater, Florida, December 8, 1995
Florida Windstorm Underwriting Association Rate Hearing

Austin, Texas, November 28, 1995
Private Passenger Auto Insurance Benchmark Rate Hearing

Austin, Texas, October 31, 1995
Texas Automobile Insurance Plan Association Rate Hearing

Sacramento, California, April 18, 1995
California Insurance Department Hearing on Auto Insurance Rating Factors

Portland, Maine, April 13, 1995
Workers Compensation Assigned Risk Pool Fresh Start Hearing

San Francisco, California, February 6, 1995
Farmers Insurance Group Earthquake Insurance Rate Hearing

Austin, Texas, January 6, 1995
Special Hearing on Classification Rules for Automobile Insurance

Austin, Texas, December 15, 1994
Residential Property Insurance Benchmark Rate Hearing

Austin, Texas, October 4, 1994
Texas Automobile Insurance Plan Association Rate Hearing

Austin, Texas, September 27, 1994
Private Passenger Auto Insurance Benchmark Rate Hearing

Raleigh, North Carolina, July 19, 1994
Private Passenger Auto Insurance Rate Hearing

San Francisco, California, December 22, 1993
Century National Homeowner's Insurance Rate Hearing

Raleigh, North Carolina, October 13, 1993
Homeowners/Farmowners Insurance Rate Hearing

Tallahassee, Florida, October 4, 1993
Workers' Compensation Insurance Rate Hearing

Boston, Massachusetts, September 9, 1993
Automobile Insurance Rate Hearing

Austin, Texas, March 4, 1993
Residential Property Insurance Benchmark Rate Hearing

Austin, Texas, February 10, 1993
Automobile Insurance Benchmark Rate Hearing

Honolulu, Hawaii, November 18, 1992
Liberty Mutual Insurance Automobile Rate Hearing

Raleigh, North Carolina, November 13, 1992
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, October 29, 1992
Workers' Compensation Insurance Rate Hearing

San Francisco, California, October 14, 1992
Workers' Compensation Insurance Rate Hearing

Atlanta, Georgia, September 24, 1992
Workers' Compensation Insurance Rate Hearing

Nashville, Tennessee, May 27, 1992
Workers' Compensation Insurance Rate Hearing

San Francisco, California, May 13, 1992
Workers' Compensation Insurance Rate Hearing

Los Angeles, California, April 10, 1992
Mercury General Proposition 103 Rollback Proceedings

Austin, Texas, January 27, 1992
Texas Automobile Insurance Plan Rate Hearing

Austin, Texas, December 17, 1991
Automobile Insurance Rate Hearing

Raleigh, North Carolina, December 16, 1991
Workers' Compensation Insurance Rate Hearing

San Francisco, California, October 22, 1991
Workers' Compensation Rate Hearing

Los Angeles, California, May 23, 1991
Proposition 103 RCD-2 Proceedings

San Francisco, California, April 9, 1991
California Workers' Compensation Rate Study Commission

Nashville, Tennessee, March 20, 1991
Workers' Compensation Insurance Rate Hearing

Los Angeles, California, March 12, 1991
California Workers' Compensation Rate Study Commission

Olympia, Washington, February 26, 1991
House Financial Institutions/Insurance Committee Hearing on Rules for Insurance Regulatory Legislation

Olympia, Washington, November 27, 1990
Insurance Department Public Hearing on Proposed Rules for Ratemaking

Harrisburg, Pennsylvania, November 12, 1990
Allstate Insurance Company Automobile Insurance Rate Hearing

Tallahassee, Florida, November 1, 1990
Scanlan v. Martinez, et.al., Superior Court of Leon County

San Bruno, California, October 1, 1990
SAFECO Insurance Group Proposition 103 Rate Rollback Hearing

Austin, Texas, July 23, 1990
Texas State Board of Insurance Special Hearing on Investment Income in Ratemaking

Harrisburg, Pennsylvania, July 18, 1990
Pennsylvania National Mutual Insurance Company Automobile Insurance Rate Hearing

Harrisburg, Pennsylvania, June 28, 1990
Harleysville Mutual Insurance Company Automobile Insurance Rate Hearing

Columbia, South Carolina, March 30, 1990
Workers' Compensation Insurance Rate Hearing

San Bruno, California, March 19, 1990
California Proposition 103 Generic Hearing

Denver, Colorado, December 12, 1989
Workers' Compensation Insurance Rate Hearing

Tampa, Florida, October 23, 1989
Workers' Compensation Insurance Rate Hearing

Austin, Texas, October 17, 1989
Workers' Compensation Insurance Rate Hearing

Los Angeles, California, September 25, 1989
SAFECO Insurance Company of America Proposition 103 Rate Hearing

Austin, Texas, August 29, 1989
Texas Insurance Advisory Association Property Insurance Rate Hearing

Providence, Rhode Island, April 13, 1989
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, January 24, 1989
Workers' Compensation Insurance Rate Hearing

Hartford, Connecticut, November 14, 1988
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, November 3, 1988
Workers' Compensation Insurance Rate Hearing

Austin, Texas, November 2, 1988
Workers' Compensation Insurance Rate Hearing

Montgomery, Alabama, June 30, 1988
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, March 24, 1988
Workers' Compensation Insurance Rate Hearing

Austin, Texas, October 27, 1987
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, October 9, 1987
Workers' Compensation Insurance Rate Hearing

Atlanta, Georgia, August 6, 1987
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, February 24, 1987
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, November 14, 1986
Workers' Compensation Insurance Rate Hearing

Austin, Texas, November 18, 1986
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, May 28, 1986
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, December 6, 1985,
Workers' Compensation Insurance Rate Hearing

Oklahoma City, Oklahoma, October 10, 1985
Workers' Compensation Insurance Rate Hearing

Austin, Texas, July 23, 1985
Workers' Compensation Insurance Rate Hearing

Austin Texas, June 14, 1985
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, November 18, 1984
Workers' Compensation Insurance Rate Hearing

Austin, Texas, August 29, 1984
Workers' Compensation Insurance Rate Hearing

Portland, Oregon, March 6, 1984
National Association of Insurance Commissioners
Public Hearing on Investment Income and Insurance Profitability

Tallahassee, Florida, February 25, 1984
Workers' Compensation Insurance Rate Hearing

Tallahassee, Florida, August 18, 1983
Workers' Compensation Insurance Rate Hearing

Austin Texas, July 13, 1983
Workers' Compensation Insurance Rate Hearing

Oklahoma City, Oklahoma, March 6, 1983
Workers' Compensation Insurance Rate Hearing

Baton Rouge, Louisiana, March 16, 1982
Louisiana Insurance Commission Public Hearing on Investment Income

Providence, Rhode Island, February 3, 1982
Workers' Compensation Insurance Rate Hearing

Augusta, Maine, October 1, 1981
Workers' Compensation Insurance Rate Hearing

Exhibit RB-33

| Property-casualty vs S&P 500 | | | |
|---|--------|-----------------------------|-------------------------------------|
| 1980-98 | | | |
| | | Average Annual Return | Annualized Standard Deviation |
| 1994-98 | P/C | 22.41% | 18.84% |
| | S&P500 | 24.75% | 17.09% |
| 1989-93 | P/C | 13.85% | 18.39% |
| | S&P500 | 15.31% | 14.80% |
| 1984-88 | P/C | 25.85% | 24.52% |
| | S&P500 | 15.79% | 20.90% |
| 1980-83 | P/C | 22.73% | 22.24% |
| | S&P500 | 17.86% | 18.17% |
| 1980-1998 | P/C | 21.13% | 20.87% |
| | S&P500 | 18.46% | 17.78% |

Sources:

Compustat Research Insight, 12/31/98 CD Rom.

Ibbotson, SBBI 1998 Year Book, Large Company Stocks:

Total Returns, pp 184-185.

Ibbotson, SBBI, Year-end Summary Report 1998, Basic Series,

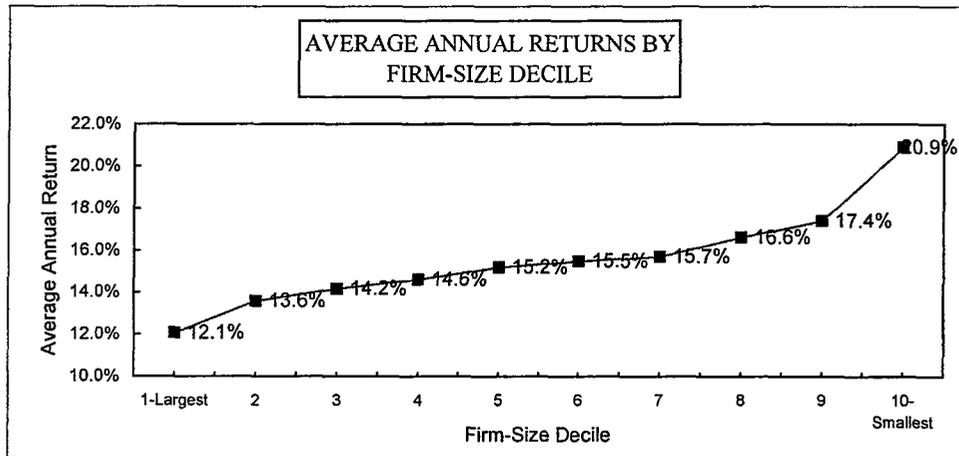
Large Company Stocks, Total Return, pp 9.

Exhibit RB-34

Page 1

**Average Annual Returns for NYSE/AMEX/NASDAQ Firms
Arranged into Firm-size Deciles
Based on Market Capitalization**

| Firm-Size Decile | Average Annual Return 1926-2000 |
|---------------------------------|---------------------------------|
| 1-Largest | 12.1% |
| 2 | 13.6% |
| 3 | 14.2% |
| 4 | 14.6% |
| 5 | 15.2% |
| 6 | 15.5% |
| 7 | 15.7% |
| 8 | 16.6% |
| 9 | 17.4% |
| 10-Smallest | 20.9% |
| Mid-Cap 3-5 | 14.5% |
| Low-Cap 6-8 | 15.8% |
| Micro-Cap 9-10 | 18.4% |
| NYSE Total Value Weighted Index | 12.6% |



Source: Ibbotson Associates, "Stocks, Bonds, Bills, and Inflation 2001 Yearbook", (Chicago: Ibbotson Associates, 2001), pp. 112.

Exhibit RB-34

Page 2

**Market Capitalizations and
Distribution of Property-Casualty
Companies by Firm Size**

| Firm-Size Decile | Property-Casualty Companies | | | |
|----------------------------------|----------------------------------|----------|---------------------------|----------|
| | 17 Insurers Used by Vander Weide | | 78 Other Public Companies | |
| | No. of Cos | % of Cos | No. of Cos | % of Cos |
| 1-largest | 4 | 23.5% | 2 | 2.6% |
| 2 | 3 | 17.6% | 6 | 7.7% |
| 3 | 7 | 41.2% | 2 | 2.6% |
| 4 | 2 | 11.8% | 6 | 7.7% |
| 5 | 1 | 5.9% | 6 | 7.7% |
| 6 | 0 | 0.0% | 6 | 7.7% |
| 7 | 0 | 0.0% | 8 | 10.3% |
| 8 | 0 | 0.0% | 6 | 7.7% |
| 9 | 0 | 0.0% | 0 | 0.0% |
| 10-smallest | 0 | 0.0% | 36 | 46.2% |
| Number of Companies | 17 | 100.0% | 78 | 100.0% |
| Average Decile | 2.6 | | 7.4 | |
| Median Market Capitalization | \$3,769 million | | \$210 million | |
| Average Market Capitalization | \$7,099 million | | \$2,346 million | |

Sources:

Standard & Poor's Compustat, Research Insight, 12/31/01 CD Rom.
 Ibbotson Associates, "Stocks, Bonds, Bills, and Inflation 2001 Yearbook",
 (Chicago: Ibbotson Associates, 2001), pp. 134.

Exhibit RB-34

Page 3

**Distribution of North Carolina Private Passenger Automobile Insurers
By 2000 Statutory Surplus**

| Firm-Size Decile* | 17 Insurers Used by Vander Weide | | 67 Other Automobile Insurers | |
|---------------------------|----------------------------------|---------------|------------------------------|---------------|
| | No. of Insurers | % of Insurers | No. of Insurers | % of Insurers |
| 1-largest | 16 | 94.1% | 40 | 59.7% |
| 2 | 1 | 5.9% | 13 | 19.4% |
| 3 | 0 | 0.0% | 7 | 10.4% |
| 4 | 0 | 0.0% | 3 | 4.5% |
| 5 | 0 | 0.0% | 1 | 1.5% |
| 6 | 0 | 0.0% | 1 | 1.5% |
| 7 | 0 | 0.0% | 1 | 1.5% |
| 8 | 0 | 0.0% | 1 | 1.5% |
| 9 | 0 | 0.0% | 0 | 0.0% |
| 10-smallest | 0 | 0.0% | 0 | 0.0% |
| Number of Companies | 17 | 100.0% | 67 | 100.0% |
| Median Statutory Surplus | \$1,273 | Million | \$556 | Million |
| Average Statutory Surplus | \$2,260 | Million | \$2,847 | Million |

*Firms were grouped into 10 size classes on the basis of the countrywide 2000 statutory surplus.

Source:

Data fr OneSource, P&C Finance Database, Jan. 2002 Ed.

Data fr Best's Insurance Reports P/C, Volumes I and II, 2001 Ed.

| NCRB - PRO FORMA STATUTORY RETURN | | | |
|---|---------|---------------|----------|
| PRIVATE PASSENGER AUTO LIABILITY | | | |
| | Pre-Tax | Tax Liability | Post-Tax |
| 1. Premiums | 100.00% | | |
| Loss & Loss Adjustment Expense | 66.00% | | |
| Commission & Brokerage | 9.90% | | |
| General Expense | 5.98% | | |
| Other Acquisition Expense | 8.32% | | |
| Taxes, Licenses and Fees | 2.30% | | |
| 2. Pro-Forma Underwriting Profit | 7.50% | | |
| 3. Installment Fee Income | 1.07% | | |
| 4. Regular tax | | 3.00% | |
| 5. Additional tax due to TRA | | 0.11% | |
| 6. Total Return from Underwriting (post-tax) | | | 5.46% |
| 7. Investment Gain on Insurance Transaction | 4.15% | | |
| Less Investment Income on Agents Balances | 0.77% | | |
| Net Investment Gain on Insurance Transaction | 3.38% | 0.89% | 2.50% |
| 8. Total Return as a % of Premium (post-tax) | | | 7.96% |
| 9. Premium-to-Net Worth Ratio | | | 0.979 |
| 10. Total Return as a % of Net Worth (post-tax) | | | 7.79% |

Note: Lines (1) to (8) are all expressed as a % of premium.

Assumptions

| | |
|------------------------------|--------|
| (a) UW Tax Rate = | 35.00% |
| (b) Inv. Income Tax Rate = | 26.22% |
| (c) Inv. Yield = | 5.17% |
| (d) P/S Ratio = | 1.14 |
| (e) NW/S Ratio = | 1.16 |
| (f) Installment Fee Income = | 1.07% |
| (g) Additional TRA tax = | 0.11% |

NOTES TO EXHIBIT RB-35, Page 1

1. The expense provisions are those used on page C-1 of Exhibit RB-1, adjusted to reflect the liability basic limits premium level change implied therein.
2. Selected by Rate Bureau.
3. See assumption (f) below.
4. $[(2.)+(3.)] \times (a.)$.
5. See assumption (g) below.
6. $(2.) + (3.) - [(4.) + (5.)]$.
7. Pages 7-10. Investment income on agents' balances equals $.145 \times 1.031 \times (c)$, where .145 is agents' balances for premiums due less than 90 days and 1.031 is the factor to include the effect of agents' balances or uncollected premiums overdue for more than 90 days.
8. $(6.) + (7.)$.
9. $(d.)/(e.)$.
10. $(8.) \times (9.)$.

ASSUMPTIONS

- (a) Internal Revenue Code.
- (b) See RB-35, pp. 11-13; 1-avg post-tax yield/avg pre-tax yield.
- (c) See RB-35, pp. 11-13; average of current and embedded yields.
- (d) See RB-35, p. 14
- (e) See RB-35, p. 15.
- (f) See RB-35, p. 3
- (g) See RB-35, pp. 4-6

| NCRB - PRO FORMA STATUTORY RETURN ADJUSTED TO INCLUDE INVESTMENT INCOME ON SURPLUS PRIVATE PASSENGER AUTO LIABILITY | | | |
|--|---------|---------------|----------|
| | Pre-Tax | Tax Liability | Post-Tax |
| 1. Premiums | 100.00% | | |
| Loss & Loss Adjustment Expense | 66.00% | | |
| Commission & Brokerage | 9.90% | | |
| General Expense | 5.98% | | |
| Other Acquisition Expense | 8.32% | | |
| Taxes, Licenses and Fees | 2.30% | | |
| 2. Pro-Forma Underwriting Profit | 7.50% | | |
| 3. Installment Fee Income | 1.07% | | |
| 4. Regular tax | | 3.00% | |
| 5. Additional tax due to TRA | | 0.11% | |
| 6. Total Return from Underwriting (post-tax) | | | 5.46% |
| 7. Investment Gain on Insurance Transaction | 4.15% | | |
| Less Investment Income on Agents Balances | 0.77% | | |
| Net Investment Gain on Insurance Transaction | 3.38% | 0.89% | 2.50% |
| 8. Investment Gain on Surplus (Including Prepaid Expense Adjustment) | 4.83% | 1.27% | 3.56% |
| 9. Total Return as a % of Premium (post-tax) | | | 11.52% |
| 10. Premium-to-Net Worth Ratio | | | 0.979 |
| 11. Total Return as a % of Net Worth (post-tax) | | | 11.28% |

Note: Lines (1) to (9) are all expressed as a % of premium.

Assumptions

| | |
|------------------------------|--------|
| (a) UW Tax Rate = | 35.00% |
| (b) Inv. Income Tax Rate = | 26.22% |
| (c) Inv. Yield = | 5.17% |
| (d) P/S Ratio = | 1.14 |
| (e) NW/S Ratio = | 1.16 |
| (f) Installment Fee Income = | 1.07% |
| (g) Additional TRA tax = | 0.11% |

NOTES TO EXHIBIT RB-35, Page 1A

1. The expense provisions are those used on page C-1 of Exhibit RB-1, adjusted to reflect the liability basic limits premium level change implied therein.
2. Selected by Rate Bureau.
3. See assumption (f) below.
4. $[(2.)+(3.)] \times (a.)$.
5. See assumption (g) below.
6. $(2.) + (3.) - [(4.) + (5.)]$.
7. Pages 7-10. Investment income on agents' balances equals $.145 \times 1.031 \times (c)$, where .145 is agents' balances for premiums due less than 90 days and 1.031 is the factor to include the effect of agents' balances or uncollected premiums overdue for more than 90 days.
8. $(c.)/(d.) + (\text{prepaid expenses/premium})*(c.)$.
9. $(6) + (7) + (8)$.
10. $(d.) / (e.)$.
10. $(9.) \times (10.)$.

ASSUMPTIONS

- (a) Internal Revenue Code.
- (b) See RB-35, pp. 11-13; 1-avg post-tax yield/avg pre-tax yield.
- (c) See RB-35, pp. 11-13; average of current and embedded yields.
- (d) See RB-35, p. 14
- (e) See RB-35, p. 15.
- (f) See RB-35, p. 3
- (g) See RB-35, pp. 4-6

NORTH CAROLINA
PRIVATE PASSENGER INSTALLMENT PAYMENT INCOME
(in thousands)

| Year | Inst. Charges | Liability Written Premium | Phy. Dam. Written Premium | Total Premium | Inst. Charges as a % of Prem. |
|----------------------------|------------------|---------------------------------|---------------------------------|------------------|----------------------------------|
| 1995 | 16,428 | 1,761,893 | 803,003 | 2,564,896 | 0.64% |
| 1996 | 23,552 | 1,823,594 | 920,020 | 2,743,614 | 0.86% |
| 1997 | 25,670 | 1,850,184 | 1,213,426 | 3,063,610 | 0.84% |
| 1998 | 26,860 | 1,880,844 | 1,330,395 | 3,211,239 | 0.84% |
| 1999 | 32,058 | 1,873,493 | 1,427,542 | 3,301,035 | 0.97% |
| 2000 | 32,936 | 1,758,477 | 1,484,735 | 3,243,212 | 1.02% |
| 2001 | 38,858 | 1,893,769 | 1,571,089 | 3,464,858 | 1.12% |
| 2002 | 36,805 | 1,985,194 | 1,743,154 | 3,728,348 | 0.99% |
| 2003 | 44,105 | 2,154,552 | 1,761,240 | 3,915,792 | 1.13% |
| 2004 | 42,329 | 2,141,604 | 1,715,924 | 3,857,528 | 1.10% |
| Selected Five Year Average | | | | | 1.07% |

Source: ISO.

**NORTH CAROLINA
PRIVATE PASSENGER AUTO LIABILITY**

ESTIMATION OF TRA TAXABLE INCOME

| | |
|---|---------|
| 1 Earned Premium (current year) | 100.00% |
| 2 UEPR (previous year) | 28.81% |
| 3 UEPR (current year) | 29.83% |
| 4 Increase = (3)-(2) | 1.02% |
| 5 20% of Increase = Taxable Income | 0.20% |
| | |
| 6 Tax Liability = (5)x.35 | 0.07% |
| | |
| 7 Unpaid Losses (current year) | 53.86% |
| 8 Discounted unpaid losses (current year) | 50.32% |
| | |
| 9 Unpaid Losses (previous year) | 52.01% |
| 10 Discounted unpaid losses (previous year) | 48.59% |
| | |
| 11 Additional Income | 0.12% |
| 12 Tax Liability | 0.04% |
| | |
| Other Tax Liabilities | |
| 13 UEP | 0.07% |
| 14 Discounting of Loss Reserves | 0.04% |
| 15 Total | 0.11% |

NORTH CAROLINA
PRIVATE PASSENGER AUTO LIABILITY
CALCULATION OF TAXABLE INCOME

| (1) AY Avg Acc Date | (2) AY Pay Pattern | (3) Percent Unpaid | (4) Total Losses | (5) Unpaid Losses |
|---------------------------|--------------------------|--------------------------|------------------------|-------------------------|
| 0.5 | 50.10% | 49.90% | 65,996 | 32.9 |
| 1.5 | 81.30% | 18.70% | 63,731 | 11.9 |
| 2.5 | 92.00% | 8.00% | 61,544 | 4.9 |
| 3.5 | 96.30% | 3.70% | 59,431 | 2.2 |
| 4.5 | 98.30% | 1.70% | 57,391 | 1.0 |
| 5.5 | 99.10% | 0.90% | 55,422 | 0.5 |
| 6.5 | 99.60% | 0.40% | 53,519 | 0.2 |
| 7.5 | 99.80% | 0.20% | 51,682 | 0.1 |
| 8.5 | 99.90% | 0.10% | 49,909 | 0.0 |
| 9.5 | 99.90% | 0.10% | 48,195 | 0.0 |
| 10.5 | 100.00% | 0.00% | 46,541 | 0.0 |
| 11.5 | 100.00% | 0.00% | 44,944 | 0.0 |
| 12.5 | 100.00% | 0.00% | 43,401 | 0.0 |
| 13.5 | 100.00% | 0.00% | 41,912 | 0.0 |
| 14.5 | 100.00% | 0.00% | 40,473 | 0.0 |
| 15.5 | 100.00% | 0.00% | 39,084 | 0.0 |
| 16.5 | 100.00% | 0.00% | 37,742 | 0.0 |
| 17.5 | 100.00% | 0.00% | 36,447 | 0.0 |
| 18.5 | 100.00% | 0.00% | 35,196 | 0.0 |
| 19.5 | 100.00% | 0.00% | 33,988 | 0.0 |
| 20.5 | 100.00% | 0.00% | 32,821 | 0.0 |
| 21.5 | 100.00% | 0.00% | 31,695 | 0.0 |
| 22.5 | 100.00% | 0.00% | 30,607 | 0.0 |
| 23.5 | 100.00% | 0.00% | 29,556 | 0.0 |
| 24.5 | 100.00% | 0.00% | 28,542 | 0.0 |
| 25.5 | 100.00% | 0.00% | 27,562 | 0.0 |
| 26.5 | 100.00% | 0.00% | 26,616 | 0.0 |
| 27.5 | 100.00% | 0.00% | 25,703 | 0.0 |
| 28.5 | 100.00% | 0.00% | 24,820 | 0.0 |
| 29.5 | 100.00% | 0.00% | 23,969 | 0.0 |
| 30.5 | 100.00% | 0.00% | 23,146 | 0.0 |
| 31.5 | 100.00% | 0.00% | 22,351 | 0.0 |
| 32.5 | 100.00% | 0.00% | 21,584 | 0.0 |
| 33.5 | 100.00% | 0.00% | 20,843 | 0.0 |
| 34.5 | 100.00% | 0.00% | 20,128 | 0.0 |
| 35.5 | 100.00% | 0.00% | 19,437 | 0.0 |
| 36.5 | 100.00% | 0.00% | 18,770 | 0.0 |
| 37.5 | 100.00% | 0.00% | 18,126 | 0.0 |
| 38.5 | 100.00% | 0.00% | 17,504 | 0.0 |
| 39.5 | 100.00% | 0.00% | 16,903 | 0.0 |
| 40.5 | 100.00% | 0.00% | 16,323 | 0.0 |
| 41.5 | 100.00% | 0.00% | 15,762 | 0.0 |
| 42.5 | 100.00% | 0.00% | 15,221 | 0.0 |
| 43.5 | 100.00% | 0.00% | 14,699 | 0.0 |
| 44.5 | 100.00% | 0.00% | 14,194 | 0.0 |
| 45.5 | 100.00% | 0.00% | 13,707 | 0.0 |
| 46.5 | 100.00% | 0.00% | 13,237 | 0.0 |
| 47.5 | 100.00% | 0.00% | 12,782 | 0.0 |
| 48.5 | 100.00% | 0.00% | 12,344 | 0.0 |
| 49.5 | 100.00% | 0.00% | 11,920 | 0.0 |
| 50.5 | 100.00% | 0.00% | 11,511 | 0.0 |
| 51.5 | 100.00% | 0.00% | 11,116 | 0.0 |
| 52.5 | 100.00% | 0.00% | 10,734 | 0.0 |
| 53.5 | 100.00% | 0.00% | 10,366 | 0.0 |
| 54.5 | 100.00% | 0.00% | 10,010 | 0.0 |
| 55.5 | 100.00% | 0.00% | 9,666 | 0.0 |
| 56.5 | 100.00% | 0.00% | 9,335 | 0.0 |
| 57.5 | 100.00% | 0.00% | 9,014 | 0.0 |
| 58.5 | 100.00% | 0.00% | 8,705 | 0.0 |
| 59.5 | 100.00% | 0.00% | 8,406 | 0.0 |
| 60.5 | 100.00% | 0.00% | 8,118 | 0.0 |
| 61.5 | 100.00% | 0.00% | 7,839 | 0.0 |
| 62.5 | 100.00% | 0.00% | 7,570 | 0.0 |
| 63.5 | 100.00% | 0.00% | 7,310 | 0.0 |
| 64.5 | 100.00% | 0.00% | 7,059 | 0.0 |
| 65.5 | 100.00% | 0.00% | 6,817 | 0.0 |
| 66.5 | 100.00% | 0.00% | 6,583 | 0.0 |
| Sum | | | | 53.86 |

| (6) AY at 12/31/2005 | (7) Discount Factor | (8) Discounted Weight |
|----------------------------|---------------------------|-----------------------------|
| 2005 | 0.936121 | 30.8 |
| 2004 | 0.931486 | 11.1 |
| 2003 | 0.933510 | 4.6 |
| 2002 | 0.932034 | 2.0 |
| 2001 | 0.927060 | 0.9 |
| 2000 | 0.922040 | 0.5 |
| 1999 | 0.913257 | 0.2 |
| 1998 | 0.912646 | 0.1 |
| 1997 | 0.914469 | 0.0 |
| 1996 | 0.933821 | 0.0 |
| 1995 | 0.953548 | 0.0 |
| 1994 | 0.973165 | 0.0 |
| 1993 | 0.978513 | 0.0 |
| 1992 | 0.978513 | 0.0 |
| 1991 | 0.978513 | 0.0 |
| 1990 | 0.978513 | 0.0 |
| 1989 | 0.978513 | 0.0 |
| 1988 | 0.978513 | 0.0 |
| 1987 | 0.978513 | 0.0 |
| 1986 | 0.978513 | 0.0 |
| 1985 | 0.978513 | 0.0 |
| 1984 | 0.978513 | 0.0 |
| 1983 | 0.978513 | 0.0 |
| 1982 | 0.978513 | 0.0 |
| 1981 | 0.978513 | 0.0 |
| 1980 | 0.978513 | 0.0 |
| 1979 | 0.978513 | 0.0 |
| 1978 | 0.978513 | 0.0 |
| 1977 | 0.978513 | 0.0 |
| 1976 | 0.978513 | 0.0 |
| 1975 | 0.978513 | 0.0 |
| 1974 | 0.978513 | 0.0 |
| 1973 | 0.978513 | 0.0 |
| 1972 | 0.978513 | 0.0 |
| 1971 | 0.978513 | 0.0 |
| 1970 | 0.978513 | 0.0 |
| 1969 | 0.978513 | 0.0 |
| 1968 | 0.978513 | 0.0 |
| 1967 | 0.978513 | 0.0 |
| 1966 | 0.978513 | 0.0 |
| 1965 | 0.978513 | 0.0 |
| 1964 | 0.978513 | 0.0 |
| 1963 | 0.978513 | 0.0 |
| 1962 | 0.978513 | 0.0 |
| 1961 | 0.978513 | 0.0 |
| 1960 | 0.978513 | 0.0 |
| 1959 | 0.978513 | 0.0 |
| 1958 | 0.978513 | 0.0 |
| 1957 | 0.978513 | 0.0 |
| 1956 | 0.978513 | 0.0 |
| 1955 | 0.978513 | 0.0 |
| 1954 | 0.978513 | 0.0 |
| 1953 | 0.978513 | 0.0 |
| 1952 | 0.978513 | 0.0 |
| 1951 | 0.978513 | 0.0 |
| 1950 | 0.978513 | 0.0 |
| 1949 | 0.978513 | 0.0 |
| 1948 | 0.978513 | 0.0 |
| 1947 | 0.978513 | 0.0 |
| 1946 | 0.978513 | 0.0 |
| 1945 | 0.978513 | 0.0 |
| 1944 | 0.978513 | 0.0 |
| 1943 | 0.978513 | 0.0 |
| 1942 | 0.978513 | 0.0 |
| 1941 | 0.978513 | 0.0 |
| 1940 | 0.978513 | 0.0 |
| 1939 | 0.978513 | 0.0 |
| Sum | | 50.32 |

| (9) AY at 12/31/2004 | (10) Weight | (11) Discount Factor | (12) Discounted Weight |
|----------------------------|----------------|----------------------------|------------------------------|
| 2004 | 31.8018601 | 0.936121 | 29.8 |
| 2003 | 11.5086764 | 0.931486 | 10.7 |
| 2002 | 4.75450771 | 0.933510 | 4.4 |
| 2001 | 2.12348447 | 0.932034 | 2.0 |
| 2000 | 0.94216742 | 0.927060 | 0.9 |
| 1999 | 0.48167429 | 0.922040 | 0.4 |
| 1998 | 0.20672964 | 0.913257 | 0.2 |
| 1997 | 0.09981701 | 0.912646 | 0.1 |
| 1996 | 0.04819548 | 0.914469 | 0.0 |
| 1995 | 0.04654126 | 0.933821 | 0.0 |
| 1994 | 0 | 0.953548 | 0.0 |
| 1993 | 0 | 0.973165 | 0.0 |
| 1992 | 0 | 0.978513 | 0.0 |
| 1991 | 0 | 0.978513 | 0.0 |
| 1990 | 0 | 0.978513 | 0.0 |
| 1989 | 0 | 0.978513 | 0.0 |
| 1988 | 0 | 0.978513 | 0.0 |
| 1987 | 0 | 0.978513 | 0.0 |
| 1986 | 0 | 0.978513 | 0.0 |
| 1985 | 0 | 0.978513 | 0.0 |
| 1984 | 0 | 0.978513 | 0.0 |
| 1983 | 0 | 0.978513 | 0.0 |
| 1982 | 0 | 0.978513 | 0.0 |
| 1981 | 0 | 0.978513 | 0.0 |
| 1980 | 0 | 0.978513 | 0.0 |
| 1979 | 0 | 0.978513 | 0.0 |
| 1978 | 0 | 0.978513 | 0.0 |
| 1977 | 0 | 0.978513 | 0.0 |
| 1976 | 0 | 0.978513 | 0.0 |
| 1975 | 0 | 0.978513 | 0.0 |
| 1974 | 0 | 0.978513 | 0.0 |
| 1973 | 0 | 0.978513 | 0.0 |
| 1972 | 0 | 0.978513 | 0.0 |
| 1971 | 0 | 0.978513 | 0.0 |
| 1970 | 0 | 0.978513 | 0.0 |
| 1969 | 0 | 0.978513 | 0.0 |
| 1968 | 0 | 0.978513 | 0.0 |
| 1967 | 0 | 0.978513 | 0.0 |
| 1966 | 0 | 0.978513 | 0.0 |
| 1965 | 0 | 0.978513 | 0.0 |
| 1964 | 0 | 0.978513 | 0.0 |
| 1963 | 0 | 0.978513 | 0.0 |
| 1962 | 0 | 0.978513 | 0.0 |
| 1961 | 0 | 0.978513 | 0.0 |
| 1960 | 0 | 0.978513 | 0.0 |
| 1959 | 0 | 0.978513 | 0.0 |
| 1958 | 0 | 0.978513 | 0.0 |
| 1957 | 0 | 0.978513 | 0.0 |
| 1956 | 0 | 0.978513 | 0.0 |
| 1955 | 0 | 0.978513 | 0.0 |
| 1954 | 0 | 0.978513 | 0.0 |
| 1953 | 0 | 0.978513 | 0.0 |
| 1952 | 0 | 0.978513 | 0.0 |
| 1951 | 0 | 0.978513 | 0.0 |
| 1950 | 0 | 0.978513 | 0.0 |
| 1949 | 0 | 0.978513 | 0.0 |
| 1948 | 0 | 0.978513 | 0.0 |
| 1947 | 0 | 0.978513 | 0.0 |
| 1946 | 0 | 0.978513 | 0.0 |
| 1945 | 0 | 0.978513 | 0.0 |
| 1944 | 0 | 0.978513 | 0.0 |
| 1943 | 0 | 0.978513 | 0.0 |
| 1942 | 0 | 0.978513 | 0.0 |
| 1941 | 0 | 0.978513 | 0.0 |
| 1940 | 0 | 0.978513 | 0.0 |
| 1939 | 0 | 0.978513 | 0.0 |
| Sum | | | 48.59 |

NOTES TO PAGES 4 AND 5

Page 4

- 1 Current year earned premium
- 2 Estimated prior year UEPR as percent of current year earned premium given assumed premium growth rate
- 3 Annual Statement, page 15, UEPR/Earned Premium for all companies writing this line of private passenger automobile insurance in North Carolina.
- 4 Line (3) - line (2)
- 5 Line (4) x .20.
- 6 Line (5) x .35.
- 7 Unpaid current-year losses at year-end as a percent of premium. Sum of Page 5, Column (5).
- 8 Discounted unpaid current-year losses at year-end as a percent of premium. Sum of Page 5, Column (8).
- 9 Unpaid prior-year losses at year-end as a percent of premium. Sum of Page 5, Column (5) divided by assumed growth rate.
- 10 Discounted unpaid current-year losses at year-end as a percent of premium. Sum of Page 5, Column (12).
- 11 Line (7) - Line (8) - [Line (9) - Line (10)]
- 12 Line (11) x .35
- 13 Line (6)
- 14 Line (12)
- 15 Line (13) + Line (14)

Page 5

- 1 Midpoint of number of years since end of accident period.
- 2 Accident year payout pattern
- 3 1 - Column (2)
- 4 Losses, given assumed historical growth rate.
- 5 Column (3) x Column (4)
- 6 Accident Year at current year end
- 7 Discount factor per IRS Regulations.
- 8 Column (5) x Column (7)
- 9 Accident Year at prior year end
- 10 Column (3), previous period x Column (4), current period
- 11 Discount factor per IRS Regulations.
- 12 Column (10) x Column (11)

NCRB INVESTMENT INCOME CALCULATION
PRIVATE PASSENGER AUTO LIABILITY
 Projected Investment Earnings on Loss, Loss
 Adjustment Expense and Unearned Premium Reserves

| | | |
|---|--------|-----------|
| A. UNEARNED PREMIUM RESERVES | | |
| 1. Direct Earned Premiums | | 1,000,000 |
| 2. Mean UEPR | 29.30% | 293,000 |
| 3. Deductions for prepaid expenses | | |
| Commissions & Brokerage | 9.90% | |
| Taxes, Licenses & Fees | 1.92% | |
| One Half Other Acquisition Expense | 4.16% | |
| One Half General Expense | 2.99% | |
| Total | 18.97% | |
| 4. Deduction for Prepaid Expenses: (2) x (3) | | 55,576 |
| 5. Net UEPR Subject to Inv (2) - (4) | | 237,424 |
| B. Loss and Loss Expense Reserves | | |
| 1. Direct Earned Premium | | 1,000,000 |
| 2. Expected Inc L & LAE to Premium Ratio | 0.6600 | 659,964 |
| 3. Expected Mean L&LAE Reserve to Inc. L & LAE Ratio | 0.857 | 565,607 |
| C. Net PH Funds Subj to Inv (A5 + B3) | | |
| | | 803,031 |
| D. Average Rate of Return | | |
| | | 5.17% |
| E. Investment Earnings from Net Reserves (C) x (D) | | |
| | | 41,532 |
| F. Average Rate of Return as a Percent of Direct Earned Premium (E) / (A1) | | |
| | | 4.15% |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PRIVATE PASSENGER AUTO LIABILITY

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

All calculations are displayed per \$1,000,000 of earned premium.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2004 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2004 | \$2,119,188,172 |
| 2. Unearned Premium Reserve as of 12/31/2003 | \$609,899,658 |
| 3. Unearned Premium Reserve as of 12/31/2004 | \$632,152,880 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 621,026,269 |
| 5. Ratio (4) \div (1) | 0.293 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PRIVATE PASSENGER AUTO LIABILITY

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line B-2

The expected loss and loss adjustment expense ratio reflects the expense provisions used in this filing.

Line B-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2003 and 2004 for Automobile Liability insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 2003 | \$1,501,859,410 |
| 2. Incurred Losses for Calendar Year 2004 | \$1,598,924,786 |
| 3. Loss Reserves as of 12/31/2002 | \$1,276,839,223 |
| 4. Loss Reserves as of 12/31/2003 | \$1,335,811,002 |
| 5. Loss Reserves as of 12/31/2004 | \$1,428,148,692 |
| 6. Mean Loss Reserve 2003: $1/2 [(3) + (4)]$ | 1,306,325,113 |
| 7. Mean Loss Reserve 2004: $1/2 [(4) + (5)]$ | 1,381,979,847 |
| 8. Ratio (6) \div (1) | 0.870 |
| 9. Ratio (7) \div (2) | 0.864 |
| 10. Loss Reserve: $1/2 [(8) + (9)]$ | 0.867 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.203 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.217 |
| 13. Loss and LAE Reserve $[(10) \times (1.0 + (11)) / (1.0 + (12))]$ | 0.857 |

(a) Based on 2004 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PRIVATE PASSENGER AUTO LIABILITY

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line D

The average rate of return is calculated as the arithmetic mean of the embedded and current yields. The embedded yield is the sum of two ratios: the most recent ratio of investment income to invested assets (shown below), plus the 10-year average ratio of capital gains to invested assets (see Exhibit RB-35, page 12). The current yield is the estimated, currently available rate of return (including income and expected capital gains) on the property/casualty industry investment portfolio (see Exhibit RB-35, page 11).

| | |
|------------------|-------|
| Embedded yield = | 5.27% |
| Current yield = | 5.07% |
| Average = | 5.17% |

| PORTFOLIO YIELD AND TAX RATE - CURRENT YIELD | | | | |
|---|-------------------------|---|-------------|--|
| (1) | (2) | (3) | (4) | (5) |
| Investable Asset | Percent of Assets | Estimated Prospective Pre-Tax Return | Tax Rate | Estimated Prospective Post-Tax Return |
| Bonds | | | | |
| U.S. Govt | 13.17% | 4.13% | 35.00% | 2.68% |
| States & territories | 12.52% | 3.56% | 5.25% | 3.37% |
| Special revenue | 22.22% | 3.46% | 5.25% | 3.28% |
| Public Utilities | 1.66% | 4.79% | 35.00% | 3.11% |
| Industrial | 20.64% | 4.66% | 35.00% | 3.03% |
| Preferred stock | 1.51% | 6.30% | 14.18% | 5.41% |
| Common stock | 18.28% | 11.83% | 31.92% | 8.05% |
| Mortgage Loans | 0.25% | 5.89% | 35.00% | 3.83% |
| Real estate | 0.92% | 7.46% | 35.00% | 4.85% |
| Cash & short-term invs. | 8.83% | 3.52% | 35.00% | 2.29% |
| Rate of Return Pre-Inv Exp | 100.00% | 5.45% | 26.79% | 3.99% |
| Investment Expenses | | 0.38% | 35.00% | 0.25% |
| Portfolio Rate of Return | | 5.07% | 26.17% | 3.74% |

Sources:

Various issues of Federal Reserve Statistical Release, H.15(519).

Mergent Bond Record.

Standard & Poor's CreditWeek.

Value Line Investment Survey, Part II.

Ibbotson Associates, SBBI Valuation Edition 2005 Yearbook.

Ibbotson and Siegel, AREUEA Journal, 1984.

A.M. Best's Aggregates & Averages, 2005 edition.

| PORTFOLIO YIELD AND TAX RATE EMBEDDED YIELD | | |
|--|---------------|---------------|
| | Income | Tax Rate |
| Bonds | | |
| Taxable | 21,696,435 | 35.00% |
| Non-Taxable | 11,340,140 | 5.25% |
| Stocks | | |
| Taxable | 3,285,602 | 14.18% |
| Non-Taxable | 2,131,399 | 5.25% |
| Mortgage Loans | 169,603 | 35.00% |
| Real Estate | 1,646,000 | 35.00% |
| Contract Loans | 981 | 35.00% |
| Cash / Short Term Inv. | 1,189,806 | 35.00% |
| All Other | 3,751,696 | 35.00% |
| Total | 45,211,662 | 24.62% |
| Inv. Expenses | 4,064,665 | 35.00% |
| Net Inv. Income | 41,146,997 | 23.59% |
| Mean Invested Assets | 1,018,810,319 | |
| Inv. Inc. Yield Rate | 4.04% | 23.59% |
| Capital Gains (10 yr. avg) (% Of Inv. Assets) | 1.23% | 35.00% |
| Invest. Yield Rate (pre-tax) | 5.27% | 26.26% |
| Invest. Yield Rate (post-tax) | 3.89% | |

Source: Best's Aggregates and Averages, 2005 Edition, p. 12 (Exhibit of Net Investment Income, Col. 2 (Earned During Year)).

Capital Gains: RB-35, page 13

**CAPITAL GAINS OR LOSSES
AS A PERCENT OF MEAN ASSETS**
(All amounts in thousands of dollars)

| Calendar Year | Mean Total Invested Assets | Realized Capital Gains | |
|------------------|----------------------------------|---------------------------|---------|
| | | Amount | Percent |
| 1995 | 636,756,797 | 5,997,029 | 0.94% |
| 1996 | 682,407,194 | 9,243,907 | 1.35% |
| 1997 | 733,433,983 | 10,807,929 | 1.47% |
| 1998 | 781,421,247 | 18,019,189 | 2.31% |
| 1999 | 797,920,622 | 13,016,157 | 1.63% |
| 2000 | 794,195,460 | 16,204,649 | 2.04% |
| 2001 | 785,530,275 | 6,630,679 | 0.84% |
| 2002 | 815,037,267 | 2,770,997 | 0.34% |
| 2003 | 908,024,056 | 6,280,196 | 0.69% |
| 2004 | 1,018,810,319 | 9,113,199 | 0.89% |
| Total | 7,953,537,218 | 98,083,931 | 1.23% |

*Mean total invested assets is the average of the current year and prior year values of total invested assets (annual statement page 2, Line 9).

Source: "Best's Aggregates & Averages--Property-Casualty,"
various editions

**NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE**

PREMIUM-TO-SURPLUS RATIOS

| <u>Year</u> | <u>Liability</u> | <u>Physical Damage</u> |
|-------------------|------------------|----------------------------|
| 1995 | 1.452 | 1.485 |
| 1996 | 1.366 | 1.398 |
| 1997 | 0.969 | 0.974 |
| 1998 | 0.931 | 0.946 |
| 1999 | 0.898 | 0.929 |
| 2000 | 0.951 | 0.980 |
| 2001 | 1.159 | 1.182 |
| 2002 | 1.377 | 1.400 |
| 2003 | 1.189 | 1.236 |
| 2004 | 1.089 | 1.109 |
| Five-Year Average | 1.153 | 1.182 |
| Ten-Year Average | 1.138 | 1.164 |

Notes:

- 1 Ratios based on net premium written.
- 2 Top 30 Groups in each year from Best's Data Service.
- 3 Premiums and surplus from Best's Aggregate and Averages.

**NORTH CAROLINA PRIVATE PASSENGER AUTO
CALCULATION OF GAAP NET WORTH TO SURPLUS RATIO**

| | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|------------------|------------------|-----------------|-----------------|-----------------|
| Policyholder Surplus | 334,348,173,079 | 317,360,616,515 | 289,605,554,159 | 285,385,631,797 | 347,020,052,576 |
| + Deferred Acquisition Costs | 16,075,447,974 | 16,702,143,897 | 18,331,855,434 | 21,228,221,405 | 23,633,976,782 |
| + Revenue Offset Provision | 7,392,359,287 | 7,680,547,924 | - | - | - |
| + Loss Reserve Discounting Provision | 16,759,902,155 | 16,029,012,263 | 12,395,001,383 | 20,975,201,995 | 18,945,643,538 |
| - Deferred Fresh Start Benefit | (110,445,195) | (29,064,525) | - | - | - |
| - Deferred Taxes on Unrealized Capital Gains | (20,173,111,830) | (19,269,614,804) | - | - | - |
| + Non-admitted Assets | 13,053,945,756 | 14,405,827,828 | 14,452,932,464 | 15,273,483,824 | 16,495,566,662 |
| + Excess of Statutory over Statement Reserves | 1,055,252,609 | 724,549,081 | - | - | - |
| + Provision for Reinsurance | 4,683,667,991 | 5,198,852,067 | 5,471,002,096 | 6,130,614,136 | 5,802,642,707 |
| + Provision for FAS 115 | (5,886,678,087) | 6,508,564,466 | 5,281,971,040 | 10,573,599,824 | 11,598,154,936 |
| - Surplus Notes | (5,245,277,655) | (5,647,941,412) | (6,648,831,578) | (8,050,443,917) | (9,589,168,207) |
| GAAP-adjusted Net Worth | 361,953,236,084 | 359,663,493,299 | 338,889,484,998 | 351,516,309,064 | 413,906,868,994 |
| Ratio of GAAP Net Worth to Statutory Surplus | 1.08 | 1.13 | 1.17 | 1.23 | 1.19 |
| Five Year Average | 1.16 | | | | |

Source: ISO

| NCRB - PRO FORMA STATUTORY RETURN | | | | |
|--|--|---------|---------------|----------|
| PRIVATE PASSENGER PHYSICAL DAMAGE | | | | |
| | | Pre-Tax | Tax Liability | Post-Tax |
| 1. | Premiums | 100.00% | | |
| | Loss & Loss Adjustment Expense | 63.83% | | |
| | Commission & Brokerage | 9.40% | | |
| | General Expense | 5.90% | | |
| | Other Acquisition Expense | 8.68% | | |
| | Taxes, Licenses and Fees | 2.20% | | |
| 2. | Pro-Forma Underwriting Profit | 10.00% | | |
| 3. | Installment Fee Income | 1.07% | | |
| 4. | Regular tax | | 3.87% | |
| 5. | Additional tax due to TRA | | 0.12% | |
| 6. | Total Return from Underwriting (post-tax) | | | 7.07% |
| 7. | Investment Gain on Insurance Transaction | 1.62% | | |
| | Less Investment Income on Agents Balances | 0.79% | | |
| | Net Investment Gain on Insurance Transaction | 0.83% | 0.22% | 0.61% |
| 8. | Total Return as a % of Premium (post-tax) | | | 7.69% |
| 9. | Premium-to-Net Worth Ratio | | | 1.002 |
| 10. | Total Return as a % of Net Worth (post-tax) | | | 7.70% |

Note: Lines (1) to (8) are all expressed as a % of premium.

Assumptions

| | |
|-----------------------------|--------|
| (a) UW Tax Rate = | 35.00% |
| (b) Inv. Income Tax Rate = | 26.22% |
| (c) Inv. Yield = | 5.17% |
| (d) P/S Ratio = | 1.16 |
| (e) NW/S Ratio = | 1.16 |
| (f) Installment Fee Income= | 1.07% |
| (g) Additional TRA tax= | 0.12% |

NOTES TO EXHIBIT RB-36, Page 1

1. The expense provisions are those used on page C-7 of Exhibit RB-1, adjusted to reflect the physical damage premium level change implied therein.
2. Selected by Rate Bureau.
3. See assumption (f) below.
4. [(2.)+(3.)] x (a.).
5. See assumption (g) below.
6. (2.) + (3.) - [(4.) + (5.)].
7. Pages 7-10. Investment income on agents' balances equals $.147 \times 1.031 \times (c)$, where .147 is agents' balances for premiums due less than 90 days and 1.031 is the factor to include the effect of agents' balances or uncollected premiums overdue for more than 90 days.
8. (6.) + (7.).
9. (d.)/(e.).
10. (8.) x (9.).

ASSUMPTIONS

- (a) Internal Revenue Code.
- (b) See RB-36, pp. 11-13; 1-avg post-tax yield/avg pre-tax yield.
- (c) See RB-36, pp. 11-13; average of current and embedded yields.
- (d) See RB-36, p. 14
- (e) See RB-36, p. 15.
- (f) See RB-36, p. 3
- (g) See RB-36, pp. 4-6

| NCRB - PRO FORMA STATUTORY RETURN ADJUSTED TO INCLUDE INVESTMENT INCOME ON SURPLUS PRIVATE PASSENGER PHYSICAL DAMAGE | | | |
|---|---------|---------------|----------|
| | Pre-Tax | Tax Liability | Post-Tax |
| 1. Premiums | 100.00% | | |
| Loss & Loss Adjustment Expense | 63.83% | | |
| Commission & Brokerage | 9.40% | | |
| General Expense | 5.90% | | |
| Other Acquisition Expense | 8.68% | | |
| Taxes, Licenses and Fees | 2.20% | | |
| 2. Pro-Forma Underwriting Profit | 10.00% | | |
| 3. Installment Fee Income | 1.07% | | |
| 4. Regular tax | | 3.87% | |
| 5. Additional tax due to TRA | | 0.12% | |
| 6. Total Return from Underwriting (post-tax) | | | 7.08% |
| 7. Investment Gain on Insurance Transaction | 1.62% | | |
| Less Investment Income on Agents Balances | 0.79% | | |
| Net Investment Gain on Insurance Transaction | 0.83% | 0.22% | 0.61% |
| 8. Investment Gain on Surplus (Including Prepaid Expense Adjustment) | 4.73% | 1.24% | 3.49% |
| 9. Total Return as a % of Premium (post-tax) | | | 11.18% |
| 10. Premium-to-Net Worth Ratio | | | 1.002 |
| 11. Total Return as a % of Net Worth (post-tax) | | | 11.20% |

Note: Lines (1) to (9) are all expressed as a % of premium.

Assumptions

| | |
|-----------------------------|--------|
| (a) UW Tax Rate = | 35.00% |
| (b) Inv. Income Tax Rate = | 26.22% |
| (c) Inv. Yield = | 5.17% |
| (d) P/S Ratio = | 1.16 |
| (e) NW/S Ratio = | 1.16 |
| (f) Installment Fee Income= | 1.07% |
| (g) Additional TRA tax= | 0.12% |

NOTES TO EXHIBIT RB-36, Page 1A

1. The expense provisions are those used on page C-7 of Exhibit RB-1, adjusted to reflect the physical damage premium level change implied therein.
2. Selected by Rate Bureau.
3. See assumption (f) below.
4. $[(2.)+(3.)] \times (a.)$.
5. See assumption (g) below.
6. $(2.) + (3.) - [(4.) + (5.)]$.
7. Pages 7-10. Investment income on agents' balances equals $.147 \times 1.031 \times (c)$, where .147 is agents' balances for premiums due less than 90 days and 1.031 is the factor to include the effect of agents' balances or uncollected premiums overdue for more than 90 days.
8. $(c.)/(d.) + (\text{prepaid expenses/premium})*(c.)$.
9. $(6) + (7) + (8)$.
10. $(d.) / (e.)$.
10. $(9.) \times (10.)$.

ASSUMPTIONS

- (a) Internal Revenue Code.
- (b) See RB-36, pp. 11-13; 1-avg post-tax yield/avg pre-tax yield.
- (c) See RB-36, pp. 11-13; average of current and embedded yields.
- (d) See RB-36, p. 14
- (e) See RB-36, p. 15.
- (f) See RB-36, p. 3
- (g) See RB-36, pp. 4-6

NORTH CAROLINA
PRIVATE PASSENGER INSTALLMENT PAYMENT INCOME
(in thousands)

| Year | Inst. Charges | Liability Written Premium | Phy. Dam. Written Premium | Total Premium | Inst. Charges as a % of Prem. |
|----------------------------|------------------|---------------------------------|---------------------------------|------------------|----------------------------------|
| 1995 | 16,428 | 1,761,893 | 803,003 | 2,564,896 | 0.64% |
| 1996 | 23,552 | 1,823,594 | 920,020 | 2,743,614 | 0.86% |
| 1997 | 25,670 | 1,850,184 | 1,213,426 | 3,063,610 | 0.84% |
| 1998 | 26,860 | 1,880,844 | 1,330,395 | 3,211,239 | 0.84% |
| 1999 | 32,058 | 1,873,493 | 1,427,542 | 3,301,035 | 0.97% |
| 2000 | 32,936 | 1,758,477 | 1,484,735 | 3,243,212 | 1.02% |
| 2001 | 38,858 | 1,893,769 | 1,571,089 | 3,464,858 | 1.12% |
| 2002 | 36,805 | 1,985,194 | 1,743,154 | 3,728,348 | 0.99% |
| 2003 | 44,105 | 2,154,552 | 1,761,240 | 3,915,792 | 1.13% |
| 2004 | 42,329 | 2,141,604 | 1,715,924 | 3,857,528 | 1.10% |
| Selected Five Year Average | | | | | 1.07% |

Source: ISO.

**NORTH CAROLINA
PRIVATE PASSENGER PHYSICAL DAMAGE**

ESTIMATION OF TRA TAXABLE INCOME

| | |
|---|---------|
| 1 Earned Premium (current year) | 100.00% |
| 2 UEPR (previous year) | 28.93% |
| 3 UEPR (current year) | 30.70% |
| 4 Increase = (3)-(2) | 1.77% |
| 5 20% of Increase = Taxable Income | 0.35% |
| | |
| 6 Tax Liability = (5)x.35 | 0.12% |
| | |
| 7 Unpaid Losses (current year) | 2.94% |
| 8 Discounted unpaid losses (current year) | 2.86% |
| | |
| 9 Unpaid Losses (previous year) | 2.77% |
| 10 Discounted unpaid losses (previous year) | 2.70% |
| | |
| 11 Additional Income | 0.00% |
| 12 Tax Liability | 0.00% |
| | |
| Other Tax Liabilities | |
| 13 UEP | 0.12% |
| 14 Discounting of Loss Reserves | 0.00% |
| 15 Total | 0.12% |

NORTH CAROLINA
PRIVATE PASSENGER PHYSICAL DAMAGE
CALCULATION OF TAXABLE INCOME

| (1) AY Avg Acc Date | (2) AY Pay Pattern | (3) Percent Unpaid | (4) Total Losses | (5) Unpaid Losses |
|---------------------------|--------------------------|--------------------------|------------------------|-------------------------|
| 0.5 | 96.40% | 3.60% | 63.825 | 2.3 |
| 1.5 | 99.30% | 0.70% | 60.149 | 0.4 |
| 2.5 | 99.80% | 0.20% | 56.684 | 0.1 |
| 3.5 | 99.90% | 0.10% | 53.419 | 0.1 |
| 4.5 | 99.90% | 0.10% | 50.342 | 0.1 |
| 5.5 | 100.00% | 0.00% | 47.442 | 0.0 |
| 6.5 | 100.00% | 0.00% | 44.709 | 0.0 |
| 7.5 | 100.00% | 0.00% | 42.134 | 0.0 |
| 8.5 | 100.00% | 0.00% | 39.707 | 0.0 |
| 9.5 | 100.00% | 0.00% | 37.420 | 0.0 |
| 10.5 | 100.00% | 0.00% | 35.264 | 0.0 |
| 11.5 | 100.00% | 0.00% | 33.233 | 0.0 |
| 12.5 | 100.00% | 0.00% | 31.319 | 0.0 |
| 13.5 | 100.00% | 0.00% | 29.515 | 0.0 |
| 14.5 | 100.00% | 0.00% | 27.815 | 0.0 |
| 15.5 | 100.00% | 0.00% | 26.213 | 0.0 |
| 16.5 | 100.00% | 0.00% | 24.703 | 0.0 |
| 17.5 | 100.00% | 0.00% | 23.280 | 0.0 |
| 18.5 | 100.00% | 0.00% | 21.939 | 0.0 |
| 19.5 | 100.00% | 0.00% | 20.675 | 0.0 |
| 20.5 | 100.00% | 0.00% | 19.484 | 0.0 |
| 21.5 | 100.00% | 0.00% | 18.362 | 0.0 |
| 22.5 | 100.00% | 0.00% | 17.304 | 0.0 |
| 23.5 | 100.00% | 0.00% | 16.307 | 0.0 |
| 24.5 | 100.00% | 0.00% | 15.368 | 0.0 |
| 25.5 | 100.00% | 0.00% | 14.483 | 0.0 |
| 26.5 | 100.00% | 0.00% | 13.649 | 0.0 |
| 27.5 | 100.00% | 0.00% | 12.862 | 0.0 |
| 28.5 | 100.00% | 0.00% | 12.122 | 0.0 |
| 29.5 | 100.00% | 0.00% | 11.423 | 0.0 |
| 30.5 | 100.00% | 0.00% | 10.765 | 0.0 |
| 31.5 | 100.00% | 0.00% | 10.145 | 0.0 |
| 32.5 | 100.00% | 0.00% | 9.561 | 0.0 |
| 33.5 | 100.00% | 0.00% | 9.010 | 0.0 |
| 34.5 | 100.00% | 0.00% | 8.491 | 0.0 |
| 35.5 | 100.00% | 0.00% | 8.002 | 0.0 |
| 36.5 | 100.00% | 0.00% | 7.541 | 0.0 |
| 37.5 | 100.00% | 0.00% | 7.107 | 0.0 |
| 38.5 | 100.00% | 0.00% | 6.697 | 0.0 |
| 39.5 | 100.00% | 0.00% | 6.312 | 0.0 |
| 40.5 | 100.00% | 0.00% | 5.948 | 0.0 |
| 41.5 | 100.00% | 0.00% | 5.605 | 0.0 |
| 42.5 | 100.00% | 0.00% | 5.283 | 0.0 |
| 43.5 | 100.00% | 0.00% | 4.978 | 0.0 |
| 44.5 | 100.00% | 0.00% | 4.691 | 0.0 |
| 45.5 | 100.00% | 0.00% | 4.421 | 0.0 |
| 46.5 | 100.00% | 0.00% | 4.167 | 0.0 |
| 47.5 | 100.00% | 0.00% | 3.927 | 0.0 |
| 48.5 | 100.00% | 0.00% | 3.700 | 0.0 |
| 49.5 | 100.00% | 0.00% | 3.487 | 0.0 |
| 50.5 | 100.00% | 0.00% | 3.286 | 0.0 |
| 51.5 | 100.00% | 0.00% | 3.097 | 0.0 |
| 52.5 | 100.00% | 0.00% | 2.919 | 0.0 |
| 53.5 | 100.00% | 0.00% | 2.751 | 0.0 |
| 54.5 | 100.00% | 0.00% | 2.592 | 0.0 |
| 55.5 | 100.00% | 0.00% | 2.443 | 0.0 |
| 56.5 | 100.00% | 0.00% | 2.302 | 0.0 |
| 57.5 | 100.00% | 0.00% | 2.169 | 0.0 |
| 58.5 | 100.00% | 0.00% | 2.045 | 0.0 |
| 59.5 | 100.00% | 0.00% | 1.927 | 0.0 |
| 60.5 | 100.00% | 0.00% | 1.816 | 0.0 |
| 61.5 | 100.00% | 0.00% | 1.711 | 0.0 |
| 62.5 | 100.00% | 0.00% | 1.613 | 0.0 |
| 63.5 | 100.00% | 0.00% | 1.520 | 0.0 |
| 64.5 | 100.00% | 0.00% | 1.432 | 0.0 |
| 65.5 | 100.00% | 0.00% | 1.350 | 0.0 |
| 66.5 | 100.00% | 0.00% | 1.272 | 0.0 |
| Sum | | | | 2.94 |

| (6) AY at 12/31/2005 | (7) Discount Factor | (8) Discounted Weight |
|----------------------------|---------------------------|-----------------------------|
| 2005 | 0.976638 | 2.2 |
| 2004 | 0.957713 | 0.4 |
| 2003 | 0.978513 | 0.1 |
| 2002 | 0.978513 | 0.1 |
| 2001 | 0.978513 | 0.0 |
| 2000 | 0.978513 | 0.0 |
| 1999 | 0.978513 | 0.0 |
| 1998 | 0.978513 | 0.0 |
| 1997 | 0.978513 | 0.0 |
| 1996 | 0.978513 | 0.0 |
| 1995 | 0.978513 | 0.0 |
| 1994 | 0.978513 | 0.0 |
| 1993 | 0.978513 | 0.0 |
| 1992 | 0.978513 | 0.0 |
| 1991 | 0.978513 | 0.0 |
| 1990 | 0.978513 | 0.0 |
| 1989 | 0.978513 | 0.0 |
| 1988 | 0.978513 | 0.0 |
| 1987 | 0.978513 | 0.0 |
| 1986 | 0.978513 | 0.0 |
| 1985 | 0.978513 | 0.0 |
| 1984 | 0.978513 | 0.0 |
| 1983 | 0.978513 | 0.0 |
| 1982 | 0.978513 | 0.0 |
| 1981 | 0.978513 | 0.0 |
| 1980 | 0.978513 | 0.0 |
| 1979 | 0.978513 | 0.0 |
| 1978 | 0.978513 | 0.0 |
| 1977 | 0.978513 | 0.0 |
| 1976 | 0.978513 | 0.0 |
| 1975 | 0.978513 | 0.0 |
| 1974 | 0.978513 | 0.0 |
| 1973 | 0.978513 | 0.0 |
| 1972 | 0.978513 | 0.0 |
| 1971 | 0.978513 | 0.0 |
| 1970 | 0.978513 | 0.0 |
| 1969 | 0.978513 | 0.0 |
| 1968 | 0.978513 | 0.0 |
| 1967 | 0.978513 | 0.0 |
| 1966 | 0.978513 | 0.0 |
| 1965 | 0.978513 | 0.0 |
| 1964 | 0.978513 | 0.0 |
| 1963 | 0.978513 | 0.0 |
| 1962 | 0.978513 | 0.0 |
| 1961 | 0.978513 | 0.0 |
| 1960 | 0.978513 | 0.0 |
| 1959 | 0.978513 | 0.0 |
| 1958 | 0.978513 | 0.0 |
| 1957 | 0.978513 | 0.0 |
| 1956 | 0.978513 | 0.0 |
| 1955 | 0.978513 | 0.0 |
| 1954 | 0.978513 | 0.0 |
| 1953 | 0.978513 | 0.0 |
| 1952 | 0.978513 | 0.0 |
| 1951 | 0.978513 | 0.0 |
| 1950 | 0.978513 | 0.0 |
| 1949 | 0.978513 | 0.0 |
| 1948 | 0.978513 | 0.0 |
| 1947 | 0.978513 | 0.0 |
| 1946 | 0.978513 | 0.0 |
| 1945 | 0.978513 | 0.0 |
| 1944 | 0.978513 | 0.0 |
| 1943 | 0.978513 | 0.0 |
| 1942 | 0.978513 | 0.0 |
| 1941 | 0.978513 | 0.0 |
| 1940 | 0.978513 | 0.0 |
| 1939 | 0.978513 | 0.0 |
| Sum | | 2.86 |

| (9) AY at 12/31/2004 | (10) Weight | (11) Discount Factor | (12) Discounted Weight |
|----------------------------|----------------|----------------------------|------------------------------|
| 2004 | 2.16535584 | 0.976638 | 2.1 |
| 2003 | 0.39678873 | 0.957713 | 0.4 |
| 2002 | 0.10683801 | 0.978513 | 0.1 |
| 2001 | 0.05034198 | 0.978513 | 0.0 |
| 2000 | 0.0474422 | 0.978513 | 0.0 |
| 1999 | 0 | 0.978513 | 0.0 |
| 1998 | 0 | 0.978513 | 0.0 |
| 1997 | 0 | 0.978513 | 0.0 |
| 1996 | 0 | 0.978513 | 0.0 |
| 1995 | 0 | 0.978513 | 0.0 |
| 1994 | 0 | 0.978513 | 0.0 |
| 1993 | 0 | 0.978513 | 0.0 |
| 1992 | 0 | 0.978513 | 0.0 |
| 1991 | 0 | 0.978513 | 0.0 |
| 1990 | 0 | 0.978513 | 0.0 |
| 1989 | 0 | 0.978513 | 0.0 |
| 1988 | 0 | 0.978513 | 0.0 |
| 1987 | 0 | 0.978513 | 0.0 |
| 1986 | 0 | 0.978513 | 0.0 |
| 1985 | 0 | 0.978513 | 0.0 |
| 1984 | 0 | 0.978513 | 0.0 |
| 1983 | 0 | 0.978513 | 0.0 |
| 1982 | 0 | 0.978513 | 0.0 |
| 1981 | 0 | 0.978513 | 0.0 |
| 1980 | 0 | 0.978513 | 0.0 |
| 1979 | 0 | 0.978513 | 0.0 |
| 1978 | 0 | 0.978513 | 0.0 |
| 1977 | 0 | 0.978513 | 0.0 |
| 1976 | 0 | 0.978513 | 0.0 |
| 1975 | 0 | 0.978513 | 0.0 |
| 1974 | 0 | 0.978513 | 0.0 |
| 1973 | 0 | 0.978513 | 0.0 |
| 1972 | 0 | 0.978513 | 0.0 |
| 1971 | 0 | 0.978513 | 0.0 |
| 1970 | 0 | 0.978513 | 0.0 |
| 1969 | 0 | 0.978513 | 0.0 |
| 1968 | 0 | 0.978513 | 0.0 |
| 1967 | 0 | 0.978513 | 0.0 |
| 1966 | 0 | 0.978513 | 0.0 |
| 1965 | 0 | 0.978513 | 0.0 |
| 1964 | 0 | 0.978513 | 0.0 |
| 1963 | 0 | 0.978513 | 0.0 |
| 1962 | 0 | 0.978513 | 0.0 |
| 1961 | 0 | 0.978513 | 0.0 |
| 1960 | 0 | 0.978513 | 0.0 |
| 1959 | 0 | 0.978513 | 0.0 |
| 1958 | 0 | 0.978513 | 0.0 |
| 1957 | 0 | 0.978513 | 0.0 |
| 1956 | 0 | 0.978513 | 0.0 |
| 1955 | 0 | 0.978513 | 0.0 |
| 1954 | 0 | 0.978513 | 0.0 |
| 1953 | 0 | 0.978513 | 0.0 |
| 1952 | 0 | 0.978513 | 0.0 |
| 1951 | 0 | 0.978513 | 0.0 |
| 1950 | 0 | 0.978513 | 0.0 |
| 1949 | 0 | 0.978513 | 0.0 |
| 1948 | 0 | 0.978513 | 0.0 |
| 1947 | 0 | 0.978513 | 0.0 |
| 1946 | 0 | 0.978513 | 0.0 |
| 1945 | 0 | 0.978513 | 0.0 |
| 1944 | 0 | 0.978513 | 0.0 |
| 1943 | 0 | 0.978513 | 0.0 |
| 1942 | 0 | 0.978513 | 0.0 |
| 1941 | 0 | 0.978513 | 0.0 |
| 1940 | 0 | 0.978513 | 0.0 |
| 1939 | 0 | 0.978513 | 0.0 |
| Sum | | | 2.70 |

NOTES TO PAGES 4 AND 5

Page 4

- 1 Current year earned premium
- 2 Estimated prior year UEPR as percent of current year earned premium given assumed premium growth rate
- 3 Annual Statement, page 15, UEPR/Earned Premium for all companies writing this line of private passenger automobile insurance in North Carolina.
- 4 Line (3) - line (2)
- 5 Line (4) x .20.
- 6 Line (5) x .35.
- 7 Unpaid current-year losses at year-end as a percent of premium. Sum of Page 5, Column (5).
- 8 Discounted unpaid current-year losses at year-end as a percent of premium. Sum of Page 5, Column (8).
- 9 Unpaid prior-year losses at year-end as a percent of premium. Sum of Page 5, Column (5) divided by assumed growth rate.
- 10 Discounted unpaid current-year losses at year-end as a percent of premium. Sum of Page 5, Column (12).
- 11 Line (7) - Line (8) - [Line (9) - Line (10)]
- 12 Line (11) x .35
- 13 Line (6)
- 14 Line (12)
- 15 Line (13) + Line (14)

Page 5

- 1 Midpoint of number of years since end of accident period.
- 2 Accident year payout pattern
- 3 1 - Column (2)
- 4 Losses, given assumed historical growth rate.
- 5 Column (3) x Column (4)
- 6 Accident Year at current year end
- 7 Discount factor per IRS Regulations.
- 8 Column (5) x Column (7)
- 9 Accident Year at prior year end
- 10 Column (3), previous period x Column (4), current period
- 11 Discount factor per IRS Regulations.
- 12 Column (10) x Column (11)

**NCRB INVESTMENT INCOME CALCULATION
PRIVATE PASSENGER PHYSICAL DAMAGE**

Projected Investment Earnings on Loss, Loss
Adjustment Expense and Unearned Premium Reserves

| | | |
|---|--------|-----------|
| A. UNEARNED PREMIUM RESERVES | | |
| 1. Direct Earned Premiums | | 1,000,000 |
| 2. Mean UEPR | 29.84% | 298,400 |
| 3. Deductions for prepaid expenses | | |
| Commissions & Brokerage | 9.40% | |
| Taxes, Licenses & Fees | 1.83% | |
| One Half Other Acquisition Expense | 4.34% | |
| One Half General Expense | 2.95% | |
| Total | 18.52% | |
| 4. Deduction for Prepaid Expenses: (2) x (3) | | 55,271 |
| 5. Net UEPR Subject to Inv (2) - (4) | | 243,129 |
| B. Loss and Loss Expense Reserves | | |
| 1. Direct Earned Premium | | 1,000,000 |
| 2. Expected Inc L & LAE to Premium Ratio | 0.6383 | 638,252 |
| 3. Expected Mean L&LAE Reserve to Inc. L & LAE Ratio | 0.109 | 69,626 |
| C. Net PH Funds Subj to Inv (A5 + B3) | | |
| | | 312,755 |
| D. Average Rate of Return | | |
| | | 5.17% |
| E. Investment Earnings from Net Reserves (C) x (D) | | |
| | | 16,175 |
| F. Average Rate of Return as a Percent of Direct Earned Premium (E) / (A1) | | |
| | | 1.62% |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PRIVATE PASSENGER PHYSICAL DAMAGE

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

All calculations are displayed per \$1,000,000 of earned premium.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2004 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from page 15 of the Annual Statement.

| | |
|--|-----------------|
| 1. Collected Earned Premium for Calendar Year ended 12/31/2004 | \$1,686,955,656 |
| 2. Unearned Premium Reserve as of 12/31/2003 | \$488,842,619 |
| 3. Unearned Premium Reserve as of 12/31/2004 | \$517,832,734 |
| 4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$ | 503,337,677 |
| 5. Ratio (4) \div (1) | 0.298 |

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PRIVATE PASSENGER PHYSICAL DAMAGE

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line B-2

The expected loss and loss adjustment expense ratio reflects the expense provisions used in this filing.

Line B-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2003 and 2004 for Automobile Liability insurance. This ratio is based on North Carolina companies' Page 15 annual statement data and has been adjusted to include loss adjustment expense reserves.

| | |
|--|-----------------|
| 1. Incurred Losses for Calendar Year 2003 | \$1,043,631,340 |
| 2. Incurred Losses for Calendar Year 2004 | \$934,796,980 |
| 3. Loss Reserves as of 12/31/2002 | \$75,222,214 |
| 4. Loss Reserves as of 12/31/2003 | \$79,630,518 |
| 5. Loss Reserves as of 12/31/2004 | \$100,909,233 |
| 6. Mean Loss Reserve 2003: 1/2 [(3) + (4)] | 77,426,366 |
| 7. Mean Loss Reserve 2004: 1/2 [(4) + (5)] | 90,269,876 |
| 8. Ratio (6) ÷ (1) | 0.074 |
| 9. Ratio (7) ÷ (2) | 0.097 |
| 10. Loss Reserve: 1/2 [(8) + (9)] | 0.086 |
| 11. Ratio of LAE Reserves to Loss Reserves (a) | 0.493 |
| 12. Ratio of Incurred LAE to Incurred Losses (a) | 0.177 |
| 13. Loss and LAE Reserve [(10)x(1.0+(11)))/(1.0+(12))] | 0.109 |

(a) Based on 2004 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PRIVATE PASSENGER PHYSICAL DAMAGE

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line D

The average rate of return is calculated as the arithmetic mean of the embedded and current yields. The embedded yield is the sum of two ratios: the most recent ratio of investment income to invested assets (shown below), plus the 10-year average ratio of capital gains to invested assets (see Exhibit RB-36, page 12). The current yield is the estimated, currently available rate of return (including income and expected capital gains) on the property/casualty industry investment portfolio (see Exhibit RB-36, page 11).

| | |
|------------------|-------|
| Embedded yield = | 5.27% |
| Current yield = | 5.07% |
| Average = | 5.17% |

| PORTFOLIO YIELD AND TAX RATE - CURRENT YIELD | | | | |
|---|-------------------------|---|-------------|--|
| (1) | (2) | (3) | (4) | (5) |
| Investable Asset | Percent of Assets | Estimated Prospective Pre-Tax Return | Tax Rate | Estimated Prospective Post-Tax Return |
| Bonds | | | | |
| U.S. Govt | 13.17% | 4.13% | 35.00% | 2.68% |
| States & territories | 12.52% | 3.56% | 5.25% | 3.37% |
| Special revenue | 22.22% | 3.46% | 5.25% | 3.28% |
| Public Utilities | 1.66% | 4.79% | 35.00% | 3.11% |
| Industrial | 20.64% | 4.66% | 35.00% | 3.03% |
| Preferred stock | 1.51% | 6.30% | 14.18% | 5.41% |
| Common stock | 18.28% | 11.83% | 31.92% | 8.05% |
| Mortgage Loans | 0.25% | 5.89% | 35.00% | 3.83% |
| Real estate | 0.92% | 7.46% | 35.00% | 4.85% |
| Cash & short-term invs. | 8.83% | 3.52% | 35.00% | 2.29% |
| Rate of Return Pre-Inv Exp | 100.00% | 5.45% | 26.79% | 3.99% |
| Investment Expenses | | 0.38% | 35.00% | 0.25% |
| Portfolio Rate of Return | | 5.07% | 26.17% | 3.74% |

Sources:

Various issues of Federal Reserve Statistical Release, H.15(519).

Mergent Bond Record.

Standard & Poor's CreditWeek.

Value Line Investment Survey, Part II.

Ibbotson Associates, SBBI Valuation Edition 2005 Yearbook.

Ibbotson and Siegel, AREUEA Journal, 1984.

A.M. Best's Aggregates & Averages, 2005 edition.

| PORTFOLIO YIELD AND TAX RATE EMBEDDED YIELD | | |
|--|-------------------|-----------------|
| | Income | Tax Rate |
| Bonds | | |
| Taxable | 21,696,435 | 35.00% |
| Non-Taxable | 11,340,140 | 5.25% |
| Stocks | | |
| Taxable | 3,285,602 | 14.18% |
| Non-Taxable | 2,131,399 | 5.25% |
| Mortgage Loans | 169,603 | 35.00% |
| Real Estate | 1,646,000 | 35.00% |
| Contract Loans | 981 | 35.00% |
| Cash / Short Term Inv. | 1,189,806 | 35.00% |
| All Other | 3,751,696 | 35.00% |
| Total | 45,211,662 | 24.62% |
| Inv. Expenses | 4,064,665 | 35.00% |
| Net Inv. Income | 41,146,997 | 23.59% |
| Mean Invested Assets | 1,018,810,319 | |
| Inv. Inc. Yield Rate | 4.04% | 23.59% |
| Capital Gains (10 yr. avg) (% Of Inv. Assets) | 1.23% | 35.00% |
| Invest. Yield Rate (pre-tax) | 5.27% | 26.26% |
| Invest. Yield Rate (post-tax) | 3.89% | |

Source: Best's Aggregates and Averages, 2005 Edition, p. 12 (Exhibit of Net Investment Income, Col. 2 (Earned During Year)).

Capital Gains: RB-36, page 13

**CAPITAL GAINS OR LOSSES
AS A PERCENT OF MEAN ASSETS**
(All amounts in thousands of dollars)

| Calendar Year | Mean Total Invested Assets | Realized Capital Gains | |
|------------------|----------------------------------|---------------------------|---------|
| | | Amount | Percent |
| 1995 | 636,756,797 | 5,997,029 | 0.94% |
| 1996 | 682,407,194 | 9,243,907 | 1.35% |
| 1997 | 733,433,983 | 10,807,929 | 1.47% |
| 1998 | 781,421,247 | 18,019,189 | 2.31% |
| 1999 | 797,920,622 | 13,016,157 | 1.63% |
| 2000 | 794,195,460 | 16,204,649 | 2.04% |
| 2001 | 785,530,275 | 6,630,679 | 0.84% |
| 2002 | 815,037,267 | 2,770,997 | 0.34% |
| 2003 | 908,024,056 | 6,280,196 | 0.69% |
| 2004 | 1,018,810,319 | 9,113,199 | 0.89% |
| Total | 7,953,537,218 | 98,083,931 | 1.23% |

*Mean total invested assets is the average of the current year and prior year values of total invested assets (annual statement page 2, Line 9).

Source: "Best's Aggregates & Averages--Property-Casualty,"
various editions

**NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE**

PREMIUM-TO-SURPLUS RATIOS

| <u>Year</u> | <u>Liability</u> | <u>Physical Damage</u> |
|-------------------|------------------|----------------------------|
| 1995 | 1.452 | 1.485 |
| 1996 | 1.366 | 1.398 |
| 1997 | 0.969 | 0.974 |
| 1998 | 0.931 | 0.946 |
| 1999 | 0.898 | 0.929 |
| 2000 | 0.951 | 0.980 |
| 2001 | 1.159 | 1.182 |
| 2002 | 1.377 | 1.400 |
| 2003 | 1.189 | 1.236 |
| 2004 | 1.089 | 1.109 |
| Five-Year Average | 1.153 | 1.182 |
| Ten-Year Average | 1.138 | 1.164 |

Notes:

- 1 Ratios based on net premium written.
- 2 Top 30 Groups in each year from Best's Data Service.
- 3 Premiums and surplus from Best's Aggregate and Averages.

**NORTH CAROLINA PRIVATE PASSENGER AUTO
CALCULATION OF GAAP NET WORTH TO SURPLUS RATIO**

| | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|------------------|------------------|-----------------|-----------------|-----------------|
| Policyholder Surplus | 334,348,173,079 | 317,360,616,515 | 289,605,554,159 | 285,385,631,797 | 347,020,052,576 |
| + Deferred Acquisition Costs | 16,075,447,974 | 16,702,143,897 | 18,331,855,434 | 21,228,221,405 | 23,633,976,782 |
| + Revenue Offset Provision | 7,392,359,287 | 7,680,547,924 | - | - | - |
| + Loss Reserve Discounting Provision | 16,759,902,155 | 16,029,012,263 | 12,395,001,383 | 20,975,201,995 | 18,945,643,538 |
| - Deferred Fresh Start Benefit | (110,445,195) | (29,064,525) | - | - | - |
| - Deferred Taxes on Unrealized Capital Gains | (20,173,111,830) | (19,269,614,804) | - | - | - |
| + Non-admitted Assets | 13,053,945,756 | 14,405,827,828 | 14,452,932,464 | 15,273,483,824 | 16,495,566,662 |
| + Excess of Statutory over Statement Reserves | 1,055,252,609 | 724,549,081 | - | - | - |
| + Provision for Reinsurance | 4,683,667,991 | 5,198,852,067 | 5,471,002,096 | 6,130,614,136 | 5,802,642,707 |
| + Provision for FAS 115 | (5,886,678,087) | 6,508,564,466 | 5,281,971,040 | 10,573,599,824 | 11,598,154,936 |
| - Surplus Notes | (5,245,277,655) | (5,647,941,412) | (6,648,831,578) | (8,050,443,917) | (9,589,168,207) |
| GAAP-adjusted Net Worth | 361,953,236,084 | 359,663,493,299 | 338,889,484,998 | 351,516,309,064 | 413,906,868,994 |
| Ratio of GAAP Net Worth to Statutory Surplus | 1.08 | 1.13 | 1.17 | 1.23 | 1.19 |
| Five Year Average | 1.16 | | | | |

Source: ISO