



July 23, 2004

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Revision of Private Passenger Automobile Rates

By Circular Letter To All Member Companies, RF-04-05 dated July 2, 2004, this Office announced revisions to the private passenger automobile base rates for other than "clean risks" ceded to the Facility. The revised base rates announced in that Circular anticipated the approval of changes in the bodily injury increased limits factors which were included in the private passenger automobile rate filing made by the Rate Bureau on February 2, 2004. However, the Rate Bureau recently settled that filing with the Department of Insurance in a manner that resulted in no change to the bodily injury increased limits factors. The Facility has therefore amended its filing for revisions to the private passenger automobile base rates for other than "clean risks" to leave the bodily injury increased limits factors unchanged. As part of this amendment, the Facility has amended the filed base rates for the bodily injury liability coverage. This change affects only the bodily injury base rates. The total limits bodily injury indication remains at 11.6%, and the overall indication continues to be +10.0%

In that regard, please find attached revised base rates for other than "clean risks" ceded to the Facility. Again, please note that only the bodily injury base rates are changed from the revised base rates that were announced July 2, 2004.

As previously announced, these rates are to be implemented in accordance with the following Rule of Application:

These changes are applicable to all policies effective or after October 1, 2004. No policy effective prior to October 1, 2004 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 October 1, 2004.

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

Very truly yours,

F. Timothy Lucas

Automobile Manager

FTL:dp
Attachments
RF-04-6

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>
11	Asheville	11.1%	8.7%	9.8%
13	Durham	12.6%	7.4%	10.2%
14	Greensboro	11.5%	6.6%	9.1%
15	High Point	14.7%	7.0%	11.1%
16	Raleigh	11.7%	5.9%	8.7%
17	Wilmington	11.8%	6.1%	9.3%
18	Winston-Salem	14.9%	7.9%	11.4%
24	Remainder-West	10.0%	5.5%	7.8%
25	Gaston County	11.0%	3.0%	7.0%
26	Remainder-South	13.4%	5.7%	10.5%
31	Small City-East	12.7%	6.4%	9.8%
32	Small City-West	9.3%	4.7%	7.1%
33	Remainder-East	12.3%	6.0%	9.8%
40	Fayetteville	12.8%	7.2%	10.5%
41	Onslow County	9.5%	6.5%	8.1%
43	Craven County	5.0%	2.3%	3.9%
47	Wayne County	8.8%	5.5%	7.4%
51	Mecklenburg County -Remainder	14.6%	10.8%	12.6%
52	Charlotte	13.5%	5.9%	9.8%
	STATEWIDE	11.6%	5.9%	9.0%

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

PROPOSED BASE RATES - CEDED 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	\$180	\$200	\$21
13	285	246	33
14	271	244	31
15	305	244	35
16	249	250	29
17	312	243	36
18	232	219	27
24	221	192	26
25	273	244	32
26	365	205	42
31	275	216	32
32	224	201	26
33	273	176	32
40	352	237	41
41	289	229	33
43	252	177	29
47	272	193	31
51	220	226	25
52	302	268	35