

MEMORANDUM: RULES OF OPERATION SECTION NCRF COMMERCIAL AUTOMOBILE MANUAL

Matter with double underlining is new.

(Paragraph B of the Minimum Underwriting Requirements Section is amended as follows:)

- B. Application Requirements - Each member company shall provide agents with motor vehicle insurance application forms to obtain from applicants sufficient information to properly classify and rate each exposure. This shall include at least the following:
1. The name, address, date of birth, operator's license number, and state of issue for the applicant, each operator residing in the applicant's household, and any non-residents who are regular operators, as well as the original date of licensing for any operator licensed for less than two years.
 2. Identification of each of the specified vehicles to be insured to include the year, the make and model, the body type and the vehicle identification number.
 3. The use of each vehicle to be insured, as required by the approved classification plan, and the place of principal garaging.
 4. A record of all accidents and convictions by the applicant and all operators as needed to establish the correct sub-class according to the North Carolina Safe Driver Insurance Plan.
 5. The correct gross weight and information regarding the use, including the radius of operation, of any commercial automobile.
 6. Any other information necessary to develop the correct rating and premium for any type of risk eligible to be ceded.
 7. A Statement of Eligibility for Cession of Higher Limits Form NCRF-30 when coverage limits above 100/300/50 are to be ceded to the Facility and the coverage limits are required by rule, law or regulation other than the Vehicle Financial Responsibility Act of 1957 (Article 13 Chapter 20, General Statutes of North Carolina). The insured and agent must complete and sign a copy of Form NCRF-30, and a signed copy of the form must be retained in the ceding company's file. The form must be completed for each initial cession, and at least annually thereafter in connection with renewal cessions.