



January 29, 2010

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Attention: Data Reporting Personnel

Re: Annual Call for Annual Statement Data,
Expense Experience and Installment Payment Data

Annually, the North Carolina Rate Bureau, the North Carolina Reinsurance Facility and the North Carolina Insurance Guaranty Association collect the statutory Property and Casualty Annual Statements and Insurance Expense Exhibits for various purposes. The Bureau also collects Private Passenger Automobile, Homeowners, Dwelling and Mobile Homeowners Expense Experience as well as Installment Payment data. The use of this data includes preparation of rate filings, apportionment of expenses, and determination of expense allowances and assessments.

The Governing Committee has authorized the Bureau to obtain copies of the Property and Casualty Annual Statement and Insurance Expense Exhibit filings (the same filings that member companies are required to submit to the National Association of Insurance Commissioners (NAIC)) along with the Expense Experience and Installment Payment data. This year, the due dates for the data are as follows:

ANNUAL CALL	DUE DATE
Annual Statement	March 1, 2010
Insurance Expense Exhibit	April 1, 2010
Automobile Expense Experience	April 21, 2010
Installment Payment Charges	May 5, 2010
Homeowner Expense Experience	June 2, 2010
Dwelling Expense Experience	June 2, 2010

All member companies are required to use the IDC (Industry Data Collection) web application to submit the various data calls. The IDC web application is located on the Member Services Portal of the Personal Lines Services page of the website (www.ncrb.org). The IDC User Guide and IDC Getting Started Guide are located on the Personal Lines Expense Experience tab of the website.

For the collection of 2009 data, data reported on the Automobile Expense Experience Forms A-1 and A-2, Liability Refunds and Expenses Related to Rate Case Settlement columns, enables the Rate Bureau to reconcile reported data, to the extent possible, with Statutory Page 14 of a company's Annual Statement. This data also allows the Rate Bureau to comply with the Consent Order signed in connection with the rate cases settled on July 15, 2009. The Consent Order dated July 15, 2009 included the following provision:

Neither the premiums refunded, interest paid nor the expenses incurred in connection with issuing refunds pursuant to these procedures are to be included as expenses in responses to the Annual Call for Automobile Expense Experience issued by the Rate Bureau. However, separate entries shall be included on the Annual Call for Automobile Expense Experience to report the amount of premium refunded, interest paid and the expenses incurred in issuing refunds.

Company personnel responsible for completing these forms should be aware of the above provision in order to ensure compliance with this provision.

To encourage timely submission of the data, the Governing Committee has approved the implementation of a penalty fee for the late submission of annual data calls. A penalty fee of \$100 per day will be imposed for all late submissions. The \$100 per day fee is imposed for each of the requested data calls. Member companies are urged to meet the requested due dates to avoid late penalty charges.

Very truly yours,

Delisa D. Fairley

Manager, Insurance Data Operations

A-10-1