

NORTH CAROLINA RATE BUREAU

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April 12, 1994

CIRCULAR LETTER TO ALL MEMBER COMPANIES

IMPORTANT NOTICE

**Re: (1) Revised Classification and Sub-classification Plans Rating Factors
(2) Revised Medical Payments Rating Methodology**

By Circular Letters to All Member Companies A-94-1 and A-94-3 dated February 2 and 9, 1994, our member companies were informed that a private passenger automobile insurance rate filing submitted to the Department of Insurance by the Rate Bureau on February 1, 1994 included proposals for (1) changes in the classification and sub-classification plans rating factors; and (2) changes in the procedures and factors for determining increased limits medical payments coverage premiums. Member companies were advised that it was anticipated that the revised rates and the above proposals would be implemented effective June 1, 1994.

The Rate Bureau was recently notified by the Commissioner of Insurance that a public hearing will convene on June 20, 1994 in connection with the Rate Bureau's February 1, 1994 rate filing. This, of course, means that the proposed effective date of the captioned revisions must be delayed.

At this point, we are not in a position to advise member companies as to a new effective date of the proposed revisions. However, member companies will be kept informed of developments in connection with the Rate Bureau's February 1, 1994 filing.

Please see to it that this circular letter is brought to the attention of all interested personnel in your Company and that appropriate preparations are made to implement the captioned proposals after you are instructed to do so by the Rate Bureau.

Very truly yours,

John W. Watkins
General Manager

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A-94-8