



April 12, 2006

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

Delinquent USR Fining Procedure Implementation

Circular letter C-05-6 dated August 22, 2005 announced the implementation of the fining procedure for delinquent and rejected unit statistical reports. Units corresponding to policies effective on or after ***December 1, 2004*** will be subject to fines and tracked for timeliness and accuracy. All units (rejected and delinquent) which are 60 days overdue will be subject to a \$50.00 fine. Additionally each delinquent or rejected unit statistical report will be subject to a \$50.00 fine each month the unit statistical report or correction remains outstanding. The notifications for delinquent unit statistical reports and rejected unit statistical reports will continue to be distributed to the Unit Statistical contact designated by your company.

The Bureau will generate a monthly summary invoice for each member carrier subject to charges. The monthly summary invoice will be mailed from our office by the 27th of each month and will include charges for the prior month. Charges will be included on a master invoice that will reflect all North Carolina Rate Bureau chargeable activity for the given period by line item (e.g. Assessments, Membership Fees, IDC penalties, Delinquent USR Fines, Policy Keying Charges, etc). The invoice generated in connection with the Hardcopy Policy Keying Charge will be mailed to the Assessment Statement address captured in our system.

Sincerely,

Sue Taylor

Director of Workers Compensation

ST:dg

C-06-10