

March 28, 2019

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Revised Private Passenger Automobile
and Motorcycle Insurance Rates - North Carolina

On February 1, 2019 the Rate Bureau filed with the Commissioner of Insurance rate level changes for non-fleet private passenger automobiles and motorcycles. The Rate Bureau's filing set forth (1) an overall +7.6% average rate level change for non-fleet private passenger automobiles; with +22.8% for liability coverages and -9.1% for physical damage coverages; (2) an average rate level change for motorcycle liability coverages of 2.8%; (3) revised deductible relativity factors; (4) revised class plan factors; and (5) miscellaneous rate, rule, and coverage changes.

Following negotiations, the Rate Bureau and the Commissioner of Insurance have agreed to settle the 2019 private passenger auto insurance rate filing for an overall 1.6% rate level increase, with 11.3% for liability coverages and -9.1% for physical damage coverages, along with various other rate, rating factor, and rule changes. The revised rates, rating factors, and rules are set forth on the attached exhibits. A copy of the signed Settlement Agreement and Consent Order dated March 26, 2019 is also attached for your information. (Note that the referenced exhibits within that agreement are not attached; those exhibits are all included among the exhibits attached here.)

These changes are effective in accordance with the following Rule of Application:

These changes are applicable to all new and renewal policies written to become effective on or after October 1, 2019. No policy effective prior to October 1, 2019 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 request, but in no event prior to October 1, 2019.

NOTICE REQUIREMENTS

Also be advised that G. S. 58-36-45 provides as follows:

"Whenever an insurer changes the coverage other than at the request of the insured or changes the premium rate, it shall give the insured written notice of such coverage change or premium rate change at least 15 days in advance of the effective date of such change or changes with a copy of such notice to the agent. This section shall apply to all policies and coverages subject to the provisions of this Article..."

In the past, some insurers have given notice of premium rate changes by providing to an insured and agent, at least 15 days in advance of the effective date, a renewal policy, renewal certificate, billing or endorsement showing revised rates, together with a written notice substantially as follows:

NOTICE OF RATE CHANGE - NORTH CAROLINA

The premium for this policy reflects changes in rates applicable to North Carolina placed into effect under the provisions of Article 36, Chapter 58 of the North Carolina General Statutes.

The form of this notice has varied at the option of the insurer (printed notice, stamp, stick-on label, etc.). Companies should consult legal counsel with respect to the appropriateness of their own procedures under this statute.

Reprinted Personal Auto Manual pages will be distributed, in the usual fashion, as soon as possible. In the interim, notice of the revised rates should be sent as soon as possible to your agents to make them aware of the new rates and rules.

The following are attached:

- Revised Voluntary Liability Base Rates
- Revised Uninsured Motorists Rates
- Revised Combined Uninsured/Underinsured Motorists Rates
- Revised Physical Damage Base Rates
- Revised Model Year and Symbol Relativities
- Revised Deductible Factors
- Revised Motorcycle Liability Relativities
- Revised Extended Transportation Rates
- Revised Towing and Labor Rates
- Revised Class Plan Factors
- Revised Miscellaneous Rule 14.H.
- Revised Extended Non-Owned Coverage Rule 17
- Settlement Agreement and Consent Order (without exhibits)

Please see to it that this circular letter is brought to the attention of all interested personnel in your Company.

Sincerely,

Andy Montano

Director, Personal Lines

AM:ko
A-19-1
Attachments

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

SETTLED BASE RATES - LIABILITY

<u>Terr Code</u>	<u>\$30,000/60,000 Bodily Injury</u>	<u>\$25,000 Property Damage</u>	<u>\$500 Medical Payments</u>
110	\$154	\$217	\$19
120	192	204	24
130	217	212	26
140	282	250	41
150	216	267	29
170	174	228	22
180	205	272	29
190	199	281	25
200	226	258	32
210	196	205	26
220	264	218	30
230	308	216	33
240	279	221	31
250	265	299	38
260	218	249	28
270	173	273	22
280	252	309	38
290	233	292	30
300	159	264	20
310	145	228	16
320	168	211	19
340	238	282	34
350	170	235	21
360	200	232	26
370	233	281	31
380	257	288	28
390	200	300	22
420	362	365	61
440	246	298	34
450	290	304	30
460	192	257	23
470	221	237	24
480	148	202	17
490	142	213	18

14. MISCELLANEOUS COVERAGES

A. Uninsured Motorists Coverage ONLY

1.
a. Rates

The per policy rates for Uninsured Motorists Coverage are as follows:

	B.I. UM Coverage	
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 30/60	\$ [13] <u>16</u>	\$ [32] <u>40</u>
50/100	[14] <u>17</u>	[35] <u>42</u>
100/200	[16] <u>20</u>	[40] <u>49</u>
100/300	[17] <u>21</u>	[42] <u>52</u>
300/300	[20] <u>26</u>	[49] <u>64</u>
250/500	[21] <u>27</u>	[52] <u>67</u>
500/500	[22] <u>28</u>	[54] <u>69</u>
500/1,000	[24] <u>31</u>	[59] <u>77</u>
1,000/1,000	[25] <u>32</u>	[62] <u>79</u>

	P.D. UM Coverage	
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 25,000	\$ 2	\$ 5
50,000	3	7
100,000	4	10
250,000	6	15
500,000	8	20
750,000	10	25
1,000,000	11	27

For limits other than those shown, charge the premium for the next higher limit.

- * For the purposes of this rule, the term vehicle includes a private passenger auto, motorcycle, golfmobile, or other miscellaneous type vehicle.

These rates are not subject to modification under the provisions of any rating plan or other manual rule.

14. MISCELLANEOUS COVERAGES(Cont'd)

B. Combined Uninsured/Underinsured Motorists Coverage

1.

2. Rates

The per policy rates for Combined Uninsured/Underinsured Motorists Coverage are as follows:

	B.I. UM/UIM Coverage	
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 50/100	\$ [24] <u>27</u>	\$ [60] <u>67</u>
100/200	[43] <u>48</u>	[107] <u>118</u>
100/300	[53] <u>59</u>	[131] <u>146</u>
300/300	[73] <u>81</u>	[180] <u>200</u>
250/500	[86] <u>95</u>	[213] <u>235</u>
500/500	[120] <u>130</u>	[296] <u>321</u>
500/1,000	[135] <u>147</u>	[333] <u>364</u>
1,000/1,000	[152] <u>164</u>	[376] <u>405</u>

	P.D. UM/UIM Coverage	
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 25,000	\$ 2	\$ 5
50,000	3	7
100,000	4	10
250,000	6	15
500,000	8	20
750,000	10	25
1,000,000	11	27

For limits other than those shown, charge the premium for the next higher limit.

* For the purposes of this rule, the term vehicle includes a private passenger auto, motorcycle, golfmobile, or other miscellaneous type vehicle.

These rates are not subject to modification under the provisions of any rating plan or other manual rule.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

SETTLED PHYSICAL DAMAGE BASE RATES (A)

<u>Terr Code</u>	<u>FULL COVERAGE COMPREHENSIVE</u>	<u>\$100 DEDUCTIBLE COLLISION</u>
110	\$124	\$479
120	223	552
130	173	535
140	138	613
150	131	541
170	103	472
180	107	597
190	71	495
200	109	513
210	98	420
220	203	568
230	138	566
240	155	577
250	104	640
260	121	536
270	79	499
280	90	594
290	108	629
300	75	474
310	89	452
320	134	495
340	95	594
350	88	474
360	98	509
370	93	545
380	120	604
390	74	533
420	106	729
440	87	593
450	91	625
460	87	536
470	128	526
480	128	503
490	86	495

(A) MODEL YEAR 2020 SYMBOL 11

NORTH CAROLINA
MODEL YEAR AND SYMBOL RELATIVITIES - PHYSICAL DAMAGE COVERAGES
COMPREHENSIVE

Symbol	Model Year												Symbol	Factor	2010-1990
	2022	2021	Base 2020	2019	2018	2017	2016	2015	2014	2013	2012	2011			
1	0.33	0.32	0.31	0.30	0.29	0.28	0.27	0.25	0.24	0.23	0.22	0.20			
2	0.43	0.42	0.41	0.40	0.38	0.36	0.35	0.34	0.32	0.30	0.29	0.27			
3	0.54	0.53	0.51	0.49	0.47	0.45	0.44	0.42	0.40	0.38	0.36	0.33	1	0.38	0.25
4	0.62	0.61	0.59	0.57	0.55	0.53	0.51	0.48	0.46	0.44	0.42	0.38	2	0.53	0.34
5	0.69	0.68	0.66	0.64	0.61	0.59	0.57	0.54	0.51	0.49	0.47	0.43	3	0.60	0.39
6	0.77	0.75	0.73	0.71	0.68	0.65	0.63	0.60	0.57	0.54	0.52	0.47	4	0.66	0.43
7	0.85	0.83	0.81	0.79	0.75	0.72	0.70	0.66	0.63	0.60	0.58	0.53	5	0.75	0.49
8	0.91	0.90	0.87	0.84	0.81	0.77	0.75	0.71	0.68	0.64	0.62	0.57	6	0.84	0.55
10	0.99	0.97	0.94	0.91	0.87	0.84	0.81	0.77	0.73	0.70	0.67	0.61	7	0.92	0.60
11	1.05	1.03	1.00	0.97	0.93	0.89	0.86	0.82	0.78	0.74	0.71	0.65	8	1.00	0.65
12	1.10	1.08	1.05	1.02	0.98	0.93	0.90	0.86	0.82	0.78	0.75	0.68	10	1.08	0.70
13	1.14	1.12	1.09	1.06	1.01	0.97	0.94	0.89	0.85	0.81	0.77	0.71	11	1.17	0.76
14	1.20	1.17	1.14	1.11	1.06	1.01	0.98	0.93	0.89	0.84	0.81	0.74	12	1.28	0.83
15	1.25	1.23	1.19	1.15	1.11	1.06	1.02	0.98	0.93	0.88	0.84	0.77	13	1.37	0.89
16	1.30	1.28	1.24	1.20	1.15	1.10	1.07	1.02	0.97	0.92	0.88	0.81	14	1.48	0.96
17	1.35	1.33	1.29	1.25	1.20	1.15	1.11	1.06	1.01	0.95	0.92	0.84	15	1.63	1.06
18	1.41	1.38	1.34	1.30	1.25	1.19	1.15	1.10	1.05	0.99	0.95	0.87	16	1.79	1.16
19	1.45	1.42	1.38	1.34	1.28	1.23	1.19	1.13	1.08	1.02	0.98	0.90	17	1.98	1.29
20	1.49	1.46	1.42	1.38	1.32	1.26	1.22	1.16	1.11	1.05	1.01	0.92	18	2.16	1.40
21	1.54	1.51	1.47	1.43	1.37	1.31	1.26	1.21	1.15	1.09	1.04	0.96	19	2.36	1.53
22	1.59	1.56	1.51	1.46	1.40	1.34	1.30	1.24	1.18	1.12	1.07	0.98	20	2.61	1.70
23	1.64	1.61	1.56	1.51	1.45	1.39	1.34	1.28	1.22	1.15	1.11	1.01	21	2.90	1.89
24	1.68	1.65	1.60	1.55	1.49	1.42	1.38	1.31	1.25	1.18	1.14	1.04	22	3.28	2.13
25	1.73	1.70	1.65	1.60	1.53	1.47	1.42	1.35	1.29	1.22	1.17	1.07	23	3.67	2.39
26	1.79	1.75	1.70	1.65	1.58	1.51	1.46	1.39	1.33	1.26	1.21	1.11	24	4.25	2.76
27	1.84	1.80	1.75	1.70	1.63	1.56	1.51	1.44	1.37	1.30	1.24	1.14	25	5.23	3.40
28	1.90	1.86	1.81	1.76	1.68	1.61	1.56	1.48	1.41	1.34	1.29	1.18	26	6.42	4.17
29	1.96	1.93	1.87	1.81	1.74	1.66	1.61	1.53	1.46	1.38	1.33	1.22			
30	2.02	1.98	1.92	1.86	1.79	1.71	1.65	1.57	1.50	1.42	1.36	1.25			
31	2.08	2.04	1.98	1.92	1.84	1.76	1.70	1.62	1.54	1.47	1.41	1.29			
32	2.14	2.10	2.04	1.98	1.90	1.82	1.75	1.67	1.59	1.51	1.45	1.33			
33	2.21	2.16	2.10	2.04	1.95	1.87	1.81	1.72	1.64	1.55	1.49	1.37			
34	2.26	2.21	2.15	2.09	2.00	1.91	1.85	1.76	1.68	1.59	1.53	1.40			
35	2.31	2.27	2.20	2.13	2.05	1.96	1.89	1.80	1.72	1.63	1.56	1.43			
36	2.37	2.33	2.26	2.19	2.10	2.01	1.94	1.85	1.76	1.67	1.60	1.47	Symbol		1989 & Prior
37	2.46	2.41	2.34	2.27	2.18	2.08	2.01	1.92	1.83	1.73	1.66	1.52			
38	2.55	2.50	2.43	2.36	2.26	2.16	2.09	1.99	1.90	1.80	1.73	1.58			
39	2.64	2.59	2.51	2.43	2.33	2.23	2.16	2.06	1.96	1.86	1.78	1.63			
40	2.72	2.67	2.59	2.51	2.41	2.31	2.23	2.12	2.02	1.92	1.84	1.68	1	0.09	
41	2.81	2.76	2.68	2.60	2.49	2.39	2.30	2.20	2.09	1.98	1.90	1.74	2	0.11	
42	2.90	2.84	2.76	2.68	2.57	2.46	2.37	2.26	2.15	2.04	1.96	1.79	3	0.15	
43	2.98	2.93	2.84	2.75	2.64	2.53	2.44	2.33	2.22	2.10	2.02	1.85	4	0.18	
44	3.07	3.01	2.92	2.83	2.72	2.60	2.51	2.39	2.28	2.16	2.07	1.90	5	0.21	
45	3.15	3.09	3.00	2.91	2.79	2.67	2.58	2.46	2.34	2.22	2.13	1.95	6	0.28	
46	3.26	3.19	3.10	3.01	2.88	2.76	2.67	2.54	2.42	2.29	2.20	2.02	7	0.34	
47	3.36	3.30	3.20	3.10	2.98	2.85	2.75	2.62	2.50	2.37	2.27	2.08	8	0.40	
48	3.47	3.40	3.30	3.20	3.07	2.94	2.84	2.71	2.57	2.44	2.34	2.15	10	0.51	
49	3.57	3.50	3.40	3.30	3.16	3.03	2.92	2.79	2.65	2.52	2.41	2.21	11	0.62	
50	3.66	3.59	3.49	3.39	3.25	3.11	3.00	2.86	2.72	2.58	2.48	2.27	12	0.72	
51	3.77	3.70	3.59	3.48	3.34	3.20	3.09	2.94	2.80	2.66	2.55	2.33	13	0.85	
52	3.87	3.80	3.69	3.58	3.43	3.28	3.17	3.03	2.88	2.73	2.62	2.40	14	1.00	
53	3.97	3.89	3.78	3.67	3.52	3.36	3.25	3.10	2.95	2.80	2.68	2.46	15	1.21	
54	4.13	4.05	3.93	3.81	3.65	3.50	3.38	3.22	3.07	2.91	2.79	2.55	16	1.47	
55	4.33	4.24	4.12	4.00	3.83	3.67	3.54	3.38	3.21	3.05	2.93	2.68	17	1.76	
56	4.56	4.47	4.34	4.21	4.04	3.86	3.73	3.56	3.39	3.21	3.08	2.82	18	2.10	
57	4.81	4.72	4.58	4.44	4.26	4.08	3.94	3.76	3.57	3.39	3.25	2.98	19	2.51	
58	5.19	5.09	4.94	4.79	4.59	4.40	4.25	4.05	3.85	3.66	3.51	3.21	20	2.98	
59	5.75	5.64	5.48	5.32	5.10	4.88	4.71	4.49	4.27	4.06	3.89	3.56	21	4.12	
60	6.37	6.25	6.07	5.89	5.65	5.40	5.22	4.98	4.73	4.49	4.31	3.95			
61	6.96	6.83	6.63	6.43	6.17	5.90	5.70	5.44	5.17	4.91	4.71	4.31			
62	7.51	7.36	7.15	6.94	6.65	6.36	6.15	5.86	5.58	5.29	5.08	4.65			
63	8.06	7.91	7.68	7.45	7.14	6.84	6.60	6.30	5.99	5.68	5.45	4.99			
64	8.61	8.45	8.20	7.95	7.63	7.30	7.05	6.72	6.40	6.07	5.82	5.33			
65	9.17	8.99	8.73	8.47	8.12	7.77	7.51	7.16	6.81	6.46	6.20	5.67			
66	10.00	9.81	9.52	9.23	8.85	8.47	8.19	7.81	7.43	7.04	6.76	6.19			
67	11.10	10.89	10.57	10.25	9.83	9.41	9.09	8.67	8.24	7.82	7.50	6.87			
68	12.20	11.97	11.62	11.27	10.81	10.34	9.99	9.53	9.06	8.60	8.25	7.55			
69	13.30	13.05	12.67	12.29	11.78	11.28	10.90	10.39	9.88	9.38	9.00	8.24			
70	14.41	14.13	13.72	13.31	12.76	12.21	11.80	11.25	10.70	10.15	9.74	8.92			
71	15.51	15.21	14.77	14.33	13.74	13.15	12.70	12.11	11.52	10.93	10.49	9.60			
72	16.61	16.29	15.82	15.35	14.71	14.08	13.61	12.97	12.34	11.71	11.23	10.28			
73	17.71	17.38	16.87	16.36	15.69	15.01	14.51	13.83	13.16	12.48	11.98	10.97			
74	18.82	18.46	17.92	17.38	16.67	15.95	15.41	14.69	13.98	13.26	12.72	11.65			
75	19.92	19.54	18.97	18.40	17.64	16.88	16.31	15.56	14.80	14.04	13.47	12.33			

NORTH CAROLINA
MODEL YEAR AND SYMBOL RELATIVITIES - PHYSICAL DAMAGE COVERAGES
COLLISION

Symbol	Model Year												Symbol	Factor	2010-1990
	2022	2021	Base 2020	2019	2018	2017	2016	2015	2014	2013	2012	2011			
1	0.49	0.47	0.44	0.41	0.38	0.36	0.33	0.31	0.29	0.27	0.25	0.21			
2	0.65	0.63	0.59	0.55	0.51	0.48	0.44	0.41	0.39	0.36	0.34	0.28			
3	0.71	0.68	0.64	0.60	0.56	0.52	0.48	0.45	0.42	0.39	0.36	0.30	1	0.58	0.27
4	0.83	0.80	0.75	0.70	0.65	0.61	0.56	0.53	0.50	0.46	0.43	0.35	2	0.65	0.31
5	0.91	0.88	0.82	0.76	0.71	0.66	0.62	0.57	0.54	0.50	0.47	0.39	3	0.76	0.36
6	0.95	0.92	0.86	0.80	0.75	0.70	0.65	0.60	0.57	0.52	0.49	0.40	4	0.82	0.39
7	1.00	0.96	0.90	0.84	0.78	0.73	0.68	0.63	0.59	0.55	0.51	0.42	5	0.88	0.41
8	1.04	1.01	0.94	0.87	0.82	0.76	0.71	0.66	0.62	0.57	0.54	0.44	6	0.92	0.43
10	1.08	1.04	0.97	0.90	0.84	0.79	0.73	0.68	0.64	0.59	0.55	0.46	7	0.96	0.45
11	1.11	1.07	1.00	0.93	0.87	0.81	0.75	0.70	0.66	0.61	0.57	0.47	8	1.00	0.47
12	1.15	1.11	1.04	0.97	0.90	0.84	0.78	0.73	0.69	0.63	0.59	0.49	10	1.07	0.50
13	1.19	1.14	1.07	1.00	0.93	0.87	0.80	0.75	0.71	0.65	0.61	0.50	11	1.12	0.53
14	1.22	1.18	1.10	1.02	0.96	0.89	0.83	0.77	0.73	0.67	0.63	0.52	12	1.15	0.54
15	1.24	1.20	1.12	1.04	0.97	0.91	0.84	0.78	0.74	0.68	0.64	0.53	13	1.20	0.56
16	1.25	1.21	1.13	1.05	0.98	0.92	0.85	0.79	0.75	0.69	0.64	0.53	14	1.27	0.60
17	1.28	1.23	1.15	1.07	1.00	0.93	0.86	0.81	0.76	0.70	0.66	0.54	15	1.34	0.63
18	1.31	1.26	1.18	1.10	1.03	0.96	0.89	0.83	0.78	0.72	0.67	0.55	16	1.39	0.65
19	1.33	1.28	1.20	1.12	1.04	0.97	0.90	0.84	0.79	0.73	0.68	0.56	17	1.44	0.68
20	1.37	1.32	1.23	1.14	1.07	1.00	0.92	0.86	0.81	0.75	0.70	0.58	18	1.52	0.71
21	1.40	1.35	1.26	1.17	1.10	1.02	0.95	0.88	0.83	0.77	0.72	0.59	19	1.59	0.75
22	1.42	1.37	1.28	1.19	1.11	1.04	0.96	0.90	0.84	0.78	0.73	0.60	20	1.64	0.77
23	1.44	1.39	1.30	1.21	1.13	1.05	0.98	0.91	0.86	0.79	0.74	0.61	21	1.71	0.80
24	1.48	1.42	1.33	1.24	1.16	1.08	1.00	0.93	0.88	0.81	0.76	0.63	22	1.80	0.85
25	1.49	1.43	1.34	1.25	1.17	1.09	1.01	0.94	0.88	0.82	0.76	0.63	23	1.87	0.88
26	1.51	1.46	1.36	1.26	1.18	1.10	1.02	0.95	0.90	0.83	0.78	0.64	24	1.95	0.92
27	1.53	1.48	1.38	1.28	1.20	1.12	1.04	0.97	0.91	0.84	0.79	0.65	25	2.11	0.99
28	1.54	1.49	1.39	1.29	1.21	1.13	1.04	0.97	0.92	0.85	0.79	0.65	26	2.29	1.08
29	1.57	1.51	1.41	1.31	1.23	1.14	1.06	0.99	0.93	0.86	0.80	0.66			
30	1.58	1.52	1.42	1.32	1.24	1.15	1.07	0.99	0.94	0.87	0.81	0.67			
31	1.60	1.54	1.44	1.34	1.25	1.17	1.08	1.01	0.95	0.88	0.82	0.68			
32	1.63	1.57	1.47	1.37	1.28	1.19	1.10	1.03	0.97	0.90	0.84	0.69			
33	1.65	1.59	1.49	1.39	1.30	1.21	1.12	1.04	0.98	0.91	0.85	0.70			
34	1.68	1.62	1.51	1.40	1.31	1.22	1.13	1.06	1.00	0.92	0.86	0.71			
35	1.70	1.64	1.53	1.42	1.33	1.24	1.15	1.07	1.01	0.93	0.87	0.72			
36	1.72	1.66	1.55	1.44	1.35	1.26	1.16	1.09	1.02	0.95	0.88	0.73	Symbol		1989 & Prior
37	1.75	1.69	1.58	1.47	1.37	1.28	1.19	1.11	1.04	0.96	0.90	0.74			
38	1.78	1.71	1.60	1.49	1.39	1.30	1.20	1.12	1.06	0.98	0.91	0.75			
39	1.79	1.72	1.61	1.50	1.40	1.30	1.21	1.13	1.06	0.98	0.92	0.76			
40	1.81	1.74	1.63	1.52	1.42	1.32	1.22	1.14	1.08	0.99	0.93	0.77	1	0.13	
41	1.83	1.77	1.65	1.53	1.44	1.34	1.24	1.16	1.09	1.01	0.94	0.78	2	0.16	
42	1.85	1.79	1.67	1.55	1.45	1.35	1.25	1.17	1.10	1.02	0.95	0.78	3	0.20	
43	1.88	1.81	1.69	1.57	1.47	1.37	1.27	1.18	1.12	1.03	0.96	0.79	4	0.22	
44	1.89	1.82	1.70	1.58	1.48	1.38	1.28	1.19	1.12	1.04	0.97	0.80	5	0.26	
45	1.92	1.85	1.73	1.61	1.51	1.40	1.30	1.21	1.14	1.06	0.99	0.81	6	0.28	
46	1.94	1.87	1.75	1.63	1.52	1.42	1.31	1.23	1.16	1.07	1.00	0.82	7	0.31	
47	1.96	1.89	1.77	1.65	1.54	1.43	1.33	1.24	1.17	1.08	1.01	0.83	8	0.37	
48	1.99	1.92	1.79	1.66	1.56	1.45	1.34	1.25	1.18	1.09	1.02	0.84	10	0.43	
49	2.01	1.94	1.81	1.68	1.57	1.47	1.36	1.27	1.19	1.10	1.03	0.85	11	0.47	
50	2.03	1.96	1.83	1.70	1.59	1.48	1.37	1.28	1.21	1.12	1.04	0.86	12	0.52	
51	2.05	1.98	1.85	1.72	1.61	1.50	1.39	1.30	1.22	1.13	1.05	0.87	13	0.56	
52	2.06	1.99	1.86	1.73	1.62	1.51	1.40	1.30	1.23	1.13	1.06	0.87	14	0.62	
53	2.09	2.01	1.88	1.75	1.64	1.52	1.41	1.32	1.24	1.15	1.07	0.88	15	0.67	
54	2.11	2.03	1.90	1.77	1.65	1.54	1.43	1.33	1.25	1.16	1.08	0.89	16	0.74	
55	2.14	2.07	1.93	1.79	1.68	1.56	1.45	1.35	1.27	1.18	1.10	0.91	17	0.78	
56	2.18	2.10	1.96	1.82	1.71	1.59	1.47	1.37	1.29	1.20	1.12	0.92	18	0.85	
57	2.22	2.14	2.00	1.86	1.74	1.62	1.50	1.40	1.32	1.22	1.14	0.94	19	0.90	
58	2.29	2.20	2.06	1.92	1.79	1.67	1.55	1.44	1.36	1.26	1.17	0.97	20	0.96	
59	2.38	2.29	2.14	1.99	1.86	1.73	1.61	1.50	1.41	1.31	1.22	1.01	21	1.09	
60	2.48	2.39	2.23	2.07	1.94	1.81	1.67	1.56	1.47	1.36	1.27	1.05			
61	2.55	2.46	2.30	2.14	2.00	1.86	1.73	1.61	1.52	1.40	1.31	1.08			
62	2.61	2.51	2.35	2.19	2.04	1.90	1.76	1.65	1.55	1.43	1.34	1.10			
63	2.65	2.56	2.39	2.22	2.08	1.94	1.79	1.67	1.58	1.46	1.36	1.12			
64	2.71	2.61	2.44	2.27	2.12	1.98	1.83	1.71	1.61	1.49	1.39	1.15			
65	2.76	2.66	2.49	2.32	2.17	2.02	1.87	1.74	1.64	1.52	1.42	1.17			
66	2.84	2.74	2.56	2.38	2.23	2.07	1.92	1.79	1.69	1.56	1.46	1.20			
67	2.95	2.85	2.66	2.47	2.31	2.15	2.00	1.86	1.76	1.62	1.52	1.25			
68	3.06	2.95	2.76	2.57	2.40	2.24	2.07	1.93	1.82	1.68	1.57	1.30			
69	3.17	3.06	2.86	2.66	2.49	2.32	2.15	2.00	1.89	1.74	1.63	1.34			
70	3.29	3.17	2.96	2.75	2.58	2.40	2.22	2.07	1.95	1.81	1.69	1.39			
71	3.40	3.27	3.06	2.85	2.66	2.48	2.30	2.14	2.02	1.87	1.74	1.44			
72	3.51	3.38	3.16	2.94	2.75	2.56	2.37	2.21	2.09	1.93	1.80	1.49			
73	3.62	3.49	3.26	3.03	2.84	2.64	2.45	2.28	2.15	1.99	1.86	1.53			
74	3.73	3.60	3.36	3.12	2.92	2.72	2.52	2.35	2.22	2.05	1.92	1.58			
75	3.84	3.70	3.46	3.22	3.01	2.80	2.60	2.42	2.28	2.11	1.97	1.63			

14. MISCELLANEOUS COVERAGES (Cont'd)

C. Deductible Insurance

1. Deductible Liability Insurance is not available for vehicles classified and rated in accordance with the rules of this manual.
2. Collision Deductibles For Which No Premiums Are Shown
 - \$25 Deduct. (071) - Charge 150% of the \$50 Deduct. Collision Premium
 - \$50 Deduct. (072) - Charge 102% of the \$100 Deduct. Collision Premium
 - \$200 Deduct. (073) - Charge 97% of the \$100 Deduct. Collision Premium
 - \$250 Deduct. (076) - Charge [95] 96% of the \$100 Deduct. Collision Premium
 - \$500 Deduct. (077) - Charge [88] 91% of the \$100 Deduct. Collision Premium
 - \$1,000 Deduct. (078) - Charge [77] 81% of the \$100 Deduct. Collision Premium
3. Comprehensive Deductibles For Which No Premiums Are Shown
 - \$50 Deduct. (003) - Charge [95] 96% of the Full Coverage Comprehensive Premium
 - \$100 Deduct. (010) - Charge [90] 93% of the Full Coverage Comprehensive Premium
 - \$250 Deduct. (055) - Charge [79] 84% of the Full Coverage Comprehensive Premium
 - \$500 Deduct. (726) - Charge [65] 70% of the Full Coverage Comprehensive Premium
 - \$1,000 Deduct. (727) - Charge [52] 58% of the Full Coverage Comprehensive Premium
4. Theft - \$50 Deductible - Charge 75% of the Full Coverage Theft rate.

19. MISCELLANEOUS TYPES (Cont'd)

- B. Motorcycles, Motorscooters, Motorbikes, Mopeds and Other Similar Motor Vehicles Not Used for Commercial Purposes.

Liability Coverages Only.

With respect to voluntary risks and "clean risks" ceded to the North Carolina Reinsurance Facility, determine the appropriate premium by applying the following factors to the applicable voluntary private passenger bodily injury, property damage, and medical payments rates. For Uninsured Motorists Coverage and Combined Uninsured/Underinsured Motorists Coverage, charge the applicable private passenger premium shown in Rule 14.

Engine Size Cubic Centimeters (cc)	Bodily Injury and Property Damage	Medical Payments*
0-499	[13%]12%	30%
500-1249	[21%]19%	30%
1250-1499	[30%]28%	30%
1500-up	[39%]36%	30%

*Note: Medical Payments coverage for these vehicles is not eligible for cession to the North Carolina Reinsurance Facility.

(Remainder of rule is unchanged.)

14. MISCELLANEOUS COVERAGES (Cont'd)

E. Extended Transportation Expenses Coverage

2. Rating

The rates for this coverage are not subject to classification rating or modification by any rating plan.

Coverage	Annual Rate Per Auto
\$15/\$450 Extended Transportation Expenses Coverage (Cov. Code 704)	[\$10] <u>\$13</u>
\$30/\$900 Increased Limits Transportation Expenses Coverage (Cov. Code 706)	[\$20] <u>\$26</u>
\$50/\$1,500 Additional Increased Limits Transportation Expenses Coverage (Cov. Code 768)	[\$32] <u>\$42</u>
\$75/\$2,250 Additional Increased Limits Transportation Expenses Coverage	<u>\$61</u>
\$100/\$3,000 Additional Increased Limits Transportation Expenses Coverage	<u>\$79</u>

14. MISCELLANEOUS COVERAGES (Cont'd)

F. Towing and Labor Costs Coverage

The available limit and rates are:

Limit Per Disablement	Rate – Per Car, Per Year
\$ 25	[\$2] <u>\$3</u>
50	[4] <u>6</u>
100	[6] <u>9</u>
None (subject to coverage provisions)	[13] <u>20</u>

Matter underlined is new; matter in brackets [] is deleted.

PERSONAL AUTO MANUAL

NORTH CAROLINA

PRIMARY CLASSIFICATION RATING FACTORS

Coverage	Pleasure Use	Drive to or From Work		Business Use	<u>TNC Activity*</u>	Farm Use
	(1A)	Less Than 10 Miles (1B)	10 or More Miles (1C)	(3)	TNC	(1AF)
BI, PD and Med. Pay.	1.00	1.05	1.05	1.05	1.20	[.80].75
Collision	1.00	[1.10] <u>1.15</u>	[1.10] <u>1.15</u>	[1.10] <u>1.15</u>	(a)	[.80].75
Comprehensive, Fire, Theft and C.A.C.	1.00	[1.20] <u>1.25</u>	[1.20] <u>1.25</u>	[1.20] <u>1.25</u>	(a)	[.80].75

Add the following rating factors to the Primary Rating Factor

No Inexperienced Operator			
Single or Multi-Car Risk	BI, PD and Med. Pay	Collision	Comprehensive, Fire, Theft and CAC
Single Car	Factor 0.00	Factor 0.00	Factor 0.00
Multi-Car	Factor -0.35	Factor [-0.30] <u>-0.35</u>	Factor -0.10

* Applies only to those vehicles on policies ceded to the North Carolina Reinsurance Facility affording coverage for TNC activity under Endorsement PP 55 45.

(a) For rating a policy that affords this coverage, please refer to the individual company writing the coverage.

Matter underlined is new; matter in brackets [] is deleted.

INEXPERIENCED OPERATOR				
Single or Multi-Car Risks		BI, PD and Med. Pay.	Collision	Comprehensive Fire, Theft & CAC
Single Car	Principal Operator Licensed For:			
	Less Than One Year	Factor [+2.85] <u>+2.60</u>	Factor [+2.55] <u>+2.30</u>	Factor [+0.15] <u>+0.20</u>
	Less Than Two Years	Factor [+1.65] <u>+1.60</u>	Factor [+1.65] <u>+1.50</u>	Factor [+0.15] <u>+0.20</u>
	Less Than Three Years	Factor [+1.30] <u>+1.25</u>	Factor [+1.40] <u>+1.35</u>	Factor [+0.15] <u>+0.20</u>
	Occasional Operator Licensed For:			
	Less Than One Year	Factor +1.75	Factor [+1.65] <u>+1.40</u>	Factor +0.10
	Less Than Two Years	Factor +0.85	Factor [+0.90] <u>+0.80</u>	Factor 0.00
Less Than Three Years	Factor [+0.55] <u>+0.65</u>	Factor [+0.70] <u>+0.60</u>	Factor 0.00	
Multi-Car	Principal Operator Licensed For:			
	Less Than One Year	Factor [+2.50] <u>+2.25</u>	Factor [+2.25] <u>+1.95</u>	Factor [+0.05] <u>+0.10</u>
	Less Than Two Years	Factor [+1.30] <u>+1.25</u>	Factor [+1.35] <u>+1.15</u>	Factor [+0.05] <u>+0.10</u>
	Less Than Three Years	Factor [+0.95] <u>+0.90</u>	Factor [+1.10] <u>+1.00</u>	Factor [+0.05] <u>+0.10</u>
	Occasional Operator Licensed For:			
	Less Than One Year	Factor +1.40	Factor [+1.35] <u>+1.05</u>	Factor 0.00
	Less Than Two Years	Factor +0.50	Factor [+0.60] <u>+0.45</u>	Factor -0.10
Less Than Three Years	Factor [+0.20] <u>+0.30</u>	Factor [+0.40] <u>+0.25</u>	Factor -0.10	

Matter underlined is new; matter in brackets [] is deleted.

**PERSONAL AUTO MANUAL
NORTH CAROLINA
PRIMARY CLASSIFICATION RATING FACTORS
(CONT'D)**

SAFE DRIVER INSURANCE PLAN FACTORS AND CODES

Use the following rating factors to determine the Driving Record Surcharge Premium as explained in the Safe Driver Insurance Plan Rule.

Use the statistical code indicated for the Driving Record Sub-Classification.

Number of Driving Record Points	Driving Record Sub-Classification	Statistical Code	SDIP Rating Factor
0	0	00	0.00
1	1	01	[0.30] <u>0.40</u>
2	2	02	[0.45] <u>0.55</u>
3	3	03	[0.60] <u>0.70</u>
4	4	04	[0.80] <u>0.90</u>
5	5	05	1.10
6	6	06	[1.35] <u>1.40</u>
7	7	07	[1.65] <u>1.70</u>
8	8	08	[1.95] <u>2.00</u>
9	9	09	[2.25] <u>2.30</u>
10	10	10	2.60
11	11	11	3.00
12 or more	12	12	3.40
Vehicles Not Eligible for SDIP – Add the following rating factor to the otherwise applicable Combined Rating Factor. Use the statistical code shown below.			
Not Eligible	NE	95	+0.10

14. MISCELLANEOUS COVERAGES (Cont'd)

H. Auto Death Indemnity Or Benefits, Specific Disability Benefits And Total Disability Benefits Rates

1. Automobile Death Indemnity or Benefit, Specific Disability Benefits and Total Disability Benefits are available to any person under a policy affording auto bodily injury liability insurance with respect to an auto classified or rated as a private passenger auto.

2. Annual rates per person insured:

a. Coverage A – Auto Death Indemnity or Benefit
(Class Code 904000)

Principal Sum	Annual Rate
\$ 5,000	\$ 2
10,000	4

b. Coverages A and B – Auto Death Indemnity or Benefit and Specific Disability Benefits
Dismemberment and Loss of Sight and Fractures and Dislocations. (Class Code 907000)

Principal Sum	Annual Rate
\$ 5,000	\$ 3
10,000	5

c. Coverage C – Total Disability Benefits – (Class Code 903000)

Weekly Indemnity	Annual Rate
\$ 25	\$ 3
35	3
50	6

d. Coverage ~~DC~~ – Total Disability Benefits – Maximum 200 weeks.
(Class Code 905000)

Weekly Indemnity	Annual Rate
\$ 25	\$ 2
35	3
50	5

3. For the addition of one or more of the coverages to outstanding policies, charges per month, or fraction thereof, of 10% of the applicable annual rates shall be made. These charges shall be subject to a minimum total charge of \$2 per policy or endorsement, and to a maximum total charge of the total of the annual rates for the coverages afforded.

17. EXTENDED NON-OWNED LIABILITY COVERAGE (PERSONAL AUTO POLICY ONLY)

A. Liability Coverage

If Liability Coverage is extended under the Extended Non-owned Coverage For Named Individual Endorsement, Medical Payments Coverage may also be similarly extended. Medical Payments shall be provided at the same limits as the Medical Payments limit of policy to which this endorsement is attached.

Liability/Medical Payments Coverage may be extended to an individual described below:

- 1A.** The insured named in the policy, including the spouse if a resident of the same household, or a resident relative who is furnished an auto for regular use but is NOT employed by a garage:
 - ~~a.~~ When no Primary Liability insurance is in effect on the auto, charge 50% of the liability premium which would apply if the furnished auto were being specifically insured as an owned auto by the individual.
 - ~~b.~~ When there is Primary Liability insurance in effect on the auto or if the auto is used in the business of the United States Government, charge the premiums per person shown in the table below:

Primary Liability/Medical Payments Insurance In Effect	
Person(s) Named	Percentage Charge
Named Individual And Spouse	18%
Named Individual And Resident Relatives (Including Named Individual's Spouse)	20%

- 2.** If there is no primary Liability/Medical Payments Insurance in effect, charge the following percentage of the applicable premium(s) that would apply as if the insured owned the auto being covered.

No Primary Liability/Medical Payments Insurance In Effect	
Person(s) Named	Percentage Charge
Named Individual And Spouse	90%
Named Individual And Resident Relatives (Including Named Individual's Spouse)	100%

Person Named	Bodily Injury \$30/60	Property Damage \$25,000
Insured Named and Spouse	\$3	\$1
Relative	6	2

- 2B.** The insured named in the policy, including the spouse if a resident of the same household, or a resident relative who is furnished an auto for regular use and is employed by a garage:
 - a1.** When garage has no Liability/Medical Payments Insurance charge 170% of Base Rate for Liability/Medical Payments Coverage.
 - b2.** When garage has Liability/Medical Payments Insurance, refer to Company.
- 3.** In all other situations, charge the premiums per person shown in the table below:

Person Named	Bodily Injury \$30/60	Property Damage \$25,000
Insured Named and Spouse	\$3	\$1
Relative	6	2

Memorandum - North Carolina Personal Auto Manual
Matter underlined is new; matter ~~struck through~~ is deleted.

17. EXTENDED NON-OWNED LIABILITY COVERAGE (PERSONAL AUTO POLICY ONLY)(Cont'd)

B. Medical Payments

~~Medical Payments coverage is available only if Bodily Injury and Property Damage coverages are extended. Medical Payments shall be provided at the same limits as the Medical Payments limit of policy to which attached. Premiums per person are displayed below.~~

Medical Payments Limits of Policy to Which Attached	Auto Furnished for Regular Use	Auto Not Furnished For Regular Use
\$ 500	\$4	\$2

~~Use the factors in Rule 18.D. to determine premiums for Medical Payments limits above \$500.~~

NORTH CAROLINA DEPARTMENT OF INSURANCE

RALEIGH, NORTH CAROLINA

IN THE MATTER OF THE FILING
DATED FEBRUARY 1, 2019 BY THE
NORTH CAROLINA RATE BUREAU FOR
REVISED AUTOMOBILE INSURANCE
RATES – PRIVATE PASSENGER CARS
AND MOTORCYCLES

BEFORE THE COMMISSIONER
OF INSURANCE

Docket No. 1928

SETTLEMENT AGREEMENT
AND CONSENT ORDER

It appearing to the Commissioner of Insurance (“Commissioner”) that the North Carolina Rate Bureau (“Rate Bureau”) and the North Carolina Department of Insurance (“Department”) have, after consultation with their respective legal, actuarial and economic advisors and subject to approval by the Commissioner and to the conditions hereinafter set forth, entered into a settlement of all matters and things in dispute in connection with the Rate Bureau’s filing for private passenger automobile insurance rates dated February 1, 2019 (the “2019 Filing”); and it further appearing to the Commissioner that such settlement is fair and reasonable and should be approved;

NOW, THEREFORE, IT IS ORDERED AND AGREED as follows:

1. The 2019 Filing is approved subject to the modifications set forth in Paragraphs 2 through 5 below.
2. The approved rate level changes for the liability coverages and the approved statewide grand total, relative to the currently approved manual rate levels, are as set forth below.

The filed decreases for the physical damage coverages, which are approved as filed and which are included in the statewide grand total, are set forth below as well.

PRIVATE PASSENGER CARS

Liability	
Bodily Injury	4.5%
Property Damage	20.0%
Medical Payments	3.3%
Uninsured Motorists	20.0%
Underinsured Motorists	4.5%
Liability Total	11.3%
Physical Damage	
Comprehensive	-4.0%
Collision	-11.0%
Physical Damage Total	-9.1%
Grand Total	1.6%

The base rates approved as a result of all of these approved changes are set forth on the attached Exhibit A, which is attached hereto and incorporated herein by reference.

3. The approved motorcycle relativities are set forth on the attached Exhibit B, which is attached hereto and incorporated herein by reference.

4. The approved rates for Extended Transportation Coverage are set forth on the attached Exhibit C, which is attached hereto and incorporated herein by reference.

5. The approved rates for Towing and Labor Costs Coverage are set forth on the attached Exhibit D, which is attached hereto and incorporated herein by reference.

6. The approved changes shall be implemented in accordance with the following rule of application:

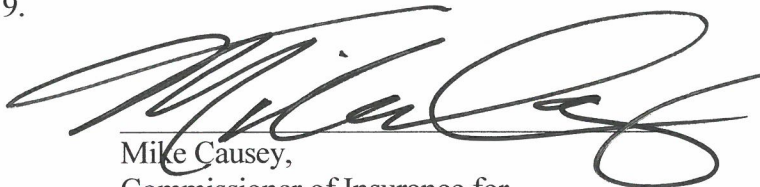
This rate change is applicable to all policies becoming effective on or after October 1, 2019. No policy effective prior to October 1, 2019 shall be endorsed or cancelled and rewritten to take advantage of or to avoid the application of this rate change except at the request of the insured and at the customary short rate charges as of the date of such request, but in no event prior to October 1, 2019.

7. Subject to the provisions of Paragraph 8 below, the rates for the coverages coming within the scope of this Settlement Agreement and Consent Order shall remain in force until October 1, 2021 and thereafter until revised as provided by law, and neither the Rate Bureau nor the Commissioner nor the Department shall undertake to effect a change in such rates having an effective date prior to October 1, 2021; provided, however, that nothing in this section shall prevent a change in such rates prior to October 1, 2021 if agreed to by the Rate Bureau and the Commissioner.

8. Notwithstanding any other provision of this Settlement Agreement and Consent Order, in the event of legislative or judicial action subsequent to the date of this Settlement Agreement and Consent Order which changes premium taxes, regulatory fees, the statutory ratemaking methodology, rate level need or loss or expense exposure of insurers, either the Rate Bureau or the Commissioner shall have the right to take such action as is within its or his statutory authority to effect a change in rates prior to October 1, 2021 for the sole purpose of adjusting rates to reflect the effects of such legislative or judicial action. Further, either the Rate Bureau or the Commissioner shall have the right to take such action as is within its or his statutory authority to adjust rate relativities, classifications and rules in the event of legislative or judicial action subsequent to the date of this Settlement Agreement and Consent Order making such adjustment appropriate. Further, nothing herein shall prevent the Rate Bureau from taking such action as is within its statutory authority to revise or update territory definitions to reflect any ZIP code changes.

9. This Settlement Agreement and Consent Order shall not be construed to condone, validate, accept or agree to the Bureau's, the Department's, or the Commissioner's theories, methodologies or calculations pertaining to the setting of insurance rates for private passenger cars and motorcycles.

This 26th day of March, 2019.


Mike Causey,
Commissioner of Insurance for
the State of North Carolina

WE CONSENT:

NORTH CAROLINA RATE BUREAU

BY: 

NORTH CAROLINA DEPARTMENT OF INSURANCE

BY: 

4665524