



November 28, 2023

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Updated Increased Limit Factor Tables for the NCRF Commercial Automobile Rates
Effective April 1, 2024

A member company has identified that within Circular RF 23-13, the Increased Limit Factor tables lacked the factors for limits below 100/500k for Bodily Injury and 85k for Property Damage. Enclosed is Exhibit 1, which includes the missing limits and factors for both coverages. The exhibit, which has been *tentatively marked with page numbers*, are designed to replace the similar rules or pages included in the current North Carolina Reinsurance Facility Commercial Automobile Manual.

The revised rates/factors and other **changes will become effective April 1, 2024** in accordance with the following Rule of Application:

These changes are applicable to all policies becoming effective on or after April 1, 2024. No policy effective prior to April 1, 2024 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 April 1, 2024.

Reprinted North Carolina Reinsurance Facility Commercial Automobile Manual of Rules and Rates pages will be distributed, in the usual fashion, closer to the actual effective date. In the meantime, notice of the revised rates should be sent as soon as possible to your Company's North Carolina agents to make them aware of the new rates.

In connection with the implementation of the revised rates, your attention is directed to G. S. 58-37-35(l) which provides, in part, as follows:

The classifications, rules, rates, rating plans, and policy forms used on motor vehicle insurance policies reinsured by the Facility may be made by the Facility or by a licensed or statutory rating organization or bureau on its behalf and shall be filed with the Commissioner. . . . If the Commissioner finds, after a hearing, that a rate is either excessive, inadequate or unfairly discriminatory, the Commissioner shall issue an order specifying in what respect it is deficient and stating when, within a reasonable period thereafter, the rate is no longer effective. The order is subject to judicial review as set out in Article 2 of this Chapter. Pending judicial review of said order, the filed classification plan and the filed rates may be used, charged and collected in the same manner as set out in G.S. 58-40-45 of this Chapter. The order shall not affect any contract or policy made or issued before the expiration of the period set forth in the order.

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

I apologize for any inconvenience this may have created. I thank the member company for bringing this omission to our attention.

Any questions regarding these changes should be directed to Tom Burns at (919) 719-3033 or email tfb@ncrb.org.

Sincerely,

Thomas F. Burns

Director, Auto Operations

North Carolina Reinsurance Facility

TFB:lad

Attachments

RF-23-15

NORTH CAROLINA REINSURANCE FACILITY
COMMERCIAL AUTOMOBILE MANUAL
Effective 4/1/2024

(State Code 32)

BODILY INJURY FACTORS
Limits Identifier Code (3)

Limit of Liability (1000s)	Limit Code	1. Light and Medium Trucks	2. Heavy Trucks And Truck- Tractors	3. Extra Heavy Trucks And Truck- Tractors	4. Trucks, Tractors, and Trailers Zone Rated	5. All Other Risks
30/60	49	1.00	1.00	1.00	1.00	1.00
85/85	52	1.27	1.35	1.39	1.61	1.27
50/100	49	1.20	1.24	1.27	1.46	1.24
100/100	52	1.37	1.47	1.58	1.80	1.38
100/300	52	1.70	1.83	1.98	2.47	1.73
100/500	55	1.80	2.06	2.18	2.83	1.86
300/300	64	2.11	2.38	2.59	3.42	2.11
250/500	61	2.18	2.57	2.75	3.69	2.24
400/400	68	2.31	2.71	2.96	4.00	2.35
500/500	68	2.50	2.96	3.24	4.50	2.57
750/750	73	2.91	3.49	3.92	5.50	2.99
1000/1000	73	3.24	3.95	4.47	6.39	3.32
1500/1500	74	3.72	4.67	5.34	7.72	3.80
2000/2000	75	4.16	5.28	6.08	8.90	4.25
2500/2500	76	4.47	5.82	6.77	9.89	4.63
5000/5000	79	5.75	7.72	9.19	13.70	5.91
7500/7500	82	6.65	9.05	10.88	16.37	6.81
10000/10000	85	7.24	9.91	11.98	18.11	7.40
12500/12500	86	7.59	10.43	12.64	19.15	7.75
15000/15000	86	7.78	10.72	13.00	19.72	7.94

NORTH CAROLINA REINSURANCE FACILITY
COMMERCIAL AUTOMOBILE MANUAL
Effective 4/1/2024

(State Code 32)

PROPERTY DAMAGE FACTORS
Limits Identifier Code (3)

Limit of Liability (1000s)	Limit Code	1. Light and Medium Trucks	2. Heavy Trucks and Truck-Tractors	3. Extra Heavy Trucks and Truck-Tractors	4. Trucks, Tractors, and Trailers Zone Rated	5. All Other Risks
25	5	1.00	1.00	1.00	1.00	1.00
30	6	1.02	1.02	1.02	1.02	1.01
50	8	1.06	1.06	1.06	1.09	1.05
85	9	1.11	1.11	1.11	1.16	1.11
100	10	1.12	1.12	1.12	1.18	1.12
300	14	1.18	1.18	1.18	1.31	1.18
400	15	1.20	1.21	1.21	1.34	1.20
500	16	1.21	1.22	1.22	1.36	1.21
750	17	1.23	1.24	1.24	1.40	1.23
1000	18	1.25	1.26	1.26	1.44	1.25
1500	19	1.27	1.28	1.30	1.52	1.27
2000	20	1.28	1.30	1.34	1.57	1.29
2500	21	1.29	1.32	1.37	1.59	1.31
5000	23	1.33	1.37	1.41	1.66	1.33
7500	24	1.36	1.41	1.44	1.71	1.34
10000	25	1.38	1.44	1.46	1.74	1.35
12500	26	1.39	1.46	1.47	1.76	1.36
15000	26	1.40	1.47	1.48	1.77	1.37