

NORTH CAROLINA RATE BUREAU

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March 8, 1999

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Endorsement NC 03 02 (Ed. 1-99)
Extended Transportation Expenses Coverage
Amendments Rule 14.D.
North Carolina Personal Auto Manual

The Commissioner of Insurance has approved filings submitted by the Rate Bureau for an additional \$50/\$1,500 coverage option of Extended Coverage Transportation Expenses Coverage.

Enclosed is a copy of Endorsement NC 03 02 (Ed. 1-99) which is designed to replace Endorsement NC 03 02 (Ed. 1-90) of like title. Also enclosed is a memorandum setting forth amendments to Rule 14.D. designed to afford the additional \$50/\$1,500 coverage option at a rate of \$32.

These changes become effective June 1, 1999 in accordance with the following Rule of Application:

These changes are applicable to policies written on and after June 1, 1999.

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

Very truly yours,

John W. Watkins
General Manager

JWW:lg

Enclosure

A-99-4

Description of Your Covered Auto(s)	Extended Transportation Expenses Coverage Premium	Increased Limits Transportation Expenses Coverage Premium	Additional Increased Limits Transportation Expenses Coverage Premium
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$

The provisions and exclusions that apply to Part D - Coverage for Damage to Your Auto also apply to this endorsement except as changed by this endorsement.

A. EXTENDED TRANSPORTATION EXPENSES COVERAGE

When there is a loss to a **your covered auto** described in the Schedule or in the Declarations for which a specific premium charge indicates that Extended Transportation Expenses Coverage is afforded, or to a **non-owned auto**, we will pay, without application of a deductible, up to \$15 per day to a maximum of \$450 for:

1. Transportation expenses incurred by you.
2. Loss of use expenses for which you become legally responsible in the event of loss to a **non-owned auto**.

This coverage applies only if:

1. **Your covered auto** or the **non-owned auto** is withdrawn from use for more than 24 hours; and
2. The loss is caused by **collision** or is otherwise covered under Part D of this policy.

However, this coverage does not apply when there is a total theft of **your covered auto** or a **non-owned auto**. Such coverage is provided under Part D of this policy.

Our payment will be limited to that period of time reasonably required to repair or replace the **your covered auto** or the **non-owned auto**.

B. INCREASED LIMITS TRANSPORTATION EXPENSES COVERAGE

When there is a loss to a **your covered auto** described in the Schedule or in the Declarations for which a specific premium charge indicates that Increased Limits Transportation Expenses Coverage is afforded, or to a **non-owned auto**:

1. Coverage for Extended Transportation Expenses Coverage provided under this endorsement is increased to \$30 per day up to a maximum of \$900. All other provisions of Extended Transportation Expenses Coverage apply.

2. Coverage for Transportation Expenses Coverage provided under Part D of this policy is increased to \$30 per day up to a maximum of \$900.

C. ADDITIONAL INCREASED LIMITS TRANSPORTATION EXPENSES COVERAGE

When there is a loss to a **your covered auto** described in the Schedule or in the Declarations for which a specific premium charge indicates that Additional Increased Limits Transportation Expenses Coverage is afforded, or to a **non-owned auto**:

1. Coverage for Extended Transportation Expenses Coverage provided under this endorsement is increased to \$50 per day up to a maximum of \$1,500. All other provisions of Extended Transportation Expenses Coverage apply.

2. Coverage for Transportation Expenses Coverage provided under Part D of this policy is increased to \$50 per day up to a maximum of \$1,500.

AMENDED

MEMORANDUM: NORTH CAROLINA PERSONAL AUTO MANUAL

Matter underlined is new

14. MISCELLANEOUS COVERAGES

(Section D. is amended as follows:)

D. Extended Transportation Expenses Coverage

1. Eligibility

Only policies providing Comprehensive Coverage may be afforded either Extended Transportation Expenses Coverage or Increased Limits Transportation Expenses Coverage.

2. Rating

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

	Annual Rate
Coverage	Per Auto
\$15/\$450 Extended Transportation Expenses Coverage (Cov. Code 704)	\$10
\$30/\$900 Increased Limits Transportation Expenses Coverage (Cov. Code 706)	\$20
<u>\$50/\$1,500 Additional Increased Limits Transportation Expenses Coverage (Cov. Code *)</u>	<u>\$32</u>

3. Endorsement

Attach the extended transportation expenses coverage endorsement to the policy.

* To be assigned later.