



March 31, 2020

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

Update of Circular C-19-15 - Issued November 7, 2019

WC 32 06 01 A – Cancellation and Non-Renewal
Endorsement

The North Carolina Rate Bureau has filed and the North Carolina Commissioner of Insurance has approved revisions to the Cancellation and Non-Renewal Endorsement (WC 32 06 01 A). The approved Rule changes will be applicable to all new and renewal policies effective on or after January 1, 2020. The approved Cancellation and Non-Renewal Endorsement (Endorsement) and Instruction changes will be applicable to all new and renewal policies effective on or after April 1, 2020.

This filing revises the Endorsement to be made mandatory for Assigned Risk policies upon request from the insured. The Endorsement will remain optional with application to Voluntary policies. The Endorsement will continue to be used in conjunction with required North Carolina Amended Coverage Endorsement (WC 32 03 01 D).

Exhibit 1 and Exhibit 2 of the original filing have been revised to reflect the correct the edition date. The specific change was to change the edition date from 11-19 to 4-20.

If you have any questions, contact the NCRB Information Center at 919-582-1056 or via email at support@ncrb.org.

Sincerely,

Joanna Biliouris

Chief Operating Officer

JB:ko
Attachments
C-20-9

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 32 06 01B

(Ed. 04-20)

CANCELLATION AND NON-RENEWAL ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because North Carolina is shown in item 3.A. of the Information Page.

It is hereby understood and agreed that all cancellation provisions in the policy addressing the required number of days notice for cancellation by us or non-renewal by us are amended as follows:

- a. ____ days notice will be given for notice of cancellation for non-payment of premium.
- b. ____ days notice will be given for notice of cancellation for any other reason.
- c. ____ days notice will be given for non-renewal.

Notwithstanding the provisions above, in no event will the number of days notice for cancellation or for non-renewal be fewer than the number of days required by North Carolina law.

If the provisions above are blank, the number of days notice required by North Carolina law will apply.

In the event of cancellation or nonrenewal of the policy, we will mail notice to the named insured, and to the additional person(s) or organization(s) named in the Schedule below, as required by North Carolina law:

SCHEDULE

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.
Policy Effective Date

Insurance Company

Countersigned by _____

CANCELLATION AND NON-RENEWAL ENDORSEMENT INSTRUCTION SHEET

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 32 06 01B

(Ed. 04-20)

CANCELLATION AND NON-RENEWAL ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because North Carolina is shown in item 3.A. of the Information Page.

It is hereby understood and agreed that all cancellation provisions in the policy addressing the required number of days notice for cancellation by us or non-renewal by us are amended as follows:

- a. ____ days notice will be given for notice of cancellation for non-payment of premium.
- b. ____ days notice will be given for notice of cancellation for any other reason.
- c. ____ days notice will be given for non-renewal.

Notwithstanding the provisions above, in no event will the number of days notice for cancellation or for non-renewal be fewer than the number of days required by North Carolina law.

If the provisions above are blank, the number of days notice required by North Carolina law will apply.

In the event of cancellation or nonrenewal of the policy, we will mail notice to the named insured, and to the additional person(s) or organization(s) named in the Schedule below, as required by North Carolina law:

SCHEDULE

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured
Insurance Company

Policy No.

Endorsement No.
Policy Effective Date

Countersigned by _____

WC 32 06 01 B
(Ed. 04-20)

Note:

1. The Cancellation and Non-Renewal Endorsement (WC 32 06 01 B) allows a carrier to designate on the policy a third party to be notified in the event of cancellation or non-renewal and/or allows a carrier to extend the number of days notice required for cancellation or non-renewal beyond the statutory required minimums.
2. For Assigned Risk, it is mandatory for a carrier to apply this endorsement to an assigned risk policy upon request from the insured, but only for the purpose of notifying a third party. When this endorsement is applied to assigned risk policies, the number of days notice provisions must be left blank and the number of days notice required by North Carolina law will apply.
3. This endorsement is to be used in conjunction with required North Carolina Amended Coverage Endorsement (WC 32 03 01D). This endorsement is optional with application to voluntary policies.

7. Cancellation and Non-Renewal

The Cancellation and Non-Renewal Endorsement (WC 32 06 01 B) allows a carrier to designate on the policy a third party to be notified in the event of cancellation or non-renewal and/or allows a carrier to extend the number of days notice required for cancellation or non-renewal beyond the statutory required minimums.

For Assigned Risk, it is mandatory for a carrier to apply this endorsement to an assigned risk policy upon request from the insured, but only for the purpose of notifying a third party. When this endorsement is applied to assigned risk policies, the number of days notice provisions must be left blank and the number of days notice required by North Carolina law will apply.

This endorsement is to be used in conjunction with required North Carolina Amended Coverage Endorsement (WC 32 03 01D). This endorsement is optional with application to voluntary policies.