



January 11, 2006

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Homeowners and Dwelling Policy Programs
Rule 106 and Rule 104
Protection Class Information

The Commissioner of Insurance has recently approved revised Protection Class Information Rule 106 for the Homeowners Policy Program and Rule 104 for the Dwelling Policy Program designed for use in North Carolina.

The revised rule in both policy programs is designed to clarify the 9E and 9S classifications as well as to include specific information regarding hydrant distance and the applicability to an alternate water supply.

For your convenience, attached is a revised copy of Rule 106 for the Homeowners Policy and Rule 104 for the Dwelling Policy.

This change becomes effective in accordance with the following Rule of Application:

This change becomes effective with respect to all new and renewal policies effective on or after January 5, 2006.

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

Very truly yours,

F. Timothy Lucas

Personal Lines Manager

FTL:dp
Attachments

P-06-1

**PART I
COVERAGE AND DEFINITION TYPE RULES**

**RULE 106.
PROTECTION CLASSIFICATION INFORMATION**

This rule ~~Paragraph B.~~ is replaced by the following:

The Protection Class listings in the Community Mitigation Classification Manual apply to risks insured under Homeowners policies.

A. The protection class indicated applies in a municipality or classified area where a single class of fire protection is available throughout (8.7.6, etc.).

B. In a classified area where a single classification is "9E", the classification is determined as follows:

<u>Distance To Fire Station</u>	<u>Class</u>
1. 5 road miles or less	<u>9S</u>
2. Between 5 and 6 road miles	<u>9E</u>

Table 106.B.#1 Two Or More Classifications

CB. In a classified area where two or more classifications are shown (Example: 6/9 or 6/9S), the classification is determined as follows:

<u>Distance To Fire Station</u>	<u>Class</u>
1. 5 road miles or less with hydrant within 1,000 feet	*
2. 5 road miles or less with hydrant beyond 1,000 feet	9 or 9S
3. Over 5 road miles	10
* First protection class (Example: 6/9 ... use Class 6)	

Table 106.BC.#1 Two Or More Classifications

D. In a classified area where two or more classifications are shown and an "E" is designated, (Example: 6/9E), the classification is determined as follows:

<u>Distance To Fire Station</u>	<u>Class</u>
1. 5 road miles or less with hydrant within 1,000 feet	*
2. <u>5 road miles or less with hydrant beyond 1,000 feet</u>	<u>9S</u>
3. Between 5 and 6 road miles	9E
4. Over 6 road miles	10
* First protection class (Example: 6/9E ... use Class 6)	

Table 106.BD.#21 Two Or More Classifications

The following is added to Rule 106.:

ED. In a classified area where split classifications are shown where no hydrants are installed (Example: 9/10), or where the hydrant distance does not apply due to an alternate creditable water supply (Example: 7/10), the classification is determined as follows:

- 1.** If the split class is X/10 (Example: 7/10):
 - a.** Within 5 road miles of fire station, unless otherwise indicated, use first protection class.
 - b.** Over 5 road miles from fire station, use class 10.
- 2.** If the split class is X/9E (Example: 7/9E):
 - a.** Within 5 road miles of fire station, unless otherwise indicated, use first protection class.
 - b.** Between 5 and 6 road miles of fire station use Class 9E.
 - c.** Over 6 road miles from fire station, use class 10.

DF. Rural Fire Protection Districts are areas which have been inspected and for which protection classes are published.

G. All other properties are Class 10.

104. PROTECTION CLASSIFICATION CODES AND INFORMATION

This rule is replaced by the following:

A. Codes

Protection Class	Code
1	01
2	02
3	03
4	04
5	05
6	06
7	07
8	08
9E	XX
9S	79
10	13

B. Protection Information

The Protection Class listings in the Community Mitigation Classification manual apply to risks insured under Dwelling Program policies.

- ~~1. Unless otherwise specifically classified, properties located within the corporate limits of a municipality shall take the protection class of the municipality. The protection class indicated applies in a municipality or classified area where a single class of fire protection is available throughout (8.7.6, etc.).~~
2. In a classified area where a single classification is "9E", the classification is determined as follows:

Distance To Fire Station	Class
a. 5 road miles or less	9S
b. Between 5 and 6 road miles	9E

Table 104.#1 Two Or More Classifications

- ~~3B2.~~ In a classified area where two or more classifications are shown (Example: 6/9 or 6/9S), the classification is determined as follows:

Distance To Fire Station	Class
a. 5 road miles or less with hydrant within 1,000 feet	*
b. 5 road miles or less with hydrant beyond 1,000 feet	9 or 9S
c. Over 5 road miles	10
* First protection class (Example: 6/9 ... use Class 6)	

Table 104B.#2 Two Or More Classifications

4. In a classified area where two or more classifications are shown and an "E" is designated, (Example: 6/9E), the classification is determined as follows:

Distance To Fire Station	Class
a. 5 road miles or less with hydrant within 1,000 feet	*
b. <u>5 road miles or less with hydrant beyond 1,000 feet</u>	9S
c. <u>Between 5 and 6 road miles</u>	9E
d. Over 6 road miles	10
* First protection class (Example: 6/9E ... use Class 6)	

Table 104.B#32 Two Or More Classifications

The following is added to Rule 106.:

- ~~5D.~~ In a classified area where split classifications are shown where no hydrants are installed (Example: 9/10), or where the hydrant distance does not apply due to an alternate creditable water supply (Example: 7/10), the classification is determined as follows:

- a. If the split class is X/10 (Example: 7/10):

- (1). Within 5 road miles of fire station, unless otherwise indicated, use first protection class.
- (2). Over 5 road miles from fire station, use class 10.

- b. If the split class is X/9E (Example: 7/9E):

- (1). Within 5 road miles of fire station, unless otherwise indicated, use first protection class.
- (2). Between 5 and 6 road miles of fire station use Class 9E.
- (3). Over 6 road miles from fire station, use class 10.

- ~~D6.~~ Rural Fire Protection Districts are areas which have been inspected and for which protection classes are published.

7. All other properties are Class 10.