

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

BEFORE THE COMMISSIONER

IN THE MATTER OF THE FILING
DATED FEBRUARY 13, 2019 BY THE
NORTH CAROLINA RATE BUREAU
FOR REVISION OF MOBILE
HOMEOWNERS' MH(F) INSURANCE
RATES

DOCKET NO. 1936

AMENDED
SETTLEMENT AGREEMENT
AND CONSENT ORDER

On February 13, 2019, the North Carolina Rate Bureau (“Rate Bureau”) filed with the North Carolina Department of Insurance (“Department”) a proposal for revised Mobile Home MH(F) insurance rates (owners and tenants) (the “2019 MH(F) Filing”). The 2019 MH(F) Filing proposed a statewide overall increase in MH(F) insurance rates of 19.9% with changes varying by form and territory. It also proposed territory definition changes and revisions to various rating relativities. The 2019 MH(F) Filing was assigned Docket No. 1936.

The Rate Bureau and the Department have agreed to settle the 2019 MH(F) Filing. The proposed settlement would provide for an overall statewide rate increase of 6.6%, with changes varying by form and territory as set forth on Exhibit A. The settlement would approve the territory definition changes but not the relativity changes.

It appearing to the Commissioner that the Rate Bureau and the 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 2019 MH(F) Filing; and it further appearing to the Commissioner that a settlement under the circumstances set forth herein results in rates that are neither excessive, inadequate, unreasonable, or unfairly discriminatory, that such

settlement is in the public interest, that such settlement is fair and reasonable and should be approved and that, to the extent that the current rates and/or the filed rates differ from the rates approved by this order, the current rates and/or the filed rates are either excessive, inadequate, unreasonable or unfairly discriminatory;

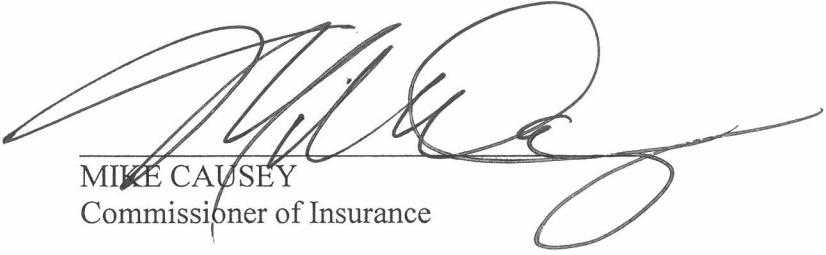
NOW, THEREFORE, IT IS ORDERED AND AGREED as follows:

1. The 2019 MH(F) Filing is approved subject to the modification set forth in paragraph 2, below.
2. The approved overall statewide rate level increase, considering all forms and territories, is 6.6%. The changes to territory definitions are approved; the changes to relativities are not approved. The approved territory rate level changes are set forth on the attached Exhibit A. The approved base rates by form and the approved territory relativities are set forth on the attached Exhibit B. The approved maximum deductible credits are set forth on the attached Exhibit C. Exhibits A, B, and C are incorporated herein by reference.
3. The revised rates and other changes are to become effective in accordance with the following Rule of Application:

These changes are applicable to all new and renewal policies becoming effective on or after June 1, 2020.


4. The parties acknowledge that, by entering into this Consent Order, neither is condoning, validating, accepting or agreeing to the other's theories, methodologies or calculations regarding or pertaining to profit, dividends and deviations, computer models, catastrophe loadings, and/or any other theory, methodology or calculation not specifically enumerated herein. The parties further acknowledge that by entering into this Consent Order neither is bound or limited in filing, reviewing or contesting any future rate filings in any line of insurance subject to the Bureau's jurisdiction by the theories, methodologies or calculations contained in the 2019 MH(F) Filing.

This 19th day of December, 2019.

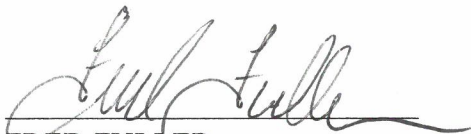

MIKE CAUSEY
Commissioner of Insurance

WE CONSENT TO THE SIGNING AND ENTRY OF THIS ORDER:

NORTH CAROLINA RATE BUREAU

BY: 
RAYMOND F. EVANS
General Manager

NORTH CAROLINA DEPARTMENT OF INSURANCE

BY: 
FRED FULLER
Deputy Commissioner, Property and Casualty

**North Carolina
Mobile Homeowners
MH(F) Program**

Overall Rate Changes by Territory Group

Territory Group	Owners	Tenants	Total
1	12.0%	10.0%	12.0%
2	6.5%	5.0%	6.5%
3	12.0%	9.0%	12.0%
4	9.9%	-3.9%	9.9%
5	5.5%	-14.8%	5.5%
6	2.2%	-4.4%	2.2%
Statewide	6.6%	-1.1%	6.6%

For rating purposes, territories are grouped as follows:

Territory Group 1: Territories 110, 120, 130, and 140

Territory Group 2: Territories 150 and 160

Territory Group 3: Territories 180, 190, 200, 210, 220, and 230

Territory Group 4: Territories 170, 240, and 250

Territory Group 5: Territories 260, 270, 280, 290, and 300

Territory Group 6: Territories 310, 320, 330, 340, 350, 360, 370, 380, and 390

**North Carolina
Mobile Homeowners
MH(F) Program**

Approved Premiums and Territory Relativities by Form
(Premiums shown are for Territory Group 3; \$50 Deductible)

Amount of Insurance (Coverage A)	Owners		Amount of Insurance (Coverage C)	Tenants
	MH(F)-2	MH(F)-3		MH(F)-4
\$2,000	\$295.00	\$336.00	\$2,000	\$55.00
3,000	306.00	349.00	3,000	67.00
4,000	317.00	363.00	4,000	80.00
5,000	329.00	376.00	5,000	92.00
6,000	340.00	389.00	6,000	105.00
7,000	353.00	402.00	7,000	118.00
8,000	364.00	417.00	8,000	129.00
9,000	376.00	430.00	9,000	143.00
10,000	388.00	442.00	10,000	155.00
11,000	399.00	456.00	11,000	167.00
12,000	411.00	469.00	12,000	179.00
13,000	422.00	483.00	13,000	191.00
14,000	433.00	496.00	14,000	203.00
15,000	441.00	505.00	15,000	215.00
20,000	497.00	572.00	20,000	275.00
25,000	553.00	640.00	25,000	335.00
30,000	609.00	707.00	30,000	395.00
35,000	665.00	774.00	35,000	455.00
40,000	721.00	841.00	40,000	514.00
45,000	777.00	908.00	45,000	574.00
50,000	833.00	976.00	50,000	634.00
55,000	889.00	1,043.00	Each Add'l \$1,000	12.00
60,000	945.00	1,110.00		
65,000	1,001.00	1,177.00		
70,000	1,057.00	1,244.00		
75,000	1,113.00	1,312.00		
80,000	1,169.00	1,379.00		
85,000	1,225.00	1,446.00		
90,000	1,281.00	1,513.00		
95,000	1,337.00	1,580.00		
100,000	1,393.00	1,648.00		
Each Add'l \$1,000	11.00	13.00		

Territory Group	Territory Relativity	
	Owners	Tenants
1	1.381	1.422
2	1.313	1.357
3	1.000	1.000
4	0.981	0.882
5	0.942	0.782
6	0.750	0.752

**North Carolina
Mobile Homeowners
MH(F) Program**

Approved Maximum Deductible Credits

Form	Deductible Type	Deductible	Territory Group						
			1	2	3	4	5	6	
Owners	All Peril	\$100	\$60.26	\$57.30	\$43.62	\$42.81	\$41.09	\$32.72	
		\$250	120.50	114.58	87.25	85.61	82.18	65.45	
		\$500	241.01	229.18	174.51	171.24	164.38	130.90	
		\$1,000	602.53	572.94	436.25	428.07	410.93	327.24	
	Theft	\$100	\$24.10	\$22.92	\$17.45	\$17.12	\$16.44	\$13.09	
		\$250	36.15	34.38	26.17	25.68	24.66	19.63	
	Windstorm or Hail	\$1,000	\$602.53	\$572.94	N/A	N/A	N/A	N/A	
		\$2,000	1,205.05	1,145.88	N/A	N/A	N/A	N/A	
		\$5,000	1,928.09	1,833.41	N/A	N/A	N/A	N/A	
	Named Storm	\$50	\$31.72	\$30.16	N/A	N/A	N/A	N/A	
		\$100	63.41	60.30	N/A	N/A	N/A	N/A	
		\$250	126.85	120.62	N/A	N/A	N/A	N/A	
		\$500	253.70	241.24	N/A	N/A	N/A	N/A	
		\$1,000	634.24	603.10	N/A	N/A	N/A	N/A	
	Tenants	All Peril	\$100	\$43.41	\$41.43	\$30.52	\$26.91	\$23.86	\$22.94
			\$250	86.80	82.86	61.04	53.82	47.71	45.89
\$500			173.60	165.71	122.08	107.63	95.42	91.78	
\$1,000			434.01	414.28	305.20	269.08	238.56	229.44	
Theft		\$100	\$17.36	\$16.57	\$12.21	\$10.76	\$9.54	\$9.18	
		\$250	26.04	24.85	18.31	16.14	14.31	13.77	
Named Storm		\$50	\$22.84	\$21.80	N/A	N/A	N/A	N/A	
		\$100	45.69	43.62	N/A	N/A	N/A	N/A	
		\$250	91.37	87.21	N/A	N/A	N/A	N/A	
		\$500	182.74	174.44	N/A	N/A	N/A	N/A	
		\$1,000	456.84	436.08	N/A	N/A	N/A	N/A	