

March 15, 2012

Honorable Wayne Goodwin
Commissioner of Insurance
North Carolina Department of Insurance
431 Salisbury Street
Raleigh, North Carolina 27603

Re: Revision of Automobile Insurance Rates -
Private Passenger Cars

Dear Sir:

Enclosed herewith for filing on behalf of the member companies of the North Carolina Reinsurance Facility are revised premium rates for bodily injury and property damage liability and medical payments insurance for non-fleet private passenger automobiles and bodily injury and property damage liability insurance for motorcycles ceded to the Reinsurance Facility. The rates set forth and supported in the enclosed materials apply only to ceded risks other than "clean risks" as defined in G.S. 58-37-35(1). The rates for "clean risks" ceded to the Reinsurance Facility and the rates for uninsured and combined uninsured/underinsured motorists coverages ceded to the Reinsurance Facility are not affected by this filing.

Rates established hereby reflect consideration duly given to data for the experience period set forth herein. Included in the enclosed materials are statistical data supporting and explaining rate levels varying by territory within the State according to loss experience within each territory. The filing indicates the need for effective statewide rate level changes of -2.0% for bodily injury, +1.2% for property damage and -5.3% for medical payments, for an overall average statewide rate level change of -0.9% for the stated coverages. The filing also indicates a need for a statewide rate level change of -8.5% for the motorcycle liability coverages and includes the appropriate relativities for such change. The ratios in the filing relating to expense experience were developed from special calls issued by the North Carolina Rate Bureau.

Information and statistical data required pursuant to G.S. 58-36-15(h) and information and statistical data described in 11 NCAC 10.1104 are contained in Section F to the extent presently available. In addition, the pre-filed testimony of (a) Raymond F. Evans, Jr., General Manager - North Carolina Reinsurance Facility; (b) Patrick B. Woods, Assistant Vice President and Actuary - Insurance Services Office; and (c) Michael E. Stack, Senior Vice President, Fixed Income Portfolio Manager, Wellington Management Company, LLP, is submitted herewith.

The revised rates set forth herein, which apply only to ceded risks other than "clean risks," will become effective October 1, 2012 in accordance with the following Rule of Application:

These changes are applicable to all policies becoming effective on or after October 1, 2012. No policy effective prior to October 1, 2012 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 October 1, 2012.

Sincerely,



F. Timothy Lucas
Automobile Manager

FTL:dms

Enclosures

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE CEDED INSURANCE
REVISION OF RATES

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SECTION A
SUMMARY OF REVISION

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CEDED LIABILITY COVERAGES

SUMMARY OF STATEWIDE RATE LEVEL INDICATIONS

<u>COVERAGE</u>	<u>TOTAL LIMITS PREMIUM WEIGHT (A)</u>	<u>FILED CHANGE</u>
Ceded Liability(B):		
Bodily Injury (C)	\$132,067	-2.0%
Property Damage(C)	88,842	1.2%
Medical Payments	10,002	-5.3%
Ceded Total(D)	230,911	-0.9%
Motorcycle Liability (E):	35,876	-8.5%

(A) In Thousands.

(B) Includes only ceded business written at Other-Than-Clean Risk rates.

(C) Indications are combined for basic and higher limits.

BI higher limits effective change = -0.7%

PD higher limits effective change = -0.1%

(D) Ceded Total represents overall effect for the coverages listed.

(E) Includes voluntary and ceded business.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
TERRITORY RATE LEVEL CHANGES BY COVERAGE

<u>Terr.</u> <u>Code</u>	<u>Description</u>	<u>30/60</u> <u>B.I.</u>	<u>\$25,000</u> <u>P.D.</u>	<u>30/60/25</u> <u>Combined</u>	<u>\$500</u> <u>Med. Pay.</u>
11	Asheville	-1.7%	0.0%	-0.8%	0.0%
13	Durham	-1.1%	0.5%	-0.4%	-6.3%
14	Greensboro	0.0%	-0.5%	-0.2%	0.0%
15	High Point	2.7%	0.0%	1.6%	2.6%
16	Raleigh	-5.1%	-1.4%	-3.4%	-6.1%
17	Wilmington	-5.8%	-4.3%	-5.2%	-5.9%
18	Winston-Salem	-0.8%	0.5%	-0.2%	-10.3%
24	Remainder-West	-0.9%	1.8%	0.3%	-7.7%
25	Gaston County	-4.4%	-1.5%	-3.3%	-21.9%
26	Remainder-South	-7.2%	2.1%	-3.7%	-13.9%
31	Small City-East	-1.2%	1.5%	0.0%	0.0%
32	Small City-West	-2.6%	0.6%	-1.2%	-7.4%
33	Remainder-East	-0.8%	0.6%	-0.2%	-3.3%
40	Fayetteville	-5.1%	11.5%	2.2%	-2.4%
41	Onslow County	1.9%	8.4%	4.9%	0.0%
43	Craven County	-1.7%	4.4%	1.0%	-3.3%
47	Wayne County	-4.3%	1.7%	-2.0%	-12.9%
51	Mecklenburg County -Remainder	-5.6%	-2.8%	-4.3%	-7.1%
52	Charlotte	1.0%	-0.9%	0.2%	7.1%
	STATEWIDE	-2.0%	1.2%	-0.7%	-5.3%

SECTION B
MATERIAL TO BE IMPLEMENTED

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

PROPOSED BASE RATES - CEDED OTHER-THAN-CLEAN RISK LIABILITY

<u>Terr Code</u>	<u>\$30,000/60,000 Bodily Injury</u>	<u>\$25,000 Property Damage</u>	<u>\$500 Medical Payments</u>
11	\$178	\$181	\$ 23
13	272	212	30
14	272	206	34
15	301	203	39
16	240	215	31
17	258	202	32
18	239	193	26
24	223	173	24
25	301	200	25
26	298	191	31
31	248	197	33
32	228	181	25
33	253	166	29
40	295	272	40
41	264	246	33
43	237	188	29
47	269	176	27
51	218	205	26
52	318	227	45

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF RATES TO BE CHARGED INDIVIDUAL INSUREDS

Liability and Medical Payments Rates

Page B-1 shows the liability and medical payments base rates by territory, given the filed rate level changes. These pages set forth the filed manual rates, for their respective sets of territories, for the classification carrying unity differential. The revised rates for the remaining classifications are determined by applying the appropriate classification rate differentials to the base rates by territory. This filing does not include revisions to classification rate differentials or revisions to classifications.

Memorandum - North Carolina Personal Auto Manual
Matter underlined is new; matter in brackets [] is deleted.

19. MISCELLANEOUS TYPES (Cont'd)

- B. Motorcycles, Motorscooters, Motorbikes, Mopeds and Other Similar Motor Vehicles Not Used for Commercial Purposes Liability Coverages Only.

With respect to other than "clean risks" ceded to the North Carolina Reinsurance Facility, determine the appropriate premium by applying the following factors to the applicable ceded private passenger bodily injury and property damage rates. For Uninsured Motorists Coverage and Combined Uninsured/Underinsured Motorists Coverage, charge the applicable private passenger premium shown in Rule 14. Medical Payments coverage for these vehicles is not eligible for cession to the North Carolina Reinsurance Facility.

Engine Size Cubic Centimeters (cc)	Bodily Injury and Property Damage
0-499	[18%]17%
500-1249	[27%]25%
1250-1499	[38%]35%
1500-up	[49%]45%

SECTION C
SUPPORTING EXPERIENCE

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2010

- (a) Based on the statistical plan data reported by member companies.
- (b) Loss development factors are based on three-year averages through 63 months of development for Bodily Injury, Property Damage and Medical Payments. See pages D-13-15.
- (c) The general expenses and other acquisition expenses have been calculated to be 5.6% and 8.1%, respectively, of the combined Voluntary and Ceded manual earned premium. These expenses are allocated between the Voluntary and Ceded business based on the Voluntary and Ceded premium distribution. See RF-4 and F-154.
- (d) Claim development factors are to 63 months for Bodily Injury, Property Damage and Medical Payments. See pages D-16-18.
- (e) Projected losses and allocated loss adjustment expenses =
(13)
 $[(3) \times (1 + (11))^{(13)}]$, where (13) = the number of years of projection from the average date of accident to 7/14/2013.
- (f) Projected unallocated loss adjustment expenses =
(14)
 $[(5) \times (1 + (12))^{(14)}]$, where (14) = the number of years of projection from 7/1/2010 to 7/14/2013.
- (g) Projected general and other acquisition expenses =
(15)
 $[(6) \times (1 + (12))^{(15)}]$, where (15) = the number of years of projection from 7/1/2010 to 4/1/2013.
- (h) Selected value.
- (i) Investment income, (24), is the average rate of investment return as a percent of direct market earned premium as calculated on page F-171 and Installment Income, (25), is the latest five year average installment income as a percent of direct earned premium. (See Exhibit RF-5).
- (j) Distributional adjustment factor = Average Rate / Base Rate. See page C-11.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2010

Ceded Business - Risks Written at Other-Than-Clean Risk Rates

All Carriers

	30/60 <u>Bodily Injury</u>	\$25,000 <u>Property Dam.</u>	Total Limits <u>Med. Pay.</u>
(1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a)	\$70,343,253	\$57,696,337	\$6,134,066
(2) Loss Development Factor (b)	1.097	1.022	1.033
(3) Developed Losses and ALAE (1)x(2)	77,166,549	58,965,656	6,336,490
(4) Unallocated Loss Adjustment Expense Factor (See page D-19)	0.132	0.115	0.132
(5) Unallocated Loss Adjustment Expense (3)x(4)	10,185,984	6,781,050	836,417
(6) General and Other Acquisition Expenses (c)	16,068,617	13,285,616	1,218,165
(7) Earned Exposures (a)	316,081	316,081	169,420
(8) Incurred Claims (a)	11,603	25,153	5,170
(9) Claim Development Factor (d)	0.934	1.012	1.011
(10) Developed Claims (9)x(10)	10,837	25,455	5,227
(11) Average Annual Change in Losses and ALAE (See page D-7)	1.5%	1.0%	1.0%
(12) Average Annual Change in Expenses (See page D-6)	2.0%	2.0%	2.0%
(13) Years of Trend - Losses and ALAE (e)	3.04	3.04	3.04
(14) Years of Trend - ULAE (f)	3.04	3.04	3.04
(15) Years of Trend - G & OA Expenses (g)	2.75	2.75	2.75
(16) Projected Losses and ALAE (e)	80,716,210	60,793,591	6,532,921
(17) Projected ULAE (f)	10,817,515	7,201,475	888,275
(18) Projected Losses and LAE per exposure $[(16)+(17)]/(7)$	289.59	215.12	43.80
(19) Projected G & OA Expenses (g)	16,968,460	14,029,610	1,286,382
(20) Projected Fixed Expenses per exposure $[(19)/(7)]$	53.68	44.39	7.59
(21) Projected Loss, LAE and Expenses Per Exposure $[(18)+(20)]$	343.27	259.51	51.39
(22) Percentage Dividends (h)	0.00%	0.00%	0.00%
(23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-19)	0.877	0.877	0.877
(24) Investment Income (i)	2.8%	2.8%	2.8%
(25) Installment Income (i)	1.2%	1.2%	1.2%
(26) Premium Required per exposure $[(21)/((23)+(24)+(25)-(22))]$	374.34	283.00	56.04
(27) Distributional Adjustment Factor (j)	1.481	1.485	1.936
(28) Required 30/60/25 Base Class Premium $[(26)/(27)]$	252.76	190.57	28.95
(29) Indicated Total Limits Change (See Section E)	-0.7%	-0.1%	
(30) Required 30/60/25 Base Class Premium $[(28)x(1.0+(29))]$	250.99	190.38	28.95

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2009

Ceded Business - Risks Written at Other-Than-Clean Risk Rates

All Carriers

	30/60 <u>Bodily Injury</u>	\$25,000 <u>Property Dam.</u>	Total Limits <u>Med. Pay.</u>
(1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a)	\$76,856,543	\$60,032,115	\$6,889,430
(2) Loss Development Factor (b)	1.031	1.003	1.016
(3) Developed Losses and ALAE (1)x(2)	79,239,096	60,212,211	6,999,661
(4) Unallocated Loss Adjustment Expense Factor (See page D-20)	0.136	0.113	0.136
(5) Unallocated Loss Adjustment Expense (3)x(4)	10,776,517	6,803,980	951,954
(6) General and Other Acquisition Expenses (c)	16,521,453	13,907,649	1,270,776
(7) Earned Exposures (a)	326,819	326,819	178,562
(8) Incurred Claims (a)	11,741	25,361	5,712
(9) Claim Development Factor (d)	0.977	1.001	1.006
(10) Developed Claims (9)x(10)	11,471	25,386	5,746
(11) Average Annual Change in Losses and ALAE (See page D-7)	0.4%	1.0%	0.4%
(12) Average Annual Change in Expenses (See page D-6)	2.0%	2.0%	2.0%
(13) Years of Trend - Losses and ALAE (e)	4.04	4.04	4.04
(14) Years of Trend - ULAE (f)	4.04	4.04	4.04
(15) Years of Trend - G & OA Expenses (g)	3.75	3.75	3.75
(16) Projected Losses and ALAE (e)	80,506,922	62,680,912	7,111,656
(17) Projected ULAE (f)	11,670,968	7,368,710	1,030,966
(18) Projected Losses and LAE per exposure $[(16)+(17)]/(7)$	282.05	214.34	45.60
(19) Projected G & OA Expenses (g)	17,793,605	14,978,538	1,368,626
(20) Projected Fixed Expenses per exposure $[(19)/(7)]$	54.44	45.83	7.66
(21) Projected Loss, LAE and Expenses Per Exposure $[(18)+(20)]$	336.49	260.17	53.26
(22) Percentage Dividends (h)	0.00%	0.00%	0.00%
(23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-20)	0.878	0.878	0.878
(24) Investment Income (i)	2.8%	2.8%	2.8%
(25) Installment Income (i)	1.2%	1.2%	1.2%
(26) Premium Required per exposure $[(21)/((23)+(24)+(25)-(22))]$	366.55	283.41	58.02

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2009

- (a) Based on the statistical plan data reported by member companies.
- (b) Loss development factors are based on three-year averages through 63 months of development for Bodily Injury, Property Damage and Medical Payments. See pages D-13-15.
- (c) The general expenses and other acquisition expenses have been calculated to be 6.0% and 7.5%, respectively, of the combined Voluntary and Ceded manual earned premium. These expenses are allocated between the Voluntary and Ceded business based on the Voluntary and Ceded premium distribution. See RF-4 and F-154.
- (d) Claim development factors are to 63 months for Bodily Injury, Property Damage and Medical Payments. See pages D-16-18.
- (e) Projected losses and allocated loss adjustment expenses =
(13)
[[3) x (1 + (11))], where (13) = the number of years of projection from the average date of accident to 7/14/2013.
- (f) Projected unallocated loss adjustment expenses =
(14)
[[5) x (1 + (12))], where (14) = the number of years of projection from 7/1/2009 to 7/14/2013.
- (g) Projected general and other acquisition expenses =
(15)
[[6) x (1 + (12))], where (15) = the number of years of projection from 7/1/2009 to 4/1/2013.
- (h) Selected value.
- (i) Investment income, (24), is the average rate of investment return as a percent of direct market earned premium as calculated on page F-171 and Installment Income, (25), is the latest five year average installment income as a percent of direct earned premium. (See Exhibit RF-5).

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2008

Ceded Business - Risks Written at Other-Than-Clean Risk Rates

All Carriers

	30/60	\$25,000	Total Limits
	<u>Bodily Injury</u>	<u>Property Dam.</u>	<u>Med. Pay.</u>
(1) Reported Incurred Losses and Allocated Loss Adjustment Expense (a)	\$79,438,151	\$63,228,131	\$6,409,963
(2) Loss Development Factor (b)	1.011	1.001	1.005
(3) Developed Losses and ALAE (1)x(2)	80,311,971	63,291,359	6,442,013
(4) Unallocated Loss Adjustment Expense Factor (See page D-21)	0.132	0.116	0.132
(5) Unallocated Loss Adjustment Expense (3)x(4)	10,601,180	7,341,798	850,346
(6) General and Other Acquisition Expenses (c)	17,247,856	13,769,818	1,481,964
(7) Earned Exposures (a)	339,894	339,894	197,505
(8) Incurred Claims (a)	11,448	25,277	5,479
(9) Claim Development Factor (d)	0.990	1.000	1.001
(10) Developed Claims (9)x(10)	11,334	25,277	5,484
(11) Average Annual Change in Losses and ALAE (See page D-7)	0.9%	1.0%	2.0%
(12) Average Annual Change in Expenses (See page D-6)	2.0%	2.0%	2.0%
(13) Years of Trend - Losses and ALAE (e)	5.04	5.04	5.04
(14) Years of Trend - ULAE (f)	5.04	5.04	5.04
(15) Years of Trend - G & OA Expenses (g)	4.75	4.75	4.75
(16) Projected Losses and ALAE (e)	84,006,322	66,519,218	7,118,424
(17) Projected ULAE (f)	11,714,304	8,112,687	939,632
(18) Projected Losses and LAE per exposure [{"(16)+(17)"}] / (7)	281.62	219.57	40.80
(19) Projected G & OA Expenses (g)	18,955,394	15,133,030	1,628,678
(20) Projected Fixed Expenses per exposure [{"(19)"}] / (7)	55.77	44.52	8.25
(21) Projected Loss, LAE and Expenses Per Exposure [{"(18)+(20)"}]	337.39	264.09	49.05
(22) Percentage Dividends (h)	0.00%	0.00%	0.00%
(23) Permissible Loss, LAE and G & OA Expense Ratio (See page D-21)	0.878	0.878	0.878
(24) Investment Income (i)	2.8%	2.8%	2.8%
(25) Installment Income (i)	1.2%	1.2%	1.2%
(26) Premium Required per exposure [{"(21)"}] / [{"(23)+(24)+(25)-(22)"}]	367.53	287.68	53.43

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

STATEWIDE RATE REVIEW
ACCIDENT YEAR ENDED 12/31/2008

- (a) Based on the statistical plan data reported by member companies.
- (b) Loss development factors are based on three-year averages through 63 months of development for Bodily Injury, Property Damage and Medical Payments. See pages D-13-15.
- (c) The general expenses and other acquisition expenses have been calculated to be 6.3% and 7.9%, respectively, of the combined Voluntary and Ceded manual earned premium. These expenses are allocated between the Voluntary and Ceded business based on the Voluntary and Ceded premium distribution. See RF-4 and F-154.
- (d) Claim development factors are to 63 months for Bodily Injury, Property Damage and Medical Payments. See pages D-16-18.
- (e) Projected losses and allocated loss adjustment expenses =
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 $[(3) \times (1 + (11))]$, where (13) = the number of years of projection from the average date of accident to 7/14/2013.
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 $[(5) \times (1 + (12))]$, where (14) = the number of years of projection from 7/1/2008 to 7/14/2013.
- (g) Projected general and other acquisition expenses =
(15)
 $[(6) \times (1 + (12))]$, where (15) = the number of years of projection from 7/1/2008 to 4/1/2013.
- (h) Selected value.
- (i) Investment income, (24), is the average rate of investment return as a percent of direct market earned premium as calculated on page F-171 and Installment Income, (25), is the latest five year average installment income as a percent of direct earned premium. (See Exhibit RF-5).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
BODILY INJURY LIABILITY
CALCULATION OF REVISED BASE RATES BY TERRITORY

T E R R I T O R Y	(1) EARNED CAR YEARS YR. ENDED 12/31/2010	(2) 30/60 LOSS COST 3 YRS ENDED 12/31/2010	(3) DISTRIB. ADJUST. FACTOR	(4) BASE CLASS LOSS COST (2)/(3)	(5) CRED	(6) FORM. BASE CLASS LOSS COST	(7) INDEX (6) TO STATE	(8) 30/60 BASE CLASS RATE PRES.	(9) IND.
11	4,557	68.83	0.676	101.82	1.0	101.82	0.661	181	178
13	9,086	110.00	0.651	168.97	1.0	168.97	1.097	275	272
14	7,245	108.65	0.642	169.24	1.0	169.24	1.099	272	272
15	2,290	120.44	0.630	191.17	0.9	189.66	1.232	293	301
16	19,661	97.88	0.670	146.09	1.0	146.09	0.949	253	240
17	5,618	109.53	0.690	158.74	1.0	158.74	1.031	274	258
18	8,364	92.55	0.637	145.29	1.0	145.29	0.944	241	239
24	90,609	79.89	0.598	133.60	1.0	133.60	0.868	225	223
25	5,876	117.26	0.618	189.74	1.0	189.74	1.232	315	301
26	22,175	119.10	0.635	187.56	1.0	187.56	1.218	321	298
31	17,004	102.74	0.677	151.76	1.0	151.76	0.986	251	248
32	30,270	82.94	0.602	137.77	1.0	137.77	0.895	234	228
33	42,643	98.51	0.634	155.38	1.0	155.38	1.009	255	253
40	8,381	131.61	0.709	185.63	1.0	185.63	1.206	311	295
41	6,121	112.98	0.692	163.27	1.0	163.27	1.060	259	264
43	3,731	96.02	0.669	143.53	0.9	143.66	0.933	241	237
47	4,669	108.22	0.647	167.26	1.0	167.26	1.086	281	269
51	2,730	86.57	0.670	129.21	0.9	130.17	0.845	231	218
52	24,982	132.68	0.658	201.64	1.0	201.64	1.310	315	318
SW	316,012	97.86	0.635	153.98		153.98			

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PROPERTY DAMAGE LIABILITY
CALCULATION OF REVISED BASE RATES BY TERRITORY

T E R R I T O R Y	(1) EARNED CAR YEARS YR. ENDED 12/31/2010	(2) \$25,000 LOSS COST 3 YRS ENDED 12/31/2010	(3) DISTRIB. ADJUST. FACTOR	(4) BASE CLASS LOSS COST (2)/(3)	(5) CRED	(6) FORM. BASE CLASS LOSS COST	(7) INDEX (6) TO STATE	(8) \$25,000 BASE CLASS RATE PRES.	(9) IND.
11	4,557	89.45	0.851	105.11	1.0	105.11	0.941	181	181
13	9,086	107.81	0.849	126.98	1.0	126.98	1.136	211	212
14	7,245	104.24	0.849	122.78	1.0	122.78	1.099	207	206
15	2,290	98.05	0.812	120.75	1.0	120.75	1.081	203	203
16	19,661	107.54	0.834	128.94	1.0	128.94	1.154	218	215
17	5,618	103.58	0.866	119.61	1.0	119.61	1.070	211	202
18	8,364	93.68	0.823	113.83	1.0	113.83	1.019	192	193
24	90,609	75.60	0.761	99.34	1.0	99.34	0.889	170	173
25	5,876	96.06	0.811	118.45	1.0	118.45	1.060	203	200
26	22,175	83.50	0.745	112.08	1.0	112.08	1.003	187	191
31	17,004	94.82	0.815	116.34	1.0	116.34	1.041	194	197
32	30,270	82.84	0.787	105.26	1.0	105.26	0.942	180	181
33	42,643	72.50	0.766	94.65	1.0	94.65	0.847	165	166
40	8,381	128.29	0.762	168.36	1.0	168.36	1.507	244	272
41	6,121	119.60	0.794	150.63	1.0	150.63	1.348	227	246
43	3,731	86.10	0.780	110.38	1.0	110.38	0.988	180	188
47	4,669	81.27	0.801	101.46	1.0	101.46	0.908	173	176
51	2,730	101.42	0.830	122.19	1.0	122.19	1.093	211	205
52	24,982	117.23	0.856	136.95	1.0	136.95	1.226	229	227
SW	316,012	88.72	0.794	111.75		111.75			

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
MEDICAL PAYMENTS
CALCULATION OF REVISED BASE RATES BY TERRITORY

T E R R I T O R Y	(1) EARNED CAR YEARS YR. ENDED 12/31/2010	(2) LOSS COST 3 YRS ENDED 12/31/2010	(3) DISTRIB. ADJUST. FACTOR	(4) BASE CLASS LOSS COST (2)/(3)	(5) CRED	(6) FORM. BASE CLASS LOSS COST	(7) INDEX (6) TO STATE	(8) \$500 BASE CLASS RATE PRES.	(9) IND.
11	1,803	14.67	0.458	32.03	0.7	31.89	0.761	23	23
13	4,852	21.85	0.499	43.79	1.0	43.79	1.046	32	30
14	3,153	22.62	0.448	50.49	1.0	50.49	1.206	34	34
15	1,026	26.26	0.423	62.08	0.7	59.11	1.411	38	39
16	10,329	21.22	0.464	45.73	1.0	45.73	1.092	33	31
17	2,263	23.30	0.494	47.17	1.0	47.17	1.126	34	32
18	3,658	17.75	0.470	37.77	1.0	37.77	0.902	29	26
24	50,636	15.08	0.450	33.51	1.0	33.51	0.800	26	24
25	2,045	19.05	0.528	36.08	1.0	36.08	0.862	32	25
26	12,854	22.87	0.508	45.02	1.0	45.02	1.075	36	31
31	9,707	22.31	0.451	49.47	1.0	49.47	1.181	33	33
32	14,817	16.68	0.464	35.95	1.0	35.95	0.858	27	25
33	29,740	19.71	0.476	41.41	1.0	41.41	0.989	30	29
40	3,161	28.61	0.469	61.00	1.0	61.00	1.457	41	40
41	1,889	22.41	0.447	50.13	0.8	49.17	1.174	33	33
43	2,104	19.58	0.470	41.66	0.8	41.57	0.993	30	29
47	3,165	20.06	0.533	37.64	0.9	38.13	0.910	31	27
51	1,474	18.12	0.499	36.31	0.7	36.95	0.882	28	26
52	10,697	29.75	0.428	69.51	1.0	69.51	1.660	42	45
SW	169,373	19.46	0.466	41.89		41.88			

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE
NOTES TO CALCULATION OF REVISED BASE RATES BY TERRITORY

Liability data shown in column (1) is for ceded business written at Other-Than-Clean Risk rates only. Data shown in column (2) is voluntary and ceded business combined.

Column

- (1) Earned exposures for the year ended 12/31/2010.
- (2) Pure premium (losses divided by exposures) for the three years ended 12/31/2010. Liability data are developed to ultimate.
- (3) Distributional adjustment factor = Present average rate for year ended 12/31/2010 divided by the current base class base rate. The average rate is for voluntary and ceded data combined. See pages C-12-14.
- (4) Base Class Loss Cost = Col.(2) / Col.(3)
- (5) Credibility is determined by each territory's three year number of developed claims for voluntary and ceded business combined using the credibility tables shown on page D-23.
- (6) Formula base class loss cost = [Col.(4) x Col.(5)] + [Statewide Col.(4)x(1-Col.(5)) x HAF] where HAF is the historical adjustment factor and is equal to the ratio of the current base class base rate to the statewide average base class base rate. See pages C-12-14.
- (7) Index to state = Col.(6) / Statewide Col.(6)
- (8) Present base rates currently in effect as of the date of this filing.
- (9) The revised base rate is calculated by the following formula:
{[RBCP x VR x Col.(7)] + FE } x offset

RBCP = Required base class premium, as shown on page C-1.

VR = variable ratio FE = flattened expense amount

The variable ratio and flattened expense amount account for the flattening of 100% of general and other acquisition expenses by territory and are calculated below:

	BI	PD	MP
(1) Projected general and other acquisition expenses per exposure (from page C-1, line (20))	53.68	44.39	7.59
(2) Required average premium per exposure (from page C-1, line (26))	374.34	283.00	56.04
(3) Fixed ratio = (1) / (2)	0.143	0.157	0.135
(4) Variable ratio 1 - (3)	0.857	0.843	0.865
(5) Required Base Class Premium (from page C-1, line (30))	250.99	190.38	28.95
(6) Flattened expenses (5) x (3)	35.89	29.89	3.91

Offsets are as follows:

No Offsets have been applied.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

CALCULATION OF STATEWIDE DISTRIBUTIONAL ADJUSTMENT FACTORS

	BODILY INJURY LIABILITY				PROPERTY DAMAGE LIABILITY		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
T	EARNED	30/60	30/60	(2)/(3)	\$25,000	\$25,000	(5)/(6)
E	CAR YEARS	PRES.	BASE	DISTRIB.	PRES.	BASE	DISTRIB.
R	YR. ENDED	AVG.	CLASS	ADJUST.	AVG.	CLASS	ADJUST.
R	12/31/2010	PREM	RATE	FACTOR	PREM	RATE	FACTOR
11	4,557	287.40	181	1.588	287.40	181	1.588
13	9,086	408.87	275	1.487	313.71	211	1.487
14	7,245	424.96	272	1.562	323.41	207	1.562
15	2,290	414.21	293	1.414	286.98	203	1.414
16	19,661	377.25	253	1.491	325.06	218	1.491
17	5,618	417.39	274	1.523	321.42	211	1.523
18	8,364	349.35	241	1.450	278.32	192	1.450
24	90,609	337.11	225	1.498	254.70	170	1.498
25	5,876	464.26	315	1.474	299.19	203	1.474
26	22,175	453.77	321	1.414	264.35	187	1.414
31	17,004	377.75	251	1.505	291.96	194	1.505
32	30,270	348.55	234	1.490	268.12	180	1.490
33	42,643	365.00	255	1.431	236.18	165	1.431
40	8,381	462.80	311	1.488	363.10	244	1.488
41	6,121	426.37	259	1.646	373.69	227	1.646
43	3,731	378.29	241	1.570	282.54	180	1.570
47	4,669	405.07	281	1.442	249.38	173	1.442
51	2,730	376.78	231	1.631	344.16	211	1.631
52	24,982	460.19	315	1.461	334.55	229	1.461
SW	316,012	379.50	256.25	1.481	279.68	188.35	1.485

MEDICAL PAYMENTS

	(1)	(2)	(3)	(4)		
	EARNED	\$500	\$500	(2)/(3)		
T	CAR YEARS	PRES.	BASE	DISTRIB.		
R	YR. ENDED	AVG.	CLASS	ADJUST.		
R	12/31/2010	PREM	RATE	FACTOR		
11	1,803	26.41	23	1.148		
13	4,852	33.75	32	1.055		
14	3,153	38.53	34	1.133		
15	1,026	38.87	38	1.023		
16	10,329	34.74	33	1.053		
17	2,263	36.41	34	1.071		
18	3,658	29.84	29	1.029		
24	50,636	28.06	26	1.079		
25	2,045	34.42	32	1.076		
26	12,854	36.53	36	1.015		
31	9,707	35.66	33	1.081		
32	14,817	29.05	27	1.076		
33	29,740	30.94	30	1.031		
40	3,161	42.96	41	1.048		
41	1,889	35.74	33	1.083		
43	2,104	32.72	30	1.091		
47	3,165	32.33	31	1.043		
51	1,474	32.24	28	1.151		
52	10,697	44.23	42	1.053	AVERAGE ILF	TOTAL
SW	169,373	32.33	30.51	1.060	1.826	1.936

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
BODILY INJURY LIABILITY

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS
AND HISTORICAL ADJUSTMENT FACTORS

	(1)	(2)	(3)	(4)	(5)
T E R R I T O R Y	EARNED CAR YEARS YR. ENDED 12/31/2010	30/60 PRES. AVG. PREM(A)	30/60 BASE CLASS RATE	(2)/(3) DISTRIB. ADJUST. FACTOR	(3)/SW(3) HISTORICAL ADJUST. FACTOR
11	4,557	122.42	181	0.676	0.706
13	9,086	179.08	275	0.651	1.073
14	7,245	174.72	272	0.642	1.061
15	2,290	184.69	293	0.630	1.143
16	19,661	169.60	253	0.670	0.987
17	5,618	189.10	274	0.690	1.069
18	8,364	153.42	241	0.637	0.940
24	90,609	134.51	225	0.598	0.878
25	5,876	194.66	315	0.618	1.229
26	22,175	203.74	321	0.635	1.253
31	17,004	169.89	251	0.677	0.980
32	30,270	140.86	234	0.602	0.913
33	42,643	161.71	255	0.634	0.995
40	8,381	220.48	311	0.709	1.214
41	6,121	179.30	259	0.692	1.011
43	3,731	161.13	241	0.669	0.940
47	4,669	181.78	281	0.647	1.097
51	2,730	154.78	231	0.670	0.901
52	24,982	207.22	315	0.658	1.229
SW	316,012	162.80	256.25	0.635	

(A) Voluntary and Ceded business combined.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
PROPERTY DAMAGE LIABILITY

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS
AND HISTORICAL ADJUSTMENT FACTORS

	(1)	(2)	(3)	(4)	(5)
T E R R I T O R Y	EARNED CAR YEARS YR. ENDED 12/31/2010	\$25000 PRES. AVG. PREM(A)	\$25000 BASE CLASS RATE	(2)/(3) DISTRIB. ADJUST. FACTOR	(3)/SW(3) HISTORICAL ADJUST. FACTOR
11	4,557	153.96	181	0.851	0.961
13	9,086	179.08	211	0.849	1.120
14	7,245	175.65	207	0.849	1.099
15	2,290	164.87	203	0.812	1.078
16	19,661	181.71	218	0.834	1.157
17	5,618	182.71	211	0.866	1.120
18	8,364	157.96	192	0.823	1.019
24	90,609	129.37	170	0.761	0.903
25	5,876	164.58	203	0.811	1.078
26	22,175	139.23	187	0.745	0.993
31	17,004	158.14	194	0.815	1.030
32	30,270	141.74	180	0.787	0.956
33	42,643	126.44	165	0.766	0.876
40	8,381	186.01	244	0.762	1.295
41	6,121	180.25	227	0.794	1.205
43	3,731	140.31	180	0.780	0.956
47	4,669	138.54	173	0.801	0.919
51	2,730	175.17	211	0.830	1.120
52	24,982	195.97	229	0.856	1.216
SW	316,012	149.53	188.35	0.794	

(A) Voluntary and Ceded business combined.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
MEDICAL PAYMENTS

CALCULATION OF TERRITORY DISTRIBUTIONAL ADJUSTMENT FACTORS
AND HISTORICAL ADJUSTMENT FACTORS

	(1)	(2)	(3)	(4)	(5)
T E R R I T O R Y	EARNED CAR YEARS YR. ENDED 12/31/2010	\$500 PRES. AVG. PREM(A)	\$500 BASE CLASS RATE	(2)/(3) DISTRIB. ADJUST. FACTOR	(3)/SW(3) HISTORICAL ADJUST. FACTOR
11	1,803	10.53	23	0.458	0.754
13	4,852	15.97	32	0.499	1.049
14	3,153	15.24	34	0.448	1.114
15	1,026	16.08	38	0.423	1.245
16	10,329	15.30	33	0.464	1.082
17	2,263	16.79	34	0.494	1.114
18	3,658	13.62	29	0.470	0.951
24	50,636	11.70	26	0.450	0.852
25	2,045	16.88	32	0.528	1.049
26	12,854	18.28	36	0.508	1.180
31	9,707	14.89	33	0.451	1.082
32	14,817	12.52	27	0.464	0.885
33	29,740	14.27	30	0.476	0.983
40	3,161	19.22	41	0.469	1.344
41	1,889	14.74	33	0.447	1.082
43	2,104	14.09	30	0.470	0.983
47	3,165	16.52	31	0.533	1.016
51	1,474	13.96	28	0.499	0.918
52	10,697	17.99	42	0.428	1.377
SW	169,373	14.21	30.51	0.466	

(A) Voluntary and Ceded business combined.

SECTION D
EXPLANATORY MATERIAL

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Explanatory Memorandum

This memorandum supplements the filing letter and supporting exhibits setting forth a revision of private passenger automobile insurance rates in the State of North Carolina. It is the purpose of this memorandum to describe the source data used and to set forth in detail the insurance ratemaking procedures reflected in the filing. Certain pages in the filing and accompanying material contain a notation "all carriers" or other similar wording. This indicates that the data are combined ISO, ISS and NISS data. Data for certain companies are not included, as noted on page F-7.

Premium, Loss and Expense Experience

This revision is based upon the combined premium, loss, and expense experience, as applicable, of all licensed companies writing private passenger automobile insurance in this State, except as noted in Section F. In order to have this experience available in all detail necessary for rate review and ratemaking in accordance with accepted standards, all such companies are required to file each year their total private passenger automobile insurance experience with the official statistical agents recorded pursuant to the official statistical plans and reported by the companies in accordance with instructions issued by the statistical agents under the Official Calls for Experience.

The Commissioner appointed the following statistical agents to act on his behalf for the collection of private passenger automobile insurance experience in North Carolina; Insurance Services Office (ISO), Independent Statistical Service (ISS), and National Independent Statistical Service (NISS).

Experience utilized in the filing was collected under the Automobile Statistical Plan and the 2010 Official Statistical Programs of ISO, the Automobile Statistical Plan - All Coverages and the 2010 Statistical Programs of ISS, and the Automobile Statistical Plan - All Coverages - Part IV, North Carolina and the 2010 Statistical Programs of NISS. In substance, the statistical plans of all statistical agents are alike in North Carolina, and provide for the recording and reporting of the experience in the detail required for ratemaking and in such form that the experience of all companies can be combined.

The filing of experience is accompanied by an affidavit executed by an officer of the statistical agent responsible for and acquainted with the statistical procedures employed for the production of this end product. Further, the licensing of an organization and its appointment as a statistical agent in the various states is predicated upon demonstration by the organization of its ability to perform this function. Moreover, the performance of the statistical agents is reviewed periodically through examination by personnel of state insurance departments under the convention examinations of the National Association of Insurance Commissioners. From time to time such organizations are called upon by Insurance Department examiners to verify, and do verify the data consolidated by them as statistical agents.

The insurance companies likewise are subject to a variety of checks and controls. Effective controls are maintained within the company over the activities of company employees connected with the company's statistics. Companies are required by statute to submit directly to the Insurance Department statistical and accounting information to be found in the Annual Statement and the Insurance Expense Exhibit. These documents are scrutinized by experienced Insurance Department personnel throughout the country. The insurance companies are also subject to examination by the Insurance Department, which examinations extend into the statistical records of the companies.

Statewide Rate Level Exhibits

1. Experience

Private Passenger Automobile Liability

Private passenger automobile liability experience for ceded business written at Other-Than-Clean Risk Rates was compiled on a calendar/accident year basis for the years ended December 31, 2010, 2009 and 2008. For any twelve-month period, the accident year experience brings together the losses resulting from accidents occurring during that period with the premiums and number of cars "earned" during the same period.

Based on credibility considerations, the overall rate level change for Bodily Injury, Property Damage and Medical Payments is based on the loss and expense experience of the year ended December 31, 2010. However, the experience of the earlier two years was also considered and evaluated. Indications for all three years were reviewed to make sure that there were no anomalies or abnormalities associated with the latest year.

Motorcycle Liability

Motorcycle data are obtained from a Special Call for Expense Experience issued by the Rate Bureau. See page F-155. The data are compiled on a combined voluntary and ceded basis. The motorcycle data are for the years ended December 31, 2010, 2009 and 2008. Because of the small volume of motorcycle experience, each year of the experience period is given weight proportional to its earned premium in the calculation of an indicated change.

2. Private Passenger Losses

Losses compiled for any accident year include paid losses as well as loss reserves. The amounts that will ultimately be required as payments of claims on open cases are carefully determined by the claim departments of the companies, and experience has shown that these determinations are highly accurate in the aggregate. Since, however, there are differences between the total incurred losses so determined and the amounts ultimately paid, the ratemaking procedure provides for a "development" of the incurred losses to a basis which, for all practical purposes, can be considered as the ultimate basis. This development is accomplished as follows:

Each year the experience is compiled for the latest three years, all valued as of three months after the close of the latest accident year period. Thus, the experience is reported for the latest year as of 15 months, the preceding year as of 27 months and the next preceding year as of 39 months, all measured from the beginning of each accident year respectively. From reports of prior years, similarly aged experience was obtained so that there are available 3 successive reports for each year except the current and the preceding year. For the latter, 2 successive reports are available.

Further aged data are obtained on each year's incurred losses in the aggregate as of 51 months and as of 63 months. As of 63 months, nearly all incurred losses are paid. From a comparison of the incurred losses for each year at its successive valuation dates, it is determined what the rate of development has been in the past. An average of these developments gives an indication of the future development of the incurred losses for those years which have not yet sufficiently matured. This development is reflected in the incurred losses for the less matured years by the application of loss development factors. In the present filing, these loss development factors to develop to 63 months are as follows:

<u>Accident Year Ended</u>	<u>Bodily Injury</u>	<u>Property Damage</u>	<u>Medical Payments</u>
12/31/2010 (reported as of 15 months)	1.097	1.022	1.033
12/31/2009 (reported as of 27 months)	1.031	1.003	1.016
12/31/2008 (reported as of 39 months)	1.011	1.001	1.005

The derivation of the factors shown above is presented on pages D-13, D-14, and D-15. By applying these factors, the reported incurred losses have been changed to the amounts at which it is believed they will ultimately be settled.

3. Private Passenger Loss Adjustment Expense

The liability unallocated loss adjustment expenses are determined as a percentage of the North Carolina incurred losses and allocated loss adjustment expenses based on a North Carolina expense call. The expense call data and the percentages derived from them are shown on page F-154.

4. Private Passenger General Expenses and Other Acquisition Expenses

The general expenses and other acquisition expenses are determined as a percentage of North Carolina earned premiums based on a North Carolina expense call. The expense call data and the percentages determined from them are shown on page F-154.

5. Prospective Annual Change in Losses

A. Private Passenger Automobile Liability

The prospective annual changes in liability losses are determined by coverage for the Bodily Injury, Property Damage and Medical Payments coverages. The average annual changes in losses are based upon the available North Carolina average claim cost and claim frequency data, both from collected statistical plan experience and ISO-ISS Fast Track data. The claim cost data are used as a measure of the inflationary trend in the cost of claims. The claim frequency data are used as a measure of the expected trend in claim occurrence. Exponential and linear curves of best fit are developed from the claim cost and claim frequency data. The prospective average annual changes in losses used in the determination of the needed rate level change are also based upon consideration of changes in the number of miles driven, the changing cost of gasoline, and the impact of recent legislation. The expected average annual changes in losses have been selected based upon analysis and review of these data.

B. Annual Changes in Loss for Earlier Years

Since the average annual change in losses determined for each coverage is the appropriate rate of change to apply to losses to project them from average date of accident in the most recent year to the average date of accident for the prospective period, it is necessary to recognize known changes from earlier years to the most recent year. These changes are reflected by means of a current cost factor which reflects the changes in pure premiums for the years ended 12/31/2008 and 12/31/2009 to the year ended 12/31/2010 pure premiums. For the purposes of display and calculation of the indicated change by coverage, these actual changes are compounded with the prospective annual change in losses by means of equivalent annual percentage changes. These calculations are shown on pages D-7 and D-8.

6. Prospective Annual Change in Expenses

The average annual change in expenses is based on the change in the All Items Consumer Price Index, the All Items - Less Energy Consumer Price Index and the Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service, as shown on pages D-9-12. The expected average annual change in expenses is then selected based on analysis and review of this data.

7. Trend Period

The number of years of projection is the number of years from the average date of accident in the experience period to the average date of coverage under the filed rates. The average date of accident for accident year ended December 31, 2010 is July 1, 2010.

The changes proposed in this filing are applicable to all new and renewal policies written on or after October 1, 2012. The losses and loss adjustment expenses are projected to July 14, 2013. For 6 month policies, the average date of loss is 9 months after the effective date, since losses will occur under these policies throughout the 18 month period commencing with the anticipated effective date. Similarly, for 12 month policies, the average date of loss is 12 months after the anticipated effective date, since losses will occur under these policies throughout the 24 month period commencing with the assumed effective date for annual policies. The average dates of loss during these periods anticipated are weighted based on the distribution of 6 and 12 month policies.

The most recent distribution of policies by term is:

6 month policies	84%
12 month policies	16%

Other acquisition expenses and general expenses are projected six months beyond the anticipated effective date (April 1, 2013) to reflect expense incurred in writing policies throughout the 12 month period commencing with the anticipated effective date.

8. Expected Loss and Loss Adjustment Ratios

These quantities represent the portion of the present premium income available for losses, loss adjustment expenses, general expenses and other acquisition expenses. They are determined from special calls for North Carolina expense experience and reflect the 2010, 2009 and 2008 results as reported by all companies licensed in North Carolina during those years. The breakdowns of the expected loss and loss adjustment ratios are set forth on Pages D-19, D-20, and D-21.

Territory Rate Exhibits

1. Base Class Loss Cost

For each coverage, a base class loss cost by territory is derived by dividing the latest three year average pure premium by the latest year distributional adjustment factor. The distributional adjustment factor is determined for each territory by dividing the latest year average rate by the base class rate (see pages C-12-C-14). The average rates reflect the most recent distribution of risks by class in each territory. The pure premium or loss cost (losses / exposures) is based on three years of experience for purposes of stability.

2. Credibility

The base class loss cost for each territory is assigned a credibility value on the basis of the number of claims underlying the three year pure premium. The complement of the credibility assigned to the territory base class loss cost is assigned to the statewide base class loss cost. The credibility table utilized is shown on page D-23.

3. Formula Base Class Loss Cost

The formula base class loss cost by territory is calculated by multiplying the territory base class loss cost by its credibility value and adding this amount to the statewide base class loss cost multiplied by the complement of the territory credibility and the historical adjustment factor. The historical adjustment factor is calculated as the ratio of the current territory base class rate to the current statewide average base class rate. See pages C-12-C-14.

4. Index to State

Territory indices to state are calculated by dividing each territory's credibility-weighted formula base class loss cost with the statewide formula base class loss cost.

5. Filed Base Rate

Filed base rates by territory were developed so as to achieve the statewide required base class premium. The rate change has been distributed in such a way that 100% of the general and other acquisition expenses have been flattened by territory. No offsets have been applied. The calculation of the flattened general and other acquisition expenses and the application of the offset are described on page C-10.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF SELECTED TREND FACTORS

<u>Loss Trends</u>	<u>Cost</u>	<u>Frequency</u>	<u>Total</u>
Bodily Injury (B/L)	1.5%	0.0%	1.5%
Bodily Injury (T/L)	1.5%		
Property Damage	0.0%	1.0%	1.0%
Medical Payments	0.5%	0.5%	1.0%
<u>Expense Trend</u>			2.0%

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2008 and 2009

	(1) Calendar Year	(2) Claim Cost Change (a)	(3) Claim Frequency Change (b)	(4) Current Cost Factor (c)	(5) 2010 Trend Factor	(6) Annualized Trend (d)
Bodily Injury	2008	1.001	1.000	1.001	1.015	1.009
	2009	1.008	0.965	0.973	1.015	1.004
	2010	1.000	1.000	1.000	1.015	1.015
Property Damage	2008	0.964	1.057	1.019	1.010	1.010
	2009	0.979	1.034	1.012	1.010	1.010
	2010	1.000	1.000	1.000	1.010	1.010
Medical Payments	2008	1.022	1.051	1.074	1.010	1.020
	2009	1.011	0.976	0.987	1.010	1.004
	2010	1.000	1.000	1.000	1.010	1.010

(a) 2008 Claim Cost Change = (2010 Claim Cost) / (2008 Claim Cost).
2009 Claim Cost Change = (2010 Claim Cost) / (2009 Claim Cost).

(b) 2008 Claim Frequency Change = (2010 Claim Frequency)
/ (2008 Claim Frequency). 2009 Claim Frequency Change =
(2010 Claim Frequency) / (2009 Claim Frequency).

(c) Current Cost Factor = Column (2) * Column (3)

(d) Annualized Trend for 2008 and 2009

$$= [(COL(5))^m \times (COL(4))^{(1/n)}]$$

where m is the number of years of projection of the 2010 trend factor from 7/1/2010 to 7/14/2013, 3.04, Col (4) represents the Current Cost Factor to 7/1/2010, and n represents the number of years of projection for a given prior year, 4.04 for 2009 and 5.04 for 2008.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2008 and 2009

Coverage	(1) Year Ended	(2) Paid Claim Cost (a)	(3) Claim Frequency (b)
Bodily Injury	2008	\$ 7,506	1.36
	2009	7,452	1.41
	2010	7,512	1.36
Property Damage	2008	\$ 2,802	3.50
	2009	2,757	3.58
	2010	2,700	3.70
Medical Payments	2008	\$ 1,747	1.17
	2009	1,766	1.26
	2010	1,786	1.23

(a) Paid Claim Cost for all liability coverages is All Carrier trend data, as shown on pages F-122 and F-124.

(b) Incurred Claim Frequency for all liability coverages is based on All Carrier developed statistical plan data.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>ALL ITEMS CPI INDEX</u>	<u>COMPENSATION COST INDEX</u>
Oct-07	208.9	
Nov-07	210.2	105.7
Dec-07	210.0	
Jan-08	211.1	
Feb-08	211.7	107.4
Mar-08	213.5	
Apr-08	214.8	
May-08	216.6	107.9
Jun-08	218.8	
Jul-08	220.0	
Aug-08	219.1	108.3
Sep-08	218.8	
Oct-08	216.6	
Nov-08	212.4	108.2
Dec-08	210.2	
Jan-09	211.1	
Feb-09	212.2	109.1
Mar-09	212.7	
Apr-09	213.2	
May-09	213.9	109.7
Jun-09	215.7	
Jul-09	215.4	
Aug-09	215.8	110.2
Sep-09	216.0	
Oct-09	216.2	
Nov-09	216.3	110.0
Dec-09	215.9	
Jan-10	216.7	
Feb-10	216.7	111.3
Mar-10	217.6	
Apr-10	218.0	
May-10	218.2	112.2
Jun-10	218.0	
Jul-10	218.0	
Aug-10	218.3	112.2
Sep-10	218.4	
Oct-10	218.7	
Nov-10	218.8	112.2
Dec-10	219.2	
Jan-11	220.2	
Feb-11	221.3	113.7
Mar-11	223.5	
Apr-11	224.9	
May-11	226.0	114.8
Jun-11	225.7	
Jul-11	225.9	
Aug-11	226.5	114.9
Sep-11	226.9	

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>All Items (A)</u>	<u>CCI (B)</u>	<u>Combined (C)</u>
(1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters)	1.50%	2.05%	1.78%
(2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters)	2.22%	2.16%	2.19%
(3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters)	2.75%	2.41%	2.58%
(4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters)	4.81%	3.29%	4.05%
(5) Average Annual Index (D)			
Year Ended 3/31/2009	215.28	108.38	
Year Ended 9/30/2009	213.77	109.30	
Year Ended 3/31/2010	215.78	110.30	
Year Ended 9/30/2010	217.36	111.43	
Year Ended 3/31/2011	219.22	112.58	
Year Ended 9/30/2011	223.13	113.90	
(6) Current Cost Factor (Index Value Divided by Average Annual Index)			
Year Ended 3/31/2009	1.05	1.06	1.06
Year Ended 9/30/2009	1.06	1.05	1.06
Year Ended 3/31/2010	1.05	1.04	1.05
Year Ended 9/30/2010	1.04	1.03	1.04
Year Ended 3/31/2011	1.04	1.02	1.03
Year Ended 9/30/2011	1.02	1.01	1.02

Notes: (A) All items CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service.
Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>ALL ITEMS - LESS ENERGY CPI INDEX</u>	<u>COMPENSATION COST INDEX</u>
Oct-07	210.7	
Nov-07	210.9	105.7
Dec-07	210.9	
Jan-08	211.8	
Feb-08	212.5	107.4
Mar-08	213.4	
Apr-08	213.9	
May-08	214.1	107.9
Jun-08	214.6	
Jul-08	215.3	
Aug-08	215.9	108.3
Sep-08	216.4	
Oct-08	216.7	
Nov-08	216.4	108.2
Dec-08	215.9	
Jan-09	216.6	
Feb-09	217.3	109.1
Mar-09	218.0	
Apr-09	218.4	
May-09	218.3	109.7
Jun-09	218.4	
Jul-09	218.4	
Aug-09	218.6	110.2
Sep-09	219.1	
Oct-09	219.6	
Nov-09	219.3	110.0
Dec-09	219.0	
Jan-10	219.3	
Feb-10	219.7	111.3
Mar-10	220.1	
Apr-10	220.3	
May-10	220.3	112.2
Jun-10	220.3	
Jul-10	220.3	
Aug-10	220.6	112.2
Sep-10	221.0	
Oct-10	221.2	
Nov-10	221.2	112.2
Dec-10	221.0	
Jan-11	221.7	
Feb-11	222.5	113.7
Mar-11	223.3	
Apr-11	223.8	
May-11	224.3	114.8
Jun-11	224.6	
Jul-11	225.0	
Aug-11	225.8	114.9
Sep-11	226.3	

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>All Items - Less Energy (A)</u>	<u>CCI (B)</u>	<u>Combined (C)</u>
(1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters)	1.53%	2.05%	1.79%
(2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters)	1.35%	2.16%	1.75%
(3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters)	1.61%	2.41%	2.01%
(4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters)	2.78%	3.29%	3.03%
(5) Average Annual Index (D)			
Year Ended 3/31/2009	215.92	108.38	
Year Ended 9/30/2009	217.68	109.30	
Year Ended 3/31/2010	219.02	110.30	
Year Ended 9/30/2010	219.98	111.43	
Year Ended 3/31/2011	221.14	112.58	
Year Ended 9/30/2011	223.39	113.90	
(6) Current Cost Factor (Index Value Divided by Average Annual Index)			
Year Ended 3/31/2009	1.05	1.06	1.06
Year Ended 9/30/2009	1.04	1.05	1.05
Year Ended 3/31/2010	1.03	1.04	1.04
Year Ended 9/30/2010	1.03	1.03	1.03
Year Ended 3/31/2011	1.02	1.02	1.02
Year Ended 9/30/2011	1.01	1.01	1.01

Notes: (A) All items less energy CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service. Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Bodily Injury Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					515,054,841
1998				499,079,295	500,235,007
1999			506,104,335	511,660,823	514,137,414
2000		494,966,053	505,863,721	512,898,543	515,188,246
2001	468,576,304	486,718,769	497,255,745	504,797,761	506,516,812
2002	502,055,673	533,149,260	548,869,443	557,723,529	557,289,176
2003	515,817,257	559,094,357	578,617,400	585,187,725	587,822,056
2004	539,624,419	573,780,470	593,251,141	599,505,070	601,716,224
2005	534,184,208	576,962,347	593,487,306	599,911,132	601,141,186
2006	555,212,150	599,243,013	614,562,168	620,644,878	620,816,005
2007	566,258,904	615,386,763	626,175,066	629,464,168	
2008	572,281,295	606,038,122	616,157,149		
2009	636,778,268	666,202,319			
2010	639,377,892				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.002
1999			1.011	1.005
2000		1.022	1.014	1.004
2001	1.039	1.022	1.015	1.003
2002	1.062	1.029	1.016	0.999
2003	1.084	1.035	1.011	1.005
2004	1.063	1.034	1.011	1.004
2005	1.080	1.029	1.011	1.002
2006	1.079	1.026	1.010	1.000
2007	1.087	1.018	1.005	
2008	1.059	1.017		
2009	1.046			
Five Year Average	1.070	1.025	1.010	1.002
Three Year Average	1.064	1.020	1.009	1.002
		Five Year	Three Year	
39 to 63 months:		1.012	1.011	
27 to 63 months:		1.037	1.031	
15 to 63 months:		1.110	1.097	

(a) Losses are on a 30/60 level for 2002-2010.
Losses are on a 25/50 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Basic Limits(a) Incurred Losses as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					441,578,911
1998				452,975,900	453,159,687
1999			485,252,017	485,572,450	485,440,645
2000		510,105,451	508,023,076	508,052,039	508,060,163
2001	494,139,577	501,761,686	502,671,629	503,203,863	502,958,797
2002	521,387,936	529,534,675	531,145,335	532,186,698	531,950,120
2003	537,475,817	547,204,102	549,683,599	549,242,647	549,478,260
2004	540,779,130	552,344,575	560,950,492	561,763,330	561,689,009
2005	560,372,482	572,679,307	574,152,924	574,496,556	574,527,902
2006	585,759,190	596,268,288	597,603,179	598,221,980	597,935,823
2007	591,554,570	602,565,320	603,840,287	604,144,875	
2008	587,942,423	602,297,429	603,066,452		
2009	600,163,831	609,446,256			
2010	613,312,535				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.001	1.000
2000		0.996	1.000	1.000
2001	1.015	1.002	1.001	1.000
2002	1.016	1.003	1.002	1.000
2003	1.018	1.005	0.999	1.000
2004	1.021	1.016	1.001	1.000
2005	1.022	1.003	1.001	1.000
2006	1.018	1.002	1.001	1.000
2007	1.019	1.002	1.001	
2008	1.024	1.001		
2009	1.015			

Five Year Average	1.020	1.005	1.001	1.000
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Three Year Average	1.019	1.002	1.001	1.000
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	Five Year	Three Year
39 to 63 months:	1.001	1.001
27 to 63 months:	1.006	1.003
15 to 63 months:	1.026	1.022

(a) Losses are on a \$25,000 level for 2002-2010.

Losses are on a \$15,000 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Medical Payments Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					81,862,986
1998				77,964,001	78,054,472
1999			79,055,962	79,796,175	80,738,717
2000		78,803,485	80,270,062	80,892,530	80,916,479
2001	77,445,610	82,072,374	83,604,663	84,189,088	84,208,944
2002	84,407,330	89,375,713	90,811,468	91,440,492	91,468,157
2003	85,399,350	91,379,102	91,931,978	92,675,518	92,750,269
2004	85,271,787	89,295,154	91,165,945	92,022,820	92,163,988
2005	84,730,224	89,100,195	90,335,758	90,619,975	90,645,560
2006	91,005,311	92,605,615	93,479,636	94,013,888	94,087,739
2007	91,227,312	92,076,899	93,238,755	93,617,508	
2008	89,217,082	91,595,353	92,528,555		
2009	97,861,611	99,396,195			
2010	95,856,365				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.009	1.012
2000		1.019	1.008	1.000
2001	1.060	1.019	1.007	1.000
2002	1.059	1.016	1.007	1.000
2003	1.070	1.006	1.008	1.001
2004	1.047	1.021	1.009	1.002
2005	1.052	1.014	1.003	1.000
2006	1.018	1.009	1.006	1.001
2007	1.009	1.013	1.004	
2008	1.027	1.010		
2009	1.016			
Five Year Average	1.024	1.013	1.006	1.001
Three Year Average	1.017	1.011	1.004	1.001
		Five Year	Three Year	
39 to 63 months:		1.007	1.005	
27 to 63 months:		1.020	1.016	
15 to 63 months:		1.044	1.033	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					93,082
1998				90,465	89,985
1999			93,145	92,547	92,151
2000		92,101	91,137	90,663	90,349
2001	92,965	89,243	88,410	88,149	87,694
2002	96,845	93,413	92,563	92,015	91,069
2003	98,407	94,411	93,472	92,709	92,449
2004	98,867	95,352	94,812	94,245	93,924
2005	96,834	93,155	92,093	91,301	90,958
2006	96,429	92,275	91,098	90,582	90,273
2007	92,115	88,209	87,104	86,501	
2008	88,995	84,974	83,845		
2009	96,514	92,087			
2010	96,388				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				0.995
1999			0.994	0.996
2000		0.990	0.995	0.997
2001	0.960	0.991	0.997	0.995
2002	0.965	0.991	0.994	0.990
2003	0.959	0.990	0.992	0.997
2004	0.964	0.994	0.994	0.997
2005	0.962	0.989	0.991	0.996
2006	0.957	0.987	0.994	0.997
2007	0.958	0.987	0.993	
2008	0.955	0.987		
2009	0.954			
Five Year Average	0.957	0.989	0.993	0.995
Three Year Average	0.956	0.987	0.993	0.997
		Five Year	Three Year	
39 to 63 months:		0.988	0.990	
27 to 63 months:		0.977	0.977	
15 to 63 months:		0.935	0.934	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Property Damage Incurred Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					215,600
1998				216,617	216,601
1999			223,277	223,319	223,301
2000		225,602	223,938	223,917	223,876
2001	221,341	222,619	222,858	222,923	222,788
2002	225,129	226,768	227,050	227,280	227,151
2003	235,482	236,947	237,345	236,866	236,927
2004	239,528	241,668	244,848	245,055	245,032
2005	242,482	245,096	245,287	245,326	245,305
2006	243,912	245,958	246,139	246,193	246,171
2007	242,917	244,857	245,013	245,034	
2008	235,760	239,536	239,739		
2009	247,723	249,607			
2010	257,238				

Accident Year	Claim Development Factors			
	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.000	1.000
2000		0.993	1.000	1.000
2001	1.006	1.001	1.000	0.999
2002	1.007	1.001	1.001	0.999
2003	1.006	1.002	0.998	1.000
2004	1.009	1.013	1.001	1.000
2005	1.011	1.001	1.000	1.000
2006	1.008	1.001	1.000	1.000
2007	1.008	1.001	1.000	
2008	1.016	1.001		
2009	1.008			

Five Year Average	1.010	1.003	1.000	1.000
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Three Year Average	1.011	1.001	1.000	1.000
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	Five Year	Three Year
39 to 63 months:	1.000	1.000
27 to 63 months:	1.003	1.001
15 to 63 months:	1.013	1.012

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Medical Payments Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					66,475
1998				61,932	61,904
1999			61,170	61,296	61,270
2000		60,351	60,685	60,899	60,840
2001	58,107	59,050	59,472	59,598	59,579
2002	60,999	61,948	62,273	62,406	62,393
2003	59,036	60,027	60,458	60,586	60,594
2004	56,892	57,641	58,405	58,675	58,674
2005	56,522	57,491	57,770	57,839	57,803
2006	59,284	59,258	59,555	59,638	59,623
2007	55,922	56,051	56,356	56,414	
2008	52,900	53,510	53,748		
2009	58,260	58,357			
2010	56,829				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.002	1.000
2000		1.006	1.004	0.999
2001	1.016	1.007	1.002	1.000
2002	1.016	1.005	1.002	1.000
2003	1.017	1.007	1.002	1.000
2004	1.013	1.013	1.005	1.000
2005	1.017	1.005	1.001	0.999
2006	1.000	1.005	1.001	1.000
2007	1.002	1.005	1.001	
2008	1.012	1.004		
2009	1.002			
Five Year Average	1.007	1.006	1.002	1.000
Three Year Average	1.005	1.005	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.002	1.001	
27 to 63 months:		1.008	1.006	
15 to 63 months:		1.015	1.011	

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

SUMMARY OF 2010 EXPENSE PROVISIONS

	Ceded Liability (a)
Commission + Brokerage	10.0%
Taxes, Licenses and Fees	2.3
Underwriting Profit	-
Contingencies	0.0
Total	12.3
Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses	87.7
Loss Adjustment Expense	
Bodily Injury & Medical Payments	13.2
Property Damage	11.5
General Administration	5.6
Other Acquisition Expenses	8.1

(a) For use with 12/31/2010 Liability data.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

SUMMARY OF 2009 EXPENSE PROVISIONS

	Ceded Liability (a)
Commission + Brokerage	10.0%
Taxes, Licenses and Fees	2.2
Underwriting Profit	-
Contingencies	0.0
Total	12.2
Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses	87.8
Loss Adjustment Expense	
Bodily Injury & Medical Payments	13.6
Property Damage	11.3
General Administration	6.0
Other Acquisition Expenses	7.5

(a) For use with 12/31/2009 Liability data.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

SUMMARY OF 2008 EXPENSE PROVISIONS

	Ceded Liability (a)
Commission + Brokerage	10.0%
Taxes, Licenses and Fees	2.2
Underwriting Profit	-
Contingencies	0.0
Total	12.2
Losses, Loss Adj. Expenses, Gen. Admin. Expenses and Other Acquis. Expenses	87.8
Loss Adjustment Expense	
Bodily Injury & Medical Payments	13.2
Property Damage	11.6
General Administration	6.3
Other Acquisition Expenses	7.9

(a) For use with 12/31/2008 Liability data.

Credibility Factor Determination

Credibility considerations enter into the private passenger ratemaking formula in three areas:

- 1) statewide rate level in the determination of accident year weights.
- 2) territory rate level in the determination of the individual territory's formula loss ratio.
- 3) trend factor determination in the determination to base the average annual change on North Carolina data or a combination of North Carolina and countrywide data.

The first two areas full credibility standard is based on an application of the credibility formula contained in the paper "On The Credibility of The Pure Premium" by Mayerson, Jones and Bowers (PCAS LV, 1968). The full credibility standards contemplate P and K values of 95% and 5% for statewide and 90% and 5% for territory.

The trend credibility procedure is based on the first model discussed in "An Introduction to Credibility Theory" by L. H. Longley-Cook. The full credibility standard is based on P and K values of 99% and 2 1/2%.

For Motorcycles, each year of the experience period is given weight proportional to its earned premium at present manual rates in the calculation of an indicated change.

CREDIBILITY TABLES BASED
UPON NUMBER OF CLAIMS

The projected loss ratios are weighted in accordance with the following:

<u>Average Number of Claim for the Latest Two Years (A)</u>	<u>Weight to Earlier Year</u>	<u>Weight to Later Year</u>
4000 and over	0%	100%
3600 - 3999	10	90
3200 - 3599	20	80
2800 - 3199	30	70
2400 - 2799	40	60
under 2400	50	50

(A) Applied separately by coverage.

<u>Credibility</u>	<u>Determination of Territory Credibility (B)</u>	<u>Credibility</u>	<u>Determination of Trend Factor Credibility (C)</u>
0	0 - 29	0	0 - 26
.10	30 - 119	.05	27 - 105
.20	120 - 269	.10	106 - 238
.30	270 - 479	.15	239 - 424
.40	480 - 749	.20	425 - 663
.50	750 - 1,079	.25	664 - 955
.60	1,080 - 1,469	.30	956 - 1,300
.70	1,470 - 1,919	.35	1,301 - 1,699
.80	1,920 - 2,429	.40	1,700 - 2,150
.90	2,430 - 2,999	.45	2,151 - 2,655
1.00	3,000 or more	.50	2,656 - 3,212
		.55	3,213 - 3,823
		.60	3,824 - 4,487
		.65	4,488 - 5,204
		.70	5,205 - 5,974
		.75	5,975 - 6,798
		.80	6,799 - 7,674
		.85	7,675 - 8,604
		.90	8,605 - 9,586
		.95	9,587 - 10,622
		1.00	10,623 or more

(B) Territory credibility is based on the number of claims underlying the three year pure premium.

(C) Trend factor credibility is based on the number of claims underlying the latest year's experience appearing in the trend exhibits.

SECTION E
INCREASED LIMITS REVIEW

NORTH CAROLINA

Increased limits Revision

Since no changes to the increased limits factors for Bodily Injury and Property Damage Liability have been proposed, the total limits indications for these coverages have been applied to the basic limit rates.

The Bodily Injury total limits indication of -0.7%, determined on page E-2 is applied to the basic limits Bodily Injury rates.

The Property Damage total limits indication of -0.1%, determined on page E-3 is applied to the basic limits Property Damage rates.

Pages E-3-4 display the calculation of the average increased limits factors for Bodily Injury and Property Damage on a 30/60/25 basis. The average increased limits factors derived on these pages are used for the determination of the uniform indications as shown on pages E-2-3, and in the determination of the premium weights shown on page A-1.

Page E-5 displays the calculation of the average increased limits factor for Medical Payments. This factor is used in the determination of the distributional adjustment factor on page C-11 and in the determination of the premium weights shown on page A-1.

NORTH CAROLINA
REVIEW OF BODILY INJURY INCREASED LIMITS

Other than Clean Risk Ceded Business	12/31/2008	12/31/2009	12/31/2010	3 Years Combined
(1) Basic limits losses (a)(b)	79,438,151	76,856,543	70,343,253	226,637,947
(2) Basic limits loss dev. factor (See page D-13)	1.011	1.031	1.097	
(3) Basic limits claim cost trend (See page D-6)	1.5%	1.5%	1.5%	
(4) Years of trend (See page C-2)	5.04	4.04	3.04	
(5) Basic limits trend factor $[1+(3)]^{(4)}$	1.078	1.062	1.046	
(6) Basic limits losses, trended and developed (1)x(2)x(5)	86,576,304	84,151,920	80,716,210	251,444,434
(7) Total limits losses (b)	87,253,611	83,972,626	75,466,104	246,692,341
(8) Total limits loss dev. factor (See page F-43)	1.004	1.029	1.129	
(9) Total limits claim cost trend (See page D-6)	1.5%	1.5%	1.5%	
(10) Years of trend (See page C-2)	5.04	4.04	3.04	
(11) Total limits trend factor $[1+(9)]^{(10)}$	1.078	1.062	1.046	
(12) Total limits losses, trended and developed (7)x(8)x(11)	94,435,630	91,765,118	89,120,488	275,321,236
(13) Indicated average ilf (12)/(6)	1.091	1.090	1.104	1.095
(14) Average increased limits factor (See page E-4)	1.109	1.100	1.101	1.103 (c)
(15) Indicated change to excess limits increments $\{[(13)-1]/[(14)-1]\}-1$				-7.8%
(16) Indicated total limits change $\{(13)/(14)\}-1$				-0.7%

(a) Basic limits are 30/60.

(b) Based on the statistical plan data reported by member companies.

(c) Three Year Average

NORTH CAROLINA
REVIEW OF PROPERTY DAMAGE INCREASED LIMITS

Other than Clean Risk Ceded Business	12/31/2008	12/31/2009	12/31/2010	3 Years Combined
(1) Basic limits losses (a)(b)	63,228,131	60,032,115	57,696,337	180,956,583
(2) Basic limits loss dev. factor (See page D-14)	1.001	1.003	1.022	
(3) Basic limits losses, developed (1)x(2)	63,291,359	60,212,211	58,965,656	182,469,226
(4) Total limits losses (b)	63,562,034	60,267,650	57,974,899	181,804,583
(5) Total limits loss dev. factor (See page F-44)	1.000	1.002	1.022	
(6) Total limits losses, developed (4)x(5)	63,562,034	60,388,185	59,250,347	183,200,566
(7) Indicated average increased limits factor (6) / (3)	1.004	1.003	1.005	1.004
(8) Average increased limits factor (See page E-5)	1.005	1.004	1.005	1.005 (c)
(9) Indicated change to excess limits increments {[(7)-1]/[(8)-1]}-1				-20.0%
(10) Indicated total limits change {(7)/(8)}-1				-0.1%

(a) Basic limits are \$25,000.

(b) Based on the statistical plan data reported by member companies.

(c) Three Year Average

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS

Year Ending 12/31/2010

Other-Than-Clean Risk Ceded Bodily Injury - 30/60 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) 30/60 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
30/60	67,554,310	1.00	67,554,310	1.00	67,554,310
50/100	31,228,322	1.18	26,464,680	1.18	31,228,322
100/200	120,734	1.39	86,859	1.39	120,734
100/300	20,050,776	1.40	14,321,983	1.40	20,050,776
250/500	664,788	1.66	400,475	1.66	664,789
300/300	616,593	1.62	380,613	1.62	616,593
1000/1000	0	1.96	0	1.96	0
All Other	32,719	1.101	29,718	1.101	32,720
	120,268,242	1.101	109,238,638	1.101	120,268,244

Year Ending 12/31/2009

Other-Than-Clean Risk Ceded Bodily Injury - 30/60 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) 30/60 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
30/60	68,129,214	1.00	68,129,214	1.00	68,129,214
50/100	31,789,623	1.21	26,272,416	1.18	31,001,451
100/200	136,510	1.46	93,500	1.39	129,965
100/300	21,220,149	1.48	14,337,939	1.40	20,073,115
250/500	911,013	1.79	508,946	1.66	844,850
300/300	502,316	1.74	288,687	1.62	467,673
1000/1000	0	2.14	0	1.96	0
All Other	20,359	1.119	18,194	1.100	20,013
	122,709,184	1.119	109,648,896	1.100	120,666,281

Year Ending 12/31/2008

Other-Than-Clean Risk Ceded Bodily Injury - 30/60 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) 30/60 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
30/60	64,099,641	1.00	64,099,641	1.00	64,099,641
50/100	31,540,251	1.15	27,426,305	1.18	32,363,040
100/200	130,973	1.33	98,476	1.39	136,882
100/300	21,152,110	1.35	15,668,230	1.40	21,935,522
250/500	816,637	1.57	520,151	1.66	863,451
300/300	367,481	1.54	238,624	1.62	386,571
1000/1000	0	1.83	0	1.96	0
All Other	8,100	1.093	7,411	1.109	8,219
	118,115,193	1.093	108,058,838	1.109	119,793,326

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS

Year Ending 12/31/2010

Other-Than-Clean Risk Ceded Property Damage - \$25,000 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) \$25,000 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
25,000	50,802,314	1.000	50,802,314	1.000	50,802,314
50,000	36,380,127	1.010	36,019,928	1.010	36,380,127
100,000	1,412,970	1.030	1,371,816	1.030	1,412,970
250,000	0	1.059	0	1.059	0
300,000	0	1.069	0	1.069	0
500,000	0	1.113	0	1.113	0
1,000,000	0	1.202	0	1.202	0
All Other	57,853	1.005	57,565	1.005	57,853
	88,653,264	1.005	88,251,623	1.005	88,653,264

Year Ending 12/31/2009

Other-Than-Clean Risk Ceded Property Damage - \$25,000 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) \$25,000 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
25,000	54,832,333	1.000	54,832,333	1.000	54,832,333
50,000	38,059,913	1.006	37,832,916	1.010	38,211,245
100,000	1,521,878	1.018	1,494,969	1.030	1,539,818
250,000	0	1.035	0	1.059	0
300,000	0	1.041	0	1.069	0
500,000	0	1.068	0	1.113	0
1,000,000	0	1.121	0	1.202	0
All Other	67,078	1.003	66,877	1.004	67,145
	94,481,202	1.003	94,227,095	1.004	94,650,541

Year Ending 12/31/2008

Other-Than-Clean Risk Ceded Property Damage - \$25,000 base

Limit Of Liability	(1) Written Premium	(2) Prior ILF	(3) \$25,000 Premium	(4) Current ILF	(5) (3)x(4) T/L Premium
25,000	49,223,447	1.000	49,223,447	1.000	49,223,447
50,000	38,174,885	1.010	37,796,916	1.010	38,174,885
100,000	1,295,833	1.030	1,258,090	1.030	1,295,833
250,000	0	1.059	0	1.059	0
300,000	0	1.069	0	1.069	0
500,000	0	1.113	0	1.113	0
1,000,000	0	1.202	0	1.202	0
All Other	90,212	1.005	89,763	1.005	90,212
	88,784,377	1.005	88,368,216	1.005	88,784,377

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CALCULATION OF AVERAGE INCREASED LIMITS FACTORS
MEDICAL PAYMENTS

Year Ending 12/31/2010

Other-Than-Clean Risk Ceded Medical Payments - \$500 Base

Limit	(1)	(2)	(3)
	Written Premium	Current ILF	(1)/(2) B/L Premium
\$500	241,105	1.00	241,105
750	5,088	1.33	3,826
1,000	4,834,560	1.60	3,021,600
2,000	3,438,795	2.34	1,469,571
3,000	311	2.79	111
5,000	273,659	3.38	80,964
10,000	6,232	3.86	1,615
All Other	149	1.826	82
Total	8,799,899	1.826	4,818,874

Year Ending 12/31/2009

Other-Than-Clean Risk Ceded Medical Payments - \$500 Base

Limit	(1)	(2)	(3)
	Written Premium	Current ILF	(1)/(2) B/L Premium
\$500	256,934	1.00	256,934
750	5,886	1.33	4,426
1,000	4,960,651	1.60	3,100,407
2,000	3,522,372	2.34	1,505,287
3,000	245	2.79	88
5,000	265,928	3.38	78,677
10,000	6,341	3.86	1,643
All Other	1,230	1.823	675
Total	9,019,587	1.823	4,948,137

Year Ending 12/31/2008

Other-Than-Clean Risk Ceded Medical Payments - \$500 Base

Limit	(1)	(2)	(3)
	Written Premium	Current ILF	(1)/(2) B/L Premium
\$500	244,411	1.00	244,411
750	6,582	1.33	4,949
1,000	5,341,374	1.60	3,338,359
2,000	3,956,552	2.34	1,690,834
3,000	951	2.79	341
5,000	236,805	3.38	70,061
10,000	2,547	3.86	660
All Other	52	1.830	28
Total	9,789,274	1.830	5,349,643

SECTION F
SUPPLEMENTAL MATERIAL

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUPPLEMENTAL MATERIAL

North Carolina G.S. 58-36-15(h) specifies that the following information must be included in certain policy form, rule and rate filings filed under Articles 36 and 37. 11 NCAC 10.1104 specifies that additional detail be provided under each of these items. These materials are contained on the pages indicated.

<u>Item</u>	<u>Page</u>
1. North Carolina earned premiums at actual and current rate levels; losses and loss adjustment expenses, each on a paid and incurred basis; the loss ratio anticipated at the time rates were promulgated for the experience period.	F-2-32
2. Credibility factor development and application.	F-33-35
3. Loss development factor derivation and application on both paid and incurred bases and in both dollars and numbers of claims.	F-36-109
4. Trending factor development and application.	F-110-150
5. Changes in premium base resulting from rating exposure trends.	F-151
6. Limiting factor development and application.	F-152
7. Overhead expense development and application of commission and brokerage, other acquisition expenses, general expenses, taxes, licenses and fees.	F-153-155
8. Percent rate change.	F-156
9. Final proposed rates.	F-157
10. Investment earnings, consisting of investment income and realized plus unrealized capital gains, from loss, loss expense and unearned premium reserves.	F-158-185
11. Identification of applicable statistical plans and programs and a certification of compliance with them.	F-186-191
12. Investment earnings on capital and surplus.	F-192
13. Level of capital and surplus needed to support premium writings without endangering the solvency of member companies.	F-193
14. Additional supplemental information (as per 11 NCAC 10.1104)	F-194-195

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

1. NORTH CAROLINA EARNED PREMIUMS AT THE ACTUAL AND CURRENT RATE LEVEL
- LOSSES AND LOSS ADJUSTMENT EXPENSES, EACH ON PAID AND INCURRED BASES
WITHOUT TRENDING OR OTHER MODIFICATION FOR THE EXPERIENCE PERIOD
- LOSS RATIOS ANTICIPATED AT THE TIME THE RATES WERE PROMULGATED FOR THE
EXPERIENCE PERIOD
- (1) Earned premiums at collected and current levels. F-3-4
 - (1) Paid/incurred losses and loss adjustment expense. F-5
 - (1) Anticipated loss ratios. F-6
 - (a) Companies excluded - rate level, trend, loss development, investment income and expenses. F-7
 - (b) Increased limits factors and deductible credits. F-8
 - (c) Adjustments to premium, losses, loss adjustment expenses and exposures. F-9
 - (d) Calculation of earned premium at present rates. F-10
 - (e) Written and earned premiums and market shares for the ten largest writers. F-11
 - (f) Composite loss and premium information from each of the latest two annual statements for the 50 largest writers. F-12-16
 - Part 2, line 19
 - Part 3, line 19
 - Page 15, lines 19.1 and 19.2
 - (g) Deviations. Not applicable
 - (h) Dividends. Not applicable
 - (i) Loss and loss adjustment expenses. F-17-19
 - (j) Excess losses (Comprehensive) Not applicable
 - (k) Territory data. F-20-32

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CEDED EARNED PREMIUM

I. EARNED PREMIUM AT COLLECTED LEVEL (a)

<u>Coverage</u>	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>
Bodily Injury	\$121,463,773	\$122,381,132	\$117,289,172
Property Damage	96,970,547	103,019,626	96,975,301
Medical Payments	10,436,365	9,413,159	8,891,717

II. EARNED PREMIUM AT CURRENT LEVEL (a)

<u>Coverage</u>	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>
Bodily Injury	\$126,603,891	\$121,820,757	\$119,952,109
Property Damage	93,267,815	89,675,858	88,400,457
Medical Payments	11,781,853	10,596,824	10,001,931

(a) Ceded Liability premiums are for ceded other-than-clean business written at Facility rates only and are at a 30/60 level for Bodily Injury, \$25,000 for Property Damage, and Total Limits for Medical Payments.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
EARNED PREMIUM - MOTORCYCLES

I. EARNED PREMIUM AT COLLECTED LEVEL (a) (b)

<u>Coverage</u>	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>
Motorcycle Liability	\$ 31,409,692	\$ 34,976,516	\$ 37,725,055

II. EARNED PREMIUM AT CURRENT LEVEL (a) (b)

<u>Coverage</u>	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>
Motorcycle Liability	\$ 30,420,701	\$ 33,960,870	\$ 35,876,436

a) Earned premium at collected level are the earned premiums shown on page F-155. Earned premium at current level are the earned premium at collected level adjusted to a current level.

(b) Voluntary and ceded business combined.

NORTH CAROLINA
CEDED
PAID/INCURRED LOSSES AND ALLOCATED LOSS ADJUSTMENT EXPENSE

<u>Year</u>	<u>Paid Losses (a)</u>	<u>Incurred Losses (a)</u>
		Bodily Injury
12/31/2008	80,059,372	87,233,945
12/31/2009	67,708,524	83,959,913
12/31/2010	38,559,184	75,465,946
		Property Damage
12/31/2008	63,526,985	63,542,630
12/31/2009	60,096,958	60,256,274
12/31/2010	56,865,047	57,960,419
		Medical Payments
12/31/2008	6,378,998	6,409,605
12/31/2009	6,811,741	6,887,869
12/31/2010	5,502,253	6,132,627

(a) Paid and incurred losses are for ceded other than clean risk business. Losses are undeveloped and on a total limits basis, and do not include unallocated loss adjustment expense. These expenses are reflected via a factor. For Bodily Injury and Medical Payments, these factors are 13.2%, 13.6%, and 13.2% for year ended 12/31/2008, 12/31/2009 and 12/31/2010 respectively. For Property Damage, these factors for each year are 11.6%, 11.3% and 11.5% respectively. See page F-154.

NORTH CAROLINA
ANTICIPATED LOSS AND LOSS ADJUSTMENT EXPENSE RATIOS
CEDED

PRIVATE PASSENGER AUTO

<u>Coverage</u>	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>
Bodily Injury	.748	.765	.754
Property Damage	.766	.763	.769
Medical Payments	.768	.770	.761
Motorcycle Liability	.698	.762	.790

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE

EXCLUDED COMPANIES

(The marketshare for each company mentioned, based on the total 2010 statutory page 14 private passenger automobile written premium unless otherwise indicated, is found in parentheses after the company name.)

Universal Insurance Co. (0.65%) and Agent Alliance Insurance Co. (0.50%) have been excluded from loss development for accident year 2008 and prior. Their data were inaccurately reported to their statistical agent.

ISO Minimum Plan companies have been excluded from trend and loss development. Data reported under this plan is not available in sufficient detail to allow its inclusion. The companies which reported data under this plan for 2008-2010 are Church Mutual Insurance Company (0.00%), and Merastar Insurance Co. (0.02%).

Companies from the Great American Insurance Group (0.00%) have been excluded from loss development for 2000 and prior. Their data were inaccurately reported to their statistical agent, and corrected data were not provided.

United Services Automobile Association (2.67%), USAA Casualty Insurance Company (1.75%), USAA General Indemnity (0.80%), Garrison Property and Casualty Insurance Company (0.30%), Southern Fire Insurance Co. (0.03%), Southern Pilot Insurance Co. (0.16%), Southern Guaranty Insurance Co. (0.00%), Cincinnati Insurance Co. (0.31%), Greenville Casualty Insurance Co. (0.21%), Employers Mutual Casualty Co. (0.00%), Emdasco Insurance Company (0.00%), Chartis Casualty Company (0.00%), Chartis Property and Casualty Insurance Co. (0.03%), AIG Premier Insurance Co. (0.00%), American Home Assurance Company (0.00%), AIG Centennial Insurance Co. (0.00%), AIU Insurance Co. (0.00%), AIG Advantage Insurance Co. (0.00%), 21st Century Centennial Insurance Co. (0.22%), State Auto P&C Insurance Co. (0.47%), Harleysville Preferred Insurance Co. (0.04%), Harleysville Mutual Insurance Co. (0.04%), Hanover Insurance Co. (0.01%), Hanover American Insurance Co. (0.02%), Massachusetts Bay Insurance Co. (0.01%), General Insurance Co. of America (0.09%), Safeco Insurance Company of America (0.03%), First National Insurance Company of America (0.04%), Auto Owners Insurance Co. (0.54%), Owners Insurance Co. (0.59%), American States Preferred Insurance Co. (0.30%), Universal Insurance Co. (0.65%), Amica Mutual Insurance Co. (0.68%), Omni Insurance Co. (0.00%) and companies from the Hartford Insurance Group (0.94%) have been deleted for all rate levels. Their data were inaccurately reported to their statistical agents.

The increased limits review is contained in Section E.

See also prefiled testimony of P. Woods.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
ADJUSTMENTS TO PREMIUMS AND LOSSES

The losses were adjusted by loss development factors to place them on an ultimate settlement basis. The factors used and their application are shown on pages C-1, C-3, and C-5.

PREMIUM AT PRESENT RATES CALCULATION

The liability earned premium at manual rates by coverage is calculated by the following formula within each class, by territory.

EPMR = Exposures by Class x Territory Base Rate x [Class Rating Factor + Safe Driver Insurance Plan Factor] x Average Airbag Discount* x Average Increased Limits Factor*

* For Medical Payments only

These EPMR's are then summed over all classes and territories to generate the statewide earned premium at manual rates shown on page F-3.

A sample calculation of the earned premium at manual rates for a single class and territory combination is shown below for Bodily Injury in Territory 11 for Work less than 10 miles and one SDIP point (Class 116101)

Bodily Injury

(1) Earned exposures	50
(2) Bodily Injury territory 11 30/60 base rate	181
(3) Class rating factor	1.050
(4) SDIP factor	0.300
(5) Combined rating factor (3)+(4)	1.350
(6) Premium at manual rates (1)x(2)x(5)	\$12,218

TOP TEN AUTOMOBILE INSURANCE WRITERS

<u>COMPANY NAME</u>	<u>2010(a) WRITTEN PREMIUM</u>	<u>2010 WRITTEN PREMIUM MARKET SHARE</u>	<u>2010 (a) EARNED PREMIUM</u>	<u>2010 EARNED PREMIUM MARKET SHARE</u>
State Farm Mutual Automobile Insurance Company	614,139,213	14.01%	614,602,905	14.01%
North Carolina Farm Bureau Mutual Insurance Company	429,833,511	9.80%	425,530,319	9.70%
Nationwide Mutual Insurance Company	324,899,760	7.41%	333,779,534	7.61%
Integon National Insurance Company	287,122,023	6.55%	292,740,735	6.67%
Nationwide Property & Casualty Insurance Company	258,513,375	5.90%	270,774,771	6.17%
Government Employees Insurance Company	251,130,774	5.73%	246,954,017	5.63%
Allstate Indemnity Company	163,813,911	3.74%	170,620,615	3.89%
Allstate Property & Casualty Insurance Company	140,590,276	3.21%	135,090,028	3.08%
Allstate Insurance Company	135,159,019	3.08%	138,081,366	3.15%
United Services Automobile Association	115,476,986	2.63%	114,279,692	2.60%
TOTAL	2,720,678,848	62.05%	2,742,453,982	62.50%
Grand Total	4,384,346,937		4,388,007,472	

(a) Per the 2010 Annual Statement, Statutory Page 14.

liab & phy dmg combined

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2009 UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - PREMIUMS EARNED

	Net Premiums Written	Unearned Premiums Previous Year	Unearned Premiums Current Year	Net Earned Premiums
1 Fire	1,061,952	559,051	555,501	1,065,501
2 Allied lines	722,045	355,848	359,412	718,481
3 Farmowners	382,257	175,907	187,363	370,801
4 Homeowners	17,006,211	8,827,694	9,123,241	16,710,664
5 Comm multi peril	5,158,432	2,545,337	2,589,685	5,114,084
6 Mortgage guaranty	0	0	0	0
8 Ocean marine	166,847	70,017	74,798	162,066
9 Inland marine	1,440,920	495,030	483,689	1,452,261
10 Financial guaranty	0	0	0	0
11 Medical malpractice	12,397	1,118	6,862	6,653
12 Earthquake	165,897	75,161	76,255	164,803
13 Group A & H	492,519	394	329	492,583
14 Credit A & H	8,666	25,476	25,356	8,786
15 Other A & H	717,634	883,033	1,009,591	591,076
16 Worker's comp	4,187,455	952,157	956,679	4,182,933
17 Other liability	3,507,683	1,696,583	1,696,484	3,507,782
18 Products liability	240,706	119,099	125,232	234,573
19 Auto liability	55,176,180	15,580,023	15,979,039	54,777,165
21 Auto phys. damage	34,959,999	10,154,279	10,208,928	34,905,350
22 Aircraft	41,645	15,804	11,317	46,132
23 Fidelity	38,289	24,941	23,062	40,169
24 Surety	264,572	147,408	149,246	262,734
26 Burglary + theft	8,822	4,304	4,083	9,042
27 Boiler and machinery	73,576	24,771	30,180	68,167
28 Credit	43,082	17,896	18,248	42,730
29 International	37,975	17,483	17,431	38,027
30 Reinsurance	879,757	414,698	351,474	942,982
31 Miscellaneous	14,513	7,727	7,373	14,867
32 TOTALS	126,920,369	43,268,222	44,153,160	126,035,431

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2010 UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - PREMIUMS EARNED

	Net Premiums Written	Unearned Premiums Previous Year	Unearned Premiums Current Year	Net Earned Premiums
1 Fire	1,105,892	589,227	576,621	1,118,498
2 Allied lines	761,309	381,696	382,044	760,961
3 Farmowners	382,258	175,907	187,363	370,802
4 Homeowners	17,117,990	8,924,177	9,170,663	16,871,504
5 Comm multi peril	5,870,257	2,914,498	2,955,282	5,829,474
6 Mortgage guaranty	0	0	0	0
8 Ocean marine	165,305	68,438	71,935	161,808
9 Inland marine	1,496,765	524,099	511,519	1,509,345
10 Financial guaranty	0	0	0	0
11 Medical malpractice	49,275	18,546	23,970	43,852
12 Earthquake	166,853	75,863	76,613	166,103
13 Group A & H	492,519	394	329	492,583
14 Credit A & H	8,666	25,476	25,356	8,786
15 Other A & H	719,292	883,509	1,009,996	592,804
16 Worker's comp	4,477,645	1,098,164	1,098,280	4,477,530
17 Other liability	3,936,344	1,933,404	1,924,555	3,945,193
18 Products liability	287,600	143,054	149,940	280,713
19 Auto liability	55,496,748	15,719,088	16,150,358	55,065,478
21 Auto phys. damage	35,200,767	10,228,540	10,304,498	35,124,809
22 Aircraft	41,645	15,804	11,317	46,132
23 Fidelity	45,842	32,788	30,039	48,591
24 Surety	302,493	167,418	167,480	302,430
26 Burglary + theft	10,606	5,038	5,157	10,487
27 Boiler and machinery	86,264	31,759	37,133	80,890
28 Credit	43,082	17,896	18,248	42,730
29 International	37,976	17,483	17,431	38,029
30 Reinsurance	879,758	414,701	351,476	942,983
31 Miscellaneous	14,513	7,727	7,373	14,867
32 TOTALS	129,309,256	44,492,057	45,347,734	128,453,580

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2009 UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - LOSSES PAID AND INCURRED

	Losses Paid Less Salvage				Net Losses Unpaid Current Year	Net Losses Unpaid Previous Year	Losses Incurred Current Year
	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Payments			
1 Fire	399,327	624,534	467,372	556,489	307,027	364,946	498,570
2 Allied lines	661,065	744,289	912,753	492,602	189,423	192,206	489,819
3 Farmowners	158,076	196,233	131,489	222,819	122,799	126,619	219,000
4 Homeowners	9,283,067	9,479,875	7,513,869	11,249,073	4,674,655	4,308,526	11,615,202
5 Comm multi peril	2,079,970	4,444,378	3,678,914	2,845,435	4,227,655	4,315,110	2,757,980
6 Mortgage guaranty	0	0	0	0	0	0	0
8 Ocean marine	112,126	171,339	215,869	67,596	126,779	129,190	65,185
9 Inland marine	1,461,408	566,675	1,300,716	727,367	219,275	250,313	696,329
10 Financial guaranty	0	0	0	0	0	4	-4
11 Medical malpractice	14,884	77,392	74,260	18,016	61,284	84,598	-5,298
12 Earthquake	220	1,380	183	1,417	4,619	5,503	533
13 Group A & H	313,338	186,511	31,262	468,587	64,463	60,595	472,455
14 Credit A & H	4,136	0	0	4,136	6,148	5,907	4,376
15 Other A & H	443,476	4,876	13,373	434,979	406,125	393,747	447,357
16 Worker's comp	1,515,843	5,277,472	4,092,323	2,700,992	14,563,175	14,293,707	2,970,459
17 Other liability	1,410,639	2,691,907	2,388,757	1,713,789	7,693,346	7,737,649	1,669,486
18 Products liability	149,003	305,514	217,388	237,128	2,053,259	2,258,941	31,446
19 Auto liability	28,562,097	18,215,492	11,650,920	35,126,670	47,070,728	44,680,008	37,517,389
21 Auto phys. damage	17,077,816	9,708,437	6,233,160	20,553,093	1,781,688	1,918,088	20,416,693
22 Aircraft	66,406	62,995	98,579	30,822	43,913	86,306	-11,570
23 Fidelity	15,106	69,330	54,798	29,638	54,727	61,621	22,744
24 Surety	55,640	151,429	151,330	55,739	190,687	217,484	28,942
26 Burglary + theft	1,014	2,680	1,029	2,665	5,520	6,005	2,180
27 Boiler and machinery	12,221	53,788	50,117	15,892	14,746	16,888	13,750
28 Credit	25,020	854	11,025	14,849	7,020	8,590	13,278
29 International	11,239	25,168	1,717	34,689	112,194	114,554	32,329
30 Reinsurance	0	553,951	248,795	305,156	1,013,892	1,118,358	200,691
31 Miscellaneous	15	88	61	42	108	49	101
32 TOTALS	63,844,128	53,736,533	39,614,342	77,966,319	85,495,044	83,179,455	80,281,908

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2010 UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - LOSSES PAID AND INCURRED

	Losses Paid Less Salvage				Net Losses Unpaid Current Year	Net Losses Unpaid Previous Year	Losses Incurred Current Year
	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Payments			
1 Fire	421,716	621,037	463,804	578,949	315,095	372,376	521,668
2 Allied lines	690,801	739,920	909,556	521,165	197,645	201,565	517,245
3 Farmowners	158,076	196,233	131,489	222,819	122,799	126,619	218,999
4 Homeowners	9,679,094	9,378,592	7,659,878	11,397,808	4,726,108	4,341,442	11,782,474
5 Comm multi peril	2,381,089	4,021,084	3,186,248	3,215,925	4,824,179	4,863,639	3,176,465
6 Mortgage guaranty	0	0	0	0	0	0	0
8 Ocean marine	112,187	170,946	215,918	67,214	125,190	127,099	65,305
9 Inland marine	1,480,524	563,122	1,291,643	752,003	224,111	256,280	719,834
10 Financial guaranty	0	0	0	0	0	4	-4
11 Medical malpractice	12,109	76,919	60,808	28,220	131,052	149,047	10,224
12 Earthquake	117	1,292	19	1,390	4,603	5,495	498
13 Group A & H	313,338	186,513	31,262	468,589	64,497	60,588	472,498
14 Credit A & H	4,136	0	0	4,136	6,148	5,907	4,376
15 Other A & H	443,695	4,876	13,373	435,198	406,251	393,956	447,493
16 Worker's comp	1,573,034	5,292,861	3,957,526	2,908,369	15,377,386	15,078,868	3,206,887
17 Other liability	1,500,440	2,650,271	2,307,013	1,843,698	8,343,413	8,392,538	1,794,573
18 Products liability	158,760	304,563	212,503	250,820	2,136,689	2,327,887	59,622
19 Auto liability	28,247,028	17,602,704	10,750,857	35,098,875	47,324,518	44,722,734	37,700,659
21 Auto phys. damage	17,099,540	9,541,836	5,907,102	20,734,273	1,792,702	1,920,109	20,606,866
22 Aircraft	127,213	62,958	159,424	30,747	46,615	88,714	-11,353
23 Fidelity	26,915	69,370	55,410	40,875	61,069	72,380	29,564
24 Surety	70,281	151,504	153,917	67,868	198,409	222,742	43,535
26 Burglary + theft	1,143	2,639	951	2,832	5,785	6,067	2,550
27 Boiler and machinery	16,310	53,784	50,033	20,061	18,964	19,952	19,074
28 Credit	25,020	854	11,025	14,849	7,020	8,590	13,278
29 International	11,239	25,175	1,717	34,696	112,326	114,710	32,313
30 Reinsurance	0	554,078	248,795	305,283	1,015,581	1,120,142	200,723
31 Miscellaneous	15	88	61	42	108	49	101
32 TOTALS	64,565,160	52,393,191	37,854,679	79,103,672	88,071,136	85,426,295	81,748,512

2010 NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE (a)			
	Liability (19.1)	Liability (19.2)	Physical Damage (21.1)
Written Premium	5,416,261	2,497,094,137	1,673,891,006
Earned Premium	4,896,580	2,493,538,612	1,667,145,527
Dividends	0	11,792,141	6,298,040
Unearned Prem Reserves	1,338,155	705,669,635	483,833,379
Losses Paid	2,502,572	1,582,441,544	1,005,810,234
Losses Incurred	3,091,867	1,637,014,144	1,001,504,794
Losses Unpaid	2,391,299	1,534,583,912	77,072,100
D & CC Exp. Paid	4,571	36,171,610	2,496,476
D & CC Exp. Incurred	6,685	34,845,143	1,689,041
D & CC Exp. Unpaid	17,211	131,523,406	3,619,246
Commissions	635,050	234,834,295	160,023,433
Taxes	175,045	57,929,878	37,982,065

2009 NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE (a)			
	Liability (19.1)	Liability (19.2)	Physical Damage (21.1)
Written Premium	1,675	2,497,094,137	1,684,240,505
Earned Premium	1,217	2,493,538,612	1,691,863,342
Dividends	0	11,792,141	5,333,937
Unearned Prem Reserves	802	705,669,635	477,342,898
Losses Paid	0	1,582,441,544	981,414,183
Losses Incurred	324	1,637,014,144	982,535,570
Losses Unpaid	383	1,534,583,912	82,252,643
Alloc. Adj. Exp. Paid	0	36,171,610	2,448,792
Alloc Adj. Exp. Incurred	13	34,845,143	3,002,486
Alloc. Adj. Exp. Unpaid	16	131,523,406	4,506,829
Commissions	459	234,834,295	161,673,306
Taxes	8,024	57,917,701	37,713,921

(a) Top 50 Writers

NORTH CAROLINA
COMPARISON OF ANNUAL STATEMENT AND FILING INFORMATION

LIABILITY

<u>Year</u>	<u>Annual Statement</u>		<u>Filing</u>	
	<u>Losses</u>	<u>Premium</u>	<u>Losses</u>	<u>Premium</u>
2008	1,679,275,396	2,526,198,270	150,045,343	231,653,559
2009	1,707,492,385	2,650,541,604	146,450,968	222,093,439
2010	1,711,360,797	2,626,486,282	142,468,695	218,354,497

The data are not comparable for the following reasons:

- Annual Statement losses and premiums include Voluntary and Facility data. Filing data are for ceded business written at Other-Than-Clean Risk rates only for Bodily Injury, Property Damage and Medical Payments.
- Annual Statement premium is at total limits collected level. Filing premium is at basic limits current level for Bodily Injury and Property Damage, and on a total limits current level for Medical Payments.
- Annual Statement losses are on a total limits basis and do not include any loss adjustment expenses. Filing losses are on a basic limits basis (total limits for Medical Payments) and include allocated loss adjustment expense only.
- Annual statement losses include reserves for incurred but not reported claims. Filing losses are developed to an ultimate basis and therefore reflect reserves for incurred but not reported claims.

NORTH CAROLINA
CEDED FILING
EXPECTED LOSS RATIOS

Private Passenger Auto	11/1/2009 Implementation	10/1/2010 Implementation	10/1/2011 Implementation
Bodily Injury	.751	.771	.770
Property Damage	.771	.761	.746
Medical Payments	.760	.761	.791
Motorcycle Liability	.799	.712	.576

Bodily Injury

<u>Accident Year</u>	<u>Total Limits Paid Losses(a)</u>	<u>Total Limits Reserves(a)</u>	<u>Total Limits Loss Dev.(b)</u>	<u>Total Limits Dev. Losses</u>
12/31/2008	80,059,372	7,174,573	1.004	87,582,881
12/31/2009	67,708,524	16,251,389	1.029	86,394,750
12/31/2010	38,559,184	36,906,762	1.129	85,201,053

<u>Accident Year</u>	<u>Unallocated Loss Adj. Exp.(c)</u>	<u>Loss Trend Factors(d)</u>	<u>LAE Trend Factors(d)</u>	<u>Trended Incurred Losses and LAE</u>
12/31/2008	10,601,180	1.046	1.105	103,325,997
12/31/2009	10,776,517	1.016	1.083	99,448,034
12/31/2010	10,185,984	1.046	1.062	99,937,816

Property Damage

<u>Accident Year</u>	<u>Total Limits Paid Losses(a)</u>	<u>Total Limits Reserves(a)</u>	<u>Total Limits Loss Dev.(b)</u>	<u>Total Limits Dev. Losses</u>
12/31/2008	63,526,985	15,645	1.000	63,542,630
12/31/2009	60,096,958	159,316	1.002	60,376,787
12/31/2010	56,865,047	1,095,372	1.022	59,235,548

<u>Accident Year</u>	<u>Unallocated Loss Adj. Exp.(c)</u>	<u>Loss Trend Factors(d)</u>	<u>LAE Trend Factors(d)</u>	<u>Trended Incurred Losses and LAE</u>
12/31/2008	7,341,798	1.051	1.105	74,895,991
12/31/2009	6,803,980	1.041	1.083	70,220,946
12/31/2010	6,781,050	1.031	1.062	68,273,325

Medical Payments

<u>Accident Year</u>	<u>Total Limits Paid Losses(a)</u>	<u>Total Limits Reserves(a)</u>	<u>Total Limits Loss Dev.(b)</u>	<u>Total Limits Dev. Losses</u>
12/31/2008	6,378,998	30,607	1.005	6,441,653
12/31/2009	6,811,741	76,128	1.016	6,998,075
12/31/2010	5,502,253	630,374	1.033	6,335,004

<u>Accident Year</u>	<u>Unallocated Loss Adj. Exp.(c)</u>	<u>Loss Trend Factors(d)</u>	<u>LAE Trend Factors(d)</u>	<u>Trended Incurred Losses and LAE</u>
12/31/2008	850,346	1.105	1.105	8,057,659
12/31/2009	951,954	1.016	1.083	8,141,010
12/31/2010	836,417	1.031	1.062	7,419,664

(a) Data on a paid/reserve basis is available only for total limits. See page F-5.

(b) See pages F-43, F-44, and F-45.

(c) See pages C-1, C-3, and C-5 for the unallocated loss adjustment expense factors.

(d) Using selected trends on page D-6.

The following pages F-21-32 contain North Carolina private passenger data by territory for years ended December 31, 2008, 2009, and 2010.

Liability data is for voluntary and ceded risks. Losses are not developed and include allocated loss adjustment expense only. Excess is calculated on a 30/60/25 basis.

See also pages C-7-9.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	<u>Incurred Losses (5)</u>		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
11 Asheville	2008	110,640	15,309,924	6,784,649	1,273,713	1,244	5,454	1.12	61.32
	2009	102,904	14,332,563	6,630,082	1,543,899	1,211	5,475	1.18	64.43
	2010	101,682	13,818,570	7,294,390	2,306,983	1,172	6,224	1.15	71.74
	Total	315,226	43,461,057	20,709,121	5,124,595	3,627	5,710	1.15	65.70
13 Durham	2008	146,473	30,186,996	15,875,070	2,872,493	2,646	6,000	1.81	108.38
	2009	148,574	30,560,658	16,108,052	2,533,773	2,854	5,644	1.92	108.42
	2010	151,131	29,658,165	14,969,684	2,702,400	2,685	5,575	1.78	99.05
	Total	446,178	90,405,819	46,952,806	8,108,666	8,185	5,736	1.83	105.23
14 Greensboro-Hamilton Lakes	2008	156,468	30,132,174	16,151,330	1,905,505	2,541	6,356	1.62	103.22
	2009	152,077	29,365,257	15,698,904	2,606,585	2,557	6,140	1.68	103.23
	2010	152,583	29,042,725	16,029,835	2,188,348	2,715	5,904	1.78	105.06
	Total	461,128	88,540,156	47,880,069	6,700,438	7,813	6,128	1.69	103.83
15 High Point	2008	50,409	10,018,290	5,193,597	679,223	887	5,855	1.76	103.03
	2009	50,421	10,147,587	6,141,756	1,132,087	982	6,254	1.95	121.81
	2010	52,363	10,232,240	6,260,662	404,881	1,039	6,026	1.98	119.56
	Total	153,193	30,398,117	17,596,015	2,216,191	2,908	6,051	1.90	114.86
16 Raleigh	2008	424,546	78,405,427	40,410,080	10,264,589	5,996	6,740	1.41	95.18
	2009	415,977	79,102,736	40,263,127	10,277,749	6,004	6,706	1.44	96.79
	2010	419,407	79,628,118	37,339,218	6,727,551	5,944	6,282	1.42	89.03
	Total	1,259,930	237,136,281	118,012,425	27,269,889	17,944	6,577	1.42	93.67

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	Incurred Losses (5)		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
17 Wilmington	2008	151,668	32,661,123	16,880,059	4,052,790	2,295	7,355	1.51	111.30
	2009	149,244	31,755,983	15,535,312	3,105,825	2,195	7,078	1.47	104.09
	2010	149,448	30,600,666	14,807,168	2,257,267	2,305	6,424	1.54	99.08
	Total	450,360	95,017,772	47,222,539	9,415,882	6,795	6,950	1.51	104.86
18 Winston-Salem	2008	162,582	26,342,082	13,547,818	2,842,942	2,277	5,950	1.40	83.33
	2009	157,637	26,772,815	14,493,037	2,599,233	2,445	5,928	1.55	91.94
	2010	158,607	26,783,053	14,292,045	2,887,460	2,424	5,896	1.53	90.11
	Total	478,826	79,897,950	42,332,900	8,329,635	7,146	5,924	1.49	88.41
24 Western Territories	2008	2,143,257	301,922,451	161,892,873	40,408,352	23,976	6,752	1.12	75.54
	2009	2,155,937	310,877,870	167,450,368	39,151,633	24,950	6,711	1.16	77.67
	2010	2,146,049	313,984,808	162,831,424	34,318,683	25,212	6,458	1.17	75.87
	Total	6,445,243	926,785,129	492,174,665	113,878,668	74,138	6,639	1.15	76.36
25 Gaston County	2008	144,293	26,192,848	15,980,221	2,249,694	2,483	6,436	1.72	110.75
	2009	144,367	27,493,192	16,133,754	1,806,414	2,622	6,153	1.82	111.76
	2010	145,184	28,591,158	16,481,963	2,081,356	2,804	5,878	1.93	113.52
	Total	433,844	82,277,198	48,595,938	6,137,464	7,909	6,144	1.82	112.01
26 Southern Territories	2008	485,510	106,420,498	55,939,754	10,802,754	7,532	7,427	1.55	115.22
	2009	495,225	108,393,293	58,535,399	11,438,315	8,054	7,268	1.63	118.20
	2010	500,132	107,377,728	54,208,224	7,373,020	8,210	6,603	1.64	108.39
	Total	1,480,867	322,191,519	168,683,377	29,614,089	23,796	7,089	1.61	113.91

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	Incurred Losses (5)		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
31 Wilson, Rocky Mount, etc.	2008	338,261	63,258,933	30,777,874	6,956,340	4,739	6,495	1.40	90.99
	2009	351,780	66,709,757	37,009,447	8,398,968	5,386	6,871	1.53	105.21
	2010	360,638	66,548,877	35,249,536	5,021,190	5,694	6,191	1.58	97.74
	Total	1,050,679	196,517,567	103,036,857	20,376,498	15,819	6,513	1.51	98.07
32 Guilford, Buncombe, etc.	2008	706,157	105,146,572	55,790,830	12,208,934	8,826	6,321	1.25	79.01
	2009	706,358	107,616,571	57,062,969	13,553,439	9,440	6,045	1.34	80.78
	2010	701,960	108,249,852	54,818,869	9,745,041	9,005	6,088	1.28	78.09
	Total	2,114,475	321,012,995	167,672,668	35,507,414	27,271	6,148	1.29	79.30
33 Eastern Territories	2008	793,285	141,520,681	73,049,532	16,648,753	9,989	7,313	1.26	92.08
	2009	793,217	141,789,274	80,697,884	17,091,442	10,567	7,637	1.33	101.73
	2010	789,826	137,983,074	70,233,722	11,133,612	10,293	6,823	1.30	88.92
	Total	2,376,328	421,293,029	223,981,138	44,873,807	30,849	7,261	1.30	94.26
40 Fayetteville	2008	195,529	42,374,284	24,058,122	3,740,670	4,070	5,911	2.08	123.04
	2009	195,245	43,070,519	24,934,709	3,445,586	4,232	5,892	2.17	127.71
	2010	197,695	44,862,755	24,991,019	2,644,764	4,380	5,706	2.22	126.41
	Total	588,469	130,307,558	73,983,850	9,831,020	12,682	5,834	2.16	125.72
41 Onslow County	2008	117,134	21,540,194	12,362,870	2,046,876	1,587	7,790	1.35	105.54
	2009	121,566	21,981,203	14,097,982	1,602,370	1,809	7,793	1.49	115.97
	2010	125,590	23,056,279	12,874,950	2,340,238	1,966	6,549	1.57	102.52
	Total	364,290	66,577,676	39,335,802	5,989,484	5,362	7,336	1.47	107.98

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
BODILY INJURY

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	Incurred Losses (5)		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
43 Craven County	2008	76,574	13,983,648	7,426,583	1,726,859	982	7,563	1.28	96.99
	2009	76,849	13,876,321	7,333,987	1,517,781	972	7,545	1.26	95.43
	2010	77,393	13,500,126	6,466,515	1,089,183	1,053	6,141	1.36	83.55
	Total	230,816	41,360,095	21,227,085	4,333,823	3,007	7,059	1.30	91.97
47 Wayne County	2008	87,481	15,383,404	8,515,467	1,376,211	1,240	6,867	1.42	97.34
	2009	87,599	16,072,336	9,492,559	1,274,861	1,398	6,790	1.60	108.36
	2010	87,439	16,757,726	9,129,170	1,775,187	1,347	6,777	1.54	104.41
	Total	262,519	48,213,466	27,137,196	4,426,259	3,985	6,810	1.52	103.37
51 Mecklenburg County Remainder	2008	73,977	11,777,477	5,783,725	1,089,003	999	5,790	1.35	78.18
	2009	73,609	11,848,064	6,397,629	1,977,334	993	6,443	1.35	86.91
	2010	72,006	12,199,282	5,985,630	2,246,724	925	6,471	1.28	83.13
	Total	219,592	35,824,823	18,166,984	5,313,061	2,917	6,228	1.33	82.73
52 Charlotte	2008	489,011	104,083,827	58,511,675	10,447,743	9,576	6,110	1.96	119.65
	2009	488,008	108,084,685	63,116,220	10,537,695	10,452	6,039	2.14	129.33
	2010	487,281	108,871,385	63,861,710	7,959,698	10,866	5,877	2.23	131.06
	Total	1,464,300	321,039,897	185,489,605	28,945,136	30,894	6,004	2.11	126.67
Statewide Totals	2008	6,853,255	1,176,660,833	624,932,129	133,593,444	93,885	6,656	1.37	91.19
	2009	6,866,594	1,199,850,684	657,133,177	135,594,989	99,123	6,629	1.44	95.70
	2010	6,876,414	1,201,746,587	628,125,734	107,203,586	100,039	6,279	1.45	91.34
	Total	20,596,263	3,578,258,104	1,910,191,040	376,392,019	293,047	6,518	1.42	92.74

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits for Bodily Injury.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	<u>Incurred Losses (5)</u>		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
11 Asheville	2008	110,640	14,528,628	9,903,008	45,865	4,237	2,337	3.83	89.51
	2009	102,904	14,014,350	9,018,562	16,878	3,995	2,257	3.88	87.64
	2010	101,682	13,680,728	9,039,008	47,668	4,088	2,211	4.02	88.89
	Total	315,226	42,223,706	27,960,578	110,411	12,320	2,270	3.91	88.70
13 Durham	2008	146,473	23,880,584	16,582,478	91,674	6,438	2,576	4.40	113.21
	2009	148,574	24,763,620	15,745,208	32,520	6,472	2,433	4.36	105.98
	2010	151,131	24,001,996	15,374,928	70,691	6,341	2,425	4.20	101.73
	Total	446,178	72,646,200	47,702,614	194,885	19,251	2,478	4.31	106.91
14 Greensboro-Hamilton Lakes	2008	156,468	24,272,974	16,103,729	60,425	6,782	2,374	4.33	102.92
	2009	152,077	23,775,949	15,955,877	123,696	6,838	2,333	4.50	104.92
	2010	152,583	23,357,916	15,600,478	80,744	6,871	2,270	4.50	102.24
	Total	461,128	71,406,839	47,660,084	264,865	20,491	2,326	4.44	103.36
15 High Point	2008	50,409	7,470,381	4,991,847	587	2,119	2,356	4.20	99.03
	2009	50,421	7,520,144	4,758,436	22,852	2,166	2,197	4.30	94.37
	2010	52,363	7,506,127	5,137,876	49,230	2,400	2,141	4.58	98.12
	Total	153,193	22,496,652	14,888,159	72,669	6,685	2,227	4.36	97.19
16 Raleigh	2008	424,546	66,590,977	46,725,992	537,603	17,317	2,698	4.08	110.06
	2009	415,977	66,507,299	44,046,349	335,913	16,843	2,615	4.05	105.89
	2010	419,407	66,054,895	43,588,483	351,746	17,491	2,492	4.17	103.93
	Total	1,259,930	199,153,171	134,360,824	1,225,262	51,651	2,601	4.10	106.64

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	<u>Inurred Losses (5)</u>		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
17 Wilmington	2008	151,668	23,846,624	16,092,187	107,750	5,769	2,789	3.80	106.10
	2009	149,244	24,113,736	15,185,748	108,078	5,849	2,596	3.92	101.75
	2010	149,448	23,569,354	14,979,651	30,143	6,039	2,480	4.04	100.23
	Total	450,360	71,529,714	46,257,586	245,971	17,657	2,620	3.92	102.71
18 Winston-Salem	2008	162,582	21,938,882	15,057,101	34,580	6,417	2,346	3.95	92.61
	2009	157,637	21,960,730	14,606,435	14,280	6,559	2,227	4.16	92.66
	2010	158,607	21,908,415	14,807,092	87,825	6,745	2,195	4.25	93.36
	Total	478,826	65,808,027	44,470,628	136,685	19,721	2,255	4.12	92.87
24 Western Territories	2008	2,143,257	242,834,813	162,715,777	1,428,775	66,450	2,449	3.10	75.92
	2009	2,155,937	249,002,528	160,211,574	1,468,684	67,408	2,377	3.13	74.31
	2010	2,146,049	244,732,642	160,173,313	1,377,580	68,263	2,346	3.18	74.64
	Total	6,445,243	736,569,983	483,100,664	4,275,039	202,121	2,390	3.14	74.95
25 Gaston County	2008	144,293	20,423,924	13,513,458	107,006	5,655	2,390	3.92	93.65
	2009	144,367	21,132,110	13,733,600	105,724	5,798	2,369	4.02	95.13
	2010	145,184	20,927,726	14,063,116	79,617	6,007	2,341	4.14	96.86
	Total	433,844	62,483,760	41,310,174	292,347	17,460	2,366	4.02	95.22
26 Southern Territories	2008	485,510	59,757,414	40,619,147	335,182	15,168	2,678	3.12	83.66
	2009	495,225	63,168,278	40,080,022	250,379	15,862	2,527	3.20	80.93
	2010	500,132	62,796,158	41,868,232	323,089	16,564	2,528	3.31	83.71
	Total	1,480,867	185,721,850	122,567,401	908,650	47,594	2,575	3.21	82.77

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Inurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	<u>Incurred Losses (5)</u>		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
31 Wilson, Rocky Mount, etc.	2008	338,261	45,574,340	31,546,398	189,822	12,266	2,572	3.63	93.26
	2009	351,780	49,107,624	33,197,138	269,449	13,321	2,492	3.79	94.37
	2010	360,638	49,856,400	34,005,201	300,246	13,856	2,454	3.84	94.29
	Total	1,050,679	144,538,364	98,748,737	759,517	39,443	2,504	3.75	93.99
32 Guilford, Buncombe, etc.	2008	706,157	86,969,960	58,661,741	437,989	24,073	2,437	3.41	83.07
	2009	706,358	89,569,069	58,062,015	356,521	24,761	2,345	3.51	82.20
	2010	701,960	87,995,638	56,958,582	387,432	24,645	2,311	3.51	81.14
	Total	2,114,475	264,534,667	173,682,338	1,181,942	73,479	2,364	3.48	82.14
33 Eastern Territories	2008	793,285	89,771,639	57,322,938	501,838	22,390	2,560	2.82	72.26
	2009	793,217	92,971,262	57,555,342	805,403	23,099	2,492	2.91	72.56
	2010	789,826	89,865,268	55,951,541	357,979	23,551	2,376	2.98	70.84
	Total	2,376,328	272,608,169	170,829,821	1,665,220	69,040	2,474	2.91	71.89
40 Fayetteville	2008	195,529	31,262,620	24,300,053	58,465	9,340	2,602	4.78	124.28
	2009	195,245	32,356,953	24,921,618	165,501	9,765	2,552	5.00	127.64
	2010	197,695	33,111,424	25,611,102	180,061	10,176	2,517	5.15	129.55
	Total	588,469	96,730,997	74,832,773	404,027	29,281	2,556	4.98	127.17
41 Onslow County	2008	117,134	17,598,282	13,424,613	98,337	4,780	2,808	4.08	114.61
	2009	121,566	19,342,268	14,581,222	74,951	5,489	2,656	4.52	119.94
	2010	125,590	20,527,214	15,170,956	166,994	5,929	2,559	4.72	120.80
	Total	364,290	57,467,764	43,176,791	340,282	16,198	2,666	4.45	118.52

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
PROPERTY DAMAGE

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	Incurred Losses (5)		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
43 Craven County	2008	76,574	9,456,428	6,672,270	21,764	2,576	2,590	3.36	87.13
	2009	76,849	9,755,912	6,213,663	42,421	2,610	2,381	3.40	80.86
	2010	77,393	9,764,434	6,811,778	90,834	2,801	2,432	3.62	88.02
	Total	230,816	28,976,774	19,697,711	155,019	7,987	2,466	3.46	85.34
47 Wayne County	2008	87,481	10,500,356	6,552,650	44,914	2,699	2,428	3.09	74.90
	2009	87,599	10,849,269	7,203,196	-134,331	3,007	2,395	3.43	82.23
	2010	87,439	10,884,613	7,388,207	113,569	3,087	2,393	3.53	84.50
	Total	262,519	32,234,238	21,144,053	24,152	8,793	2,405	3.35	80.54
51 Mecklenburg County Remainder	2008	73,977	10,567,956	7,791,046	61,900	2,986	2,609	4.04	105.32
	2009	73,609	10,636,184	7,281,831	110,349	2,837	2,567	3.85	98.93
	2010	72,006	10,518,399	7,013,397	62,633	2,901	2,418	4.03	97.40
	Total	219,592	31,722,539	22,086,274	234,882	8,724	2,532	3.97	100.58
52 Charlotte	2008	489,011	81,909,231	57,502,752	635,956	22,317	2,577	4.56	117.59
	2009	488,008	84,873,143	56,314,928	460,254	23,025	2,446	4.72	115.40
	2010	487,281	83,180,420	56,377,513	490,913	23,798	2,369	4.88	115.70
	Total	1,464,300	249,962,794	170,195,193	1,587,123	69,140	2,462	4.72	116.23
Statewide Totals	2008	6,853,255	889,156,013	606,079,185	4,800,432	239,779	2,528	3.50	88.44
	2009	6,866,594	915,420,428	598,672,764	4,629,522	245,704	2,437	3.58	87.19
	2010	6,876,414	904,239,767	599,920,454	4,648,994	251,553	2,385	3.66	87.24
	Total	20,596,263	2,708,816,208	1,804,672,403	14,078,948	737,036	2,449	3.58	87.62

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
MEDICAL PAYMENTS

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	<u>Incurring Losses (5)</u>		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
11 Asheville	2008	71,200	1,689,543	577,146	384,069	563	1,025	0.79	8.11
	2009	66,452	1,568,774	565,871	440,520	501	1,129	0.75	8.52
	2010	64,797	1,486,207	582,108	367,474	542	1,074	0.84	8.98
	Total	202,449	4,744,524	1,725,125	1,192,063	1,606	1,074	0.79	8.52
13 Durham	2008	98,131	3,193,457	1,245,900	868,086	1,406	886	1.43	12.70
	2009	99,207	3,063,756	1,350,906	923,695	1,599	845	1.61	13.62
	2010	100,182	3,031,080	1,173,876	824,813	1,504	781	1.50	11.72
	Total	297,520	9,288,293	3,770,682	2,616,594	4,509	836	1.52	12.67
14 Greensboro-Hamilton Lakes	2008	105,842	3,300,988	1,381,603	829,435	1,347	1,026	1.27	13.05
	2009	103,312	3,152,577	1,753,722	814,628	1,536	1,142	1.49	16.98
	2010	102,291	3,096,518	1,391,819	752,030	1,325	1,050	1.30	13.61
	Total	311,445	9,550,083	4,527,144	2,396,093	4,208	1,076	1.35	14.54
15 High Point	2008	35,433	1,142,515	531,532	282,848	527	1,009	1.49	15.00
	2009	35,769	1,137,336	640,533	339,925	643	996	1.80	17.91
	2010	36,672	1,145,393	702,567	282,971	622	1,130	1.70	19.16
	Total	107,874	3,425,244	1,874,632	905,744	1,792	1,046	1.66	17.38
16 Raleigh	2008	312,671	9,519,054	4,007,343	2,389,880	3,481	1,151	1.11	12.82
	2009	302,984	9,086,936	4,223,948	2,467,063	3,606	1,171	1.19	13.94
	2010	301,492	9,350,567	3,844,619	2,188,450	3,417	1,125	1.13	12.75
	Total	917,147	27,956,557	12,075,910	7,045,393	10,504	1,150	1.15	13.17

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
MEDICAL PAYMENTS

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	Incurred Losses (5)		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
17 Wilmington	2008	103,093	3,572,614	1,425,944	964,553	1,407	1,013	1.36	13.83
	2009	100,100	3,382,912	1,478,119	857,290	1,300	1,137	1.30	14.77
	2010	98,973	3,323,067	1,426,709	765,971	1,318	1,082	1.33	14.42
	Total	302,166	10,278,593	4,330,772	2,587,814	4,025	1,076	1.33	14.33
18 Winston-Salem	2008	109,792	2,779,899	1,197,732	619,118	1,246	961	1.13	10.91
	2009	106,323	2,750,585	1,343,356	568,946	1,305	1,029	1.23	12.63
	2010	105,972	2,782,342	1,297,302	588,349	1,185	1,095	1.12	12.24
	Total	322,087	8,312,826	3,838,390	1,776,413	3,736	1,027	1.16	11.92
24 Western Territories	2008	1,618,748	36,377,703	16,015,428	7,203,003	15,205	1,053	0.94	9.89
	2009	1,621,052	35,974,140	16,925,545	7,922,656	15,949	1,061	0.98	10.44
	2010	1,599,099	35,667,528	16,242,755	7,352,330	15,173	1,071	0.95	10.16
	Total	4,838,899	108,019,371	49,183,728	22,477,989	46,327	1,062	0.96	10.16
25 Gaston County	2008	97,100	2,621,504	1,180,765	626,176	1,245	948	1.28	12.16
	2009	95,983	2,729,250	1,223,318	574,153	1,226	998	1.28	12.75
	2010	94,763	2,800,562	1,141,584	640,482	1,209	944	1.28	12.05
	Total	287,846	8,151,316	3,545,667	1,840,811	3,680	963	1.28	12.32
26 Southern Territories	2008	368,508	12,579,359	5,885,481	2,198,527	5,420	1,086	1.47	15.97
	2009	370,630	12,413,087	5,954,441	2,437,522	6,117	973	1.65	16.07
	2010	368,992	12,395,223	5,883,100	2,533,862	5,983	983	1.62	15.94
	Total	1,108,130	37,387,669	17,723,022	7,169,911	17,520	1,012	1.58	15.99

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
MEDICAL PAYMENTS

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	Incurred Losses (5)		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
31 Wilson, Rocky Mount, etc.	2008	256,888	7,880,280	3,660,446	1,387,657	3,146	1,164	1.22	14.25
	2009	264,927	7,955,441	4,313,489	1,906,472	3,708	1,163	1.40	16.28
	2010	267,479	7,814,758	4,329,430	1,685,033	3,721	1,164	1.39	16.19
	Total	789,294	23,650,479	12,303,365	4,979,162	10,575	1,163	1.34	15.59
32 Guilford, Buncombe, etc.	2008	520,995	12,267,587	5,974,503	2,451,704	5,136	1,163	0.99	11.47
	2009	517,685	12,071,124	5,980,367	2,751,839	5,436	1,100	1.05	11.55
	2010	510,051	12,351,097	5,766,813	2,455,071	5,003	1,153	0.98	11.31
	Total	1,548,731	36,689,808	17,721,683	7,658,614	15,575	1,138	1.01	11.44
33 Eastern Territories	2008	663,489	19,251,710	8,723,713	3,522,313	8,477	1,029	1.28	13.15
	2009	657,229	18,504,963	9,373,443	3,740,318	9,087	1,032	1.38	14.26
	2010	646,523	17,789,641	9,315,843	3,411,940	8,662	1,075	1.34	14.41
	Total	1,967,241	55,546,314	27,412,999	10,674,571	26,226	1,045	1.33	13.93
40 Fayetteville	2008	108,685	4,229,689	1,656,450	1,347,537	1,716	965	1.58	15.24
	2009	107,799	4,145,398	1,813,396	1,287,640	1,893	958	1.76	16.82
	2010	107,774	4,217,658	1,702,480	1,305,423	1,938	878	1.80	15.80
	Total	324,258	12,592,745	5,172,326	3,940,600	5,547	932	1.71	15.95
41 Onslow County	2008	65,771	2,194,285	923,642	472,624	767	1,204	1.17	14.04
	2009	66,382	2,097,096	957,974	483,594	757	1,265	1.14	14.43
	2010	66,622	2,102,198	940,233	596,328	756	1,244	1.13	14.11
	Total	198,775	6,393,579	2,821,849	1,552,546	2,280	1,238	1.15	14.20

Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Incurred losses include allocated loss adjustment expenses.

NORTH CAROLINA
AUTOMOBILE LIABILITY EXPERIENCE (1)
PRIVATE PASSENGER - VOLUNTARY AND CEDED RISKS
MEDICAL PAYMENTS

Territory	Accident Year	Earned Car Years	Collected Earned Premium (2)	<u>Inurred Losses (5)</u>		Claims	Average Claim Cost (4)	Claim Freq. (3)	Pure Prem. (4)
				Basic Limits	Excess Limits				
43 Craven County	2008	58,300	1,731,967	694,836	373,335	723	961	1.24	11.92
	2009	57,451	1,672,692	819,344	324,464	739	1,109	1.29	14.26
	2010	56,755	1,602,334	769,750	335,007	725	1,062	1.28	13.56
	Total	172,506	5,006,993	2,283,930	1,032,806	2,187	1,044	1.27	13.24
47 Wayne County	2008	68,670	1,912,525	902,974	359,453	883	1,023	1.29	13.15
	2009	68,277	1,966,734	1,032,364	361,020	1,030	1,002	1.51	15.12
	2010	67,275	2,061,664	1,022,655	344,771	983	1,040	1.46	15.20
	Total	204,222	5,940,923	2,957,993	1,065,244	2,896	1,021	1.42	14.48
51 Mecklenburg County Remainder	2008	55,810	1,420,630	636,049	363,037	595	1,069	1.07	11.40
	2009	55,399	1,401,114	677,316	313,565	586	1,156	1.06	12.23
	2010	53,191	1,451,978	667,306	270,146	446	1,496	0.84	12.55
	Total	164,400	4,273,722	1,980,671	946,748	1,627	1,217	0.99	12.05
52 Charlotte	2008	320,915	10,913,381	5,866,369	3,171,630	5,571	1,053	1.74	18.28
	2009	316,875	10,889,946	5,745,494	3,324,570	5,705	1,007	1.80	18.13
	2010	312,434	10,999,776	6,193,363	3,461,673	5,808	1,066	1.86	19.82
	Total	950,224	32,803,103	17,805,226	9,957,873	17,084	1,042	1.80	18.74
Statewide Totals	2008	5,040,041	138,578,690	62,487,856	29,814,985	58,861	1,062	1.17	12.40
	2009	5,013,836	135,963,861	66,172,946	31,839,880	62,723	1,055	1.25	13.20
	2010	4,961,337	135,469,591	64,394,312	30,162,124	60,320	1,068	1.22	12.98
	Total	15,015,214	410,012,142	193,055,114	91,816,989	181,904	1,061	1.21	12.86

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Notes:

- (1) Not under fleet plan.
- (2) Premiums include charges for excess limits.
- (3) Claim frequency is per 100 cars.
- (4) Basic limits.
- (5) Inurred losses include allocated loss adjustment expenses.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

2. CREDIBILITY FACTOR DEVELOPMENT AND APPLICATION

See attached exhibits, Section D and prefiled testimony of P. Woods.

Credibility Factor Determination

Credibility considerations enter into the private passenger ratemaking formula in three areas:

- 1) statewide rate level in the determination of accident year weights.
- 2) territory rate level in the determination of the individual territory's formula loss ratio.
- 3) trend factor determination in the determination to base the average annual change on North Carolina data or a combination of North Carolina and countrywide data.

The first two areas full credibility standard is based on an application of the credibility formula contained in the paper "On The Credibility of The Pure Premium" by Mayerson, Jones and Bowers (PCAS LV, 1968). The full credibility standards contemplate P and K values of 95% and 5% for statewide and 90% and 5% for territory.

The trend credibility procedure is based on the first model discussed in "An Introduction to Credibility Theory" by L. H. Longley-Cook. The full credibility standard is based on P and K values of 99% and 2 1/2%.

For Motorcycles, each year of the experience period is given weight proportional to its earned premium at present manual rates in the calculation of an indicated change.

CREDIBILITY TABLES BASED
UPON NUMBER OF CLAIMS

The projected loss ratios are weighted in accordance with the following:

Average Number of Claim for the Latest Two Years (A)	Weight to Earlier Year	Weight to Later Year
4000 and over	0%	100%
3600 - 3999	10	90
3200 - 3599	20	80
2800 - 3199	30	70
2400 - 2799	40	60
under 2400	50	50

(A) Applied separately by coverage.

<u>Credibility</u>	Determination of Territory Credibility (B)	<u>Credibility</u>	Determination of Trend Factor Credibility (C)
0	0 - 29	0	0 - 26
.10	30 - 119	.05	27 - 105
.20	120 - 269	.10	106 - 238
.30	270 - 479	.15	239 - 424
.40	480 - 749	.20	425 - 663
.50	750 - 1,079	.25	664 - 955
.60	1,080 - 1,469	.30	956 - 1,300
.70	1,470 - 1,919	.35	1,301 - 1,699
.80	1,920 - 2,429	.40	1,700 - 2,150
.90	2,430 - 2,999	.45	2,151 - 2,655
1.00	3,000 or more	.50	2,656 - 3,212
		.55	3,213 - 3,823
		.60	3,824 - 4,487
		.65	4,488 - 5,204
		.70	5,205 - 5,974
		.75	5,975 - 6,798
		.80	6,799 - 7,674
		.85	7,675 - 8,604
		.90	8,605 - 9,586
		.95	9,587 - 10,622
		1.00	10,623 or more

(B) Territory credibility is based on the number of claims underlying the three year pure premium.

(C) Trend factor credibility is based on the number of claims underlying the latest year's experience appearing in the trend exhibits.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

3. LOSS DEVELOPMENT FACTOR DERIVATION AND APPLICATION ON BOTH PAID AND
INCURRED BASES AND IN BOTH NUMBERS AND DOLLARS OF CLAIMS

3(a) Loss development factor derivation is contained on the following pages
F-37-96. In selecting the loss development factor, three and five year
straight averages were considered, with the three year factor being
selected as the best blend of responsiveness and stability for Bodily
Injury, Property Damage and Medical Payments.

Development for all coverages is to 63 months.

Additional information regarding loss development is contained in the
prefiled testimony of P. Woods.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

EARNED EXPOSURES BY COVERAGE

VOLUNTARY AND CEDED COMBINED

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>MEDICAL PAYMENTS</u>
2006	6,579,464	6,579,464	4,853,592
2007	6,737,095	6,737,095	4,964,366
2008	6,855,143	6,855,143	5,041,344
2009	6,868,274	6,868,274	5,014,984
2010	6,877,832	6,877,832	4,962,274

ESTIMATED EARNED PREMIUM BY COVERAGE

VOLUNTARY AND CEDED COMBINED

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>MEDICAL PAYMENTS</u>
2006	1,071,882,883	1,016,541,311	129,848,717
2007	1,186,789,329	1,018,978,505	153,686,337
2008	1,182,852,174	1,038,633,656	157,627,285
2009	1,220,015,199	1,128,314,386	159,118,876
2010	1,212,100,958	1,090,525,037	159,718,113

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Bodily Injury Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					598,211,754
1998				560,022,842	584,627,204
1999			526,829,968	580,273,861	606,476,653
2000		437,442,957	529,910,268	585,820,489	610,400,096
2001	229,462,179	436,717,674	533,389,591	592,028,458	616,280,688
2002	246,948,525	462,762,209	567,363,065	626,151,877	648,832,874
2003	254,756,938	492,397,536	598,800,404	663,593,397	691,247,308
2004	266,628,448	503,870,232	634,817,214	700,832,703	722,450,796
2005	282,695,085	517,876,348	631,268,659	693,635,041	715,195,536
2006	292,730,189	549,372,172	664,463,481	722,106,543	746,134,773
2007	310,358,909	572,858,202	682,539,782	738,717,734	
2008	316,619,624	560,563,741	668,127,571		
2009	344,782,700	608,801,143			
2010	344,997,222				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.044
1999			1.101	1.045
2000		1.211	1.106	1.042
2001	1.903	1.221	1.110	1.041
2002	1.874	1.226	1.104	1.036
2003	1.933	1.216	1.108	1.042
2004	1.890	1.260	1.104	1.031
2005	1.832	1.219	1.099	1.031
2006	1.877	1.209	1.087	1.033
2007	1.846	1.191	1.082	
2008	1.770	1.192		
2009	1.766			
Five Year Average	1.818	1.214	1.096	1.035
Three Year Average	1.794	1.197	1.089	1.032
		Five Year	Three Year	
39 to 63 months:		1.134	1.124	
27 to 63 months:		1.377	1.345	
15 to 63 months:		2.503	2.413	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Property Damage Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					449,941,321
1998				463,004,806	463,273,676
1999			495,153,281	496,272,202	496,169,911
2000		518,966,482	518,878,432	519,743,391	519,978,486
2001	493,946,588	513,666,485	516,084,363	517,052,035	517,362,688
2002	509,903,937	529,448,599	532,558,761	534,150,312	534,267,857
2003	528,534,090	549,681,580	552,343,563	552,381,115	552,911,800
2004	532,021,733	553,414,856	563,658,846	564,897,537	565,065,245
2005	552,358,659	574,591,781	577,166,676	577,981,874	578,315,991
2006	575,788,091	598,276,576	600,968,249	601,806,030	601,921,399
2007	583,571,532	605,090,612	607,429,149	608,206,595	
2008	578,646,540	605,157,215	607,278,198		
2009	590,966,841	612,080,686			
2010	605,469,959				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.002	1.000
2000		1.000	1.002	1.000
2001	1.040	1.005	1.002	1.001
2002	1.038	1.006	1.003	1.000
2003	1.040	1.005	1.000	1.001
2004	1.040	1.019	1.002	1.000
2005	1.040	1.004	1.001	1.001
2006	1.039	1.004	1.001	1.000
2007	1.037	1.004	1.001	
2008	1.046	1.004		
2009	1.036			
Five Year Average	1.040	1.007	1.001	1.000
Three Year Average	1.040	1.004	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.001	1.001	
27 to 63 months:		1.008	1.005	
15 to 63 months:		1.048	1.045	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Medical Payments Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					81,744,979
1998				77,650,349	77,955,069
1999			78,196,726	79,445,330	79,605,727
2000		76,775,187	79,442,173	80,684,010	80,857,818
2001	66,363,192	79,778,901	82,743,631	83,774,120	84,093,567
2002	72,832,848	86,945,509	90,039,406	91,146,242	91,367,436
2003	73,605,060	89,033,077	91,288,309	92,448,238	92,668,042
2004	73,160,155	87,355,286	90,425,663	91,615,895	91,944,486
2005	74,020,498	87,050,643	89,447,584	90,202,275	90,360,865
2006	76,749,927	90,820,686	92,834,993	93,690,726	93,918,534
2007	77,414,474	90,396,231	92,398,016	93,362,332	
2008	77,347,365	90,020,075	91,971,670		
2009	83,870,278	97,233,618			
2010	81,560,495				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.004
1999			1.016	1.002
2000		1.035	1.016	1.002
2001	1.202	1.037	1.012	1.004
2002	1.194	1.036	1.012	1.002
2003	1.210	1.025	1.013	1.002
2004	1.194	1.035	1.013	1.004
2005	1.176	1.028	1.008	1.002
2006	1.183	1.022	1.009	1.002
2007	1.168	1.022	1.010	
2008	1.164	1.022		
2009	1.159			
Five Year Average	1.170	1.026	1.011	1.002
Three Year Average	1.164	1.022	1.009	1.003
		Five Year	Three Year	
39 to 63 months:		1.013	1.012	
27 to 63 months:		1.039	1.034	
15 to 63 months:		1.216	1.204	

Losses exclude unallocated loss adjustment expense.

The Reinsurance Facility is advised by ISO that the data described in Subparagraph (3)(c) are not available.

See attached Exhibit (3)(d).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page F-37.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Bodily Injury Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					609,373,618
1998				594,262,071	595,538,970
1999			607,315,095	616,343,115	618,962,876
2000		584,171,819	607,343,649	619,331,394	621,691,752
2001	540,606,810	590,573,084	615,270,128	627,427,574	627,806,583
2002	568,917,216	626,297,432	650,597,403	662,372,926	660,826,093
2003	590,218,744	662,896,265	695,233,004	702,075,913	703,757,654
2004	629,424,611	687,246,213	726,032,756	732,986,233	733,021,137
2005	622,795,154	693,338,754	719,404,608	726,341,510	724,279,324
2006	655,183,999	729,866,505	755,059,193	759,412,892	757,537,429
2007	672,298,246	754,301,249	769,117,018	771,660,808	
2008	679,520,052	736,955,645	752,606,768		
2009	743,063,871	805,971,456			
2010	749,121,544				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.002
1999			1.015	1.004
2000		1.040	1.020	1.004
2001	1.092	1.042	1.020	1.001
2002	1.101	1.039	1.018	0.998
2003	1.123	1.049	1.010	1.002
2004	1.092	1.056	1.010	1.000
2005	1.113	1.038	1.010	0.997
2006	1.114	1.035	1.006	0.998
2007	1.122	1.020	1.003	
2008	1.085	1.021		
2009	1.085			
Five Year Average	1.104	1.034	1.008	0.999
Three Year Average	1.097	1.025	1.006	0.998
		Five Year	Three Year	
39 to 63 months:		1.007	1.004	
27 to 63 months:		1.041	1.029	
15 to 63 months:		1.149	1.129	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Property Damage Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					450,139,184
1998				463,408,859	463,353,715
1999			496,620,194	496,760,747	496,603,613
2000		522,380,676	520,124,759	520,292,907	520,234,996
2001	509,607,662	516,507,961	517,508,923	517,801,842	517,592,358
2002	523,908,951	532,151,212	533,775,479	534,777,466	534,427,287
2003	542,796,004	551,748,287	553,314,103	552,864,078	553,073,231
2004	545,709,696	555,915,798	564,500,217	565,402,098	565,293,901
2005	564,664,269	576,768,472	578,211,594	578,476,414	578,537,116
2006	589,948,039	600,531,291	601,871,788	602,497,738	602,092,739
2007	595,457,699	607,098,069	608,515,719	608,672,244	
2008	592,717,548	607,585,089	608,059,698		
2009	604,856,887	614,178,970			
2010	618,016,628				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.000	1.000
2000		0.996	1.000	1.000
2001	1.014	1.002	1.001	1.000
2002	1.016	1.003	1.002	0.999
2003	1.016	1.003	0.999	1.000
2004	1.019	1.015	1.002	1.000
2005	1.021	1.003	1.000	1.000
2006	1.018	1.002	1.001	0.999
2007	1.020	1.002	1.000	
2008	1.025	1.001		
2009	1.015			
Five Year Average	1.020	1.005	1.000	1.000
Three Year Average	1.020	1.002	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		1.000	1.000	
27 to 63 months:		1.005	1.002	
15 to 63 months:		1.025	1.022	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Medical Payments Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					81,862,986
1998				77,964,001	78,054,472
1999			79,055,962	79,796,175	80,738,717
2000		78,803,485	80,270,062	80,892,530	80,916,479
2001	77,445,610	82,072,374	83,604,663	84,189,088	84,208,944
2002	84,407,330	89,375,713	90,811,468	91,440,492	91,468,157
2003	85,399,350	91,379,102	91,931,978	92,675,518	92,750,269
2004	85,271,787	89,295,154	91,165,945	92,022,820	92,163,988
2005	84,730,224	89,100,195	90,335,758	90,619,975	90,645,560
2006	91,005,311	92,605,615	93,479,636	94,013,888	94,087,739
2007	91,227,312	92,076,899	93,238,755	93,617,508	
2008	89,217,082	91,595,353	92,528,555		
2009	97,861,611	99,396,195			
2010	95,856,365				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.009	1.012
2000		1.019	1.008	1.000
2001	1.060	1.019	1.007	1.000
2002	1.059	1.016	1.007	1.000
2003	1.070	1.006	1.008	1.001
2004	1.047	1.021	1.009	1.002
2005	1.052	1.014	1.003	1.000
2006	1.018	1.009	1.006	1.001
2007	1.009	1.013	1.004	
2008	1.027	1.010		
2009	1.016			
Five Year Average	1.024	1.013	1.006	1.001
Three Year Average	1.017	1.011	1.004	1.001
		Five Year	Three Year	
39 to 63 months:		1.007	1.005	
27 to 63 months:		1.020	1.016	
15 to 63 months:		1.044	1.033	

Losses exclude unallocated loss adjustment expense.

See attached Exhibit (3)(e).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page F-37.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Bodily Injury Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					515,054,841
1998				499,079,295	500,235,007
1999			506,104,335	511,660,823	514,137,414
2000		494,966,053	505,863,721	512,898,543	515,188,246
2001	468,576,304	486,718,769	497,255,745	504,797,761	506,516,812
2002	502,055,673	533,149,260	548,869,443	557,723,529	557,289,176
2003	515,817,257	559,094,357	578,617,400	585,187,725	587,822,056
2004	539,624,419	573,780,470	593,251,141	599,505,070	601,716,224
2005	534,184,208	576,962,347	593,487,306	599,911,132	601,141,186
2006	555,212,150	599,243,013	614,562,168	620,644,878	620,816,005
2007	566,258,904	615,386,763	626,175,066	629,464,168	
2008	572,281,295	606,038,122	616,157,149		
2009	636,778,268	666,202,319			
2010	639,377,892				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.002
1999			1.011	1.005
2000		1.022	1.014	1.004
2001	1.039	1.022	1.015	1.003
2002	1.062	1.029	1.016	0.999
2003	1.084	1.035	1.011	1.005
2004	1.063	1.034	1.011	1.004
2005	1.080	1.029	1.011	1.002
2006	1.079	1.026	1.010	1.000
2007	1.087	1.018	1.005	
2008	1.059	1.017		
2009	1.046			
Five Year Average	1.070	1.025	1.010	1.002
Three Year Average	1.064	1.020	1.009	1.002
		Five Year	Three Year	
39 to 63 months:		1.012	1.011	
27 to 63 months:		1.037	1.031	
15 to 63 months:		1.110	1.097	

(a) Losses are on a 30/60 level for 2002-2010.
Losses are on a 25/50 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Bodily Injury Excess Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					94,318,777
1998				95,182,776	95,303,963
1999			101,210,760	104,682,292	104,825,462
2000		89,205,766	101,479,928	106,432,851	106,503,506
2001	72,030,506	103,854,315	118,014,383	122,629,813	121,289,771
2002	66,861,543	93,148,172	101,727,960	104,649,397	103,536,917
2003	74,401,487	103,801,908	116,615,604	116,888,188	115,935,598
2004	89,800,192	113,465,743	132,781,615	133,481,163	131,304,913
2005	88,610,946	116,376,407	125,917,302	126,430,378	123,138,138
2006	99,971,849	130,623,492	140,497,025	138,768,014	136,721,424
2007	106,039,342	138,914,486	142,941,952	142,196,640	
2008	107,238,757	130,917,523	136,449,619		
2009	106,285,603	139,769,137			
2010	109,743,652				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.034	1.001
2000		1.138	1.049	1.001
2001	1.442	1.136	1.039	0.989
2002	1.393	1.092	1.029	0.989
2003	1.395	1.123	1.002	0.992
2004	1.264	1.170	1.005	0.984
2005	1.313	1.082	1.004	0.974
2006	1.307	1.076	0.988	0.985
2007	1.310	1.029	0.995	
2008	1.221	1.042		
2009	1.315			
Five Year Average	1.293	1.080	0.999	0.985
Three Year Average	1.282	1.049	0.996	0.981

	Five Year	Three Year
39 to 63 months:	0.984	0.977
27 to 63 months:	1.063	1.025
15 to 63 months:	1.374	1.314

(a) Losses are on a 30/60 level for 2002-2010.
Losses are on a 25/50 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Property Damage Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					441,578,911
1998				452,975,900	453,159,687
1999			485,252,017	485,572,450	485,440,645
2000		510,105,451	508,023,076	508,052,039	508,060,163
2001	494,139,577	501,761,686	502,671,629	503,203,863	502,958,797
2002	521,387,936	529,534,675	531,145,335	532,186,698	531,950,120
2003	537,475,817	547,204,102	549,683,599	549,242,647	549,478,260
2004	540,779,130	552,344,575	560,950,492	561,763,330	561,689,009
2005	560,372,482	572,679,307	574,152,924	574,496,556	574,527,902
2006	585,759,190	596,268,288	597,603,179	598,221,980	597,935,823
2007	591,554,570	602,565,320	603,840,287	604,144,875	
2008	587,942,423	602,297,429	603,066,452		
2009	600,163,831	609,446,256			
2010	613,312,535				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.001	1.000
2000		0.996	1.000	1.000
2001	1.015	1.002	1.001	1.000
2002	1.016	1.003	1.002	1.000
2003	1.018	1.005	0.999	1.000
2004	1.021	1.016	1.001	1.000
2005	1.022	1.003	1.001	1.000
2006	1.018	1.002	1.001	1.000
2007	1.019	1.002	1.001	
2008	1.024	1.001		
2009	1.015			
Five Year Average	1.020	1.005	1.001	1.000
Three Year Average	1.019	1.002	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.001	1.001	
27 to 63 months:		1.006	1.003	
15 to 63 months:		1.026	1.022	

(a) Losses are on a \$25,000 level for 2002-2010.
Losses are on a \$15,000 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Accident Year	Property Damage Excess Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					8,560,273
1998				10,432,959	10,194,028
1999			11,368,177	11,188,297	11,162,968
2000		12,275,225	12,101,683	12,240,868	12,174,833
2001	15,468,085	14,746,275	14,837,294	14,597,979	14,633,561
2002	2,521,015	2,616,537	2,630,144	2,590,768	2,477,167
2003	5,320,187	4,544,185	3,630,504	3,621,431	3,594,971
2004	4,930,566	3,571,223	3,549,725	3,638,768	3,604,892
2005	4,291,787	4,089,165	4,058,670	3,979,858	4,009,214
2006	4,188,849	4,263,003	4,268,609	4,275,758	4,156,916
2007	3,903,129	4,532,749	4,675,432	4,527,369	
2008	4,775,125	5,287,660	4,993,246		
2009	4,693,056	4,732,714			
2010	4,704,093				

Accident Year	Loss Development Factors			
	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				0.977
1999			0.984	0.998
2000		0.986	1.012	0.995
2001	0.953	1.006	0.984	1.002
2002	1.038	1.005	0.985	0.956
2003	0.854	0.799	0.998	0.993
2004	0.724	0.994	1.025	0.991
2005	0.953	0.993	0.981	1.007
2006	1.018	1.001	1.002	0.972
2007	1.161	1.031	0.968	
2008	1.107	0.944		
2009	1.008			

Five Year Average	1.049	0.993	0.995	0.984
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Three Year Average	1.092	0.992	0.984	0.990
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	Five Year	Three Year
39 to 63 months:	0.979	0.974
27 to 63 months:	0.972	0.966
15 to 63 months:	1.020	1.055

(a) Losses are on a \$25,000 level for 2002-2010.
Losses are on a \$15,000 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

See attached Exhibit (3)(f).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page F-37.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Paid Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					92,277
1998				88,361	89,314
1999			87,482	90,444	91,471
2000		80,064	85,793	88,725	89,700
2001	57,221	77,647	83,194	86,137	87,056
2002	60,245	81,132	87,177	90,102	90,461
2003	60,906	82,199	88,117	90,880	91,886
2004	61,763	83,136	89,871	92,647	93,393
2005	62,053	81,836	87,388	89,875	90,567
2006	61,834	81,594	86,792	89,097	89,851
2007	59,141	77,951	82,918	85,256	
2008	56,899	75,125	79,923		
2009	61,789	81,765			
2010	61,774				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.011
1999			1.034	1.011
2000		1.072	1.034	1.011
2001	1.357	1.071	1.035	1.011
2002	1.347	1.075	1.034	1.004
2003	1.350	1.072	1.031	1.011
2004	1.346	1.081	1.031	1.008
2005	1.319	1.068	1.028	1.008
2006	1.320	1.064	1.027	1.008
2007	1.318	1.064	1.028	
2008	1.320	1.064		
2009	1.323			
Five Year Average	1.320	1.068	1.029	1.008
Three Year Average	1.320	1.064	1.028	1.008
		Five Year	Three Year	
39 to 63 months:		1.037	1.036	
27 to 63 months:		1.108	1.102	
15 to 63 months:		1.463	1.455	

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Paid Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					215,548
1998				216,497	216,571
1999			222,961	223,195	223,252
2000		224,702	223,537	223,727	223,763
2001	216,633	221,788	222,482	222,688	222,760
2002	219,946	226,020	226,750	227,188	227,129
2003	230,206	236,407	237,156	236,794	236,914
2004	234,927	241,118	244,667	244,980	245,006
2005	238,818	244,659	245,104	245,255	245,289
2006	240,200	245,561	246,007	246,133	246,155
2007	239,591	244,473	244,862	244,979	
2008	232,134	239,207	239,632		
2009	244,020	249,235			
2010	253,763				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.001	1.000
2000		0.995	1.001	1.000
2001	1.024	1.003	1.001	1.000
2002	1.028	1.003	1.002	1.000
2003	1.027	1.003	0.998	1.001
2004	1.026	1.015	1.001	1.000
2005	1.024	1.002	1.001	1.000
2006	1.022	1.002	1.001	1.000
2007	1.020	1.002	1.000	
2008	1.030	1.002		
2009	1.021			
Five Year Average	1.023	1.005	1.000	1.000
Three Year Average	1.024	1.002	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.000	1.001	
27 to 63 months:		1.005	1.003	
15 to 63 months:		1.028	1.027	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Medical Payments Paid Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					66,404
1998				61,768	61,856
1999			60,641	61,102	61,206
2000		59,085	60,271	60,725	60,783
2001	50,543	57,939	59,077	59,466	59,548
2002	52,732	60,717	61,839	62,274	62,348
2003	51,306	58,999	60,127	60,471	60,547
2004	49,281	56,604	58,060	58,571	58,631
2005	49,575	56,506	57,399	57,707	57,748
2006	50,669	58,341	59,231	59,514	59,566
2007	47,936	55,129	55,952	56,280	
2008	45,892	52,574	53,414		
2009	49,816	57,221			
2010	48,398				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.008	1.002
2000		1.020	1.008	1.001
2001	1.146	1.020	1.007	1.001
2002	1.151	1.018	1.007	1.001
2003	1.150	1.019	1.006	1.001
2004	1.149	1.026	1.009	1.001
2005	1.140	1.016	1.005	1.001
2006	1.151	1.015	1.005	1.001
2007	1.150	1.015	1.006	
2008	1.146	1.016		
2009	1.149			
Five Year Average	1.147	1.018	1.006	1.001
Three Year Average	1.148	1.015	1.005	1.001
		Five Year	Three Year	
39 to 63 months:		1.007	1.006	
27 to 63 months:		1.025	1.021	
15 to 63 months:		1.176	1.172	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					93,082
1998				90,465	89,985
1999			93,145	92,547	92,151
2000		92,101	91,137	90,663	90,349
2001	92,965	89,243	88,410	88,149	87,694
2002	96,845	93,413	92,563	92,015	91,069
2003	98,407	94,411	93,472	92,709	92,449
2004	98,867	95,352	94,812	94,245	93,924
2005	96,834	93,155	92,093	91,301	90,958
2006	96,429	92,275	91,098	90,582	90,273
2007	92,115	88,209	87,104	86,501	
2008	88,995	84,974	83,845		
2009	96,514	92,087			
2010	96,388				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				0.995
1999			0.994	0.996
2000		0.990	0.995	0.997
2001	0.960	0.991	0.997	0.995
2002	0.965	0.991	0.994	0.990
2003	0.959	0.990	0.992	0.997
2004	0.964	0.994	0.994	0.997
2005	0.962	0.989	0.991	0.996
2006	0.957	0.987	0.994	0.997
2007	0.958	0.987	0.993	
2008	0.955	0.987		
2009	0.954			
Five Year Average	0.957	0.989	0.993	0.995
Three Year Average	0.956	0.987	0.993	0.997
		Five Year	Three Year	
39 to 63 months:		0.988	0.990	
27 to 63 months:		0.977	0.977	
15 to 63 months:		0.935	0.934	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					215,600
1998				216,617	216,601
1999			223,277	223,319	223,301
2000		225,602	223,938	223,917	223,876
2001	221,341	222,619	222,858	222,923	222,788
2002	225,129	226,768	227,050	227,280	227,151
2003	235,482	236,947	237,345	236,866	236,927
2004	239,528	241,668	244,848	245,055	245,032
2005	242,482	245,096	245,287	245,326	245,305
2006	243,912	245,958	246,139	246,193	246,171
2007	242,917	244,857	245,013	245,034	
2008	235,760	239,536	239,739		
2009	247,723	249,607			
2010	257,238				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.000	1.000
2000		0.993	1.000	1.000
2001	1.006	1.001	1.000	0.999
2002	1.007	1.001	1.001	0.999
2003	1.006	1.002	0.998	1.000
2004	1.009	1.013	1.001	1.000
2005	1.011	1.001	1.000	1.000
2006	1.008	1.001	1.000	1.000
2007	1.008	1.001	1.000	
2008	1.016	1.001		
2009	1.008			
Five Year Average	1.010	1.003	1.000	1.000
Three Year Average	1.011	1.001	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		1.000	1.000	
27 to 63 months:		1.003	1.001	
15 to 63 months:		1.013	1.012	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Medical Payments Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					66,475
1998				61,932	61,904
1999			61,170	61,296	61,270
2000		60,351	60,685	60,899	60,840
2001	58,107	59,050	59,472	59,598	59,579
2002	60,999	61,948	62,273	62,406	62,393
2003	59,036	60,027	60,458	60,586	60,594
2004	56,892	57,641	58,405	58,675	58,674
2005	56,522	57,491	57,770	57,839	57,803
2006	59,284	59,258	59,555	59,638	59,623
2007	55,922	56,051	56,356	56,414	
2008	52,900	53,510	53,748		
2009	58,260	58,357			
2010	56,829				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.002	1.000
2000		1.006	1.004	0.999
2001	1.016	1.007	1.002	1.000
2002	1.016	1.005	1.002	1.000
2003	1.017	1.007	1.002	1.000
2004	1.013	1.013	1.005	1.000
2005	1.017	1.005	1.001	0.999
2006	1.000	1.005	1.001	1.000
2007	1.002	1.005	1.001	
2008	1.012	1.004		
2009	1.002			
Five Year Average	1.007	1.006	1.002	1.000
Three Year Average	1.005	1.005	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.002	1.001	
27 to 63 months:		1.008	1.006	
15 to 63 months:		1.015	1.011	

See attached Exhibit (3)(g).

To the extent that such data are available, the corresponding earned premium and exposures are shown on page F-37.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Bodily Injury Outstanding Claims as of

Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			5,663
2000		12,037	5,344
2001	35,744	11,596	5,216
2002	36,600	12,281	5,386
2003	37,501	12,212	5,355
2004	37,104	12,216	4,941
2005	34,781	11,319	4,705
2006	34,595	10,681	4,306
2007	32,974	10,258	4,186
2008	32,096	9,849	3,922
2009	34,725	10,322	
2010	34,614		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.444
2001	0.324	0.450
2002	0.336	0.439
2003	0.326	0.439
2004	0.329	0.404
2005	0.325	0.416
2006	0.309	0.403
2007	0.311	0.408
2008	0.307	0.398
2009	0.297	
Five Year Average	0.310	0.406
Three Year Average	0.305	0.403
	Five Year	Three Year
27 to 39 months:	0.406	0.403
15 to 39 months:	0.126	0.123

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Property Damage Outstanding Claims as of

Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			316
2000		900	401
2001	4,708	831	376
2002	5,183	748	300
2003	5,276	540	189
2004	4,601	550	181
2005	3,664	437	183
2006	3,712	397	132
2007	3,326	384	151
2008	3,626	329	107
2009	3,703	372	
2010	3,475		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.446
2001	0.177	0.452
2002	0.144	0.401
2003	0.102	0.350
2004	0.120	0.329
2005	0.119	0.419
2006	0.107	0.332
2007	0.115	0.393
2008	0.091	0.325
2009	0.100	
Five Year Average	0.106	0.360
Three Year Average	0.102	0.350
	Five Year	Three Year
27 to 39 months:	0.360	0.350
15 to 39 months:	0.038	0.036

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

Medical Payments Outstanding Claims as of

Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			529
2000		1,266	414
2001	7,564	1,111	395
2002	8,267	1,231	434
2003	7,730	1,028	331
2004	7,611	1,037	345
2005	6,947	985	371
2006	8,615	917	324
2007	7,986	922	404
2008	7,008	936	334
2009	8,444	1,136	
2010	8,431		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.327
2001	0.147	0.356
2002	0.149	0.353
2003	0.133	0.322
2004	0.136	0.333
2005	0.142	0.377
2006	0.106	0.353
2007	0.115	0.438
2008	0.134	0.357
2009	0.135	
Five Year Average	0.126	0.372
Three Year Average	0.128	0.383
	Five Year	Three Year
27 to 39 months:	0.372	0.383
15 to 39 months:	0.047	0.049

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

EARNED EXPOSURES BY COVERAGE

VOLUNTARY ONLY

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>MEDICAL PAYMENTS</u>
2006	5,048,969	5,048,969	3,946,412
2007	5,231,978	5,231,978	4,061,268
2008	5,432,936	5,432,936	4,197,519
2009	5,495,618	5,495,618	4,215,685
2010	5,450,452	5,450,452	4,152,149

CEDED ONLY

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>MEDICAL PAYMENTS</u>
2006	1,530,495	1,530,495	907,180
2007	1,505,117	1,505,117	903,098
2008	1,422,207	1,422,207	843,825
2009	1,372,656	1,372,656	799,299
2010	1,427,380	1,427,380	810,125

ESTIMATED EARNED PREMIUM BY COVERAGE

VOLUNTARY ONLY

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>MEDICAL PAYMENTS</u>
2006	705,454,398	692,593,689	98,942,801
2007	792,911,225	730,603,740	120,117,486
2008	831,108,951	759,147,752	126,956,717
2009	863,925,197	830,338,396	130,529,977
2010	851,912,902	794,739,027	131,067,391

CEDED ONLY

<u>YEAR</u>	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>	<u>MEDICAL PAYMENTS</u>
2006	366,428,485	323,947,622	30,905,916
2007	393,878,104	288,374,765	33,568,851
2008	351,743,223	279,485,904	30,670,568
2009	356,090,002	297,975,990	28,588,899
2010	360,188,056	295,786,010	28,650,722

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Bodily Injury Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					366,319,867
1998				345,198,499	363,799,178
1999			327,202,535	364,470,808	384,298,124
2000		268,448,618	331,605,380	371,955,668	390,855,362
2001	135,919,115	264,105,448	331,110,357	373,432,756	392,076,769
2002	144,659,219	277,908,596	346,317,622	388,085,630	405,462,685
2003	144,007,524	290,116,674	357,174,830	401,245,592	420,347,212
2004	150,070,170	292,864,126	378,790,997	423,630,482	439,003,708
2005	161,959,557	305,903,777	379,124,867	421,985,677	436,882,054
2006	169,423,762	328,558,487	406,942,817	445,892,756	464,170,222
2007	186,031,168	357,032,816	433,046,932	472,011,516	
2008	198,637,561	359,326,172	435,289,849		
2009	213,761,971	389,954,075			
2010	209,354,436				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.054
1999			1.114	1.054
2000		1.235	1.122	1.051
2001	1.943	1.254	1.128	1.050
2002	1.921	1.246	1.121	1.045
2003	2.015	1.231	1.123	1.048
2004	1.952	1.293	1.118	1.036
2005	1.889	1.239	1.113	1.035
2006	1.939	1.239	1.096	1.041
2007	1.919	1.213	1.090	
2008	1.809	1.211		
2009	1.824			
Five Year Average	1.876	1.239	1.108	1.041
Three Year Average	1.851	1.221	1.100	1.037
		Five Year	Three Year	
39 to 63 months:		1.153	1.141	
27 to 63 months:		1.429	1.393	
15 to 63 months:		2.681	2.578	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Property Damage Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					282,721,197
1998				298,142,455	298,255,646
1999			321,709,041	322,118,970	322,251,238
2000		345,020,813	343,267,588	343,840,594	344,026,169
2001	324,681,232	336,106,138	337,702,119	338,424,158	338,637,394
2002	330,325,524	341,696,639	343,743,769	344,754,539	345,031,243
2003	336,393,949	347,871,948	349,428,023	350,094,712	350,328,383
2004	336,418,727	347,690,883	350,323,622	351,209,518	351,321,987
2005	349,176,567	362,204,335	363,657,104	364,243,964	364,436,979
2006	368,458,247	381,402,142	383,026,279	383,536,329	383,622,954
2007	384,892,982	398,367,047	399,863,955	400,452,418	
2008	398,645,747	412,210,882	413,397,871		
2009	405,189,808	417,455,377			
2010	411,582,272				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.001	1.000
2000		0.995	1.002	1.001
2001	1.035	1.005	1.002	1.001
2002	1.034	1.006	1.003	1.001
2003	1.034	1.004	1.002	1.001
2004	1.034	1.008	1.003	1.000
2005	1.037	1.004	1.002	1.001
2006	1.035	1.004	1.001	1.000
2007	1.035	1.004	1.001	
2008	1.034	1.003		
2009	1.030			
Five Year Average	1.034	1.005	1.002	1.001
Three Year Average	1.033	1.004	1.001	1.000

	Five Year	Three Year
39 to 63 months:	1.003	1.001
27 to 63 months:	1.008	1.005
15 to 63 months:	1.042	1.038

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Medical Payments Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					56,383,066
1998				54,900,325	55,169,555
1999			56,378,034	57,412,858	57,550,784
2000		55,806,584	57,959,165	59,021,329	59,187,508
2001	48,384,631	58,718,043	61,263,212	62,202,986	62,457,064
2002	51,922,666	62,694,663	65,325,155	66,246,138	66,421,527
2003	52,255,242	64,218,044	66,054,543	67,073,610	67,255,810
2004	50,890,226	61,429,444	63,330,746	64,268,637	64,545,211
2005	51,811,123	61,718,993	63,621,953	64,261,311	64,385,892
2006	53,565,415	64,413,738	66,085,684	66,802,518	66,966,581
2007	54,823,770	65,126,855	66,797,042	67,655,811	
2008	55,848,795	65,821,897	67,419,903		
2009	60,313,185	71,046,109			
2010	58,239,022				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.005
1999			1.018	1.002
2000		1.039	1.018	1.003
2001	1.214	1.043	1.015	1.004
2002	1.207	1.042	1.014	1.003
2003	1.229	1.029	1.015	1.003
2004	1.207	1.031	1.015	1.004
2005	1.191	1.031	1.010	1.002
2006	1.203	1.026	1.011	1.002
2007	1.188	1.026	1.013	
2008	1.179	1.024		
2009	1.178			
Five Year Average	1.188	1.028	1.013	1.003
Three Year Average	1.182	1.025	1.011	1.003
		Five Year	Three Year	
39 to 63 months:		1.016	1.014	
27 to 63 months:		1.044	1.039	
15 to 63 months:		1.240	1.228	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Bodily Injury Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					373,561,529
1998				369,619,589	370,853,319
1999			384,335,134	391,183,332	393,357,986
2000		368,908,257	387,134,717	396,753,921	398,733,679
2001	339,217,710	372,371,262	390,933,974	399,505,127	399,848,937
2002	353,667,044	389,313,941	403,078,765	413,871,348	414,099,441
2003	357,539,084	400,924,950	423,616,821	427,707,079	428,582,713
2004	381,086,400	413,617,152	441,772,958	446,489,629	446,449,066
2005	378,466,761	423,501,465	440,473,138	445,391,962	443,118,715
2006	404,910,982	454,143,179	470,469,677	473,097,893	471,762,122
2007	435,521,172	486,090,324	493,698,421	495,987,814	
2008	450,376,430	484,979,169	497,303,477		
2009	494,498,026	535,537,442			
2010	488,321,611				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.003
1999			1.018	1.006
2000		1.049	1.025	1.005
2001	1.098	1.050	1.022	1.001
2002	1.101	1.035	1.027	1.001
2003	1.121	1.057	1.010	1.002
2004	1.085	1.068	1.011	1.000
2005	1.119	1.040	1.011	0.995
2006	1.122	1.036	1.006	0.997
2007	1.116	1.016	1.005	
2008	1.077	1.025		
2009	1.083			
Five Year Average	1.103	1.037	1.009	0.999
Three Year Average	1.092	1.026	1.007	0.997
		Five Year	Three Year	
39 to 63 months:		1.008	1.004	
27 to 63 months:		1.045	1.030	
15 to 63 months:		1.153	1.125	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Property Damage Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					282,865,304
1998				298,469,768	298,306,952
1999			322,569,675	322,410,874	322,299,995
2000		347,224,747	343,980,168	344,040,973	344,081,913
2001	334,870,040	338,075,600	338,673,729	338,830,423	338,806,939
2002	338,996,505	343,527,271	344,531,462	345,219,230	345,136,473
2003	345,413,531	349,415,194	350,134,574	350,427,315	350,460,896
2004	344,995,813	349,026,069	350,898,801	351,558,663	351,538,964
2005	356,699,420	363,790,808	364,325,704	364,586,869	364,598,096
2006	377,302,016	382,873,266	383,655,758	384,014,353	383,757,611
2007	392,501,448	399,807,536	400,652,881	400,792,456	
2008	408,264,231	413,840,767	413,982,168		
2009	414,983,070	418,871,520			
2010	419,941,856				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				0.999
1999			1.000	1.000
2000		0.991	1.000	1.000
2001	1.010	1.002	1.000	1.000
2002	1.013	1.003	1.002	1.000
2003	1.012	1.002	1.001	1.000
2004	1.012	1.005	1.002	1.000
2005	1.020	1.001	1.001	1.000
2006	1.015	1.002	1.001	0.999
2007	1.019	1.002	1.000	
2008	1.014	1.000		
2009	1.009			
Five Year Average	1.015	1.002	1.001	1.000
Three Year Average	1.014	1.001	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.001	1.001	
27 to 63 months:		1.003	1.002	
15 to 63 months:		1.018	1.016	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Medical Payments Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					56,488,286
1998				55,173,400	55,244,596
1999			57,082,950	57,729,545	58,675,761
2000		57,472,357	58,604,710	59,191,875	59,232,269
2001	56,794,753	60,510,986	61,962,205	62,550,973	62,553,582
2002	60,543,949	64,654,043	65,892,613	66,491,214	66,485,157
2003	60,952,465	66,186,274	66,619,913	67,269,601	67,326,019
2004	60,074,640	62,964,357	63,928,606	64,630,618	64,737,464
2005	60,033,376	63,396,885	64,372,794	64,627,162	64,651,948
2006	64,957,646	65,974,223	66,646,560	67,097,747	67,122,322
2007	66,099,063	66,543,995	67,539,463	67,880,500	
2008	65,551,689	67,156,705	67,910,395		
2009	72,045,701	72,940,448			
2010	70,134,439				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.011	1.016
2000		1.020	1.010	1.001
2001	1.065	1.024	1.010	1.000
2002	1.068	1.019	1.009	1.000
2003	1.086	1.007	1.010	1.001
2004	1.048	1.015	1.011	1.002
2005	1.056	1.015	1.004	1.000
2006	1.016	1.010	1.007	1.000
2007	1.007	1.015	1.005	
2008	1.024	1.011		
2009	1.012			
Five Year Average	1.023	1.013	1.007	1.001
Three Year Average	1.014	1.012	1.005	1.001
		Five Year	Three Year	
39 to 63 months:		1.008	1.006	
27 to 63 months:		1.021	1.018	
15 to 63 months:		1.044	1.032	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Bodily Injury Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					294,710,485
1998				290,335,486	291,518,174
1999			297,711,334	301,975,729	304,112,726
2000		294,453,525	302,382,187	307,529,213	309,167,129
2001	281,350,691	289,660,333	296,848,925	301,545,062	303,573,316
2002	297,658,702	311,450,105	319,847,860	326,010,865	327,050,021
2003	295,844,986	316,186,188	327,672,300	331,622,074	333,499,269
2004	307,303,201	320,585,803	331,151,859	335,129,832	336,455,197
2005	307,770,192	329,825,284	338,684,018	342,689,688	343,440,134
2006	325,803,683	347,874,465	355,567,149	359,645,543	360,117,059
2007	347,606,426	371,116,456	375,671,324	378,601,048	
2008	362,702,992	377,212,697	382,845,780		
2009	404,609,209	417,448,303			
2010	396,518,468				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.004
1999			1.014	1.007
2000		1.027	1.017	1.005
2001	1.030	1.025	1.016	1.007
2002	1.046	1.027	1.019	1.003
2003	1.069	1.036	1.012	1.006
2004	1.043	1.033	1.012	1.004
2005	1.072	1.027	1.012	1.002
2006	1.068	1.022	1.011	1.001
2007	1.068	1.012	1.008	
2008	1.040	1.015		
2009	1.032			

Five Year Average	1.056	1.022	1.011	1.003
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Three Year Average	1.047	1.016	1.010	1.002
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	Five Year	Three Year
39 to 63 months:	1.014	1.012
27 to 63 months:	1.036	1.028
15 to 63 months:	1.094	1.076

(a) Losses are on a 30/60 level for 2002-2010.
Losses are on a 25/50 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Property Damage Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					276,813,730
1998				290,825,415	290,891,530
1999			314,571,078	314,556,690	314,455,956
2000		337,810,703	334,749,005	334,771,674	334,834,656
2001	324,263,934	328,208,148	328,832,646	329,114,106	329,140,804
2002	337,116,430	341,671,564	342,630,222	343,327,511	343,353,975
2003	340,874,531	345,542,595	347,175,978	347,499,636	347,563,846
2004	341,071,267	346,449,762	348,374,612	348,911,819	348,896,508
2005	353,373,762	360,658,158	361,243,984	361,509,113	361,512,984
2006	374,146,048	379,587,816	380,333,884	380,673,583	380,520,356
2007	389,481,289	396,404,831	397,122,834	397,375,382	
2008	404,307,762	409,507,027	409,860,804		
2009	411,096,802	415,030,197			
2010	416,292,482				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.000	1.000
2000		0.991	1.000	1.000
2001	1.012	1.002	1.001	1.000
2002	1.014	1.003	1.002	1.000
2003	1.014	1.005	1.001	1.000
2004	1.016	1.006	1.002	1.000
2005	1.021	1.002	1.001	1.000
2006	1.015	1.002	1.001	1.000
2007	1.018	1.002	1.001	
2008	1.013	1.001		
2009	1.010			
Five Year Average	1.015	1.003	1.001	1.000
Three Year Average	1.014	1.002	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.001	1.001	
27 to 63 months:		1.004	1.003	
15 to 63 months:		1.019	1.017	

(a) Losses are on a \$25,000 level for 2002-2010.
Losses are on a \$15,000 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Bodily Injury Paid Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					51,312
1998				50,236	50,789
1999			50,282	51,998	52,623
2000		47,333	50,617	52,429	53,079
2001	34,241	46,028	49,435	51,277	51,873
2002	35,848	47,874	51,346	53,077	53,585
2003	35,861	47,815	51,112	52,867	53,420
2004	35,604	47,584	50,947	52,588	53,038
2005	36,122	47,272	50,476	51,959	52,366
2006	36,008	47,420	50,517	51,893	52,375
2007	35,665	47,354	50,438	51,907	
2008	35,101	46,482	49,572		
2009	37,754	49,997			
2010	36,906				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.011
1999			1.034	1.012
2000		1.069	1.036	1.012
2001	1.344	1.074	1.037	1.012
2002	1.335	1.073	1.034	1.010
2003	1.333	1.069	1.034	1.010
2004	1.336	1.071	1.032	1.009
2005	1.309	1.068	1.029	1.008
2006	1.317	1.065	1.027	1.009
2007	1.328	1.065	1.029	
2008	1.324	1.066		
2009	1.324			
Five Year Average	1.320	1.067	1.030	1.009
Three Year Average	1.325	1.065	1.028	1.009
		Five Year	Three Year	
39 to 63 months:		1.039	1.037	
27 to 63 months:		1.109	1.104	
15 to 63 months:		1.464	1.463	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Accident Year	Property Damage Paid Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					133,800
1998				137,235	137,263
1999			142,552	142,589	142,628
2000		147,633	145,909	146,026	146,044
2001	142,114	144,690	145,138	145,269	145,312
2002	142,112	145,639	146,073	146,305	146,386
2003	142,890	146,241	146,644	146,723	146,752
2004	143,403	146,792	147,341	147,569	147,582
2005	146,065	149,555	149,747	149,829	149,847
2006	150,334	153,460	153,725	153,784	153,801
2007	155,532	158,727	158,953	159,032	
2008	157,733	160,583	160,825		
2009	163,797	166,469			
2010	168,222				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.000	1.000
2000		0.988	1.001	1.000
2001	1.018	1.003	1.001	1.000
2002	1.025	1.003	1.002	1.001
2003	1.023	1.003	1.001	1.000
2004	1.024	1.004	1.002	1.000
2005	1.024	1.001	1.001	1.000
2006	1.021	1.002	1.000	1.000
2007	1.021	1.001	1.000	
2008	1.018	1.002		
2009	1.016			
Five Year Average	1.020	1.002	1.001	1.000
Three Year Average	1.018	1.002	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		1.001	1.000	
27 to 63 months:		1.003	1.002	
15 to 63 months:		1.023	1.020	

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Medical Payments Paid Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					40,559
1998				38,667	38,731
1999			38,882	39,163	39,241
2000		39,160	39,932	40,277	40,325
2001	33,696	38,638	39,502	39,808	39,861
2002	34,276	39,705	40,510	40,813	40,875
2003	33,240	38,284	39,058	39,317	39,366
2004	31,189	35,940	36,629	37,024	37,073
2005	31,063	35,574	36,172	36,398	36,430
2006	31,693	36,925	37,596	37,807	37,849
2007	30,352	35,587	36,198	36,460	
2008	29,970	34,701	35,341		
2009	32,021	37,441			
2010	30,824				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.002
1999			1.007	1.002
2000		1.020	1.009	1.001
2001	1.147	1.022	1.008	1.001
2002	1.158	1.020	1.007	1.002
2003	1.152	1.020	1.007	1.001
2004	1.152	1.019	1.011	1.001
2005	1.145	1.017	1.006	1.001
2006	1.165	1.018	1.006	1.001
2007	1.172	1.017	1.007	
2008	1.158	1.018		
2009	1.169			
Five Year Average	1.162	1.018	1.007	1.001
Three Year Average	1.166	1.018	1.006	1.001
		Five Year	Three Year	
39 to 63 months:		1.008	1.007	
27 to 63 months:		1.026	1.025	
15 to 63 months:		1.192	1.195	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Bodily Injury Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					51,832
1998				51,551	51,207
1999			53,863	53,342	53,044
2000		54,901	54,115	53,687	53,467
2001	55,746	53,390	52,789	52,550	52,285
2002	57,489	55,279	54,650	54,250	53,943
2003	57,432	55,024	54,359	53,922	53,717
2004	56,878	54,535	53,962	53,581	53,374
2005	56,083	53,951	53,269	52,787	52,586
2006	56,360	53,921	53,132	52,773	52,611
2007	56,327	53,823	53,055	52,693	
2008	55,380	52,893	52,202		
2009	59,928	56,837			
2010	58,577				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				0.993
1999			0.990	0.994
2000		0.986	0.992	0.996
2001	0.958	0.989	0.995	0.995
2002	0.962	0.989	0.993	0.994
2003	0.958	0.988	0.992	0.996
2004	0.959	0.989	0.993	0.996
2005	0.962	0.987	0.991	0.996
2006	0.957	0.985	0.993	0.997
2007	0.956	0.986	0.993	
2008	0.955	0.987		
2009	0.948			
Five Year Average	0.956	0.987	0.992	0.996
Three Year Average	0.953	0.986	0.992	0.996
		Five Year	Three Year	
39 to 63 months:		0.988	0.988	
27 to 63 months:		0.975	0.974	
15 to 63 months:		0.932	0.928	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Property Damage Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					133,837
1998				137,320	137,283
1999			142,749	142,663	142,646
2000		148,156	146,101	146,076	146,059
2001	145,005	145,139	145,299	145,327	145,329
2002	145,234	146,083	146,229	146,362	146,400
2003	145,932	146,602	146,767	146,765	146,762
2004	146,263	147,078	147,461	147,609	147,601
2005	148,292	149,843	149,856	149,874	149,859
2006	152,635	153,719	153,807	153,823	153,812
2007	157,721	158,990	159,051	159,067	
2008	160,182	160,813	160,900		
2009	166,412	166,743			
2010	170,592				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			0.999	1.000
2000		0.986	1.000	1.000
2001	1.001	1.001	1.000	1.000
2002	1.006	1.001	1.001	1.000
2003	1.005	1.001	1.000	1.000
2004	1.006	1.003	1.001	1.000
2005	1.010	1.000	1.000	1.000
2006	1.007	1.001	1.000	1.000
2007	1.008	1.000	1.000	
2008	1.004	1.001		
2009	1.002			
Five Year Average	1.006	1.001	1.000	1.000
Three Year Average	1.005	1.001	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		1.000	1.000	
27 to 63 months:		1.001	1.001	
15 to 63 months:		1.007	1.006	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Medical Payments Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					40,618
1998				38,786	38,764
1999			39,267	39,319	39,295
2000		40,060	40,237	40,402	40,356
2001	38,773	39,399	39,776	39,895	39,881
2002	39,568	40,472	40,791	40,910	40,900
2003	38,088	38,982	39,308	39,403	39,401
2004	35,941	36,635	36,859	37,093	37,095
2005	35,441	36,228	36,419	36,488	36,464
2006	37,567	37,613	37,837	37,904	37,893
2007	36,067	36,246	36,490	36,546	
2008	34,773	35,383	35,608		
2009	38,126	38,322			
2010	36,909				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				0.999
1999			1.001	0.999
2000		1.004	1.004	0.999
2001	1.016	1.010	1.003	1.000
2002	1.023	1.008	1.003	1.000
2003	1.023	1.008	1.002	1.000
2004	1.019	1.006	1.006	1.000
2005	1.022	1.005	1.002	0.999
2006	1.001	1.006	1.002	1.000
2007	1.005	1.007	1.002	
2008	1.018	1.006		
2009	1.005			
Five Year Average	1.010	1.006	1.003	1.000
Three Year Average	1.009	1.006	1.002	1.000
		Five Year	Three Year	
39 to 63 months:		1.003	1.002	
27 to 63 months:		1.009	1.008	
15 to 63 months:		1.019	1.017	

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Bodily Injury Outstanding Claims as of

Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			3,581
2000		7,568	3,498
2001	21,505	7,362	3,354
2002	21,641	7,405	3,304
2003	21,571	7,209	3,247
2004	21,274	6,951	3,015
2005	19,961	6,679	2,793
2006	20,352	6,501	2,615
2007	20,662	6,469	2,617
2008	20,279	6,411	2,630
2009	22,174	6,840	
2010	21,671		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.462
2001	0.342	0.456
2002	0.342	0.446
2003	0.334	0.450
2004	0.327	0.434
2005	0.335	0.418
2006	0.319	0.402
2007	0.313	0.405
2008	0.316	0.410
2009	0.308	
Five Year Average	0.318	0.414
Three Year Average	0.312	0.406
	Five Year	Three Year
27 to 39 months:	0.414	0.406
15 to 39 months:	0.132	0.127

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Property Damage Outstanding Claims as of			
Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			197
2000		523	192
2001	2,891	449	161
2002	3,122	444	156
2003	3,042	361	123
2004	2,860	286	120
2005	2,227	288	109
2006	2,301	259	82
2007	2,189	263	98
2008	2,449	230	75
2009	2,615	274	
2010	2,370		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.367
2001	0.155	0.359
2002	0.142	0.351
2003	0.119	0.341
2004	0.100	0.420
2005	0.129	0.378
2006	0.113	0.317
2007	0.120	0.373
2008	0.094	0.326
2009	0.105	
Five Year Average	0.112	0.363
Three Year Average	0.106	0.339
	Five Year	Three Year
27 to 39 months:	0.363	0.339
15 to 39 months:	0.041	0.036

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Voluntary Only

Medical Payments Outstanding Claims as of			
Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			385
2000		900	305
2001	5,077	761	274
2002	5,292	767	281
2003	4,848	698	250
2004	4,752	695	230
2005	4,378	654	247
2006	5,874	688	241
2007	5,715	659	292
2008	4,803	682	267
2009	6,105	881	
2010	6,085		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.339
2001	0.150	0.360
2002	0.145	0.366
2003	0.144	0.358
2004	0.146	0.331
2005	0.149	0.378
2006	0.117	0.350
2007	0.115	0.443
2008	0.142	0.391
2009	0.144	
Five Year Average	0.133	0.379
Three Year Average	0.134	0.395
	Five Year	Three Year
27 to 39 months:	0.379	0.395
15 to 39 months:	0.050	0.053

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Bodily Injury Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					231,891,887
1998				214,824,343	220,828,026
1999			199,627,433	215,803,053	222,178,529
2000		168,994,339	198,304,888	213,864,821	219,544,734
2001	93,543,064	172,612,226	202,279,234	218,595,702	224,203,919
2002	102,289,306	184,853,613	221,045,443	238,066,247	243,370,189
2003	110,749,414	202,280,862	241,625,574	262,347,805	270,900,096
2004	116,558,278	211,006,106	256,026,217	277,202,221	283,447,088
2005	120,735,528	211,972,571	252,143,792	271,649,364	278,313,482
2006	123,306,427	220,813,685	257,520,664	276,213,787	281,964,551
2007	124,327,741	215,825,386	249,492,850	266,706,218	
2008	117,982,063	201,237,569	232,837,722		
2009	131,020,729	218,847,068			
2010	135,642,786				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.028
1999			1.081	1.030
2000		1.173	1.078	1.027
2001	1.845	1.172	1.081	1.026
2002	1.807	1.196	1.077	1.022
2003	1.826	1.195	1.086	1.033
2004	1.810	1.213	1.083	1.023
2005	1.756	1.190	1.077	1.025
2006	1.791	1.166	1.073	1.021
2007	1.736	1.156	1.069	
2008	1.706	1.157		
2009	1.670			

Five Year Average	1.732	1.176	1.078	1.025
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Three Year Average	1.704	1.160	1.073	1.023
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	Five Year	Three Year
39 to 63 months:	1.105	1.098
27 to 63 months:	1.299	1.274
15 to 63 months:	2.250	2.171

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Property Damage Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					167,220,124
1998				164,862,351	165,018,030
1999			173,444,240	174,153,232	173,918,673
2000		173,945,669	175,610,844	175,902,797	175,952,317
2001	169,265,356	177,560,347	178,382,244	178,627,877	178,725,294
2002	179,578,413	187,751,960	188,814,992	189,395,773	189,236,614
2003	192,140,141	201,809,632	202,915,540	202,286,403	202,583,417
2004	195,603,006	205,723,973	213,335,224	213,688,019	213,743,258
2005	203,182,092	212,387,446	213,509,572	213,737,910	213,879,012
2006	207,329,844	216,874,434	217,941,970	218,269,701	218,298,445
2007	198,678,550	206,723,565	207,565,194	207,754,177	
2008	180,000,793	192,946,333	193,880,327		
2009	185,777,033	194,625,309			
2010	193,887,687				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.004	0.999
2000		1.010	1.002	1.000
2001	1.049	1.005	1.001	1.001
2002	1.046	1.006	1.003	0.999
2003	1.050	1.005	0.997	1.001
2004	1.052	1.037	1.002	1.000
2005	1.045	1.005	1.001	1.001
2006	1.046	1.005	1.002	1.000
2007	1.040	1.004	1.001	
2008	1.072	1.005		
2009	1.048			
Five Year Average	1.050	1.011	1.001	1.000
Three Year Average	1.053	1.005	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.001	1.001	
27 to 63 months:		1.012	1.006	
15 to 63 months:		1.063	1.059	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Medical Payments Total Limits Paid Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					25,361,913
1998				22,750,024	22,785,514
1999			21,818,692	22,032,472	22,054,943
2000		20,968,603	21,483,008	21,662,681	21,670,310
2001	17,978,561	21,060,858	21,480,419	21,571,134	21,636,503
2002	20,910,182	24,250,846	24,714,251	24,900,104	24,945,909
2003	21,349,818	24,815,033	25,233,766	25,374,628	25,412,232
2004	22,269,929	25,925,842	27,094,917	27,347,258	27,399,275
2005	22,209,375	25,331,650	25,825,631	25,940,964	25,974,973
2006	23,184,512	26,406,948	26,749,309	26,888,208	26,951,953
2007	22,590,704	25,269,376	25,600,974	25,706,521	
2008	21,498,570	24,198,178	24,551,767		
2009	23,557,093	26,187,509			
2010	23,321,473				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.002
1999			1.010	1.001
2000		1.025	1.008	1.000
2001	1.171	1.020	1.004	1.003
2002	1.160	1.019	1.008	1.002
2003	1.162	1.017	1.006	1.001
2004	1.164	1.045	1.009	1.002
2005	1.141	1.020	1.004	1.001
2006	1.139	1.013	1.005	1.002
2007	1.119	1.013	1.004	
2008	1.126	1.015		
2009	1.112			
Five Year Average	1.127	1.021	1.006	1.002
Three Year Average	1.119	1.014	1.004	1.002
		Five Year	Three Year	
39 to 63 months:		1.008	1.006	
27 to 63 months:		1.029	1.020	
15 to 63 months:		1.160	1.141	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Bodily Injury Total Limits Incurred Losses as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					235,812,089
1998				224,642,482	224,685,651
1999			222,979,961	225,159,783	225,604,890
2000		215,263,562	220,208,932	222,577,473	222,958,073
2001	201,389,100	218,201,822	224,336,154	227,922,447	227,957,646
2002	215,250,172	236,983,491	247,518,638	248,501,578	246,726,652
2003	232,679,660	261,971,315	271,616,183	274,368,834	275,174,941
2004	248,338,211	273,629,061	284,259,798	286,496,604	286,572,071
2005	244,328,393	269,837,289	278,931,470	280,949,548	281,160,609
2006	250,273,017	275,723,326	284,589,516	286,314,999	285,775,307
2007	236,777,074	268,210,925	275,418,597	275,672,994	
2008	229,143,622	251,976,476	255,303,291		
2009	248,565,845	270,434,014			
2010	260,799,933				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.010	1.002
2000		1.023	1.011	1.002
2001	1.083	1.028	1.016	1.000
2002	1.101	1.044	1.004	0.993
2003	1.126	1.037	1.010	1.003
2004	1.102	1.039	1.008	1.000
2005	1.104	1.034	1.007	1.001
2006	1.102	1.032	1.006	0.998
2007	1.133	1.027	1.001	
2008	1.100	1.013		
2009	1.088			
Five Year Average	1.105	1.029	1.006	0.999
Three Year Average	1.107	1.024	1.005	1.000
		Five Year	Three Year	
39 to 63 months:		1.005	1.005	
27 to 63 months:		1.034	1.029	
15 to 63 months:		1.143	1.139	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Property Damage Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					167,273,880
1998				164,939,091	165,046,763
1999			174,050,519	174,349,873	174,303,618
2000		175,155,929	176,144,591	176,251,934	176,153,083
2001	174,737,622	178,432,361	178,835,194	178,971,419	178,785,419
2002	184,912,446	188,623,941	189,244,017	189,558,236	189,290,814
2003	197,382,473	202,333,093	203,179,529	202,436,763	202,612,335
2004	200,713,883	206,889,729	213,601,416	213,843,435	213,754,937
2005	207,964,849	212,977,664	213,885,890	213,889,545	213,939,020
2006	212,646,023	217,658,025	218,216,030	218,483,385	218,335,128
2007	202,956,251	207,290,533	207,862,838	207,879,788	
2008	184,453,317	193,744,322	194,077,530		
2009	189,873,817	195,307,450			
2010	198,074,772				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.002	1.000
2000		1.006	1.001	0.999
2001	1.021	1.002	1.001	0.999
2002	1.020	1.003	1.002	0.999
2003	1.025	1.004	0.996	1.001
2004	1.031	1.032	1.001	1.000
2005	1.024	1.004	1.000	1.000
2006	1.024	1.003	1.001	0.999
2007	1.021	1.003	1.000	
2008	1.050	1.002		
2009	1.029			
Five Year Average	1.030	1.009	1.000	1.000
Three Year Average	1.033	1.003	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		1.000	1.000	
27 to 63 months:		1.009	1.003	
15 to 63 months:		1.039	1.036	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Medical Payments Total Limits Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					25,374,700
1998				22,790,601	22,809,876
1999			21,973,012	22,066,630	22,062,956
2000		21,331,128	21,665,352	21,700,655	21,684,210
2001	20,650,857	21,561,388	21,642,458	21,638,115	21,655,362
2002	23,863,381	24,721,670	24,918,855	24,949,278	24,983,000
2003	24,446,885	25,192,828	25,312,065	25,405,917	25,424,250
2004	25,197,147	26,330,797	27,237,339	27,392,202	27,426,524
2005	24,696,848	25,703,310	25,962,964	25,992,813	25,993,612
2006	26,047,665	26,631,392	26,833,076	26,916,141	26,965,417
2007	25,128,249	25,532,904	25,699,292	25,737,008	
2008	23,665,393	24,438,648	24,618,160		
2009	25,815,910	26,455,747			
2010	25,721,926				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.004	1.000
2000		1.016	1.002	0.999
2001	1.044	1.004	1.000	1.001
2002	1.036	1.008	1.001	1.001
2003	1.031	1.005	1.004	1.001
2004	1.045	1.034	1.006	1.001
2005	1.041	1.010	1.001	1.000
2006	1.022	1.008	1.003	1.002
2007	1.016	1.007	1.001	
2008	1.033	1.007		
2009	1.025			
Five Year Average	1.027	1.013	1.003	1.001
Three Year Average	1.025	1.007	1.002	1.001
		Five Year	Three Year	
39 to 63 months:		1.004	1.003	
27 to 63 months:		1.017	1.010	
15 to 63 months:		1.044	1.035	

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Bodily Injury Basic Limits(a) Incurred Losses as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					220,344,356
1998				208,743,809	208,716,833
1999			208,393,001	209,685,094	210,024,688
2000		200,512,528	203,481,534	205,369,330	206,021,117
2001	187,225,613	197,058,436	200,406,820	203,252,699	202,943,496
2002	204,396,971	221,699,155	229,021,583	231,712,664	230,239,155
2003	219,972,271	242,908,169	250,945,100	253,565,651	254,322,787
2004	232,321,218	253,194,667	262,099,282	264,375,238	265,261,027
2005	226,414,016	247,137,063	254,803,288	257,221,444	257,701,052
2006	229,408,467	251,368,548	258,995,019	260,999,335	260,698,946
2007	218,652,478	244,270,307	250,503,742	250,863,120	
2008	209,578,303	228,825,425	233,311,369		
2009	232,169,059	248,754,016			
2010	242,859,424				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.006	1.002
2000		1.015	1.009	1.003
2001	1.053	1.017	1.014	0.998
2002	1.085	1.033	1.012	0.994
2003	1.104	1.033	1.010	1.003
2004	1.090	1.035	1.009	1.003
2005	1.092	1.031	1.009	1.002
2006	1.096	1.030	1.008	0.999
2007	1.117	1.026	1.001	
2008	1.092	1.020		
2009	1.071			
Five Year Average	1.094	1.028	1.007	1.000
Three Year Average	1.093	1.025	1.006	1.001
		Five Year	Three Year	
39 to 63 months:		1.007	1.007	
27 to 63 months:		1.035	1.032	
15 to 63 months:		1.132	1.128	

(a) Losses are on a 30/60 level for 2002-2010.

Losses are on a 25/50 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Property Damage Basic Limits(a) Incurred Losses as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					164,765,181
1998				162,150,485	162,268,157
1999			170,680,939	171,015,760	170,984,689
2000		172,294,748	173,274,071	173,280,365	173,225,507
2001	169,875,643	173,553,538	173,838,983	174,089,757	173,817,993
2002	184,271,506	187,863,111	188,515,113	188,859,187	188,596,145
2003	196,601,286	201,661,507	202,507,621	201,743,011	201,914,414
2004	199,707,863	205,894,813	212,575,880	212,851,511	212,792,501
2005	206,998,720	212,021,149	212,908,940	212,987,443	213,014,918
2006	211,613,142	216,680,472	217,269,295	217,548,397	217,415,467
2007	202,073,281	206,160,489	206,717,453	206,769,493	
2008	183,634,661	192,790,402	193,205,648		
2009	189,067,029	194,416,059			
2010	197,020,053				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.002	1.000
2000		1.006	1.000	1.000
2001	1.022	1.002	1.001	0.998
2002	1.019	1.003	1.002	0.999
2003	1.026	1.004	0.996	1.001
2004	1.031	1.032	1.001	1.000
2005	1.024	1.004	1.000	1.000
2006	1.024	1.003	1.001	0.999
2007	1.020	1.003	1.000	
2008	1.050	1.002		
2009	1.028			
Five Year Average	1.029	1.009	1.000	1.000
Three Year Average	1.033	1.003	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		1.000	1.000	
27 to 63 months:		1.009	1.003	
15 to 63 months:		1.038	1.036	

(a) Losses are on a \$25,000 level for 2002-2010.
Losses are on a \$15,000 level for 1997-2001.

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Bodily Injury Paid Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					40,965
1998				38,125	38,525
1999			37,200	38,446	38,848
2000		32,731	35,176	36,296	36,621
2001	22,980	31,619	33,759	34,860	35,183
2002	24,397	33,258	35,831	37,025	36,876
2003	25,045	34,384	37,005	38,013	38,466
2004	26,159	35,552	38,924	40,059	40,355
2005	25,931	34,564	36,912	37,916	38,201
2006	25,826	34,174	36,275	37,204	37,476
2007	23,476	30,597	32,480	33,349	
2008	21,798	28,643	30,351		
2009	24,035	31,768			
2010	24,868				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.010
1999			1.033	1.010
2000		1.075	1.032	1.009
2001	1.376	1.068	1.033	1.009
2002	1.363	1.077	1.033	0.996
2003	1.373	1.076	1.027	1.012
2004	1.359	1.095	1.029	1.007
2005	1.333	1.068	1.027	1.008
2006	1.323	1.061	1.026	1.007
2007	1.303	1.062	1.027	
2008	1.314	1.060		
2009	1.322			
Five Year Average	1.319	1.069	1.027	1.006
Three Year Average	1.313	1.061	1.027	1.007
		Five Year	Three Year	
39 to 63 months:		1.033	1.034	
27 to 63 months:		1.104	1.097	
15 to 63 months:		1.456	1.440	

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Property Damage Paid Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					81,748
1998				79,262	79,308
1999			80,409	80,606	80,624
2000		77,069	77,628	77,701	77,719
2001	74,519	77,098	77,344	77,419	77,448
2002	77,834	80,381	80,677	80,883	80,743
2003	87,316	90,166	90,512	90,071	90,162
2004	91,524	94,326	97,326	97,411	97,424
2005	92,753	95,104	95,357	95,426	95,442
2006	89,866	92,101	92,282	92,349	92,354
2007	84,059	85,746	85,909	85,947	
2008	74,401	78,624	78,807		
2009	80,223	82,766			
2010	85,541				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.002	1.000
2000		1.007	1.001	1.000
2001	1.035	1.003	1.001	1.000
2002	1.033	1.004	1.003	0.998
2003	1.033	1.004	0.995	1.001
2004	1.031	1.032	1.001	1.000
2005	1.025	1.003	1.001	1.000
2006	1.025	1.002	1.001	1.000
2007	1.020	1.002	1.000	
2008	1.057	1.002		
2009	1.032			
Five Year Average	1.032	1.008	1.000	1.000
Three Year Average	1.036	1.002	1.001	1.000
		Five Year	Three Year	
39 to 63 months:		1.000	1.001	
27 to 63 months:		1.008	1.003	
15 to 63 months:		1.040	1.039	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Accident Year	Medical Payments Paid Claims as of				
	15 Months	27 Months	39 Months	51 Months	63 Months
1997					25,845
1998				23,101	23,125
1999			21,759	21,939	21,965
2000		19,925	20,339	20,448	20,458
2001	16,847	19,301	19,575	19,658	19,687
2002	18,456	21,012	21,329	21,461	21,473
2003	18,066	20,715	21,069	21,154	21,181
2004	18,092	20,664	21,431	21,547	21,558
2005	18,512	20,932	21,227	21,309	21,318
2006	18,976	21,416	21,635	21,707	21,717
2007	17,584	19,542	19,754	19,820	
2008	15,922	17,873	18,073		
2009	17,795	19,780			
2010	17,574				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.008	1.001
2000		1.021	1.005	1.000
2001	1.146	1.014	1.004	1.001
2002	1.138	1.015	1.006	1.001
2003	1.147	1.017	1.004	1.001
2004	1.142	1.037	1.005	1.001
2005	1.131	1.014	1.004	1.000
2006	1.129	1.010	1.003	1.000
2007	1.111	1.011	1.003	
2008	1.123	1.011		
2009	1.112			
Five Year Average	1.121	1.017	1.004	1.001
Three Year Average	1.115	1.011	1.003	1.000
		Five Year	Three Year	
39 to 63 months:		1.005	1.003	
27 to 63 months:		1.022	1.014	
15 to 63 months:		1.146	1.131	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Bodily Injury Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					41,250
1998				38,914	38,778
1999			39,282	39,205	39,107
2000		37,200	37,022	36,976	36,882
2001	37,219	35,853	35,621	35,599	35,409
2002	39,356	38,134	37,913	37,765	37,126
2003	40,975	39,387	39,113	38,787	38,732
2004	41,989	40,817	40,850	40,664	40,550
2005	40,751	39,204	38,824	38,514	38,372
2006	40,069	38,354	37,966	37,809	37,662
2007	35,788	34,386	34,049	33,808	
2008	33,615	32,081	31,643		
2009	36,586	35,250			
2010	37,811				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				0.997
1999			0.998	0.998
2000		0.995	0.999	0.997
2001	0.963	0.994	0.999	0.995
2002	0.969	0.994	0.996	0.983
2003	0.961	0.993	0.992	0.999
2004	0.972	1.001	0.995	0.997
2005	0.962	0.990	0.992	0.996
2006	0.957	0.990	0.996	0.996
2007	0.961	0.990	0.993	
2008	0.954	0.986		
2009	0.963			
Five Year Average	0.959	0.991	0.994	0.994
Three Year Average	0.959	0.989	0.994	0.996
		Five Year	Three Year	
39 to 63 months:		0.988	0.990	
27 to 63 months:		0.979	0.979	
15 to 63 months:		0.939	0.939	

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Ceded Only

Property Damage Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					81,763
1998				79,297	79,318
1999			80,528	80,656	80,655
2000		77,446	77,837	77,841	77,817
2001	76,336	77,480	77,559	77,596	77,459
2002	79,895	80,685	80,821	80,918	80,751
2003	89,550	90,345	90,578	90,101	90,165
2004	93,265	94,590	97,387	97,446	97,431
2005	94,190	95,253	95,431	95,452	95,446
2006	91,277	92,239	92,332	92,370	92,359
2007	85,196	85,867	85,962	85,967	
2008	75,578	78,723	78,839		
2009	81,311	82,864			
2010	86,646				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.002	1.000
2000		1.005	1.000	1.000
2001	1.015	1.001	1.000	0.998
2002	1.010	1.002	1.001	0.998
2003	1.009	1.003	0.995	1.001
2004	1.014	1.030	1.001	1.000
2005	1.011	1.002	1.000	1.000
2006	1.011	1.001	1.000	1.000
2007	1.008	1.001	1.000	
2008	1.042	1.001		
2009	1.019			
Five Year Average	1.018	1.007	0.999	1.000
Three Year Average	1.023	1.001	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		0.999	1.000	
27 to 63 months:		1.006	1.001	
15 to 63 months:		1.024	1.024	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Medical Payments Incurred Claims as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					25,857
1998				23,146	23,140
1999			21,903	21,977	21,975
2000		20,291	20,448	20,497	20,484
2001	19,334	19,651	19,696	19,703	19,698
2002	21,431	21,476	21,482	21,496	21,493
2003	20,948	21,045	21,150	21,183	21,193
2004	20,951	21,006	21,546	21,582	21,579
2005	21,081	21,263	21,351	21,351	21,339
2006	21,717	21,645	21,718	21,734	21,730
2007	19,855	19,805	19,866	19,868	
2008	18,127	18,127	18,140		
2009	20,134	20,035			
2010	19,920				

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.000
1999			1.003	1.000
2000		1.008	1.002	0.999
2001	1.016	1.002	1.000	1.000
2002	1.002	1.000	1.001	1.000
2003	1.005	1.005	1.002	1.000
2004	1.003	1.026	1.002	1.000
2005	1.009	1.004	1.000	0.999
2006	0.997	1.003	1.001	1.000
2007	0.997	1.003	1.000	
2008	1.000	1.001		
2009	0.995			
Five Year Average	1.000	1.007	1.001	1.000
Three Year Average	0.997	1.002	1.000	1.000
		Five Year	Three Year	
39 to 63 months:		1.001	1.000	
27 to 63 months:		1.008	1.002	
15 to 63 months:		1.008	0.999	

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Bodily Injury Outstanding Claims as of

Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			2,082
2000		4,469	1,846
2001	14,239	4,234	1,862
2002	14,959	4,876	2,082
2003	15,930	5,003	2,108
2004	15,830	5,265	1,926
2005	14,820	4,640	1,912
2006	14,243	4,180	1,691
2007	12,312	3,789	1,569
2008	11,817	3,438	1,292
2009	12,551	3,482	
2010	12,943		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.413
2001	0.297	0.440
2002	0.326	0.427
2003	0.314	0.421
2004	0.333	0.366
2005	0.313	0.412
2006	0.293	0.405
2007	0.308	0.414
2008	0.291	0.376
2009	0.277	
Five Year Average	0.296	0.395
Three Year Average	0.292	0.398
	Five Year	Three Year
27 to 39 months:	0.395	0.398
15 to 39 months:	0.117	0.116

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
CLAIM DEVELOPMENT

All Carriers

Ceded Only

Property Damage Outstanding Claims as of			
Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			119
2000		377	209
2001	1,817	382	215
2002	2,061	304	144
2003	2,234	179	66
2004	1,741	264	61
2005	1,437	149	74
2006	1,411	138	50
2007	1,137	121	53
2008	1,177	99	32
2009	1,088	98	
2010	1,105		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.554
2001	0.210	0.563
2002	0.148	0.474
2003	0.080	0.369
2004	0.152	0.231
2005	0.104	0.497
2006	0.098	0.362
2007	0.106	0.438
2008	0.084	0.323
2009	0.090	

Five Year Average	0.096	0.370
-------------------	-------	-------

Three Year Average	0.093	0.374
--------------------	-------	-------

	Five Year	Three Year
27 to 39 months:	0.370	0.374
15 to 39 months:	0.036	0.035

NORTH CAROLINA
 AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
 CLAIM DEVELOPMENT

All Carriers

Ceded Only

Medical Payments Outstanding Claims as of

Accident Year	15 Months	27 Months	39 Months
1997			
1998			
1999			144
2000		366	109
2001	2,487	350	121
2002	2,975	464	153
2003	2,882	330	81
2004	2,859	342	115
2005	2,569	331	124
2006	2,741	229	83
2007	2,271	263	112
2008	2,205	254	67
2009	2,339	255	
2010	2,346		

Claim Development Factors

Accident Year	15-27 Mo.	27-39 Mo.
1998		
1999		
2000		0.298
2001	0.141	0.346
2002	0.156	0.330
2003	0.115	0.245
2004	0.120	0.336
2005	0.129	0.375
2006	0.084	0.362
2007	0.116	0.426
2008	0.115	0.264
2009	0.109	
Five Year Average	0.111	0.353
Three Year Average	0.113	0.351
	Five Year	Three Year
27 to 39 months:	0.353	0.351
15 to 39 months:	0.039	0.040

Exhibit (3)(i)
Exhibit (7)(c)

Responses provided in connection with items (3)(i) and (7)(c) are enclosed herewith.



Christopher J. Stoll
Senior Actuary, FCAS, MAAA

December 12, 2011

F. Timothy Lucas
Personal Lines Manager
North Carolina Rate Bureau

Dear Tim,

Included below are Allstate Insurance Company's responses to issues regarding reserve strengthening and expense cutting initiatives for Allstate Insurance Company, Allstate Indemnity Company and Allstate Property and Casualty Private Passenger Non-Fleet Auto Programs in North Carolina.

With respect to 11 N.C.A.C. 10.1104 (3) (i), which states,

For each of the fifteen largest writers of private passenger automobile insurance in North Carolina, a statement regarding any reserve strengthening or weakening that has occurred in the last five years shall be included.

Allstate's response to this is that there have been **no** material changes with regard to Allstate's reserving practices for private passenger automobile insurance in the state of North Carolina over the past five years.

With respect to 11 N.C.A.C. 10.1104 (7) (c), which states,

For each of the ten largest writers of private passenger automobile insurance in North Carolina, statements regarding any expense cutting activities undertaken in the last five years shall be provided.

Allstate did not make any material expense-cutting changes from 2006-2010.

Please contact me if you have any questions or require further details.

Sincerely,

Christopher J. Stoll
F.C.A.S., M.A.A.A
Cst2a@allstate.com
1-800-366-2958 x26568



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Toll free 1.800.458.0811 • Fax 814.870.3126 • www.erieinsurance.com

Kevin L. Russell,
Supervisor,
Commercial Pricing II and Reserving
Erie Insurance Group
100 Erie Insurance Place
Erie, Pennsylvania 16530
Telephone (814)870-3395
Fax (814)870-4383
Kevin.russell@erieinsurance.com

Dec 28, 2011

To: Debbie Spence
Support Assistant III
North Carolina Rate Bureau
Raleigh NC 27619-6010
Telephone: (919) 582-1023
Fax: (919) 719-7402

Re: Reserve Strengthening

The Erie Insurance Group began implementing Colossus and the Soft Tissue Evaluation program in 1998-1999 in order to establish more accurate case reserves. We continued with these claims initiatives in 2011, and so the criteria used in North Carolina for establishing case basis reserves for the accident year ending December 31, 2011 has not changed materially from the criteria used over the latest five years. The relative adequacy level of case reserves is examined during the quarterly reserve analysis. Relative case reserve adequacy levels appear to be quite consistent over the last three to five years.

Sincerely,



Kevin L. Russell, FCAS, MAAA



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

One GEICO Plaza ■ Washington, DC 20076-0001

December 20, 2011

Mr. Tim Lucas
North Carolina Rate Bureau
Box 176010
Raleigh, North Carolina 27619-6010

RE: GEICO Indemnity Company- Bureau Letter Asking for Reserve
Strengthening and Expense Control Information

Dear Mr. Lucas:

The GEICO Companies did not implement any changes that would have a dramatic impact on the expense factors. Expense control is a continuing effort at the GEICO companies and for that reason, GEICO believes that its historical experience is an appropriate basis for determining the expense provisions in your rate calculations and that no special adjustments are necessary.

The criteria used by GEICO Indemnity Company in North Carolina for establishing case basis reserves for the accident year ended December 31, 2010 have not materially changed over the last five years.

Please let me know if you need anything further.

Very truly yours,

Joseph Termin, Jr.,
Senior Counsel
478-744-5705

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DEC 27 2011

N.C. RATE BUREAU



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

One GEICO Plaza ■ Washington, DC 20076-0001

December 20, 2011

Mr. Tim Lucas
North Carolina Rate Bureau
Box 176010
Raleigh, North Carolina 27619-6010

RE: Government Employees Insurance Company- Bureau Letter Asking for
Reserve Strengthening and Expense Control Information

Dear Mr. Lucas:

The GEICO Companies did not implement any changes that would have a dramatic impact on the expense factors. Expense control is a continuing effort at the GEICO companies and for that reason, GEICO believes that its historical experience is an appropriate basis for determining the expense provisions in your rate calculations and that no special adjustments are necessary.

The criteria used by Government Employees Insurance Company in North Carolina for establishing case basis reserves for the accident year ended December 31, 2010 have not materially changed over the last five years.

Please let me know if you need anything further.

Very truly yours,

Joseph Termini, Jr.,
Senior Counsel
478-744-5705

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DEC 27 2011

F-101

N.C. RATE BUREAU

GMAC Insurance

December 5, 2011

Mr. Tim Lucas
Personal Lines Manager
North Carolina Rate Bureau
PO Box 176010
Raleigh, NC 27619

Re: NCRB request regarding Insurance Department Regulations for Integon National Insurance Company

Dear Tim:

Per your request, we are responding as follows:

Statement Concerning Reserve Strengthening Activities Over The Past Five Years:

All of the Integon companies, including Integon National Insurance Company, use a formula-based reserving system to establish reserves for claims with expected settlements under \$50,000. For claims with expected settlements in excess of \$50,000, the companies establish individual case reserves setup by knowledgeable claims personnel.

The formula reserve amounts have changed slightly over the past 5 years as trends have changed, but the amount of change has not been material. The criteria and method used for establishing both formula and case reserves for accident year 2010 have not changed materially from those we have used for the past 5 years.

Statement Concerning Expense Cutting Activities Over The Past Five Years:

There have not been any recent expense cutting activities for the Integon National that would create a material change in expected future expense ratios. In the past 5 years, expense reduction activities have been largely offset by additional investments being made in various initiatives such as agency-related Internet capabilities, consolidation of multiple policy reporting systems, various other information technology projects, and enhanced marketing initiatives. GMAC Insurance, including the Integon companies, remains expense competitive, and operates with an ongoing priority on spending controls.

Sincerely,



Art Lyon, CPCU
Executive Consultant



Liberty Mutual Group

255 Primera Blvd, Suite 300
Lake Mary, FL 32746
Telephone: (407) 333-1090

December 22, 2011

North Carolina Rate Bureau
Reinsurance Facility
F. Timothy Lucas
P.O. Box 176010
Raleigh, North Carolina 27619-6010

RE: Insurance Department Regulations

Dear Mr. Lucas:

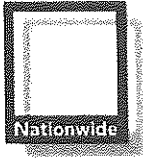
I am writing in response to your letter of November 11, 2011.

This is to confirm that Liberty Mutual's personal lines automobile claims case reserving practices for losses in North Carolina have remained materially unchanged for the accident year ended December 31, 2010 from the latest five years. Our philosophy on establishing claim case reserves has been essentially and effectively the same for the period in question.

If I can be of any further assistance please do not hesitate to contact me at the above number.

Regards,

Michael Klarman
Regional Operations Manager



December 20, 2011

Mr. F. Timothy Lucas
Personal Lines Manager
North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, NC 27609

Re: Statement of Expense Cutting Activities and Reserve Strengthening or Weakening

Dear Mr. Lucas:

I am providing the following information concerning expense cutting activities and reserve strengthening for Nationwide Mutual Insurance Company, Nationwide Property & Casualty Company, and Nationwide Affinity Insurance Company of America.

There are no material changes to reserves which have not been previously reported.

We have taken no expense cutting actions in the last 5 years that would materially impact our anticipated expense levels in North Carolina.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Harter", written in a cursive style.

Stephen Harter, FCAS, MAAA
Pricing Manager
Nationwide Insurance
harters2@nationwide.com
(614) 249-6112

PROGRESSIVE

6300 Wilson Mills Road
Mayfield Village, OH 44143
Telephone: 440 461-5000
progressive.com

January 11, 2012

North Carolina Rate Bureau
PO Box 176010
Raleigh, North Carolina 27619-6010

Attention: F. Timothy Lucas

The Progressive Companies have not changed the criteria for establishing case basis reserves for the year that will end December 31, 2011 in North Carolina.

The case reserves carried for Bodily Injury losses by The Progressive Companies are made up of average reserves as determined by the Corporate Actuarial Area, and adjuster's estimate set at the policy limit for limits less than \$250,000 and at \$250,000 for higher limits. The portion of the Outstanding Bodily Injury case reserves set at the thresholds is approximately 35%. For the other coverages the case reserves are primarily the average reserves determined by the actuarial area with a small number being set by the adjusters in excess of \$25,000. The average reserves vary by product, coverage, age of claim, cause of loss for the Comprehensive claims and by limit for Bodily Injury and UMBI claims. All averages are adjusted each month based on an inflation factor.

The IBNR reserves are maintained between reviews utilizing an algorithm that establishes balances based on a factor applied to past Earned Premium. The factors vary by product, coverage and for Bodily Injury and UMBI limit.

Progressive's actuarial area develops an indication of the needed reserves for North Carolina Bodily Injury (BI) reserves twice each year. During 2011, the North Carolina BI reviews were completed on the direct, ceded, and retained business separately. The last review completed for Bodily Injury included data evaluated through July 31, 2011 resulting in a decrease of \$454,000 to the carried \$43.1 million of direct Bodily Injury loss reserves (\$30.2 million ceded & \$12.9 million retained). An earlier review, in February with data through January, resulted in a \$250,000 decrease in reserves. Loss reserve changes for all other coverages resulted in decreases totaling \$39,000. During the 2011, Progressive saw favorable development of our prior year-end's reserves, approximately 6.2% of the year end 2010 carried reserves.

During 2011 Defense and Cost Containment (DCC) reserves for the Bodily Injury (BI) coverage were reviewed once in February with data through January 31, 2011. As a result of this review North Carolina direct BI DCC reserves of \$3.9 million were decreased \$200,000 or 5.1%. The Adjusting and all Other expense (A&O) reserves of approximately \$5.7 million were reviewed and were increased \$674,000. The LAE reserves for all coverages for auto are approximately \$13 million and total reserve adjustments following reviews during the year amounted to increasing the carried amount approximately by \$300,000.

The loss and LAE reserves for all auto coverages are approximately \$71 million and total reserve adjustments following reviews during the year was small


PROGRESSIVE

There has not been a change to Progressive's objective regarding reserving and the process has been consistent for several years in regard to loss and LAE reserves, with the indications using North Carolina only data .

For a discussion of Progressive's process in reviewing and changing reserve levels please review the "Report on Loss Reserving Practices" available under the Investor Relations section on Progressive's Web site, "Progressive.com".

If you have any more questions please contact Al Neis, Corporate Actuary at (440) 395-2331.

Sincerely,


Allan R Neis, FCAS, MAAA
Corporate Actuary



**North Carolina
Farm Bureau Insurance Group**

Telephone 919-782-1705 ▪ Post Office Box 27427 ▪ Raleigh, NC 27611

November 15, 2011

Mr. Tim Lucas
N.C. Rate Bureau
P.O. Box 176010
Raleigh, NC 27619-6010

RE: North Carolina Farm Bureau Mutual Insurance Company
Insurance Department Regulations
North Carolina Private Passenger Auto
Reserve Strengthening
Expense Cutting Activities

Tim:

Our company has not changed its procedures for setting case loss reserves over the last 5 years. We also have not taken on any expense cutting activities that would impact the expense levels in North Carolina.

If I can be of further assistance, let me know.

A handwritten signature in black ink, appearing to read "Roger Batdorff", written over a horizontal line.

Roger Batdorff
Senior Executive, A&R & Reinsurance

RB/cww

F-107

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State Farm Mutual Automobile Insurance Company



Kathy Popejoy, FCAS, MAAA
Actuary and Assistant Secretary-Treasurer

One State Farm Plaza, D4
Bloomington, Illinois 61710
Phone: 309.766.2325
Fax: 309.766.0225
E-mail: kathy.popejoy.a0gq@statefarm.com

December 9, 2011

Ms. Debbie Spence
Support Assistant III
North Carolina Rate Bureau
5401 Six Forks Road
Raleigh, NC 27609-4435

Dear Ms. Spence:

RE: Reserve Strengthening and Expense Cutting Activities

Your email dated November 14, 2011 requested two items required from the largest writers of liability and physical damage private passenger automobile insurance in North Carolina.

The first item concerned reserves. In response to your question, State Farm has not made any changes in the past five years that have a material impact on the reserves established in North Carolina.

The second item concerned expenses. State Farm has long recognized that expense control is a key to remaining competitive in the insurance marketplace. It is important to note that expense control does not necessarily imply expense reduction. Attracting and retaining quality personnel, providing top-notch services, and investing in technology may be just as important to a company's competitive position as a low price for the insurance product. In the end, it is through consumer forces in the marketplace that a balance is stricken between quality of service and price for those services.

It would be virtually impossible to fully describe all "expense cutting activities" (i.e., recycling paper, reorganizing jobs, automating jobs, consolidating jobs, ordering supplies from a different vendor, providing new software, streamlining a claims procedure, redesigning a code sheet, improving the training courses, etc.). Expense control is a continuous and evolving function of managing our business. It is also difficult to describe the many investments we've made in our business that have put upward pressure on our expenses (i.e., expanding our Internet presence, updating our systems as new technology becomes available, etc.).

We are continuing our extensive review of every aspect of our company's operation in an effort to further streamline workflow and processes and to invest in technological advances where appropriate while striving to improve the service provided to our customers.

Because expense review is a continuing effort, we feel that no special adjustments are necessary for your rate calculation.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Popejoy".

Kathy Popejoy
Actuary and Assistant Secretary-Treasurer

KP:kw



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December 15, 2011

Debbie Spence
North Carolina Rate Bureau
Fax: (919) 719-7402

RE: United Services Automobile Association
Insurance Department Regulations
North Carolina Automobile
Reserve Strengthening
Expense Cutting Activities

Ms. Spence:

Our company has not materially changed its procedures for setting case loss reserves over the last 5 years. We also have not taken on any expense cutting activities that would impact the expense levels in North Carolina.

If I can be of further assistance, let me know. I can be reached at (210) 913-7202.

Lisa Sukow
Executive Director
P&C Actuary

LS/das

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

4. TRENDING FACTOR DEVELOPMENT AND APPLICATION

See attached exhibits, Section D of RF-1 and pre-filed testimony of P. Woods.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF SELECTED TREND FACTORS

<u>Loss Trends</u>	<u>Cost</u>	<u>Frequency</u>	<u>Total</u>
Bodily Injury (B/L)	1.5%	0.0%	1.5%
Bodily Injury (T/L)	1.5%		
Property Damage	0.0%	1.0%	1.0%
Medical Payments	0.5%	0.5%	1.0%

Expense Trend 2.0%

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2008 and 2009

	(1) Calendar Year	(2) Claim Cost Change (a)	(3) Claim Frequency Change (b)	(4) Current Cost Factor (c)	(5) 2010 Trend Factor	(6) Annualized Trend (d)
Bodily Injury	2008	1.001	1.000	1.001	1.015	1.009
	2009	1.008	0.965	0.973	1.015	1.004
	2010	1.000	1.000	1.000	1.015	1.015
Property Damage	2008	0.964	1.057	1.019	1.010	1.010
	2009	0.979	1.034	1.012	1.010	1.010
	2010	1.000	1.000	1.000	1.010	1.010
Medical Payments	2008	1.022	1.051	1.074	1.010	1.020
	2009	1.011	0.976	0.987	1.010	1.004
	2010	1.000	1.000	1.000	1.010	1.010

(a) 2008 Claim Cost Change = (2010 Claim Cost) / (2008 Claim Cost).
2009 Claim Cost Change = (2010 Claim Cost) / (2009 Claim Cost).

(b) 2008 Claim Frequency Change = (2010 Claim Frequency) / (2008 Claim Frequency). 2009 Claim Frequency Change = (2010 Claim Frequency) / (2009 Claim Frequency).

(c) Current Cost Factor = Column (2) * Column (3)

(d) Annualized Trend for 2008 and 2009

$$= [(COL(5))^m \times (COL(4))^{(1/n)}]$$

where m is the number of years of projection of the 2010 trend factor from 7/1/2010 to 7/14/2013, 3.04, Col (4) represents the Current Cost Factor to 7/1/2010, and n represents the number of years of projection for a given prior year, 4.04 for 2009 and 5.04 for 2008.

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

Development of Annualized Trend
for 2008 and 2009

Coverage	(1) Year Ended	(2) Paid Claim Cost (a)	(3) Claim Frequency (b)
Bodily Injury	2008	\$ 7,506	1.36
	2009	7,452	1.41
	2010	7,512	1.36
Property Damage	2008	\$ 2,802	3.50
	2009	2,757	3.58
	2010	2,700	3.70
Medical Payments	2008	\$ 1,747	1.17
	2009	1,766	1.26
	2010	1,786	1.23

(a) Paid Claim Cost for all liability coverages is All Carrier trend data, as shown on pages F-122 and F-124.

(b) Incurred Claim Frequency for all liability coverages is based on All Carrier developed statistical plan data.

ISO-NAII-NISS FAST TRACK PRIVATE PASSENGER AUTOMOBILE - BI TOTAL LIMITS

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	NO. OF CLAIMS ARISING	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	PCT. CHANGE FROM SAME QTR PRIOR YEAR	PURE PREMIUM	PCT. CHANGE FROM SAME QTR PRIOR YEAR	ARISING CLAIM FREQ.	PCT. CHANGE FROM SAME QTR PRIOR YEAR
3/2006	994,786	10,740	16,026	88,380,298	1.08		8,229		88.84		1.61	
6/2006	1,007,103	10,491	16,067	86,311,104	1.04		8,227		85.70		1.60	
9/2006	1,015,974	10,121	15,523	100,964,750	1.00		9,976		99.38		1.53	
12/2006	1,024,210	11,704	17,924	98,891,174	1.14		8,449		96.55		1.75	
3/2007	1,032,484	10,616	16,027	94,068,281	1.03	-4.6	8,861	7.7	91.11	2.6	1.55	-3.7
6/2007	1,045,885	11,125	15,995	104,460,191	1.06	1.9	9,390	14.1	99.88	16.5	1.53	-4.4
9/2007	1,054,845	10,768	15,157	107,255,341	1.02	2.0	9,310	-6.7	95.04	-4.4	1.44	-5.9
12/2007	1,061,729	10,938	16,882	107,835,785	1.03	-9.6	9,859	16.7	101.57	5.2	1.59	-9.1
3/2008	1,066,948	10,580	15,383	94,346,035	0.99	-3.9	8,917	0.6	88.43	-2.9	1.44	-7.1
6/2008	1,077,716	10,719	15,457	102,061,091	0.99	-6.6	9,522	1.4	94.70	-5.2	1.43	-6.5
9/2008	1,082,185	10,584	14,651	107,220,503	0.98	-3.9	10,130	8.8	99.08	4.3	1.35	-6.3
12/2008	1,082,429	10,905	17,122	106,956,034	1.01	-1.9	9,808	-0.5	98.81	-2.7	1.58	-0.6
3/2009	1,078,165	10,493	15,388	100,602,116	0.97	-2.0	9,588	7.5	93.31	5.5	1.43	-0.7
6/2009	1,080,456	10,864	16,420	105,474,903	1.01	2.0	9,709	2.0	97.62	3.1	1.52	6.3
9/2009	1,078,347	10,627	15,683	104,200,627	0.99	1.0	9,805	-3.2	96.63	-2.5	1.45	7.4
12/2009	1,073,983	11,033	17,272	104,967,512	1.03	2.0	9,514	-3.0	97.74	-1.1	1.61	1.9
3/2010	1,071,835	10,417	15,503	97,686,798	0.97	0.0	9,378	-2.2	91.14	-2.3	1.45	1.4
6/2010	1,073,923	10,420	16,571	100,228,121	0.99	0.0	9,619	-0.9	93.33	-4.4	1.54	1.3
9/2010	1,069,268	10,547	16,426	102,614,285	0.99	0.0	9,729	-0.8	95.97	-0.7	1.54	6.2
12/2010	1,064,574	11,136	17,210	112,789,505	1.05	1.9	10,128	6.5	105.95	8.4	1.62	0.6
3/2011	1,061,080	10,610	15,303	103,889,320	1.00	3.1	9,792	4.4	97.91	7.4	1.44	-0.7
6/2011	1,018,377	10,482	15,121	106,370,424	1.03	6.2	10,148	5.5	104.45	11.9	1.48	-3.9
4 QTRS ENDING												
12/2006	4,042,073	43,056	65,540	374,547,326	1.07		8,699		92.66		1.62	
3/2007	4,079,771	42,932	65,541	380,235,309	1.05		8,857		93.20		1.61	
6/2007	4,118,553	43,566	65,469	398,384,396	1.06		9,144		96.73		1.59	
9/2007	4,157,424	44,213	65,103	397,674,987	1.06		8,935		95.65		1.57	
12/2007	4,194,943	43,447	64,061	406,619,598	1.04	-2.8	9,359	7.6	96.93	4.6	1.53	-5.6
3/2008	4,229,407	43,411	63,417	406,897,352	1.03	-1.9	9,373	5.8	96.21	3.2	1.50	-6.8
6/2008	4,261,238	43,005	62,879	404,498,252	1.01	-4.7	9,406	2.9	94.93	-1.9	1.48	-6.9
9/2008	4,288,578	42,821	62,373	411,463,414	1.00	-5.7	9,609	6.8	95.94	0.3	1.45	-7.6
12/2008	4,309,278	42,788	62,613	410,583,663	0.99	-4.8	9,596	2.5	95.28	-1.7	1.45	-5.2
3/2009	4,320,495	42,701	62,618	416,839,744	0.99	-3.9	9,762	4.2	96.48	0.3	1.45	-3.3
6/2009	4,323,235	42,846	63,581	420,253,556	0.99	-2.0	9,808	4.3	97.21	2.4	1.47	-0.7
9/2009	4,319,397	42,889	64,613	417,233,680	0.99	-1.0	9,728	1.2	96.60	0.7	1.50	3.4
12/2009	4,310,951	43,017	64,763	415,245,158	1.00	1.0	9,653	0.6	96.32	1.1	1.50	3.4
3/2010	4,304,621	42,941	64,878	412,329,840	1.00	1.0	9,602	-1.6	95.79	-0.7	1.51	4.1
6/2010	4,298,088	42,497	65,029	407,083,058	0.99	0.0	9,579	-2.3	94.71	-2.6	1.51	2.7
9/2010	4,289,009	42,417	65,772	405,496,716	0.99	0.0	9,560	-1.7	94.54	-2.1	1.53	2.0
12/2010	4,279,600	42,520	65,710	413,318,709	0.99	-1.0	9,721	0.7	96.58	0.3	1.54	2.7
3/2011	4,268,845	42,713	65,510	419,521,231	1.00	0.0	9,822	2.3	98.28	2.6	1.53	1.3
6/2011	4,213,299	42,775	64,060	425,663,534	1.02	3.0	9,951	3.9	101.03	6.7	1.52	0.7

ANNUAL RATE OF CHANGE (19 PT.)	2.2	0.8
ANNUAL RATE OF CHANGE (12 PT.)	0.5	0.9
ANNUAL RATE OF CHANGE (9 PT.)	0.6	1.3
ANNUAL RATE OF CHANGE (6 PT.)	3.1	4.7

PROPERTY DAMAGE

ISO-NAII-NISS EAST TRACK PRIVATE PASSENGER AUTOMOBILE -

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	PAID LOSSES	PCT. CHANGE FROM SAME QTR PRIOR YEAR			AVERAGE LOSS	PCT. CHANGE FROM SAME QTR PRIOR YEAR			PURE PREMIUM	PCT. CHANGE FROM SAME QTR PRIOR YEAR
				PAID CLAIM FREQ.	FROM SAME QTR PRIOR YEAR	LOSS		FROM SAME QTR PRIOR YEAR	PREMIUM			
3/2006	994,786	33,732	87,812,258	3.39		2,603				88.27		
6/2006	1,007,103	31,398	82,342,447	3.12		2,623				81.76		
9/2006	1,015,974	32,254	84,577,203	3.17		2,622				83.25		
12/2006	1,024,210	34,837	90,751,386	3.40		2,605				88.61		
3/2007	1,032,484	34,907	94,621,717	3.38	-0.3	2,711	4.1			91.64	3.8	
6/2007	1,045,885	34,211	88,769,872	3.27	4.8	2,595	-1.1			84.88	3.8	
9/2007	1,054,845	33,532	89,407,740	3.18	0.3	2,666	1.7			84.76	1.8	
12/2007	1,061,729	34,141	92,184,721	3.22	5.3	2,700	3.6			86.83	-2.0	
3/2008	1,066,948	34,288	93,288,428	3.21	-5.0	2,721	0.4			87.43	-4.6	
6/2008	1,077,716	33,652	90,961,074	3.12	-4.6	2,703	4.2			84.40	-0.6	
9/2008	1,082,185	32,718	88,295,551	3.02	-5.0	2,699	1.2			81.59	-3.7	
12/2008	1,082,429	33,537	93,163,887	3.10	-3.7	2,778	2.9			86.07	-0.9	
3/2009	1,078,165	34,499	95,839,603	3.20	-0.3	2,778	2.1			88.89	1.7	
6/2009	1,080,456	34,287	92,235,981	3.17	1.6	2,690	-0.5			85.37	1.1	
9/2009	1,078,347	33,423	89,551,276	3.10	2.6	2,679	-0.7			83.04	1.8	
12/2009	1,073,983	33,004	90,044,855	3.07	-1.0	2,728	-1.8			83.84	-2.6	
3/2010	1,071,835	33,980	93,983,026	3.17	-0.9	2,766	-0.4			87.68	-1.4	
6/2010	1,073,923	34,426	91,748,334	3.21	1.3	2,665	-0.9			85.43	0.1	
9/2010	1,069,268	34,653	92,653,937	3.24	4.5	2,674	-0.2			86.65	4.3	
12/2010	1,064,574	34,260	94,374,700	3.22	4.9	2,755	1.0			88.65	5.7	
3/2011	1,061,080	34,354	94,285,051	3.24	2.2	2,745	-0.8			88.86	1.3	
6/2011	1,018,377	30,484	82,591,783	2.99	-6.9	2,709	1.7			81.10	-5.1	
4 QTRS ENDING												
12/2006	4,042,073	132,221	345,483,294	3.27		2,613				85.47		
3/2007	4,079,771	133,396	352,292,753	3.27		2,641				86.35		
6/2007	4,118,553	136,209	358,720,178	3.31		2,634				87.10		
9/2007	4,157,424	137,487	363,550,715	3.31		2,644				87.45		
12/2007	4,194,943	136,791	364,984,050	3.26	-0.3	2,668	2.1			87.01	1.8	
3/2008	4,229,407	136,172	363,650,761	3.22	-1.5	2,671	1.1			85.98	-0.4	
6/2008	4,261,238	135,613	365,841,963	3.18	-3.9	2,698	2.4			85.85	-1.4	
9/2008	4,288,578	134,799	364,729,774	3.14	-5.1	2,706	2.3			85.05	-2.7	
12/2008	4,309,278	134,195	365,708,940	3.11	-4.6	2,725	2.1			84.87	-2.5	
3/2009	4,320,495	134,406	368,260,115	3.11	-3.4	2,740	2.6			85.24	-0.9	
6/2009	4,323,235	135,041	369,535,022	3.12	-1.9	2,736	1.4			85.48	-0.4	
9/2009	4,319,397	135,746	370,790,747	3.14	0.0	2,732	1.0			85.84	0.9	
12/2009	4,310,951	135,213	367,671,715	3.14	1.0	2,719	-0.2			85.29	0.5	
3/2010	4,304,621	134,694	365,815,138	3.13	0.6	2,716	-0.9			84.98	-0.3	
6/2010	4,298,058	134,833	365,327,491	3.14	0.6	2,709	-1.0			85.00	-0.6	
9/2010	4,289,009	136,063	368,430,152	3.17	1.0	2,708	-0.9			85.90	0.1	
12/2010	4,279,600	137,319	372,759,997	3.21	2.2	2,715	-0.1			87.10	2.1	
3/2011	4,268,845	137,693	373,062,022	3.23	3.2	2,709	-0.3			87.39	2.8	
6/2011	4,213,299	133,751	363,905,471	3.17	1.0	2,721	0.4			86.37	1.6	
ANNUAL RATE OF CHANGE (19 PT.)				-0.8		0.8				-0.1		
ANNUAL RATE OF CHANGE (12 PT.)				1.0		-0.2				0.8		
ANNUAL RATE OF CHANGE (9 PT.)				1.4		-0.4				1.0		
ANNUAL RATE OF CHANGE (6 PT.)				1.9		0.1				2.1		

NORTH CAROLINA
FAST TRACK TREND SUMMARY
DATA ENDED JUNE 2011

NORTH CAROLINA BODILY INJURY

	STRAIGHT LINE		
COST	END POINT	MID POINT	EXPONENTIAL
15 points	1.1%	1.1%	1.1%
12 points	0.5%	0.5%	0.5%
9 points	0.6%	0.7%	0.6%
6 points	3.0%	3.1%	3.1%

	STRAIGHT LINE		
FREQ	END POINT	MID POINT	EXPONENTIAL
15 points	-0.6%	-0.6%	-0.6%
12 points	0.4%	0.4%	0.4%
9 points	0.8%	0.8%	0.8%
6 points	1.5%	1.5%	1.5%

NORTH CAROLINA PROPERTY DAMAGE

	STRAIGHT LINE		
COST	END POINT	MID POINT	EXPONENTIAL
15 points	0.3%	0.3%	0.3%
12 points	-0.2%	-0.2%	-0.2%
9 points	-0.4%	-0.4%	-0.4%
6 points	0.1%	0.1%	0.1%

	STRAIGHT LINE		
FREQ	END POINT	MID POINT	EXPONENTIAL
15 points	-0.1%	-0.1%	-0.1%
12 points	1.0%	1.0%	1.0%
9 points	1.4%	1.4%	1.4%
6 points	1.8%	1.8%	1.9%

NORTH CAROLINA
FAST TRACK TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2011

NORTH CAROLINA BODILY INJURY

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.72	0.72
12 points	0.39	0.39
9 points	0.33	0.33
6 points	0.90	0.90

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.43	-0.42
12 points	0.43	0.43
9 points	0.55	0.55
6 points	0.59	0.59

NORTH CAROLINA PROPERTY DAMAGE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.45	0.45
12 points	-0.40	-0.40
9 points	-0.66	-0.66
6 points	0.33	0.33

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.05	-0.05
12 points	0.78	0.79
9 points	0.79	0.79
6 points	0.70	0.70

ISO-NAII-NISS FAST TRACK PRIVATE PASSENGER AUTOMOBILE - BI TOTAL LIMITS

QTR YEAR	EARNED CAR YEARS	NO. OF PAID CLAIMS	NO. OF CLAIMS ARISING	PAID LOSSES	PAID CLAIM FREQ.	PCT. CHANGE FROM SAME QTR PRIOR YEAR	AVERAGE LOSS	PCT. CHANGE FROM SAME QTR PRIOR YEAR	PURE PREMIUM	PCT. CHANGE FROM SAME QTR PRIOR YEAR	ARISING CLAIM FREQ.	PCT. CHANGE FROM SAME QTR PRIOR YEAR
3/2006	20,250,992	208,506	302,793	2,113,140,424	1.03		10,135		104.35		1.50	
6/2006	20,529,468	207,906	300,844	2,146,655,945	1.01		10,325		104.56		1.47	
9/2006	20,671,619	203,438	293,321	2,143,887,778	0.98		10,538		103.71		1.42	
12/2006	20,691,410	209,847	312,342	2,264,714,152	1.01		10,792		109.45		1.51	
3/2007	20,691,798	204,161	294,661	2,164,214,069	0.99	-3.9	10,601	4.6	104.59	0.2	1.42	-5.3
6/2007	20,938,062	203,411	290,563	2,218,960,719	0.97	-4.0	10,909	5.7	105.98	1.4	1.39	-5.4
9/2007	21,032,912	198,449	288,250	2,215,516,362	0.94	-4.1	11,164	5.9	105.34	1.6	1.37	-3.5
12/2007	21,073,900	203,239	301,528	2,330,502,510	0.96	-5.0	11,467	6.3	110.59	1.0	1.43	-5.3
3/2008	21,106,926	198,011	281,595	2,215,290,539	0.94	-5.1	11,188	5.5	104.96	0.4	1.33	-6.3
6/2008	21,305,385	201,130	272,212	2,303,711,737	0.94	-3.1	11,454	5.0	108.13	2.0	1.28	-7.9
9/2008	21,393,685	193,875	262,042	2,296,382,745	0.91	-3.2	11,845	6.1	107.34	1.9	1.22	-10.9
12/2008	21,338,204	196,113	280,392	2,402,923,743	0.92	-4.2	12,253	6.9	112.61	1.8	1.31	-8.4
3/2009	21,254,324	192,975	271,537	2,218,910,813	0.91	-3.2	11,498	2.8	104.40	1.28	1.31	-3.8
6/2009	21,419,466	194,220	281,468	2,341,715,880	0.91	-3.2	12,057	5.3	109.33	0.7	1.31	2.3
9/2009	21,428,674	191,792	276,791	2,315,513,079	0.90	-1.1	12,073	1.9	108.06	0.7	1.29	5.7
12/2009	21,318,681	195,992	287,979	2,366,630,035	0.92	0.0	12,075	-1.5	111.01	-1.4	1.35	3.1
3/2010	21,218,275	188,350	269,279	2,250,301,007	0.89	-2.2	11,947	3.9	106.05	1.6	1.27	-0.8
6/2010	21,366,318	192,230	280,618	2,343,019,394	0.90	-1.1	12,189	1.1	109.66	0.3	1.31	0.0
9/2010	21,381,957	192,040	285,643	2,400,798,875	0.90	0.0	12,502	3.6	112.28	3.9	1.34	3.9
12/2010	21,343,052	198,196	299,309	2,511,701,215	0.93	1.1	12,673	5.0	117.68	6.0	1.40	3.7
3/2011	21,280,910	196,929	278,834	2,441,012,116	0.93	4.5	12,395	3.7	114.70	8.2	1.31	3.1
6/2011	21,409,533	194,641	276,004	2,463,515,139	0.91	1.1	12,644	3.7	115.07	4.9	1.29	-1.5
4 QTRS ENDING												
12/2006	82,143,489	829,697	1209300	8,668,398,299	1.01		10,448		105.53		1.47	
3/2007	82,584,295	825,352	1201168	8,719,471,944	1.00		10,565		105.58		1.45	
6/2007	82,992,889	820,857	1190887	8,791,776,718	0.99		10,710		105.93		1.43	
9/2007	83,354,182	815,868	1185816	8,863,405,302	0.98		10,864		106.33		1.42	
12/2007	83,736,672	809,260	1175002	8,929,193,660	0.97	-4.0	11,034	5.6	106.63	1.0	1.40	-4.8
3/2008	84,151,800	803,110	1161936	8,980,270,130	0.95	-5.0	11,182	5.8	106.72	1.1	1.38	-4.8
6/2008	84,519,123	800,829	1143585	9,065,021,148	0.95	-4.0	11,320	5.7	107.25	1.2	1.35	-5.6
9/2008	84,879,896	796,255	1117377	9,145,887,531	0.94	-4.1	11,486	5.7	107.75	1.3	1.32	-7.0
12/2008	85,144,200	789,129	1096241	9,218,308,764	0.93	-4.1	11,682	5.9	108.27	1.5	1.29	-7.9
3/2009	85,291,598	784,093	1086183	9,221,929,038	0.92	-3.2	11,761	5.2	108.12	1.3	1.27	-8.0
6/2009	85,405,679	777,183	1095439	9,259,933,181	0.91	-4.2	11,915	5.3	108.42	1.1	1.28	-5.2
9/2009	85,440,668	775,100	1110188	9,279,063,515	0.91	-3.2	11,976	4.2	108.60	0.8	1.30	-1.5
12/2009	85,421,145	774,979	1117775	9,242,769,807	0.91	-2.2	11,926	2.1	108.20	-0.1	1.31	1.6
3/2010	85,385,096	770,354	1115517	9,274,160,001	0.90	-2.2	12,039	2.4	108.62	0.5	1.31	3.1
6/2010	85,331,948	768,364	1114667	9,275,463,515	0.90	-1.1	12,072	1.3	108.70	0.3	1.31	2.3
9/2010	85,285,231	768,612	1123519	9,360,749,311	0.90	-1.1	12,179	1.7	109.76	1.1	1.32	1.5
12/2010	85,309,602	770,816	1134849	9,505,820,491	0.91	-1.1	12,332	3.4	111.43	3.0	1.33	1.5
3/2011	85,372,237	779,395	1144404	9,696,531,600	0.91	1.1	12,441	3.3	113.58	4.6	1.34	2.3
6/2011	85,415,452	782,006	1139790	9,817,027,345	0.92	2.2	12,554	4.0	114.93	5.7	1.33	1.5
ANNUAL RATE OF CHANGE(19 PT.)					-2.5		4.0		1.5		-2.2	
ANNUAL RATE OF CHANGE(12 PT.)					-1.0		2.9		2.0		1.3	
ANNUAL RATE OF CHANGE(9 PT.)					0.1		2.7		3.0		1.9	
ANNUAL RATE OF CHANGE(6 PT.)					1.6		3.6		5.0		1.7	

ISO-NAII-NISS FAST TRACK

PRIVATE PASSENGER AUTOMOBILE -

PROPERTY DAMAGE

STATE: MULTIST

PCT. CHANGE FROM SAME QTR PRIOR YEAR

PCT. CHANGE FROM SAME QTR PRIOR YEAR

PCT. CHANGE FROM SAME QTR PRIOR YEAR

QTR YEAR EARNED CAR YEARS NO. OF PAID CLAIMS

PAID CLAIM FREQ.

PAID LOSSES

AVERAGE LOSS

PURE PREMIUM

PCT. CHANGE FROM SAME QTR PRIOR YEAR

3/2006	28,484,504	1079040	2,888,347,027	3.79	2,677	101.40	101.40	
6/2006	28,909,989	1020744	2,724,096,056	3.53	2,669	94.23	94.23	
9/2006	29,108,042	1013369	2,723,869,139	3.48	2,688	93.58	93.58	
12/2006	29,110,395	1040279	2,838,263,233	3.57	2,728	97.50	97.50	
3/2007	29,122,517	1096600	3,006,772,286	3.77	2,742	103.25	103.25	1.8
6/2007	29,508,060	1063186	2,890,819,409	3.60	2,719	97.97	97.97	4.0
9/2007	29,642,198	1045918	2,875,435,503	3.53	2,749	97.00	97.00	3.7
12/2007	29,643,859	1072940	2,966,111,625	3.62	2,764	100.06	100.06	2.6
3/2008	29,738,533	1109930	3,115,276,981	3.73	2,807	104.76	104.76	1.5
6/2008	30,076,320	1056886	2,929,290,452	3.51	2,772	97.40	97.40	-0.6
9/2008	30,190,077	1023361	2,854,057,236	3.39	2,789	94.54	94.54	-2.5
12/2008	30,091,191	1013743	2,866,685,340	3.37	2,828	95.27	95.27	-4.8
3/2009	29,988,037	1104764	3,101,741,113	3.68	2,808	103.43	103.43	-1.3
6/2009	30,231,997	1053200	2,920,625,580	3.48	2,773	96.61	96.61	-0.8
9/2009	30,229,359	1045826	2,889,787,520	3.46	2,763	95.60	95.60	1.1
12/2009	30,023,210	1041986	2,933,007,781	3.47	2,815	97.69	97.69	2.5
3/2010	29,892,451	1080275	3,020,265,907	3.61	2,796	101.04	101.04	-2.3
6/2010	30,126,147	1039995	2,880,816,396	3.45	2,770	95.63	95.63	-1.0
9/2010	30,139,333	1050992	2,968,050,472	3.49	2,824	98.48	98.48	3.0
12/2010	30,020,984	1046657	2,985,415,985	3.49	2,852	99.44	99.44	1.8
3/2011	29,933,649	1090905	3,134,842,931	3.64	2,874	104.73	104.73	3.7
6/2011	30,091,190	1002308	2,890,214,310	3.33	2,884	96.05	96.05	0.4

4 QTRS ENDING

12/2006	115612930	4153432	11,174,575,455	3.59	2,690	96.66	96.66	
3/2007	116250943	4170992	11,293,000,714	3.59	2,708	97.14	97.14	
6/2007	116849014	4213434	11,459,724,067	3.61	2,720	98.07	98.07	
9/2007	117383170	4245983	11,611,290,431	3.62	2,735	98.92	98.92	
12/2007	117916634	4278644	11,739,138,823	3.63	2,744	99.55	99.55	3.0
3/2008	118532650	4291974	11,847,643,518	3.62	2,760	99.95	99.95	2.9
6/2008	119100910	4285674	11,886,114,561	3.60	2,773	99.80	99.80	1.8
9/2008	119648789	4263117	11,864,736,294	3.56	2,783	99.16	99.16	0.2
12/2008	120096121	4203920	11,765,310,009	3.50	2,799	97.97	97.97	-1.6
3/2009	120345625	4198754	11,751,774,141	3.49	2,799	97.65	97.65	-2.3
6/2009	120501302	4195068	11,743,109,269	3.48	2,799	97.45	97.45	-2.4
9/2009	120540584	4217533	11,778,839,553	3.50	2,793	97.72	97.72	-1.5
12/2009	120472603	4245776	11,845,161,994	3.52	2,790	98.32	98.32	0.4
3/2010	120377017	4221287	11,763,686,788	3.51	2,787	97.72	97.72	0.1
6/2010	120271167	4208082	11,723,877,604	3.50	2,786	97.48	97.48	0.0
9/2010	120181141	4213148	11,802,140,556	3.51	2,801	98.20	98.20	0.5
12/2010	120178915	4217819	11,854,548,760	3.51	2,811	98.64	98.64	0.3
3/2011	120220113	4228349	11,969,125,784	3.52	2,831	99.56	99.56	1.9
6/2011	120185156	4190662	11,978,523,698	3.49	2,858	99.67	99.67	2.2

ANNUAL RATE OF CHANGE(19 FT.)
 ANNUAL RATE OF CHANGE(12 FT.)
 ANNUAL RATE OF CHANGE(9 FT.)
 ANNUAL RATE OF CHANGE(6 FT.)

1.0
0.4
1.1
1.9
0.1
0.6
1.0
2.0
1.0
0.6
1.0
2.0

NORTH CAROLINA
FAST TRACK TREND SUMMARY
DATA ENDED JUNE 2011

MULTISTATE BODILY INJURY

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	3.2%	3.4%	3.4%
12 points	2.7%	2.8%	2.9%
9 points	2.6%	2.7%	2.7%
6 points	3.5%	3.6%	3.6%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-1.8%	-1.7%	-1.7%
12 points	-1.0%	-1.0%	-1.0%
9 points	0.1%	0.1%	0.1%
6 points	1.6%	1.6%	1.6%

MULTISTATE PROPERTY DAMAGE

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.7%	0.7%	0.7%
12 points	0.6%	0.6%	0.6%
9 points	1.0%	1.0%	1.0%
6 points	2.0%	2.0%	2.0%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-0.9%	-0.9%	-0.9%
12 points	-0.1%	-0.1%	-0.1%
9 points	0.2%	0.2%	0.2%
6 points	-0.1%	-0.1%	-0.1%

NORTH CAROLINA
 FAST TRACK TREND SUMMARY
 CORRELATION COEFFICIENTS
 DATA ENDED JUNE 2011

MULTISTATE BODILY INJURY

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.98	0.98
12 points	0.98	0.98
9 points	0.96	0.96
6 points	0.99	0.99

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.82	-0.82
12 points	-0.62	-0.62
9 points	0.13	0.13
6 points	0.83	0.83

MULTISTATE PROPERTY DAMAGE

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.84	0.84
12 points	0.69	0.69
9 points	0.77	0.77
6 points	0.96	0.96

FREQ	STRAIGHT LINE	EXPONENTIAL
15 points	-0.70	-0.70
12 points	-0.19	-0.19
9 points	0.27	0.27
6 points	-0.21	-0.21

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM COST

ALL CARRIERS

(1)	(2)	(3)	AVERAGE PAID CLAIM COST (A)		(6)	(7)	AVERAGE PAID CLAIM COST (A)	
			(4)	(5)			(8)	(9)
YEAR ENDED	PAID LOSSES(A)	PAID CLAIMS	ACTUAL (2)/(3)	EXPONENTIAL CURVE OF BEST FIT (B)	PAID LOSSES(A)	PAID CLAIMS	ACTUAL (6)/(7)	EXPONENTIAL CURVE OF BEST FIT (B)
<u>BODILY INJURY (30/60 LIMIT)</u>					<u>PROPERTY DAMAGE (TOTAL LIMITS)</u>			
Sep-05	\$651,575,122	102,892	\$6,333	\$7,409.37	\$635,302,673	247,768	\$2,564	\$2,872.29
Dec-05	655,758,567	101,642	6,452	7,417.54	628,235,467	243,492	2,580	2,861.35
Mar-06	663,234,374	102,016	6,501	7,425.72	637,159,084	244,730	2,604	2,850.45
Jun-06	664,417,985	101,246	6,562	7,433.90	638,433,955	242,768	2,630	2,839.60
Sep-06	668,375,381	100,053	6,680	7,442.10	644,595,815	242,089	2,663	2,828.78
Dec-06	676,166,414	100,998	6,695	7,450.30	663,272,417	247,014	2,685	2,818.01
Mar-07	682,136,661	100,610	6,780	7,458.51	671,741,530	247,151	2,718	2,807.28
Jun-07	699,111,020	101,122	6,914	7,466.74	681,592,955	249,904	2,727	2,796.59
Sep-07	711,740,528	101,513	7,011	7,474.97	684,780,464	249,592	2,744	2,785.94
Dec-07	718,253,029	99,461	7,221	7,483.21	679,644,016	247,496	2,746	2,775.33
Mar-08	719,096,314	98,200	7,323	7,491.46	675,020,269	245,009	2,755	2,764.76
Jun-08	722,198,981	97,297	7,423	7,499.72	675,703,888	243,367	2,776	2,754.23
Sep-08	721,927,226	96,334	7,494	7,507.98	672,751,650	241,931	2,781	2,743.74
Dec-08	720,034,137	95,923	7,506	7,516.26	676,082,242	241,251	2,802	2,733.29
Mar-09	723,308,522	96,122	7,525	7,524.55	679,951,555	241,790	2,812	2,722.89
Jun-09	721,919,613	96,597	7,474	7,532.84	683,238,178	243,841	2,802	2,712.52
Sep-09	728,332,523	97,485	7,471	7,541.15	688,267,340	246,973	2,787	2,702.19
Dec-09	736,365,800	98,810	7,452	7,549.46	687,050,610	249,233	2,757	2,691.90
Mar-10	732,276,739	98,636	7,424	7,557.78	683,401,936	251,201	2,721	2,681.64
Jun-10	733,093,179	98,172	7,467	7,566.11	682,340,618	253,216	2,695	2,671.43
Sep-10	734,202,298	98,014	7,491	7,574.45	688,646,145	255,989	2,690	2,661.26
Dec-10	737,206,573	98,133	7,512	7,582.80	697,316,506	258,240	2,700	2,651.12
Mar-11	743,742,412	98,219	7,572	7,591.16	700,617,123	257,889	2,717	2,641.03
Jun-11	750,981,843	98,024	7,661	7,599.53	694,321,610	254,551	2,728	2,630.97

(10) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:

	BODILY INJURY	PROPERTY DAMAGE
6-points	2.3%	0.5%
9-points	1.1%	-1.6%
12-points	0.4%	-1.5%
15-points	0.9%	-0.9%

(A) FACTORS OF 1.129 WERE APPLIED TO BODILY INJURY AND 1.116 TO PROPERTY DAMAGE PAID LOSSES TO INCLUDE ALL LOSS ADJUSTMENT.

(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM COST

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)		(6) PAID LOSSES (A)	(7) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)			(8) ACTUAL (6)/(7)	(9) EXPONENTIAL CURVE OF BEST FIT (B)
<u>BODILY INJURY (30/60 EXCESS)</u>			<u>BODILY INJURY (TOTAL LIMITS)</u>					
Sep-05	\$112,873,217	102,892	\$1,097	\$1,590.11	\$764,448,339	102,892	\$7,430	\$8,989.99
Dec-05	107,877,379	101,642	1,061	1,572.26	763,635,946	101,642	7,513	8,982.30
Mar-06	112,967,166	102,016	1,107	1,554.60	776,201,540	102,016	7,609	8,974.62
Jun-06	116,196,242	101,246	1,148	1,537.14	780,614,227	101,246	7,710	8,966.95
Sep-06	130,074,202	100,053	1,300	1,519.87	798,449,583	100,053	7,980	8,959.28
Dec-06	136,602,985	100,998	1,353	1,502.80	812,769,399	100,998	8,047	8,951.62
Mar-07	138,450,209	100,610	1,376	1,485.92	820,586,870	100,610	8,156	8,943.96
Jun-07	145,968,191	101,122	1,443	1,469.23	845,079,211	101,122	8,357	8,936.32
Sep-07	138,145,131	101,513	1,361	1,452.73	849,885,659	101,513	8,372	8,928.67
Dec-07	138,357,452	99,461	1,391	1,436.42	856,610,481	99,461	8,613	8,921.04
Mar-08	135,592,778	98,200	1,381	1,420.28	854,689,092	98,200	8,704	8,913.41
Jun-08	134,272,766	97,297	1,380	1,404.33	856,471,747	97,297	8,803	8,905.79
Sep-08	139,379,023	96,334	1,447	1,388.56	861,306,249	96,334	8,941	8,898.17
Dec-08	141,265,808	95,923	1,473	1,372.96	861,299,945	95,923	8,979	8,890.57
Mar-09	146,526,563	96,122	1,524	1,357.54	869,835,085	96,122	9,049	8,882.96
Jun-09	146,491,264	96,597	1,517	1,342.30	868,410,877	96,597	8,990	8,875.37
Sep-09	139,055,762	97,485	1,426	1,327.22	867,388,285	97,485	8,898	8,867.78
Dec-09	135,431,110	98,810	1,371	1,312.31	871,796,910	98,810	8,823	8,860.19
Mar-10	131,310,984	98,636	1,331	1,297.57	863,587,723	98,636	8,755	8,852.62
Jun-10	128,738,369	98,172	1,311	1,283.00	861,831,548	98,172	8,779	8,845.05
Sep-10	128,410,395	98,014	1,310	1,268.59	862,612,693	98,014	8,801	8,837.49
Dec-10	131,492,811	98,133	1,340	1,254.34	868,699,384	98,133	8,852	8,829.93
Mar-11	133,198,860	98,219	1,356	1,240.25	876,941,272	98,219	8,928	8,822.38
Jun-11	134,655,161	98,024	1,374	1,226.32	885,637,004	98,024	9,035	8,814.83

(10) RATE OF CHANGE IN PAID CLAIM COSTS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:	30/60 <u>EXCESS</u>	TOTAL <u>LIMITS</u>
	6-points	3.3%
	9-points	-4.0%
	12-points	-4.4%
	15-points	-2.1%
		2.5%
		0.3%
		-0.3%
		0.4%

(A) INCLUDES A FACTOR OF 1.129 TO INCLUDE ALL LOSS ADJUSTMENT.

(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN MEDICAL PAYMENTS CLAIM COSTS

ALL CARRIERS

(1) YEAR ENDED	(2) PAID LOSSES (A)	(3) PAID CLAIMS	AVERAGE PAID CLAIM COST (A)	
			(4) ACTUAL (2)/(3)	(5) EXPONENTIAL CURVE OF BEST FIT (B)
Sep-05	\$102,897,784	59,584	\$1,727	\$1,730.59
Dec-05	102,777,869	59,379	1,731	1,733.47
Mar-06	104,035,116	60,025	1,733	1,736.36
Jun-06	103,736,147	59,736	1,737	1,739.25
Sep-06	103,513,028	59,239	1,747	1,742.15
Dec-06	104,952,403	60,575	1,733	1,745.05
Mar-07	104,424,370	60,642	1,722	1,747.96
Jun-07	106,505,075	61,387	1,735	1,750.87
Sep-07	106,628,919	61,930	1,722	1,753.79
Dec-07	105,570,724	60,969	1,732	1,756.71
Mar-08	106,860,699	61,432	1,739	1,759.64
Jun-08	106,754,193	61,602	1,733	1,762.57
Sep-08	106,027,961	60,899	1,741	1,765.50
Dec-08	106,733,924	61,108	1,747	1,768.45
Mar-09	106,035,965	60,214	1,761	1,771.39
Jun-09	107,067,254	60,755	1,762	1,774.34
Sep-09	109,023,191	62,179	1,753	1,777.30
Dec-09	109,927,578	62,251	1,766	1,780.26
Mar-10	111,308,059	63,132	1,763	1,783.22
Jun-10	110,256,766	62,459	1,765	1,786.19
Sep-10	110,431,875	61,815	1,786	1,789.17
Dec-10	110,241,731	61,722	1,786	1,792.15
Mar-11	110,063,942	62,111	1,772	1,795.14
Jun-11	110,927,436	62,791	1,767	1,798.13

(10) RATE OF CHANGE IN PAID CLAIM COSTS FOR
ANY 12 MONTH INTERVAL ON THE EXPONENTIAL
CURVE OF BEST FIT:

MEDICAL
PAYMENTS

6-points	0.3%
9-points	0.5%
12-points	0.7%
15-points	0.8%

- (A) INCLUDES A FACTOR OF 1.129 TO INCLUDE ALL LOSS ADJUSTMENT.
(B) THE FITS GIVEN USE THE 12-POINT AVERAGE ANNUAL RATE OF CHANGE.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM FREQUENCIES (A)

ALL CARRIERS

(1)	(2)	(3)	(4)	(5)	(6)
YEAR	EARNED	PAID	PAID	PAID	PAID
<u>ENDED</u>	<u>EXPOSURES</u>	<u>CLAIMS</u>	<u>FREQ</u>	<u>CLAIMS</u>	<u>FREQ</u>
			<u>(2)/(3)</u>		<u>(5)/(3)</u>
		<u>BODILY INJURY</u>		<u>PROPERTY DAMAGE</u>	
Sep-05	6,386,223	102,892	1.6112	247,768	3.8797
Dec-05	6,430,216	101,642	1.5807	243,492	3.7867
Mar-06	6,459,527	102,016	1.5793	244,730	3.7887
Jun-06	6,514,265	101,246	1.5542	242,768	3.7267
Sep-06	6,563,911	100,053	1.5243	242,089	3.6882
Dec-06	6,617,915	100,998	1.5261	247,014	3.7325
Mar-07	6,665,866	100,610	1.5093	247,151	3.7077
Jun-07	6,700,103	101,122	1.5093	249,904	3.7299
Sep-07	6,733,194	101,513	1.5077	249,592	3.7069
Dec-07	6,762,946	99,461	1.4707	247,496	3.6596
Mar-08	6,793,563	98,200	1.4455	245,009	3.6065
Jun-08	6,829,721	97,297	1.4246	243,367	3.5634
Sep-08	6,868,145	96,334	1.4026	241,931	3.5225
Dec-08	6,898,289	95,923	1.3905	241,251	3.4973
Mar-09	6,922,114	96,122	1.3886	241,790	3.4930
Jun-09	6,938,252	96,597	1.3922	243,841	3.5144
Sep-09	6,950,021	97,485	1.4027	246,973	3.5536
Dec-09	6,964,245	98,810	1.4188	249,233	3.5788
Mar-10	6,978,967	98,636	1.4133	251,201	3.5994
Jun-10	6,992,434	98,172	1.4040	253,216	3.6213
Sep-10	7,004,835	98,014	1.3992	255,989	3.6545
Dec-10	7,016,669	98,133	1.3986	258,240	3.6804
Mar-11	7,025,249	98,219	1.3981	257,889	3.6709
Jun-11	7,040,070	98,024	1.3924	254,551	3.6157

(5) RATE OF CHANGE IN PAID

CLAIM FREQS FOR ANY 12 MONTH
INTERVAL ON THE EXPONENTIAL
CURVE OF BEST FIT:

	<u>B. I.</u>	<u>P. D.</u>
6-points	-1.0%	0.8%
9-points	-0.3%	1.9%
12-points	0.1%	1.9%
15-points	-0.9%	0.7%
24-points	-2.5%	-0.9%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF AVERAGE ANNUAL CHANGE
IN CLAIM FREQUENCIES (A)

ALL CARRIERS

(1)	(2)	(3)	(4)
YEAR ENDED	EARNED EXPOSURES	PAID CLAIMS	PAID CLAIM FREQ (2) / (3)

MEDICAL PAYMENTS

Sep-05	4,755,565	59,584	1.2529
Dec-05	4,782,499	59,379	1.2416
Mar-06	4,803,998	60,025	1.2495
Jun-06	4,838,249	59,736	1.2347
Sep-06	4,873,424	59,239	1.2156
Dec-06	4,912,612	60,575	1.2331
Mar-07	4,949,155	60,642	1.2253
Jun-07	4,975,256	61,387	1.2338
Sep-07	4,998,637	61,930	1.2389
Dec-07	5,017,698	60,969	1.2151
Mar-08	5,036,058	61,432	1.2198
Jun-08	5,057,392	61,602	1.2181
Sep-08	5,080,510	60,899	1.1987
Dec-08	5,099,040	61,108	1.1984
Mar-09	5,109,479	60,214	1.1785
Jun-09	5,110,449	60,755	1.1888
Sep-09	5,104,575	62,179	1.2181
Dec-09	5,098,030	62,251	1.2211
Mar-10	5,092,607	63,132	1.2397
Jun-10	5,088,603	62,459	1.2274
Sep-10	5,084,754	61,815	1.2157
Dec-10	5,078,848	61,722	1.2153
Mar-11	5,072,694	62,111	1.2244
Jun-11	5,071,433	62,791	1.2381

(5) RATE OF CHANGE IN PAID CLAIM FREQS FOR ANY 12 MONTH INTERVAL ON THE EXPONENTIAL CURVE OF BEST FIT:		<u>MEDICAL PAYMENTS</u>	
	6-points		-0.2%
	9-points		1.0%
	12-points		1.3%
	15-points		0.6%
	24-points		-0.3%

(A) AVERAGE PAID CLAIM FREQUENCY PER 100 CARS.

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2011

ALL CARRIERS

BODILY INJURY 30/60 BASIC

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.9%	0.9%	0.9%
12 points	0.4%	0.4%	0.4%
9 points	1.1%	1.1%	1.1%
6 points	2.3%	2.3%	2.3%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
24 points	-2.8%	-2.6%	-2.5%
15 points	-0.9%	-0.9%	-0.9%
12 points	0.1%	0.1%	0.1%
9 points	-0.3%	-0.3%	-0.3%
6 points	-1.0%	-1.0%	-1.0%

PROPERTY DAMAGE TOTAL LIMITS

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-0.9%	-0.9%	-0.9%
12 points	-1.6%	-1.5%	-1.5%
9 points	-1.6%	-1.6%	-1.6%
6 points	0.5%	0.5%	0.5%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
24 points	-1.0%	-1.0%	-0.9%
15 points	0.7%	0.7%	0.7%
12 points	1.8%	1.9%	1.9%
9 points	1.8%	1.9%	1.9%
6 points	0.8%	0.8%	0.8%

MEDICAL PAYMENTS TOTAL LIMITS

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.8%	0.8%	0.8%
12 points	0.7%	0.7%	0.7%
9 points	0.5%	0.5%	0.5%
6 points	0.3%	0.3%	0.3%

FREQ	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
24 points	-0.3%	-0.3%	-0.3%
15 points	0.6%	0.6%	0.6%
12 points	1.3%	1.3%	1.3%
9 points	1.0%	1.0%	1.0%
6 points	-0.2%	-0.2%	-0.2%

NORTH CAROLINA
TREND SUMMARY
DATA ENDED JUNE 2011

ALL CARRIERS

BODILY INJURY 30/60 EXCESS

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	-2.2%	-2.1%	-2.1%
12 points	-4.9%	-4.6%	-4.4%
9 points	-4.4%	-4.2%	-4.0%
6 points	3.2%	3.2%	3.3%

BODILY INJURY TOTAL LIMITS

COST	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
15 points	0.4%	0.4%	0.4%
12 points	-0.3%	-0.3%	-0.3%
9 points	0.3%	0.3%	0.3%
6 points	2.4%	2.4%	2.5%

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2011

ALL CARRIERS

BODILY INJURY 30/60 BASIC

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.74	0.74
12 points	0.48	0.48
9 points	0.78	0.78
6 points	0.96	0.97

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.91	-0.91
15 points	-0.60	-0.60
12 points	0.08	0.08
9 points	-0.35	-0.34
6 points	-0.93	-0.93

PROPERTY DAMAGE TOTAL LIMITS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.64	-0.64
12 points	-0.83	-0.82
9 points	-0.74	-0.73
6 points	0.38	0.38

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.62	-0.61
15 points	0.46	0.46
12 points	0.90	0.90
9 points	0.84	0.84
6 points	0.42	0.42

MEDICAL PAYMENTS TOTAL LIMITS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.89	0.89
12 points	0.78	0.79
9 points	0.58	0.59
6 points	0.21	0.21

FREQ	STRAIGHT LINE	EXPONENTIAL
24 points	-0.37	-0.37
15 points	0.46	0.45
12 points	0.73	0.73
9 points	0.55	0.55
6 points	-0.09	-0.09

NORTH CAROLINA
CORRELATION COEFFICIENTS
DATA ENDED JUNE 2011

ALL CARRIERS

BODILY INJURY 30/60 EXCESS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	-0.47	-0.48
12 points	-0.75	-0.75
9 points	-0.60	-0.60
6 points	0.81	0.80

BODILY INJURY TOTAL LIMITS

COST	STRAIGHT LINE	EXPONENTIAL
15 points	0.33	0.34
12 points	-0.27	-0.27
9 points	0.18	0.18
6 points	0.96	0.96

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>ALL ITEMS CPI INDEX</u>	<u>COMPENSATION COST INDEX</u>
Oct-07	208.9	
Nov-07	210.2	105.7
Dec-07	210.0	
Jan-08	211.1	
Feb-08	211.7	107.4
Mar-08	213.5	
Apr-08	214.8	
May-08	216.6	107.9
Jun-08	218.8	
Jul-08	220.0	
Aug-08	219.1	108.3
Sep-08	218.8	
Oct-08	216.6	
Nov-08	212.4	108.2
Dec-08	210.2	
Jan-09	211.1	
Feb-09	212.2	109.1
Mar-09	212.7	
Apr-09	213.2	
May-09	213.9	109.7
Jun-09	215.7	
Jul-09	215.4	
Aug-09	215.8	110.2
Sep-09	216.0	
Oct-09	216.2	
Nov-09	216.3	110.0
Dec-09	215.9	
Jan-10	216.7	
Feb-10	216.7	111.3
Mar-10	217.6	
Apr-10	218.0	
May-10	218.2	112.2
Jun-10	218.0	
Jul-10	218.0	
Aug-10	218.3	112.2
Sep-10	218.4	
Oct-10	218.7	
Nov-10	218.8	112.2
Dec-10	219.2	
Jan-11	220.2	
Feb-11	221.3	113.7
Mar-11	223.5	
Apr-11	224.9	
May-11	226.0	114.8
Jun-11	225.7	
Jul-11	225.9	
Aug-11	226.5	114.9
Sep-11	226.9	

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>All Items (A)</u>	<u>CCI (B)</u>	<u>Combined (C)</u>
(1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters)	1.50%	2.05%	1.78%
(2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters)	2.22%	2.16%	2.19%
(3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters)	2.75%	2.41%	2.58%
(4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters)	4.81%	3.29%	4.05%
(5) Average Annual Index (D)			
Year Ended 3/31/2009	215.28	108.38	
Year Ended 9/30/2009	213.77	109.30	
Year Ended 3/31/2010	215.78	110.30	
Year Ended 9/30/2010	217.36	111.43	
Year Ended 3/31/2011	219.22	112.58	
Year Ended 9/30/2011	223.13	113.90	
(6) Current Cost Factor (Index Value Divided by Average Annual Index)			
Year Ended 3/31/2009	1.05	1.06	1.06
Year Ended 9/30/2009	1.06	1.05	1.06
Year Ended 3/31/2010	1.05	1.04	1.05
Year Ended 9/30/2010	1.04	1.03	1.04
Year Ended 3/31/2011	1.04	1.02	1.03
Year Ended 9/30/2011	1.02	1.01	1.02

Notes: (A) All items CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service. Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All Items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY

AVERAGE ANNUAL RATES OF CHANGE
DATA ENDED SEPTEMBER 2011

CONSUMER PRICE INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
48 points	1.45%	1.50%	1.50%
36 points	2.13%	2.20%	2.22%
24 points	2.65%	2.72%	2.75%
12 points	4.59%	4.69%	4.81%

COMPENSATION COST INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
16 points	1.96%	2.03%	2.05%
12 points	2.08%	2.14%	2.16%
8 points	2.33%	2.38%	2.41%
4 points	3.19%	3.23%	3.29%

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED SEPTEMBER 2011

CONSUMER PRICE INDEX

	STRAIGHT LINE	EXPONENTIAL
48 points	0.82	0.82
36 points	0.93	0.93
24 points	0.94	0.94
12 points	0.96	0.96

COMPENSATION COST INDEX

	STRAIGHT LINE	EXPONENTIAL
16 points	0.99	0.99
12 points	0.98	0.98
8 points	0.97	0.97
4 points	0.94	0.94

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>ALL ITEMS - LESS ENERGY CPI INDEX</u>	<u>COMPENSATION COST INDEX</u>
Oct-07	210.7	
Nov-07	210.9	105.7
Dec-07	210.9	
Jan-08	211.8	
Feb-08	212.5	107.4
Mar-08	213.4	
Apr-08	213.9	
May-08	214.1	107.9
Jun-08	214.6	
Jul-08	215.3	
Aug-08	215.9	108.3
Sep-08	216.4	
Oct-08	216.7	
Nov-08	216.4	108.2
Dec-08	215.9	
Jan-09	216.6	
Feb-09	217.3	109.1
Mar-09	218.0	
Apr-09	218.4	
May-09	218.3	109.7
Jun-09	218.4	
Jul-09	218.4	
Aug-09	218.6	110.2
Sep-09	219.1	
Oct-09	219.6	
Nov-09	219.3	110.0
Dec-09	219.0	
Jan-10	219.3	
Feb-10	219.7	111.3
Mar-10	220.1	
Apr-10	220.3	
May-10	220.3	112.2
Jun-10	220.3	
Jul-10	220.3	
Aug-10	220.6	112.2
Sep-10	221.0	
Oct-10	221.2	
Nov-10	221.2	112.2
Dec-10	221.0	
Jan-11	221.7	
Feb-11	222.5	113.7
Mar-11	223.3	
Apr-11	223.8	
May-11	224.3	114.8
Jun-11	224.6	
Jul-11	225.0	
Aug-11	225.8	114.9
Sep-11	226.3	

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
DETERMINATION OF TREND FOR EXPENSES

	<u>All Items - Less Energy (A)</u>	<u>CCI (B)</u>	<u>Combined (C)</u>
(1) Annual Change in indices based on exponential curve of best fit for the latest 48 points (or 16 quarters)	1.53%	2.05%	1.79%
(2) Annual Change in indices based on exponential curve of best fit for the latest 36 points (or 12 quarters)	1.35%	2.16%	1.75%
(3) Annual Change in indices based on exponential curve of best fit for the latest 24 points (or 8 quarters)	1.61%	2.41%	2.01%
(4) Annual Change in indices based on exponential curve of best fit for the latest 12 points (or 4 quarters)	2.78%	3.29%	3.03%
(5) Average Annual Index (D)			
Year Ended 3/31/2009	215.92	108.38	
Year Ended 9/30/2009	217.68	109.30	
Year Ended 3/31/2010	219.02	110.30	
Year Ended 9/30/2010	219.98	111.43	
Year Ended 3/31/2011	221.14	112.58	
Year Ended 9/30/2011	223.39	113.90	
(6) Current Cost Factor (Index Value Divided by Average Annual Index)			
Year Ended 3/31/2009	1.05	1.06	1.06
Year Ended 9/30/2009	1.04	1.05	1.05
Year Ended 3/31/2010	1.03	1.04	1.04
Year Ended 9/30/2010	1.03	1.03	1.03
Year Ended 3/31/2011	1.02	1.02	1.02
Year Ended 9/30/2011	1.01	1.01	1.01

Notes: (A) All items less energy CPI index (urban). Source: Bureau of Labor Statistics.

(B) Total Compensation Cost Index - Insurance Carriers, Agent Brokers, and Service. Source: Bureau of Labor Statistics.

(C) Weighted Average determined as .50 (All items) + .50 (CCI).

(D) Average year ended index for period shown.

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY

AVERAGE ANNUAL RATES OF CHANGE
DATA ENDED SEPTEMBER 2011

ALL ITEMS - LESS ENERGY CPI INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
48 points	1.47%	1.51%	1.53%
36 points	1.31%	1.34%	1.35%
24 points	1.58%	1.60%	1.61%
12 points	2.71%	2.74%	2.78%

COMPENSATION COST INDEX

	STRAIGHT LINE		EXPONENTIAL
	END POINT	MID POINT	
16 points	1.96%	2.03%	2.05%
12 points	2.08%	2.14%	2.16%
8 points	2.33%	2.38%	2.41%
4 points	3.19%	3.23%	3.29%

NORTH CAROLINA

EXTERNAL EXPENSE TREND SUMMARY
CORRELATION COEFFICIENTS
DATA ENDED SEPTEMBER 2011

ALL ITEMS - LESS ENERGY CPI INDEX

	STRAIGHT LINE	EXPONENTIAL
48 points	0.98	0.98
36 points	0.96	0.97
24 points	0.95	0.95
12 points	0.99	0.99

COMPENSATION COST INDEX

	STRAIGHT LINE	EXPONENTIAL
16 points	0.99	0.99
12 points	0.98	0.98
8 points	0.97	0.97
4 points	0.94	0.94

Countrywide External Expense Trend

	Consumer Price Index (a)	Compensation Cost Index (b)		Consumer Price Index (a)	Compensation Cost Index (b)
1/06	198.3		1/09	211.1	
2/06	198.7	100.9	2/09	212.2	109.1
3/06	199.8		3/09	212.7	
4/06	201.5		4/09	213.2	
5/06	202.5	101.6	5/09	213.9	109.7
6/06	202.9		6/09	215.7	
7/06	203.5		7/09	215.4	
8/06	203.9	102.0	8/09	215.8	110.2
9/06	202.9		9/09	216.0	
10/06	201.8		10/09	216.2	
11/06	201.5	102.6	11/09	216.3	110.0
12/06	201.8		12/09	215.9	
1/07	202.4		1/10	216.7	
2/07	203.5	103.5	2/10	216.7	111.3
3/07	205.4		3/10	217.6	
4/07	206.7		4/10	218.0	
5/07	207.9	105.0	5/10	218.2	112.2
6/07	208.4		6/10	218.0	
7/07	208.3		7/10	218.0	
8/07	207.9	106.0	8/10	218.3	112.2
9/07	208.5		9/10	218.4	
10/07	208.9		10/10	218.7	
11/07	210.2	105.7	11/10	218.8	112.2
12/07	210.0		12/10	219.2	
1/08	211.1		1/11	220.2	
2/08	211.7	107.4	2/11	221.3	113.7
3/08	213.5		3/11	223.5	
4/08	214.8		4/11	224.9	
5/08	216.6	107.9	5/11	226.0	114.8
6/08	218.8		6/11	225.7	
7/08	220.0		7/11	225.9	
8/08	219.1	108.3	8/11	226.5	114.9
9/08	218.8		9/11	226.9	
10/08	216.6				
11/08	212.4	108.2			
12/08	210.2				

(a) Consumer Price Index for all items, all urban consumers.

Source: Bureau of Labor Statistics.

(b) Total Compensation Cost Index - Insurance Carriers, Agents Brokers, and Service.

Source: Bureau of Labor Statistics.

The data collected under the North Carolina Rate Bureau Special Call for Expense Experience for the latest five years is shown on pages F-154 and F-155.

See the attached Exhibit (4)(d), Section D of RF-1 and the pre-filed testimony of P. Woods.

CPI GASOLINE INDEX
ANNUAL PERCENT CHANGE

<u>Quarter</u>	(1) <u>Index</u>	(2) <u>Annual Percentage Change</u>
2000:4	1.305	18.8%
2001:1	1.253	4.4%
2001:2	1.400	6.7%
2001:3	1.256	-5.2%
2001:4	1.049	-19.6%
2002:1	1.006	-19.7%
2002:2	1.204	-14.0%
2002:3	1.208	-3.8%
2002:4	1.223	16.5%
2003:1	1.376	36.7%
2003:2	1.333	10.8%
2003:3	1.383	14.5%
2003:4	1.313	7.4%
2004:1	1.428	3.8%
2004:2	1.659	24.5%
2004:3	1.621	17.2%
2004:4	1.679	27.9%
2005:1	1.647	15.3%
2005:2	1.883	13.5%
2005:3	2.189	35.1%
2005:4	2.069	23.3%
2006:1	2.000	21.4%
2006:2	2.438	29.5%
2006:3	2.423	10.7%
2006:4	1.937	-6.4%
2007:1	2.022	1.1%
2007:2	2.555	4.8%
2007:3	2.423	0.0%
2007:4	2.519	30.0%
2008:1	2.646	30.8%
2008:2	3.189	24.8%
2008:3	3.275	35.1%
2008:4	1.989	-21.0%
2009:1	1.628	-38.5%
2009:2	1.987	-37.7%
2009:3	2.212	-32.4%
2009:4	2.235	12.4%
2010:1	2.328	43.0%
2010:2	2.415	21.6%
2010:3	2.337	5.6%
2010:4	2.464	10.2%
2011:1	2.795	20.1%
2011:2	3.266	35.2%
2011:3	3.110	33.1%

NORTH CAROLINA
PERSONAL AUTO INSURANCE
RETAIL PRICES OF MOTOR FUEL*

<u>Date</u>	<u>Regular Gasoline</u>	<u>Midgrade Gasoline</u>	<u>Premium Gasoline</u>
Jan-07	\$ 2.201	\$ 2.305	\$ 2.413
Feb-07	2.205	2.307	2.408
Mar-07	2.496	2.595	2.701
Apr-07	2.786	2.893	3.005
May-07	3.020	3.134	3.242
Jun-07	2.967	3.082	3.190
Jul-07	2.892	3.007	3.119
Aug-07	2.712	2.831	2.947
Sep-07	2.748	2.861	2.981
Oct-07	2.784	2.900	3.013
Nov-07	3.056	3.171	3.286
Dec-07	2.998	3.119	3.232
Jan-08	3.055	3.173	3.286
Feb-08	3.032	3.149	3.263
Mar-08	3.239	3.356	3.470
Apr-08	3.438	3.559	3.679
May-08	3.742	3.866	3.987
Jun-08	3.976	4.104	4.225
Jul-08	3.995	4.124	4.248
Aug-08	3.725	3.855	3.980
Sep-08	3.773	3.896	4.012
Oct-08	3.152	3.259	3.377
Nov-08	2.125	2.253	2.375
Dec-08	1.669	1.798	1.922
Jan-09	1.750	1.876	2.002
Feb-09	1.899	2.026	2.154
Mar-09	1.935	2.062	2.189
Apr-09	2.025	2.153	2.278
May-09	2.213	2.341	2.468
Jun-09	2.560	2.686	2.818
Jul-09	2.475	2.601	2.733
Aug-09	2.536	2.663	2.794
Sep-09	2.439	2.561	2.694
Oct-09	2.462	2.588	2.720
Nov-09	2.614	2.742	2.874
Dec-09	2.579	2.708	2.842
Jan-10	2.695	2.822	2.957
Feb-10	2.624	2.754	2.882
Mar-10	2.751	2.882	3.009
Apr-10	2.800	2.928	3.057
May-10	2.791	2.922	3.056
Jun-10	2.628	2.761	2.897
Jul-10	2.605	2.739	2.875
Aug-10	2.623	2.760	2.897
Sep-10	2.607	2.747	2.881
Oct-10	2.724	2.861	2.997
Nov-10	2.782	2.922	3.059
Dec-10	2.948	3.087	3.226
Jan-11	3.051	3.190	3.329
Feb-11	3.161	3.299	3.437
Mar-11	3.513	3.649	3.790
Apr-11	3.711	3.848	3.990
May-11	3.816	3.954	4.093
Jun-11	3.570	3.707	3.850
Jul-11	3.594	3.731	3.873
Aug-11	3.606	3.747	3.888
Sep-11	3.529	3.675	3.819
Oct-11	3.375	3.521	3.668

* Data shown is for the LOWER ATLANTIC REGION
Source: U.S. Energy Information Administration, Conventional Areas

Monthly Gasoline Sales (in thousands of gallons/day)
Source: U.S. Energy Information Administration
Total Gasoline - All Sales/Deliveries by Prime Suppliers

	Average Daily Gasoline Sales for <u>North Carolina</u>	% change from month one year prior	Year Ending Average Daily Gasoline Sales for <u>North Carolina</u>	% change from one year prior
Jan 2004	10,668.6	-0.7%	11,711.9	0.4%
Feb 2004	11,061.1	0.0%	11,711.7	0.6%
Mar 2004	12,018.0	6.5%	11,772.8	1.2%
Apr 2004	12,201.6	4.1%	11,813.3	1.6%
May 2004	12,091.3	0.1%	11,814.6	1.5%
Jun 2004	12,036.3	0.6%	11,820.9	1.4%
Jul 2004	12,274.3	-0.1%	11,819.9	1.3%
Aug 2004	12,106.1	-2.2%	11,796.7	1.1%
Sep 2004	11,781.5	-0.9%	11,788.1	0.7%
Oct 2004	11,718.1	-2.5%	11,763.2	0.4%
Nov 2004	11,664.9	1.8%	11,780.6	0.7%
Dec 2004	11,779.6	0.3%	11,783.5	0.6%
Jan 2005	10,521.8	-1.4%	11,771.2	0.5%
Feb 2005	11,291.0	2.1%	11,790.4	0.7%
Mar 2005	11,512.3	-4.2%	11,748.2	-0.2%
Apr 2005	11,529.0	-5.5%	11,692.2	-1.0%
May 2005	11,729.7	-3.0%	11,662.1	-1.3%
Jun 2005	11,953.9	-0.7%	11,655.2	-1.4%
Jul 2005	11,968.4	-2.5%	11,629.7	-1.6%
Aug 2005	12,392.4	2.4%	11,653.6	-1.2%
Sep 2005	10,965.7	-6.9%	11,585.6	-1.7%
Oct 2005	11,237.0	-4.1%	11,545.5	-1.9%
Nov 2005	11,577.1	-0.8%	11,538.2	-2.1%
Dec 2005	11,582.7	-1.7%	11,521.8	-2.2%
Jan 2006	10,608.9	0.8%	11,529.0	-2.1%
Feb 2006	11,456.9	1.5%	11,542.8	-2.1%
Mar 2006	11,532.8	0.2%	11,544.5	-1.7%
Apr 2006	11,690.9	1.4%	11,558.0	-1.1%
May 2006	11,705.3	-0.2%	11,556.0	-0.9%
Jun 2006	11,971.8	0.1%	11,557.5	-0.8%
Jul 2006	11,699.9	-2.2%	11,535.1	-0.8%
Aug 2006	12,180.3	-1.7%	11,517.4	-1.2%
Sep 2006	11,559.5	5.4%	11,566.9	-0.2%
Oct 2006	11,681.3	4.0%	11,604.0	0.5%
Nov 2006	11,643.2	0.6%	11,609.5	0.6%
Dec 2006	11,582.2	0.0%	11,609.4	0.8%
Jan 2007	11,207.6	5.6%	11,659.3	1.1%
Feb 2007	11,484.0	0.2%	11,661.6	1.0%
Mar 2007	11,971.4	3.8%	11,698.1	1.3%
Apr 2007	11,496.7	-1.7%	11,681.9	1.1%
May 2007	11,746.1	0.3%	11,685.3	1.1%
Jun 2007	11,798.8	-1.4%	11,670.9	1.0%
Jul 2007	11,569.9	-1.1%	11,660.1	1.1%
Aug 2007	11,881.2	-2.5%	11,635.2	1.0%
Sep 2007	11,526.4	-0.3%	11,632.4	0.6%
Oct 2007	11,681.8	0.0%	11,632.4	0.2%
Nov 2007	11,466.6	-1.5%	11,617.7	0.1%
Dec 2007	11,025.5	-4.8%	11,571.3	-0.3%

Monthly Gasoline Sales (in thousands of gallons/day)
 Source: U.S. Energy Information Administration
 Total Gasoline - All Sales/Deliveries by Prime Suppliers

	Average Daily Gasoline Sales for <u>North Carolina</u>	% change from month <u>one year prior</u>	Year Ending Average Daily Gasoline Sales for <u>North Carolina</u>	% change from one <u>year prior</u>
Jan 2008	10,703.5	-4.5%	11,529.3	-1.1%
Feb 2008	11,270.9	-1.9%	11,511.6	-1.3%
Mar 2008	11,062.6	-7.6%	11,435.8	-2.2%
Apr 2008	11,253.3	-2.1%	11,415.6	-2.3%
May 2008	11,257.0	-4.2%	11,374.8	-2.7%
Jun 2008	11,147.4	-5.5%	11,320.5	-3.0%
Jul 2008	11,080.0	-4.2%	11,279.7	-3.3%
Aug 2008	11,178.4	-5.9%	11,221.1	-3.6%
Sep 2008	9,985.5	-13.4%	11,092.7	-4.6%
Oct 2008	11,571.7	-0.9%	11,083.5	-4.7%
Nov 2008	10,893.7	-5.0%	11,035.8	-5.0%
Dec 2008	11,080.6	0.5%	11,040.4	-4.6%
Jan 2009	10,342.5	-3.4%	11,010.3	-4.5%
Feb 2009	11,296.3	0.2%	11,012.4	-4.3%
Mar 2009	11,024.8	-0.3%	11,009.3	-3.7%
Apr 2009	11,623.0	3.3%	11,040.1	-3.3%
May 2009	11,366.9	1.0%	11,049.2	-2.9%
Jun 2009	11,861.1	6.4%	11,108.7	-1.9%
Jul 2009	11,567.5	4.4%	11,149.3	-1.2%
Aug 2009	11,503.2	2.9%	11,176.4	-0.4%
Sep 2009	11,236.0	12.5%	11,280.6	1.7%
Oct 2009	11,014.5	-4.8%	11,234.2	1.4%
Nov 2009	10,754.7	-1.3%	11,222.6	1.7%
Dec 2009	10,947.4	-1.2%	11,211.5	1.5%
Jan 2010	9,982.5	-3.5%	11,181.5	1.6%
Feb 2010	10,718.4	-5.1%	11,133.3	1.1%
Mar 2010	11,125.0	0.9%	11,141.7	1.2%
Apr 2010	11,561.2	-0.5%	11,136.5	0.9%
May 2010	11,719.8	3.1%	11,165.9	1.1%
Jun 2010	11,720.3	-1.2%	11,154.2	0.4%
Jul 2010	11,858.9	2.5%	11,178.5	0.3%
Aug 2010	11,813.8	2.7%	11,204.4	0.3%
Sep 2010	11,615.8	3.4%	11,236.0	-0.4%
Oct 2010	11,420.2	3.7%	11,269.8	0.3%
Nov 2010	11,371.1	5.7%	11,321.2	0.9%
Dec 2010	11,317.4	3.4%	11,352.0	1.3%
Jan 2011	10,215.5	2.3%	11,371.5	1.7%
Feb 2011	11,069.1	3.3%	11,400.7	2.4%
Mar 2011	10,883.8	-2.2%	11,380.6	2.1%
Apr 2011	11,142.4	-3.6%	11,345.7	1.9%
May 2011	11,266.1	-3.9%	11,307.9	1.3%
Jun 2011	11,411.1	-2.6%	11,282.1	1.1%
Jul 2011	11,021.5	-7.1%	11,212.3	0.3%
Aug 2011	11,427.5	-3.3%	11,180.1	-0.2%
Sep 2011	11,184.8	-3.7%	11,144.2	-0.8%

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

	Miles Driven (billions of miles)	Year ending Miles Driven (billions of miles)	% Change from Year Prior	Average Gasoline Consumption* (million gallons/day)	Year ending Avg. Gasoline Consumption* (million gallons/day)	% Change from Year Prior
1/05	224.2	2,964.6	2.4%	350.4	372.5	0.5%
2/05	220.1	2,971.2	2.3%	369.8	373.8	0.7%
3/05	253.6	2,972.7	1.8%	378.0	374.5	0.6%
4/05	250.9	2,971.9	1.3%	380.8	375.0	0.5%
5/05	262.1	2,976.9	1.4%	388.2	376.2	0.9%
6/05	264.0	2,983.1	1.4%	395.3	377.2	1.1%
7/05	267.4	2,984.3	1.3%	390.7	377.6	1.3%
8/05	265.3	2,986.7	1.3%	399.1	378.9	1.8%
9/05	241.6	2,985.4	1.0%	368.9	378.3	1.6%
10/05	252.1	2,983.8	0.9%	368.9	378.1	1.9%
11/05	243.5	2,988.7	1.0%	373.8	378.6	1.9%
12/05	244.9	2,989.7	0.9%	377.1	378.4	1.7%
1/06	232.9	2,998.4	1.1%	349.5	378.3	1.6%
2/06	220.8	2,999.1	0.9%	370.8	378.4	1.2%
3/06	256.6	3,002.1	1.0%	375.2	378.2	1.0%
4/06	250.4	3,001.6	1.0%	379.2	378.1	0.8%
5/06	264.2	3,003.7	0.9%	381.5	377.5	0.4%
6/06	263.2	3,002.9	0.7%	391.0	377.1	0.0%
7/06	262.8	2,998.3	0.5%	384.6	376.6	-0.3%
8/06	266.5	2,999.5	0.4%	392.5	376.1	-0.7%
9/06	246.4	3,004.3	0.6%	377.4	376.8	-0.4%
10/06	258.1	3,010.3	0.9%	378.4	377.6	-0.1%
11/06	245.8	3,012.6	0.8%	377.1	377.9	-0.2%
12/06	246.3	3,014.0	0.8%	373.9	377.6	-0.2%
1/07	233.7	3,014.8	0.5%	359.1	378.4	0.0%
2/07	218.7	3,012.7	0.5%	372.6	378.5	0.0%
3/07	259.3	3,015.4	0.4%	376.3	378.6	0.1%
4/07	252.4	3,017.4	0.5%	374.1	378.2	0.0%
5/07	267.2	3,020.4	0.6%	385.2	378.5	0.3%
6/07	265.3	3,022.5	0.7%	390.0	378.4	0.3%
7/07	267.0	3,026.7	0.9%	381.3	378.2	0.4%
8/07	271.5	3,031.7	1.1%	391.7	378.1	0.5%
9/07	246.2	3,031.5	0.9%	375.4	377.9	0.3%
10/07	261.6	3,035.0	0.8%	380.4	378.1	0.1%
11/07	246.0	3,035.2	0.8%	370.6	377.6	-0.1%
12/07	240.9	3,029.8	0.5%	362.6	376.6	-0.3%
1/08	229.5	3,025.6	0.4%	352.2	376.0	-0.6%
2/08	217.6	3,024.5	0.4%	364.6	375.4	-0.8%
3/08	248.2	3,013.4	-0.1%	364.8	374.4	-1.1%
4/08	248.1	3,009.1	-0.3%	371.6	374.2	-1.1%

Source: U. S. Department of Transportation, Federal Highway Administration
U. S. Energy Information Administration
* All Sales/Deliveries by Prime Suppliers

MILES DRIVEN AND GASOLINE CONSUMPTION - U.S. TOTAL

	Miles Driven (billions of miles)	Year ending Miles Driven (billions of miles)	% Change from Year Prior	Average Gasoline Consumption* (million gallons/day)	Year ending Avg. Gasoline Consumption* (million gallons/day)	% Change from Year Prior
5/08	257.1	2,999.0	-0.7%	369.0	372.9	-1.5%
6/08	251.8	2,985.5	-1.2%	367.3	371.0	-2.0%
7/08	257.6	2,976.1	-1.7%	363.0	369.4	-2.3%
8/08	257.1	2,961.7	-2.3%	367.1	367.4	-2.8%
9/08	234.9	2,950.4	-2.7%	350.4	365.3	-3.3%
10/08	252.1	2,940.9	-3.1%	367.4	364.2	-3.7%
11/08	233.2	2,928.1	-3.5%	356.4	363.0	-3.8%
12/08	238.6	2,925.8	-3.4%	361.6	363.0	-3.6%
1/09	226.4	2,922.7	-3.4%	342.1	362.1	-3.7%
2/09	219.2	2,924.3	-3.3%	355.3	361.3	-3.7%
3/09	249.1	2,925.2	-2.9%	355.9	360.6	-3.7%
4/09	252.9	2,930.0	-2.6%	366.2	360.1	-3.8%
5/09	260.4	2,933.3	-2.2%	369.8	360.2	-3.4%
6/09	260.5	2,942.0	-1.5%	377.8	361.1	-2.7%
7/09	267.8	2,952.2	-0.8%	375.5	362.1	-2.0%
8/09	263.0	2,958.1	-0.1%	371.4	362.5	-1.3%
9/09	244.1	2,967.3	0.6%	365.3	363.7	-0.4%
10/09	254.6	2,969.8	1.0%	360.3	363.1	-0.3%
11/09	239.2	2,975.8	1.6%	352.9	362.8	-0.1%
12/09	242.0	2,979.2	1.8%	360.6	362.8	-0.1%
1/10	223.0	2,975.8	1.8%	335.3	362.2	0.0%
2/10	212.8	2,969.4	1.5%	351.8	361.9	0.2%
3/10	253.9	2,974.2	1.7%	362.7	362.5	0.5%
4/10	256.6	2,977.9	1.6%	371.5	362.9	0.8%
5/10	259.0	2,976.5	1.5%	372.0	363.1	0.8%
6/10	262.9	2,978.9	1.3%	379.9	363.3	0.6%
7/10	268.5	2,979.6	0.9%	380.7	363.7	0.4%
8/10	267.6	2,984.2	0.9%	379.1	364.3	0.5%
9/10	247.9	2,988.0	0.7%	369.4	364.7	0.3%
10/10	260.0	2,993.4	0.8%	362.1	364.8	0.5%
11/10	243.1	2,997.3	0.7%	357.9	365.3	0.7%
12/10	244.6	2,999.9	0.7%	359.6	365.2	0.7%
1/11	224.2	3,001.1	0.9%	333.3	365.0	0.8%
2/11	214.1	3,002.4	1.1%	347.3	364.6	0.8%
3/11	250.9	2,999.4	0.8%	352.6	363.8	0.4%
4/11	250.9	2,993.7	0.5%	353.2	362.3	-0.2%
5/11	254.4	2,989.1	0.4%	353.2	360.7	-0.7%
6/11	259.4	2,985.6	0.2%	363.3	359.3	-1.1%
7/11	261.7	2,978.8	0.0%	359.2	357.5	-1.7%
8/11	262.7	2,973.9	-0.3%	370.1	356.8	-2.1%
9/11	244.2	2,970.2	-0.6%	359.4	355.9	-2.4%

Source: U. S. Department of Transportation, Federal Highway Administration
U. S. Energy Information Administration
* All Sales/Deliveries by Prime Suppliers

COMPONENTS OF THE CPI INDEX
MONTHLY PERCENT CHANGES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	CPI-U:	CPI-U:	CPI-U:	CPI-U:	Weekly	CPI-U:	PPI:	PPI:
Month	All Items	Med. Care	Phys. Serv.	Hospital & Other Related Services	Income	Auto Bodywork	All Items	Metal/MPR
7/2006	0.3%	0.3%	0.1%	0.4%	0.4%	0.4%	0.4%	1.4%
8/2006	0.2%	0.2%	0.1%	0.4%	0.2%	0.3%	0.7%	-0.3%
9/2006	-0.5%	0.2%	0.0%	0.2%	0.0%	0.4%	-1.5%	0.4%
10/2006	-0.5%	0.3%	0.2%	0.5%	0.7%	0.0%	-1.9%	-0.2%
11/2006	-0.1%	0.2%	0.2%	0.7%	0.2%	0.4%	1.5%	-0.7%
12/2006	0.1%	0.0%	0.2%	-0.1%	0.7%	0.3%	0.6%	0.3%
1/2007	0.3%	1.0%	1.2%	1.1%	-0.1%	0.7%	-1.0%	-0.4%
2/2007	0.5%	0.9%	1.3%	1.2%	0.1%	0.4%	1.7%	0.8%
3/2007	0.9%	0.2%	0.1%	0.5%	0.9%	0.1%	1.5%	2.1%
4/2007	0.6%	0.3%	0.0%	0.4%	0.3%	0.1%	1.2%	2.3%
5/2007	0.6%	0.2%	0.1%	0.4%	0.3%	-0.1%	1.1%	0.5%
6/2007	0.2%	0.1%	0.1%	0.2%	0.4%	0.0%	0.3%	-0.2%
7/2007	0.0%	0.6%	0.4%	0.9%	0.1%	0.1%	0.7%	0.4%
8/2007	-0.2%	0.4%	0.2%	0.3%	0.2%	0.2%	-1.5%	-0.6%
9/2007	0.3%	0.2%	0.0%	0.6%	0.3%	0.3%	0.6%	-0.5%
10/2007	0.2%	0.5%	0.4%	1.2%	0.2%	0.9%	0.7%	0.3%
11/2007	0.6%	0.4%	0.0%	1.0%	0.2%	0.3%	2.5%	-0.4%
12/2007	-0.1%	0.2%	0.2%	0.1%	0.3%	0.3%	-0.2%	-0.1%
1/2008	0.5%	0.8%	0.6%	1.5%	0.0%	0.2%	1.3%	1.8%
2/2008	0.3%	0.5%	-0.1%	0.9%	0.3%	-0.2%	0.9%	2.2%
3/2008	0.9%	0.2%	0.2%	0.2%	0.7%	0.1%	2.8%	3.1%
4/2008	0.6%	0.1%	0.0%	0.2%	0.2%	0.0%	1.6%	4.6%
5/2008	0.8%	0.1%	0.7%	0.2%	0.0%	0.3%	3.0%	2.7%
6/2008	1.0%	0.1%	0.1%	0.1%	0.3%	0.4%	2.0%	1.6%
7/2008	0.5%	0.1%	0.1%	0.4%	0.1%	0.2%	2.5%	2.2%
8/2008	-0.4%	0.1%	0.5%	0.4%	0.6%	0.9%	-3.2%	-0.4%
9/2008	-0.1%	0.2%	0.3%	0.4%	-0.1%	0.8%	-1.1%	-3.1%
10/2008	-1.0%	0.2%	0.1%	0.6%	0.0%	0.9%	-5.3%	-6.5%
11/2008	-1.9%	0.2%	0.2%	0.4%	0.0%	0.2%	-5.2%	-6.3%
12/2008	-1.0%	0.1%	0.2%	0.1%	0.0%	0.2%	-3.3%	-3.2%
1/2009	0.4%	0.7%	0.5%	1.4%	0.2%	0.4%	0.2%	-1.4%
2/2009	0.5%	0.7%	0.3%	1.3%	0.2%	-0.3%	-1.1%	-1.7%
3/2009	0.2%	0.2%	0.4%	0.5%	-0.3%	0.4%	-0.7%	-1.2%
4/2009	0.2%	0.3%	0.0%	0.7%	0.1%	0.5%	0.6%	-1.0%
5/2009	0.3%	0.2%	0.7%	-0.1%	0.1%	0.2%	1.0%	0.3%
6/2009	0.9%	0.0%	0.1%	0.1%	-0.1%	0.1%	1.9%	0.7%
7/2009	-0.2%	0.2%	0.2%	0.7%	0.6%	0.2%	-0.9%	1.0%
8/2009	0.2%	0.2%	0.1%	0.3%	0.3%	-0.1%	1.4%	3.1%
9/2009	0.1%	0.3%	0.1%	0.5%	-0.1%	0.5%	-0.5%	1.6%
10/2009	0.1%	0.2%	0.1%	0.4%	0.3%	-0.2%	0.6%	0.6%
11/2009	0.1%	0.3%	0.0%	1.1%	0.8%	0.5%	1.3%	-0.2%
12/2009	-0.2%	0.0%	0.1%	0.1%	0.3%	0.1%	0.4%	1.6%
1/2010	0.3%	0.8%	1.3%	1.1%	0.6%	0.1%	2.1%	2.3%
2/2010	0.0%	0.8%	0.6%	1.7%	-0.2%	0.0%	-0.5%	0.1%
3/2010	0.4%	0.3%	0.0%	0.9%	0.3%	0.1%	1.3%	2.1%
4/2010	0.2%	0.1%	0.2%	0.2%	0.6%	0.6%	0.6%	2.6%
5/2010	0.1%	0.0%	0.0%	0.1%	0.3%	0.7%	0.2%	-0.1%
6/2010	-0.1%	0.1%	0.4%	0.2%	0.1%	0.3%	-0.7%	-1.3%
7/2010	0.0%	-0.1%	0.5%	-0.3%	0.5%	-0.1%	0.3%	-1.2%
8/2010	0.1%	0.1%	0.1%	0.3%	0.3%	0.1%	0.4%	0.7%
9/2010	0.1%	0.6%	0.3%	1.5%	0.1%	0.0%	0.0%	0.8%
10/2010	0.1%	0.2%	-0.1%	0.7%	0.5%	0.3%	0.9%	1.1%
11/2010	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.6%	0.9%
12/2010	0.2%	0.1%	0.1%	0.2%	-0.1%	0.3%	1.1%	1.2%
1/2011	0.5%	0.5%	0.5%	0.8%	0.1%	0.4%	1.3%	2.0%
2/2011	0.5%	0.8%	1.0%	1.2%	0.7%	0.1%	1.7%	1.9%
3/2011	1.0%	0.2%	0.1%	0.2%	0.0%	0.0%	1.8%	0.9%
4/2011	0.6%	0.3%	0.0%	0.4%	0.3%	0.3%	2.0%	1.6%
5/2011	0.5%	0.1%	0.0%	0.4%	0.3%	0.1%	0.5%	-0.4%
6/2011	-0.1%	0.0%	0.1%	0.0%	0.1%	0.0%	-0.1%	0.0%
7/2011	0.1%	0.2%	0.2%	0.3%	0.3%	0.1%	0.3%	0.5%
8/2011	0.3%	0.1%	0.2%	0.3%	-0.4%	0.2%	-0.7%	-0.1%
9/2011	0.2%	0.2%	0.0%	0.2%	0.5%	0.2%	0.4%	-0.5%
10/2011	-0.2%	0.5%	0.4%	0.7%	0.5%	0.3%	-1.3%	-1.7%

COMPONENTS OF THE CPI INDEX
ANNUAL PERCENT CHANGES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	CPI-U:	CPI-U:	CPI-U:	CPI-U:	Weekly	CPI-U:	PPI:	PPI:
Month	All Items	Med. Care	Phys. Serv.	Hospital & Other Related Services	Income	Auto Bodywork	All Items	Metal/MPR
7/2006	4.1%	4.0%	1.3%	6.4%	4.5%	4.6%	6.7%	19.1%
8/2006	3.8%	4.3%	1.4%	7.2%	4.6%	4.5%	6.5%	18.1%
9/2006	2.1%	4.2%	1.2%	7.3%	4.1%	3.8%	2.0%	16.5%
10/2006	1.3%	4.0%	1.4%	6.9%	4.3%	3.6%	-2.4%	15.7%
11/2006	2.0%	3.7%	1.5%	6.3%	4.4%	3.7%	0.5%	12.7%
12/2006	2.5%	3.6%	1.7%	6.1%	4.8%	3.4%	1.6%	11.9%
1/2007	2.1%	4.3%	3.2%	6.3%	3.9%	3.9%	-0.2%	10.1%
2/2007	2.4%	4.3%	4.1%	6.0%	3.8%	3.5%	3.1%	9.5%
3/2007	2.8%	4.0%	3.6%	5.8%	4.4%	3.4%	4.4%	11.1%
4/2007	2.6%	4.0%	3.7%	5.9%	3.8%	3.9%	4.3%	10.5%
5/2007	2.7%	4.0%	3.6%	6.0%	4.5%	3.4%	4.5%	6.6%
6/2007	2.7%	4.0%	3.8%	5.8%	4.1%	3.1%	4.6%	5.9%
7/2007	2.4%	4.3%	4.0%	6.4%	3.9%	2.8%	5.0%	4.9%
8/2007	2.0%	4.5%	4.1%	6.4%	3.7%	2.8%	2.7%	4.5%
9/2007	2.8%	4.6%	4.1%	6.8%	4.1%	2.6%	4.9%	3.6%
10/2007	3.5%	4.8%	4.3%	7.6%	3.7%	3.5%	7.7%	4.1%
11/2007	4.3%	5.0%	4.1%	7.9%	3.6%	3.5%	8.7%	4.5%
12/2007	4.1%	5.2%	4.1%	8.1%	3.4%	3.5%	7.9%	4.1%
1/2008	4.3%	4.9%	3.5%	8.5%	3.5%	3.0%	10.4%	6.4%
2/2008	4.0%	4.5%	2.1%	8.2%	3.8%	2.4%	9.5%	7.8%
3/2008	4.0%	4.6%	2.1%	7.9%	3.6%	2.3%	11.0%	8.8%
4/2008	3.9%	4.3%	2.1%	7.7%	3.5%	2.2%	11.4%	11.4%
5/2008	4.2%	4.1%	2.8%	7.5%	3.1%	2.6%	13.4%	13.8%
6/2008	5.0%	4.0%	2.8%	7.4%	3.1%	2.9%	15.4%	15.8%
7/2008	5.6%	3.5%	2.4%	6.8%	3.0%	3.1%	17.4%	17.9%
8/2008	5.4%	3.3%	2.7%	6.9%	3.5%	3.7%	15.4%	18.1%
9/2008	4.9%	3.2%	3.0%	6.6%	3.1%	4.2%	13.5%	15.0%
10/2008	3.7%	2.8%	2.7%	6.0%	2.9%	4.2%	6.7%	7.2%
11/2008	1.1%	2.7%	2.9%	5.4%	2.6%	4.1%	-1.2%	0.8%
12/2008	0.1%	2.6%	2.9%	5.4%	2.4%	3.9%	-4.3%	-2.3%
1/2009	0.0%	2.6%	2.8%	5.3%	2.5%	4.1%	-5.4%	-5.3%
2/2009	0.2%	2.8%	3.2%	5.8%	2.4%	4.0%	-7.3%	-8.9%
3/2009	-0.4%	2.8%	3.4%	6.1%	1.3%	4.4%	-10.5%	-12.6%
4/2009	-0.7%	3.0%	3.3%	6.5%	1.1%	4.9%	-11.4%	-17.3%
5/2009	-1.3%	3.2%	3.3%	6.2%	1.2%	4.8%	-13.1%	-19.2%
6/2009	-1.4%	3.2%	3.3%	6.2%	0.7%	4.5%	-13.2%	-19.9%
7/2009	-2.1%	3.2%	3.4%	6.5%	1.2%	4.4%	-16.1%	-20.8%
8/2009	-1.5%	3.3%	3.1%	6.5%	0.9%	3.4%	-12.1%	-18.1%
9/2009	-1.3%	3.5%	2.9%	6.6%	0.9%	3.1%	-11.6%	-14.1%
10/2009	-0.2%	3.5%	2.8%	6.4%	1.1%	2.1%	-6.0%	-7.6%
11/2009	1.8%	3.5%	2.7%	7.1%	2.0%	2.4%	0.3%	-1.5%
12/2009	2.7%	3.4%	2.5%	7.1%	2.2%	2.3%	4.2%	3.3%
1/2010	2.6%	3.5%	3.3%	6.8%	2.7%	2.0%	6.3%	7.2%
2/2010	2.1%	3.6%	3.5%	7.2%	2.2%	2.3%	6.9%	9.2%
3/2010	2.3%	3.7%	3.2%	7.6%	2.8%	1.9%	9.0%	12.8%
4/2010	2.2%	3.6%	3.4%	7.1%	3.4%	2.0%	9.0%	16.9%
5/2010	2.0%	3.4%	2.7%	7.3%	3.5%	2.5%	8.2%	16.4%
6/2010	1.1%	3.5%	3.0%	7.4%	3.8%	2.7%	5.4%	14.1%
7/2010	1.2%	3.2%	3.3%	6.3%	3.7%	2.5%	6.7%	11.7%
8/2010	1.1%	3.2%	3.3%	6.3%	3.6%	2.7%	5.7%	9.2%
9/2010	1.1%	3.4%	3.5%	7.3%	3.8%	2.2%	6.2%	8.4%
10/2010	1.2%	3.4%	3.2%	7.5%	4.0%	2.7%	6.5%	8.8%
11/2010	1.1%	3.2%	3.4%	6.6%	3.3%	2.3%	5.8%	9.9%
12/2010	1.5%	3.3%	3.4%	6.7%	2.9%	2.5%	6.5%	9.6%
1/2011	1.6%	2.9%	2.6%	6.3%	2.4%	2.8%	5.9%	9.6%
2/2011	2.1%	2.9%	3.0%	5.8%	3.3%	2.9%	8.2%	11.7%
3/2011	2.7%	2.7%	3.2%	5.1%	3.0%	2.8%	8.7%	10.1%
4/2011	3.2%	2.9%	3.0%	5.4%	2.7%	2.5%	10.1%	9.0%
5/2011	3.6%	3.0%	3.0%	5.6%	2.7%	1.9%	10.4%	8.7%
6/2011	3.6%	2.9%	2.7%	5.5%	2.6%	1.6%	11.1%	10.1%
7/2011	3.6%	3.2%	2.4%	6.2%	2.5%	1.8%	11.1%	12.0%
8/2011	3.8%	3.2%	2.5%	6.2%	1.8%	1.9%	9.9%	11.0%
9/2011	3.9%	2.8%	2.2%	4.9%	2.2%	2.0%	10.3%	9.6%
10/2011	3.5%	3.1%	2.7%	4.9%	2.2%	2.1%	7.9%	6.7%

CPI ALL ITEMS (URBAN) - LESS ENERGY
ANNUAL PERCENT CHANGE

	(1)	(2)		(1)	(2)
<u>Month</u>	<u>Index</u>	<u>Annual Percentage Change</u>	<u>Month</u>	<u>Index</u>	<u>Annual Percentage Change</u>
1/2005	1.964	2.3%	7/2008	2.153	3.0%
2/2005	1.973	2.4%	8/2008	2.159	3.1%
3/2005	1.983	2.4%	9/2008	2.164	3.0%
4/2005	1.986	2.3%	10/2008	2.167	2.8%
5/2005	1.986	2.2%	11/2008	2.164	2.6%
6/2005	1.985	2.1%	12/2008	2.159	2.4%
7/2005	1.987	2.2%	1/2009	2.166	2.2%
8/2005	1.989	2.2%	2/2009	2.173	2.2%
9/2005	1.992	2.0%	3/2009	2.180	2.2%
10/2005	2.001	2.1%	4/2009	2.184	2.1%
11/2005	2.002	2.1%	5/2009	2.183	2.0%
12/2005	2.001	2.2%	6/2009	2.184	1.8%
1/2006	2.008	2.2%	7/2009	2.184	1.4%
2/2006	2.016	2.2%	8/2009	2.186	1.3%
3/2006	2.026	2.2%	9/2009	2.191	1.2%
4/2006	2.030	2.2%	10/2009	2.196	1.4%
5/2006	2.033	2.4%	11/2009	2.193	1.3%
6/2006	2.036	2.6%	12/2009	2.190	1.4%
7/2006	2.039	2.6%	1/2010	2.193	1.2%
8/2006	2.044	2.8%	2/2010	2.197	1.1%
9/2006	2.049	2.9%	3/2010	2.201	1.0%
10/2006	2.056	2.7%	4/2010	2.203	0.9%
11/2006	2.053	2.5%	5/2010	2.203	0.9%
12/2006	2.051	2.5%	6/2010	2.203	0.9%
1/2007	2.060	2.6%	7/2010	2.203	0.9%
2/2007	2.071	2.7%	8/2010	2.206	0.9%
3/2007	2.079	2.6%	9/2010	2.210	0.9%
4/2007	2.082	2.6%	10/2010	2.212	0.7%
5/2007	2.084	2.5%	11/2010	2.212	0.9%
6/2007	2.086	2.5%	12/2010	2.210	0.9%
7/2007	2.090	2.5%	1/2011	2.217	1.1%
8/2007	2.094	2.4%	2/2011	2.225	1.3%
9/2007	2.100	2.5%	3/2011	2.233	1.4%
10/2007	2.107	2.5%	4/2011	2.238	1.6%
11/2007	2.109	2.7%	5/2011	2.243	1.8%
12/2007	2.109	2.8%	6/2011	2.246	2.0%
1/2008	2.118	2.8%	7/2011	2.250	2.1%
2/2008	2.125	2.6%	8/2011	2.258	2.3%
3/2008	2.134	2.7%	9/2011	2.263	2.4%
4/2008	2.139	2.7%	10/2011	2.268	2.5%
5/2008	2.141	2.7%			
6/2008	2.146	2.9%			

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

5. CHANGES IN PREMIUM BASE RESULTING FROM RATING EXPOSURE TRENDS

(a) Exposure distributions by policy term:

<u>Year Ended</u>	<u>6 Month</u>	<u>12 Month</u>
12/2004	87%	13%
12/2005	87	13
12/2006	87	13
12/2007	86	14
12/2008	86	14
12/2009	85	15
12/2010	84	16

These exposure distributions are the best estimates of the corresponding premium distributions.

The distribution for the most recent year is the best estimate of the distribution during the time the proposed rates will be in effect.

(b) No premium trend is applicable to the liability coverages.

See also pre-filed testimony of P. Woods.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

6. LIMITING FACTOR DEVELOPMENT AND APPLICATION

No limitations were applied.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

7. OVERHEAD EXPENSE DEVELOPMENT AND APPLICATION OF COMMISSION AND BROKERAGE,
OTHER ACQUISITION EXPENSES, GENERAL EXPENSES, TAXES, LICENSES, AND FEES
- (a)(b) The derivation of expense factors is shown on the following
page F-154-155. See also pre-filed testimony of P. Woods.
 - (c) Pages F-98-109 contain information on expenses for the top 10
writers.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF LIABILITY EXPENSE EXPERIENCE - VOLUNTARY AND CEDED BUSINESS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Premiums Written at Manual Level	\$2,564,464,994	\$2,764,624,568	\$2,788,420,515	\$3,130,902,662	\$2,967,807,066
Premiums Earned at Manual Level	2,474,652,930	2,717,387,135	2,801,685,252	3,090,283,321	2,983,641,785
Premium Written (Collected Level)	2,341,625,605	2,487,073,360	2,498,650,343	2,644,046,967	2,585,365,234
Premium Earned (Collected Level)	2,287,577,675	2,462,113,550	2,492,847,663	2,611,697,332	2,590,288,990
Commission & Brokerage	233,017,253	243,168,267	253,785,389	258,320,278	247,199,830
Other Acquisition	204,265,427	223,796,169	222,427,091	230,761,821	242,364,762
General Expenses	173,722,761	177,063,409	177,612,366	184,990,935	166,687,313
Taxes, Licenses, and Fees	49,233,543	53,983,053	54,212,831	58,919,118	60,700,979
Bodily Injury Losses Incurred	1,055,097,551	1,116,643,376	1,036,107,314	1,061,540,371	1,051,671,422
BI Allocated Loss Adjustment	25,699,872	35,862,166	37,633,735	41,065,996	32,330,868
BI Unallocated Loss Adjustment	137,537,025	154,374,424	142,025,125	150,081,556	143,380,792
Property Damage Losses Incurred	633,964,336	636,091,908	621,343,642	627,926,980	637,680,921
PD Allocated Loss Adjustment	5,525,868	3,490,502	5,938,396	5,644,490	2,400,615
PD Unallocated Loss Adjustment	70,911,522	74,851,315	72,479,619	71,395,890	73,516,935

COMBINED RATIOS

Commission & Brokerage to Written Premium (a)(b)	.100	.098	.102	.098	.096
Other Acquisition to Earned Premium (c)	.083	.082	.079	.075	.081
General Expenses to Earned Premium (c)	.070	.065	.063	.060	.056
Taxes, Licenses, etc. to Written Premium (b)	.021	.022	.022	.022	.023
	<u>BI</u>	<u>PD</u>	<u>BI</u>	<u>PD</u>	<u>BI</u>
Unallocated Loss Adjustment Expenses to Losses + Allocated	.127	.111	.132	.116	.115

Notes:

- (a) Ceded business has a commission and brokerage provision set at 10%.
- (b) Ratios are to premiums at collected level.
- (c) Ratios are to premiums at manual level.

Source: North Carolina Rate Bureau Expense Call

NORTH CAROLINA
MOTORCYCLE INSURANCE
SUMMARY OF LIABILITY EXPENSE EXPERIENCE - VOLUNTARY AND CEDED BUSINESS

<u>Item</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Premiums Written at Manual Level	\$27,224,030	\$31,616,263	\$32,396,171	\$35,629,168	\$37,113,089
Premiums Earned at Manual Level	26,135,507	29,435,255	31,409,692	34,976,516	37,725,055
Premiums Written (Collected Lvl)	26,419,484	30,523,384	31,110,319	33,787,396	34,081,491
Premiums Earned (Collected Lvl)	25,351,086	28,444,755	30,001,718	33,219,219	34,399,255
Commission & Brokerage	2,681,305	2,841,682	2,611,019	2,742,446	2,948,226
Other Acquisition	1,950,960	2,445,885	2,685,186	2,904,397	3,453,753
General Expenses	2,194,401	2,526,749	2,780,096	3,066,194	3,344,710
Taxes, Licenses, and Fees	520,658	667,218	714,874	793,010	767,766
Losses Incurred	13,462,683	18,406,834	20,452,113	16,600,379	16,227,703
All Loss Adjustment Expenses	2,435,410	2,311,282	2,732,224	2,476,721	3,175,832

COMBINED RATIOS

Commission & Brokerage to Written Premium (a) (b)	.101	.093	.084	.081	.087
Other Acquisition to Earned Premium (b)	.077	.086	.090	.087	.100
General Expenses to Earned Premium (b)	.087	.089	.093	.092	.097
Taxes, Licenses, etc. to Written Premium (b)	.020	.022	.023	.023	.023
All Loss Adjustment Expenses to Losses	.181	.126	.134	.149	.196

Notes:

- (a) Ceded business has a commission and brokerage provision set at 10%.
- (b) Ratios are to premiums at collected level.

Source: North Carolina Rate Bureau Expense Call

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

8. PERCENT RATE CHANGE

The overall statewide rate change by coverage is shown on page A-1.

The proposed rate changes are dependent on the actual implementation date of the new rates, because any such change will affect all of the trending periods used in the filing. Any change in the trending periods will affect all of the losses and fixed expenses used in the calculation of the rate level indication.

If the effective date were to be changed, advance notice of seventy-five (75) days is required for an orderly implementation of the change in rates. This is the amount of time required to calculate the new rates based on the new effective date, and distribute the necessary information to member companies.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

9. FINAL PROPOSED RATES

The proposed rates are shown in Section B.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

10. INVESTMENT EARNINGS, CONSISTING OF INVESTMENT INCOME AND REALIZED PLUS UNREALIZED CAPITAL GAINS, FROM LOSS, LOSS EXPENSE AND UNEARNED PREMIUM RESERVES

See the attached Exhibits (10)(a), (10)(b) and (10)(c) and the pre-filed testimony of P. Woods and M. Stack. The experience provides the best estimate of the future.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CEDED LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

1. Direct Earned Premium for Accident Year Ended 12/31/2006		\$286,315,410
2. Mean Unearned Premium Reserve	0.285 x (1)	81,599,892
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense		10.00%
Taxes, Licenses and Fees		1.75%
50% of Other Acquisition Expense		4.15%
50% of Company Operating Expense		3.65%
Total		19.55%
4. (2) x (3)		15,952,779
5. Net Subject to Investment (2) - (4)		65,647,113

B. Delayed Remission of Premium (Agents' Balances)

1. Direct Earned Premium (A-1)	\$286,315,410
2. Average Agents' Balances	0.168
3. Delayed Remission (1) x (2)	48,100,989

C. Loss Reserve

1. Direct Earned Premium (A-1)	\$286,315,410
2. Expected Incurred Losses and Loss Adjustment	217,027,081
0.758 x (1)	
3. Expected Mean Loss Reserves	0.886 x (2)
	192,285,994

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 209,832,118

E. Average Rate of Return 4.78%

F. Investment Earnings on Net Subject to Investment (D) x (E) 10,029,975

G. Average Rate of Return as a Percent of Direct Earned Premium
(F) / (A-1) 3.50%

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present ceded manual level for Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2006 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from statutory page 14 of the Annual Statement.

1. Collected Earned Premium for Calendar Year ended 12/31/2006	\$2,316,658,861
2. Unearned Premium Reserve as of 12/31/2005	634,824,680
3. Unearned Premium Reserve as of 12/31/2006	684,498,941
4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$	659,661,811
5. Ratio (4) \div (1)	0.285

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2006 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 16.3% of net written premiums. The 16.3% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IBE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on statutory Page 14 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.032 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.032 is based on 2005 and 2006 industrywide data provided by the A.M. Best Company. The two factors combined amount to .168 (.163 x 1.032 = .168).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2005 and 2006 for Automobile Liability insurance. This ratio is based on North Carolina companies' statutory Page 14 annual statement data and has been adjusted to include loss adjustment expense reserves.

1. Incurred Losses for Calendar Year 2005	\$1,575,388,913
2. Incurred Losses for Calendar Year 2006	1,703,407,276
3. Loss Reserves as of 12/31/2004	1,428,148,692
4. Loss Reserves as of 12/31/2005	1,475,667,865
5. Loss Reserves as of 12/31/2006	1,496,117,471
6. Mean Loss Reserve 2005: 1/2 [(3) + (4)]	1,451,908,279
7. Mean Loss Reserve 2006: 1/2 [(4) + (5)]	1,485,892,668
8. Ratio (6) ÷ (1)	0.922
9. Ratio (7) ÷ (2)	0.872
10. Loss Reserve: 1/2 [(8) + (9)]	0.897
11. Ratio of LAE Reserves to Loss Reserves (a)	0.209
12. Ratio of Incurred LAE to Incurred Losses (a)	0.224
13. Loss and LAE Reserve [(10)x(1.0+(11))]/(1.0+(12))]	0.886

(a) Based on 2006 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CEDED LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

1. Direct Earned Premium for Accident Year Ended 12/31/2007		\$300,158,373
2. Mean Unearned Premium Reserve	0.280 x (1)	84,044,344
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense		10.00%
Taxes, Licenses and Fees		1.83%
50% of Other Acquisition Expense		4.15%
50% of Company Operating Expense		3.25%
Total		19.23%
4. (2) x (3)		16,161,727
5. Net Subject to Investment (2) - (4)		67,882,617

B. Delayed Remission of Premium (Agents' Balances)

1. Direct Earned Premium (A-1)	\$300,158,373
2. Average Agents' Balances	0.183
3. Delayed Remission (1) x (2)	54,928,982

C. Loss Reserve

1. Direct Earned Premium (A-1)	\$300,158,373
2. Expected Incurred Losses and Loss Adjustment	228,420,522
0.761 x (1)	
3. Expected Mean Loss Reserves	198,725,854
0.870 x (2)	

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 211,679,489

E. Average Rate of Return 4.36%

F. Investment Earnings on Net Subject to Investment (D) x (E) 9,229,226

G. Average Rate of Return as a Percent of Direct Earned Premium 3.07%
(F) / (A-1)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present ceded manual level for Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2007 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from statutory page 14 of the Annual Statement.

1. Collected Earned Premium for Calendar Year ended 12/31/2007	\$2,495,076,574
2. Unearned Premium Reserve as of 12/31/2006	684,498,941
3. Unearned Premium Reserve as of 12/31/2007	714,521,400
4. Mean Unearned Premium Reserve 1/2 [(2) + (3)]	699,510,171
5. Ratio (4) ÷ (1)	0.280

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2007 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 17.7% of net written premiums. The 17.7% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on statutory Page 14 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.036 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.036 is based on 2006 and 2007 industrywide data provided by the A.M. Best Company. The two factors combined amount to .183 ($.177 \times 1.036 = .183$).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2006 and 2007 for Automobile Liability insurance. This ratio is based on North Carolina companies' statutory Page 14 annual statement data and has been adjusted to include loss adjustment expense reserves.

1. Incurred Losses for Calendar Year 2006	\$1,703,407,276
2. Incurred Losses for Calendar Year 2007	1,772,529,395
3. Loss Reserves as of 12/31/2005	1,475,667,865
4. Loss Reserves as of 12/31/2006	1,496,117,471
5. Loss Reserves as of 12/31/2007	1,573,360,742
6. Mean Loss Reserve 2006: $1/2 [(3) + (4)]$	1,485,892,668
7. Mean Loss Reserve 2007: $1/2 [(4) + (5)]$	1,534,739,107
8. Ratio (6) \div (1)	0.872
9. Ratio (7) \div (2)	0.866
10. Loss Reserve: $1/2 [(8) + (9)]$	0.869
11. Ratio of LAE Reserves to Loss Reserves (a)	0.203
12. Ratio of Incurred LAE to Incurred Losses (a)	0.201
13. Loss and LAE Reserve $[(10) \times (1.0 + (11)) / (1.0 + (12))]$	0.870

(a) Based on 2007 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CEDED LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

1. Direct Earned Premium for Accident Year Ended 12/31/2008		\$273,981,804
2. Mean Unearned Premium Reserve	0.284 x (1)	77,810,832
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense		10.00%
Taxes, Licenses and Fees		1.83%
50% of Other Acquisition Expense		3.95%
50% of Company Operating Expense		3.15%
Total		18.93%
4. (2) x (3)		14,729,590
5. Net Subject to Investment (2) - (4)		63,081,242

B. Delayed Remission of Premium (Agents' Balances)

1. Direct Earned Premium (A-1)	\$273,981,804
2. Average Agents' Balances	0.169
3. Delayed Remission (1) x (2)	46,302,925

C. Loss Reserve

1. Direct Earned Premium (A-1)	\$273,981,804
2. Expected Incurred Losses and Loss Adjustment	210,692,007
0.769 x (1)	
3. Expected Mean Loss Reserves	190,465,574
0.904 x (2)	

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 207,243,891

E. Average Rate of Return 4.35%

F. Investment Earnings on Net Subject to Investment (D) x (E) 9,015,109

G. Average Rate of Return as a Percent of Direct Earned Premium 3.29%
(F) / (A-1)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present ceded manual level for Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2008 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from statutory page 14 of the Annual Statement.

1. Collected Earned Premium for Calendar Year ended 12/31/2008	\$2,526,198,270
2. Unearned Premium Reserve as of 12/31/2007	714,521,400
3. Unearned Premium Reserve as of 12/31/2008	721,463,631
4. Mean Unearned Premium Reserve $1/2 [(2) + (3)]$	717,992,516
5. Ratio (4) \div (1)	0.284

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2008 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 16.4% of net written premiums. The 16.4% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on statutory Page 14 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.033 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.033 is based on 2007 and 2008 industrywide data provided by the A.M. Best Company. The two factors combined amount to .169 (.164 x 1.033 = .169).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2007 and 2008 for Automobile Liability insurance. This ratio is based on North Carolina companies' statutory Page 14 annual statement data and has been adjusted to include loss adjustment expense reserves.

1. Incurred Losses for Calendar Year 2007	\$1,772,529,395
2. Incurred Losses for Calendar Year 2008	1,679,275,396
3. Loss Reserves as of 12/31/2006	1,496,117,471
4. Loss Reserves as of 12/31/2007	1,573,360,742
5. Loss Reserves as of 12/31/2008	1,574,804,421
6. Mean Loss Reserve 2007: 1/2 [(3) + (4)]	1,534,739,107
7. Mean Loss Reserve 2008: 1/2 [(4) + (5)]	1,574,082,582
8. Ratio (6) ÷ (1)	0.866
9. Ratio (7) ÷ (2)	0.937
10. Loss Reserve: 1/2 [(8) + (9)]	0.902
11. Ratio of LAE Reserves to Loss Reserves (a)	0.199
12. Ratio of Incurred LAE to Incurred Losses (a)	0.197
13. Loss and LAE Reserve [(10)x(1.0+(11)))/(1.0+(12))]	0.904

(a) Based on 2008 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CEDED LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

1. Direct Earned Premium for Accident Year Ended 12/31/2009		\$231,845,863
2. Mean Unearned Premium Reserve	0.278 x (1)	64,453,150
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense		10.00%
Taxes, Licenses and Fees		1.83%
50% of Other Acquisition Expense		3.75%
50% of Company Operating Expense		3.00%
Total		18.58%
4. (2) x (3)		11,975,395
5. Net Subject to Investment (2) - (4)		52,477,755

B. Delayed Remission of Premium (Agents' Balances)

1. Direct Earned Premium (A-1)		\$231,845,863
2. Average Agents' Balances		0.166
3. Delayed Remission (1) x (2)		38,486,413

C. Loss Reserve

1. Direct Earned Premium (A-1)		\$231,845,863
2. Expected Incurred Losses and Loss Adjustment		179,448,698
0.774 x (1)		
3. Expected Mean Loss Reserves	0.930 x (2)	166,887,289

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 180,878,631

E. Average Rate of Return 4.01%

F. Investment Earnings on Net Subject to Investment (D) x (E) 7,253,233

G. Average Rate of Return as a Percent of Direct Earned Premium 3.13%
(F) / (A-1)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present ceded manual level for Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2009 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from statutory page 14 of the Annual Statement.

1. Collected Earned Premium for Calendar Year ended 12/31/2009	\$2,650,541,604
2. Unearned Premium Reserve as of 12/31/2008	721,463,631
3. Unearned Premium Reserve as of 12/31/2009	754,363,250
4. Mean Unearned Premium Reserve 1/2 [(2) + (3)]	737,913,441
5. Ratio (4) ÷ (1)	0.278

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2008 and 2009 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 16.1% of net written premiums. The 16.1% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on statutory Page 14 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.030 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.030 is based on 2008 and 2009 industrywide data provided by the A.M. Best Company. The two factors combined amount to .166 (.161 x 1.030 = .166).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2008 and 2009 for Automobile Liability insurance. This ratio is based on North Carolina companies' statutory Page 14 annual statement data and has been adjusted to include loss adjustment expense reserves.

1. Incurred Losses for Calendar Year 2008	\$1,679,275,396
2. Incurred Losses for Calendar Year 2009	1,707,492,385
3. Loss Reserves as of 12/31/2007	1,573,360,742
4. Loss Reserves as of 12/31/2008	1,574,804,421
5. Loss Reserves as of 12/31/2009	1,598,709,090
6. Mean Loss Reserve 2008: 1/2 [(3) + (4)]	1,574,082,582
7. Mean Loss Reserve 2009: 1/2 [(4) + (5)]	1,586,756,756
8. Ratio (6) ÷ (1)	0.937
9. Ratio (7) ÷ (2)	0.929
10. Loss Reserve: 1/2 [(8) + (9)]	0.933
11. Ratio of LAE Reserves to Loss Reserves (a)	0.194
12. Ratio of Incurred LAE to Incurred Losses (a)	0.198
13. Loss and LAE Reserve [(10)x(1.0+(11))]/(1.0+(12))]	0.930

(a) Based on 2009 All-Industry Insurance Expense Exhibit (source: A.M. Best)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
CEDED LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES
AND ON LOSS RESERVES

A. Unearned Premium Reserve

1. Direct Earned Premium for Accident Year Ended 12/31/2010		\$230,911,662
2. Mean Unearned Premium Reserve	0.286 x (1)	66,040,735
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense		10.00%
Taxes, Licenses and Fees		1.92%
50% of Other Acquisition Expense		4.05%
50% of Company Operating Expense		2.80%
Total		18.77%
4. (2) x (3)		12,395,846
5. Net Subject to Investment (2) - (4)		53,644,889

B. Delayed Remission of Premium (Agents' Balances)

1. Direct Earned Premium (A-1)		\$230,911,662
2. Average Agents' Balances		0.163
3. Delayed Remission (1) x (2)		37,638,601

C. Loss Reserve

1. Direct Earned Premium (A-1)		\$230,911,662
2. Expected Incurred Losses and Loss Adjustment		177,340,156
0.768 x (1)		
3. Expected Mean Loss Reserves	0.934 x (2)	165,635,706

D. Net Subject to Investment (A-5) - (B-3) + (C-3) 181,641,994

E. Average Rate of Return 3.56%

F. Investment Earnings on Net Subject to Investment (D) x (E) 6,466,455

G. Average Rate of Return as a Percent of Direct Earned Premium 2.80%
(F) / (A-1)

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

Line A-1

Direct earned premiums are the total limits earned premiums at present ceded manual level for Private Passenger Automobile Bodily Injury and Property Damage Liability and Medical Payments Insurance for all companies writing private passenger automobile insurance in North Carolina for the latest accident year.

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line (1) by the ratio of the mean unearned premium reserve to the collected earned premium for calendar year ended 12/31/2010 for all companies writing Private Passenger Automobile Liability insurance in North Carolina. These data are from statutory page 14 of the Annual Statement.

1. Collected Earned Premium for Calendar Year ended 12/31/2010	\$2,626,486,282
2. Unearned Premium Reserve as of 12/31/2009	754,363,250
3. Unearned Premium Reserve as of 12/31/2010	749,490,243
4. Mean Unearned Premium Reserve 1/2 [(2) + (3)]	751,926,747
5. Ratio (4) ÷ (1)	0.286

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Private Passenger Automobile Liability insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50-75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Based on the 2009 and 2010 Insurance Expense Exhibit for all companies writing private passenger liability insurance in North Carolina, agent's balances for premiums due less than 90 days amount to 15.9% of net written premiums. The 15.9% is based on a procedure that weighs the percent of countrywide agents balances relative to countrywide private passenger liability premium (using data from Part III of the IEE) on the private passenger written liability premium for North Carolina private passenger liability insurance (as shown on statutory Page 14 of the Annual Statement).

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
LIABILITY COVERAGES

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

EXPLANATORY NOTES

The above percentage must be multiplied by a factor of 1.028 to include the effect of agents balances or uncollected premiums overdue for more than 90 days. The 1.028 is based on 2009 and 2010 industrywide data provided by the A.M. Best Company. The two factors combined amount to .163 (.159 x 1.028 = .163).

Line C-2

The expected loss and loss adjustment ratio reflects the expense provisions used in this filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (2) by the average North Carolina ratio of the mean loss reserves to the incurred losses in 2009 and 2010 for Automobile Liability insurance. This ratio is based on North Carolina companies' statutory Page 14 annual statement data and has been adjusted to include loss adjustment expense reserves.

1. Incurred Losses for Calendar Year 2009	\$1,707,492,385
2. Incurred Losses for Calendar Year 2010	1,711,360,797
3. Loss Reserves as of 12/31/2008	1,574,804,421
4. Loss Reserves as of 12/31/2009	1,598,709,090
5. Loss Reserves as of 12/31/2010	1,633,779,856
6. Mean Loss Reserve 2009: 1/2 [(3) + (4)]	1,586,756,756
7. Mean Loss Reserve 2010: 1/2 [(4) + (5)]	1,616,244,473
8. Ratio (6) ÷ (1)	0.929
9. Ratio (7) ÷ (2)	0.944
10. Loss Reserve: 1/2 [(8) + (9)]	0.937
11. Ratio of LAE Reserves to Loss Reserves (a)	0.190
12. Ratio of Incurred LAE to Incurred Losses (a)	0.194
13. Loss and LAE Reserve [(10)x(1.0+(11))/(1.0+(12))]	0.934

(a) Based on 2010 All-Industry Insurance Expense Exhibit (source: A.M. Best)

The data available to the Rate Bureau to estimate the requested length of time is the yearly paid and incurred total limits liability loss development data contained on pages F-38-40 and F-43-45. The combined BI, PD and Med Pay data on a paid and incurred basis is shown on pages F-176 and F-177. Page F-175 shows the liability incurred losses for immature accident years on an ultimate basis using the latest three-year average loss development factor.

The accident year data for any given year 20XX (or 19YY) has an average date of accident of July 1, 20XX (or 19YY). By taking the ratio of paid losses to ultimate incurred losses as shown on the following pages, the percentage of liability losses paid in each year is estimated.

It is next necessary to determine an estimate for the average payment date (months) of the losses paid in each interval. Such data are not available for North Carolina. Such data are available for Massachusetts and are set forth below for the purpose of showing how this analysis would be completed for North Carolina if North Carolina data were available. The following data is personal auto liability data for the state of Massachusetts as contained in the Massachusetts Automobile Rate Bureau's 1990 filing. Since the Rate Bureau is advised by ISO that Massachusetts payment patterns are longer than North Carolina's, the results of this analysis (based on Massachusetts payment patterns) overstate the average length of time between occurrence and payment.

The result of this analysis is shown below:

Period Month-to-Month	Percentage Paid in Period		Massachusetts
	(a)	(b)	Average Payment Date (months)
0-15	64.1%	66.1%	9.3
15-27	20.0%	19.8%	20.3
27-39	8.0%	7.8%	32.4
39-51	4.7%	4.0%	44.3
51-63	2.1%	1.5%	56.5
63-ult.	1.1%	0.8%	73.4
		(a)	(b)
(1) Average Payment Date		16.7 months	15.9 months
(2) Average Date of Accident		6.0 months	6.0 months
(3) Average Length of Time between Occurrence and Payment [(1)-(2)]		10.7 months	9.9 months

- (a) Based on the average of the three earliest accident year points.
- (b) Based on the average of the three latest accident year points.

Based on this analysis the average length of time between occurrence and payment of a liability claim has decreased by 0.8 months over this period.

NORTH CAROLINA
ULTIMATE INCURRED LOSSES
LIABILITY

Accident Year	Losses (a)
1997	1,141,375,788
1998	1,136,947,157
1999	1,196,305,206
2000	1,222,843,227
2001	1,229,607,885
2002	1,286,721,537
2003	1,349,581,154
2004	1,390,479,026
2005	1,393,462,000
2006	1,453,717,907
2007	1,472,476,609
2008	1,457,554,606
2009	1,545,378,914
2010	1,575,645,116

(a) Total limits Bodily Injury, Property Damage and Medical Payments combined. 63 months is considered ultimate.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

B.I., P.D., Med.Pay. Combined Total Limits Paid Losses as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					1,129,898,054
1998				1,100,677,997	1,125,855,949
1999			1,100,179,975	1,155,991,393	1,182,252,291
2000		1,033,184,626	1,128,230,873	1,186,247,890	1,211,236,400
2001	789,771,959	1,030,163,060	1,132,217,585	1,192,854,613	1,217,736,943
2002	829,685,310	1,079,156,317	1,189,961,232	1,251,448,431	1,274,468,167
2003	856,896,088	1,131,112,193	1,242,432,276	1,308,422,750	1,336,827,150
2004	871,810,336	1,144,640,374	1,288,901,723	1,357,346,135	1,379,460,527
2005	909,074,242	1,179,518,772	1,297,882,919	1,361,819,190	1,383,872,392
2006	945,268,207	1,238,469,434	1,358,266,723	1,417,603,299	1,441,974,706
2007	971,344,915	1,268,345,045	1,382,366,947	1,440,286,661	
2008	972,613,529	1,255,741,031	1,367,377,439		
2009	1,019,619,819	1,318,115,447			
2010	1,032,027,676				

Ratio of Paid to Ultimate Incurred

Accident Year	0-15 Mo.	15-27 Mo.	27-39 Months	39-51 Months	51-63 Months
1997					0.990
1998				0.968	0.990
1999			0.920	0.966	0.988
2000		0.845	0.923	0.970	0.991
2001	0.642	0.838	0.921	0.970	0.990
2002	0.645	0.839	0.925	0.973	0.990
2003	0.635	0.838	0.921	0.970	0.991
2004	0.627	0.823	0.927	0.976	0.992
2005	0.652	0.846	0.931	0.977	0.993
2006	0.650	0.852	0.934	0.975	0.992
2007	0.660	0.861	0.939	0.978	
2008	0.667	0.862	0.938		
2009	0.660	0.853			
2010	0.655				
Earliest Three Year Avg	0.641	0.841	0.921	0.968	0.989
Latest Three Year Avg	0.661	0.859	0.937	0.977	0.992

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
AUTOMOBILE LIABILITY INSURANCE - PRIVATE PASSENGER CARS
LOSS DEVELOPMENT

All Carriers

Voluntary and Ceded Combined

B.I., P.D., Med.Pay. Combined Total Limits Incurred Losses as of

Accident Year	15 Months	27 Months	39 Months	51 Months	63 Months
1997					1,141,375,788
1998				1,135,634,931	1,136,947,157
1999			1,182,991,251	1,192,900,037	1,196,305,206
2000		1,185,355,980	1,207,738,470	1,220,516,831	1,222,843,227
2001	1,127,660,082	1,189,153,419	1,216,383,714	1,229,418,504	1,229,607,885
2002	1,177,233,497	1,247,824,357	1,275,184,350	1,288,590,884	1,286,721,537
2003	1,218,414,098	1,306,023,654	1,340,479,085	1,347,615,509	1,349,581,154
2004	1,260,406,094	1,332,457,165	1,381,698,918	1,390,411,151	1,390,479,026
2005	1,272,189,647	1,359,207,421	1,387,951,960	1,395,437,899	1,393,462,000
2006	1,336,137,349	1,423,003,411	1,450,410,617	1,455,924,518	1,453,717,907
2007	1,358,983,257	1,453,476,217	1,470,871,492	1,473,950,560	
2008	1,361,454,682	1,436,136,087	1,453,195,021		
2009	1,445,782,369	1,519,546,621			
2010	1,462,994,537				

Loss Development Factors

Accident Year	15-27 Mo.	27-39 Mo.	39-51 Mo.	51-63 Mo.
1998				1.001
1999			1.008	1.003
2000		1.019	1.011	1.002
2001	1.055	1.023	1.011	1.000
2002	1.060	1.022	1.011	0.999
2003	1.072	1.026	1.005	1.001
2004	1.057	1.037	1.006	1.000
2005	1.068	1.021	1.005	0.999
2006	1.065	1.019	1.004	0.998
2007	1.070	1.012	1.002	
2008	1.055	1.012		
2009	1.051			

Five Year Average	1.062	1.020	1.004	0.999
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Three Year Average	1.059	1.014	1.004	0.999
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Five Year Three Year

39 to 63 months:	1.003	1.003
27 to 63 months:	1.023	1.017
15 to 63 months:	1.086	1.077

Losses exclude unallocated loss adjustment expense.

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2009 ASSETS

1	Bonds	151,431,675
2	Stocks	
	2.1 Preferred stocks	5,232,142
	2.2 Common stocks	114,914,089
3	Mortgage loans on real estate	
	3.1 First Liens	1,485,960
	3.2 Other than First Liens	0
4	Real estate	
	4.1 Properties occupied by the company	3,840,307
	4.2 Other properties	0
5	Cash and Short-term investments	10,278,189
6	Other invested assets	18,697,137
7	Receivable for securities	34,236
8	Aggregate write-ins for invested assets	-3,202
9	Subtotals, cash and invested assets	307,485,186
10	Agents balances or uncollected premiums	
	10.1 In course of collection	6,258,295
	10.2 Booked but deferred and not yet due	19,845,695
	10.3 Accrued retrospective premiums	517,640
11	Funds held by or deposited with reinsured companies	66,164
12	Bills receivable, taken for premiums	0
13	Reinsurance recoverable on loss payments	4,191,906
14	Federal income tax recoverable and interest thereon	0
14A	Guaranty funds receivable or on deposit	96,941
15	Electronic data processing equipment	756,250
16	Interest, dividends and real estate income due and accrued	1,896,441
17	Receivable from parent, subsidiaries and affiliates	2,652,917
18	Equities and deposits in pools and associations	0
19	Amounts receivable relating to uninsured A & H plans	43
20	Other assets non-admitted	0
21	Aggregate write-ins for other than invested assets	3,912,039
22	TOTALS (items 8a through 20)	353,971,179

DETAILS OF WRITE-INS AGGREGATED AT ITEM 20

1	Future investment income on loss reserve	0
2	Other write-ins	3,912,039
6	TOTALS	3,912,039

NORTH CAROLINA

PERSONAL AUTO LIABILITY INSURANCE
 AGGREGATE ANNUAL STATEMENT DATA
 TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2009 LIABILITIES

1	Losses	85,495,044
1A	Reinsurance payable on paid loss and loss adjustment expense	2,992,493
2	Loss adjustment expenses	20,937,643
3	Contingent commissions and other similar charges	955,890
4	Other expenses	8,703,232
5	Taxes, licenses and fees	1,076,812
6	Federal and foreign income taxes	0
7	Borrowed money	5,463
8	Interest	0
9	Unearned premiums	44,653,685
10	Dividends declared and unpaid	
	(a) Stockholders	536
	(b) Policyholders	37,650
11	Funds held by company under reinsurance treaties	2,072,022
12	Amounts withheld or retained by company for account of others	3,298,037
13	Remittances and items not allocated	518,337
14	Provision for reinsurance	445,177
15	Excess of statutory reserves over statement reserves	0
16	Net adjustments in assets and liabilities for foreign exchange	5,018
17	Drafts outstanding	1,242,910
18	Payable to parent, subsidiaries and affiliates	1,531,840
19	Payable for securities	346,723
20	Liability for amounts held under accident and health plans	0
21	Capital notes and interest thereon	0
22	Aggregate write-ins for liabilities	3,518,819
23	Total liabilities	187,691,286
24	Aggregate write-ins for special surplus funds	42,756,677
25A	Common capital stock	194,263
25B	Preferred capital stock	315,000
25C	Aggregate write-ins for other than special surplus funds	-69,556
26A	Surplus notes	3,507,029
26B	Gross paid in and contributed surplus	22,301,288
26C	Unassigned funds (surplus)	97,275,356
26D	Treasury stock	
	(1) common	166
	(2) preferred	0
27	Surplus as regards policyholders	166,279,893
28	TOTALS	353,971,179

DETAILS OF WRITE-INS AGGREGATED AT ITEM 22

1	Miscellaneous conditional reserves	4,940
2	Other reinsurance balances	0
3	Loss portfolio transfers	-1,560,325
4	Discount on loss reserve	0
5	Other write-ins	5,074,204
9	TOTALS	3,518,819

DETAILS OF WRITE-INS AGGREGATED AT ITEM 23C

1	Guaranty funds	0
2	Other write-ins	0
9	TOTALS	-69,556

NORTH CAROLINA

PERSONAL AUTO LIABILITY INSURANCE
 AGGREGATE ANNUAL STATEMENT DATA
 TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM
 2009 UNDERWRITING AND INVESTMENT EXHIBIT

STATEMENT OF INCOME

1	Premiums earned	126,045,893
	Deductions	
2	Losses incurred	80,250,688
3	Loss expenses incurred	15,067,266
4	Other underwriting expenses incurred	31,166,802
5	Aggregate write-ins for underwriting deductions	-16,084
6	Total underwriting deductions	126,468,671
7	Net underwriting gain or loss	-422,778
8	Net investment income earned	12,603,779
9	Net realized capital gains or losses	662,480
9A	Net investment gain or loss	13,266,259
10	Net gain or loss from agents or premium balances charged off	-389,129
11	Finance or service charges not included in premiums	1,111,966
12	Aggregate write-ins for miscellaneous income	-205,310
13	Total other income	517,527
14	Net income before dividends to policyholders and before federal and foreign income taxes	13,361,007
14A	Dividends to policyholders	1,040,001
14B	Net income after dividends to policyholders but before federal and foreign income taxes	12,321,006
15	Federal and foreign income taxes incurred	1,043,608
16	Net income	11,277,398
17	Surplus as regards policyholders, December 31 previous year	159,063,262
18	Net income	11,277,398
19	Net unrealized capital gains or losses	3,193,051
20	Change in non-admitted assets	-1,040,495
21	Change in provision for reinsurance	-24,004
22	Change in foreign exchange adjustment	105,482
23	Change in excess of statutory reserves over statement reserves	0
23A	Change in surplus notes	96
24	Capital changes	
	(a) Paid in	-775
	(b) Transferred from surplus	1,904
	(c) Transferred to surplus	0
25	Surplus adjustments	
	(a) Paid in	761,245
	(b) Transferred to capital	-1,904
	(c) Transferred from capital	0
26	Net remittances from or to Home Office	0
27	Dividends to stockholders (cash)	-6,945,968
28	Change in treasury stock	0
29	Extraordinary amounts of taxes for prior years	0
30	Aggregate write-ins for gains and losses in surplus	-83,435
31	Change in surplus as regards policyholders for the year	7,216,631
32	Surplus as regards policyholders, December 31 current year	166,279,893

DETAILS OF WRITE-INS AGGREGATED AT ITEM 30

1	Miscellaneous operating adjustments	-77,057
2	Change in conditional reserves	-6,378
3	Miscellaneous capital and surplus adjustments	0
11	TOTALS	-83,435

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2010 ASSETS

1	Bonds	155,766,629
2	Stocks	
	2.1 Preferred stocks	5,341,429
	2.2 Common stocks	116,927,750
3	Mortgage loans on real estate	
	3.1 First Liens	1,485,960
	3.2 Other than First Liens	0
4	Real estate	
	4.1 Properties occupied by the company	3,836,665
	4.2 Other properties	0
5	Cash and Short-term investments	10,108,565
6	Other invested assets	18,673,177
7	Receivable for securities	34,531
8	Aggregate write-ins for invested assets	-3,202
9	Subtotals, cash and invested assets	313,742,528
10	Agents balances or uncollected premiums	
	10.1 In course of collection	6,370,488
	10.2 Booked but deferred and not yet due	20,303,249
	10.3 Accrued retrospective premiums	516,990
11	Funds held by or deposited with reinsured companies	66,392
12	Bills receivable, taken for premiums	0
13	Reinsurance recoverable on loss payments	4,044,869
14	Federal income tax recoverable and interest thereon	0
14A	Guaranty funds receivable or on deposit	93,945
15	Electronic data processing equipment	754,788
16	Interest, dividends and real estate income due and accrued	1,961,143
17	Receivable from parent, subsidiaries and affiliates	2,615,107
18	Equities and deposits in pools and associations	0
19	Amounts receivable relating to uninsured A & H plans	43
20	Other assets non-admitted	0
21	Aggregate write-ins for other than invested assets	3,941,258
22	TOTALS (items 8a through 20)	360,827,307

DETAILS OF WRITE-INS AGGREGATED AT ITEM 20

1	Future investment income on loss reserve	0
2	Other write-ins	3,941,258
6	TOTALS	3,941,258

NORTH CAROLINA

PERSONAL AUTO LIABILITY INSURANCE
 AGGREGATE ANNUAL STATEMENT DATA
 TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2010 LIABILITIES

1	Losses	88,071,136
1A	Reinsurance payable on paid loss and loss adjustment expense	2,899,100
2	Loss adjustment expenses	21,658,998
3	Contingent commissions and other similar charges	1,026,402
4	Other expenses	8,740,500
5	Taxes, licenses and fees	1,093,265
6	Federal and foreign income taxes	0
7	Borrowed money	5,463
8	Interest	0
9	Unearned premiums	45,835,712
10	Dividends declared and unpaid	
	(a) Stockholders	50,536
	(b) Policyholders	51,664
11	Funds held by company under reinsurance treaties	2,070,230
12	Amounts withheld or retained by company for account of others	3,287,370
13	Remittances and items not allocated	516,669
14	Provision for reinsurance	436,791
15	Excess of statutory reserves over statement reserves	0
16	Net adjustments in assets and liabilities for foreign exchange	5,018
17	Drafts outstanding	1,198,356
18	Payable to parent, subsidiaries and affiliates	1,478,621
19	Payable for securities	346,701
20	Liability for amounts held under accident and health plans	0
21	Capital notes and interest thereon	0
22	Aggregate write-ins for liabilities	3,604,002
23	Total liabilities	191,988,501
24	Aggregate write-ins for special surplus funds	42,758,569
25A	Common capital stock	201,666
25B	Preferred capital stock	315,000
25C	Aggregate write-ins for other than special surplus funds	-69,556
26A	Surplus notes	3,275,529
26B	Gross paid in and contributed surplus	22,330,444
26C	Unassigned funds (surplus)	100,027,318
26D	Treasury stock	
	(1) common	166
	(2) preferred	0
27	Surplus as regards policyholders	168,838,806
28	TOTALS	360,827,307

DETAILS OF WRITE-INS AGGREGATED AT ITEM 22

1	Miscellaneous conditional reserves	12,258
2	Other reinsurance balances	0
3	Loss portfolio transfers	-1,560,325
4	Discount on loss reserve	0
5	Other write-ins	5,152,069
9	TOTALS	3,604,002

DETAILS OF WRITE-INS AGGREGATED AT ITEM 23C

1	Guaranty funds	0
2	Other write-ins	0
9	TOTALS	-69,556

NORTH CAROLINA

PERSONAL AUTO LIABILITY INSURANCE
 AGGREGATE ANNUAL STATEMENT DATA
 TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

2010 UNDERWRITING AND INVESTMENT EXHIBIT

STATEMENT OF INCOME

1	Premiums earned	128,464,042
	Deductions	
2	Losses incurred	81,717,292
3	Loss expenses incurred	15,354,496
4	Other underwriting expenses incurred	31,818,052
5	Aggregate write-ins for underwriting deductions	-16,298
6	Total underwriting deductions	128,873,541
7	Net underwriting gain or loss	-409,499
8	Net investment income earned	12,912,697
9	Net realized capital gains or losses	743,955
9A	Net investment gain or loss	13,656,652
10	Net gain or loss from agents or premium balances charged off	-376,047
11	Finance or service charges not included in premiums	1,107,111
12	Aggregate write-ins for miscellaneous income	-194,132
13	Total other income	536,932
14	Net income before dividends to policyholders and before federal and foreign income taxes	13,784,085
14A	Dividends to policyholders	1,059,329
14B	Net income after dividends to policyholders but before federal and foreign income taxes	12,724,756
15	Federal and foreign income taxes incurred	1,117,089
16	Net income	11,607,666
17	Surplus as regards policyholders, December 31 previous year	161,488,197
18	Net income	11,607,666
19	Net unrealized capital gains or losses	3,169,569
20	Change in non-admitted assets	-1,069,783
21	Change in provision for reinsurance	-30,653
22	Change in foreign exchange adjustment	105,482
23	Change in excess of statutory reserves over statement reserves	0
23A	Change in surplus notes	96
24	Capital changes	
	(a) Paid in	-775
	(b) Transferred from surplus	1,904
	(c) Transferred to surplus	0
25	Surplus adjustments	
	(a) Paid in	820,845
	(b) Transferred to capital	-1,904
	(c) Transferred from capital	0
26	Net remittances from or to Home Office	0
27	Dividends to stockholders (cash)	-7,161,668
28	Change in treasury stock	0
29	Extraordinary amounts of taxes for prior years	0
30	Aggregate write-ins for gains and losses in surplus	-78,997
31	Change in surplus as regards policyholders for the year	7,350,608
32	Surplus as regards policyholders, December 31 current year	168,838,806

DETAILS OF WRITE-INS AGGREGATED AT ITEM 30

1	Miscellaneous operating adjustments	-78,997
2	Change in conditional reserves	0
3	Miscellaneous capital and surplus adjustments	0
11	TOTALS	-78,997

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

PART II - 2009 ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE

LIABILITY

1	Net Premiums Written	52,029,883,000
2	Net Premiums Earned	51,622,442,000
3	Dividends to Policyholders	346,795,000
4	Incurred Losses	35,802,884,000
5	Allocated Loss Adjustment Expenses Incurred	2,256,347,000
6	Unallocated Loss Adjustment Expenses Incurred	5,074,517,000
7	Unpaid Losses	43,430,952,000
8	Allocated Loss Adjustment Expenses Unpaid	5,995,167,000
9	Unallocated Loss Adjustment Expenses Unpaid	4,578,479,000
10	Unearned Premium Reserves	14,611,286,000
11	Agents' Balances	8,646,480,000
12	Commission and Brokerage Expense	4,032,066,000
13	Taxes, Licenses and Fees Incurred	1,219,240,000
14	Other Acquisition, Etc. Expenses Incurred	4,598,245,000
15	General Expenses Incurred	2,167,803,000
16	Other Income Less Other Expenses	288,819,000
17	Pretax Profit Excluding Investment Gain	-3,586,620,000
18	Investment Gain on Insurance Transactions	1,899,869,000
19	Profit or Loss Excluding Inv Gain on Capital and Surplus	-1,686,750,000
20	Investment Gain on Capital and Surplus	2,434,948,000
21	Total Profit or Loss	748,194,000

PHYSICAL DAMAGE

1	Net Premiums Written	33,955,318,000
2	Net Premiums Earned	33,879,327,000
3	Dividends to Policyholders	272,573,000
4	Incurred Losses	19,845,772,000
5	Allocated Loss Adjustment Expenses Incurred	81,830,000
6	Unallocated Loss Adjustment Expenses Incurred	3,137,770,000
7	Unpaid Losses	1,714,261,000
8	Allocated Loss Adjustment Expenses Unpaid	82,850,000
9	Unallocated Loss Adjustment Expenses Unpaid	1,220,489,000
10	Unearned Premium Reserves	9,777,316,000
11	Agents' Balances	5,533,905,000
12	Commission and Brokerage Expense	2,337,134,000
13	Taxes, Licenses and Fees Incurred	782,483,000
14	Other Acquisition, Etc. Expenses Incurred	3,017,565,000
15	General Expenses Incurred	1,386,428,000
16	Other Income Less Other Expenses	131,812,000
17	Pretax Profit Excluding Investment Gain	3,149,580,000
18	Investment Gain on Insurance Transactions	280,078,000
19	Profit or Loss Excluding Inv Gain on Capital and Surplus	3,429,656,000
20	Investment Gain on Capital and Surplus	929,585,000
21	Total Profit or Loss	4,359,244,000

NORTH CAROLINA
PERSONAL AUTO LIABILITY INSURANCE
AGGREGATE ANNUAL STATEMENT DATA
TOP 50 AUTO INSURERS BASED ON 2010 WRITTEN PREMIUM

PART II - 2010 ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE

LIABILITY

1	Net Premiums Written	52,080,057,000
2	Net Premiums Earned	51,640,894,000
3	Dividends to Policyholders	349,783,000
4	Incurred Losses	35,856,719,000
5	Allocated Loss Adjustment Expenses Incurred	2,263,528,000
6	Unallocated Loss Adjustment Expenses Incurred	5,069,105,000
7	Unpaid Losses	43,416,946,000
8	Allocated Loss Adjustment Expenses Unpaid	5,979,269,000
9	Unallocated Loss Adjustment Expenses Unpaid	4,554,331,000
10	Unearned Premium Reserves	14,659,332,000
11	Agents' Balances	8,652,577,000
12	Commission and Brokerage Expense	4,021,534,000
13	Taxes, Licenses and Fees Incurred	1,212,013,000
14	Other Acquisition, Etc. Expenses Incurred	4,590,093,000
15	General Expenses Incurred	2,156,772,000
16	Other Income Less Other Expenses	292,379,000
17	Pretax Profit Excluding Investment Gain	-3,586,258,000
18	Investment Gain on Insurance Transactions	1,905,853,000
19	Profit or Loss Excluding Inv Gain on Capital and Surplus	-1,680,403,000
20	Investment Gain on Capital and Surplus	2,419,986,000
21	Total Profit or Loss	739,579,000

PHYSICAL DAMAGE

1	Net Premiums Written	34,104,804,000
2	Net Premiums Earned	34,007,349,000
3	Dividends to Policyholders	274,777,000
4	Incurred Losses	19,969,702,000
5	Allocated Loss Adjustment Expenses Incurred	83,633,000
6	Unallocated Loss Adjustment Expenses Incurred	3,135,707,000
7	Unpaid Losses	1,720,726,000
8	Allocated Loss Adjustment Expenses Unpaid	83,790,000
9	Unallocated Loss Adjustment Expenses Unpaid	1,222,479,000
10	Unearned Premium Reserves	9,831,791,000
11	Agents' Balances	5,554,516,000
12	Commission and Brokerage Expense	2,342,711,000
13	Taxes, Licenses and Fees Incurred	781,632,000
14	Other Acquisition, Etc. Expenses Incurred	3,009,916,000
15	General Expenses Incurred	1,380,987,000
16	Other Income Less Other Expenses	134,043,000
17	Pretax Profit Excluding Investment Gain	3,162,321,000
18	Investment Gain on Insurance Transactions	282,288,000
19	Profit or Loss Excluding Inv Gain on Capital and Surplus	3,444,609,000
20	Investment Gain on Capital and Surplus	937,509,000
21	Total Profit or Loss	4,382,123,000

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

11. IDENTIFICATION OF APPLICABLE STATISTICAL PLANS AND PROGRAMS AND A
CERTIFICATION OF COMPLIANCE WITH THEM

(a) ISO Personal Auto Statistical Plan

ISO Minimum Personal Auto Statistical Plan

ISO 2010 Call for Personal Auto Bodily Injury and Property Damage
Liability and No-Fault Statistics

ISO 2010 Call for Personal Auto Minimum Statistical Plan Liability
and No-Fault Statistics

ISS Automobile Statistical Plans - All Coverages

ISS 2010 quarterly Automobile Liability Call

ISS Voluntary Automobile Excess Loss Call

Annual Statement for Calendar Year 2010

Insurance Expense Exhibit for Calendar Year 2010

RB Calls for 2010 North Carolina Automobile Expense Experience

NISS Automobile Statistical Plan - All Coverages - Part IV, North
Carolina

NISS 2010 Quarterly Automobile Call

NISS 2010 Quarterly Automobile Excess Loss Call

NISS 2010 Calendar Year Annual Statement

NISS 2011 Financial Reconciliation Call

(b) The North Carolina Rate Bureau and North Carolina Reinsurance
Facility certify that there is no evidence known to them or, insofar
as they are aware following reasonable inquiry, to the statistical
agencies involved that the data which were collected under the
statistical plans identified in response (11)(a) above and used in
the filing are not materially true and accurate representations of
the experience of the companies whose data underlie such experience.
While the Rate Bureau and Reinsurance Facility are aware that the
collected data sometimes require corrections or adjustments, their
review of the data, the data collection process, and the ratemaking
process indicates that the aggregate data are reasonable and
reliable for ratemaking purposes. See also the pre-filed testimony
of P. Woods.

(c) Pages F-187-191 contain general descriptions of the editing
procedures used to ensure data were collected in accordance with the
applicable statistical plans.

North Carolina Private Passenger Automobile Insurance Statistical Data

ISO Editing Procedures

1. Upon receipt of the data from each reporting company, checks are made to ensure that each record (i.e., the data reported for each exposure) has valid and readable information. This includes a check that the appropriate alpha-numeric codes have been utilized.
2. The records are then checked to ensure that each of the fields has a valid code in it (e.g., company numbers must be entered as four-digit numerals).
3. Relationship edits which evaluate the interrelationship between codes are then performed. For example, if a record indicates North Carolina, Private Passenger, Bodily Injury, checks are made to ascertain that applicable interrelationships are maintained.
4. Distributional edits are performed to make sure that the reporting company has not erred in miscoding its data into a single class, territory, or other rating criteria due a systems problem or other error.
5. The resulting combined data from all the company records are reconciled with statutory Page 14 Annual Statement data for that company.
6. After all of the ISO data are aggregated, a consolidated review of the data is conducted to determine overall reasonableness and accuracy. In this procedure the data are compared with previous statewide and territory figures. Areas of concern are identified and results are verified by checking back to the source data.

ISO's edit procedure for Private Passenger Automobile data is in compliance with the requirements of the Statistical Data Monitoring System (SDMS) which is mandated for use in several states and was developed by the New York Insurance Department in conjunction with the Arthur Andersen Company. SDMS was developed to provide procedures for the companies that report, and stat agents that collect, data in order to put controls into the reporting system to generate valid results. ISO employs the procedures detailed by SDMS throughout the country.

ISS Editing Procedures

The following narrative sets forth a general description of the editing procedures utilized by ISS to review North Carolina statistical data. All North Carolina experience submitted to the ISS by affiliated companies undergoes standard procedures to ensure that the data is reported in accordance with the ISS's approved statistical plans.

ISS's review of the data takes place on two levels: analysis of individual company data and analysis of the aggregate data of all the companies combined. These two separate functions will be treated in that order.

Analysis of Company Data

Analysis of company data includes: completeness checks, editing for valid coding and checking the distribution of data among the various data elements.

1. Completeness Checks (Balancing and Reconciliation):

Balancing and reconciliation procedures are used to determine completeness of reporting. Completeness means that the ISS has received and processed all of the data due to be filed with the ISS. First, totals of each company's processed data are compared to separate transmittal totals supplied by the company. This step ensures that ISS has processed completely the experience included in the company's submission of data and that no errors occur during this processing. As a second check for completeness, the reported statistical data is reconciled to statutory Page 14 totals from the company's Annual Statement. It is a useful procedure in determining completeness because the annual statement represents an independent source of information.

2. Editing of Codes:

Format and Readability

Statistical data reported by affiliated companies must be filed in accordance with ISS's approved statistical plans. This includes the requirement that the data must conform to the specific formats and technical specifications in order for ISS to properly read and process these submissions. The initial edit is a test of each company's submission to ensure it has been reported using the proper record format and that it meets certain technical requirements for the line of insurance being reported. Key fields are tested to ensure that only numeric information has been reported in fields defined as numeric, and that the fields have been reported in the proper position in the record.

Relational Edits

The data items of information filed with the insurance company's experience are reported by using codes defined under ISS's statistical plans. For example, the various types of Policy Forms written on Homeowners policies in North Carolina are defined in the Personal Lines Statistical Plan. Similarly, the various coverages written on private passenger automobile policies in North Carolina are defined in the Automobile Statistical Plan. Each definition for each data element has a unique code assigned to it which distinguishes it from other definitions. All data items applicable to North Carolina are defined in a similar manner in each of ISS's statistical plans and have codes assigned to properly identify each definition.

All records reported to ISS are subjected to validation of the reported codes. This validation, called editing, is performed to assure that companies are reporting properly defined ISS Statistical Plan codes for North Carolina experience.

The purpose of the edit is to validate the statistical codes reported in each record. This validation is called a Relation Edit. A relational edit verifies that a reported code is valid in combination with one or more related data items. Relational edit tests are accomplished primarily through the use of specific edit tables applicable to each line of insurance.

In most cases, the experience data in the record is used in conjunction with the related codes and compared to an establishment or discontinued date for the code being validated. This ensures that specific codes are not being utilized beyond the range of time during which they are valid.

An example of a relational edit involves territory coding. Many territory code numbers are available under each statistical plan for various states, with various effective dates. However, only codes defined for North Carolina for the specific line being processed are valid in combination with North Carolina reported experience. Further, if a new code is erected, that code will be considered valid only if the date reported in the statistical record is equal or subsequent to the establishment date of the code.

3. Distributional Analysis:

The validation of the codes is not by itself sufficient to assure the credibility of company data. Having assured the reporting of valid codes, the statistical agent must verify that valid entries are indeed reliable. Therefore, the data is also reviewed for reasonable distributions. The primary focus of this review is to establish that the statistical data reported by the company is a credible reflection of the company's experience.

The distribution of company experience by specific data elements such as state, territory, policy form, and construction, for example, for the current reporting period is compared to company profiles of prior periods. In addition, ratios relevant to the line of insurance such as average premium, average loss, volume, loss ratio and loss frequency are compared to industry averages. This historical comparison can highlight changes in the pattern of reporting.

The distributional analysis serves as an additional verification that systematic errors are not introduced during the production of data files submitted to ISS by our affiliated companies. Disproportionate amounts of premiums and/or losses in a particular class or territory, for example, can be detected using this technique.

Validation of Aggregate Data

After the individual company has been reviewed, the data for all reporting companies is compiled to produce aggregate reports. The aggregate data represents the combined experience of many companies. This data is also subjected to similar review procedures. To ensure completeness, run to run control techniques are applied. This initials balancing the totals of the aggregate runs to previously verified control totals. In this manner the aggregate data is monitored to ensure the inclusion of the appropriate company data.

The aggregate data is also reviewed for credibility through distributional analysis similar to that performed on the individual company data. Earned exposures (where applicable) and premiums and incurred losses and claims are used to calculate pure premiums, claim frequencies and claim costs for comparison to past averages. The analysis of the aggregate data centers on determining consistency over time by comparing several years of experience, by coverage and class, or territory, for example. Through the application of these techniques, ISS is able to provide reliable insurance statistical data in North Carolina.

NISS Editing Procedures

- a. Every report received is checked for completeness. Every submission must include (1) an affidavit; (2) a letter of transmittal setting forth company control totals for the data being sent; (3) the data being reported on tape, cartridge, diskette or form to be keyed.
- b. Individual company submissions are balanced to the company letter of transmittals to ensure that all data have been received and processed. After all four quarters of data have been received, the company reports are reconciled to the Annual Statement statutory Page 14 amounts. The NISS Financial Reconciliation identifies any amounts needed to reconcile any differences between the company reported data and Annual Statement amounts.
- c. Every company record submitted to NISS is verified through NISS edit software for its coding accuracy and conformance with NISS record layouts and instructions. NISS edits verify the accuracy of each code for each data element. Where possible, each data element is subjected to a relational edit whereby it will be checked for accuracy in conjunction with another field.
- d. Individual company submissions are also subjected to a series of reasonability tests to determine that the current submission is consistent with previous company submissions, known changes in this line of business and statewide trends. NISS compares current quarter data to the previous quarter. This comparison is performed and analyzed by grouping data.
- e. After all of the NISS data are combined, a review of this consolidated data is also performed. The aggregate data is compared on a year to year basis to again verify its reasonableness, similar to those checks employed on an individual company submission.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

12. INVESTMENT EARNINGS ON CAPITAL AND SURPLUS

Not applicable.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

13. LEVEL OF CAPITAL AND SURPLUS NEEDED TO SUPPORT PREMIUM WRITINGS WITHOUT
ENDANGERING THE SOLVENCY OF MEMBER COMPANIES

Not applicable.

STATISTICAL DATA TO COMPLY WITH NORTH CAROLINA
REQUIREMENTS FOR A PRIVATE PASSENGER RATE FILING
AS PER 11 NCAC 10.1104

14. OTHER INFORMATION REQUIRED BY THE COMMISSIONER.

(a) See pre-filed testimony of P. Woods.

(b) See the attached Exhibit (14)(b).

(c) Not applicable.

(d) The following changes in methodology from those used in the March 11, 2011 filing have been incorporated into this filing:

- No changes in methodology were applied.

See also pre-filed testimony of P. Woods.

Pages F-195 and following are reserved for meeting minutes.

**INSURANCE SERVICES OFFICE, INC.
NORTH CAROLINA RATE BUREAU**

NOTICE TO MANUALHOLDERS

**PERSONAL AUTO MANUAL – NORTH CAROLINA
NOTICE 2012-002**

CAUTION

Manualholders should determine from company instructions whether a company has adopted this revision.

INSTRUCTIONS TO MANUALHOLDERS

Revised manual pages are enclosed. If your company has adopted this revision, you should insert these pages into your manual.

EFFECTIVE DATE

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

This revision becomes effective with respect to all new and renewal policies written to become effective on or after March 1, 2012.

CHANGE(S)

The revision to Rule **4.D.** – Single and Multi-Car Risks is designed to clarify the intent of the rule which was published in a Circular Letter To All Member Companies dated August 7, 1995. The information contained in the circular letter was never included in the rule; therefore, member companies may have incorrectly interpreted the rule.

REVISED PAGE(S)

NC-GR-4, NC-GR-5

PAGE CHECKLIST

Included in this distribution is a page checklist displaying the latest page numbers and edition dates.

REFERENCE INFORMATION (FOR COMPANY USE ONLY)

Circular Reference(s):

- A-11-4 (08/29/2011) NCRB Circular Letter

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**PERSONAL AUTO MANUAL
PAGE CHECKLIST – NORTH CAROLINA**

THIS MANUAL PAGE CHECKLIST DISPLAYS THE LATEST STATE PAGE INFORMATION AS OF **3-12**.
NO MULTISTATE APPLIES.

NOTE: ALWAYS USE THE EDITION NUMBER TO DETERMINE THE LATEST PAGE.

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			NC-GR-26	7th	2-10
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- 3. PREMIUM DETERMINATION**
- 4. CLASSIFICATIONS**
- 5. SAFE DRIVER INSURANCE PLAN (SDIP)**
- 6. MODEL YEAR FOR FIRE, THEFT, COMBINED ADDITIONAL COVERAGE, COMPREHENSIVE AND COLLISION COVERAGES**
- 7. MINIMUM PREMIUM RULE**
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- 10. CANCELLATION**
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**NORTH CAROLINA STATISTICAL
CODING SHEET**

PRIMARY CLASSIFICATION CODES*

No Inexperienced Operators

Vehicle Use	Single Car Risk or Multi-Car Risk With No Discount	Multi-Car Discount
Pleasure	1141	1142
Work – Less Than 10	1161	1162
Work – 10 or More	1171	1172
Business	1181	1182
Farm	1191	1192

Inexperienced Operators

Years of Driving Experience	Vehicle Use	Principal Operator		Occasional Operator	
		Single Car Risk or Multi-Car Risk With No Discount	Multi-Car Discount	Single Car Risk or Multi-Car Risk With No Discount	Multi-Car Discount
Less Than 1 Year	Pleasure	1241	1242	1341	1342
	Work – Less Than 10	1261	1262	1361	1362
	Work – 10 or More	1271	1272	1371	1372
	Business	1281	1282	1381	1382
	Farm	1291	1292	1391	1392
Less Than 2 Year	Pleasure	1441	1442	1541	1542
	Work – Less Than 10	1461	1462	1561	1562
	Work – 10 or More	1471	1472	1571	1572
	Business	1481	1482	1581	1582
	Farm	1491	1492	1591	1592
Less Than 3 Years	Pleasure	1641	1642	1741	1742
	Work – Less Than 10	1661	1662	1761	1762
	Work – 10 or More	1671	1672	1771	1772
	Business	1681	1682	1781	1782
	Farm	1691	1692	1791	1792

* Each code must have as the fifth and sixth digits the applicable Safe Driver Insurance Plan code.
For complete coding requirements, refer to the Statistical Plan.

1. DEFINITIONS

- A. 1.** A private passenger auto is a four wheel motor vehicle, other than a truck type or van, owned or leased under contract for a continuous period of at least six months, and
- Not used as a public or livery conveyance for passengers.
 - Not rented to others.
- 2.** A motor vehicle that is a pickup truck or van shall be considered a private passenger auto, if it:
- Is owned by an individual or by a husband and wife or individuals who are residents of the same household,
 - Has a Gross Vehicle Weight as specified by the manufacturer of less than 10,000 lbs.; and
 - Is not used for the delivery or transportation of goods or materials unless such use is:
 - Incidental to the insured's business of installing, maintaining or repairing furnishings or equipment; or
 - For farming or ranching.
- A pickup truck or van used in the business of the United States Government, by an employee of the Government, shall be considered a private passenger auto only if:
- It meets the conditions in **a.**, **b.** and **c.** above; and
 - Coverage is limited in accordance with the federal employees using autos in government business endorsement.
- 3.** A motor vehicle owned by a farm family co-partnership, or farm family corporation shall be considered a private passenger auto owned by an individual, if:
- It is principally garaged on a farm or ranch, and
 - It otherwise meets the definitions in Paragraphs **1.** and **2.** above.
- B.** AUTO as used in this manual refers to a private passenger auto or a vehicle considered as a private passenger auto.
- C.** LIABILITY as used in this manual refers only to Bodily Injury and Property Damage Coverages.
- D.** COMPREHENSIVE COVERAGE as used in this manual refers to other than collision damage to a motor vehicle.
- E.** OWNED as used in this manual includes an auto leased under contract for a continuous period of at least six months. If an auto lease contract requires the lessee to provide primary insurance for the lessor, attach the applicable endorsement.
- F.** REFER TO COMPANY means that North Carolina Risks shall be referred by the company to the North Carolina Rate Bureau.

2. PERSONAL AUTO POLICY – ELIGIBILITY

- A.** A Personal Auto Policy shall be used to afford coverage to private passenger autos and motor vehicles considered as private passenger autos in Rule 1., if:
- They are written on a specified auto basis, and
 - They are owned by an individual or by a husband and wife who are residents in the same household.
- B.** A Personal Auto Policy shall be used to afford coverage to private passenger autos that are owned jointly by two or more individuals other than husband and wife, if:
- They are written on a specified auto basis, and
 - Coverage is limited in accordance with the Joint Ownership Endorsement.
- C.** A Personal Auto Policy shall be used to afford coverage to motorcycles, golfcarts or other similar type vehicles and snowmobiles not used for commercial purposes, if:
- They are written on a specified vehicle basis, and
 - Coverage is limited in accordance with the Miscellaneous Type Vehicle Endorsement.
- D.** A Personal Auto Policy shall be used to afford coverage to a named individual who does not own an auto. The applicable endorsement must be attached.
- E.** A Personal Auto Policy may be used to afford coverage to private passenger autos not owned by a natural person and not rated as part of a fleet if:
- they are written on a specified auto basis, and
 - coverage is limited in accordance with the Business Named Insured Endorsement.
- The Business Named Insured Endorsement allows a person to be named as a "designee" to provide that person and resident family members Liability Coverage and Coverage for Damage To our Auto for the use of non-owned autos. Only persons who meet all of the requirements below should be listed as a "designee." These are persons who:
- are principals of the named insured's business;
 - have custody or control of a vehicle shown in the Declarations;
 - are not named insureds on another Personal Auto Policy; and
 - are not family members of either another "designee" or another person who is a named insured on another Personal Auto Policy since non-owned coverage is already provided.

2. PERSONAL AUTO POLICY – ELIGIBILITY (Cont'd)

F. A Personal Auto Policy may be used to afford coverage to five or more four-wheel private passenger autos owned by an individual or owned jointly by two or more individuals resident in the same household if the autos are not used for business use, other than farming or ranching.

Exceptions

Exposures in **A.**, **B.** or **C.** above may be written under a commercial auto policy when combined with a commercial risk.

Exposures in **E.** or **F.** above may be written under a commercial auto policy.

Note

Non-fleet private passenger motor vehicles must be rated out of the Personal Auto Manual and must be coded as non-fleet private passenger for statistical reporting purposes whether written on a personal auto policy or a commercial auto policy

3. PREMIUM DETERMINATION

A. For 1971-1982 model year sports cars identified in the Symbol Section as "s", the applicable symbol shall be one less than that shown.

B. Bodily Injury Liability, Property Damage Liability, Medical Payments, Fire, Theft, Combined Additional Coverage, Comprehensive and Collision premiums are determined as follows:

1. Refer to the Classification Rule to determine the applicable Primary Classification, Rating Factor and the Single or Multi-Car and Inexperienced Operator Rating Factor and Statistical Codes.

Add these rating factors to determine the Combined Rating Factor applicable to each auto.

2. Refer to the Safe Driver Insurance Plan Rule to determine the Driving Record Surcharge Premium applicable to each coverage for each auto.

For autos not eligible for SDIP:

Add +0.10 to the Combined Rating Factor determined above.

Use statistical code 95.

3. Model Year and Symbol Determination

- a. Refer to the Model Year Rule and Symbol and Identification Manual for the appropriate model year and symbol.

If the rates for a model year are not displayed in the rate pages, use the rates shown for the latest model year.

- b. If no Rating Symbol is shown in the Symbol and Identification (S&I) Manual, use the following procedure to determine an interim rating symbol.

- (1) If the S&I Manual displays a rating symbol for the PRIOR MODEL YEAR version of the same vehicle, use the prior model year's Rating Symbol for the new model year vehicle.

- (2) If the S&I Manual does NOT display a rating symbol for the PRIOR MODEL YEAR version of the same vehicle, assign a symbol based on the cost new of the auto, using the Price/Symbol Chart located in the reference pages of the S&I Manual.

4. Refer to Territory Definitions to determine the territorial schedule code number for the location where the auto is principally garaged.

5. Refer to the state rate pages to determine base rates for the desired coverage for the appropriate territory.

Note

Clean Risks Ceded to the North Carolina Reinsurance Facility (Statistical Code 02).

The rates charged for "clean risks" ceded to the North Carolina Reinsurance Facility shall not exceed the rates charged "clean risks" not ceded to the Reinsurance Facility. The rates for "clean risks" ceded to the North Carolina Reinsurance Facility are set forth on the state rate page showing rates for Voluntary Business and "Clean Risks" Ceded to the North Carolina Reinsurance Facility.

For the purpose of this rule, a "clean risk" shall be any owner of a motor vehicle that is classified as a private passenger auto if the owner and the principal operator and each licensed operator in the owner's household:

- a. Have two years driving experience as a licensed driver, which experience is determined in the manner provided in Rule 4.G.1., and

- b. Have **not** been assigned any Safe Driver Insurance Plan points during the three year period immediately preceding the date of application for motor vehicle insurance or the date of preparation for a renewal motor vehicle insurance policy.

6. The premium for each coverage is determined by multiplying the base rate by the Combined Rating Factor, then adding the Driving Record Surcharge Premium applicable to the coverage for each auto.

4. CLASSIFICATIONS

The provisions of this rule apply separately to the premiums for Bodily Injury and Property Damage Liability, Medical Payments, Fire, Theft, Combined Additional Coverage, Comprehensive and Collision Coverages.

A. Autos owned by an individual or owned jointly by two or more individuals are classified as follows:

Refer to Section **C.** below for definitions of terms used in this rule.

Code	Class	Definitions
114	1A	There is no BUSINESS USE of the auto and the auto is not DRIVEN TO OR FROM WORK OR SCHOOL.
116	1B	There is no BUSINESS USE of the auto but the auto is DRIVEN TO OR FROM WORK OR SCHOOL a distance of less than 10 road miles one way.
117	1C	There is no BUSINESS USE of the auto but the auto is DRIVEN TO OR FROM WORK OR SCHOOL a distance of 10 or more road miles one way.
118	3	The auto is used for BUSINESS USE.
119	1AF	The auto is a FARM AUTO.

B. Private passenger autos owned by corporations, co-partnerships, or unincorporated associations shall be rated as Class **3**.

Exceptions

1. For corporations, co-partnerships or unincorporated associations owning less than five motor vehicles:

An owned private passenger auto principally furnished to a specified individual shall be classified and rated as if owned by that individual, in accordance with Rule **4.A.**, provided the auto is not used for business purposes.

2. For Farm family co-partnerships or Farm family corporations:

An owned private passenger auto principally garaged on a farm or ranch shall be rated as Class 1AF provided the vehicle is:

- a.** Not used in any occupation other than farming or ranching, or
- b.** Not customarily used in going to or from work other than farming or ranching.

C. Definitions

- 1.** BUSINESS USE means that the use of the auto is required by or customarily involved in the duties of the applicant or any other person customarily operating the auto, in an occupation, profession or business, other than going to or from the principal place of occupation, profession or business.
- 2.** FARM AUTO means the auto is principally garaged on a farm or ranch, and
 - a.** It is not customarily used in going to or from work other than farming or ranching, or driving to or from school, and
 - b.** It is not customarily used in any occupation other than farming or ranching.
- 3.** DRIVEN TO OR FROM WORK OR SCHOOL means the auto is customarily used in the course of driving to or from work or school and shall include:
 - a.** The use of the auto in a car pool or other share the ride arrangement.
 - b.** Driving part way to or from work or school whether or not the auto is parked at a depot during the day.

Note

If an auto is driven to or from work or school on less than a daily basis, the classification used in rating the auto shall be subject to the following:

- (1)** If otherwise in Class 1B, the auto shall be classified as 1A if the total usage of the car in driving to or from work or school is not more than 2 days per week or not more than 2 weeks per 5 week period.
- (2)** If otherwise in Class 1C the auto shall be classified as 1B if the total usage of the car in driving to or from work or school is not more than 2 days per week or not more than 2 weeks per 5 week period.

Refer to company for certification form.

4. RESIDENT means anyone residing in the same household as the applicant and shall include an individual absent from the household while attending school. An individual in active military service with the armed forces of the United States of America shall **not** be included as resident in the same household unless such individual customarily operates the auto.

4. CLASSIFICATIONS (Cont'd)

D. Single and Multi-Car Risks

The applicable Multi-Car Rating Factor shall apply if two or more four-wheel private passenger autos owned by an individual or owned jointly by two or more individuals resident in the same household are insured in the same policy.

Exceptions

1. If a company's policy processing systems do not permit insuring all vehicles in the same policy, the applicable Multi-Car Rating Factor shall apply if the company insures two or more four-wheel private passenger autos owned by an individual or owned jointly by two or more individuals resident in the same household.

This exception applies only to companies that do not issue multi-car policies or whose policy processing systems limitations necessitate insuring one car (in a multi-car situation) on a separate policy. This exception does not permit a company to apply the Multi-Car Rating Factor on a single car policy where, for underwriting or other reasons, the company voluntarily elects to insure one vehicle on a single car policy when that vehicle could be insured on a multi-car policy.

2. The Multi-Car Rating Factor shall not apply to antique autos as defined in the Miscellaneous Types rule.

LIABILITY COVERAGES ONLY

- E. An auto subject to Class 3 rates because of use in the business of the United States Government by one of its employees may be classified and rated as Class 1A, 1B, or 1C when the applicable endorsement is used to limit coverage.

F. Inexperienced Operator**LIABILITY, MEDICAL PAYMENTS AND COLLISION**

1. The appropriate Inexperienced Operator Surcharge shall be applied for each owner or resident operator of the auto who has less than three years driving experience as a licensed driver.
 - a. The insurer shall obtain a verifiable motor vehicle record on each owner or resident operator from the Division of Motor Vehicles or from the governmental entity responsible for maintaining drivers' license records and shall determine the number of years of driving experience as a licensed driver for each owner or resident operator of the auto from such motor vehicle records to the extent possible.

- b. If a verifiable motor vehicle record obtained by the insurer does not show conclusively the number of years of driving experience for each owner or resident operator of the auto, the insurer may determine the number of years of driving experience as a licensed driver based upon information provided by the applicant.
- c. If a verifiable motor vehicle record cannot be obtained from the Division of Motor Vehicles or from the governmental entity responsible for maintaining drivers' license records, then the owner or resident operator shall be rated as inexperienced.

Exception: If the insurer is unable to obtain a verifiable motor vehicle record because such records are no longer available and the owner or resident operator has a drivers' license that continues to be valid by virtue of a military extension, then the insurer may determine the number of years of driving experience as a licensed driver based upon information provided by the applicant.

Insurers shall maintain in their files for at least three years from the inception of the policy the information upon which the number of years driving experience was determined.

Only driving experience in the United States of America, Canada or Puerto Rico may be used to determine the number of years of driving experience as a licensed driver.

The surcharge shall not be applied for more than three years regardless of policy term or effective date.

Note

A driver who holds a learner's permit only shall not be deemed a licensed driver for the purpose of determining the inexperienced operator premium surcharge.

2. If there are two or more autos in the same household as the applicant, the inexperienced operator rates shall be applied separately to the number of autos equal to the number of inexperienced operators. Inexperienced operator rates shall not be used in rating such autos in excess of the number of inexperienced operators.

The inexperienced operator surcharge(s) shall be applied to the auto(s) which the inexperienced operator principally operates. In the case of an occasional operator, the surcharge shall be applied to the auto most frequently operated by the inexperienced operator.

4. CLASSIFICATIONS (Cont'd)

G. Airbag Discount

The following discounts apply to Medical Payments Coverage Only. To qualify, the private passenger auto must be equipped with a factory installed airbag(s) which conforms to the federal crash protection requirements, and meets the criteria of either Paragraph 1. or 2. below:

1. 20% discount shall be afforded when the airbag is installed in the driver-side-only position.
2. 30% discount shall be afforded when the airbags are installed in both front outboard seat positions.

H. Optional Rating Characteristics

Companies may use the following optional rating characteristics or any combination of such optional rating characteristics and Bureau filed classifications to determine rates by coverage, as long as applicable legal requirements are satisfied. The resulting premium by coverage shall not exceed the premium that would have been determined using the rates, rating plans, classifications, schedules, rules and standards promulgated by the Bureau, except as provided by statute. The rating factor by coverage for any combination of the following optional risk characteristics cannot exceed 1.00, unless the resulting premium by coverage does not exceed the Bureau premium by coverage.

1. Policy characteristics not otherwise recognized in this manual. Examples include: account or multi-policy credit; tiers; continuity of coverage; coverages purchased; intra-agency transfers; number of drivers; number of vehicles; payment history; payment options; prior insurance; and new and renewal status.
2. Driver characteristics not otherwise recognized in this manual. Examples include: years of driving experience; convictions, accidents, claims or incidents; accident-free experience; accident forgiveness; annual mileage; cell phone type and usage; credit information; defensive driving course; good student; home ownership; marital status; and military status.
3. Vehicle characteristics not otherwise recognized in this manual. Examples include: airbags; customization; electronic monitoring or safety devices; engine characteristics; safety features or engineering; theft deterrence/recovery devices; place and type of garaging; type of fuel used; vehicle age, make, model and model year; and vehicle use.
4. Affinity group or other group not otherwise recognized in this manual.
5. Any other rating characteristic or combination of characteristics if filed by a company and approved by the Commissioner.

5. SAFE DRIVER INSURANCE PLAN (SDIP)

The provisions of this Rule apply separately to premiums for Bodily Injury Liability, Property Damage Liability, Medical Payments, Fire, Theft, Combined Additional Coverage, Comprehensive and Collision Coverages.

A. Eligibility

The Plan shall be applied in rating all eligible autos.

An auto is eligible for rating under this Plan if it is owned by an individual or owned jointly by two or more individuals resident in the same household provided such auto is:

1. A four wheel auto of the private passenger or station wagon type, or
2. A motor vehicle that is a pickup truck or van, if it:
 - a. Has a Gross Vehicle Weight as specified by the manufacturer of less than 10,000 lbs.; and
 - b. Is not used for the delivery or transportation of goods or materials unless such use is:
 - (1) Incidental to the insured's business of installing, maintaining or repairing furnishings or equipment; or
 - (2) For farming or ranching, or
3. A motorcycle, motorized scooter, auto glide or other similar motorized vehicle of the private passenger type.

Exception

The SDIP applies to policies written for a term in excess of 12 months. Such policy must provide for an annual adjustment of premium.

B. Definitions**1. Driving Record Points****a. Convictions**

Records of convictions for moving traffic violations to be considered under this Plan shall be obtained at least annually from the Division of Motor Vehicles for the applicant and any currently resident operator.

Points shall be assigned for convictions during the experience period for moving traffic violations of the applicant or any currently resident operator, based on date of conviction, as follows:

- (1) Twelve points shall be assigned for a conviction for:
 - (a) Manslaughter (or negligent homicide) resulting from the operation of a motor vehicle;
 - (b) Prearranged highway racing or knowingly lending a motor vehicle to be used in a prearranged highway race; or
 - (c) Failing to stop and render aid when involved in an accident resulting in bodily injury or death (hit-and-run driving);

5. SAFE DRIVER INSURANCE PLAN (SDIP) (Cont'd)

- (d) Impaired driving, including driving a vehicle while under the influence of an impairing substance; driving a vehicle with an alcohol concentration of 0.08 or more; and driving a commercial vehicle with an alcohol concentration of 0.04 or more; and

Note

There shall be no premium surcharge or assessment of points against an insured where (i) the insured's driver's license has been revoked under G.S.20-16.5; and (ii) the insured is subsequently acquitted of the offense involving impaired driving, as defined in G.S.20-4.01(24a), that is related to the revocation, or the charge for that offense is dismissed.

- (e) Transportation for the purpose of sale of illegal intoxicating liquors by motor vehicle.
- (2) Ten points shall be assigned for a conviction for:
- (a) Highway racing or knowingly lending a motor vehicle to be used in a highway race; or
- (b) Speeding to elude arrest.
- (3) Eight points shall be assigned for a conviction for:
- (a) operating during a period of revocation or suspension of license or registration.
- (b) aggressive driving.
- (4) Four points shall be assigned for a conviction for:
- (a) Failing to stop and report when involved in a motor vehicle accident resulting in property damage only (hit-and-run-driving);
- (b) Driving a motor vehicle in a reckless manner;
- (c) Passing a stopped school bus;
- (d) Speeding in excess of 75 miles per hour when the posted speed limit is less than 70 miles per hour;
- (e) Speeding in excess of 80 miles per hour when the posted speed limit is 70 miles per hour or greater; or
- (f) Driving by a person less than 21 years old after consuming alcohol or drugs.
- (5) Two points shall be assigned for a conviction for:
- (a) Illegal passing;

- (b) Speeding more than 10 miles per hour over the posted speed limit, provided the total speed was in excess of 55 miles per hour but less than 76 miles per hour;

- (c) Speeding 10 miles per hour, or less, in excess of the posted speed limit in a speed zone of 55 miles per hour or greater;

Waiver

These points shall **NOT** apply unless the same driver has also been convicted of at least one other moving traffic violation during the experience period.

- (d) Following too closely; or

- (e) Driving on wrong side of road.

- (6) One point shall be assigned for a violation resulting in a conviction for speeding 10 miles per hour, or less, in excess of the posted speed limit of less than 55 miles per hour.

Waiver

This point shall **NOT** apply unless the same driver has also been convicted of at least one other moving traffic violation during the experience period.

Exceptions

This **WAIVER** does **NOT** apply to convictions of speeding in a school zone in excess of posted school zone speed.

- (7) With respect to any other conviction for a moving traffic violation, one point shall be assigned for each such conviction.

Exception

Convictions for the following shall not be regarded as moving traffic violations:

- (a) Inadequate muffler or excess escape of exhaust products;
- (b) Improper lights or other equipment except brakes;
- (c) Failure to sign or display registration card;
- (d) Failure to display license plates;
- (e) Failure to have in possession driver's license provided there is a valid one in existence; or
- (f) Failure to display current inspection certificate.

5. SAFE DRIVER INSURANCE PLAN (SDIP) (Cont'd)

b. Accidents

Points shall be assigned for each accident that occurred during the experience period, involving the applicant or any current resident operator, while operating a private passenger auto.

If an accident results both in bodily injury or death and in damage to property, points shall be assigned on the basis of the element of loss (bodily injury, death, or property damage) which generates the greatest number of points for the accident.

ACCIDENTS RESULTING IN BODILY INJURY OR DEATH THAT OCCURRED BEFORE JANUARY 1, 2004

- (1) One point shall be assigned for each at-fault auto accident that results in total bodily injuries to all persons of \$1,500 or less.
- (2) Three points shall be assigned for each at-fault auto accident that results in:
 - (i) Death or
 - (ii) Total bodily injury to all persons in excess of \$1,500.

ACCIDENTS RESULTING IN BODILY INJURY OR DEATH THAT OCCURRED ON OR AFTER JANUARY 1, 2004

- (1) One point shall be assigned for each at-fault auto accident that results in total bodily injuries to all persons of \$1,800 or less.
- (2) Three points shall be assigned for each at-fault auto accident that results in:
 - (i) Death or
 - (ii) Total bodily injury to all persons in excess of \$1,800.

Exception

If the insured furnishes adequate proof that incurred medical costs related to the accident were solely for diagnostic purposes and that the accident did not result in any bodily injury, no SDIP points for bodily injury will be assigned, or points for bodily injury assigned as a result of the accident will be removed as of the most recent policy effective date.

ACCIDENTS RESULTING IN PROPERTY DAMAGE THAT OCCURRED BEFORE JANUARY 1, 2004

- (1) Three points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$2,500 or more.

- (2) Two points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, in excess of \$1,500 but less than \$2,500.

- (3) One point shall be assigned for each at-fault auto accident that results in total damage to all property including the insured's own, of \$1,500 or less.

ACCIDENTS RESULTING IN PROPERTY DAMAGE THAT OCCURRED ON OR AFTER JANUARY 1, 2004

- (1) Three points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, of \$3,000 or more.
- (2) Two points shall be assigned for each at-fault auto accident that results in total damage to all property, including the insured's own, in excess of \$1,800 but less than \$3,000.
- (3) One point shall be assigned for each at-fault auto accident that results in total damage to all property including the insured's own, of \$1,800 or less.

Exception

No points are assigned for accidents occurring under the following circumstances:

- (a) Auto lawfully parked (if the parked vehicle rolls from the parked position then any such accident is charged to the person who parked the auto); or
- (b) The applicant, owner or other resident operator reimbursed by, or on behalf of, a person who is responsible for the accident or has judgment against such person; or
- (c) Auto is struck in the rear by another vehicle and the applicant or other resident operator has not been convicted of a moving traffic violation in connection with this accident; or
- (d) Auto operated by the applicant or any resident operator is struck by a "hit-and-run" vehicle, if the accident is reported to the proper authority within 24 hours by the applicant or resident operator; or
- (e) Accidents involving damage by contact with animals or fowl; or
- (f) Accidents involving Physical Damage, limited to and caused by flying gravel, missiles, or falling objects.

5. SAFE DRIVER INSURANCE PLAN (SDIP) (Cont'd)

- (g) Accidents occurring as a result of the operation of a firefighting, rescue squad, or law enforcement vehicle in response to an emergency if the operator of the vehicle at the time of the accident was a paid or volunteer member of any fire department, rescue squad, or any law enforcement agency. This exception does not include an accident occurring after the vehicle ceases to be used in response to the emergency and the emergency ceases to exist.

Notes

- (1) For the purpose of this Plan a "conviction" shall mean a plea of guilty, or of nolo contendere or the determination of guilt by a jury or by a court though no sentence has been imposed (prayer for judgment continued) or, if imposed, has been suspended (unless it is the first prayer for judgment continued for all licensed operators in the household); and it includes a forfeiture of bail or collateral deposited to secure appearance in court of the defendant, unless the forfeiture has been vacated.
- (2) For the purpose of this Plan, a "moving traffic violation" shall include an infraction as described in **G.S. 14-3.1**.
- (3) The phrase "at-fault" means "negligent". No points shall be assigned for accidents when the operator of an insured vehicle is free of negligence.
- (4) References to other operators residing in the applicant's household shall also include a principal operator who is not a resident in the applicant's household.
- (5) In the event the applicant or any current resident operator has an at-fault accident and is convicted of a moving traffic violation in connection with the accident, only the higher surcharge points between the accident and the violation shall be assigned.
- (6) For accidents that occur on or after January 1, 1992, the One Point accident surcharge in Section **B.1.b.(3)** of this rule does not apply if both of the following conditions are met:
 - (a) The operator was not convicted of a moving traffic violation in connection with the accident; and

- (b) The vehicle owner, principal operator, and all licensed operators in the owner's household have had no convictions for moving traffic violations and no other at-fault accidents during the three-year period immediately preceding the date of the application or the date of preparation of the renewal.

2. Experience Period

The experience period shall be the three years immediately preceding the date of application or the preparation of the renewal. SDIP points shall be applied to a policy for a period of not less nor more than three policy years.

C. Driving Record Sub-Classification

The driving record sub-classification shall be determined from the number of Driving Record Points accumulated during the experience period as follows:

Number of Driving Record Points	Driving Record Sub-Classification
0	0
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12 Or More	12
Not Eligible For Plan	NE

D. Driving Record Surcharge Premium

1. Single Car Risks

- a. Determine the Driving Record Sub-Classification for the policy and the applicable SDIP Rating Factor.
- b. Multiply the base premium for each coverage applicable to the auto by the SDIP Rating Factor to determine the SDIP Surcharge for each coverage. Round each coverage surcharge to the nearest whole dollar.
- c. The Driving Record Surcharge Premium for each coverage of the auto equals the SDIP Surcharge for that coverage.
- d. Add the applicable Driving Record Surcharge Premium for each coverage to the otherwise applicable premium for each coverage of the auto.

5. SAFE DRIVER INSURANCE PLAN (SDIP) (Cont'd)

2. Multi-Car Risks

- a. Determine the Driving Record Sub-Classification for the policy and the applicable SDIP Rating Factor.
- b. Select the auto with the highest Total Base Premium for all coverages combined.

TOTAL BASE PREMIUM is the sum of the base premiums for Bodily Injury and Property Damage Liability, Medical Payments, Comprehensive (or Fire, Theft and Combined Additional Coverage) and Collision coverages that apply to the auto.

- c. For each coverage applicable to the auto with the highest Total Base Premium for all coverages combined.

Multiply the base premium for each coverage by the SDIP Rating Factor to determine the SDIP Surcharge for each coverage. Round each coverage surcharge to the nearest whole dollar.

- d. The Driving Record Surcharge Premium is determined separately by coverage for each auto that is insured for that coverage and eligible for SDIP rating.

- (1) Determine the number of eligible autos insured for each coverage.

- (2) The Driving Record Surcharge Premium for each coverage of each auto equals the SDIP Surcharge for that coverage divided by the number of eligible autos insured for that coverage.

- (3) If the above calculation results in a fractional dollar amount for each auto then:

determine the remainder dollar amount and add it to the Driving Record Surcharge Premium for one of the insured autos and disregard the fractional dollar amounts.

Note

The Whole Dollar Premium Rule does not apply in this instance.

- (4) If an auto is insured for a coverage not applicable to the auto with the highest Total Base Premium for all coverages combined, then no surcharge applies to that coverage.

- e. Add the applicable Driving Record Surcharge Premium for each coverage of each auto to the otherwise applicable premium for each coverage of each auto.

3. Statistical Coding

- a. Single Car Risks – Assign the Driving Record Sub-Classification Statistical Code, reflecting the number of points, to the auto.

- b. Multi-Car Risks – Assign the Driving Record Sub-Classification Statistical Code reflecting:

- (1) The number of driving record points, to the auto with the highest Total Base Premium.

- (2) Zero driving record points, to each other auto insured on the policy.

E. Cancellations and Changes**1. Policies for Terms Not Exceeding One Year**

No policy shall be endorsed in term to effect a change of Driving Record Sub-Classification except to recognize the addition or deletion of an operator.

2. Policies for Terms Exceeding One Year

No policy shall be endorsed to effect a change of Driving Record Sub-Classification until the next annual anniversary of the inception of the policy except to recognize the addition or deletion of an operator.

PRIMARY CLASSIFICATION RATING FACTORS*

Coverage	Pleasure Use	Drive to or from Work		Business Use	Farm Use
	(1A)	Less than 10 Miles (1B)	10 or More Miles (1C)	(3)	(1AF)
B.I., P.D., Med. Pay	1.00	1.05	1.05	1.05	.80
Collision	1.00	1.10	1.10	1.10	.80
Comprehensive Fire, Theft, C.A.C.	1.00	1.20	1.20	1.20	.80

SINGLE OR MULTI-CAR RISKS AND INEXPERIENCED OPERATOR*
Add the following rating factors to the Primary Rating Factor:

No Inexperienced Operator			
Single or Multi-Car Risks	BI, PD, and Med. Pay.	Collision	Comprehensive, Fire, Theft, and CAC
Single Car	Factor 0.00	Factor 0.00	Factor 0.00
Multi-Car	Factor -0.35	Factor -0.30	Factor -0.10

Inexperienced Operator				
Single or Multi-Car Risks		BI, PD, and Med. Pay.	Collision	Comprehensive, Fire, Theft, and CAC
Single Car	Principal Operator Licensed For:			
	Less than One Year	Factor +3.25	Factor +3.10	Factor +0.50
	Less than Two Years	Factor +1.75	Factor +1.90	Factor +0.50
	Less than Three Years	Factor +1.35	Factor +1.65	Factor +0.50
	Occasional Operator Licensed For:			
	Less than One Year	Factor +1.90	Factor +1.95	Factor +0.25
	Less than Two Years	Factor +0.80	Factor +1.00	Factor 0.00
Multi-Car	Principal Operator Licensed For:			
	Less than One Year	Factor +2.90	Factor +2.80	Factor +0.40
	Less than Two Years	Factor +1.40	Factor +1.60	Factor +0.40
	Less than Three Years	Factor +1.00	Factor +1.35	Factor +0.40
	Occasional Operator Licensed For:			
	Less than One Year	Factor +1.55	Factor +1.65	Factor +0.15
	Less than Two Years	Factor +0.45	Factor +0.70	Factor -0.10
Less than Three Years	Factor +0.05	Factor +0.35	Factor -0.10	

* For Statistical Coding Requirements – Refer to page NC-E-Coding.

PRIMARY CLASSIFICATION RATING FACTORS
(Cont'd)

SAFE DRIVER INSURANCE PLAN FACTORS AND CODES

Use the following rating factors to determine the Driving Record Surcharge Premium as explained in the Safe Driver Insurance Plan Rule.

Use the statistical code indicated for the Driving Record Sub-Classification.

Number of Driving Record Points	Driving Record Sub-Classification	Statistical Code	SDIP Rating Factor
0	0	00	0.00
1	1	01	0.30
2	2	02	0.45
3	3	03	0.60
4	4	04	0.80
5	5	05	1.10
6	6	06	1.35
7	7	07	1.65
8	8	08	1.95
9	9	09	2.25
10	10	10	2.60
11	11	11	3.00
12 or more	12	12	3.40
Vehicles Not Eligible For SDIP – Add the following rating factor to the otherwise applicable Combined Rating Factor. Use the statistical code shown below.			
Not Eligible	NE	95	+0.10

**PERSONAL AUTO MANUAL
NORTH CAROLINA**

**6. MODEL YEAR FOR FIRE, THEFT, COMBINED
ADDITIONAL COVERAGE, COMPREHENSIVE
AND COLLISION COVERAGES**

A. Model Year Rating

1. The model year of the auto is the year assigned by the auto manufacturer.
2. Rebuilt or Structurally Altered Autos – the model year of the chassis determines the model year of the auto.
3. If the rates for a model year are not displayed in the rate pages, use the rates shown for the latest model year.

B. Coding

Policies effective July 1, 1982 and subsequent:

Code the two digits of the model year, for example, code 1982 vehicles as 82, 1983 as 83, etc.

7. MINIMUM PREMIUM RULE

The minimum annual premium charge is \$10 for each policy, certificate, declaration or binder covering one or more of the following perils:

Comprehensive

Fire, Theft, Windstorm, Combined Additional Coverage, Collision

Bodily Injury Liability, or

Property Damage Liability

Premium for other coverages which may also be included in the policy shall be in addition to the minimum annual premium.

The minimum annual premium charge is not subject to reduction except – in the event of cancellation or short term policy, the minimum annual premium charge shall be adjusted on a pro rata or short rate basis, as the conditions require.

8. POLICY PERIOD

- A.** No policy may be written for a period longer than 12 months for Liability Coverage or 48 months for Physical Damage Coverage.
- B.** Premium charged for policy terms not exceeding 12 months is as follows:
 1. Twelve Month Policies –
Charge the annual premium or minimum premium whichever applies.

2. Three and Six Month Policies –

- a. For a specified 3 or 6 month period the premium charge is 25% or 50% respectively, of the annual or minimum annual premium whichever applies.
- b. Policies issued for a 3 or 6 month period with an effective date on the 29th, 30th, and 31st of any month.

The first policy can be extended from the effective date to the first day of the calendar month following the expiration of the policy.

Premium for this extended coverage of 1 to 3 days may be waived.

3. Other Short Policies written for less than 12 months and other than 3 or 6 months.

Such policies shall be written short rate with premiums computed in accordance with the One Year Short Rate Table in the Cancellation Rule.

Exceptions:

The premium is computed Pro Rata:

1. When coverage is written to secure a common policy date with other coverages or lines of insurance.
2. When a policy is issued on a short term basis to replace an outstanding policy of a company in liquidation, provided the new policy is based upon the rules and rates in effect at the time replacement is made and shall be in effect for a period equal to the unexpired term of the outstanding policy.
3. When a statutory policy is required by a state or municipality to expire on a fixed date and the policy is written to expire on such date.

- C.** Long Term Physical Damage Policies written for a term in excess of 12 months – Determine premium as follows:

1. 1st 12 months:

Charge the first year premium or minimum premium, whichever applies.

2. 2nd 12 months:

In addition to the above, charge the second year premium or minimum whichever applies.

If the term is more than 12 months but less than 24 months, charge pro rata of such second year premium or minimum whichever is larger for the period in excess of 12 months.

8. POLICY PERIOD (Cont'd)

3. 3rd 12 months:

In addition to the premium for the 1st and 2nd 12 month periods, charge the third year premium or minimum premium whichever applies.

If the term is more than 24 months but less than 36 months charge the pro rata of such third year premium or minimum premium, whichever is larger, for the period in excess of 24 months.

4. 4th 12 months:

In addition to the premium for the 1st, 2nd and 3rd 12 month periods, charge the fourth year premium or minimum premium whichever applies.

If the term is more than 36 months but less than 48 months, charge pro rata of such fourth year premium or minimum premium, whichever is larger, for the period in excess of 36 months.

Note:

Calculation of the premium for the 2nd, 3rd and 4th 12 month periods, or pro rata part thereof shall recognize:

1. Any change in the model year of the insured auto, during a previous 12 month period;
2. Any change in sub-classification under the Safe Driver Insurance Plan.
3. A change in symbol assignment based on a review of loss experience.

9. CHANGES

A. In the following circumstances the premium shall be computed using the rates and rules in effect at the inception of the policy or at the time the change is made:

1. If an auto or form of coverage is added during the term of a policy and the additional insurance is written to expire concurrently with the original insurance, the premium for such additional insurance shall be computed pro-rata;
2. If coverage is transferred during the policy term from one auto to another, the premium shall be computed pro rata; or
3. If the liability limits or deductible amounts are changed during the policy period.

If the policy has been written for less than one year on a short rate basis, the premium for the additional insurance shall be pro rata of the short rate charge for the policy period.

If an auto or form of coverage that was cancelled from a policy at the request of the insured is reinstated within 30 days, the premium shall be the same as the amount that was returned at the time of cancellation.

B. If an auto is transferred from one rating territory to another or if an auto is temporarily transferred from one rating territory to another for a period of not less than 30 consecutive days, the premium for the balance of the policy period may be adjusted by endorsement at the time the change is made. The company shall charge on a pro rata basis the rate or rates for the territories in which the auto is garaged during the remainder of the policy period. The premium adjustment shall be made on the basis of the rates and rules in effect at the inception of the policy or at the time the change is made.

C. With respect to the above described election of using the rates in effect at the inception of the policy or at the time the change is made in determining adjustments to premiums, a company's election shall be applied consistently by the company and shall not be made on a policy by policy basis.

D. Premium Adjustment:

1. With respect to all of the above except **A.3.**, if an outstanding policy is amended and results in a premium adjustment of \$2 or less, the amount:
 - a. May be waived, or
 - b. May be made subject to a minimum of \$2, except that the actual return premium shall be returned at the request of the insured.
2. Minimum premium of \$2 applies if an insured requests the following during the policy period:
 - a. Additional coverage,
 - b. An increase in the limits of liability,
 - c. A reduced deductible.
3. Companies need not refund a return premium of less than \$2 if the insured requests the following:
 - a. Cancellation of coverage,
 - b. Reduction in limits of liability,
 - c. Increase in deductible, except that the actual return premium shall be returned at the request of the insured.
4. If the limits of liability are increased because of a change in the limits prescribed under any financial responsibility law, the additional premium charge shall be the actual difference in premium charges. If \$2 or less, it may be charged or waived.
5. With respect to all of the above except **A.3.**, if an outstanding policy is amended and results in a premium adjustment:
 - a. Within 30 days prior to the expiration of a six-month policy period, or
 - b. Within 60 days prior to the expiration of a policy period longer than six months, companies need not charge or refund a premium, except that actual refunds shall be made at the request of the insured.

10. CANCELLATION

- A.** Cancellation of a policy, vehicle or form of coverage:
1. If the insured requests cancellation, compute return premium on a Short Rate Basis.

Exceptions

Compute return premium on a Pro Rata basis in the following cases:

1. If the insured has disposed of a vehicle then takes out a new policy in the same company on another vehicle, to become effective within thirty days of the date of cancellation.
2. If the insured vehicle is repossessed under terms of a financing agreement.
3. In a multi-car situation:
 - a. If one vehicle is cancelled from the policy and the policy remains in force on other vehicles, or
 - b. If a policy is cancelled but there remains in force with the same company and in the name of insured or spouse, if resident in the same household, a concurrent policy covering another vehicle.
4. If the insured enters the armed forces of the United States of America.
5. If the insured vehicle is stolen or destroyed (total or constructive loss) and cancellation is requested by the insured (a) within 30 days following the date the auto is stolen or destroyed, or (b) within 15 days of the time the auto was determined by the company (1) to be unrecoverable or stolen, or (2) to be a total or constructive loss. The return premium for all coverages (including the premium for the coverage under which the loss was paid) shall be calculated from the day following the date of the loss.

6. If an insured who has been ceded to the Reinsurance Facility at rates higher than the insurer's voluntary rates obtains insurance through another insurer who elects not to cede the policy to the Facility and the insured cancels the ceded policy within 45 days of the effective date of the ceded policy.

Exception:

This pro rata cancellation shall not apply to a cancellation by any insurance premium finance company.

2. If the company cancels, the return premium is computed pro rata.
3. If a policy written at short rate is cancelled, the earned premium for the time the policy has been in force shall be computed pro rata of the original short rate premium.
4. The following provisions apply to policies exceeding 12 months:
 - a. If a policy has been in force less than 1 year, the earned premium is computed in accordance with the provisions of this Rule for the first year's premium.
 - b. If a policy has been in force more than 12 months but less than 24 months, the earned premium shall be the first 12 months premium plus pro rata of the annual premium for the second 12 months.
 - c. If a policy has been in force for more than 24 months but less than 36 months, the earned premium shall be the first 24 months' premium plus pro rata of the annual premium for the third 12 months.
 - d. If a policy has been in force more than 36 months but less than 48 months, the earned premium shall be the first 36 months' premium plus pro rata of the annual premium for the fourth 12 months.

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10. CANCELLATION (Cont'd)

B. Instructions for Use of Short Rate Tables.

1. The "Three Month Short Rate Table" shall apply only to a policy written for a specified period of 3 months.
2. The "Six Month Short Rate Table" shall apply only to a policy written for a specified period of 6 months.
3. The "One Year Short Rate Table" shall apply to:
 - a. a policy written for a specified period of less than one year, other than a policy written for a specified period of 3 months or 6 months.
 - b. a policy written for a specified period of one year or more.

C. Instructions for Use of PRO RATA TABLES

1. Express the date of cancellation by year and decimal part of a year by combining the calendar year with the decimal appearing opposite the month and day in the Pro Rata Table, e.g. March 7, 1976 is designated as 1976.181.
2. In like manner, express the effective date of the policy year and decimal part of a year and subject from the cancellation date.
3. The difference in the case of 1 year policies, represents the percentage of the annual premium which is to be retained by the carrier.

4. For 6 Month Term Policies, the difference between cancellation date and effective date multiplied by two represents the percentage of the semi-annual term premium which is to be retained by the carrier.
5. For 3 Month Term Policies, the difference between cancellation date and effective date multiplied by four represents the percentage of the quarter-annual term premium which is to be retained by the carrier.

Example:

Cancellation date May 19, 1976.....	1976.381
Effective date March 2, 1976.....	<u>1976.167</u>
	.214

Earned premium for a 1 Year Term Policy will therefore be .214 times the annual premium.

For a 6 Month Term Policy: Multiply .214 by 2. (.214 x 2 = .428). Earned premium will be .428 times the semi-annual term premium.

For a 3 Month Term Policy: Multiply .214 by 4. (.214 x 4 = .856). Earned premium will be .856 times the quarter-annual term premium.

Note:

As it is not customary to charge for the extra day (February 29th) which occurs one year in every four years this table shall also be used for each such year.

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PRO RATA TABLE

January			February			March			April			May			June		
Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio
1	1	.003	1	32	.088	1	60	.164	1	91	.249	1	121	.332	1	152	.416
2	2	.005	2	33	.090	2	61	.167	2	92	.252	2	122	.334	2	153	.419
3	3	.008	3	34	.093	3	62	.170	3	93	.255	3	123	.337	3	154	.422
4	4	.011	4	35	.096	4	63	.173	4	94	.258	4	124	.340	4	155	.425
5	5	.014	5	36	.099	5	64	.175	5	95	.260	5	125	.342	5	156	.427
6	6	.016	6	37	.101	6	65	.178	6	96	.263	6	126	.345	6	157	.430
7	7	.019	7	38	.104	7	66	.181	7	97	.266	7	127	.348	7	158	.433
8	8	.022	8	39	.107	8	67	.184	8	98	.268	8	128	.351	8	159	.436
9	9	.025	9	40	.110	9	68	.186	9	99	.271	9	129	.353	9	160	.438
10	10	.027	10	41	.112	10	69	.189	10	100	.274	10	130	.356	10	161	.441
11	11	.030	11	42	.115	11	70	.192	11	101	.277	11	131	.359	11	162	.444
12	12	.033	12	43	.118	12	71	.195	12	102	.279	12	132	.362	12	163	.447
13	13	.036	13	44	.121	13	72	.197	13	103	.282	13	133	.364	13	164	.449
14	14	.038	14	45	.123	14	73	.200	14	104	.285	14	134	.367	14	165	.452
15	15	.041	15	46	.126	15	74	.203	15	105	.288	15	135	.370	15	166	.455
16	16	.044	16	47	.129	16	75	.205	16	106	.290	16	136	.373	16	167	.458
17	17	.047	17	48	.132	17	76	.208	17	107	.293	17	137	.375	17	168	.460
18	18	.049	18	49	.134	18	77	.211	18	108	.296	18	138	.378	18	169	.463
19	19	.052	19	50	.137	19	78	.214	19	109	.299	19	139	.381	19	170	.466
20	20	.055	20	51	.140	20	79	.216	20	110	.301	20	140	.384	20	171	.468
21	21	.058	21	52	.142	21	80	.219	21	111	.304	21	141	.386	21	172	.471
22	22	.060	22	53	.145	22	81	.222	22	112	.307	22	142	.389	22	173	.474
23	23	.063	23	54	.148	23	82	.225	23	113	.310	23	143	.392	23	174	.477
24	24	.066	24	55	.151	24	83	.227	24	114	.312	24	144	.395	24	175	.479
25	25	.068	25	56	.153	25	84	.230	25	115	.315	25	145	.397	25	176	.482
26	26	.071	26	57	.156	26	85	.233	26	116	.318	26	146	.400	26	177	.485
27	27	.074	27	58	.159	27	86	.236	27	117	.321	27	147	.403	27	178	.488
28	28	.077	28	59	.162	28	87	.238	28	118	.323	28	148	.405	28	179	.490
29	29	.079				29	88	.241	29	119	.326	29	149	.408	29	180	.493
30	30	.082				30	89	.244	30	120	.329	30	150	.411	30	181	.496
31	31	.085				31	90	.247				31	151	.414			

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PRO RATA TABLE

July			August			September			October			November			December		
Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio	Day of Month	Day of Year	Ratio
1	182	.499	1	213	.584	1	244	.668	1	274	.751	1	305	.836	1	335	.918
2	183	.501	2	214	.586	2	245	.671	2	275	.753	2	306	.838	2	336	.921
3	184	.504	3	215	.589	3	246	.674	3	276	.756	3	307	.841	3	337	.923
4	185	.507	4	216	.592	4	247	.677	4	277	.759	4	308	.844	4	338	.926
5	186	.510	5	217	.595	5	248	.679	5	278	.762	5	309	.847	5	339	.929
6	187	.512	6	218	.597	6	249	.682	6	279	.764	6	310	.849	6	340	.932
7	188	.515	7	219	.600	7	250	.685	7	280	.767	7	311	.852	7	341	.934
8	189	.518	8	220	.603	8	251	.688	8	281	.770	8	312	.855	8	342	.937
9	190	.521	9	221	.605	9	252	.690	9	282	.773	9	313	.858	9	343	.940
10	191	.523	10	222	.608	10	253	.693	10	283	.775	10	314	.860	10	344	.942
11	192	.526	11	223	.611	11	254	.696	11	284	.778	11	315	.863	11	345	.945
12	193	.529	12	224	.614	12	255	.699	12	285	.781	12	316	.866	12	346	.948
13	194	.532	13	225	.616	13	256	.701	13	286	.784	13	317	.868	13	347	.951
14	195	.534	14	226	.619	14	257	.704	14	287	.786	14	318	.871	14	348	.953
15	196	.537	15	227	.622	15	258	.707	15	288	.789	15	319	.874	15	349	.956
16	197	.540	16	228	.625	16	259	.710	16	289	.792	16	320	.877	16	350	.959
17	198	.542	17	229	.627	17	260	.712	17	290	.795	17	321	.879	17	351	.962
18	199	.545	18	230	.630	18	261	.715	18	291	.797	18	322	.882	18	352	.964
19	200	.548	19	231	.633	19	262	.718	19	292	.800	19	323	.885	19	353	.967
20	201	.551	20	232	.636	20	263	.721	20	293	.803	20	324	.888	20	354	.970
21	202	.553	21	233	.638	21	264	.723	21	294	.805	21	325	.890	21	355	.973
22	203	.556	22	234	.641	22	265	.726	22	295	.808	22	326	.893	22	356	.975
23	204	.559	23	235	.644	23	266	.729	23	296	.811	23	327	.896	23	357	.978
24	205	.562	24	236	.647	24	267	.732	24	297	.814	24	328	.899	24	358	.981
25	206	.564	25	237	.649	25	268	.734	25	298	.816	25	329	.901	25	359	.984
26	207	.567	26	238	.652	26	269	.737	26	299	.819	26	330	.904	26	360	.986
27	208	.570	27	239	.655	27	270	.740	27	300	.822	27	331	.907	27	361	.989
28	209	.573	28	240	.658	28	271	.742	28	301	.825	28	332	.910	28	362	.992
29	210	.575	29	241	.660	29	272	.745	29	302	.827	29	333	.912	29	363	.995
30	211	.578	30	242	.663	30	273	.748	30	303	.830	30	334	.915	30	364	.997
31	212	.581	31	243	.666				31	304	.833				31	365	1.000

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ONE YEAR SHORT RATE TABLE

Days Policy in Force	Per Cent of One Year Premium	Days Policy in Force	Per Cent of One Year Premium	Days Policy in Force	Per Cent of One Year Premium
1	5%	95 - 98	37%	219 - 223	69%
2	6	99 - 102	38	224 - 228	70
3 - 4	7	103 - 105	39	229 - 232	71
5 - 6	8	106 - 109	40	233 - 237	72
7 - 8	9	110 - 113	41	238 - 241	73
9 - 10	10	114 - 116	42	242 - 246	74
11 - 12	11	117 - 120	43	247 - 250	75
13 - 14	12	121 - 124	44	251 - 255	76
15 - 16	13	125 - 127	45	256 - 260	77
17 - 18	14	128 - 131	46	261 - 264	78
19 - 20	15	132 - 135	47	265 - 269	79
21 - 22	16	136 - 138	48	270 - 273	80
23 - 25	17	139 - 142	49	274 - 278	81
26 - 29	18	143 - 146	50	279 - 282	82
30 - 32	19	147 - 149	51	283 - 287	83
33 - 36	20	150 - 153	52	288 - 291	84
37 - 40	21	154 - 156	53	292 - 296	85
41 - 43	22	157 - 160	54	297 - 301	86
44 - 47	23	161 - 164	55	302 - 305	87
48 - 51	24	165 - 167	56	306 - 310	88
52 - 54	25	168 - 171	57	311 - 314	89
55 - 58	26	172 - 175	58	315 - 319	90
59 - 62	27	176 - 178	59	320 - 323	91
63 - 65	28	179 - 182	60	324 - 328	92
66 - 69	29	183 - 187	61	329 - 332	93
70 - 73	30	188 - 191	62	333 - 337	94
74 - 76	31	192 - 196	63	338 - 342	95
77 - 80	32	197 - 200	64	343 - 346	96
81 - 83	33	201 - 205	65	347 - 351	97
84 - 87	34	206 - 209	66	352 - 355	98
88 - 91	35	210 - 214	67	356 - 360	99
92 - 94	36	215 - 218	68	361 - 365	100

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THREE MONTH SHORT RATE TABLE

Days Policy in Force	Per Cent of 3 Mos. Premium	Days Policy in Force	Per Cent of 3 Mos. Premium	Days Policy in Force	Per Cent of 3 Mos. Premium
1	6%	28	41%	58	71%
2	7	29	42	59	73
3	9	30	43	60 - 61	74
4	12	31	44	62	75
5	16	32	46	63	76
6	17	33	47	64	77
7	18	34	48	65 - 66	78
8	19	35	49	67	79
9	20	36	50	68	81
10	21	37	51	69 - 70	82
11	22	38	52	71	83
12	23	39	53	72	84
13	24	40	54	73	85
14	26	41	56	74 - 75	86
15	27	42	57	76	87
16	28	43	58	77	89
17	29	44	59	78 - 79	90
18	30	45	60	80	91
19	31	46	61	81	92
20	32	47 - 48	62	82	93
21	33	49	63	83 - 84	94
22	34	50	65	85	95
23	36	51 - 52	66	86	97
24	37	53	67	87 - 88	98
25	38	54	68	89	99
26	39	55	69	90 - 92	100
27	40	56 - 57	70		

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SIX MONTH SHORT RATE TABLE

Days Policy in Force	Per Cent of 6 Mos. Premium	Days Policy in Force	Per Cent of 6 Mos. Premium	Days Policy in Force	Per Cent of 6 Mos. Premium
1	6%	50 - 51	38%	112 - 114	70%
2	7	52	39	115 - 116	71
3	8	53 - 54	40	117 - 118	72
4	9	55 - 56	41	119 - 120	73
5	10	57 - 58	42	121 - 123	74
6	11	59 - 60	43	124 - 125	75
7	12	61 - 62	44	126 - 127	76
8	13	63	45	128 - 130	77
9	14	64 - 65	46	131 - 132	78
10	15	66 - 67	47	133 - 134	79
11	16	68 - 69	48	135 - 136	80
12	17	70 - 71	49	137 - 139	81
13 - 14	18	72 - 73	50	140 - 141	82
15 - 16	19	74	51	142 - 143	83
17 - 18	20	75 - 76	52	144 - 145	84
19 - 20	21	77 - 78	53	146 - 148	85
21	22	79 - 80	54	149 - 150	86
22 - 23	23	81 - 82	55	151 - 152	87
24 - 25	24	83	56	153 - 155	88
26 - 27	25	84 - 85	57	156 - 157	89
28 - 29	26	86 - 87	58	158 - 159	90
30 - 31	27	88 - 89	59	160 - 161	91
32	28	90 - 91	60	162 - 164	92
33 - 34	29	92 - 93	61	165 - 166	93
35 - 36	30	94 - 95	62	167 - 168	94
37 - 38	31	96 - 98	63	169 - 171	95
39 - 40	32	99 - 100	64	172 - 173	96
41	33	101 - 102	65	174 - 175	97
42 - 43	34	103 - 104	66	176 - 177	98
44 - 45	35	105 - 107	67	178 - 180	99
46 - 47	36	108 - 109	68	181 - 184	100
48 - 49	37	110 - 111	69		

11. WHOLE DOLLAR PREMIUM

This rule applies only to Fire, Theft, Combined Additional Coverage, Comprehensive and Collision coverages.

The premium for each exposure shall be rounded to the nearest whole dollar, separately for each coverage provided by the policy.

A premium involving \$.50 or more shall be rounded to the next higher whole dollar.

This procedure shall apply to all interim premium adjustments, including endorsements or cancellations at the request of the insured. In the case of cancellations by the company, the return premium may be carried to the next higher whole dollar.

The phrase "each exposure" as used herein shall mean each premium developed (after the application of all applicable adjustments) for (1) each auto, if written on a per car basis, and (2) for all other business.

12. RULES FOR DETERMINING PHYSICAL DAMAGE BASE RATES FOR SYMBOLS NOT DISPLAYED ON STATE RATE PAGES

A. Other Than Collision

1. 2011 and Subsequent Model Year Vehicles - Symbol 98 Vehicles

Develop the Comprehensive Base Rates for Symbol 98 vehicles by:

- a. Increasing the factor for Symbol 70 by +1.05 for each \$10,000 or fraction of \$10,000 above \$150,000 of Original Cost, and
- b. Applying this factor to the Symbol 11 Base Rate on the state rate pages for the applicable Model Year.

2. 1990-2010 Model Years - Symbol 27 Vehicles

Develop the Comprehensive Base Rates for Symbol 27 vehicles by:

- a. Increasing the factor for Symbol 26 by +1.06 for each \$10,000 or fraction of \$10,000 above \$80,000 of Original Cost, and
- b. Applying this factor to the Symbol 8 Base Rate on the state rate pages for the applicable Model Year.

3. 1982 and Prior Model Year Vehicles

- a. 1976-1982 Symbol 14 Vehicles

Apply the factor 3.19 to the Symbol 7 Base Rate.

- b. 1975 and Prior Vehicles above \$10,000

Increase the Symbol 7 Base Rate by 20% for each \$1,000 or fraction of \$1,000 above \$10,000 of Original Cost.

B. Collision

1. 2011 and Subsequent Model Year Vehicles - Symbol 98 Vehicles

Develop the Collision Base Rates for Symbol 98 vehicles by:

- a. Increasing the factor for Symbol 70 by +.10 for each \$10,000 or fraction of \$10,000 above \$150,000 of Original Cost, and
- b. Applying this factor to the Symbol 11 Base Rate on the state rate pages for the applicable Model Year.

2. 1990-2010 Model Years - Symbol 27 Vehicles

Develop the Collision Base Rates for Symbol 27 vehicles by:

- a. Increasing the factor for Symbol 26 by +.10 for each \$10,000 or fraction of \$10,000 above \$80,000 of Original Cost, and
- b. Applying this factor to the Symbol 8 Base Rate on the state rate pages for the applicable Model Year.

3. 1982 and Prior Model Year Vehicles

- a. 1976-1982 Symbol 14 Vehicles

Apply the factor 2.29 to the Symbol 7 Base Rate.

- b. 1975 and Prior Vehicles above \$10,000

Increase the Symbol 7 Base Rate by 5% for each \$1,000 or fraction of \$1,000 above \$10,000 of Original Cost.

C. Original Cost means:

1. Original F.O.B. List Price for autos built in U.S.
2. Original Cost New in U.S. for specially built autos.
3. Original Cost New in U.S. for imported autos.

13. SUSPENSION

- A. Under any policy providing just Physical Damage Coverage, only Collision may be suspended.
- B. Liability Coverages may not be suspended for risks for which a financial responsibility filing is in effect.
- C. Insurance may be suspended by endorsement in accordance with the following provisions provided the period of suspension is at least thirty (30) consecutive days.
 - 1. Insurance may be reinstated upon the named insured's request effective not earlier than receipt of such request by the company or any of its authorized representatives.
 - 2. The reinstatement endorsement shall not extend the policy beyond its original expiration date.

LIABILITY AND COLLISION COVERAGES ONLY

- 3. Pro rata premium credit for the period of suspension shall be granted upon reinstatement subject to a minimum retention by the company of sixty days premium calculated on a short rate basis. The minimum premium retention by the company shall not apply to suspensions under Section F. of this rule.
 - 4. If the policy expires during the period of suspension, the named insured shall be entitled to a pro rata return premium in accordance with the foregoing provisions of this rule.
 - 5. If a policy written for less than one year is suspended but subsequently reinstated and extended for the remainder of such year, or any part thereof, or if such policy expires during the suspension period, pro rata premium credit shall be granted for the period of suspension in accordance with the foregoing provisions of the Policy Period Rule for extension of a short term policy.
- D. If collision or liability coverages are suspended on **all** owned autos, coverage for which separate premiums apply – including Uninsured Motorists Coverage, Underinsured Motorists Coverage, auto death indemnity, total disability, and specific disability benefits coverage, medical payments coverage, non-owned auto or extended liability coverage provided under the use of other autos provisions – may be continued in force without premium adjustment for these coverages.
 - E. If liability or collision is suspended on all private passenger autos owned by an individual or husband and wife, use of other autos coverage for liability only, afforded without separate premium charge may be continued in force. 80% pro rata of the owned auto premium calculated in accordance with the provisions of this rule shall be returned to the insured upon reinstatement of the coverages.
 - F. Insurance covering a private passenger auto which is withdrawn from service for a period of at least thirty (30) consecutive days because of a strike, may be suspended. Pro rata return premium on such vehicles shall be granted in accordance with Section (C) provided the insured furnishes the company with a letter requesting the return premium. The letter shall be written on the insured's letterhead, signed by an executive of the company and shall include the following:
 - 1. A description of each auto.
 - 2. The dates between which it was laid up because of the strike.
 - 3. A statement by the insured that he agrees to reimburse the company for any payment made by the company on account of any accident, claim or suit involving a coverage for an auto described in the letter for which return premium has been allowed by the company.

14. MISCELLANEOUS COVERAGES

A. Uninsured Motorists Coverage ONLY

1. Owners – (Class Code – Refer to Statistical Plan)

Bodily Injury and Property Damage Uninsured Motorists Coverage shall be afforded under every auto liability policy insuring the owner of a motor vehicle registered or principally garaged in North Carolina.

Exceptions

This coverage shall not apply when a named insured has purchased a policy with Bodily Injury Liability Coverage limits greater than \$30,000/\$60,000.

Uninsured Motorist Coverage Only is available only if the insured has purchased Bodily Injury Liability limits of \$30,000/60,000. The limits of Uninsured Motorist Bodily Injury Coverage shall be \$30,000/\$60,000 unless the insured purchases a higher limit of Uninsured Motorist Bodily Injury Coverage but in no event shall an insurer be required to sell Uninsured Motorists Bodily Injury Coverage at limits that exceed \$1,000,000/\$1,000,000. The limit of Uninsured Motorist Property Damage Coverage shall equal the highest limit of liability for Property Damage Liability Coverage for any one vehicle insured under the policy, provided, however, that (1) the limits shall not be required to exceed \$1,000,000 regardless of whether the highest limits of property damage liability coverage for any one vehicle insured under the policy exceed those limits and (2) a named insured may purchase lesser limits of Uninsured Motorist Property Damage Coverage but not less than the property damage liability limits required by North Carolina's financial responsibility law.

Each time a policy is issued or renewed, the insurer shall notify the named insured as provided in section C. of this Rule.

a. Rates

The per policy rates for Uninsured Motorists Coverage are as follows:

B.I. UM Coverage

	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 30/60	\$ 14	\$ 33
50/100	15	35
100/200	17	40
100/300	18	42
300/300	21	50
250/500	22	52
500/500	23	54
500/1,000	25	59
1,000/1,000	26	61

P.D. UM Coverage

	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 25,000	\$ 2	\$ 5
50,000	3	7
100,000	4	9
250,000	6	14
500,000	8	19
750,000	10	24
1,000,000	11	26

For limits other than those shown, charge the premium for the next higher limit.

* For the purposes of this rule, the term vehicle includes a private passenger auto, motorcycle, golfmobile or other miscellaneous type vehicle.

* These rates are not subject to modification under the provisions of any rating plan or other manual rule.

14. MISCELLANEOUS COVERAGES (Cont'd)

b. Additional Persons

Bodily Injury Uninsured Motorists Coverage Only may be extended to an executive officer, partner or employee of the named insured provided such additional person does not own an auto.

The charge for each additional person shall be the single car policy rate shown above.

2. Non-Owners – (Class Code 990000)

a. A Named Non-Owner Liability Policy may be extended to provide Uninsured Motorists Coverage. The annual charge per policy shall be the single car policy rate shown above for the limits of coverage selected.

b. Bodily Injury Uninsured Motorists Coverage Only may be afforded to any person who does not own an auto and who is not otherwise afforded Uninsured Motorists Coverage.

Such coverage shall be written for a period of one year or three years. The charge for each person covered shall be the minimum limits single car policy rate multiplied by the following factor:

Policy Term	Factor
One Year	3.50
Three Years	5.50

B. Combined Uninsured/Underinsured Motorists Coverage

1. Owners – (Class Code – Refer to Statistical Plan)

Combined Uninsured/Underinsured Motorists Coverage shall be afforded under every auto liability policy insuring the owner of a motor vehicle registered or principally garaged in North Carolina.

Exceptions

This coverage shall not apply when a named insured has purchased a policy with Bodily Injury Liability Coverage limits not greater than \$30,000/\$60,000.

The limits of Uninsured/Underinsured Motorist Bodily Injury Coverage shall equal the highest limits of liability for Bodily Injury Liability Coverage for any one vehicle insured under the policy provided, however, that (1) the limits shall not be required to exceed \$1,000,000/\$1,000,000 regardless of whether the highest limits of bodily injury liability coverage for any one vehicle insured under the policy exceed those limits, (2) a named insured may purchase greater or lesser limits, except that the limits must exceed the bodily injury liability limits required by North Carolina's financial responsibility law, and in no event shall an insurer be required to sell combined uninsured/underinsured motorist bodily injury coverage at limits that exceed \$1,000,000/\$1,000,000, and (3) the limits shall be equal to the limits of uninsured motorist bodily injury coverage purchased. The limit of Uninsured Motorist Property Damage Coverage sold with Combined Uninsured/Underinsured Motorist Bodily Injury Coverage, shall equal the highest limit of liability for Property Damage Liability Coverage for any one vehicle insured under the policy, provided, however, that (1) the limits shall not be required to exceed \$1,000,000 regardless of whether the highest limits of property damage liability coverage for any one vehicle insured under the policy exceed those limits and (2) a named insured may purchase lesser limits of Uninsured Motorist Property Damage Coverage but not less than the property damage liability limits required by North Carolina's financial responsibility law.

Each time a policy is issued or renewed, the insurer shall notify the named insured as provided in section C. of this Rule.

2. Rates

The per policy rates for Combined Uninsured/Underinsured Motorists Coverage are as follows:

B.I. UM/UIM Coverage		
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 50/100	\$ 25	\$ 59
100/200	44	104
100/300	54	127
300/300	74	175
250/500	87	205
500/500	121	285
500/1,000	136	321
1,000/1,000	153	361

14. MISCELLANEOUS COVERAGES (Cont'd)

	P.D. UM/UIM Coverage	
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 25,000	\$ 2	\$ 5
50,000	3	7
100,000	4	9
250,000	6	14
500,000	8	19
750,000	10	24
1,000,000	11	26

For limits other than those shown, charge the premium for the next higher limit.

* For the purposes of this rule, the term vehicle includes a private passenger auto, motorcycle, golfmobile or other miscellaneous type vehicle.

These total rates are not subject to modification under the provisions of any rating plan or other manual rule.

C. Notice

Every insurer that sells motor vehicle liability policies shall, when issuing and renewing a policy, give reasonable notice to the named insured of all of the following:

- (1) The named insured is required to purchase uninsured motorist bodily injury coverage, uninsured motorist property damage coverage, and, if applicable, underinsured motorist bodily injury coverage.
- (2) The named insured's uninsured motorist bodily injury coverage limits shall be equal to the highest limits of bodily injury liability coverage for any one vehicle insured under the policy unless the insured elects to purchase greater or lesser limits for uninsured motorist bodily injury coverage.
- (3) The named insured's uninsured motorist property damage coverage limits shall be equal to the highest limits of property damage liability coverage for any one vehicle insured under the policy unless the insured elects to purchase lesser limits for uninsured motorist property damage coverage.
- (4) The named insured's underinsured motorist bodily injury coverage limits, if applicable, shall be equal to the highest limits of bodily injury liability coverage for any one vehicle insured under the policy unless the insured elects to purchase greater or lesser limits for underinsured motorist bodily injury coverage.
- (5) The named insured may purchase uninsured motorist bodily injury coverage and, if applicable, underinsured motorist coverage with limits up to one million dollars (\$1,000,000) per person and one million dollars (\$1,000,000) per accident.

The insurer shall be deemed to have given reasonable notice if it includes, in at least 12 point type, Form NC 03 40 02 10- Notice Of Right To Purchase Higher Limits of UM/UIM or substantially similar language as a notice accompanying the original and renewal declarations page or if it includes, in at least 12 point type, the same language as the language in said form, or substantially similar language, on the policy's original and renewal declarations page.

D. Deductible Insurance

1. Deductible Liability Insurance is not available for vehicles classified and rated in accordance with the rules of this Manual.

2. Collision Deductibles for Which No Premiums Are Shown

- \$ 25 Deduct. (071) – Charge 150% of the \$50 Deduct. Collision Premium
- \$ 50 Deduct. (072) – Charge 102% of the \$100 Deduct. Collision Premium
- \$ 200 Deduct. (073) – Charge 97% of the \$100 Deduct. Collision Premium
- \$ 250 Deduct. (076) – Charge 95% of the \$100 Deduct. Collision Premium
- \$ 500 Deduct. (077) – Charge 88% of the \$100 Deduct. Collision Premium
- \$ \$1,000 Deduct. (078) – Charge 77% of the \$100 Deduct. Collision Premium

3. Comprehensive Deductibles for Which No Premiums Are Shown

- \$ 50 Deduct. (003) – Charge 95% of the Full Coverage Comprehensive Premium
- \$ 100 Deduct. (010) – Charge 90% of the Full Coverage Comprehensive Premium
- \$ 250 Deduct. (055) – Charge 77% of the Full Coverage Comprehensive Premium
- \$ 500 Deduct. (726) – Charge 60% of the Full Coverage Comprehensive Premium
- \$ 1,000 Deduct. (727) – Charge 50% of the Full Coverage Comprehensive Premium

4. Theft – \$50 Deductible – Charge 75% of the Full Coverage Theft Rate.

E. 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.

14. MISCELLANEOUS COVERAGES (Cont'd)

2. Rating

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

Coverage	Annual Rate Per Auto
\$15/\$450 Extended Transportation Expenses Coverage (Cov. Code 704)	\$10
\$30/\$900 Increased Limits Transportation Expenses Coverage (Cov. Code 706)	\$20
\$50/\$1,500 Additional Increased Limits Transportation Expenses Coverage (Cov. Code 768)	\$32

3. Endorsement

Attach the extended transportation expenses coverage endorsement to the policy.

F. Towing and Labor Costs

- This coverage may be written only for Private Passenger Autos.
- The available limit and rates are:

Limit Per Disablement	Rate – Per Car, Per Year
\$ 25	\$2
50	4
100	6
None (subject to coverage provisions)	13

- Attach applicable endorsement.

G. Coverage For Damage To Your Auto – Coverage For Audio, Visual And Data Electronic Equipment

1. Coverage

Electronic equipment or devices that record, emit, amplify, receive or transmit audio, visual or data signals which are permanently installed by the vehicle's manufacturer are automatically covered under the policy without additional premium charge. Such equipment includes, but is not limited to:

- Radios and stereos;
- Tape decks;
- Compact disk players or recorders;
- Citizens band radios;
- Telephones;
- Two-way mobile radios;
- Scanning monitor receivers;
- Television monitor receivers;
- Video cassette players or recorders;
- Audio cassette players or recorders;

k. Personal computers; or

l. Digital videodisk players or recorders.

However, electronic equipment or devices that record, emit, amplify, receive or transmit audio, visual or data signals which are permanently installed by **other than** the vehicle's manufacturer are subject to a sublimit of \$1,000. This sublimit may be increased to any one of the limits with the premiums per auto shown in the table below. Permanently installed means installed by bolts, brackets, or welding in a location in accordance with applicable laws and regulations for the installation of such equipment or device.

Coverage is not available for loss to:

- equipment designed or used to detect or deter radar, laser, or other speed monitoring equipment whether or not permanently installed; or
- tapes, records, discs or other media.

2. Rating

The provisions of Rule 4. Classifications and Rule 5. Safe Driver Insurance Plan do not apply for this coverage.

Maximum Limit Of Liability For Electronic Equipment	Premium Per Auto
\$ 1,500	\$ 30
2,000	60
2,500	90
3,000	120
3,500	150
4,000	180
4,500	210
5,000	240

For limits in excess of \$5,000, charge an additional \$30 per \$500 of coverage.

3. Endorsement

Attach Coverage For Damage To Your Auto Customizing Equipment Coverage, Coverage For Audio, Visual And Data Electronic Equipment Endorsement **NC 03 15**, to the policy.

H. Auto Death Indemnity Or Benefits, Specific Disability Benefits And Total Disability Benefits Rates

- Automobile Death Indemnity or Benefit, Specific Disability Benefits and Total Disability Benefits are available to any person under a policy affording auto bodily injury liability insurance with respect to an auto classified or rated as a private passenger auto.

2. Annual rates per person insured:

- Coverage **A** – Auto Death Indemnity or Benefit (Class Code 904000)

Principal Sum	Annual Rate
\$ 5,000	\$2
10,000	4

14. MISCELLANEOUS COVERAGES (Cont'd)

- b. Coverages A and B – Auto Death Indemnity or Benefit and Specific Disability Benefits

Dismemberment and Loss of Sight and Fractures and Dislocations. (Class Code 907000)

Principal Sum	Annual Rate
\$ 5,000	\$3
10,000	5

- c. Coverage C – Total Disability Benefits – (Class Code 903000)

Weekly Indemnity	Annual Rate
\$25	\$3
35	3
50	6

- d. Coverage D – Total Disability Benefits – Maximum 200 weeks. (Class Code 905000)

Weekly Indemnity	Annual Rate
\$25	\$2
35	3
50	5

- 3. For the addition of one or more of the coverages to outstanding policies, charges per month, or fraction thereof, of 10% of the applicable annual rates shall be made. These charges shall be subject to a minimum total charge of \$2 per policy or endorsement, and to a maximum total charge of the total of the annual rates for the coverages afforded.

I. Repair or Replacement Coverages

1. Five Year Coverage

- a. Coverage for Damage to Your Auto can be changed from ACTUAL CASH VALUE to REPLACEMENT COST for losses caused by other than fire, theft, larceny, malicious mischief or vandalism.
- b. Repair or Replacement Coverage is available:
 - (1) Only for autos purchased new.
 - (2) Only if this coverage is added within 60 days after purchase of the new auto. If the coverage is added after the date of purchase of the new auto, coverage does not become effective until the date of purchase of this coverage.
 - (3) Only if this coverage is maintained continuously on the auto.
 - (4) If the auto is not more than 5 years old. The age of the auto shall be determined by subtracting the year the endorsement was first added to the policy for that auto from the year of inception of the current annual period of the policy.
 - (5) Only if the collision and other than collision coverages are carried for the auto.

- c. Rates

Charge 15% of the combined collision and other than collision premiums.

- d. Attach Endorsement **NC 03 11**.

2. One Year Coverage

- a. Coverage for Damage to Your Auto can be changed from ACTUAL CASH VALUE to REPLACEMENT COST.

- b. Replacement Cost Coverage is available:

- (1) Only for autos purchased new by the policyholder or applicant with less than 150 miles on the odometer.
- (2) Only if this coverage is added within 60 days after the purchase of the new auto. If the coverage is added after the date of purchase of the new auto coverage does not become effective until the date of purchase of this coverage.
- (3) Only if this coverage is maintained continuously on the auto.
- (4) Only if collision and other than collision coverages are carried for the auto.

- c. Rates

Charge 10% of the combined collision and other than collision premiums.

- d. Duration of Coverage

This coverage will apply until one year from the date of purchase of the new auto or an odometer reading of 15,000 miles, whichever comes first.

- e. Attach Endorsement **NC 03 12**.

J. Coverage for Rented Vehicles

- 1. Insurers may offer coverage for rented vehicles with every motor vehicle policy covering a motor vehicle registered in North Carolina. Attach the Coverage for Rented Vehicles endorsement to the policy.
- 2. Rating
 - a. To add Coverage for Rented Vehicles, charge an annual premium of \$4 for personal auto liability policies which provide both comprehensive and collision coverages.
 - b. To add Coverage for Rented Vehicles, charge an annual premium of \$16 for personal auto liability policies which do not provide both comprehensive and collision coverages.
 - c. The premium for Coverage for Rented Vehicles is not subject to classification or modification by any rating plan.
- 3. Cancellation

If Coverage for Rented Vehicles is cancelled by the insured, the entire annual premium shall be fully earned by the company.

14. MISCELLANEOUS COVERAGES (Cont'd)

K. Original Equipment Manufacturer (OEM) Parts Loss Settlement

1. Coverage

A loss settlement Original Equipment Manufacturer (OEM) Parts coverage option may be made available when physical damage coverage is afforded under a policy. The OEM parts loss settlement option is subject to the following:

- a. If a repair results in the replacement of exterior sheet metal and/or exterior plastic parts, OEM parts shall be used if such parts are available.

If OEM parts are not available, non-OEM parts may be used.

- b. If a repair results in the replacement of any damaged parts other than exterior sheet metal and/or exterior plastic parts, the insurer may require or specify the use of non-OEM parts.

2. Rating

Charge 5% of the otherwise applicable premium for Comprehensive and 5% of the otherwise applicable premium for Collision coverages.

3. Endorsement

Attach the Loss Settlement – Original Equipment Manufacturer Parts Endorsement to the policy.

L. Coverage For Damage To Your Auto – Customizing Equipment Coverage

1. Coverage

Custom furnishings or equipment are automatically covered under the policy up to \$1,000 without additional premium charge. This limit may be increased.

Custom furnishings or equipment includes, but is not limited to:

- a. Special carpeting and insulation, furniture or bars;
- b. Facilities for cooking and sleeping;
- c. Height extending roofs or ladders;
- d. Custom windows, murals, paintings or other decals or graphics;
- e. Tool boxes and fifth wheel conversions;
- f. Side exhausts and headers;
- g. Winches and roll bars;
- h. Special wheels/tires; or

- i. Body or suspension alterations.

Note

The optional coverage buybacks for customized furnishings or equipment that are described in 2. below do not apply to the following:

- Camper bodies (refer to Rule 19.A.); and
- Caps, covers or bedliners.

2. Rating

- a. The provisions of Rule 4. Classifications and Rule 5. Safe Driver Insurance Plan do not apply for this coverage.

- b. The \$1,000 limit for custom furnishings or equipment may be increased to any one of the limits with premiums per auto shown below.

Maximum Limit of Liability For Customizing Equipment	Premium Per Auto
\$ 2,000	\$ 70
3,000	120
4,000	170
5,000	210
6,000	240
7,000	270
8,000	300
9,000	320
10,000	340
11,000	360
12,000	380
13,000	400
14,000	420
15,000	440
16,000	460
17,000	480
18,000	500
19,000	520
20,000	540

For limits in excess of \$20,000, charge \$20 per \$1000 of coverage.

3. Endorsement

Attach Coverage For Damage To Your Auto Customizing Equipment Coverage, Coverage For Audio, Visual And Data Electronic Equipment Endorsement **NC 03 15**, to the policy.

15. CERTIFIED RISKS – FINANCIAL RESPONSIBILITY LAWS

For risks rated in accordance with the Personal Auto Manual for which the insured requests the company to certify the policy in accordance with financial responsibility laws, a fee of \$25 will be added to the total liability premium. This fee applies per driver and shall be applied each time the company provides such certification. The fee is non-refundable.

16. NAMED NON-OWNER POLICY

(For individuals who do not own an auto)

- A. Liability and Medical Payments Coverage
Charge 90% of the premium that would apply if such individual owned an auto.
- B. Uninsured Motorists Insurance and Underinsured Motorists Insurance
Refer to Rule 14.
- C. Attach the named non-owner coverage endorsement.

17. EXTENDED NON-OWNED LIABILITY COVERAGE (PERSONAL AUTO POLICY ONLY)

A. Liability Coverage

Liability coverage may be extended to an individual described below:

1. The insured named in the policy, including the spouse if a resident of the same household, or a resident relative who is furnished an auto for regular use but is NOT employed by a garage:
 - a. When no Primary Liability insurance is in effect on the auto, charge 50% of the liability premium which would apply if the furnished auto were being specifically insured as an owned auto by the individual.

- b. When there is Primary Liability insurance in effect on the auto or if the auto is used in the business of the United States Government, charge the premiums per person shown in the table below:

Person Named	Bodily Injury \$30/60	Property Damage \$25,000
Insured Named and Spouse	\$3	\$1
Relative	6	2

2. The insured named in the policy, including the spouse if a resident of the same household, or a resident relative who is furnished an auto for regular use and is employed by a garage:
 - a. When garage has no liability insurance charge 170% of Base Rate for Liability
 - b. When garage has liability insurance, refer to Company.
3. In all other situations, charge the premiums per person shown in the table below:

Person Named	Bodily Injury \$30/60	Property Damage \$25,000
Insured Named and Spouse	\$3	\$1
Relative	6	2

17. EXTENDED NON-OWNED LIABILITY COVERAGE (PERSONAL AUTO POLICY ONLY) (Cont'd)

B. Medical Payments

Medical Payments coverage is available only if Bodily Injury and Property Damage coverages are extended. Medical Payments shall be provided at the same limits as the Medical Payments limit of policy to which attached. Premiums per person are displayed below.

Medical Payments Limits of Policy to Which Attached	Auto Furnished for Regular Use	Auto Not Furnished For Regular Use
\$ 500	\$ 4	\$ 2

Use the factors in Rule 18.D. to determine premiums for Medical Payments limits above \$500.

18. INCREASED LIMITS

A. The tables in Sections B. and C. below contain the factors to be applied to the appropriate basic limits rates for Bodily Injury or Property Damage Liability.

Refer to company for limits not displayed in these tables.

B. 30/60 Split Limit Bodily Injury Liability Increased Limits Table

Applicable to 30/60 Split Limit Bodily Injury Liability Rates Only:

Total Limits	Factor
\$ 30/60	1.00
50/100	1.18
100/100	1.31
100/200	1.39
100/300	1.40
300/300	1.62
250/500	1.66
500/1,000	1.85
1,000/1,000	1.96
1,000/2,000	2.02

C. \$25,000 Property Damage Liability Increased Limits Table

Applicable to \$25,000 Property Damage Liability Rates Only:

Limit	Factor	Limit	Factor
25,000	1.000	250,000	1.059
35,000	1.005	500,000	1.113
50,000	1.010	750,000	1.153
100,000	1.030	1,000,000	1.202

D. Medical Payments Increased Limits

Applicable to \$500 Medical Payments Rates Only:

Total Medical Payments Limits	Factor
\$ 750	1.33
1,000	1.60
2,000	2.34
5,000	3.38
10,000	3.86
25,000	4.53
50,000	5.13
75,000	5.39
100,000	5.50

E. Single Limit Coverages

The premium for single limit liability coverages shall be calculated as follows:

1. Apply a single discount of 3% to both the Bodily Injury and the Property Damage normal factors for separate limits equal to the desired single limit.
2. Calculate the separate Bodily Injury and Property Damage premiums, the sum of which is the combined premium.

19. MISCELLANEOUS TYPES

A. Trailers Designed for Use with Private Passenger Autos

Coverage may be provided for:

1. Recreational Trailers

Non-self-propelled units equipped as living quarters (including cooking, dining, plumbing or refrigeration facilities).

To be eligible for coverage, insured must maintain a separate and permanent residence other than the recreational trailer.

Note

1. Camper trailers shall be rated as Recreational Trailers.
2. A portable camper body used with a pickup truck shall be rated as a Recreational Trailer. The pickup truck shall be rated in accordance with Rule 4.F.

19. MISCELLANEOUS TYPES (Cont'd)

2. Other Trailers

All non-self-propelled units not included above.

Liability and Medical Payments Coverages

A Personal Auto Policy affording Liability and Medical Payments Coverage also covers trailers as described above for these coverages without additional premium charge and without specific description of the trailers when used with a private passenger auto.

Other Policies affording Liability and Medical Payments Coverage will also provide this coverage for trailers without additional premium charge and without specific description of the trailer except when the trailer is used with any auto owned or hired by the insured and not covered by like insurance in the company.

Refer to company for rates applicable to a trailer described above if:

1. Used with any auto owned or hired by the insured and not covered by like insurance in the company, or
2. No auto is owned by the insured.

Medical Payments Insurance

Medical payments insurance is available for a home trailer, office trailer, store trailer or display trailer, if used with a private passenger auto.

The rate shall be three times the medical payments rate for the applicable private passenger classification for the territory in which the risk is located.

Farm Wagons and Farm Implements:

Coverage is afforded without additional charge for farm wagons or farm implements when attached to private passenger type autos.

Physical Damage Coverages Only

Trailers are to be insured as separate items with separate premiums shown for each unit. If deductible coverage is written, the deductible shall apply separately to each unit.

1. Recreational Trailers – All Classes – Entire State

a. Contents

- (1) Auto Home Contents Coverage for Fire and Lightning and Combined Additional Coverage (including or excluding malicious mischief and vandalism) may be added.

Fire – Charge fire rate applicable to Mobilehome Insured.

Combined Additional Coverage Including Malicious Mischief and Vandalism – 25 cents per \$100.

Combined Additional Coverage Excluding Malicious Mischief and Vandalism – 20 cents per \$100.

Apply to company for endorsement.

- (2) Auto Home Coverage for TV antennas, awnings, and cabanas or equipment designed to create additional living facilities may be added.

Covered Property Coverage – \$50 Deductible – (Coverage Code 069) Charge \$1.45.

Coverage Property Coverage – \$100 Deductible – (Coverage Code 069) Charge \$1.15.

Attach Applicable Endorsement.

- b. Fire Rate – (new & old) – \$0.45
- c. Theft Rate – (new & old) – \$0.10
- d. Windstorm Rate – (new & old) – \$0.05
- e. Combined Additional Coverage without Malicious Mischief and Vandalism Rate – (new & old) – \$0.10
- f. Combined Additional Coverage with Malicious Mischief and Vandalism Rate – (new & old) – \$0.15
- g. Comprehensive

Full Coverage	(Cov. Code 01)	– \$1.45
\$ 50 Deductible	(Cov. Code 03)	– 1.25
\$ 100 Deductible	(Cov. Code 10)	– 1.10
\$ 250 Deductible	(Cov. Code 055)	– 0.95
\$ 500 Deductible	(Cov. Code 726)	– 0.75
\$1,000 Deductible	(Cov. Code 727)	– 0.50

19. MISCELLANEOUS TYPES (Cont'd)

h. Collision Premiums – All Classes – Entire State

Original Cost	Deductibles											
	\$50		\$100		\$200		\$250		\$500		\$1000	
	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old
0 – 600	\$ 24	\$ 19	\$ 10	\$ 8	\$ 9	\$ 7	\$ 7	\$ 6	\$ 6	\$ 5	\$ 5	\$ 4
601 – 800	26	21	12	9	11	9	8	6	7	6	6	5
801 – 1,050	29	23	13	10	12	10	9	7	8	6	7	6
1,051 – 1,300	31	25	15	12	14	11	10	8	9	7	8	6
1,301 – 1,600	34	27	18	14	16	13	13	10	11	9	9	7
1,601 – 1,900	37	30	20	16	18	14	15	12	12	10	10	8
1,901 – 2,400	42	34	23	18	21	17	18	14	14	11	12	10
2,401 – 3,000	47	38	28	22	25	20	21	17	17	14	14	11
3,001 – 4,000	56	45	34	27	31	25	25	20	20	16	17	14
4,001 – 5,000	66	53	42	34	38	30	30	24	25	20	21	17
5,001 – 6,000	77	62	50	40	45	36	35	28	30	24	25	20
6,001 – 7,000	87	70	58	46	52	42	41	33	35	28	29	23
7,001 – 8,000	98	78	66	53	59	47	46	37	40	32	33	26
8,001 – 9,000	108	86	74	59	67	54	52	42	44	35	37	30
9,001 – 10,000	119	95	82	66	74	59	57	46	49	39	41	33

(1) "New" means purchased new not more than 18 months prior to date insurance attaches.

"Old" – All Others

(2) For Recreational Trailers having a cost exceeding \$10,000, the indicated premiums for the \$9,001 to \$10,000 group shall be increased 10% per \$1,000 or fractions thereof in excess of \$10,000.

(3) The premiums shown above are subject to a retained Minimum Premium equal to 25% of the annual premium applicable.

2. All Other Trailers – All Classes – Entire State

All Non-Self-Propelled Units Not Included in Paragraph 1. Above.

Rates Per \$100 of Insurance

Coverage	Rates
Fire	\$0.10
Theft	0.05
Windstorm	0.05
Combined Additional Coverage without Malicious Mischief & Vandalism	0.10
Combined Additional Coverage with Malicious Mischief & Vandalism	0.15
Comprehensive – Full Coverage – (Cov. Code 01)	0.55
Comprehensive – \$50 Deductible – (Cov. Code 03)	0.37

COLLISION PREMIUMS – ALL CLASSES – ENTIRE STATE

Original Cost New at Factory	\$25 Deduct.	\$50 Deduct.	\$100 Deduct.
\$ 0 – \$ 400	\$ 7	\$ 4	\$ 3
401 – 600	9	6	5
601 – 800	12	8	6
801 – 1,000	15	10	8
1,001 – 1,500	23	15	12
1,501 – 2,000	29	19	15
2,001 – 2,500	35	23	18
2,501 – 3,000	41	27	22
Each Additional \$500 Over \$3,000	5	4	3

19. MISCELLANEOUS TYPES (Cont'd)

B. Motorcycles, Motorscooters, Motorbikes, Mopeds and Other Similar Motor Vehicles Not Used for Commercial Purposes

With respect to voluntary risks and "clean risks" ceded to the North Carolina Reinsurance Facility, determine the appropriate premium by applying the following factors to the applicable voluntary private passenger bodily injury, property damage and medical payments* rates. For Uninsured Motorists Coverage and Combined Uninsured/Underinsured Motorists Coverage, charge the applicable private passenger premium shown in Rule 14.

Engine Size Cubic Centimeters (cc)	Bodily Injury and Property Damage	Medical Payments*
0 – 499	0.16	0.36
500 – 1249	0.26	0.36
1250 – 1499	0.36	0.36
1500 – up	0.47	0.36

* Note: Medical Payments coverage for these vehicles is not eligible for cession to the North Carolina Reinsurance Facility

With respect to other than "clean risks" ceded to the North Carolina Reinsurance Facility, determine the appropriate premium by applying the following factors to the applicable ceded private passenger bodily injury and property damage rates. For Uninsured Motorists Coverage and Combined Uninsured/Underinsured Motorists Coverage, charge the applicable private passenger premium shown in Rule 14.

Engine Size Cubic Centimeters (cc)	Bodily Injury and Property Damage
0 – 499	0.18
500 – 1249	0.27
1250 – 1499	0.38
1500 – up	0.49

C. SNOWMOBILES and similar vehicles equipped for travel over ice and snow, used principally off public roads, shall be rated as follows:

Liability Coverages Only

(Class Code 967000) – Excluding Passenger Hazard

(Class Code 959000) – Including Passenger Hazard

1. Bodily Injury (excluding the passenger hazard) – \$20, \$30,000/60,000 limits.
Bodily Injury (including the passenger hazard) – \$60, \$30,000/60,000 limits.
2. Property Damage – \$10, \$25,000 limits
3. Medical Payments – \$10, \$500 per person (no other limits).
4. Uninsured Motorists Coverage
Charge rates shown in Rule 14.
5. All rates apply for the period of coverage.
6. The applicable endorsement shall be attached to the policy.

Physical Damage Coverages Only

(Class Code 959000)

7. Comprehensive
\$100 Deductible – \$2.00 per \$100.
8. Collision
\$100 Deductible – \$2.00 per \$100.

Note

- a. Only Stated Amount Coverage is available.
- b. A snowmobile and trailer designed to be towed by the snowmobile shall be considered one unit for determining the deductible amount to any loss, provided said trailer is described in the schedule on the endorsement.

19. MISCELLANEOUS TYPES (Cont'd)

- 9. The applicable endorsement shall be attached to the policy.
- 10. All rates apply for the period of coverage.

D. Golfmobiles

Vehicles commonly known as Golfmobiles, used principally off public roads, not used for commercial purposes, with capacity to carry one or more persons.

Note

Vehicles of this type not meeting the above qualifications, rate as a motorcycle.

Liability Coverages Only

- 1. Charge 25% of the applicable private passenger Base Premiums. (Class Code 943500)
- 2. All rates apply for the period of coverage.

Physical Damage Coverages Only

Fire – \$.60 per \$100 of Insurance.
Theft – \$.20 per \$100 of Insurance.

Collision –

Original Cost New	\$25 Ded.	\$50 Ded.	\$100 Ded.
\$ 0 – 750	\$16	\$10	\$ 8
751 & Over	24	15	10

E. Antique Autos

An antique auto is a motor vehicle of the private passenger type which is 25 or more years old that is maintained solely for use in exhibitions, club activities, parades and other functions of public interest, and occasionally used for other purposes.

Liability Coverages Only

Charge 40% of the private passenger base premiums. (Class Code 962000)

Physical Damage Coverages Only

These vehicles are to be insured on Stated Amount basis only. The rates are as shown below (Class Code 962000).

Rate Per \$100 of Insurance

Deductible	Comprehensive	Collision	Fire	Theft
\$ 50	\$1.25	\$1.50	\$.35	\$.35
100	1.10	1.25	.31	.31
250	.96	1.00	.27	.27
500	.74	.75	.21	.21

F. Classic Autos

A classic auto is a motor vehicle of the private passenger type which is 10 or more years old and may be used on a regular basis. Its value is significantly higher than the average value of other autos of the same make and model year.

Liability, Medical Payments, Uninsured and Underinsured Motorists

Classify and rate as a private passenger auto.

Physical Damage

Attach the coverage for damage to your auto (stated amount maximum limit of liability) endorsement.

- 1. Determine the stated amount of coverage applicable to the vehicle.
- 2. Assign a symbol based on the stated amount, from the Price/Symbol Charts applicable to the current base model year in the Symbol and Identification Manual.
- 3. Classify and rate as a private passenger auto using the rate for the current base model year on the state rate pages.

20. FINANCED AUTOS

Financed autos shall be written at manual rates and minimum charges except for single interest coverages.

For single interest rates, rules and forms, refer to company.

21. STATE RATE, TERRITORY SHEETS

- A. The state rate sheets show rates by territory.
- B. The territory sheets contain the definitions of the territorial divisions into which the state is divided and show for each territory the statistical code and the number of the rate schedule on the state rate sheets to be used.
 - 1. Each territory as defined embraces a certain area, usually a city and its surroundings. In many cases the area so defined includes several smaller cities, towns, and villages. The following provisions are applicable in this connection:
 - a. Any city, town, or village not specifically mentioned as included within a defined territory but which is inside of the boundary of the area so defined, shall take the territory schedule for that defined territory.
 - b. If a city, town, or village extends into more than one defined territory, the territory schedule for the higher rated territory applies to the entire city, town, or village.
 - c. Unless otherwise indicated, if a street, avenue or other public way serves as a dividing line between two territories, except when the public way serves as a boundary line of any political subdivision (state, county, township, city, town, village, etc.), the rates applicable to the lower rated of the two territories shall apply to autos principally garaged on either side of such street or avenue.
 - 2. The territory sheets also contain a list of Important Cities and Towns in a state indicating the counties in which such towns are located and the territories to which they are assigned. The rate territory for a town not listed should be determined as follows:
 - a. Ascertain the county in which the town is located.
 - b. If the name of the county is included in the list of territory definitions for the state as divided into two or more rate territories, it will be necessary to refer to a map to determine in which of the rate territories the town belongs.
 - c. If the county is not so listed, then the entire county and all towns in it take the rates for the Remainder of State schedule.

22. INSTALLMENT PAYMENTS

The total premium for an auto policy is due and payable at the beginning of the policy period, unless the policy is issued on an installment payment basis in accordance with the following rules:

- A. The first installment shall be due on the effective date of the policy and the due date of the last installment shall be no later than one month prior to the policy anniversary date.
- B. An additional charge of \$3.00 shall be made for each installment.
- C. The premium paid to the company exclusive of the total installment payment charge shall never be less than the pro rata charge from the effective date of the policy to the due date of the next installment, where additional installments are to be paid, or to expiration of the policy where no further installments are due.
- D. Flat cancellation shall be accepted on business written on an installment basis only if there has been no coverage under the policy and the policy is returned to the company within thirty days. In all other cases, a pro rata earned premium shall be due to the company.
- E. This rule does not preclude the use of an installment payment plan which provides for deferring the due date of installment if the insurance is under suspension on the original due date.

23. EXCESS INDEMNITY POLICY

Bodily injury and property damage liability limits over primary limits may be afforded under an Excess Indemnity Policy with respect to an automobile classified and rated as a private passenger automobile. Primary insurance must be in force with respect to the automobile and the risk unable to obtain higher limits. If the company providing the excess limits coverage also provides the primary coverage to a risk, a letter of consent, signed by the insured, shall be secured and retained in the company's files. Refer to company for rating.

Bodily injury and property damage excess limits may be afforded separately or in conjunction with Medical Payments Insurance, Medical Payments Coverage is available on a \$100 deductible basis only. Refer to company for rating.

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

VOLUNTARY BUSINESS*

Terr.	BODILY INJURY				PROPERTY DAMAGE			MEDICAL PAYMENTS				
	LIMIT				LIMIT			LIMIT				
	30/60	50/100	100/300	300/300	25,000	50,000	100,000	500	750	1,000	2,000	5,000
	LIMIT CODE				LIMIT CODE			LIMIT CODE				
	6	6	8	1	4	5	6	1	2	3	4	6
11	\$132	\$156	\$185	\$214	\$166	\$168	\$171	\$16	\$21	\$26	\$37	\$54
13	193	228	270	313	193	195	199	24	32	38	56	81
14	188	222	263	305	189	191	195	23	31	37	54	78
15	205	242	287	332	183	185	188	25	33	40	59	85
16	182	215	255	295	195	197	201	23	31	37	54	78
17	207	244	290	335	200	202	206	26	35	42	61	88
18	169	199	237	274	174	176	179	21	28	34	49	71
24	157	185	220	254	151	153	156	19	25	30	44	64
25	220	260	308	356	186	188	192	27	36	43	63	91
26	240	283	336	389	164	166	169	30	40	48	70	101
31	188	222	263	305	175	177	180	23	31	37	54	78
32	161	190	225	261	162	164	167	20	27	32	47	68
33	188	222	263	305	147	148	151	23	31	37	54	78
40	243	287	340	394	205	207	211	30	40	48	70	101
41	188	222	263	305	189	191	195	23	31	37	54	78
43	178	210	249	288	155	157	160	22	29	35	51	74
47	206	243	288	334	157	159	162	26	35	42	61	88
51	167	197	234	271	189	191	195	21	28	34	49	71
52	221	261	309	358	209	211	215	27	36	43	63	91

* Including "clean risks" ceded to the North Carolina Reinsurance Facility.
See Premium Determination Rule for the definition of "clean risks".

CEDED BUSINESS*

Terr.	BODILY INJURY				PROPERTY DAMAGE			MEDICAL PAYMENTS				
	LIMIT				LIMIT			LIMIT				
	30/60	50/100	100/300	250/500	25,000	50,000	100,000	500	750	1,000	2,000	5,000
	LIMIT CODE				LIMIT CODE			LIMIT CODE				
	6	6	8	7	4	5	6	1	2	3	4	6
11	\$181	\$214	\$253	\$300	\$181	\$183	\$186	\$23	\$31	\$37	\$54	\$78
13	275	325	385	457	211	213	217	32	43	51	75	108
14	272	321	381	452	207	209	213	34	45	54	80	115
15	293	346	410	486	203	205	209	38	51	61	89	128
16	253	299	354	420	218	220	225	33	44	53	77	112
17	274	323	384	455	211	213	217	34	45	54	80	115
18	241	284	337	400	192	194	198	29	39	46	68	98
24	225	266	315	374	170	172	175	26	35	42	61	88
25	315	372	441	523	203	205	209	32	43	51	75	108
26	321	379	449	533	187	189	193	36	48	58	84	122
31	251	296	351	417	194	196	200	33	44	53	77	112
32	234	276	328	388	180	182	185	27	36	43	63	91
33	255	301	357	423	165	167	170	30	40	48	70	101
40	311	367	435	516	244	246	251	41	55	66	96	139
41	259	306	363	430	227	229	234	33	44	53	77	112
43	241	284	337	400	180	182	185	30	40	48	70	101
47	281	332	393	466	173	175	178	31	41	50	73	105
51	231	273	232	383	211	213	217	28	37	45	66	95
52	315	372	441	523	229	231	236	42	56	67	98	142

* Excluding "clean risks" as defined under the Premium Determination Rule.

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

TERRITORY 11

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	19	19	1	22	22	21	20	19	18	18	17	16	15	1	5
2	25	25	2	31	30	29	28	27	25	24	23	22	20	2	6
3	32	31	3	35	34	33	31	31	29	28	26	25	23	3	9
4	37	36	4	39	38	36	35	34	32	30	29	28	25	4	11
5	41	40	5	44	43	41	40	38	37	35	33	31	29	5	12
6	45	44	6	50	48	46	44	42	41	39	37	35	32	6	17
7	50	49	7	54	53	51	48	47	44	42	40	38	35	7	20
8	54	53	8	59	57	55	53	51	48	46	44	42	38	8	24
10	58	57	10	64	62	59	57	55	53	50	47	45	41	10	30
11	62	61	11	69	67	64	61	60	57	54	51	49	45	11	37
12	65	64	12	76	73	70	67	65	62	59	56	54	49	12	42
13	67	66	13	81	78	75	72	70	66	63	60	57	53	13	50
14	71	69	14	87	85	81	78	75	71	68	65	62	57	14	59
15	74	73	15	96	93	90	86	83	79	75	71	68	63	15	71
16	77	76	16	106	103	98	94	91	87	83	78	75	68	16	87
17	80	78	17	117	113	109	104	100	96	91	87	83	76	17	104
18	83	81	18	127	124	119	113	110	104	99	94	90	83	18	124
19	86	84	19	139	135	129	124	120	114	109	103	99	90	19	148
20	88	86	20	154	149	143	137	132	126	120	114	109	100	20	176
21	91	89	21	171	166	159	152	147	140	133	127	122	112	21	243
22	94	92	22	194	188	180	172	166	159	151	143	137	126		
23	97	95	23	217	210	201	193	186	178	169	160	154	141		
24	99	97	24	251	243	233	223	216	206	196	186	178	163		
25	102	100	25	309	299	287	274	266	253	241	228	219	201		
26	106	103	26	379	368	352	337	326	310	296	280	269	246		
27	109	106													
28	112	110													
29	116	114													
30	119	117													
31	123	120													
32	126	124													
33	130	127													
34	133	130													
35	136	134													
36	140	137													
37	145	142													
38	150	148													
39	156	153													
40	160	158													
41	166	163													
42	171	168													
43	176	173													
44	181	178													
45	186	182													
46	192	188													
47	198	195													
48	205	201													
49	211	207													
50	216	212													
51	222	218													
52	228	224													
53	234	230													
54	244	239													
55	255	250													
56	269	264													
57	284	278													

TERRITORY 11

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	306	300													
59	339	333													
60	376	369													
61	411	403													
62	443	434													
63	476	467													
64	508	499													
65	541	530													
66	590	579													
67	655	643													
68	720	706													
69	785	770													
70	850	834													
71	915	897													
72	980	961													
73	1045	1025													
74	1110	1089													
75	1175	1153													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	167	160	1	197	184	170	160	150	139	129	119	112	92	1	44
2	221	214	2	221	204	194	180	167	156	146	136	126	105	2	54
3	241	231	3	258	241	224	211	194	180	170	156	146	122	3	68
4	282	272	4	279	258	241	224	211	194	184	170	160	133	4	75
5	309	299	5	299	279	262	241	224	211	197	184	170	139	5	88
6	323	313	6	313	292	272	255	235	218	207	190	177	146	6	95
7	340	326	7	326	303	286	265	245	228	214	201	187	153	7	105
8	354	343	8	340	316	296	275	255	238	224	207	194	160	8	126
10	367	354	10	364	340	316	296	272	255	241	221	207	170	10	146
11	377	364	11	381	354	330	309	286	265	252	231	218	180	11	160
12	391	377	12	391	364	340	316	292	275	258	238	224	184	12	177
13	405	388	13	408	381	354	330	306	286	269	248	231	190	13	190
14	415	401	14	432	401	374	350	323	303	286	262	245	204	14	211
15	422	408	15	456	425	398	371	343	320	299	279	258	214	15	228
16	425	411	16	473	439	411	384	354	330	313	289	269	221	16	252
17	435	418	17	490	456	425	398	367	343	323	299	279	231	17	265
18	445	428	18	517	479	449	418	388	360	340	316	296	241	18	289
19	452	435	19	541	503	469	439	405	377	357	330	309	255	19	306
20	466	449	20	558	520	486	452	418	391	367	340	316	262	20	326
21	476	459	21	581	541	507	473	435	408	384	354	330	272	21	371
22	483	466	22	612	568	534	496	459	428	405	374	350	289		
23	490	473	23	636	592	554	513	476	445	418	388	364	299		
24	503	483	24	663	615	578	537	496	466	439	405	377	313		
25	507	486	25	717	666	626	581	537	503	473	439	408	337		
26	513	496	26	779	724	677	629	585	544	513	476	445	367		
27	520	503													
28	524	507													
29	534	513													

TERRITORY 11

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	537	517													
31	544	524													
32	554	534													
33	561	541													
34	571	551													
35	578	558													
36	585	564													
37	595	575													
38	605	581													
39	609	585													
40	615	592													
41	622	602													
42	629	609													
43	639	615													
44	643	619													
45	653	629													
46	660	636													
47	666	643													
48	677	653													
49	683	660													
50	690	666													
51	697	673													
52	700	677													
53	711	683													
54	717	690													
55	728	704													
56	741	714													
57	755	728													
58	779	748													
59	809	779													
60	843	813													
61	867	836													
62	887	853													
63	901	870													
64	921	887													
65	938	904													
66	966	932													
67	1003	969													
68	1040	1003													
69	1078	1040													
70	1119	1078													
71	1156	1112													
72	1193	1149													
73	1231	1187													
74	1268	1224													
75	1306	1258													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 13

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	27	26	1	31	30	29	28	27	25	25	23	22	21	1	7
2	35	34	2	43	42	40	39	38	35	34	32	31	28	2	9
3	44	43	3	49	48	46	43	43	40	39	36	35	32	3	12
4	51	50	4	54	52	50	48	47	44	42	40	39	35	4	15
5	57	56	5	62	60	57	55	53	51	48	46	43	40	5	17
6	63	62	6	69	66	64	62	59	57	54	51	49	45	6	23
7	70	68	7	75	73	71	67	65	62	59	56	53	49	7	28
8	75	74	8	82	80	76	73	71	67	64	61	58	53	8	33
10	81	80	10	89	86	82	79	76	73	69	66	63	57	10	42
11	86	84	11	96	93	89	85	83	79	75	71	68	62	11	51
12	90	89	12	105	102	98	93	90	86	82	78	75	68	12	59
13	93	92	13	112	109	104	100	97	92	88	83	80	73	13	70
14	98	96	14	121	118	113	108	104	99	94	90	86	79	14	82
15	103	101	15	134	130	125	119	115	110	104	99	95	87	15	99
16	107	105	16	147	143	136	130	126	121	115	108	104	95	16	121
17	111	109	17	162	157	151	144	139	133	126	121	116	106	17	144
18	116	113	18	177	172	165	157	153	145	138	131	125	115	18	172
19	119	116	19	194	188	180	172	166	159	151	144	138	125	19	206
20	122	120	20	214	207	199	190	184	175	167	158	152	139	20	244
21	126	124	21	238	230	221	212	204	195	185	176	169	155	21	338
22	130	128	22	269	261	250	239	231	221	210	199	191	175		
23	134	132	23	301	292	280	268	259	247	235	223	214	196		
24	138	135	24	349	338	324	310	300	286	272	258	248	226		
25	142	139	25	429	416	399	381	369	352	335	317	304	279		
26	147	144	26	526	511	490	468	453	431	411	390	374	342		
27	151	148													
28	156	153													
29	161	158													
30	166	162													
31	171	167													
32	175	172													
33	181	177													
34	185	181													
35	189	186													
36	194	191													
37	202	198													
38	209	205													
39	216	212													
40	223	219													
41	230	226													
42	238	233													
43	244	240													
44	252	247													
45	258	253													
46	267	262													
47	276	271													
48	285	279													
49	293	287													
50	300	294													
51	309	303													
52	317	312													
53	326	319													
54	339	332													
55	355	348													
56	374	367													
57	394	387													

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

TERRITORY 13

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	426	417													
59	472	462													
60	522	513													
61	571	560													
62	616	604													
63	661	649													
64	706	693													
65	752	737													
66	820	804													
67	910	893													
68	1000	982													
69	1091	1070													
70	1182	1159													
71	1272	1247													
72	1362	1336													
73	1452	1425													
74	1543	1514													
75	1633	1602													
(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.															
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.															
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	173	166	1	205	191	177	166	156	145	135	124	117	96	1	46
2	230	223	2	230	212	202	188	173	163	152	142	131	110	2	57
3	251	241	3	269	251	234	219	202	188	177	163	152	127	3	71
4	294	283	4	290	269	251	234	219	202	191	177	166	138	4	78
5	322	312	5	312	290	273	251	234	219	205	191	177	145	5	92
6	336	326	6	326	304	283	266	244	227	216	198	184	152	6	99
7	354	340	7	340	315	297	276	255	237	223	209	195	159	7	110
8	368	358	8	354	329	308	287	266	248	234	216	202	166	8	131
10	382	368	10	379	354	329	308	283	266	251	230	216	177	10	152
11	393	379	11	396	368	343	322	297	276	262	241	227	188	11	166
12	407	393	12	407	379	354	329	304	287	269	248	234	191	12	184
13	421	404	13	425	396	368	343	319	297	280	258	241	198	13	198
14	432	418	14	450	418	389	365	336	315	297	273	255	212	14	219
15	439	425	15	474	443	414	386	358	333	312	290	269	223	15	237
16	443	428	16	492	457	428	400	368	343	326	301	280	230	16	262
17	453	435	17	510	474	443	414	382	358	336	312	290	241	17	276
18	464	446	18	538	499	467	435	404	375	354	329	308	251	18	301
19	471	453	19	563	524	489	457	421	393	372	343	322	266	19	319
20	485	467	20	581	542	506	471	435	407	382	354	329	273	20	340
21	496	478	21	605	563	527	492	453	425	400	368	343	283	21	386
22	503	485	22	637	591	556	517	478	446	421	389	365	301		
23	510	492	23	662	616	577	535	496	464	435	404	379	312		
24	524	503	24	690	641	602	559	517	485	457	421	393	326		
25	527	506	25	747	694	651	605	559	524	492	457	425	350		
26	535	517	26	811	754	704	655	609	566	535	496	464	382		
27	542	524													
28	545	527													
29	556	535													

TERRITORY 13

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	559	538													
31	566	545													
32	577	556													
33	584	563													
34	595	573													
35	602	581													
36	609	588													
37	620	598													
38	630	605													
39	634	609													
40	641	616													
41	648	627													
42	655	634													
43	666	641													
44	669	644													
45	680	655													
46	687	662													
47	694	669													
48	704	680													
49	712	687													
50	719	694													
51	726	701													
52	729	704													
53	740	712													
54	747	719													
55	758	733													
56	772	743													
57	786	758													
58	811	779													
59	843	811													
60	878	846													
61	903	871													
62	924	889													
63	938	906													
64	959	924													
65	977	942													
66	1005	970													
67	1044	1009													
68	1083	1044													
69	1122	1083													
70	1165	1122													
71	1204	1158													
72	1243	1197													
73	1281	1235													
74	1320	1274													
75	1359	1310													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

TERRITORY 14

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	23	23	1	27	26	25	24	23	22	21	20	19	18	1	6
2	31	30	2	38	36	35	33	33	31	29	28	27	24	2	8
3	38	38	3	43	41	40	38	37	35	33	31	31	28	3	11
4	44	43	4	47	45	43	42	40	38	36	35	33	31	4	13
5	49	48	5	53	52	50	48	46	44	42	40	38	35	5	15
6	55	53	6	60	58	55	53	51	49	47	44	43	39	6	20
7	60	59	7	65	63	61	58	56	53	51	48	46	43	7	24
8	65	64	8	71	69	66	63	61	58	55	53	50	46	8	28
10	70	69	10	77	75	71	68	66	63	60	57	55	50	10	36
11	75	73	11	83	80	77	74	72	68	65	62	59	54	11	44
12	78	77	12	91	88	84	81	78	75	71	67	65	59	12	51
13	81	80	13	97	94	90	87	84	80	76	72	69	63	13	60
14	85	83	14	105	102	98	94	90	86	82	78	75	68	14	71
15	89	87	15	116	112	108	103	99	95	90	86	82	75	15	86
16	92	91	16	127	124	118	113	109	104	99	94	90	82	16	104
17	96	94	17	141	136	131	125	121	115	109	104	100	92	17	125
18	100	98	18	153	149	143	136	132	126	119	114	109	99	18	149
19	103	101	19	168	163	155	149	144	138	131	124	119	109	19	178
20	106	104	20	185	180	173	165	159	152	145	137	131	121	20	212
21	109	107	21	206	200	192	183	177	169	160	153	146	134	21	293
22	113	111	22	233	226	217	207	200	191	182	173	165	151		
23	116	114	23	261	253	242	232	224	214	203	193	185	170		
24	119	117	24	302	293	280	268	260	248	236	224	214	196		
25	123	121	25	371	360	345	330	320	305	290	275	263	241		
26	127	124	26	456	442	424	405	392	373	356	337	324	296		
27	131	128													
28	135	132													
29	139	137													
30	143	141													
31	148	145													
32	152	149													
33	157	153													
34	160	157													
35	164	161													
36	168	165													
37	175	171													
38	181	178													
39	187	184													
40	193	190													
41	200	196													
42	206	202													
43	212	208													
44	218	214													
45	224	219													
46	231	226													
47	239	234													
48	246	241													
49	253	249													
50	260	255													
51	268	263													
52	275	270													
53	282	276													
54	293	288													
55	307	301													
56	324	317													
57	342	335													

TERRITORY 14

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	368	361													
59	408	400													
60	452	444													
61	494	485													
62	533	523													
63	572	562													
64	611	600													
65	651	638													
66	710	697													
67	788	773													
68	866	850													
69	944	927													
70	1023	1003													
71	1101	1080													
72	1179	1157													
73	1257	1234													
74	1336	1311													
75	1414	1387													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	172	165	1	204	190	176	165	155	144	134	123	116	95	1	46
2	229	222	2	229	211	201	187	172	162	151	141	130	109	2	56
3	250	239	3	268	250	232	218	201	187	176	162	151	127	3	70
4	292	282	4	289	268	250	232	218	201	190	176	165	137	4	77
5	320	310	5	310	289	271	250	232	218	204	190	176	144	5	92
6	334	324	6	324	303	282	264	243	225	215	197	183	151	6	99
7	352	338	7	338	313	296	275	253	236	222	208	194	158	7	109
8	366	356	8	352	327	306	285	264	246	232	215	201	165	8	130
10	380	366	10	377	352	327	306	282	264	250	229	215	176	10	151
11	391	377	11	394	366	341	320	296	275	260	239	225	187	11	165
12	405	391	12	405	377	352	327	303	285	268	246	232	190	12	183
13	419	401	13	422	394	366	341	317	296	278	257	239	197	13	197
14	429	415	14	447	415	387	363	334	313	296	271	253	211	14	218
15	436	422	15	472	440	412	384	356	331	310	289	268	222	15	236
16	440	426	16	489	454	426	398	366	341	324	299	278	229	16	260
17	451	433	17	507	472	440	412	380	356	334	310	289	239	17	275
18	461	444	18	535	496	465	433	401	373	352	327	306	250	18	299
19	468	451	19	560	521	486	454	419	391	370	341	320	264	19	317
20	482	465	20	577	539	503	468	433	405	380	352	327	271	20	338
21	493	475	21	602	560	524	489	451	422	398	366	341	282	21	384
22	500	482	22	634	588	553	514	475	444	419	387	363	299		
23	507	489	23	658	612	574	532	493	461	433	401	377	310		
24	521	500	24	686	637	598	556	514	482	454	419	391	324		
25	524	503	25	743	690	648	602	556	521	489	454	422	348		
26	532	514	26	806	750	700	651	605	563	532	493	461	380		
27	539	521													
28	542	524													
29	553	532													

TERRITORY 14

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	556	535													
31	563	542													
32	574	553													
33	581	560													
34	591	570													
35	598	577													
36	605	584													
37	616	595													
38	627	602													
39	630	605													
40	637	612													
41	644	623													
42	651	630													
43	662	637													
44	665	641													
45	676	651													
46	683	658													
47	690	665													
48	700	676													
49	708	683													
50	715	690													
51	722	697													
52	725	700													
53	736	708													
54	743	715													
55	753	729													
56	767	739													
57	781	753													
58	806	774													
59	838	806													
60	873	841													
61	898	866													
62	919	884													
63	933	901													
64	954	919													
65	972	936													
66	1000	964													
67	1038	1003													
68	1077	1038													
69	1116	1077													
70	1158	1116													
71	1197	1151													
72	1236	1190													
73	1274	1228													
74	1313	1267													
75	1352	1302													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 15

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	23	22	1	26	26	24	23	23	21	21	19	19	17	1	6
2	30	29	2	37	35	34	32	32	30	28	27	26	23	2	8
3	37	37	3	41	40	39	37	36	34	32	30	30	27	3	10
4	43	42	4	46	44	42	41	39	37	35	34	32	30	4	12
5	48	47	5	52	50	48	46	45	43	41	39	37	34	5	14
6	53	52	6	58	56	54	52	50	48	46	43	41	38	6	19
7	59	57	7	63	61	59	57	55	52	50	47	45	41	7	23
8	63	62	8	69	67	64	61	59	57	54	51	49	45	8	28
10	68	67	10	75	72	69	66	64	61	58	55	53	48	10	35
11	72	71	11	81	78	75	72	70	66	63	60	57	52	11	43
12	76	75	12	88	86	82	79	76	72	69	66	63	57	12	50
13	79	77	13	95	92	88	84	81	77	74	70	67	61	13	59
14	83	81	14	102	99	95	91	88	83	79	76	72	66	14	69
15	86	85	15	112	109	105	100	97	92	88	83	80	73	15	83
16	90	88	16	124	120	115	110	106	101	97	91	88	80	16	101
17	93	92	17	137	132	127	121	117	112	106	101	97	89	17	121
18	97	95	18	149	145	139	132	128	122	116	110	106	97	18	145
19	100	98	19	163	158	151	145	140	134	127	121	116	106	19	173
20	103	101	20	180	175	168	160	155	148	141	133	128	117	20	206
21	106	104	21	200	194	186	178	172	164	156	148	142	130	21	284
22	110	108	22	226	219	210	201	195	186	177	168	161	147		
23	113	111	23	253	246	235	226	218	208	197	188	180	165		
24	116	114	24	293	284	273	261	253	241	229	217	208	190		
25	119	117	25	361	350	335	321	311	296	282	267	256	235		
26	124	121	26	443	430	412	394	381	363	346	328	315	288		
27	127	124													
28	131	128													
29	135	133													
30	139	137													
31	144	141													
32	148	145													
33	152	149													
34	156	152													
35	159	157													
36	164	161													
37	170	166													
38	176	173													
39	182	179													
40	188	184													
41	194	190													
42	200	196													
43	206	202													
44	212	208													
45	217	213													
46	225	220													
47	232	228													
48	239	235													
49	246	242													
50	253	248													
51	260	255													
52	267	262													
53	274	268													
54	285	279													
55	299	293													
56	315	308													
57	332	326													

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

TERRITORY 15

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	358	351													
59	397	389													
60	440	431													
61	480	471													
62	518	508													
63	556	546													
64	594	583													
65	633	620													
66	690	677													
67	766	751													
68	842	826													
69	918	900													
70	994	975													
71	1070	1049													
72	1146	1124													
73	1222	1199													
74	1299	1274													
75	1374	1348													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	163	157	1	193	180	167	157	147	137	127	117	110	90	1	43
2	216	210	2	216	200	190	176	163	153	143	133	123	103	2	53
3	236	226	3	253	236	220	206	190	176	167	153	143	120	3	67
4	276	266	4	273	253	236	220	206	190	180	167	157	130	4	73
5	303	293	5	293	273	256	236	220	206	193	180	167	137	5	87
6	316	306	6	306	286	266	250	230	213	203	186	173	143	6	93
7	333	320	7	320	296	280	260	240	223	210	196	183	150	7	103
8	346	336	8	333	310	290	270	250	233	220	203	190	157	8	123
10	360	346	10	356	333	310	290	266	250	236	216	203	167	10	143
11	370	356	11	373	346	323	303	280	260	246	226	213	176	11	157
12	383	370	12	383	356	333	310	286	270	253	233	220	180	12	173
13	396	380	13	400	373	346	323	300	280	263	243	226	186	13	186
14	406	393	14	423	393	366	343	316	296	280	256	240	200	14	206
15	413	400	15	446	416	390	363	336	313	293	273	253	210	15	223
16	416	403	16	463	430	403	376	346	323	306	283	263	216	16	246
17	426	410	17	480	446	416	390	360	336	316	293	273	226	17	260
18	436	420	18	506	470	440	410	380	353	333	310	290	236	18	283
19	443	426	19	529	493	460	430	396	370	350	323	303	250	19	300
20	456	440	20	546	509	476	443	410	383	360	333	310	256	20	320
21	466	450	21	569	529	496	463	426	400	376	346	323	266	21	363
22	473	456	22	599	556	523	486	450	420	396	366	343	283		
23	480	463	23	623	579	543	503	466	436	410	380	356	293		
24	493	473	24	649	603	566	526	486	456	430	396	370	306		
25	496	476	25	703	653	613	569	526	493	463	430	400	330		
26	503	486	26	763	709	663	616	573	533	503	466	436	360		
27	509	493													
28	513	496													
29	523	503													

TERRITORY 15

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	526	506													
31	533	513													
32	543	523													
33	549	529													
34	559	539													
35	566	546													
36	573	553													
37	583	563													
38	593	569													
39	596	573													
40	603	579													
41	609	589													
42	616	596													
43	626	603													
44	629	606													
45	639	616													
46	646	623													
47	653	629													
48	663	639													
49	669	646													
50	676	653													
51	683	659													
52	686	663													
53	696	669													
54	703	676													
55	713	689													
56	726	699													
57	739	713													
58	763	733													
59	793	763													
60	826	796													
61	849	819													
62	869	836													
63	882	852													
64	902	869													
65	919	886													
66	946	912													
67	982	949													
68	1019	982													
69	1056	1019													
70	1096	1056													
71	1132	1089													
72	1169	1126													
73	1205	1162													
74	1242	1199													
75	1279	1232													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

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NORTH CAROLINA (32)

TERRITORY 16

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	23	22	1	26	26	24	23	23	21	21	19	19	17	1	6
2	30	29	2	37	35	34	32	32	30	28	27	26	23	2	8
3	37	37	3	41	40	39	37	36	34	32	30	30	27	3	10
4	43	42	4	46	44	42	41	39	37	35	34	32	30	4	12
5	48	47	5	52	50	48	46	45	43	41	39	37	34	5	14
6	53	52	6	58	56	54	52	50	48	46	43	41	38	6	19
7	59	57	7	63	61	59	57	55	52	50	47	45	41	7	23
8	63	62	8	69	67	64	61	59	57	54	51	49	45	8	28
10	68	67	10	75	72	69	66	64	61	58	55	53	48	10	35
11	72	71	11	81	78	75	72	70	66	63	60	57	52	11	43
12	76	75	12	88	86	82	79	76	72	69	66	63	57	12	50
13	79	77	13	95	92	88	84	81	77	74	70	67	61	13	59
14	83	81	14	102	99	95	91	88	83	79	76	72	66	14	69
15	86	85	15	112	109	105	100	97	92	88	83	80	73	15	83
16	90	88	16	124	120	115	110	106	101	97	91	88	80	16	101
17	93	92	17	137	132	127	121	117	112	106	101	97	89	17	121
18	97	95	18	149	145	139	132	128	122	116	110	106	97	18	145
19	100	98	19	163	158	151	145	140	134	127	121	116	106	19	173
20	103	101	20	180	175	168	160	155	148	141	133	128	117	20	206
21	106	104	21	200	194	186	178	172	164	156	148	142	130	21	284
22	110	108	22	226	219	210	201	195	186	177	168	161	147		
23	113	111	23	253	246	235	226	218	208	197	188	180	165		
24	116	114	24	293	284	273	261	253	241	229	217	208	190		
25	119	117	25	361	350	335	321	311	296	282	267	256	235		
26	124	121	26	443	430	412	394	381	363	346	328	315	288		
27	127	124													
28	131	128													
29	135	133													
30	139	137													
31	144	141													
32	148	145													
33	152	149													
34	156	152													
35	159	157													
36	164	161													
37	170	166													
38	176	173													
39	182	179													
40	188	184													
41	194	190													
42	200	196													
43	206	202													
44	212	208													
45	217	213													
46	225	220													
47	232	228													
48	239	235													
49	246	242													
50	253	248													
51	260	255													
52	267	262													
53	274	268													
54	285	279													
55	299	293													
56	315	308													
57	332	326													

TERRITORY 16

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	358	351													
59	397	389													
60	440	431													
61	480	471													
62	518	508													
63	556	546													
64	594	583													
65	633	620													
66	690	677													
67	766	751													
68	842	826													
69	918	900													
70	994	975													
71	1070	1049													
72	1146	1124													
73	1222	1199													
74	1299	1274													
75	1374	1348													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	163	157	1	193	180	167	157	147	137	127	117	110	90	1	43
2	216	210	2	216	200	190	176	163	153	143	133	123	103	2	53
3	236	226	3	253	236	220	206	190	176	167	153	143	120	3	67
4	276	266	4	273	253	236	220	206	190	180	167	157	130	4	73
5	303	293	5	293	273	256	236	220	206	193	180	167	137	5	87
6	316	306	6	306	286	266	250	230	213	203	186	173	143	6	93
7	333	320	7	320	296	280	260	240	223	210	196	183	150	7	103
8	346	336	8	333	310	290	270	250	233	220	203	190	157	8	123
10	360	346	10	356	333	310	290	266	250	236	216	203	167	10	143
11	370	356	11	373	346	323	303	280	260	246	226	213	176	11	157
12	383	370	12	383	356	333	310	286	270	253	233	220	180	12	173
13	396	380	13	400	373	346	323	300	280	263	243	226	186	13	186
14	406	393	14	423	393	366	343	316	296	280	256	240	200	14	206
15	413	400	15	446	416	390	363	336	313	293	273	253	210	15	223
16	416	403	16	463	430	403	376	346	323	306	283	263	216	16	246
17	426	410	17	480	446	416	390	360	336	316	293	273	226	17	260
18	436	420	18	506	470	440	410	380	353	333	310	290	236	18	283
19	443	426	19	529	493	460	430	396	370	350	323	303	250	19	300
20	456	440	20	546	509	476	443	410	383	360	333	310	256	20	320
21	466	450	21	569	529	496	463	426	400	376	346	323	266	21	363
22	473	456	22	599	556	523	486	450	420	396	366	343	283		
23	480	463	23	623	579	543	503	466	436	410	380	356	293		
24	493	473	24	649	603	566	526	486	456	430	396	370	306		
25	496	476	25	703	653	613	569	526	493	463	430	400	330		
26	503	486	26	763	709	663	616	573	533	503	466	436	360		
27	509	493													
28	513	496													
29	523	503													

TERRITORY 16

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	526	506													
31	533	513													
32	543	523													
33	549	529													
34	559	539													
35	566	546													
36	573	553													
37	583	563													
38	593	569													
39	596	573													
40	603	579													
41	609	589													
42	616	596													
43	626	603													
44	629	606													
45	639	616													
46	646	623													
47	653	629													
48	663	639													
49	669	646													
50	676	653													
51	683	659													
52	686	663													
53	696	669													
54	703	676													
55	713	689													
56	726	699													
57	739	713													
58	763	733													
59	793	763													
60	826	796													
61	849	819													
62	869	836													
63	882	852													
64	902	869													
65	919	886													
66	946	912													
67	982	949													
68	1019	982													
69	1056	1019													
70	1096	1056													
71	1132	1089													
72	1169	1126													
73	1205	1162													
74	1242	1199													
75	1279	1232													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 17

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	23	22	1	26	26	24	23	23	21	21	19	19	17	1	6
2	30	29	2	37	35	34	32	32	30	28	27	26	23	2	8
3	37	37	3	41	40	39	37	36	34	32	30	30	27	3	10
4	43	42	4	46	44	42	41	39	37	35	34	32	30	4	12
5	48	47	5	52	50	48	46	45	43	41	39	37	34	5	14
6	53	52	6	58	56	54	52	50	48	46	43	41	38	6	19
7	59	57	7	63	61	59	57	55	52	50	47	45	41	7	23
8	63	62	8	69	67	64	61	59	57	54	51	49	45	8	28
10	68	67	10	75	72	69	66	64	61	58	55	53	48	10	35
11	72	71	11	81	78	75	72	70	66	63	60	57	52	11	43
12	76	75	12	88	86	82	79	76	72	69	66	63	57	12	50
13	79	77	13	95	92	88	84	81	77	74	70	67	61	13	59
14	83	81	14	102	99	95	91	88	83	79	76	72	66	14	69
15	86	85	15	112	109	105	100	97	92	88	83	80	73	15	83
16	90	88	16	124	120	115	110	106	101	97	91	88	80	16	101
17	93	92	17	137	132	127	121	117	112	106	101	97	89	17	121
18	97	95	18	149	145	139	132	128	122	116	110	106	97	18	145
19	100	98	19	163	158	151	145	140	134	127	121	116	106	19	173
20	103	101	20	180	175	168	160	155	148	141	133	128	117	20	206
21	106	104	21	200	194	186	178	172	164	156	148	142	130	21	284
22	110	108	22	226	219	210	201	195	186	177	168	161	147		
23	113	111	23	253	246	235	226	218	208	197	188	180	165		
24	116	114	24	293	284	273	261	253	241	229	217	208	190		
25	119	117	25	361	350	335	321	311	296	282	267	256	235		
26	124	121	26	443	430	412	394	381	363	346	328	315	288		
27	127	124													
28	131	128													
29	135	133													
30	139	137													
31	144	141													
32	148	145													
33	152	149													
34	156	152													
35	159	157													
36	164	161													
37	170	166													
38	176	173													
39	182	179													
40	188	184													
41	194	190													
42	200	196													
43	206	202													
44	212	208													
45	217	213													
46	225	220													
47	232	228													
48	239	235													
49	246	242													
50	253	248													
51	260	255													
52	267	262													
53	274	268													
54	285	279													
55	299	293													
56	315	308													
57	332	326													

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FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	358	351													
59	397	389													
60	440	431													
61	480	471													
62	518	508													
63	556	546													
64	594	583													
65	633	620													
66	690	677													
67	766	751													
68	842	826													
69	918	900													
70	994	975													
71	1070	1049													
72	1146	1124													
73	1222	1199													
74	1299	1274													
75	1374	1348													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	169	162	1	200	186	173	162	152	141	131	121	114	93	1	45
2	224	217	2	224	207	197	183	169	159	148	138	128	107	2	55
3	245	235	3	262	245	228	214	197	183	173	159	148	124	3	69
4	286	276	4	283	262	245	228	214	197	186	173	162	135	4	76
5	314	304	5	304	283	266	245	228	214	200	186	173	141	5	90
6	328	317	6	317	297	276	259	238	221	210	193	179	148	6	97
7	345	331	7	331	307	290	269	248	231	217	204	190	155	7	107
8	359	348	8	345	321	300	279	259	242	228	210	197	162	8	128
10	373	359	10	369	345	321	300	276	259	245	224	210	173	10	148
11	383	369	11	386	359	335	314	290	269	255	235	221	183	11	162
12	397	383	12	397	369	345	321	297	279	262	242	228	186	12	179
13	411	393	13	414	386	359	335	311	290	273	252	235	193	13	193
14	421	407	14	438	407	380	355	328	307	290	266	248	207	14	214
15	428	414	15	462	431	404	376	348	324	304	283	262	217	15	231
16	431	417	16	480	445	417	390	359	335	317	293	273	224	16	255
17	442	424	17	497	462	431	404	373	348	328	304	283	235	17	269
18	452	435	18	524	486	455	424	393	366	345	321	300	245	18	293
19	459	442	19	549	511	476	445	411	383	362	335	314	259	19	311
20	473	455	20	566	528	493	459	424	397	373	345	321	266	20	331
21	483	466	21	590	549	514	480	442	414	390	359	335	276	21	376
22	490	473	22	621	576	542	504	466	435	411	380	355	293		
23	497	480	23	645	600	562	521	483	452	424	393	369	304		
24	511	490	24	673	624	587	545	504	473	445	411	383	317		
25	514	493	25	728	676	635	590	545	511	480	445	414	342		
26	521	504	26	790	735	687	638	593	552	521	483	452	373		
27	528	511													
28	531	514													
29	542	521													

TERRITORY 17

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	545	524													
31	552	531													
32	562	542													
33	569	549													
34	580	559													
35	587	566													
36	593	573													
37	604	583													
38	614	590													
39	618	593													
40	624	600													
41	631	611													
42	638	618													
43	649	624													
44	652	628													
45	662	638													
46	669	645													
47	676	652													
48	687	662													
49	693	669													
50	700	676													
51	707	683													
52	711	687													
53	721	693													
54	728	700													
55	738	714													
56	752	725													
57	766	738													
58	790	759													
59	821	790													
60	856	825													
61	880	849													
62	900	866													
63	914	883													
64	935	900													
65	952	918													
66	980	945													
67	1018	983													
68	1056	1018													
69	1094	1056													
70	1135	1094													
71	1173	1128													
72	1211	1166													
73	1249	1204													
74	1287	1242													
75	1325	1277													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

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NORTH CAROLINA (32)

TERRITORY 18

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	23	23	1	27	26	25	24	23	22	21	20	19	18	1	6
2	31	30	2	38	36	35	33	33	31	29	28	27	24	2	8
3	38	38	3	43	41	40	38	37	35	33	31	31	28	3	11
4	44	43	4	47	45	43	42	40	38	36	35	33	31	4	13
5	49	48	5	53	52	50	48	46	44	42	40	38	35	5	15
6	55	53	6	60	58	55	53	51	49	47	44	43	39	6	20
7	60	59	7	65	63	61	58	56	53	51	48	46	43	7	24
8	65	64	8	71	69	66	63	61	58	55	53	50	46	8	28
10	70	69	10	77	75	71	68	66	63	60	57	55	50	10	36
11	75	73	11	83	80	77	74	72	68	65	62	59	54	11	44
12	78	77	12	91	88	84	81	78	75	71	67	65	59	12	51
13	81	80	13	97	94	90	87	84	80	76	72	69	63	13	60
14	85	83	14	105	102	98	94	90	86	82	78	75	68	14	71
15	89	87	15	116	112	108	103	99	95	90	86	82	75	15	86
16	92	91	16	127	124	118	113	109	104	99	94	90	82	16	104
17	96	94	17	141	136	131	125	121	115	109	104	100	92	17	125
18	100	98	18	153	149	143	136	132	126	119	114	109	99	18	149
19	103	101	19	168	163	155	149	144	138	131	124	119	109	19	178
20	106	104	20	185	180	173	165	159	152	145	137	131	121	20	212
21	109	107	21	206	200	192	183	177	169	160	153	146	134	21	293
22	113	111	22	233	226	217	207	200	191	182	173	165	151		
23	116	114	23	261	253	242	232	224	214	203	193	185	170		
24	119	117	24	302	293	280	268	260	248	236	224	214	196		
25	123	121	25	371	360	345	330	320	305	290	275	263	241		
26	127	124	26	456	442	424	405	392	373	356	337	324	296		
27	131	128													
28	135	132													
29	139	137													
30	143	141													
31	148	145													
32	152	149													
33	157	153													
34	160	157													
35	164	161													
36	168	165													
37	175	171													
38	181	178													
39	187	184													
40	193	190													
41	200	196													
42	206	202													
43	212	208													
44	218	214													
45	224	219													
46	231	226													
47	239	234													
48	246	241													
49	253	249													
50	260	255													
51	268	263													
52	275	270													
53	282	276													
54	293	288													
55	307	301													
56	324	317													
57	342	335													

TERRITORY 18

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	368	361													
59	408	400													
60	452	444													
61	494	485													
62	533	523													
63	572	562													
64	611	600													
65	651	638													
66	710	697													
67	788	773													
68	866	850													
69	944	927													
70	1023	1003													
71	1101	1080													
72	1179	1157													
73	1257	1234													
74	1336	1311													
75	1414	1387													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	162	156	1	192	179	166	156	146	136	126	116	109	89	1	43
2	215	209	2	215	199	189	175	162	152	142	132	122	103	2	53
3	235	225	3	252	235	218	205	189	175	166	152	142	119	3	66
4	275	265	4	271	252	235	218	205	189	179	166	156	129	4	73
5	301	291	5	291	271	255	235	218	205	192	179	166	136	5	86
6	314	305	6	305	285	265	248	228	212	202	185	172	142	6	93
7	331	318	7	318	295	278	258	238	222	209	195	182	149	7	103
8	344	334	8	331	308	288	268	248	232	218	202	189	156	8	122
10	357	344	10	354	331	308	288	265	248	235	215	202	166	10	142
11	367	354	11	371	344	321	301	278	258	245	225	212	175	11	156
12	381	367	12	381	354	331	308	285	268	252	232	218	179	12	172
13	394	377	13	397	371	344	321	298	278	261	242	225	185	13	185
14	404	391	14	420	391	364	341	314	295	278	255	238	199	14	205
15	410	397	15	444	414	387	361	334	311	291	271	252	209	15	222
16	414	401	16	460	427	401	374	344	321	305	281	261	215	16	245
17	424	407	17	477	444	414	387	357	334	314	291	271	225	17	258
18	434	417	18	503	467	437	407	377	351	331	308	288	235	18	281
19	440	424	19	526	490	457	427	394	367	348	321	301	248	19	298
20	453	437	20	543	506	473	440	407	381	357	331	308	255	20	318
21	463	447	21	566	526	493	460	424	397	374	344	321	265	21	361
22	470	453	22	596	553	520	483	447	417	394	364	341	281		
23	477	460	23	619	576	540	500	463	434	407	377	354	291		
24	490	470	24	645	599	563	523	483	453	427	394	367	305		
25	493	473	25	698	649	609	566	523	490	460	427	397	328		
26	500	483	26	758	705	659	612	569	530	500	463	434	357		
27	506	490													
28	510	493													
29	520	500													

TERRITORY 18

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	523	503													
31	530	510													
32	540	520													
33	546	526													
34	556	536													
35	563	543													
36	569	549													
37	579	559													
38	589	566													
39	592	569													
40	599	576													
41	606	586													
42	612	592													
43	622	599													
44	626	602													
45	636	612													
46	642	619													
47	649	626													
48	659	636													
49	665	642													
50	672	649													
51	679	655													
52	682	659													
53	692	665													
54	698	672													
55	708	685													
56	722	695													
57	735	708													
58	758	728													
59	788	758													
60	821	791													
61	844	814													
62	864	831													
63	877	847													
64	897	864													
65	914	880													
66	940	907													
67	976	943													
68	1013	976													
69	1049	1013													
70	1089	1049													
71	1125	1082													
72	1162	1119													
73	1198	1155													
74	1235	1192													
75	1271	1225													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 24

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	31	30	1	36	35	33	32	31	29	28	26	25	24	1	8
2	40	39	2	50	48	46	44	43	40	39	37	36	32	2	10
3	51	50	3	56	55	53	50	49	46	44	41	40	37	3	14
4	58	57	4	62	60	57	55	54	51	48	46	44	40	4	17
5	65	64	5	71	69	66	63	61	58	55	53	50	46	5	20
6	72	71	6	79	76	73	71	68	65	62	58	56	52	6	26
7	80	78	7	86	84	81	77	74	71	68	64	61	56	7	32
8	86	85	8	94	91	87	84	81	77	73	70	67	61	8	38
10	93	91	10	102	99	94	90	87	84	79	75	72	66	10	48
11	99	97	11	110	106	102	98	95	90	86	82	78	71	11	58
12	103	102	12	120	117	112	107	103	99	94	89	86	78	12	68
13	107	105	13	129	125	119	115	111	105	101	95	91	84	13	80
14	113	110	14	139	135	130	124	119	114	108	103	99	90	14	94
15	118	116	15	153	149	143	136	132	126	119	114	109	100	15	114
16	122	120	16	168	164	156	149	145	138	132	124	119	109	16	138
17	127	125	17	186	180	173	165	160	152	145	138	133	121	17	165
18	133	130	18	203	197	189	180	175	166	158	150	144	132	18	197
19	136	133	19	222	215	206	197	191	182	173	165	158	144	19	236
20	140	137	20	245	238	228	218	211	201	192	181	174	160	20	280
21	145	142	21	273	264	254	243	234	224	212	202	194	178	21	387
22	149	147	22	308	299	287	274	265	253	241	228	219	200		
23	154	151	23	345	335	321	307	297	283	269	256	245	225		
24	158	155	24	400	387	371	355	344	328	312	296	284	259		
25	163	160	25	492	477	457	437	423	403	384	364	349	320		
26	168	165	26	603	586	561	537	519	494	471	447	429	392		
27	173	169													
28	179	175													
29	184	181													
30	190	186													
31	196	192													
32	201	197													
33	208	203													
34	212	208													
35	217	213													
36	223	219													
37	231	227													
38	240	235													
39	248	243													
40	256	251													
41	264	259													
42	273	267													
43	280	275													
44	289	283													
45	296	290													
46	306	300													
47	316	310													
48	326	320													
49	336	329													
50	344	337													
51	354	348													
52	364	357													
53	373	366													
54	388	381													
55	407	399													
56	429	420													
57	452	444													

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RATE PAGES**

NORTH CAROLINA (32)

TERRITORY 24

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	488	478													
59	541	530													
60	599	588													
61	654	642													
62	706	692													
63	758	744													
64	809	794													
65	862	845													
66	940	922													
67	1043	1024													
68	1147	1125													
69	1250	1227													
70	1355	1328													
71	1458	1430													
72	1561	1531													
73	1665	1634													
74	1769	1735													
75	1872	1837													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	167	160	1	198	184	171	160	150	140	130	119	113	92	1	44
2	222	215	2	222	205	194	181	167	157	147	136	126	106	2	55
3	242	232	3	259	242	225	211	194	181	171	157	147	123	3	68
4	283	273	4	280	259	242	225	211	194	184	171	160	133	4	75
5	310	300	5	300	280	263	242	225	211	198	184	171	140	5	89
6	324	314	6	314	293	273	256	235	218	208	191	177	147	6	95
7	341	327	7	327	303	286	266	246	228	215	201	188	153	7	106
8	355	344	8	341	317	297	276	256	239	225	208	194	160	8	126
10	368	355	10	365	341	317	297	273	256	242	222	208	171	10	147
11	379	365	11	382	355	331	310	286	266	252	232	218	181	11	160
12	392	379	12	392	365	341	317	293	276	259	239	225	184	12	177
13	406	389	13	409	382	355	331	307	286	269	249	232	191	13	191
14	416	402	14	433	402	375	351	324	303	286	263	246	205	14	211
15	423	409	15	457	426	399	372	344	321	300	280	259	215	15	228
16	426	413	16	474	440	413	385	355	331	314	290	269	222	16	252
17	436	419	17	491	457	426	399	368	344	324	300	280	232	17	266
18	447	430	18	518	481	450	419	389	361	341	317	297	242	18	290
19	454	436	19	542	505	471	440	406	379	358	331	310	256	19	307
20	467	450	20	559	522	488	454	419	392	368	341	317	263	20	327
21	477	460	21	583	542	508	474	436	409	385	355	331	273	21	372
22	484	467	22	614	569	535	498	460	430	406	375	351	290		
23	491	474	23	638	593	556	515	477	447	419	389	365	300		
24	505	484	24	665	617	580	539	498	467	440	406	379	314		
25	508	488	25	720	668	627	583	539	505	474	440	409	338		
26	515	498	26	781	726	679	631	587	546	515	477	447	368		
27	522	505													
28	525	508													
29	535	515													

TERRITORY 24

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	539	518													
31	546	525													
32	556	535													
33	563	542													
34	573	552													
35	580	559													
36	587	566													
37	597	576													
38	607	583													
39	610	587													
40	617	593													
41	624	604													
42	631	610													
43	641	617													
44	644	621													
45	655	631													
46	662	638													
47	668	644													
48	679	655													
49	685	662													
50	692	668													
51	699	675													
52	702	679													
53	713	685													
54	720	692													
55	730	706													
56	743	716													
57	757	730													
58	781	750													
59	812	781													
60	846	815													
61	870	839													
62	890	856													
63	904	873													
64	924	890													
65	941	907													
66	968	934													
67	1006	972													
68	1043	1006													
69	1081	1043													
70	1122	1081													
71	1159	1115													
72	1197	1153													
73	1234	1190													
74	1272	1228													
75	1309	1262													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

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NORTH CAROLINA (32)

TERRITORY 25

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	25	25	1	29	28	27	26	25	24	23	22	21	19	1	7
2	33	32	2	41	39	38	36	35	33	32	30	29	26	2	8
3	42	41	3	46	45	43	41	40	38	36	34	33	30	3	12
4	48	47	4	51	49	47	45	44	42	39	38	36	33	4	14
5	53	52	5	58	56	54	52	50	48	45	43	41	38	5	16
6	59	58	6	65	62	60	58	55	53	51	48	46	42	6	22
7	65	64	7	71	69	66	63	61	58	55	52	50	46	7	26
8	70	69	8	77	75	72	69	66	63	60	57	55	50	8	31
10	76	75	10	83	81	77	74	72	69	65	62	59	54	10	39
11	81	79	11	90	87	84	80	78	74	70	67	64	59	11	48
12	85	83	12	99	95	92	88	85	81	77	73	70	64	12	55
13	88	86	13	105	102	98	94	91	86	82	78	75	69	13	65
14	92	90	14	114	111	106	102	98	93	89	85	81	74	14	77
15	96	95	15	126	122	117	112	108	103	98	93	89	82	15	93
16	100	99	16	138	134	128	122	119	113	108	102	98	89	16	113
17	104	102	17	152	148	142	136	131	125	119	113	109	99	17	136
18	109	106	18	166	162	155	148	143	136	129	123	118	108	18	162
19	112	109	19	182	176	169	162	156	149	142	135	129	118	19	193
20	115	112	20	201	195	187	179	172	165	157	149	142	131	20	229
21	119	116	21	223	216	208	199	192	183	174	166	159	146	21	317
22	122	120	22	253	245	235	225	217	207	197	187	179	164		
23	126	124	23	283	274	263	252	243	232	220	209	201	184		
24	129	127	24	327	317	304	291	282	269	256	243	233	213		
25	133	131	25	403	390	374	358	347	330	314	298	286	262		
26	138	135	26	494	480	460	440	425	405	386	366	351	321		
27	142	139													
28	146	143													
29	151	149													
30	156	152													
31	160	157													
32	165	162													
33	170	166													
34	174	170													
35	178	175													
36	182	179													
37	189	186													
38	196	193													
39	203	199													
40	209	206													
41	216	213													
42	223	219													
43	229	226													
44	236	232													
45	243	238													
46	251	246													
47	259	254													
48	267	262													
49	275	270													
50	282	276													
51	290	285													
52	298	293													
53	306	300													
54	318	312													
55	333	326													
56	351	344													
57	370	363													

TERRITORY 25

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	400	392													
59	443	434													
60	490	481													
61	536	526													
62	578	567													
63	621	609													
64	663	651													
65	706	692													
66	770	755													
67	855	839													
68	939	922													
69	1024	1005													
70	1110	1088													
71	1194	1171													
72	1279	1254													
73	1364	1338													
74	1449	1421													
75	1534	1505													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	179	172	1	212	197	183	172	161	150	139	128	120	99	1	47
2	237	230	2	237	219	208	193	179	168	157	146	135	113	2	58
3	259	248	3	277	259	241	226	208	193	183	168	157	131	3	73
4	303	292	4	299	277	259	241	226	208	197	183	172	142	4	80
5	332	321	5	321	299	281	259	241	226	212	197	183	150	5	95
6	347	336	6	336	314	292	274	252	234	223	204	190	157	6	102
7	365	350	7	350	325	307	285	263	245	230	215	201	164	7	113
8	380	369	8	365	339	318	296	274	256	241	223	208	172	8	135
10	394	380	10	391	365	339	318	292	274	259	237	223	183	10	157
11	405	391	11	409	380	354	332	307	285	270	248	234	193	11	172
12	420	405	12	420	391	365	339	314	296	277	256	241	197	12	190
13	434	416	13	438	409	380	354	329	307	288	266	248	204	13	204
14	445	431	14	464	431	402	376	347	325	307	281	263	219	14	226
15	453	438	15	489	456	427	398	369	343	321	299	277	230	15	245
16	456	442	16	507	471	442	412	380	354	336	310	288	237	16	270
17	467	449	17	526	489	456	427	394	369	347	321	299	248	17	285
18	478	460	18	555	515	482	449	416	387	365	339	318	259	18	310
19	485	467	19	580	540	504	471	434	405	383	354	332	274	19	329
20	500	482	20	599	558	522	485	449	420	394	365	339	281	20	350
21	511	493	21	624	580	544	507	467	438	412	380	354	292	21	398
22	518	500	22	657	610	573	533	493	460	434	402	376	310		
23	526	507	23	683	635	595	551	511	478	449	416	391	321		
24	540	518	24	712	661	621	577	533	500	471	434	405	336		
25	544	522	25	770	715	672	624	577	540	507	471	438	361		
26	551	533	26	836	777	726	675	628	584	551	511	478	394		
27	558	540													
28	562	544													
29	573	551													

TERRITORY 25

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	577	555													
31	584	562													
32	595	573													
33	602	580													
34	613	591													
35	621	599													
36	628	606													
37	639	617													
38	650	624													
39	653	628													
40	661	635													
41	668	646													
42	675	653													
43	686	661													
44	690	664													
45	701	675													
46	708	683													
47	715	690													
48	726	701													
49	734	708													
50	741	715													
51	748	723													
52	752	726													
53	763	734													
54	770	741													
55	781	756													
56	796	767													
57	810	781													
58	836	803													
59	869	836													
60	905	872													
61	931	898													
62	953	916													
63	967	934													
64	989	953													
65	1007	971													
66	1037	1000													
67	1077	1040													
68	1117	1077													
69	1157	1117													
70	1201	1157													
71	1241	1194													
72	1281	1234													
73	1321	1274													
74	1361	1314													
75	1402	1351													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 26

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	37	36	1	42	41	39	38	37	34	33	31	30	28	1	10
2	48	47	2	59	57	54	52	51	48	46	43	42	38	2	12
3	60	59	3	67	64	62	59	58	54	52	49	48	43	3	17
4	69	68	4	73	71	68	65	63	60	57	54	52	48	4	20
5	77	75	5	83	81	78	74	72	69	65	62	59	54	5	23
6	85	83	6	93	90	87	83	80	77	73	69	67	61	6	31
7	94	92	7	102	99	95	91	88	83	80	75	72	67	7	38
8	101	100	8	111	108	103	99	95	91	87	82	79	72	8	44
10	110	108	10	120	117	111	107	103	99	93	89	85	78	10	57
11	117	114	11	130	125	121	115	112	107	101	97	92	84	11	69
12	122	120	12	142	138	132	127	122	117	111	105	101	92	12	80
13	127	124	13	152	148	141	135	131	124	119	112	108	99	13	94
14	133	130	14	164	160	153	147	141	134	128	122	117	107	14	111
15	139	137	15	181	175	169	161	155	149	141	134	129	118	15	134
16	144	142	16	199	193	184	176	171	163	155	147	141	129	16	163
17	150	148	17	220	213	204	195	189	180	171	163	157	143	17	195
18	157	153	18	240	233	223	213	206	196	186	178	170	155	18	233
19	161	158	19	262	254	243	233	225	215	204	194	186	170	19	279
20	165	162	20	290	281	270	258	249	238	226	214	205	189	20	331
21	171	168	21	322	312	300	286	276	264	251	239	229	210	21	457
22	176	173	22	364	353	339	324	313	299	284	270	259	236		
23	182	179	23	407	395	379	363	351	334	317	302	290	265		
24	186	183	24	472	457	438	420	406	387	369	350	335	306		
25	192	189	25	581	563	539	516	500	476	453	430	412	377		
26	199	194	26	713	692	663	634	613	584	556	527	506	463		
27	204	200													
28	211	206													
29	218	214													
30	224	220													
31	231	226													
32	238	233													
33	245	240													
34	251	245													
35	256	252													
36	263	259													
37	273	268													
38	283	278													
39	293	287													
40	302	296													
41	312	306													
42	322	315													
43	331	325													
44	341	334													
45	350	343													
46	362	354													
47	373	366													
48	385	377													
49	396	389													
50	406	398													
51	418	411													
52	430	422													
53	441	432													
54	458	450													
55	481	471													
56	506	496													
57	534	524													

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

TERRITORY 26

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	576	565													
59	638	626													
60	707	694													
61	773	758													
62	834	817													
63	895	878													
64	956	938													
65	1018	998													
66	1110	1089													
67	1232	1209													
68	1354	1329													
69	1476	1449													
70	1600	1568													
71	1722	1688													
72	1844	1808													
73	1966	1929													
74	2089	2049													
75	2211	2169													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	182	174	1	215	200	186	174	163	152	141	130	122	100	1	48
2	241	234	2	241	223	211	197	182	171	160	148	137	115	2	59
3	263	252	3	282	263	245	230	211	197	186	171	160	134	3	74
4	308	297	4	304	282	263	245	230	211	200	186	174	145	4	82
5	338	326	5	326	304	286	263	245	230	215	200	186	152	5	96
6	352	341	6	341	319	297	278	256	237	226	208	193	160	6	104
7	371	356	7	356	330	312	289	267	249	234	219	204	167	7	115
8	386	375	8	371	345	323	301	278	260	245	226	211	174	8	137
10	401	386	10	397	371	345	323	297	278	263	241	226	186	10	160
11	412	397	11	416	386	360	338	312	289	275	252	237	197	11	174
12	427	412	12	427	397	371	345	319	301	282	260	245	200	12	193
13	441	423	13	445	416	386	360	334	312	293	271	252	208	13	208
14	453	438	14	471	438	408	382	352	330	312	286	267	223	14	230
15	460	445	15	497	464	434	404	375	349	326	304	282	234	15	249
16	464	449	16	516	479	449	419	386	360	341	315	293	241	16	275
17	475	456	17	534	497	464	434	401	375	352	326	304	252	17	289
18	486	467	18	564	523	490	456	423	393	371	345	323	263	18	315
19	493	475	19	590	549	512	479	441	412	390	360	338	278	19	334
20	508	490	20	608	568	531	493	456	427	401	371	345	286	20	356
21	519	501	21	634	590	553	516	475	445	419	386	360	297	21	404
22	527	508	22	668	620	582	542	501	467	441	408	382	315		
23	534	516	23	694	646	605	560	519	486	456	423	397	326		
24	549	527	24	723	672	631	586	542	508	479	441	412	341		
25	553	531	25	783	727	683	634	586	549	516	479	445	367		
26	560	542	26	850	790	738	686	638	594	560	519	486	401		
27	568	549													
28	571	553													
29	582	560													

TERRITORY 26

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	586	564													
31	594	571													
32	605	582													
33	612	590													
34	623	601													
35	631	608													
36	638	616													
37	649	627													
38	660	634													
39	664	638													
40	672	646													
41	679	657													
42	686	664													
43	697	672													
44	701	675													
45	712	686													
46	720	694													
47	727	701													
48	738	712													
49	746	720													
50	753	727													
51	761	735													
52	764	738													
53	775	746													
54	783	753													
55	794	768													
56	809	779													
57	824	794													
58	850	816													
59	883	850													
60	920	887													
61	946	913													
62	968	931													
63	983	950													
64	1005	968													
65	1024	987													
66	1054	1017													
67	1094	1057													
68	1135	1094													
69	1176	1135													
70	1221	1176													
71	1261	1213													
72	1302	1254													
73	1343	1295													
74	1384	1336													
75	1425	1373													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
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NORTH CAROLINA (32)

TERRITORY 31

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	30	29	1	35	34	32	31	30	29	28	26	25	23	1	8
2	40	39	2	49	47	45	43	42	40	38	36	35	31	2	10
3	50	49	3	55	53	52	49	48	45	43	40	40	36	3	14
4	57	56	4	61	59	56	54	52	50	47	45	43	40	4	17
5	63	63	5	69	67	64	62	60	57	54	52	49	45	5	19
6	71	69	6	77	75	72	69	66	63	61	57	55	51	6	26
7	78	76	7	85	82	79	75	73	69	66	63	60	55	7	31
8	84	83	8	92	89	86	82	79	75	72	68	65	60	8	37
10	91	89	10	99	97	92	88	86	82	77	74	71	64	10	47
11	97	95	11	108	104	100	96	93	88	84	80	76	70	11	57
12	101	99	12	118	114	109	105	101	97	92	87	84	76	12	66
13	105	103	13	126	122	117	112	109	103	98	93	89	82	13	78
14	110	108	14	136	132	127	121	117	111	106	101	97	88	14	92
15	115	113	15	150	145	140	133	129	123	117	111	107	98	15	111
16	120	118	16	165	160	153	146	142	135	129	121	117	107	16	135
17	124	122	17	182	177	169	162	156	149	142	135	130	119	17	162
18	130	127	18	199	193	185	177	171	163	155	147	141	129	18	193
19	133	131	19	217	211	201	193	187	178	169	161	155	141	19	231
20	137	134	20	240	233	224	213	206	197	188	178	170	156	20	274
21	142	139	21	267	259	248	237	229	219	208	198	190	174	21	379
22	146	144	22	302	293	281	269	259	247	236	224	214	196		
23	151	148	23	338	328	314	301	291	277	263	250	240	220		
24	155	152	24	391	379	363	348	337	321	305	290	278	254		
25	159	156	25	481	466	447	428	414	395	375	356	341	313		
26	165	161	26	591	573	549	525	508	484	461	437	420	384		
27	169	166													
28	175	171													
29	180	178													
30	186	182													
31	191	188													
32	197	193													
33	203	199													
34	208	203													
35	213	209													
36	218	214													
37	226	222													
38	235	230													
39	243	238													
40	250	246													
41	259	254													
42	267	261													
43	274	270													
44	282	277													
45	290	284													
46	300	293													
47	309	304													
48	319	313													
49	328	322													
50	337	330													
51	347	340													
52	356	350													
53	365	358													
54	380	373													
55	398	390													
56	420	411													
57	443	434													

TERRITORY 31

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	477	468													
59	529	519													
60	586	575													
61	640	628													
62	691	677													
63	742	728													
64	792	777													
65	844	827													
66	920	903													
67	1021	1002													
68	1122	1101													
69	1224	1201													
70	1326	1300													
71	1427	1399													
72	1528	1499													
73	1629	1599													
74	1731	1698													
75	1833	1798													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	162	156	1	192	179	166	156	146	136	126	116	109	89	1	43
2	215	209	2	215	199	189	175	162	152	142	132	122	103	2	53
3	235	225	3	252	235	218	205	189	175	166	152	142	119	3	66
4	275	265	4	271	252	235	218	205	189	179	166	156	129	4	73
5	301	291	5	291	271	255	235	218	205	192	179	166	136	5	86
6	314	305	6	305	285	265	248	228	212	202	185	172	142	6	93
7	331	318	7	318	295	278	258	238	222	209	195	182	149	7	103
8	344	334	8	331	308	288	268	248	232	218	202	189	156	8	122
10	357	344	10	354	331	308	288	265	248	235	215	202	166	10	142
11	367	354	11	371	344	321	301	278	258	245	225	212	175	11	156
12	381	367	12	381	354	331	308	285	268	252	232	218	179	12	172
13	394	377	13	397	371	344	321	298	278	261	242	225	185	13	185
14	404	391	14	420	391	364	341	314	295	278	255	238	199	14	205
15	410	397	15	444	414	387	361	334	311	291	271	252	209	15	222
16	414	401	16	460	427	401	374	344	321	305	281	261	215	16	245
17	424	407	17	477	444	414	387	357	334	314	291	271	225	17	258
18	434	417	18	503	467	437	407	377	351	331	308	288	235	18	281
19	440	424	19	526	490	457	427	394	367	348	321	301	248	19	298
20	453	437	20	543	506	473	440	407	381	357	331	308	255	20	318
21	463	447	21	566	526	493	460	424	397	374	344	321	265	21	361
22	470	453	22	596	553	520	483	447	417	394	364	341	281		
23	477	460	23	619	576	540	500	463	434	407	377	354	291		
24	490	470	24	645	599	563	523	483	453	427	394	367	305		
25	493	473	25	698	649	609	566	523	490	460	427	397	328		
26	500	483	26	758	705	659	612	569	530	500	463	434	357		
27	506	490													
28	510	493													
29	520	500													

TERRITORY 31

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	523	503													
31	530	510													
32	540	520													
33	546	526													
34	556	536													
35	563	543													
36	569	549													
37	579	559													
38	589	566													
39	592	569													
40	599	576													
41	606	586													
42	612	592													
43	622	599													
44	626	602													
45	636	612													
46	642	619													
47	649	626													
48	659	636													
49	665	642													
50	672	649													
51	679	655													
52	682	659													
53	692	665													
54	698	672													
55	708	685													
56	722	695													
57	735	708													
58	758	728													
59	788	758													
60	821	791													
61	844	814													
62	864	831													
63	877	847													
64	897	864													
65	914	880													
66	940	907													
67	976	943													
68	1013	976													
69	1049	1013													
70	1089	1049													
71	1125	1082													
72	1162	1119													
73	1198	1155													
74	1235	1192													
75	1271	1225													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 32

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	26	25	1	30	29	28	27	26	24	24	22	21	20	1	7
2	34	33	2	42	40	39	37	36	34	32	31	30	27	2	9
3	43	42	3	47	46	44	42	41	39	37	35	34	31	3	12
4	49	48	4	52	51	48	47	45	43	40	39	37	34	4	14
5	55	54	5	59	58	55	53	51	49	47	44	42	39	5	17
6	61	59	6	66	64	62	59	57	55	52	49	47	43	6	22
7	67	66	7	73	70	68	65	62	59	57	54	51	47	7	27
8	72	71	8	79	77	73	70	68	65	62	58	56	51	8	32
10	78	77	10	85	83	79	76	73	70	66	63	61	55	10	40
11	83	81	11	92	89	86	82	80	76	72	69	66	60	11	49
12	87	85	12	101	98	94	90	87	83	79	75	72	66	12	57
13	90	88	13	108	105	100	96	93	88	85	80	77	70	13	67
14	95	92	14	117	114	109	104	100	96	91	87	83	76	14	79
15	99	97	15	129	125	120	115	111	106	100	96	92	84	15	96
16	103	101	16	141	137	131	126	122	116	111	104	100	92	16	116
17	107	105	17	156	152	145	139	134	128	122	116	111	102	17	139
18	111	109	18	171	166	159	152	147	140	133	126	121	111	18	166
19	115	112	19	186	181	173	166	160	153	145	138	133	121	19	198
20	118	115	20	206	200	192	183	177	169	161	152	146	134	20	235
21	122	119	21	229	222	213	204	197	188	179	170	163	149	21	325
22	126	123	22	259	251	241	231	223	213	202	192	184	168		
23	130	127	23	290	281	269	258	250	238	226	215	206	189		
24	133	130	24	336	325	312	299	289	276	262	249	239	218		
25	137	134	25	413	401	384	367	356	339	322	306	293	269		
26	141	138	26	507	492	472	451	436	416	396	375	360	329		
27	145	142													
28	150	147													
29	155	152													
30	160	156													
31	164	161													
32	169	166													
33	175	171													
34	179	175													
35	182	179													
36	187	184													
37	194	190													
38	201	198													
39	209	205													
40	215	211													
41	222	218													
42	229	224													
43	235	231													
44	243	238													
45	249	244													
46	258	252													
47	265	261													
48	274	269													
49	282	277													
50	289	284													
51	298	292													
52	306	300													
53	314	307													
54	326	320													
55	342	335													
56	360	353													
57	380	373													

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NORTH CAROLINA (32)

TERRITORY 32

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	410	402													
59	454	446													
60	503	494													
61	550	540													
62	593	581													
63	637	625													
64	680	668													
65	724	710													
66	790	775													
67	877	860													
68	964	946													
69	1051	1031													
70	1138	1116													
71	1225	1202													
72	1312	1287													
73	1399	1373													
74	1487	1458													
75	1574	1544													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	159	153	1	189	176	163	153	143	133	124	114	107	88	1	42
2	211	205	2	211	195	185	172	159	150	140	130	120	101	2	52
3	231	221	3	247	231	215	202	185	172	163	150	140	117	3	65
4	270	260	4	267	247	231	215	202	185	176	163	153	127	4	72
5	296	286	5	286	267	250	231	215	202	189	176	163	133	5	85
6	309	299	6	299	280	260	244	224	208	198	182	169	140	6	91
7	325	312	7	312	289	273	254	234	218	205	192	179	146	7	101
8	338	328	8	325	302	283	263	244	228	215	198	185	153	8	120
10	351	338	10	348	325	302	283	260	244	231	211	198	163	10	140
11	361	348	11	364	338	315	296	273	254	241	221	208	172	11	153
12	374	361	12	374	348	325	302	280	263	247	228	215	176	12	169
13	387	371	13	390	364	338	315	293	273	257	237	221	182	13	182
14	397	384	14	413	384	358	335	309	289	273	250	234	195	14	202
15	403	390	15	436	406	380	354	328	306	286	267	247	205	15	218
16	406	393	16	452	419	393	367	338	315	299	276	257	211	16	241
17	416	400	17	468	436	406	380	351	328	309	286	267	221	17	254
18	426	410	18	494	458	429	400	371	345	325	302	283	231	18	276
19	432	416	19	517	481	449	419	387	361	341	315	296	244	19	293
20	445	429	20	533	497	465	432	400	374	351	325	302	250	20	312
21	455	439	21	556	517	484	452	416	390	367	338	315	260	21	354
22	462	445	22	585	543	510	475	439	410	387	358	335	276		
23	468	452	23	608	566	530	491	455	426	400	371	348	286		
24	481	462	24	634	588	553	514	475	445	419	387	361	299		
25	484	465	25	686	637	598	556	514	481	452	419	390	322		
26	491	475	26	744	692	647	601	559	520	491	455	426	351		
27	497	481													
28	501	484													
29	510	491													

TERRITORY 32

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	514	494													
31	520	501													
32	530	510													
33	536	517													
34	546	527													
35	553	533													
36	559	540													
37	569	549													
38	579	556													
39	582	559													
40	588	566													
41	595	575													
42	601	582													
43	611	588													
44	614	592													
45	624	601													
46	631	608													
47	637	614													
48	647	624													
49	653	631													
50	660	637													
51	666	644													
52	670	647													
53	679	653													
54	686	660													
55	696	673													
56	709	683													
57	722	696													
58	744	715													
59	774	744													
60	806	777													
61	829	800													
62	848	816													
63	861	832													
64	881	848													
65	897	865													
66	923	891													
67	959	926													
68	995	959													
69	1030	995													
70	1069	1030													
71	1105	1063													
72	1141	1099													
73	1177	1134													
74	1212	1170													
75	1248	1203													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

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NORTH CAROLINA (32)

TERRITORY 33

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	43	42	1	50	48	46	45	43	41	39	37	35	33	1	12
2	56	55	2	69	67	64	62	60	56	54	51	50	45	2	14
3	71	69	3	79	76	73	69	68	64	62	58	56	51	3	20
4	81	80	4	86	84	80	77	75	71	67	64	62	56	4	24
5	90	89	5	98	96	92	88	85	81	77	73	69	64	5	28
6	101	98	6	110	106	102	98	94	90	86	81	79	72	6	37
7	111	109	7	121	117	113	107	103	98	94	89	85	79	7	45
8	119	118	8	131	127	122	117	113	107	102	97	93	85	8	52
10	130	127	10	141	138	131	126	122	117	110	105	101	92	10	67
11	138	135	11	153	148	143	136	132	126	119	114	109	100	11	81
12	144	141	12	168	162	156	149	144	138	131	124	119	109	12	94
13	149	147	13	179	174	166	160	155	147	140	132	127	117	13	111
14	157	153	14	194	189	181	173	166	159	151	144	138	126	14	131
15	164	161	15	214	207	199	190	183	176	166	159	152	139	15	159
16	170	168	16	234	228	217	208	202	193	183	173	166	152	16	193
17	177	174	17	259	252	241	231	223	212	202	193	185	169	17	231
18	185	181	18	283	275	263	252	244	232	220	210	200	183	18	275
19	190	186	19	309	300	287	275	266	254	241	229	220	200	19	329
20	195	191	20	342	331	318	304	293	280	267	253	242	223	20	390
21	202	198	21	380	368	354	338	326	312	296	282	270	248	21	540
22	208	204	22	430	417	400	383	369	352	335	318	305	279		
23	215	211	23	481	466	447	428	414	394	375	356	342	313		
24	220	216	24	557	540	517	495	479	457	435	413	396	362		
25	227	223	25	685	664	637	609	590	562	534	507	486	445		
26	234	229	26	841	816	782	748	723	689	656	622	597	546		
27	241	236													
28	249	244													
29	257	253													
30	265	259													
31	272	267													
32	280	275													
33	290	283													
34	296	290													
35	303	297													
36	310	305													
37	322	316													
38	334	328													
39	346	339													
40	356	350													
41	368	362													
42	380	372													
43	390	384													
44	402	394													
45	413	405													
46	427	418													
47	440	432													
48	455	445													
49	468	459													
50	479	470													
51	494	485													
52	507	498													
53	520	510													
54	541	531													
55	567	555													
56	597	586													
57	630	618													

TERRITORY 33

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	680	667													
59	753	739													
60	834	819													
61	912	895													
62	984	964													
63	1056	1036													
64	1128	1107													
65	1201	1178													
66	1310	1285													
67	1454	1427													
68	1598	1568													
69	1742	1710													
70	1888	1851													
71	2032	1993													
72	2176	2134													
73	2320	2277													
74	2465	2418													
75	2610	2560													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	170	163	1	201	187	173	163	152	142	131	121	114	93	1	45
2	225	218	2	225	208	197	183	170	159	149	138	128	107	2	55
3	246	235	3	263	246	228	215	197	183	173	159	149	125	3	69
4	287	277	4	284	263	246	228	215	197	187	173	163	135	4	76
5	315	304	5	304	284	266	246	228	215	201	187	173	142	5	90
6	329	318	6	318	298	277	260	239	221	211	194	180	149	6	97
7	346	332	7	332	308	291	270	249	232	218	204	190	156	7	107
8	360	349	8	346	322	301	280	260	242	228	211	197	163	8	128
10	374	360	10	370	346	322	301	277	260	246	225	211	173	10	149
11	384	370	11	388	360	336	315	291	270	256	235	221	183	11	163
12	398	384	12	398	370	346	322	298	280	263	242	228	187	12	180
13	412	394	13	415	388	360	336	311	291	273	253	235	194	13	194
14	422	408	14	439	408	381	356	329	308	291	266	249	208	14	215
15	429	415	15	464	433	405	377	349	325	304	284	263	218	15	232
16	433	419	16	481	446	419	391	360	336	318	294	273	225	16	256
17	443	426	17	498	464	433	405	374	349	329	304	284	235	17	270
18	453	436	18	526	488	457	426	394	367	346	322	301	246	18	294
19	460	443	19	550	512	477	446	412	384	363	336	315	260	19	311
20	474	457	20	567	529	495	460	426	398	374	346	322	266	20	332
21	484	467	21	592	550	516	481	443	415	391	360	336	277	21	377
22	491	474	22	623	578	543	505	467	436	412	381	356	294		
23	498	481	23	647	602	564	522	484	453	426	394	370	304		
24	512	491	24	675	626	588	547	505	474	446	412	384	318		
25	516	495	25	730	678	637	592	547	512	481	446	415	343		
26	522	505	26	792	737	689	640	595	554	522	484	453	374		
27	529	512													
28	533	516													
29	543	522													

TERRITORY 33

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	547	526													
31	554	533													
32	564	543													
33	571	550													
34	581	561													
35	588	567													
36	595	574													
37	606	585													
38	616	592													
39	619	595													
40	626	602													
41	633	612													
42	640	619													
43	650	626													
44	654	630													
45	664	640													
46	671	647													
47	678	654													
48	689	664													
49	695	671													
50	702	678													
51	709	685													
52	713	689													
53	723	695													
54	730	702													
55	740	716													
56	754	727													
57	768	740													
58	792	761													
59	823	792													
60	858	827													
61	882	851													
62	903	868													
63	917	886													
64	938	903													
65	955	920													
66	983	948													
67	1021	986													
68	1059	1021													
69	1097	1059													
70	1138	1097													
71	1176	1131													
72	1214	1169													
73	1253	1208													
74	1291	1246													
75	1329	1280													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 40

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	28	28	1	33	32	30	29	28	27	26	24	23	22	1	8
2	37	36	2	46	44	42	40	40	37	35	34	33	29	2	9
3	46	46	3	52	50	48	46	45	42	40	38	37	34	3	13
4	53	52	4	57	55	52	51	49	46	44	42	40	37	4	15
5	59	58	5	65	63	60	58	56	53	51	48	46	42	5	18
6	66	65	6	72	70	67	65	62	59	57	53	52	47	6	24
7	73	71	7	79	77	74	71	68	65	62	58	56	52	7	29
8	78	77	8	86	83	80	77	74	71	67	64	61	56	8	34
10	85	83	10	93	90	86	83	80	77	72	69	66	60	10	44
11	90	89	11	101	97	94	89	87	83	78	75	71	65	11	53
12	95	93	12	110	107	102	98	95	90	86	82	78	71	12	62
13	98	96	13	118	114	109	105	101	96	92	87	83	77	13	73
14	103	101	14	127	124	119	114	109	104	99	95	90	83	14	86
15	108	106	15	140	136	131	125	120	115	109	104	100	91	15	104
16	112	110	16	154	150	143	137	132	126	120	114	109	100	16	126
17	116	114	17	170	165	158	151	146	139	132	126	121	111	17	151
18	121	119	18	186	181	173	165	160	152	144	138	132	120	18	181
19	125	122	19	203	197	188	181	175	167	158	151	144	132	19	216
20	128	126	20	224	218	209	200	193	184	175	166	159	146	20	256
21	132	130	21	249	242	232	222	214	205	194	185	177	163	21	354
22	137	134	22	282	273	262	251	243	231	220	209	200	183		
23	141	138	23	316	306	293	281	272	259	246	234	224	206		
24	144	142	24	366	354	340	325	315	300	286	271	260	237		
25	149	146	25	450	436	418	400	387	369	351	333	319	292		
26	154	151	26	552	536	513	491	475	452	431	409	392	359		
27	158	155													
28	163	160													
29	169	166													
30	174	170													
31	179	175													
32	184	181													
33	190	186													
34	194	190													
35	199	195													
36	204	200													
37	212	207													
38	219	215													
39	227	223													
40	234	230													
41	242	237													
42	249	244													
43	256	252													
44	264	259													
45	271	266													
46	280	274													
47	289	284													
48	298	292													
49	307	301													
50	315	309													
51	324	318													
52	333	327													
53	341	335													
54	355	348													
55	372	365													
56	392	384													
57	414	406													

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NORTH CAROLINA (32)

TERRITORY 40

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	446	438													
59	495	485													
60	548	538													
61	599	587													
62	646	633													
63	693	680													
64	740	727													
65	789	773													
66	860	844													
67	955	937													
68	1049	1029													
69	1144	1122													
70	1239	1215													
71	1334	1308													
72	1428	1401													
73	1523	1495													
74	1619	1588													
75	1713	1680													
(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.															
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.															
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	206	198	1	244	227	211	198	185	173	160	147	139	114	1	55
2	274	265	2	274	253	240	223	206	194	181	168	156	131	2	67
3	299	286	3	320	299	278	261	240	223	211	194	181	152	3	84
4	349	337	4	345	320	299	278	261	240	227	211	198	164	4	93
5	383	370	5	370	345	324	299	278	261	244	227	211	173	5	109
6	400	387	6	387	362	337	316	290	269	257	236	219	181	6	118
7	421	404	7	404	375	354	328	303	282	265	248	232	189	7	131
8	438	425	8	421	392	366	341	316	295	278	257	240	198	8	156
10	455	438	10	450	421	392	366	337	316	299	274	257	211	10	181
11	467	450	11	472	438	408	383	354	328	312	286	269	223	11	198
12	484	467	12	484	450	421	392	362	341	320	295	278	227	12	219
13	501	480	13	505	472	438	408	379	354	333	307	286	236	13	236
14	514	497	14	535	497	463	434	400	375	354	324	303	253	14	261
15	522	505	15	564	526	493	459	425	396	370	345	320	265	15	282
16	526	509	16	585	543	509	476	438	408	387	358	333	274	16	312
17	539	518	17	606	564	526	493	455	425	400	370	345	286	17	328
18	552	530	18	640	594	556	518	480	446	421	392	366	299	18	358
19	560	539	19	669	623	581	543	501	467	442	408	383	316	19	379
20	577	556	20	690	644	602	560	518	484	455	421	392	324	20	404
21	589	568	21	720	669	627	585	539	505	476	438	408	337	21	459
22	598	577	22	758	703	661	615	568	530	501	463	434	358		
23	606	585	23	787	733	686	636	589	552	518	480	450	370		
24	623	598	24	821	762	716	665	615	577	543	501	467	387		
25	627	602	25	888	825	775	720	665	623	585	543	505	417		
26	636	615	26	964	897	838	779	724	674	636	589	552	455		
27	644	623													
28	648	627													
29	661	636													

TERRITORY 40

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	665	640													
31	674	648													
32	686	661													
33	695	669													
34	707	682													
35	716	690													
36	724	699													
37	737	711													
38	749	720													
39	754	724													
40	762	733													
41	770	745													
42	779	754													
43	791	762													
44	796	766													
45	808	779													
46	817	787													
47	825	796													
48	838	808													
49	846	817													
50	855	825													
51	863	834													
52	867	838													
53	880	846													
54	888	855													
55	901	871													
56	918	884													
57	935	901													
58	964	926													
59	1002	964													
60	1044	1006													
61	1074	1036													
62	1099	1057													
63	1116	1078													
64	1141	1099													
65	1162	1120													
66	1196	1154													
67	1242	1200													
68	1288	1242													
69	1335	1288													
70	1385	1335													
71	1431	1377													
72	1478	1423													
73	1524	1469													
74	1570	1516													
75	1617	1558													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

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NORTH CAROLINA (32)

TERRITORY 41

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	30	29	1	35	34	32	31	30	28	27	25	25	23	1	8
2	39	38	2	48	46	45	43	42	39	37	35	35	31	2	10
3	49	48	3	55	53	51	48	47	45	43	40	39	35	3	14
4	56	56	4	60	58	56	54	52	49	46	45	43	39	4	16
5	63	62	5	68	66	64	61	59	56	54	51	48	45	5	19
6	70	68	6	76	74	71	68	66	63	60	56	55	50	6	25
7	77	76	7	84	81	78	75	72	68	66	62	59	55	7	31
8	83	82	8	91	88	85	81	78	75	71	67	65	59	8	36
10	90	88	10	98	96	91	87	85	81	76	73	70	64	10	46
11	96	94	11	106	103	99	95	92	87	83	79	76	69	11	56
12	100	98	12	116	113	108	104	100	96	91	86	83	76	12	66
13	104	102	13	125	121	116	111	107	102	97	92	88	81	13	77
14	109	106	14	135	131	126	120	116	110	105	100	96	87	14	91
15	114	112	15	148	144	138	132	127	122	116	110	106	96	15	110
16	118	116	16	163	158	151	145	140	134	127	120	116	106	16	134
17	123	121	17	180	175	167	160	155	147	140	134	128	117	17	160
18	128	126	18	197	191	183	175	169	161	153	146	139	127	18	191
19	132	129	19	215	208	199	191	185	177	167	159	153	139	19	228
20	136	133	20	238	230	221	211	204	195	186	176	168	155	20	271
21	140	137	21	264	256	246	235	227	217	206	196	187	172	21	375
22	145	142	22	298	289	278	266	257	245	233	221	212	194		
23	149	147	23	334	324	310	298	288	274	260	248	238	217		
24	153	150	24	387	375	359	344	333	318	302	287	275	251		
25	157	155	25	476	461	442	423	410	390	371	352	338	309		
26	163	159	26	584	567	543	520	502	479	456	432	415	379		
27	167	164													
28	173	169													
29	178	176													
30	184	180													
31	189	186													
32	195	191													
33	201	197													
34	206	201													
35	210	207													
36	216	212													
37	224	219													
38	232	228													
39	240	236													
40	248	243													
41	256	251													
42	264	258													
43	271	267													
44	279	274													
45	287	281													
46	297	290													
47	306	300													
48	316	309													
49	325	319													
50	333	327													
51	343	337													
52	352	346													
53	361	354													
54	376	369													
55	394	386													
56	415	407													
57	438	430													

TERRITORY 41

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	472	463													
59	523	513													
60	580	569													
61	633	622													
62	683	670													
63	733	720													
64	784	769													
65	834	818													
66	910	893													
67	1010	991													
68	1110	1089													
69	1210	1188													
70	1311	1286													
71	1411	1384													
72	1512	1482													
73	1612	1582													
74	1713	1680													
75	1813	1778													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	210	202	1	249	232	215	202	189	176	163	150	142	116	1	56
2	279	270	2	279	257	245	227	210	197	184	172	159	133	2	69
3	305	292	3	326	305	283	266	245	227	215	197	184	154	3	86
4	356	343	4	352	326	305	283	266	245	232	215	202	167	4	94
5	390	378	5	378	352	330	305	283	266	249	232	215	176	5	112
6	408	395	6	395	369	343	322	296	275	262	240	223	184	6	120
7	429	412	7	412	382	360	335	309	287	270	253	236	193	7	133
8	446	433	8	429	399	373	347	322	300	283	262	245	202	8	159
10	463	446	10	459	429	399	373	343	322	305	279	262	215	10	184
11	476	459	11	480	446	416	390	360	335	317	292	275	227	11	202
12	493	476	12	493	459	429	399	369	347	326	300	283	232	12	223
13	511	489	13	515	480	446	416	386	360	339	313	292	240	13	240
14	523	506	14	545	506	472	442	408	382	360	330	309	257	14	266
15	532	515	15	575	536	502	468	433	403	378	352	326	270	15	287
16	536	519	16	596	553	519	485	446	416	395	365	339	279	16	317
17	549	528	17	618	575	536	502	463	433	408	378	352	292	17	335
18	562	541	18	652	605	566	528	489	455	429	399	373	305	18	365
19	571	549	19	682	635	592	553	511	476	450	416	390	322	19	386
20	588	566	20	704	656	613	571	528	493	463	429	399	330	20	412
21	601	579	21	734	682	639	596	549	515	485	446	416	343	21	468
22	609	588	22	772	716	674	626	579	541	511	472	442	365		
23	618	596	23	802	746	699	648	601	562	528	489	459	378		
24	635	609	24	837	776	729	678	626	588	553	511	476	395		
25	639	613	25	905	841	789	734	678	635	596	553	515	425		
26	648	626	26	982	914	854	794	738	686	648	601	562	463		
27	656	635													
28	661	639													
29	674	648													

TERRITORY 41

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	678	652													
31	686	661													
32	699	674													
33	708	682													
34	721	695													
35	729	704													
36	738	712													
37	751	725													
38	764	734													
39	768	738													
40	776	746													
41	785	759													
42	794	768													
43	807	776													
44	811	781													
45	824	794													
46	832	802													
47	841	811													
48	854	824													
49	862	832													
50	871	841													
51	879	849													
52	884	854													
53	897	862													
54	905	871													
55	918	888													
56	935	901													
57	952	918													
58	982	944													
59	1021	982													
60	1064	1025													
61	1094	1055													
62	1120	1077													
63	1137	1098													
64	1163	1120													
65	1184	1141													
66	1218	1175													
67	1266	1223													
68	1313	1266													
69	1360	1313													
70	1411	1360													
71	1459	1403													
72	1506	1450													
73	1553	1497													
74	1600	1544													
75	1647	1587													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

TERRITORY 43

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	28	27	1	32	31	29	29	28	26	25	24	23	21	1	8
2	36	35	2	45	43	41	39	39	36	34	33	32	29	2	9
3	45	45	3	50	49	47	45	44	41	39	37	36	33	3	13
4	52	51	4	55	54	51	50	48	45	43	41	39	36	4	15
5	58	57	5	63	61	59	56	55	52	50	47	45	41	5	18
6	65	63	6	71	68	66	63	60	58	55	52	50	46	6	24
7	71	70	7	77	75	72	69	66	63	60	57	55	50	7	29
8	76	76	8	84	81	78	75	72	69	66	62	60	55	8	34
10	83	81	10	91	88	84	81	78	75	71	67	65	59	10	43
11	88	87	11	98	95	92	87	85	81	76	73	70	64	11	52
12	92	91	12	108	104	100	96	92	88	84	80	76	70	12	60
13	96	94	13	115	112	107	102	99	94	90	85	81	75	13	71
14	101	98	14	124	121	116	111	107	102	97	92	88	81	14	84
15	105	103	15	137	133	128	122	118	113	107	102	97	89	15	102
16	109	108	16	150	146	139	134	129	123	118	111	107	97	16	123
17	113	112	17	166	161	155	148	143	136	129	123	118	108	17	148
18	118	116	18	181	176	169	161	156	149	141	134	129	118	18	176
19	122	119	19	198	192	184	176	171	163	155	147	141	129	19	211
20	125	123	20	219	213	204	195	188	180	171	162	155	143	20	250
21	129	127	21	244	236	227	217	209	200	190	181	173	159	21	346
22	134	131	22	276	267	256	245	237	226	215	204	196	179		
23	138	135	23	308	299	286	275	265	253	240	228	219	201		
24	141	139	24	357	346	332	318	307	293	279	265	254	232		
25	145	143	25	439	426	408	391	378	360	343	325	312	286		
26	150	147	26	539	523	501	480	464	442	421	399	383	350		
27	155	151													
28	160	156													
29	165	162													
30	170	166													
31	175	171													
32	180	176													
33	186	181													
34	190	186													
35	194	191													
36	199	196													
37	207	202													
38	214	210													
39	222	218													
40	228	224													
41	236	232													
42	244	239													
43	250	246													
44	258	253													
45	265	260													
46	274	268													
47	282	277													
48	291	286													
49	300	294													
50	307	302													
51	317	311													
52	325	319													
53	333	327													
54	347	340													
55	364	356													
56	383	375													
57	404	396													

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NORTH CAROLINA (32)

TERRITORY 43

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	436	428													
59	483	474													
60	535	525													
61	585	574													
62	631	618													
63	677	664													
64	723	710													
65	770	755													
66	840	824													
67	932	915													
68	1025	1005													
69	1117	1096													
70	1210	1187													
71	1303	1278													
72	1395	1368													
73	1488	1460													
74	1581	1551													
75	1673	1641													
(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.															
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.															
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	165	158	1	195	181	168	158	148	138	128	118	111	91	1	44
2	218	212	2	218	202	192	178	165	155	144	134	124	104	2	54
3	239	228	3	255	239	222	208	192	178	168	155	144	121	3	67
4	279	269	4	276	255	239	222	208	192	181	168	158	131	4	74
5	306	296	5	296	276	259	239	222	208	195	181	168	138	5	87
6	319	309	6	309	289	269	252	232	215	205	188	175	144	6	94
7	336	323	7	323	299	282	262	242	225	212	198	185	151	7	104
8	349	339	8	336	312	292	272	252	235	222	205	192	158	8	124
10	363	349	10	360	336	312	292	269	252	239	218	205	168	10	144
11	373	360	11	376	349	326	306	282	262	249	228	215	178	11	158
12	386	373	12	386	360	336	312	289	272	255	235	222	181	12	175
13	400	383	13	403	376	349	326	302	282	265	245	228	188	13	188
14	410	396	14	427	396	370	346	319	299	282	259	242	202	14	208
15	417	403	15	450	420	393	366	339	316	296	276	255	212	15	225
16	420	407	16	467	433	407	380	349	326	309	286	265	218	16	249
17	430	413	17	484	450	420	393	363	339	319	296	276	228	17	262
18	440	423	18	511	474	444	413	383	356	336	312	292	239	18	286
19	447	430	19	534	497	464	433	400	373	353	326	306	252	19	302
20	460	444	20	551	514	480	447	413	386	363	336	312	259	20	323
21	470	454	21	575	534	501	467	430	403	380	349	326	269	21	366
22	477	460	22	605	561	528	491	454	423	400	370	346	286		
23	484	467	23	628	585	548	507	470	440	413	383	360	296		
24	497	477	24	655	608	571	531	491	460	433	400	373	309		
25	501	480	25	709	659	618	575	531	497	467	433	403	333		
26	507	491	26	769	716	669	622	578	538	507	470	440	363		
27	514	497													
28	517	501													
29	528	507													

TERRITORY 43

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	531	511													
31	538	517													
32	548	528													
33	554	534													
34	564	544													
35	571	551													
36	578	558													
37	588	568													
38	598	575													
39	601	578													
40	608	585													
41	615	595													
42	622	601													
43	632	608													
44	635	612													
45	645	622													
46	652	628													
47	659	635													
48	669	645													
49	675	652													
50	682	659													
51	689	665													
52	692	669													
53	702	675													
54	709	682													
55	719	696													
56	732	706													
57	746	719													
58	769	739													
59	800	769													
60	833	803													
61	857	827													
62	877	843													
63	890	860													
64	911	877													
65	927	894													
66	954	921													
67	991	958													
68	1028	991													
69	1065	1028													
70	1105	1065													
71	1142	1099													
72	1179	1136													
73	1216	1173													
74	1253	1210													
75	1290	1243													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

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NORTH CAROLINA (32)

TERRITORY 47

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	29	28	1	33	32	30	30	29	27	26	24	23	22	1	8
2	37	37	2	46	44	43	41	40	37	36	34	33	30	2	10
3	47	46	3	52	50	49	46	45	43	41	38	37	34	3	13
4	54	53	4	57	56	53	51	50	47	44	43	41	37	4	16
5	60	59	5	65	64	61	58	57	54	51	49	46	43	5	18
6	67	65	6	73	70	68	65	63	60	57	54	52	48	6	24
7	74	72	7	80	77	75	71	69	65	63	59	57	52	7	30
8	79	78	8	87	84	81	77	75	71	68	64	62	57	8	35
10	86	84	10	94	91	87	84	81	77	73	70	67	61	10	44
11	91	90	11	102	98	95	90	88	84	79	76	72	66	11	54
12	96	94	12	111	108	104	99	96	91	87	83	79	72	12	63
13	99	97	13	119	116	110	106	103	97	93	88	84	77	13	74
14	104	102	14	129	125	120	115	110	105	100	96	91	84	14	87
15	109	107	15	142	137	132	126	122	117	110	105	101	92	15	105
16	113	111	16	156	151	144	138	134	128	122	115	110	101	16	128
17	117	116	17	172	167	160	153	148	141	134	128	123	112	17	153
18	123	120	18	188	183	175	167	162	154	146	139	133	122	18	183
19	126	124	19	205	199	191	183	177	169	160	152	146	133	19	218
20	130	127	20	227	220	211	202	195	186	177	168	161	148	20	259
21	134	131	21	252	244	235	224	217	207	197	187	179	164	21	358
22	138	136	22	285	277	265	254	245	234	223	211	203	185		
23	143	140	23	319	310	297	284	275	262	249	237	227	208		
24	146	144	24	370	358	344	329	318	304	289	274	263	240		
25	151	148	25	455	441	423	405	392	373	355	337	323	296		
26	156	152	26	559	542	519	497	480	458	436	413	397	363		
27	160	157													
28	165	162													
29	171	168													
30	176	172													
31	181	177													
32	186	183													
33	192	188													
34	197	192													
35	201	197													
36	206	203													
37	214	210													
38	222	218													
39	230	225													
40	237	232													
41	244	240													
42	252	247													
43	259	255													
44	267	262													
45	274	269													
46	284	278													
47	292	287													
48	302	296													
49	311	305													
50	318	312													
51	328	322													
52	337	331													
53	345	338													
54	359	352													
55	377	369													
56	397	389													
57	418	411													

TERRITORY 47

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	452	443													
59	500	491													
60	554	544													
61	606	594													
62	653	640													
63	701	688													
64	749	735													
65	798	782													
66	870	853													
67	966	947													
68	1061	1041													
69	1157	1135													
70	1254	1229													
71	1349	1323													
72	1445	1417													
73	1541	1512													
74	1637	1606													
75	1733	1700													
<p>(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles. (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles. (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.</p>															

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	166	159	1	196	183	169	159	149	139	128	118	112	91	1	44
2	220	213	2	220	203	193	179	166	155	145	135	125	105	2	54
3	240	230	3	257	240	223	210	193	179	169	155	145	122	3	68
4	281	270	4	277	257	240	223	210	193	183	169	159	132	4	74
5	308	297	5	297	277	260	240	223	210	196	183	169	139	5	88
6	321	311	6	311	291	270	254	233	216	206	189	176	145	6	95
7	338	324	7	324	301	284	264	243	226	213	199	186	152	7	105
8	352	341	8	338	314	294	274	254	237	223	206	193	159	8	125
10	365	352	10	362	338	314	294	270	254	240	220	206	169	10	145
11	375	362	11	379	352	328	308	284	264	250	230	216	179	11	159
12	389	375	12	389	362	338	314	291	274	257	237	223	183	12	176
13	402	385	13	406	379	352	328	304	284	267	247	230	189	13	189
14	412	399	14	429	399	372	348	321	301	284	260	243	203	14	210
15	419	406	15	453	423	395	368	341	318	297	277	257	213	15	226
16	423	409	16	470	436	409	382	352	328	311	287	267	220	16	250
17	433	416	17	487	453	423	395	365	341	321	297	277	230	17	264
18	443	426	18	514	477	446	416	385	358	338	314	294	240	18	287
19	450	433	19	537	500	466	436	402	375	355	328	308	254	19	304
20	463	446	20	554	517	483	450	416	389	365	338	314	260	20	324
21	473	456	21	578	537	504	470	433	406	382	352	328	270	21	368
22	480	463	22	608	564	531	493	456	426	402	372	348	287		
23	487	470	23	632	588	551	510	473	443	416	385	362	297		
24	500	480	24	659	612	575	534	493	463	436	402	375	311		
25	504	483	25	713	662	622	578	534	500	470	436	406	335		
26	510	493	26	774	720	673	625	581	541	510	473	443	365		
27	517	500													
28	521	504													
29	531	510													

TERRITORY 47

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	534	514													
31	541	521													
32	551	531													
33	558	537													
34	568	548													
35	575	554													
36	581	561													
37	592	571													
38	602	578													
39	605	581													
40	612	588													
41	619	598													
42	625	605													
43	635	612													
44	639	615													
45	649	625													
46	656	632													
47	662	639													
48	673	649													
49	679	656													
50	686	662													
51	693	669													
52	696	673													
53	706	679													
54	713	686													
55	723	700													
56	737	710													
57	750	723													
58	774	744													
59	804	774													
60	838	808													
61	862	831													
62	882	848													
63	896	865													
64	916	882													
65	933	899													
66	960	926													
67	997	963													
68	1034	997													
69	1071	1034													
70	1112	1071													
71	1149	1105													
72	1186	1142													
73	1224	1180													
74	1261	1217													
75	1298	1251													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

TERRITORY 51

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	23	23	1	27	26	25	24	23	22	21	20	19	18	1	6
2	31	30	2	38	36	35	33	33	31	29	28	27	24	2	8
3	38	38	3	43	41	40	38	37	35	33	31	31	28	3	11
4	44	43	4	47	45	43	42	40	38	36	35	33	31	4	13
5	49	48	5	53	52	50	48	46	44	42	40	38	35	5	15
6	55	53	6	60	58	55	53	51	49	47	44	43	39	6	20
7	60	59	7	65	63	61	58	56	53	51	48	46	43	7	24
8	65	64	8	71	69	66	63	61	58	55	53	50	46	8	28
10	70	69	10	77	75	71	68	66	63	60	57	55	50	10	36
11	75	73	11	83	80	77	74	72	68	65	62	59	54	11	44
12	78	77	12	91	88	84	81	78	75	71	67	65	59	12	51
13	81	80	13	97	94	90	87	84	80	76	72	69	63	13	60
14	85	83	14	105	102	98	94	90	86	82	78	75	68	14	71
15	89	87	15	116	112	108	103	99	95	90	86	82	75	15	86
16	92	91	16	127	124	118	113	109	104	99	94	90	82	16	104
17	96	94	17	141	136	131	125	121	115	109	104	100	92	17	125
18	100	98	18	153	149	143	136	132	126	119	114	109	99	18	149
19	103	101	19	168	163	155	149	144	138	131	124	119	109	19	178
20	106	104	20	185	180	173	165	159	152	145	137	131	121	20	212
21	109	107	21	206	200	192	183	177	169	160	153	146	134	21	293
22	113	111	22	233	226	217	207	200	191	182	173	165	151		
23	116	114	23	261	253	242	232	224	214	203	193	185	170		
24	119	117	24	302	293	280	268	260	248	236	224	214	196		
25	123	121	25	371	360	345	330	320	305	290	275	263	241		
26	127	124	26	456	442	424	405	392	373	356	337	324	296		
27	131	128													
28	135	132													
29	139	137													
30	143	141													
31	148	145													
32	152	149													
33	157	153													
34	160	157													
35	164	161													
36	168	165													
37	175	171													
38	181	178													
39	187	184													
40	193	190													
41	200	196													
42	206	202													
43	212	208													
44	218	214													
45	224	219													
46	231	226													
47	239	234													
48	246	241													
49	253	249													
50	260	255													
51	268	263													
52	275	270													
53	282	276													
54	293	288													
55	307	301													
56	324	317													
57	342	335													

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NORTH CAROLINA (32)

TERRITORY 51

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
58	368	361													
59	408	400													
60	452	444													
61	494	485													
62	533	523													
63	572	562													
64	611	600													
65	651	638													
66	710	697													
67	788	773													
68	866	850													
69	944	927													
70	1023	1003													
71	1101	1080													
72	1179	1157													
73	1257	1234													
74	1336	1311													
75	1414	1387													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
(b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
(c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990-2001	Symbol	1989 & Prior
(a)			(b)											(c)	Prior
1	167	160	1	197	184	170	160	150	139	129	119	112	92	1	44
2	221	214	2	221	204	194	180	167	156	146	136	126	105	2	54
3	241	231	3	258	241	224	211	194	180	170	156	146	122	3	68
4	282	272	4	279	258	241	224	211	194	184	170	160	133	4	75
5	309	299	5	299	279	262	241	224	211	197	184	170	139	5	88
6	323	313	6	313	292	272	255	235	218	207	190	177	146	6	95
7	340	326	7	326	303	286	265	245	228	214	201	187	153	7	105
8	354	343	8	340	316	296	275	255	238	224	207	194	160	8	126
10	367	354	10	364	340	316	296	272	255	241	221	207	170	10	146
11	377	364	11	381	354	330	309	286	265	252	231	218	180	11	160
12	391	377	12	391	364	340	316	292	275	258	238	224	184	12	177
13	405	388	13	408	381	354	330	306	286	269	248	231	190	13	190
14	415	401	14	432	401	374	350	323	303	286	262	245	204	14	211
15	422	408	15	456	425	398	371	343	320	299	279	258	214	15	228
16	425	411	16	473	439	411	384	354	330	313	289	269	221	16	252
17	435	418	17	490	456	425	398	367	343	323	299	279	231	17	265
18	445	428	18	517	479	449	418	388	360	340	316	296	241	18	289
19	452	435	19	541	503	469	439	405	377	357	330	309	255	19	306
20	466	449	20	558	520	486	452	418	391	367	340	316	262	20	326
21	476	459	21	581	541	507	473	435	408	384	354	330	272	21	371
22	483	466	22	612	568	534	496	459	428	405	374	350	289		
23	490	473	23	636	592	554	513	476	445	418	388	364	299		
24	503	483	24	663	615	578	537	496	466	439	405	377	313		
25	507	486	25	717	666	626	581	537	503	473	439	408	337		
26	513	496	26	779	724	677	629	585	544	513	476	445	367		
27	520	503													
28	524	507													
29	534	513													

TERRITORY 51

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	537	517													
31	544	524													
32	554	534													
33	561	541													
34	571	551													
35	578	558													
36	585	564													
37	595	575													
38	605	581													
39	609	585													
40	615	592													
41	622	602													
42	629	609													
43	639	615													
44	643	619													
45	653	629													
46	660	636													
47	666	643													
48	677	653													
49	683	660													
50	690	666													
51	697	673													
52	700	677													
53	711	683													
54	717	690													
55	728	704													
56	741	714													
57	755	728													
58	779	748													
59	809	779													
60	843	813													
61	867	836													
62	887	853													
63	901	870													
64	921	887													
65	938	904													
66	966	932													
67	1003	969													
68	1040	1003													
69	1078	1040													
70	1119	1078													
71	1156	1112													
72	1193	1149													
73	1231	1187													
74	1268	1224													
75	1306	1258													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

**PERSONAL AUTO MANUAL
RATE PAGES**

NORTH CAROLINA (32)

TERRITORY 52

FULL COVERAGE COMPREHENSIVE (001)															
Symbol	2012	2011	Symbol	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol	1989 & Prior
(a)			(b)											(c)	
1	27	27	1	32	31	29	28	27	26	25	23	22	21	1	7
2	36	35	2	44	42	41	39	38	36	34	32	32	28	2	9
3	45	44	3	50	48	46	44	43	41	39	37	36	32	3	12
4	51	51	4	55	53	51	49	47	45	42	41	39	36	4	15
5	57	56	5	62	61	58	56	54	51	49	46	44	41	5	17
6	64	62	6	70	67	65	62	60	57	55	51	50	46	6	23
7	71	69	7	76	74	71	68	66	62	60	56	54	50	7	28
8	76	75	8	83	81	77	74	71	68	65	61	59	54	8	33
10	82	81	10	90	87	83	80	77	74	70	66	64	58	10	42
11	87	85	11	97	94	90	86	84	80	76	72	69	63	11	51
12	91	90	12	106	103	99	95	91	87	83	79	76	69	12	60
13	95	93	13	114	110	105	101	98	93	89	84	81	74	13	71
14	100	97	14	123	120	115	110	105	100	95	91	87	80	14	83
15	104	102	15	135	131	126	120	116	111	105	100	96	88	15	100
16	108	106	16	149	144	138	132	128	122	116	110	105	96	16	122
17	112	110	17	164	159	153	146	141	134	128	122	117	107	17	146
18	117	115	18	179	174	167	159	154	147	139	133	127	116	18	174
19	120	118	19	196	190	182	174	168	161	153	145	139	127	19	208
20	124	121	20	217	210	202	193	186	178	169	160	154	141	20	247
21	128	125	21	241	233	224	214	207	198	188	178	171	157	21	342
22	132	129	22	272	264	253	242	234	223	212	202	193	177		
23	136	134	23	305	295	283	271	262	250	237	226	217	198		
24	139	137	24	353	342	328	314	304	290	276	261	251	229		
25	144	141	25	434	421	403	386	374	356	339	321	308	282		
26	149	145	26	533	517	496	474	458	437	416	394	378	346		
27	153	149													
28	158	154													
29	163	160													
30	168	164													
31	173	169													
32	178	174													
33	183	179													
34	188	183													
35	192	188													
36	197	193													
37	204	200													
38	212	208													
39	219	215													
40	226	222													
41	233	229													
42	241	236													
43	247	243													
44	255	250													
45	261	256													
46	271	265													
47	279	274													
48	288	282													
49	296	291													
50	304	298													
51	313	307													
52	321	315													
53	330	323													
54	343	336													
55	359	352													
56	378	371													
57	399	392													

TERRITORY 52

FULL COVERAGE COMPREHENSIVE (001)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
58	431	422													
59	477	468													
60	529	519													
61	578	567													
62	623	611													
63	669	657													
64	715	701													
65	761	746													
66	830	814													
67	921	904													
68	1013	994													
69	1104	1083													
70	1196	1173													
71	1287	1262													
72	1379	1352													
73	1470	1443													
74	1562	1532													
75	1653	1622													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
1	185	178	1	219	204	189	178	166	155	144	132	125	102	1	49
2	246	238	2	246	227	215	200	185	174	163	151	140	117	2	60
3	268	257	3	287	268	249	234	215	200	189	174	163	136	3	76
4	314	302	4	310	287	268	249	234	215	204	189	178	147	4	83
5	344	333	5	333	310	291	268	249	234	219	204	189	155	5	98
6	359	348	6	348	325	302	284	261	242	231	212	197	163	6	106
7	378	363	7	363	336	318	295	272	253	238	223	208	170	7	117
8	393	382	8	378	352	329	306	284	265	249	231	215	178	8	140
10	408	393	10	404	378	352	329	302	284	268	246	231	189	10	163
11	420	404	11	423	393	367	344	318	295	280	257	242	200	11	178
12	435	420	12	435	404	378	352	325	306	287	265	249	204	12	197
13	450	431	13	454	423	393	367	340	318	299	276	257	212	13	212
14	461	446	14	480	446	416	389	359	336	318	291	272	227	14	234
15	469	454	15	507	473	442	412	382	355	333	310	287	238	15	253
16	473	457	16	525	488	457	427	393	367	348	321	299	246	16	280
17	484	465	17	544	507	473	442	408	382	359	333	310	257	17	295
18	495	476	18	575	533	499	465	431	401	378	352	329	268	18	321
19	503	484	19	601	559	522	488	450	420	397	367	344	284	19	340
20	518	499	20	620	578	541	503	465	435	408	378	352	291	20	363
21	529	510	21	646	601	563	525	484	454	427	393	367	302	21	412
22	537	518	22	680	631	593	552	510	476	450	416	389	321		
23	544	525	23	707	658	616	571	529	495	465	431	404	333		
24	559	537	24	737	684	643	597	552	518	488	450	420	348		
25	563	541	25	798	741	696	646	597	559	525	488	454	374		
26	571	552	26	866	805	752	699	650	605	571	529	495	408		
27	578	559													
28	582	563													
29	593	571													

TERRITORY 52

COLLISION DEDUCTIBLE AMOUNT \$100 (074)															
Symbol (a)	2012	2011	Symbol (b)	2010	2009	2008	2007	2006	2005	2004	2003	2002	1990- 2001	Symbol (c)	1989 & Prior
30	597	575													
31	605	582													
32	616	593													
33	624	601													
34	635	612													
35	643	620													
36	650	627													
37	662	639													
38	673	646													
39	677	650													
40	684	658													
41	692	669													
42	699	677													
43	711	684													
44	714	688													
45	726	699													
46	733	707													
47	741	714													
48	752	726													
49	760	733													
50	767	741													
51	775	748													
52	779	752													
53	790	760													
54	798	767													
55	809	782													
56	824	794													
57	839	809													
58	866	832													
59	900	866													
60	937	903													
61	964	930													
62	987	949													
63	1002	968													
64	1024	987													
65	1043	1005													
66	1074	1036													
67	1115	1077													
68	1157	1115													
69	1198	1157													
70	1244	1198													
71	1285	1236													
72	1327	1278													
73	1368	1319													
74	1410	1361													
75	1452	1399													

(a) Refer to Personal Auto Manual Rule 12. for rating Symbol 75 vehicles.
 (b) Refer to Personal Auto Manual Rule 12. for rating Symbol 27 vehicles.
 (c) Refer to Rule 12. to determine the Symbol 14 rate for 1982 and Prior Model Year vehicles.

Territory	Territory
ALAMANCE COUNTY – See Burlington-Graham and Remainder of State.	CHOWAN COUNTY territory comprises all territory in Chowan County..... 33
ASHEVILLE territory comprises the entire city of Asheville and all territory in Buncombe County included in the townships of Asheville, Limestone and Lower Hominy, including all of the following towns, cities or places.....11	COLUMBUS COUNTY territory comprises all territory in Columbus County..... 26
Acton Buena Vista Luthers	CONCORD-KANNAPOLIS-SALISBURY territory comprises the entire cities of Concord, Kannapolis and Salisbury, all territory in Cabarrus County included in Townships 1 (Rocky River), 2 (Poplar Tent), 4 (Kannapolis), 5 (Mount Gilead), 11 (Baptist Church) and 12 (Concord), and all territory in Rowan County included in the townships of China Grove, Franklin, Litaka and Salisbury, including all of the following towns, cities or places 32
Arden Busbee New Bridge	Brown- Franklin Roberta Mills
Asheville Craggy Oakley	Norcott Mills Glass Rocky Ridge
School Emma Oteen	China Grove Harrisburg Rocky River
Biltmore Enka Shiloh	Cooks Jackson Park South River
Forest Haw Creek Skyland	Crossing Landis Spencer
Boswell Hominy Woodfin	East Spencer Majolica Yadkin
BEAUFORT COUNTY territory comprises all territory in Beaufort County33	Faggarts Mount Gilead Junction
BERTIE COUNTY territory comprises all territory in Bertie County33	Crossroads Pharrs Mills Yost
BLADEN COUNTY territory comprises all territory in Bladen County33	Faith Pioneer Mills
BRUNSWICK COUNTY territory comprises all territory in Brunswick County not included in Wilmington territory.....26	Craven County territory comprises all territory in Craven County 43
BUNCOMBE COUNTY territory comprises all territory in Buncombe County not included in Asheville territory.....32	CUMBERLAND COUNTY territory comprises all territory in Cumberland County not included in Fayetteville territory 26
BURLINGTON-GRAHAM territory comprises the entire city of Burlington, the entire town of Graham, all territory in Alamance County included in Townships 3 (Boon Station), 6 (Graham), 10 (Melville), 12 (Burlington) and 13 (Haw River), the entire town of Mebane in Alamance and Orange Counties, and including all of the following towns, cities or places32	CURRITUCK COUNTY territory comprises all territory in Currituck County..... 33
Elon College Kirkpatrick Richmond	DARE COUNTY territory comprises all territory in Dare County 33
Gibsonville Heights Hill	DAVIDSON COUNTY – see Lexington-Thomasville and Remainder of State.
Glen Raven Lake Latham	DUPLIN COUNTY territory comprises all territory in Duplin County..... 33
Haw River Ossipee	DURHAM territory comprises the entire city of Durham and all territory in Durham County included in the townships of Durham, Oak Grove and Patterson, including all of the following towns, cities, or places..... 13
CABARRUS COUNTY – see Concord-Kannapolis-Salisbury and Remainder of State.	Bethesda Gorman North Durham
CAMDEN COUNTY territory comprises all territory in Camden County.....33	Bilboa Hope Valley Oak Grove
CARTERET COUNTY territory comprises all territory in Carteret County.....33	Few Joyland Redwood
CHARLOTTE territory comprises the entire city of Charlotte and all areas in Mecklenburg County except those areas with U.S. Postal Zip Codes 28025, 28026, 28031, 28036, 28075, 28078 and 28115.....52	DURHAM COUNTY territory comprises all territory in Durham County not included in Durham territory 32
	EDGECOMBE COUNTY territory comprises all territory in Edgecombe County not included in Rocky Mount territory 33

NOTE: Refer to an atlas or map for places not listed.

Territory	Territory
FAYETTEVILLE territory comprises the entire city of Fayetteville, all territory in the Fort Bragg and Pope Air Force Base Military Reservations in Cumberland County, and all territory in Cumberland County included in the townships of Carvers Creek, Cross Creek, Eastover, Manchester, Pearces Mill, Rockfish and Seventy First, including all of the following towns, cities or places.....40	HERTFORD COUNTY territory comprises all territory in Hertford County..... 33
Beard	
Bonnie Doone	
Cliffdale	
Cumberland	
Fenix	
Gardners	
Chapel	
Hope Mills	Roslin
Lakedale	Shaws
Linden	Slocomb
Manchester	South
Milan	Fayetteville
Myrtle Hill	Spring Lake
Owens	Tokay
	Victory
	Wade
FORSYTH COUNTY territory comprises all territory in Forsyth County not included in Winston-Salem territory.....32	HIGH POINT territory comprises the entire city of High Point, the town of Westend, and all territory in Guilford County included in High Point township..... 15
FRANKLIN COUNTY territory comprises all territory in Franklin County.....33	HOKE COUNTY territory comprises all territory in Hoke County 26
GASTON COUNTY territory comprises all territory in Gaston County.....25	HYDE COUNTY territory comprises all territory in Hyde County 33
GATES COUNTY territory comprises all territory in Gates County.....33	JOHNSTON COUNTY territory comprises all territory in Johnston County 26
GREENE COUNTY territory comprises all territory in Greene County.....33	JONES COUNTY territory comprises all territory in Jones County 33
GREENSBORO-HAMILTON LAKES territory comprises the entire city of Greensboro, the entire town of Hamilton Lakes and all territory in Guilford County included in the townships of Morehead and Gilmer, including all of the following towns, cities and places14	KINSTON territory comprises the entire city of Kinston and all territory in Lenoir County included in Kinston townships, including the following towns, cities or places..... 31
Battle Ground	
Bessemer	
Four Mile	Hines
Hamtown	Junction
Hill Top	
Pomona	
GREENVILLE territory comprises the entire town of Greenville and all territory in Pitt County included in Greenville townships, including the following towns, cities or places.....31	LEE COUNTY territory comprises all territory in Lee County..... 26
House	
James Mill	
Staton	
GUILFORD COUNTY territory comprises all territory in Guilford County not included in either Greensboro-Hamilton Lakes territory or High Point territory.....32	LENOIR COUNTY territory comprises all territory in Lenoir County not included in Kinston territory..... 33
HALIFAX COUNTY territory comprises all territory in Halifax County.....33	LEXINGTON-THOMASVILLE territory comprises the entire cities of Lexington and Thomasville, all territory in Davidson County included in the townships of Lexington and Thomasville, and all territory in Randolph County included in Trinity township, including all of the following towns, cities or places 32
HARNETT COUNTY territory comprises all territory in Harnett County.....26	Archdale
	Fraziers
	Glen Anna
	Trinity
	Welcome
	Cedar Lodge
	Lake
	MARTIN COUNTY territory comprises all territory in Martin County..... 33
	MECKLENBURG COUNTY territory comprises all territory in Mecklenburg County not included in Charlotte territory 51
	NASH COUNTY territory comprises all territory in Nash County not included in Rocky Mount territory 33
	NEW HANOVER COUNTY – see Wilmington.
	NORTHAMPTON COUNTY territory comprises all territory in Northampton County 33

NOTE: Refer to an atlas or map for places not listed.

Territory	Territory
ONCLO COUNTY territory comprises all territory in Onslow County.....41	ROWAN COUNTY – see Concord-Kannapolis-Salisbury and Remainder of State.
ORANGE COUNTY – see Burlington-Graham and Remainder of State.	SAMPSON COUNTY territory comprises all territory in Sampson County..... 33
PAMLICO COUNTY territory comprises all territory in Pamlico County.....33	SCOTLAND COUNTY territory comprises all territory in Scotland County..... 26
PASQUOTANK COUNTY territory comprises all territory in Pasquotank County.....33	TYRRELL COUNTY territory comprises all territory in Tyrrell County..... 33
PENDER COUNTY territory comprises all territory in Pender County.....33	VANCE COUNTY territory comprises all territory in Vance County..... 33
PERQUIMANS COUNTY territory comprises all territory in Perquimans County.....33	WAKE COUNTY territory comprises all territory in Wake County not included in Raleigh territory 31
PITT COUNTY territory comprises all territory in Pitt County not included in Greenville territory33	WARREN COUNTY territory comprises all territory in Warren County..... 33
RALEIGH territory comprises the entire city of Raleigh, all territory in Wake County included in the townships of Cary, House Creek, Meredith, Neuse River, Raleigh, St. Mary's, St. Matthews and Swift Creek and the entire town of Knightdale in St. Matthews and Marks Creek townships, including all of the following towns, cities or places16	WASHINGTON COUNTY territory comprises all territory in Washington County 33
Asbury College View Milbrook	WAYNE COUNTY territory comprises all territory in Wayne County..... 47
Auburn Edgeton Neuse	WILMINGTON territory comprises all of New Hanover County and in addition the following towns, cities or places 17
Boushell Fetner Oakdale	Belville Lanvale Navassa
Camp Polk Garner South	Clairmont Leland Woodburn
Caraleigh Macedonia Raleigh	WILSON territory comprises the entire town of Wilson and all territory in Wilson County included in the township of Wilson 31
Carolina McCullers Westover	WILSON COUNTY territory comprises all territory in Wilson County not included in the Rocky Mount or Wilson territories 33
Pines Method Wilders	WINSTON-SALEM territory comprises the entire city of Winston-Salem and all territory in Forsyth County included in the townships of Broadbay, Middle Fork, Old Town, South Fork and Winston, including all of the following towns, cities or places..... 18
Cary Milburnie Grove	Alspaugh Frontis Reynolda
RANDOLPH COUNTY – see Lexington-Thomasville and Remainder of State.	Atwood Hanes Tiretown
ROBESON COUNTY territory comprises all territory in Robeson County26	Daisy Ogburttown Walkertown
ROCKY MOUNT territory comprises the entire city of Rocky Mount, all territory in Nash County included in Rocky Mount and Stony Creek townships, all territory in Edgecombe County included in Township 12 (Rocky Mount), and the entire town of Sharpsburg in Edgecombe, Nash and Wilson Counties, including all of the following towns, cities or places31	Fisherville Oldtown
Armstrong Dortches Winsteads	REMAINDER OF STATE 24
Brake Chapel	

NOTE: Refer to an atlas or map for places not listed.

LIST OF IMPORTANT CITIES AND TOWNS

The following list contains all the more important cities, towns, boroughs, and villages in the state, together with their counties and territory and code assignments.

City and County	Territory Code	City and County	Territory Code	City and County	Territory Code
A		B		B	
Abbey, Gaston	25	Bakersville, Mitchell.....	24	Brown-Norcott Mills, Cabarrus.....	32
Aberdeen, Moore	24	Balfours, Randolph.....	24	Bryson City, Swain	24
Acton, Buncombe.....	11	Bannertown, Surry	24	Buena Vista, Buncombe	11
Ahoskie, Hertford	33	Barker Heights, Henderson	24	Burgaw, Pender.....	33
Alamance, Alamance	24	Barnardsville, Buncombe	32	Burlington, Alamance	32
Albermarie, Stanly.....	24	Battle Ground, Guilford.....	14	Burnsville, Yancey	24
Alexander, Buncombe.....	32	Bayboro, Pamlico	33	Busbee, Buncombe	11
Alexanders Store, Mecklenburg.....	52	Beard, Cumberland....	40	C	
Alexis, Gaston.....	25	Beattie, Gaston	25	Camden, Camden	33
Alspaugh, Forsyth.....	18	Beaufort, Carteret.....	33	Camp LeJeune, Onslow	41
Altamahaw, Alamance	24	Belhaven, Beaufort.....	33	Camp Polk, Wake	16
Andrews, Cherokee	24	Belmont, Gaston	25	Candler, Buncombe.....	32
Angier, Harnett.....	26	Belmont, Halifax	33	Canton, Haywood.....	24
Apex, Wake	31	Belville, Brunswick	17	Caraleigh, Wake	16
Archdale, Randolph	32	Benson, Johnston	26	Caroleen, Rutherford	24
Arden, Buncombe	11	Bessemer, Guilford	14	Carolina Beach, New Hanover	17
Arlington, Gaston	25	Bessemer City, Gaston	25	Carolina Pines, Wake	16
Armstrong, Edgecombe	31	Bethel, Pitt.....	33	Carrboro, Orange	24
Arnold, Davidson.....	32	Bethesda, Durham	13	Carson, Mecklenburg	52
Asbury, Wake	16	Bilboa, Durham	13	Carthage, Moore.....	24
Asheboro, Randolph	24	Biltmore Forest, Buncombe.....	11	Cary, Wake.....	16
Asheville, Buncombe	11	Biscoe, Montgomery.....	24	Castalia, Nash	33
Asheville School, Buncombe	11	Black Mountain, Buncombe.....	32	Cedar Falls, Randolph.....	24
Atwood, Forsyth.....	18	Boger City, Lincoln	24	Cedar Lodge, Davidson.....	32
Auburn, Wake	16	Boiling Springs, Cleveland	24	Chadbourn, Columbus.....	26
Aulander, Bertie	33	Bonnie Doone, Cumberland	40	Chadwick-Hoskins Mills, Mecklenburg.....	52
Ayden, Pitt	33	Boogertown, Gaston	25	Chapel Hill, Orange	24
B		Boone, Watauga	24	Charlotte, Mecklenburg	52
Badin, Stanly.....	24	Boswell, Buncombe.....	11	Cherry Point, Craven	43
Bailey, Nash.....	33	Boushell, Wake	16		
		Brake, Edgecombe.....	31		
		Brevard, Transylvania	24		

NOTE: Refer to an atlas or map for places not listed.

**PERSONAL VEHICLE MANUAL
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NORTH CAROLINA (32)

City and County	Territory Code	City and County	Territory Code	City and County	Territory Code
C		D		F	
Cherryville, Gaston	25	Dellview, Gaston	25	Faith, Rowan	32
China Grove, Rowan.....	32	Denton, Davidson.....	24	Farmville, Pitt.....	33
Clairmont, Brunswick	17	Derita, Mecklenburg	52	Fayetteville, Cumberland	40
Clayton, Johnston	26	Dobson, Surry	24	Fenix, Cumberland	40
Cleveland, Rowan.....	24	Dortches, Nash	31	Fetner, Wake	16
Clifdale, Cumberland	40	Draper, Rockingham	24	Few, Durham	13
Cliffside, Rutherford	24	Duke Power Village, Gaston	25	Fisherville, Forsyth	18
Clinchfield, McDowell.....	24	Dunn, Harnett.....	26	Forest City, Rutherford	24
Clinton, Sampson.....	33	Durham, Durham.....	13	Fort Bragg, Cumberland	40
Coats, Harnett.....	26	E		Fountain, Pitt	33
Coleridge, Randolph	24	East Gastonia, Gaston	25	Four Mile, Guilford	14
College View, Wake.....	16	East Spencer, Rowan.....	32	Franklin, Macon	24
Columbia, Tyrrell.....	33	East Wilmington, New Hanover.....	17	Franklin, Rowan.....	32
Columbus, Polk.....	24	Edenton, Chowan.....	33	Franklinton, Franklin	33
Concord, Cabarrus.....	32	Edgeton, Wake.....	16	Franklinville, Randolph	24
Conover, Catawba	24	Elizabeth City, Pasquotank	33	Fraziers, Randolph	32
Convent, Gaston	25	Elizabethtown, Bladen.....	33	Freeland, Brunswick	26
Cooks Crossing, Cabarrus.....	32	Elkin, Surry.....	24	Fremont, Wayne	47
Cooleemee, Davie	24	Eller, Davidson	24	Frontis, Forsyth.....	18
Cornelius, Mecklenburg	51	Elm City, Wilson	33	Fuquay Springs, Wake	31
Craggy, Buncombe	11	Elon College, Alamance	32	G	
Cramerton, Gaston	25	El Paso, Brunswick	17	Gardners Chapel, Cumberland.....	40
Croft, Mecklenburg.....	52	Emma, Buncombe.....	11	Garner, Wake	16
Cross Road, Surry	24	Enfield, Halifax	33	Gaston, Northampton	33
Crowders, Gaston.....	25	Enka, Buncombe	11	Gastonia, Gaston.....	25
Cumberland, Cumberland.....	40	Erwin, Harnett	26	Gatesville, Gates	33
Currituck, Currituck	33	F		Georgetown, Lenoir	31
D		Faggarts Crossroads, Cabarrus	32	Gibsonville, Guilford & Alamance	32
Daisy, Forsyth.....	18	Fair Bluff, Columbus.....	26	Glass, Cabarrus.....	32
Dallas, Gaston	25	Fairmont, Robeson.....	26		
Danbury, Stokes	24				
Davidson, Mecklenburg	51				

NOTE: Refer to an atlas or map for places not listed.

City and County	Territory Code	City and County	Territory Code	City and County	Territory Code
G		H		K	
Glen Anna, Davidson	32	Hertford, Perquimans	33	Kings Mountain, Cleveland	24
Glen Raven, Alamance	32	Hickory, Catawba	24	Kinston, Lenoir	31
Goldsboro, Wayne	47	Hickory Grove, Mecklenburg	52	Kirkpatrick Heights, Alamance	32
Gorman, Durham	13	High Point, Guilford	15	Knightdale, Wake	16
Goshen, Gaston	25	High Shoals, Gaston	25	L	
Graham, Alamance	32	Hillsboro, Orange	24	La Grange, Lenoir	33
Granite Falls, Caldwell	24	Hill Top, Guilford	14	Lake, Davidson	32
Granite Quarry, Rowan	24	Hines Junction, Lenoir	31	Lakedale, Cumberland	40
Greenleaf, Wayne	47	Holly Ridge, Onslow	41	Lake Latham Alamance	32
Greensboro, Guilford	14	Holly Springs, Wake	31	Landis, Rowan	32
Greenville, Pitt	31	Homestead, Mecklenburg	52	Lanvale, Brunswick	17
Griffith, Mecklenburg	52	Hominy, Buncombe	11	Laurinburg, Scotland	26
Grifton, Pitt	33	Hope Mills, Cumberland	40	Leaksville, Rockingham	24
Grimesland, Pitt	33	Hope Valley, Durham	13	Leicester, Buncombe	32
Groves, Gaston	25	House, Pitt	31	Leland, Brunswick	17
Guilford, Guilford	32	Huntersville, Mecklenburg	51	Lenoir, Caldwell	24
Guilford College, Guilford	32	Hutchinson, Mecklenburg	52	Lewisville, Forsyth	32
H		J		K	
Hahn, Mecklenburg	52	Jackson, Northampton	33	Lexington, Davidson	32
Halifax, Halifax	33	Jackson Park, Cabarrus	32	Liberty, Randolph	24
Hamilton Lakes, Guilford	14	Jacksons Creek, Randolph	24	Lillington, Harnett	26
Hamlet, Richmond	24	Jacksonville, Onslow	41	Lincolnton, Lincoln	24
Hamtown, Guilford	14	James Mill, Pitt	31	Linden, Cumberland	40
Hanes, Forsyth	18	Jamestown, Guilford	32	Littleton, Halifax & Warren	33
Hardins, Gaston	25	Jefferson, Ashe	24	Longhurst, Person	24
Harkers Island, Carteret	33	Jonesville, Yadkin	24	Longview, Catawba	24
Harrisburg, Cabarrus	32	Joyland, Durham	13	Longwood Park, Richmond	24
Haw Creek, Buncombe	11	Juno, Buncombe	32	Louisburg, Franklin	33
Haw River, Alamance	32	Jupiter, Buncombe	32	Lowell, Gaston	25
Hayesville, Clay	24	K		Lucama, Wilson	33
Hazelwood, Haywood	24	Kannapolis, Cabarrus & Rowan	32	Lucia, Gaston	25
Henderson, Vance	33	Kenly, Johnston	26	Lumberton, Robeson	26
Hendersonville, Henderson	24	Kernersville, Forsyth	32	Luthers, Buncombe	11

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**PERSONAL VEHICLE MANUAL
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NORTH CAROLINA (32)

City and County	Territory Code	City and County	Territory Code	City and County	Territory Code
M		M		P	
McAdenville, Gaston	25	Mount Olive, Wayne	47	Paw Creek, Mecklenburg	52
McCullers, Wake	16	Mount Pleasant, Cabarrus.....	24	Pembroke, Robeson	26
Maccliesfield, Edgecombe	33	Mount View, Gaston	25	Pharrs Mill, Cabarrus	32
Macedonia, Wake	16	Murfreesboro, Hertford	33	Phillipsville, Haywood	24
Madison, Rockingham	24	Murphy, Cherokee.....	24	Pikeville, Wayne	47
Maiden, Catawba	24	Myrtle Hill, Cumberland.....	40	Pilot Mountain, Surry	24
Majolica, Rowan.....	32	N		Pinehurst, Moore	24
Manchester, Cumberland.....	40	Nashville, Nash	33	Pinetops, Edgecombe	33
Marion, McDowell	24	Navassa, Brunswick.....	17	Pineville, Mecklenburg.....	52
Marshall, Madison.....	24	Neuse, Wake.....	16	Pinkney, Gaston	25
Mars Hill, Madison	24	New Bern, Craven	43	Pinoca, Mecklenburg	52
Marshville, Union	24	New Bridge, Buncombe.....	11	Pioneer Mills, Cabarrus	32
Matthews, Mecklenburg	52	Newel, Mecklenburg.....	52	Pittsboro, Chatham.....	24
Maxton, Robeson.....	26	Newfound, Buncombe.....	32	Pleasant Garden, Guilford	32
Mayodan, Rockingham	24	Newland, Avery	24	Plymouth, Washington.....	33
Mebane, Alamance & Orange.....	32	New Leaksville, Rockingham	24	Pomona, Guilford.....	14
Method, Wake.....	16	Newton, Catawba	24	Pope Air Force Base, Cumberland.....	40
Middlesex, Nash	33	North Belmont, Gaston.....	25	R	
Midway Park, Onslow	41	North Durham, Durham.....	13	Raeford, Hoke	26
Milan, Cumberland.....	40	North Wilkesboro, Wilkes	24	Ragan, Gaston	25
Milburnie, Wake	16	Norwood, Stanly	24	Raleigh, Wake	16
Millbrook, Wake	16	O		Ramseur, Randolph.....	24
Mocksville, Davie	24	Oakdale, Wake.....	16	Randleman, Randolph.....	24
Monroe, Union	24	Oak Grove, Durham	13	Ranlo, Gaston.....	25
Montreat, Buncombe.....	32	Oakhurst, Mecklenburg	52	Red Springs, Robeson	26
Mooresville, Iredell.....	24	Oakley, Buncombe	11	Redwood, Durham.....	13
Morehead City, Carteret.....	33	Oak Ridge, Guilford.....	32	Reidsville, Rockingham	24
Morganton, Burke	24	Ogburntown, Forsyth.....	18	Reynolda, Forsyth	18
Morrisville, Wake.....	31	Oldtown, Forsyth	18	Richmond Hill, Alamance	32
Mountain Island, Gaston	25	Ossipee, Alamance	32	Ridge, Gaston.....	25
Mount Airy, Surry	24	Oteen, Buncombe	11	Ridgecrest, Buncombe	32
Mount Gilead, Cabarrus.....	32	Owens, Cumberland.....	40	Ridgeview, Mecklenburg	52
Mount Gilead, Montgomery.....	24	Oxford, Grantville	24	Roanoke Rapids, Halifax	33
Mount Holly, Gaston	25			Robbins, Moore	24
				Robbinsville, Graham	24

NOTE: Refer to an atlas or map for places not listed.

City and County	Territory Code	City and County	Territory Code	City and County	Territory Code
R		S		T	
Robersonville, Martin	33	Slocomb, Cumberland.....	40	Tabor City, Columbus	26
Roberta Mills, Cabarrus	32	Smithfield, Johnston	26	Tarboro, Edgecombe	33
Rockingham, Richmond	24	Smyre, Gaston	25	Taylorsville, Alexander	24
Rockwell, Rowan	24	Snow Hill, Greene	33	Terra Cotta, Guilford.....	32
Rocky Mount, Edgecombe & Nash	31	Southern Pines, Moore.....	24	Thomasville, Davidson	32
Rocky Ridge, Cabarrus.....	32	South Fayetteville, Cumberland	40	Thrift, Mecklenburg.....	52
Rocky River, Cabarrus.....	32	South Gastonia, Gaston	25	Tiretown, Forsyth.....	18
Robesville, Wake	31	Southmont, Davidson	24	Toast, Surry	24
Roseboro, Sampson	33	Southport, Brunswick	26	Tokay, Cumberland	40
Roslin, Cumberland	40	South Raleigh, Wake.....	16	Trenton, Jones.....	33
Rougmont, Durham.....	32	South River, Rowan	32	Trinity, Randolph	32
Rowland, Robeson.....	26	South Rosemary, Halifax.....	33	Troy, Montgomery	24
Roxboro, Person	24	Sparta, Alleghany	24	Tryon, Polk	24
Rural Hall, Forsyth	32	Spencer, Rowan.....	32		
Rutherfordton, Rutherford	24	Spencer Mountain, Gaston.....	25	V	
		Spindale, Rutherford	24	Valdese, Burke	24
S		Spray, Rockingham	24	Valmead, Caldwell.....	24
Saint Pauls, Robeson	26	Spring Hope, Nash.....	33	Victory, Cumberland	40
Salisbury, Rowan	32	Spring Lake, Cumberland.....	40	Victory, Gaston.....	25
Sanford, Lee	26	Spruce Pine, Mitchell.....	24		
Saratoga, Wilson.....	33	Stanley, Gaston.....	25	W	
Saxapahaw, Alamance	24	Stantonsburg, Wilson	33	Wade, Cumberland.....	40
Scotland Neck, Halifax.....	33	Statesville, Iredell	24	Wadesboro, Anson	24
Selma, Johnston	26	Staton, Pitt.....	31	Wake Forest, Wake	31
Selwyn Park, Mecklenburg	52	Stedman, Cumberland	26	Walkertown, Forsyth.....	18
Seymour Johnson A.F.B., Wayne.....	47	Stokesdale, Guilford	32	Wallace, Duplin.....	33
Shallotte, Brunswick.....	26	Stony Point, Alexander.....	24	Walnut Cove, Stokes	24
Sharpsburg, Edgecombe, Nash & Wilson	31	Summerfield, Guilford.....	32	Warrenton, Warren	33
Shaws, Cumberland.....	40	Sunnyside, Gaston	25	Warsaw, Duplin	33
Shelby, Cleveland	24	Swannanoa, Buncombe	32	Washington, Beaufort	33
Shiloh, Buncombe.....	11	Swanquarter, Hyde	33	Waynesville, Haywood	24
Siler City, Chatham	24	Sweepsonville, Alamance	24	Weaverville, Buncombe.....	32
Skyland, Buncombe	11	Sylva, Jackson	24	Welcome, Davidson.....	32
				Weldon, Halifax	33
				Wendell, Wake	31
				Wentworth, Rockingham	24
				Westend, Guilford.....	15
				Westover, Wake	16

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**PERSONAL VEHICLE MANUAL
TERRITORY DEFINITIONS**

NORTH CAROLINA (32)

City and County	Territory Code	City and County	Territory Code	City and County	Territory Code
W		W		Y	
Whitakers, Edgecombe & Nash	33	Windsor, Bertie.....	33	Yadkin Junction, Rowan	32
Whiteville, Columbus	26	Winnabow, Brunswick	26	Yadkinville, Yadkin	24
Whitnel, Caldwell	24	Windsteads Chapel, Nash.....	31	Yanceyville, Caswell.....	24
Wilders Grove, Wake	16	Winston-Salem, Forsyth	18	Yost, Rowan	32
Wilkesboro, Wilkes.....	24	Winterville, Pitt	33	Youngs Springs, Wilson	31
Williamston, Martin.....	33	Woodburn, Brunswick	17	Z	
Wilmington, New Hanover	17	Woodfin, Buncombe.....	11	Zebulon, Wake	31
Wilson, Wilson	31	Worthville, Randolph	24		

NOTE: Refer to an atlas or map for places not listed.

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE
AVERAGE NUMBER OF CLAIMS FOR LATEST TWO ACCIDENT YEARS

OTHER-THAN-CLEAN RISK CEDED LIABILITY

Year Ended	Bodily Injury	Property Damage	Medical Payments
12/31/2009	11,471	25,386	5,746
12/31/2010	10,837	25,455	5,227
Average	11,154	25,421	5,487

Claims are developed.

NORTH CAROLINA PRIVATE PASSENGER AUTOMOBILE INSURANCE
 CALCULATION OF GENERAL AND OTHER ACQUISITION EXPENSES
 LIABILITY COVERAGES

OTHER-THAN-CLEAN RISK CEDED BUSINESS ONLY

	(1)	(2)	(3)	(4)
	Earned Premiums at Other-Than-Clean Risk Rates	Current Level To Actual Level Factor	Expense Factor	General and Other Acquisition Expenses
Year ending 12/31/2010				
BI	119,952,109	0.9778	13.7%	16,068,617
PD	88,400,457	1.0970	13.7%	13,285,616
MP	10,001,931	0.8890	13.7%	1,218,165
Year ending 12/31/2009				
BI	121,820,757	1.0046	13.5%	16,521,453
PD	89,675,858	1.1488	13.5%	13,907,649
MP	10,596,824	0.8883	13.5%	1,270,776
Year ending 12/31/2008				
BI	126,603,891	0.9594	14.2%	17,247,856
PD	93,267,815	1.0397	14.2%	13,769,818
MP	11,781,853	0.8858	14.2%	1,481,964

Notes:

- (1) Other-Than-Clean Risk ceded business at present Facility rates.
- (2) Factor to adjust the earned premium at manual rates to the rate level in effect at the time the premium was written.
- (3) Sum of the general expense and other acquisition expense percentages shown on page F-154. Ratio is to manual premiums.
- (4) = (1) x (2) x (3)

NORTH CAROLINA

PRIVATE PASSENGER INSTALLMENT PAYMENT INCOME

Year	Inst. Charges	Liability Written Premium	Phy. Dam. Written Premium	Total Premium	Inst. Charges as a % of Prem.
2001	38,858	1,893,769	1,571,089	3,464,858	1.1%
2002	36,805	1,985,194	1,743,154	3,728,348	1.0%
2003	44,105	2,154,552	1,761,240	3,915,792	1.1%
2004	42,329	2,141,604	1,715,924	3,857,528	1.1%
2005	48,100	2,271,283	1,880,120	4,151,403	1.2%
2006	50,874	2,371,902	1,839,600	4,211,502	1.2%
2007	49,844	2,521,056	1,767,596	4,288,652	1.2%
2008	55,612	2,533,141	1,832,183	4,365,324	1.3%
2009	55,543	2,683,685	1,782,690	4,466,375	1.2%
2010	55,706	2,621,692	1,762,655	4,384,347	1.3%
Latest 5 years:	267,579	12,731,476	8,984,724	21,716,200	1.2%

(in thousands)

PRE-FILED TESTIMONY
OF
RAYMOND F. EVANS, JR., CPCU

NONFLEET PRIVATE PASSENGER AUTOMOBILE INSURANCE
RATE FILING BY THE
NORTH CAROLINA REINSURANCE FACILITY

March 15, 2012

- Q. Would you state your full name and address?
- A. Raymond F. Evans, Jr., CPCU. My business address is 5401 Six Forks Road, Raleigh, North Carolina 27609.
- Q. Are you employed by the North Carolina Reinsurance Facility ("Facility")?
- A. Yes.
- Q. In what capacity?
- A. I am the General Manager.
- Q. How long have you been employed by the Facility?
- A. Since September, 2000.
- Q. What is the Facility's function with respect to rates for automobile insurance?
- A. The Facility promulgates rules and rates for private passenger nonfleet automobile liability insurance written in North Carolina that is ceded to the Facility.
- Q. Would you summarize your educational background?
- A. I graduated from Ohio State University with a Bachelor of Science Degree in Accounting. I am also a Chartered Property and Casualty Underwriter.
- Q. What was your work experience after graduation and prior to beginning work for the Facility?
- A. From March 1966 to August 2000, I worked in various capacities with the State Automobile Insurance Companies.
- Q. Can you identify Exhibits RF-1 through RF-8?
- A. Yes. This is the 2012 filing (the "Filing") submitted by the Facility to the Honorable Wayne Goodwin, Commissioner of Insurance, with respect to revised nonfleet private passenger motor

vehicle insurance rates in North Carolina for other-than-clean ceded business. By that I mean that the rates promulgated in this filing are for use with risks ceded to the Facility who are not clean risks, as clean risks are defined in N.C.G.S. 58-37-35(l).

Q. Do you know how the expense data underlying the Filing were compiled?

A. Yes. The underwriting expense provisions included in the Filing were derived on the basis of a special call for expense experience that is issued on an annual basis by the North Carolina Rate Bureau ("Bureau") to all member companies of the Bureau and the Facility. The responses received from that special call were compiled, checked by the Bureau and the Facility and furnished to Insurance Services Office ("ISO") for incorporation into the Filing. The expense data were checked, reconciled and edited by the Bureau and the Facility before they were sent to ISO for use in the Filing.

Q. Can you identify the document (Exhibit RF-2) entitled the North Carolina Personal Auto Manual?

A. Yes. The North Carolina Personal Auto Manual is a manual of the rules, rates and classifications used to write nonfleet private passenger automobile insurance in North Carolina. It covers both ceded and voluntary business. This manual and any approved amendments are on file with the North Carolina Department of Insurance and a copy is maintained at the offices of the Facility.

Q. Has the Facility furnished to ISO, for use in this Filing, information appearing in the annual statements and the Insurance Expense Exhibits of its member companies?

A. Yes.

Q. How was that information obtained by the Facility?

A. Information from the Annual Statements and the Insurance Expense Exhibits was obtained by Bureau Staff from Annual Statements and Insurance Expense Exhibits provided by the companies to the Bureau. The Annual Statements and the Insurance Expense Exhibits are part of the official records maintained at the Department of Insurance.

Q. Was the special call, annual statement and insurance expense exhibit information which was furnished to ISO in connection with the Filing correct and accurate to the best of your knowledge, information and belief?

A. Yes.

Q. Does the Facility have actuaries on its staff?

A. Yes, we have an actuary on staff.

Q. To the extent that additional actuarial expertise was necessary in the preparation of this Filing, where did the Facility obtain that expertise?

A. Actuarial expertise was obtained from ISO and from the members of the Bureau's Automobile Committee. The Automobile Committee reviews the data underlying the Filing and makes

recommendations to the Board of Governors of the Facility as to the items contained in the Filing, and many of the company representatives on the Automobile Committee are actuaries. ISO is retained by the Facility to provide actuarial services to the Facility for, among numerous other things, preparation of this Filing.

Q. What is the proposed effective date of the rates in the Filing?

A. The proposed rule of application provides that the new rates will apply to all policies becoming effective on or after October 1, 2012.

Q. Does the Filing include, to the extent available, the information to be furnished in connection with filings under Article 37 of Chapter 58 of the General Statutes?

A. Yes. Those data that were available have been submitted to the Commissioner as part of the Filing. As shown and explained in that submission, some data were not collected or, if collected, were not retrievable from the statistical data in the form requested. The individual circumstances with respect to such data are explained in the submission.

Q. Does that conclude your prefiled testimony?

A. Yes.

**PREFILED TESTIMONY
OF
PATRICK B. WOODS**

**2012 PRIVATE PASSENGER NONFLEET
AUTOMOBILE INSURANCE RATE FILING
BY THE NORTH CAROLINA REINSURANCE FACILITY**

Q. Please state your name and business address.

A. My name is Patrick B. Woods. My business address is Insurance Services Office, 545 Washington Boulevard, Jersey City, New Jersey.

Q. By whom are you employed?

A. I am employed by Insurance Services Office ("ISO") and have been employed by ISO since May 10, 1976.

Q. What are your responsibilities at ISO?

A. I am generally responsible for managing and overseeing the operations of the Personal Automobile Actuarial Division at ISO. The Personal Automobile Actuarial Division is responsible for ISO's total ratemaking operation as it pertains to private passenger automobile insurance. We are generally responsible for doing everything that pertains to ratemaking for the personal automobile coverages including reviewing experience, making filings, analysis of classification plans, etc. ISO is involved in ratemaking for the personal automobile coverages in general in all 50 states plus the District of Columbia and Puerto Rico.

Q. What is your employment background?

A. I have been employed by ISO for over thirty-five years in various actuarial positions in the Personal Lines area. I was hired as an Actuarial Assistant in the Personal Property Actuarial Division in 1976. I was promoted to Assistant Actuarial Supervisor in Personal Property. I was later transferred to Private Passenger Actuarial and promoted to Actuarial Supervisor. At my next promotion I was named as Assistant Actuary in ISO's Data Quality Division. While in this area, I worked exclusively on New York's Special Examination of ISO and NAII in their role as statistical agents for personal automobile insurance. Upon completion of this assignment, I joined the Personal Lines Actuarial Division. In January of 1987, I was named Actuary and Manager of the Personal Lines Actuarial Division. In 2003, because of the growth of our international commitment, ISO split the Personal Lines Actuarial Division into two Divisions—Personal Automobile Actuarial and Personal Property Actuarial. I am presently Assistant Vice President and Actuary in charge of the Personal Automobile Actuarial Division.

Q. What is your background in actuarial science and your educational background?

A. I have a Bachelor of Science degree and a Master of Arts degree in mathematics from St. John's University. I am a Fellow of the Casualty Actuarial Society ("CAS") and a member of the American Academy of Actuaries, and I am in good standing with both of those organizations and have met the requirements for Continuing Education. I am currently chair of the Committee on Volunteer Resources and a member of the Task Force for the Review and Update of the Statement of Principles. I have served on the CAS Prizes and Awards Administration Committee, on the CAS Program Planning Committee, on the Professional Education Committee, on the Committee on Principles, on the CAS Examination Committee, on the CAS Risk Classification Committee and on the CAS Editorial Committee. I have also served as a member of the American Academy of Actuaries Committee on Property and Liability Issues. I am currently a chair of the ASB Ratemaking Task Force and formerly served as chair of the Casualty Committee of the Actuarial Standards Board and as the chair of the Ratemaking Subcommittee of the Casualty Committee of the Actuarial Standards Board.

Q. Are you familiar with automobile ratemaking in other states?

A. As part of my duties at ISO, I know the data collection and ratemaking procedures in use in states other than North Carolina. I have worked on rate filings for virtually every state in which ISO has jurisdiction. I am responsible at the present time for either preparing or supervising the preparation of filings for all of the states and the District of Columbia and Puerto Rico.

Q. What work have you performed with respect to the Reinsurance Facility's 2012 automobile rate filing in North Carolina for other than clean ceded private passenger risks (the "Filing").

A. Through ISO I have been involved in the preparation of the 2012 private passenger automobile rate filing for the other-than-clean risks ceded to the Reinsurance Facility in two respects. First, ISO is one of three statistical organizations that collect rate-related statistical data from the companies writing automobile insurance in North Carolina. The Independent Statistical Service ("ISS") and the National Independent Statistical Service ("NISS") are the other statistical organizations that collect such data. The three statistical organizations subject the data that are reported to them to a series of verification edits and then consolidate the data. The data which ISS and NISS collect are sent to ISO and consolidated with the ISO-collected data in the proper format so that they can be reviewed to determine whether rates are adequate or inadequate. ISO then produces the hard-copy exhibits of the combined data in a format and detail necessary for ratemaking.

Second, ISO provides consulting actuarial services directly to the Reinsurance Facility. I have been directly involved in this aspect of the Reinsurance Facility's private passenger automobile insurance rate filings for a number of years. As in the past, my staff and I compiled the ratemaking data to be reviewed by the Automobile Committee in preparation of the Filing.

Under my direction, my staff put together the vast majority of the data and information contained in Exhibit RF-1.

Finally, I have reviewed the filed rates to determine if they are calculated in accordance with the Casualty Actuarial Society's (CAS) Statement of Principles Regarding Property and Casualty Insurance Ratemaking. In accordance with Actuarial Standard of Practice No. 17 Expert Testimony by Actuaries, I conducted my review in terms of reasonableness rather than solely in terms of whether there is precise agreement on each issue. In addition, I applied the rate standards set forth in North Carolina General Statute 58-37-35.

Q. Mr. Woods, could you describe generally the steps taken to ensure that the statistical data contained in this filing are reasonable and reliable for ratemaking purposes?

A. Yes. The data received from the companies are subject to various edits which check for the validity of the coded information and the appropriateness of the relationship of the codes to each other on each record. After the data have been edited at the transaction level, they are subjected to a set of distributional edits which check that the distribution of the data is consistent with a company's prior submissions. The data are also balanced on a company-by-company basis to statutory page 14 of the Annual Statement. After all these checks and reviews have been made on a company basis, the aggregate data are reviewed for overall reasonableness. This includes checking to see that the changes observed in various summary totals are consistent with known activities and other compiled information, as well as previous years' statistics.

Q. Would you describe the data utilized in Exhibit RF-1?

A. The ratemaking experience reflected in Exhibit RF-1 is, in general, the data which has been supplied by the individual insurance companies to the statistical organizations and consolidated into the appropriate format and detail for ratemaking as described above. The supporting data for the rate level changes for bodily injury liability, property damage liability, and medical payments coverages are the data from the other-than-clean risks reinsured by the Facility. These data are contained in Section C. Three years of exposure, loss and expense experience are displayed for each of the coverages in Section C. The three years are the years ended December 31, 2008, December 31, 2009, and December 31, 2010. As in the past, the Automobile Committee has acted as an advisory committee to the Reinsurance Facility on this filing. After consideration of the three years of data, the Committee concluded, based on standard actuarial credibility considerations, and balancing the issue of stability versus responsiveness, that the exposure distributions and the losses and expenses attributable to these exposures for the year ended December 31, 2010 were fully credible and could be given 100% credibility weighting for calculating anticipated rate level needs. Accordingly, the mathematical calculations underlying the indicated average rate level changes and filed base rate changes are based on the exposure distribution, loss experience and expense experience for the year ended December 31, 2010. This is the same weighting procedure that has been utilized by the Reinsurance Facility in previous private passenger automobile insurance rate filings.

The loss experience used in the Filing for the liability and medical payments coverages is what we call "accident year" experience. I can explain that best by giving you an example. The losses for the accident year ended December 31, 2010 consist of all losses caused by accidents which occurred during the one year period ended December 31, 2010. If an accident occurred December 29, 2009 and resulted in either a loss being paid or a reserve being established after January 1, 2010, that loss would be a part of the accident year losses for the period ended December 31, 2009. The test for breaking losses down into accident years is the date the accident occurred.

Q. Does the Filing contain an exhibit which shows the criteria for determining the credibility to be assigned to a single year's data?

A. Yes. The credibility table at the top of page D-23 of the Filing shows the number of claims which are necessary for assigning full credibility to a single year's data. It also shows the number of claims that would be necessary for assigning partial credibility. These are the criteria which are currently used by ISO on a countrywide basis. These credibility standards are based on a formula described in the paper "On the Credibility of the Pure Premium" by Mayerson, Jones and Bowers. This paper was published in the Proceedings of the Casualty Actuarial Society for 1968, Volume LV. The full standard of 4,000 claims is based on the criterion that the observed (actual) pure premium should be within 5% of the expected pure premium with a probability of 95%. In simpler terms, we are using a P (probability) value of 95%, and a k (tolerance) value of plus or minus 5%.

The chart shows that if the average number of claims is 4,000 or greater, 100% credibility should be assigned to the latest year's data, with zero weight being assigned to data for the earlier years. The average number of claims is the annual average for the two latest accident years. If the average number of claims for a particular coverage over a two year period were 3,700, that would mean that you should use both years' experience in calculating rates. In that example, ninety (90%) percent weight should be given to the latest year and 10% to the earlier year.

Q. Is this criteria for determining the accident year weights applied to all coverages?

A. No, it is not applied in the determination of the excess limits indication for bodily injury and property damage liability and it is not applied in the determination of the motorcycle indications. A three year experience period is used for the excess limits liability coverages because of the potential variability in the year to year results for higher layers of coverage. For the motorcycle indications, the experience used is financial data collected by the Rate Bureau, and no claim count by year is available.

Q. Page D-23 also has a table showing the factors for territorial credibility. Please explain that.

A. Once the statewide rate change is determined, it is necessary to apply the overall change to each of the territories in the state. The territory credibility table is used to determine how much credibility is assigned to the three-year experience for a particular territory. The reason for the difference in the number of claims as between statewide credibility and territorial credibility is that for the development of rates by territory a wider confidence

interval is permitted. We use a 90% confidence interval for territory purposes, but a stricter 95% confidence interval for the statewide rate level calculation.

Q. Please explain the trend credibility table in the lower right-hand portion of page D-23.

A. In some states the number of claims is so small that full credibility should not be assigned to the calculated trends. That is clearly not the case in North Carolina. The trend credibility table shows that 10,623 claims are necessary for full credibility for trends. The number of claims in North Carolina far exceeds that standard. Therefore it is appropriate for the bodily injury, property damage and medical payments coverages to give the trend calculations full credibility. This does not mean that the past trends will necessarily continue into the future. That is something which we have to consider and evaluate carefully. It does mean, however, that we can be confident that the trend calculations are accurate representations of what did in fact occur during the period covered by the trend calculations.

Q. As part of your testimony, have you prepared an exhibit that shows the average number of claims over the last two accident years for each of the coverages in the Filing?

A. Yes. Exhibit RF-3 shows the average number of claims for the accident years ended December 31, 2009 and December 31, 2010. It shows that for each of the coverages the number of claims was well in excess of the 4,000 which is the standard for assigning full credibility to the latest year. Accordingly, for the purpose of calculating the statewide rate indication for each of the coverages, it is actuarially sound and reasonable to give 100% credibility weight to the data for the accident year ended December 31, 2010.

Q. Has the Reinsurance Facility considered seat belt usage in North Carolina in preparing this filing?

A. Yes, the Auto Committee routinely reviews information on seat belt usage in North Carolina when performing the annual rate review. In this filing, the Reinsurance Facility has not made an explicit adjustment to the otherwise indicated rate levels because the program in North Carolina directed at increasing the awareness of the law regarding the use of seat belts has been in place since the early 1990's, and its effects are fully reflected in the 2008, 2009 and 2010 data.

In addition, the most recent change in the seat belt laws is the law requiring all occupants to be belted (warnings only effective December 1, 2006 and \$10 penalty effective July 1, 2007). Since the trend data were through June, 2011, a significant portion of any effect of that law change is already reflected in the data.

Q. Has the Reinsurance Facility given any consideration to the impact of the graduated license program?

A. Yes. That program was effective in late 1997, and therefore all three of the years of experience considered by the Auto Committee are fully reflective of the graduated license program.

- Q. Mr. Woods, please turn to page C-1 of Exhibit RF-1. Would you explain what that page is.
- A. Page C-1 is what we call a statewide indicated average rate level calculation for the liability coverages for North Carolina. Although technically the medical payments coverage is not a liability coverage, for ratemaking purposes we generally treat it as such. Therefore, if I refer in my testimony to the liability coverages, it includes not only bodily injury and property damage but also the medical payments coverage unless I specify otherwise. Page C-1 is a determination of what the indicated average rate levels are for bodily injury, property damage, and medical payments coverages. The data shown are for other than clean ceded risks.
- Q. The column on page C-1 for bodily injury contains a reference to "30/60". What does that mean?
- A. These are the minimum bodily injury liability policy limits which are needed to comply with the financial responsibility laws in North Carolina. Here we are calculating the indicated average rate that is needed for this "basic limits" coverage. We assume that losses are "capped" at these basic limits. What this means is that the indicated average rate we get from the calculation is the actuarially sound average rate assuming everyone in North Carolina purchased basic limits coverage. There is a separate procedure which is followed to determine what the additional premium should be for those people who buy higher limits, and the results of that procedure are incorporated at the end of the calculation on page C-1 in order to get the total limits premium. This use of "basic limits" losses for the purpose of determining the statewide indicated average rate is the proper procedure to be followed. As far as I am aware, the use of basic limits data is universally accepted. To illustrate how it works, assume that a person bought a policy with 100/300 bodily injury policy limits and had an accident which caused his insurance company to make a payment to a claimant of \$75,000. The losses which are shown on line 1 would include only \$30,000 as opposed to the \$75,000 total loss.
- Q. Referring to line 1 on page C-1 under the bodily injury column, what are "reported incurred losses and allocated loss adjustment expense"?
- A. The reported incurred losses on line 1 are the losses resulting from accidents which occurred during the one year period ending December 31, 2010. The figure includes both losses which have already been paid and losses which are not yet paid and are represented by outstanding claim reserves. The figure also includes allocated loss adjustment expenses. Allocated loss adjustment expenses are expenses which relate to a specific claim. For example, the fees which an insurance company pays to attorneys to defend a claim would be classified as allocated loss adjustment expenses. On the other hand, adjustment-related expenses which cannot be identified to a specific claim are called unallocated loss adjustment expenses. An example of this would be the salaries and overhead associated with operating a company's in-house claims department. Allocated loss adjustment expenses are included in line 1; unallocated loss adjustment expenses are not.
- Q. Have the losses and allocated loss adjustment expenses as reported by the companies been adjusted in any way to get to the number in line 1?

A. Yes. As I mentioned earlier, ratemaking is done on a 30/60 limits basis. For that reason we adjust the reported losses by eliminating those losses which exceed the amount which would have been paid had the policy limits been 30/60.

Q. Would you please explain lines 2 and 3 on page C-1?

A. Yes. Those lines reflect the incorporation of loss development into the calculation. Line 2 shows the loss development factor, and line 3 is the result of multiplying the incurred losses and allocated loss adjustment expenses in line 1 by that loss development factor. As I mentioned a moment ago, the losses on line 1 of page C-1 do not include losses which are not yet reported. By definition, since they are not yet reported, we cannot simply take a reported number and add it in. They are included by what is known as an adjustment for IBNR (incurred but not reported) losses. This is accomplished through the use of loss development factors. The losses as they are reported to us cover all accidents which occur during the one year period ended December 31, 2010. When they are reported to us they are evaluated as of March 31, 2011. As of March 31, 2011, some of the losses have already been paid and some have not, i.e., they are represented by loss reserves. The loss reserves, of course, are estimates of what will ultimately be paid on these outstanding claims. Since we want the estimates to be as accurate as possible, we look at history to see how losses have changed, or "developed," in the past from the time they were initially reported to the time they were ultimately paid. For example, if we look back and see that historically there has been a 1% increase in the amount of losses from the time they were initially reported as reserves until the time they were ultimately paid, we would logically assume that the same development pattern will hold true for losses incurred during the year ended December 31, 2010. Accordingly we would make an adjustment by increasing the losses as they are initially reported to us by 1%.

Q. What causes losses to change or develop as you have described?

A. The losses which are paid as of the date of the initial reporting, of course, do not change. As to the reserve portion of the losses, however, changes would typically result from the fact that the ultimate loss payments are more or less than estimated at the time of the initial report. Another factor would be the late reporting of claims. For example, if an accident occurred on December 28 of any given year and for some reason was not timely reported to the company, it might very well be that the losses as initially reported would not include any provision for that particular claim. By the time of the next year's evaluation, however, the claim would have worked its way into the system and the total loss would include either the paid amount or the reserved amount for that particular claim. This would cause an upward development in the losses as initially reported.

Q. Will you please refer to page D-13 of RF-1 and explain how the loss development factor for bodily injury in the Filing was calculated?

A. Yes. In the top section of that page the combined voluntary and ceded losses evaluated as of 15, 27, 39, 51 and 63 months for the accident years for which data are available are shown. The first entry for the accident year ended December 31, 2007 is \$566,258,904.

This is in the column which is labeled "15 Months." This is the first evaluation of the losses caused by accidents which occurred during the year which ended December 31, 2007. The evaluation was made as of March 31, 2008 -- 15 months after the beginning of the accident year. Twelve months later (March 31, 2009), the losses caused by accidents which occurred during the year ended December 31, 2007 had grown to \$615,386,763. This is the evaluation as of 27 months after the beginning of the accident year. This increase from roughly \$566 million to \$615 million represents a growth in losses, or a positive development, of 8.7% (1.087) as shown in the column on the lower portion of the page labeled "15 to 27 Mos." As shown on page D-13, we have looked at the average development from 15 months to 27 months over the period from accident year 2007 to 2009 and over the latest five years. The average development for the three years was 1.064 or 6.4%, and the average development for the latest five years was 1.070 or 7.0%. The Automobile Committee decided to use the factors based on the three year averages for Bodily Injury, Property Liability, and Medical Payments. I believe that these factors provide the best balance of stability and responsiveness.

Q. Does page D-13 also show development figures for periods later than 27 months?

A. Yes. Studies have shown that for the bodily injury liability coverage virtually all losses have been paid by the time of the evaluation at 63 months after the beginning of an accident year. For that reason we also calculate loss development factors for the periods from 27 months to 39 months, 39 months to 51 months and 51 months to 63 months. For example, by the time of the 39 month evaluation the losses for the accident year ended December 31, 2007 had grown to \$626,175,066. This represents a change of 1.8% in the losses for the same accident year evaluated as of 27 months. The average development over the period 27 months to 39 months for the three most recent years for which the data are available was 1.020 or 2.0%.

Q. Are the data which were used to determine loss development for later periods also shown on page D-13?

A. Yes. The figures showing how losses developed from the 39-month evaluation to the 51-month evaluation and then the 63-month evaluation are also shown on that page. The development factors were calculated in the same manner I just described for the "15 to 27" and "27 to 39" development factors. As you can see on the page, we have had to use earlier accident years to get the later evaluations. This is because we do not yet know what the ultimate developments will be on the later accident years.

Q. Will you explain how the loss development factor used to determine the ultimate payment value of the accident year ended December 31, 2010 losses was determined?

A. Yes. The development factors for each of the applicable periods, as shown on page D-13, are:

<u>Development Period</u>	<u>Factor</u>
51 to 63	1.002
39 to 51	1.009
27 to 39	1.020
15 to 27	1.064

If you multiply all of these factors, rounding at each step, you will get the average development from the initial evaluation at 15 months to the ultimate payment value at 63 months. The result of that multiplication is 1.097 or 9.7% total development. Since losses have historically increased or developed by 9.7% from the time they are initially reported to the time they are paid, the assumption is that the losses for the accident year ended December 31, 2010 will do likewise. Accordingly, the developed losses shown in the Filing for the accident year ended December 31, 2010 include a 9.7% upward adjustment for loss development.

Q. Is this the same loss development procedure that has been employed in previous automobile insurance rate filings in North Carolina?

A. Yes, with one exception. For Medical Payments, three year average factors are utilized in this filing. In one previous filing, five year averages were used for this coverage.

Q. Please refer to line 5 of page C-1. With reference to the column headed "Bodily Injury," please tell us what the figure \$10,185,984 represents.

A. These are the unallocated loss adjustment expenses associated with accidents that occurred in the accident year ended December 31, 2010. As I explained earlier, unallocated loss adjustment expenses are those loss adjustment expenses that cannot be attributed on an accident-by-accident basis. That number is the result of multiplying the developed losses and ALAE in line 3 by the factor of 0.132 in line 4,

Q. Have you reviewed the compilation of the expense data?

A. Yes, I have. When ISO gets the expense information, we routinely review it relative to earlier years for consistency.

Q. Please refer to page C-1, line 6 entitled "General and Other Acquisition Expenses." With reference to the figure \$16,068,617 shown under the column headed "Bodily Injury," what does that figure represent?

A. These are the general and other acquisition expenses associated with the calendar year ended December 31, 2010. These are the so-called fixed expenses for that year. They are fixed in that they do not vary as a direct function of the premium dollar. For example, employee salaries (other than claims employees) would be classified as either general expenses or other acquisition expenses. Those salaries are fixed in the sense that they do not vary directly as a function of premium. Such things as commissions and premium taxes, on the other hand, are examples of expenses which do rise or fall directly with

premium. Line 6 of page C-1 represents the expenses (other than claims-related expenses) which are fixed in this sense.

The amounts shown on line 6 for each of the coverages are also derived from the most recent special call responses received by the Rate Bureau. The figures reported in response to the special call are total general expenses and total other acquisition expenses. It would not be appropriate to include the total figures actually reported since some of those expenses should be the "increased limits" portion of the total rates. Since what is calculated on page C-1 is the required premium needed for basic limits, we want to use only those fixed expenses which are attributable to the basic limits premium. As shown on page C-2 at footnote (c), the total limits fixed expenses were 5.6% for general expenses and 8.1% for other acquisition expenses, for a total of 13.7% of combined voluntary and ceded total limits manual earned premium for the period covered by the special call. By multiplying that percentage times the basic limits premium on a collected level for "non-clean risk" ceded business for policies associated with the year ended December 31, 2010, you get the total fixed expenses that are attributable to the basic limits coverage. This is shown on Exhibit RF-4.

Q. Would you please explain line 7?

A. The figure 316,081 in line 7 displays the earned exposures of other than clean risks ceded to the Facility for the Bodily Injury coverage for the year 2010. An earned exposure represents one car insured for one year. Thus, the 316,081 represents the number of cars that were provided with coverage during the year 2010. The earned exposures will serve as the denominator in the calculation of the projected values that will be used in calculating the required per risk premium.

Q. Would you please explain lines 8 through 10?

A. These lines are shown for general information purposes. The incurred claims in line 8 are multiplied by the claim development factor in line 9 to produce the number of developed claims in line 10.

Q. What is the assumed effective date which was used in the preparation of the Filing?

A. The Filing was put together on the assumption that the revised rates will become effective October 1, 2012 for new and renewal business.

Q. Referring to page C-1, please explain what is meant by line 11 -- Average Annual Change in Losses and ALAE.

A. What the Reinsurance Facility is doing in the Filing is making rates to cover policies issued for new business and for renewals of existing business for other than clean ceded risks during the period October 1, 2012 through September 30, 2013. In order to do that, it is necessary to project the amount of losses which will be covered under policies issued during these periods. Since we know that losses change because of such things as changes in accident frequency and changes in injury and damage costs, it would not be appropriate to

assume that the losses covered under 2012 and 2013 policies will be the same as the losses which are shown on line 3 for the accident year ended December 31, 2010. The purpose of line 11 is to trend the losses which are shown on line 3 to the anticipated level for 2012 and 2013 policies. Line 11 shows what is generally referred to as the trend factor. It is the anticipated annualized rate of change in losses. For the bodily injury liability coverage, the annual factor is 1.015 or 1.5% per year. These are referred to as "pure premium" trends. In order to apply that annual trend to policies to be written under the new rates, the trend is applied over a period of 3.04 years, as shown in line 13 on page C-1. Mathematically this is done by raising the factor of 1.015 to the 3.04 power. This gives you the total amount of the trend projection.

Q. How were these trends determined?

A. They were selected by the Automobile Committee based on its review and discussion of a variety of information. Much of the information they reviewed was provided by ISO. The primary data for this analysis are what we refer to as "internal" trend data. These are the cost and frequency data for all companies writing private passenger non-fleet automobile insurance in North Carolina, for which trend lines were determined for several different time intervals both on a linear and on an exponential basis in order to determine what the actual changes for both cost and frequency have been in the recent past. This information is included in the filing at pages F-122 through F-130.

Fast Track data were also provided. This is data from the so-called Fast Track Data System, a program administered under the auspices of the National Association of Insurance Commissioners ("NAIC"). This program was developed in the 1970's in response to a concern that the internal trend data were not produced currently enough to indicate the most up-to-date trends in accident frequency or severity. Fast Track data are collected, as the name implies, on a more expedited basis from among a number of the larger automobile insurance writers. There are a number of problems with Fast Track data. For instance, they do not include the trend data of all insurers and are not subjected to the verification procedures which are applied to the internal trend data. Further, the Fast Track data, which are also compiled on a calendar year basis, are somewhat biased due to the relative growth of participating companies and the share of the market in claims and exposures they represent. Nonetheless, they can be useful on some coverages as a tool to assist in making judgments about likely trends where they are more current than other available data. It should be noted that the Fast Track data used in this filing are the same Fast Track data supplied directly to the Commissioners by ISO, NISS and ISS. The Fast Track data and trend calculations are included in the Filing at pages F-114 through F-121.

Q. Are the Fast Track data included in the Filing more current data than the internal trend data of the aggregate industry considered by the Automobile Committee?

A. No. The Fast Track data and the internal trend data were both through 2nd quarter 2011.

Q. Was there any other trend information provided to the Automobile Committee?

A. In addition to the internal trend and the Fast Track trends, various external information was provided. This information included various government indices (such as the Consumer Price Indices for medical care, physician services and auto body work), statistics with respect to gasoline prices, and miles driven.

Q. Is there any one mathematical procedure which can be used to determine the average annual change in pure premium?

A. No, there is not. The determination of an average annual change based on trend curves will give an accurate calculation as to what the past trend has been. However, the trend numbers calculated in that fashion should be used as a prospective trend factor only to the extent that one anticipates that the past trends will continue into the future.

Q. Have you reviewed the trends used in the Filing?

A. Yes. The Reinsurance Facility adopted for use in the Filing the selections made by the Automobile Committee. Those are set out below:

COVERAGE	COST	FREQUENCY	PURE PREMIUM
Bodily Injury (B/L)	1.5%	0.0%	1.5%
Bodily Injury (T/L)	1.5%	-	-
Property Damage	0.0%	1.0%	1.0%
Medical Payments	0.5%	0.5%	1.0%

Q. Do you have an opinion with respect to the reasonableness of these trends?

A. Yes, based on my own review of the data, I do. I believe that the Automobile Committee and the Reinsurance Facility have been reasonable in their trend selections. By that I mean that they selected trends that were within my range of reasonableness.

For the Bodily Injury coverage, the Rate Bureau has selected a basic limits cost trend of 1.5% based on selecting a value that is within the range of the longer term and shorter term fitted annual rates of change. The selection of a value around the middle of the range is reasonable and is consistent with giving consideration to both the shorter term and longer term trend. The total limits cost trend factor selected was also 1.5%. The fitted annual rates of change range from -0.3% to 2.5%, with the more positive fits found in the short term.

For Bodily Injury claim frequency, the Rate Bureau selected 0.0%. The Bureau examined the fitted paid claim frequency data and noted that the annual rate of change for claim frequency was variable over the 24 point, 15 point, 12 point, 9 point and 6 point fits. The longest term (24-point) fit was negative while the short term and mid-term fits were flat. The 0.0% selection reflects the recent stabilization after a period of declining claim frequencies.

For the Property Damage coverage, the Rate Bureau selected a cost trend of 0.0% and a frequency trend of +1.0%. The 0.0% selection for cost reflects an expectation that the recent increases in claim costs demonstrate a turnaround from the longer term downward pattern. The selection of the +1.0% frequency change is based on the shorter term fits in Property Damage frequency, taking into consideration the recent upturn following a long period of decline.

For the Medical Payments coverage, the Rate Bureau selected a cost trend of +0.5%. This selection for cost falls within the narrow range of the shorter and longer term fits. For Medical Payments frequency, the Rate Bureau selected a frequency trend of +0.5%. Similar to the Medical Payments claim cost, the +0.5% frequency selection falls within the fairly narrow range of the shorter and longer term fits.

Q. In making your evaluation of the Reinsurance Facility's trend selections, have you relied on any other data?

A. Yes, I have. I relied on the various CPI cost information, information on gasoline prices and miles driven data that were provided to the Automobile Committee as part of its review. In looking at the trend data, my judgment and interpretation of the trend data were influenced by my awareness and analyses of these external data.

Q. Please refer to line 12 of page C-1 of Exhibit RF-1 and explain the purpose of that line.

A. The average annual change in expense cost of 2.0% represents the expected change in general expenses, other acquisition expenses and unallocated loss adjustment expenses. These expenses are treated as fixed expenses and do not vary in direct relationship to the actual premium dollars. These expenses represent salaries, overhead, rents and expenses that should vary according to general economic trends and not as a direct function of how premium increases or decreases. For example, commissions are calculated as a percent of premium. If the premium rate goes up, the dollars of commission go up. On the other hand, the salary paid to an employee in the Home Office, which is a part of general expenses and other acquisition expenses, is not tied to premium. Just because premium may go up 10% does not mean that the employee's salary will go up 10%. The salary will be influenced by general economic trends and not what the premium level is doing. That is why general expenses and other acquisition expenses are treated differently from those expenses that vary as a function of premium in this filing.

Q. Would you explain how the 2.0% factor in line 12 was determined?

A. The average annual change in expenses is based on analysis of the latest average annual change in the All Items CPI, the All-Items-Less Energy CPI and the Compensation Cost Index. The data are shown on pages D-9 through D-12 of the Filing. The Auto Committee examined the fits of the data in two different combinations: the All Items CPI and the Compensation Cost Index combined fitted rates of change over various time periods for the last 4 years; and the All Items-Less Energy CPI and the Compensation Cost Index for the same time periods. The Committee continues to review the second analysis because the volatility in energy prices over the experience period has made the All Items CPI more

volatile and therefore less valuable as a predictor of future costs. Based on an analysis of these two sets of data, a selected factor of 2.0% is reasonable as this value falls within the range of the short-term, mid-term and long term fits.

Q. How do you apply the average annual change in expenses set forth in line 12?

A. The procedures on how the average annual change in expenses is applied are described in footnotes (f) and (g) on page C-2. The expenses set forth on lines 5 and 6 are multiplied by the prospective trend factor to adjust the expenses for the projected future changes in expenses. The general and other acquisition expenses are trended to six months past the effective date and the unallocated loss adjustment expense is trended to the average date of loss for policies which will be written at the proposed rates.

Q. Will you explain line 16 on page C-1 entitled "Projected Losses and ALAE"?

A. The projected losses and allocated loss adjustment expenses of \$80,716,210 are the losses and allocated loss adjustment expenses set forth on line 3 multiplied by the total trend projection. This gives you the losses that we expect will be incurred under the revised rates.

Q. Line 13 on page C-1 and footnote (e) on page C-2 indicate that losses are trended for a period of 3.04 years. Will you explain how the 3.04 years of projection was calculated?

A. The incurred losses set forth on line 3 are the developed losses for the accident year ended December 31, 2010. These losses actually occurred during that time frame. The average date of loss of those accidents is the mid-point of that accident period or July 1, 2010. In order to adjust these losses to the future level expected to prevail under the proposed rates, you have to adjust them by the trend factor. The proposed effective date for purposes of the calculations in the Filing is October 1, 2012. This means that policies will be written, assuming annual revisions, anywhere on average from October 1, 2012 through September 30, 2013. A policy written on the last day of that interval, September 30, 2013, assuming it is an annual policy, will expire on September 30, 2014. The period for which accidents will occur under these policies will be anywhere from October 1, 2012 through September 30, 2014. If you were to assume that all of the policies were annual policies, the average date of accident underlying the proposed rates would be the mid-point of that two-year period or October 1, 2013. If we were only talking about annual policies we would trend from the average date of accident underlying our base experience period, July 1, 2010, to October 1, 2013 - a period of 3.25 years. This would be the amount of the trend you would have to use in order to take your base losses and adjust them to the appropriate future level.

If you were to assume that all of the policies were six month policies, then a policy written on September 30, 2013 would expire on March 31, 2014. The period for which accidents will occur on these policies will be from October 1, 2012 through March 31, 2014. Thus the average date of accident underlying the proposed rates for 6 month policies would be the midpoint of that 18 month period, July 1, 2013.

In North Carolina, not all policies are annual policies. Most automobile policies in North Carolina are six-month policies (84% - see page D-4). Based on the "mix" of policy terms being written in North Carolina, the average date of loss will be July 14, 2013. Therefore, in order to adjust the base losses from July 1, 2010 level to July 14, 2013 level, it is necessary to apply the annual trend factors for a total period of 3.04 years.

Q. Will you explain the projected ULAE in line 17 on page C-1 of the Filing?

A. These are the unallocated loss adjustment expenses in line 5 projected by the average annual change in expenses in line 12 to the average date of expense for policies issued under the proposed rates. These loss adjustment expenses have to be adjusted for the same 3.04 year period since loss adjustment expenses occur at approximately the same time that losses occur.

Q. Will you explain line 18 entitled "Projected Losses and LAE per exposure"?

A. What line 18 shows is the anticipated average cost per insured vehicle for losses and all loss adjustment expenses. The value is calculated by adding the projected losses and ALAE in line 16 and the projected ULAE in line 17 and then dividing the total by the earned exposures in line 7.

Q. Will you explain line 19 entitled "Projected G & OA Expenses"?

A. As shown in footnote (g) on page C-2, projected general and other acquisition expenses are the general and other acquisition expenses in line 6 projected by the average annual change in expense in line 12. The projected period of 2.75 years is utilized because general and other acquisition expenses are generally incurred at the time a policy is written as opposed to the date that a loss occurs. Therefore, the average date of expense is different from the average date of expense utilized for loss adjustment expenses. The trend period is from the midpoint of the year to April 1, 2013, the average date of expense for policies to be issued under the revised rates.

Q. What does line 20 entitled "Projected Fixed Expenses per exposure" show?

A. Line 20 entitled "Projected Fixed Expenses per exposure" takes the Projected G & OA Expenses shown on line 19 and divides them by the earned exposures in line 7. This figure represents the amount of expenses that will be incurred for general and other acquisition expenses on a per exposure basis.

Q. What does line 21 entitled "Projected Loss, LAE and G & OA Expenses per Exposure" show?

A. Line 21 is, as indicated, just a combination of lines 18 and 20; it is the sum of projected losses and ALAE, projected ULAE and projected general and other acquisition expenses all stated as an average amount per earned exposure. These are the projected costs that can be expected to be incurred during the experience period and are the major components for which the average rate will need to provide.

Q. What does line 22 entitled "Percentage Dividends" show?

A. Line 22 shows the Reinsurance Facility's selected provision of 0% for anticipated dividends to policyholders. This amount is selected in recognition of the fact that we are not aware of any policyholder dividends having been paid on Reinsurance Facility business in the past and that none are anticipated to be paid in the upcoming period.

Q. What does line 23 on page C-1 entitled "Permissible Loss, LAE and G & OA Expense Ratio" show?

A. This line takes into account the other expense items, such as commissions and brokerage and taxes, and provides for any contingency provision. It would also typically include underwriting profit, but no underwriting profit provision is included in this filing because, by statute, the Reinsurance Facility is to operate on a no profit, no loss basis. If you look at page D-19 of the Filing, you can see that, for the liability coverages, the commissions and brokerage are 10.0% of the premium dollar, and taxes, licenses and fees are 2.3% of the premium dollar, and there is a 0% margin for contingencies. These items add up to 12.3%. These items are what are known as variable expenses. They vary in direct proportion with the premium dollar. You know that out of every dollar of premium you write, 12.3 cents will have to go to pay for these expenses and you are left with only 87.7 cents to pay for losses, loss adjustment expenses and general and other acquisition expenses. The permissible loss and fixed expense ratio shows the percentage of the premium dollar you will have available to pay for trended losses, trended loss adjustment expenses and trended general and other acquisition expenses.

Q. What is the source of the percentages on page D-19 with respect to commissions and brokerage; taxes, licenses, and fees; and contingencies?

A. The provisions for commissions and brokerage and for taxes, licenses and fees were calculated from the 2011 North Carolina expense call for 2010 data undertaken by the North Carolina Rate Bureau. The provision for commission and brokerage reflects the minimum commission required on private passenger non-fleet business ceded to the Facility.

Q. Would you explain line 26 entitled "Premium Required per Exposure"?

A. This is the required amount of premium that the Reinsurance Facility needs to collect, on average, from each insured in order that in the aggregate sufficient premium will be collected to pay the expected losses and expenses. This amount is calculated by taking the Projected Losses, LAE and Expenses per Exposure and loading them for the variable expenses such as commissions and taxes. However, if that premium amount were collected, the Facility could theoretically make a profit because of the investment income which it will earn on the unearned premium and loss and loss expense reserves. The Filing also takes into account installment payments income paid by insureds. The purpose of line 26 is to determine the rates such that premium plus installment income and investment income will equal the expected losses and expenses. The way this is done mathematically is to add both the expected investment income (line 24) and the expected installment income

(line 25) as a percentage of premium to the permissible loss, LAE and G & OA expense ratio shown on line 23. The investment income figure used in the Filing is 2.8% of premium, as shown on page F-171 of the Filing. That 2.8% is added to the permissible loss, LAE and G & OA expense ratio shown on line 23. In addition, the installment income figure of 1.2% of premium is added to the permissible loss, LAE and G & OA expense ratio shown on line 23. The installment income provision of 1.2% is developed on Exhibit RF-5. By dividing the projected loss and expense ratio on line 21 by the total of the permissible loss, LAE and G & OA expense ratio on line 23 plus 2.8% and 1.2%, we get the premiums which, when added to investment income and installment income, will equal the expected losses and expenses. This is the amount that the Facility in the aggregate needs to actually collect in order to pay for the expected losses and expenses on ceded business.

Q. What is the Distributional Adjustment Factor as shown on line 27?

A. The distributional adjustment factor as shown on line 27 is the average class factor reflecting the mix of the various use classes, inexperienced operator classes, multi car/single car risks and the average SDIP factor. It provides a measurement of how far from the base class on average the average risk is. For example, the 1.481 distributional adjustment factor for bodily injury liability indicates that, because of the application of these various rating factors, the average non-clean, ceded risk will pay 148.1% of the otherwise applicable base rate.

Q. Could you please explain line 28 entitled "Required 30/60/25 Base Class Premium"?

A. The figure shown on line 28 is the needed average base class premium statewide. It is determined by dividing the average premium in line 26 by the distributional adjustment factor in line 27. This is the average statewide premium required for a single car, pleasure use, no SDIP and no inexperienced operators risk. This premium will be used in the development of the territory base rates where it will be distributed based on the difference from the statewide average of each territory's three year pure premium.

Q. Could you explain what is shown on line 29 on page C-1?

A. Line 29 reflects the indicated Total Limits change based on an analysis of the Reinsurance Facility's other-than-clean risk experience on a total limits basis.

Q. Could you explain what is shown on line 30 on page C-1?

A. Line 30 takes the indicated total limits change and applies it to the basic limits base class premium. The Rate Bureau did not file changes to the increased limits factors as part of its February 1, 2012 review. Typically, when the total limits indication has not been effected through a change to the increased limits factors, it is incorporated into the basic limits change, and that is what is done here. The failure to apply the change in this manner would result in this case in the overall rate level being slightly excessive.

Q. Are the calculations of the indicated average rate level changes for the property damage and medical payments coverages performed in the same manner as for the bodily injury coverage you just described?

A. Yes, while the inputs are obviously different for the different coverages, the calculations are performed in the same general manner. It should be noted that the property damage coverage required 25,000 base class premium in line 30 also includes the overall effect of the increased limits experience.

As noted on page C-1, the medical payments indications are performed on a total limits basis. Therefore, there are no adjustments anywhere in the calculation to a basic limits basis and no adjustment in line 29 for the total limits change. However, the distributional adjustment factor for Medical Payments will be that much larger, since as part of the calculation to put the premium at a base class level, the premium must be presented at basic limits, and therefore the medical payments total limits premium is divided by the average increased limits factor in addition to the average class factor.

Q. What are the final indicated average rate level changes for bodily injury, property damage and total limits medical payments coverages resulting from the calculations on page C-1?

A. The indicated average rate level changes resulting from the calculations on page C-1 are posted on page A-1. These changes are determined by taking the ratio of the statewide average required base class premium to the current statewide average base class premium. The required base class premiums by territory are determined by distributing the required base class premium, as shown on the statewide rate review (page C-1), using the relative changes by territory found in Column (7) on pages C-7, C-8 and C-9 and the appropriate expense flattening adjustment. The statewide average base class premiums are determined by taking the weighted average by territory using the earned car years for the year ended December 31, 2010.

As shown on page A-1, the result of these calculations is that the indicated average rates will generate rate level changes of -2.0% for bodily injury, +1.2% for property damage and -5.3% for medical payments.

Q. How are motorcycle insurance rates determined in this Filing for the bodily injury and property damage liability coverages?

A. The indicated rate changes are calculated separately using motorcycle experience in North Carolina from the Rate Bureau's call for motorcycle experience. The data are voluntary and ceded experience combined. The resulting rates are then presented as a percentage of the rates applicable to ceded private passenger non-fleet automobile insurance. The percentage is what is commonly referred to as a "relativity."

Q. Given the fact that motorcycle rates are shown in the manual as a percentage of rates for private passenger non-fleet automobile insurance, what would the effect be on motorcycle rates of a 0.7% decrease in ceded automobile liability insurance rates for the bodily injury and property damage coverages?

- A. If the motorcycle rate relativities are not adjusted, a 0.7% decrease in the automobile liability insurance rates would automatically result in the same approximate percentage change in the motorcycle liability rates.
- Q. Does Exhibit RF-1 contain calculations which seek to determine what the indicated change in rates should be for the motorcycle liability coverages?
- A. Yes. Page G-2 of the Filing shows that for other than clean ceded risks ceded to the Reinsurance Facility an 8.5% decrease is needed for the bodily injury and property damage motorcycle coverages.
- Q. Please refer to page G-2 of the Filing and explain how the indicated rate change of -8.5% was determined.
- A. The figures shown on lines 1, 2 and 5 of page G-2 were reported to the Rate Bureau by its member companies in response to a call for motorcycle data issued by the Rate Bureau. The information was compiled by the Rate Bureau and then furnished to ISO. The earned premiums at present rates were calculated by means of an actuarial technique known as earned on level factors. This technique uses adjustment factors to reflect the impact of any rate level changes made during and subsequent to each calendar year to bring the historic data up to current level.

Line 3 is a factor based on the total loss adjustment expenses for all three years in the experience period divided by the total incurred losses for the three-year period. This change was made several years ago because the calendar year incurred loss adjustment expenses reported in the Rate Bureau call were significantly impacted by reserve changes. The method selected smoothes out the impact of these changes. The resulting loss adjustment expenses are the products of the factor on line 3 and the incurred losses on line 2. These are displayed on line 4.

The figures shown on line 6 are the annual percentage trends in losses. They were determined by taking a weighted average of the trends used to calculate automobile rates for bodily injury, property damage and medical payments coverages.

The figure in line 7 for average annual change in expense costs is 2.0% per year. This is the same prospective expense trend figure used for automobile coverages. The 2.0% figure was determined and applied in the same manner as in the automobile coverages.

The figure for projected losses in line 8 is simply the amount shown in line 2, with the annual percentage trend from line 6 applied. The manner in which the trend is applied is the same as was used for the automobile coverages. The procedures for trending the loss adjustment expenses (line 9) and the general expenses and other acquisition expenses (line 10) are also the same as were used for the automobile coverages. Line 11 is simply the total of lines 8, 9 and 10.

The projected loss, LAE and G & OA expense ratio shown in line 12 is simply line 11 divided by line 1. Taking the year ended 12/31/10, for example, \$26,761,697 shown in line 11 is divided by the \$35,876,436 in line 1. The result is 0.746. What this means is that, if rates are not changed, 74.6 cents of every dollar of premium will be needed to cover losses, loss adjustment expenses, general expenses and other acquisition expenses.

Q. How was the Permissible Loss, LAE and G & OA Expense Ratio in line 13 calculated and what is its significance?

A. There are certain expenses which vary in direct proportion to the premium dollar. For example, commission and brokerage are determined as a percentage of written premium. Likewise, taxes vary on the basis of written premium. The percentages used to determine the permissible loss, LAE and G & OA expense ratio in line 13 are shown on page G-4 of the Filing and are as follows for the liability coverages:

	2008	2009	2010
Commission and Brokerage	10.0%	10.0%	10.0%
Taxes, licenses, etc.	2.3%	2.3%	2.3%
Profit	0.0%	0.0%	0.0%
Contingencies	0.0%	0.0%	0.0%
Investment Income	-2.8%	-2.8%	-2.8%
Installment Income	-1.2%	-1.2%	-1.2%
	8.3%	8.3%	8.3%

The motorcycle rate calculations include in the Permissible Loss, LAE and G & OA Expense Ratio provisions for contingencies, anticipated investment income on the unearned premium and loss and loss expense reserves and installment income. When these are added to the combined amounts for commission and brokerage and taxes, licenses, etc., the results for three years are 8.3%, 8.3% and 8.3% respectively. The figures shown on line 13 of page G-2 are simply the difference between 1.000 and the percentage figures I have just mentioned. For example, the variable expenses plus profit and contingencies, etc. for 2010 were 8.3%. 1.000 minus 0.083 is equal to 0.917. What this means is that if 8.3 cents out of every premium dollar are allocated to the variable expenses, profit and contingencies, you have 91.7 cents available to pay losses, loss adjustment expenses, general expenses and other acquisition expenses.

Since line 12 tells us that, based on the 2010 data, we will need 74.6 cents of every premium dollar to pay for the losses and the so-called "fixed expenses," and line 13 tells us that we will have 91.7 cents available for those purposes, we can divide line 12 by line 13 in order to get the percentage rate change which is necessary. The indicated percentages as shown in line 14 are +11.3%, -15.7% and -18.6% for the years 2008, 2009 and 2010 respectively.

- Q. How was the figure in line 15 entitled "Final Selected Rate Level Change" determined?
- A. Line 15 is simply the weighted average of the three figures shown in line 14. In other words, we have weighed the +11.3%, -15.7% and -18.6% by premiums in line 1. The resulting average is -8.5%.
- Q. You indicated that the Filing proposes changes in automobile insurance rates of an average decrease of 0.7% for the bodily injury and property damage liability coverages combined and that if the motorcycle relativities were not adjusted the result would be a similar change in motorcycle rates. Please explain how the proposed new relativities for the motorcycle rates were determined for the liability coverages.
- A. The revised liability relativities for motorcycles are shown on page G-6 of the Filing. What this shows is that if the automobile liability insurance rates for other than clean ceded risks decrease 0.7% and the motorcycle liability insurance rates go down 8.5%, the current motorcycle liability relativities should be multiplied by 0.915/0.993 or 0.921. The calculations are shown on page G-6. Thus, the present liability relativity for motorcycles having engine sizes of 500 cubic centimeters up to 1249 cubic centimeters should be decreased to approximately .249. The same adjustment factor is applied to each engine size group and the calculation is shown on page G-6. The filed relativities are the indicated relativities rounded to two decimal places. The proposed relativities are actuarially sound and proper assuming that the filed liability rate changes for private passenger non-fleet automobile coverages for other than clean ceded risks are fully implemented. If those changes are not fully implemented, the proper relativities can be calculated by the following formula:
- $$\text{New Relativity} = \frac{\text{Current Relativity} \times 0.915}{\text{Manual Rate Change in Ceded Auto BI/PD Rates}}$$
- Q. Mr. Woods, please turn to pages F-171 through F-173 of Exhibit RF-1. What do those pages represent?
- A. Pages F-171 through F-173 are what are commonly known as "State X" calculations. They are calculations of the estimated investment earnings on unearned premium reserves and loss and loss expense reserves. The sources for the data on these pages are shown on pages F-172 through F-173. Each line is explained, and the appropriate data source is cited.
- Q. Would you explain the calculation.
- A. Section A on page F-171 is the determination of the average unearned premium reserve for the ceded liability coverages for the State of North Carolina. Line 1 gives the direct earned premium for the accident year ended December 31, 2010. From that earned premium, the mean unearned premium reserve is calculated. The portion of the direct earned premium that is held as unearned premium reserve is determined from the average unearned premium reserve for the years ending December 31, 2009 and December 31, 2010. In this case, the mean unearned premium reserve is 28.6% of the direct earned premium. You must then

deduct prepaid expenses since these prepaid dollars would not be available to earn investment income.

For commission and brokerage expense, 100% of the expense provision as set forth on page F-171 is considered pre-paid. For other acquisition expense and company operating expense, one-half is considered pre-paid.

G.S. 105-228.5 as amended in 1986 specifies the procedure by which premium tax is to be paid by insurers. On average, these funds are held by insurers for approximately two months prior to remission to the State. Therefore 1.92% of premium is a pre-paid expense and is not available for investment.

Line A-5 shows the amount of unearned premium reserves that were available for investment.

Part B calculates the impact on funds available for investment of delayed remission associated with deferred payment of premium and the lag in transfer of funds to the companies. The average agents balances for all companies writing private passenger liability insurance in North Carolina is 16.3% of premiums. The explanation of this 16.3% is shown in the explanatory notes.

Part C shows the calculations of the expected mean loss reserves held by the companies. Line C-2 entitled Expected Incurred Losses and Loss Adjustment is based upon the expense provisions utilized in the Filing. The derivation of the expected mean loss reserve in line C-3 is shown on page F-171 of the Filing.

Part D adds up the unearned premium reserves subject to investment and the loss reserves subject to investment and backs out the amount that is not invested due to delayed remissions. This gives you the total amount of unearned premium reserves and loss and loss expense reserves available for investment.

Once you have determined how much is available for investment, you then apply the average investment return to determine total investment earnings. Line E shows an average yield of 3.56%. The source of that yield is the portfolio manager for the Facility, Wellington Management Company.

Applying the yield in line E to the net subject to investment in line D gives you the total investment earnings in North Carolina. Line G merely applies the total earnings to the direct earned premium in line A-1 to show a yield of 2.80% pre-tax as a percent of direct earned premium.

Q. Were these State X pages prepared by you or under your direct supervision and are they correct to the best of your knowledge and belief?

A. Yes.

Q. Does this filing propose any changes to the factors for higher limits of liability insurance?

- A. No. However, the effect of the higher limits experience is fully reflected in the basic limits rates for Bodily Injury and Property Damage.
- Q. Are there any changes in this filing to the classification factors?
- A. No.
- Q. Does the Filing include a revision of the present territorial relativities?
- A. Yes. In connection with the overall changes we have been discussing, new territory rates are displayed; these are shown on page B-1. In these rates, the new territorial relativities are determined in such a way that no overall statewide rate level change is caused. In other words, based on each territory's own indications, the relativities are revised, with some territories receiving increases while others receive decreases. The overall statewide change as a result of these territorial relativity changes is 0%. Please note that the territorial relativities for Medical Payments have been determined based on Medical Payments territorial data. In filings prior to 2011, Medical Payments territorial relativities were based on Bodily Injury territory data.
- Q. How has the Reinsurance Facility treated general and other acquisition expense by territory?
- A. The Reinsurance Facility has treated 100% of general expense and other acquisition as not varying by territory.
- Q. Please turn to page A-1 of Exhibit RF-1 and explain what is shown on that page?
- A. Page A-1 of Exhibit RF-1 shows the filed rate level changes resulting from the rate calculations contained in the Filing. The overall percentages are calculated by multiplying the changes shown for each coverage by the total limits premium for each of the coverages and then dividing by the total premium for all coverages in order to calculate what the average impact is for each category. The premiums that were utilized for these calculations are shown on page A-1.
- Q. Do you have an opinion as to whether the data utilized and the method of calculating the filed rate level changes contained in the Filing are sound and actuarially reliable and, if so, what is that opinion?
- A. Yes, I have an opinion. In my opinion, the data utilized and the ratemaking methodologies used by the Reinsurance Facility are consistent with generally accepted actuarial procedures and they are actuarially sound and reliable.
- Q. Do you have an opinion as to whether the filed rate level changes contained in Exhibit RF-1 are fully justified and, if so, what is that opinion?
- A. In my opinion, they are fully justified and are not excessive.

PRE-FILED TESTIMONY
OF
MICHAEL E. STACK

2012 PRIVATE PASSENGER NONFLEET AUTOMOBILE INSURANCE
RATE FILING
BY THE NORTH CAROLINA REINSURANCE FACILITY
March, 2012

Q. Please state your name and business address for the record.

A. **Michael Stack**
Wellington Management Company, LLP
280 Congress Street
Boston, MA 02110

Q. By whom are you employed?

A. **Wellington Management Company, LLP**

Q. In what capacity?

A. **My formal title is Senior Vice President, Fixed Income Portfolio Manager. I am a Fixed Income Portfolio Manager and also Chair of the Financial Reserves Management Team. I am also a Partner of the firm.**

Q. What are your duties in your roles at Wellington Management Company, LLP?

A. **As a fixed income portfolio manager I am responsible for managing U.S. Broad Market portfolios for clients, such as insurance companies, with customized risk and return objectives, often related to accounting and/or regulatory constraints. As chair of the Financial Reserve Management Team, I am responsible for setting aggregate risk levels and investment strategy in**

Core Bond, Intermediate Bond, Core Bond Plus, Long Bond and Crossover portfolios.

Q. Is it correct that Wellington Management Company, LLP is an investment manager managing investable assets of the North Carolina Reinsurance Facility (the Facility)?

A. Yes

Q. As investment manager for the Facility, does Wellington Management Company, LLP have discretionary investment authority over the Facility's funds?

A. Yes, as permitted by the Investment Management Agreement between North Carolina Reinsurance Facility and Wellington Management Company, LLP.

Q. What is your role personally with respect to the Facility's investment account?

A. I am the lead Portfolio Manager responsible for managing the Facility's investment portfolio according to the investment guidelines set forth in the Investment Management Agreement. I am responsible for all buy and sell decisions executed in the portfolio.

Q. How long have you been employed by Wellington Management Company, LLP?

A. I joined Wellington Management Company, LLP in 2000.

Q. How long have you been employed by Wellington Management Company, LLP in the division or department which specializes in fixed-income investments?

A. Since joining the firm in 2000.

Q. How long has Wellington Management Company, LLP managed the Facility's investment portfolio?

A. Wellington was engaged by the Facility on October 1, 2009.

Q. How long have you personally been the portfolio manager for that account?

A. **Since our relationship with the Facility began on October 1, 2009.**

Q. In connection with the Facility's 2012 Private Passenger Automobile Insurance rate filing, has the Facility requested that you make any calculations concerning the investment yield that the Facility could reasonably expect during the two-year period beginning October 1, 2012?

A. **Yes.**

Q. Did you make those calculations?

A. **Yes, working in conjunction with Wellington's internal fixed income quantitative analysts.**

Q. Would you please describe how your calculations were performed?

A. **To determine the investment yield that the Facility could reasonably expect during the two-year period beginning October 1, 2012, we employed a security-level book yield projection approach, rolling forward the book yield on the Facility's investment portfolio as it stood on December 31, 2011 as a starting point. The book yield projection incorporates the actual book yield of the existing assets held in the portfolio and also a reinvestment yield associated with projected principal (maturity and pre-payments) and coupon cash payments projected to be received going forward. We assume that projected future cash flows (principal maturities, prepayments, paydowns and coupon payments) are reinvested at a yield which reflects the portfolio's performance benchmark yield as it stood on December 31, 2011 adjusted for higher expected reinvestment rates consistent with the US Treasury forward curve as it existed at the time the estimate was developed. We used the benchmark yield because we believe this yield represents a good approximation of the mix of assets that would be purchased in the portfolio. Using this methodology, the projected month-end portfolio book yield was calculated for each month during the two year period beginning October 1, 2012 and the resulting yields for these 24 months were then averaged to arrive at the estimate of the Facility's portfolio yield for the overall time period.**

Q. What was the result of your calculations?

A. **Our calculations resulted in an estimated investment yield of 3.56%.**

Q. Do you have an opinion as to whether the 3.56% investment yield estimate that is based on your calculations and the assumptions used in your methodology is a reasonable estimate of what the Facility's investment yield will be?

A. **Yes.**

Q. What is that opinion?

A. **I believe the yield estimate is a reasonable estimate of the Facility's investment portfolio yield during the two-year period beginning October 1, 2012, based on the information available when we made the calculations.**

Q. Does that conclude your pre-filed testimony?

A. **Yes.**