

# NORTH CAROLINA REINSURANCE FACILITY

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September 25, 2001

## CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Eligibility for Cession of  
Higher Coverage Limits

By Circular Letter To All Member Companies RF-01-8 dated August 24, 2001, notice was provided to member companies that the Commissioner of Insurance had approved the new Form NCRF-31 - Certification of Higher Coverage Limits as a result of the enactment of House Bill 357 which amends the Reinsurance Facility Statutes to allow cession of liability coverage limits up to \$250/\$500/\$100 and medical payments limits up to \$5,000 when the additional ceding privileges above \$100/\$300/\$50 and medical payments limits of \$2,000 are necessary for the purpose of obtaining or continuing a Personal Excess Liability or Personal "Umbrella" insurance policy. This change was to be applicable to all new and renewal policies effective October 1, 2001.

The North Carolina General Assembly recently passed House Bill 164 amending the effective date of this change to January 1, 2002. This change becomes effective in accordance with the following Rule of Application:

This change is applicable to all new and renewal policies effective January 1, 2002.

Amended Standard Practice Manual pages will be distributed in the near future.

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

Very truly yours,

F. Timothy Lucas

Automobile Manager

FTL:dp

RF-01-11