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November 4, 1994

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Endorsement NC 00 11 (Ed. 2-95) Amendatory Endorsement North Carolina Personal Auto Policy

The Commissioner of Insurance has approved a new Endorsement NC 00 11 (Ed. 2-95) Amendatory Endorsement - North Carolina Personal Auto Policy filed on behalf of the member companies of this Rate Bureau and on behalf of the North Carolina Reinsurance Facility.

Enclosed is a copy of Endorsement NC 00 11 which is designed to recognize (1) recent court decisions dealing with workers compensation insurance; and (2) the provisions of Senate Bill 1579, enacted during the 1994 Session of the North Carolina General Assembly, which modify the cancellation statutes applicable to non-fleet private passenger automobiles.

In view of the North Carolina Court of Appeals' Decision in Bailey v. Nationwide Part C - Uninsured Motorists Coverage has been amended in the Personal Auto Policy (1) to eliminate Exclusion C dealing with workers compensation law benefits; and (2) to amend the Limit of Liability Section to eliminate the provision which currently provides for a set-off for benefits paid under workers compensation law. The amendments under Part F - General provisions are designed to comply with Senate Bill 1579.

These changes become effective February 1, 1995 in accordance with the following Rule of Application:

These changes are applicable to all policies written on or after February 1, 1995.

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

Very truly yours,

John W. Watkins

General Manager

JWW:lg

<u>Enclosure</u>

A-94-19