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November 5, 1997

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Amendments - Rule 5.B.1.b. Safe Driver Insurance Plan Senate Bill 234

The Commissioner of Insurance has approved amendments to Rule 5.B.1.b. in the Personal Auto Manual which were filed on behalf of the member companies of this Rate Bureau and the North Carolina Reinsurance Facility. The amendments are designed to comply with the provisions of Senate Bill 234 which was enacted during the 1997 Session of the North Carolina General Assembly.

Enclosed is a memorandum which sets forth the approved amendments to the Safe Driver Insurance Plan (SDIP). These amendments increase the at-fault property damage accident thresholds by \$500 and establish a new at-fault bodily injury \$1,500 threshold. Also enclosed is a chart which compares the point assignments under the current SDIP and the point assignments that will result under the amended SDIP.

These amendments become effective January 1, 1998 and apply to at-fault accidents that occur on or after January 1, 1998.

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

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Enclosures

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