

11 NCAC 10 .0603 is amended as published in 33:04 NCR 337-338 as follows:

11 NCAC 10 .0603 CONSENT TO RATE PROCEDURES: COMMERCIAL COVERAGES

(a) An initial (first time) application to effect consent to rate on a specific risk of coverage subject to Article 40 of G.S. 58, in excess of the rate promulgated by a licensed rating organization or filed by a company on its own behalf shall contain the following:

- (1) a description of the insurance proposed, including primary and excess limits, the amount of coverage, the property insured, the deductible, and any other factor used for rating, where applicable;
- (2) the rate and premium that would be charged without application of consent to rate;
- (3) the proposed rate and premium;
- (4) the percent increase. The rate to be charged shall be presumed reasonable if it does not exceed 250 percent of the rate that would be charged without application of consent to rate. Any proposed rate in excess of 250 percent ~~must be explained fully and~~ is subject to review and approval by the Commissioner pursuant to G.S. 58-40-30(c);
- (5) the names and addresses of the insurer, the writing agent, and the insured;
- (6) the effective date of the proposed rate;
- (7) the policy period;
- (8) the policy number; and
- (9) a letter signed by the insured acknowledging and consenting to the proposed rate. If coverage for the specific risk written on consent to rate is available through a residual market (FAIR Plan, Beach Plan, North Carolina Reinsurance Facility, North Carolina Workers Compensation Insurance Plan), a statement signed by the insured acknowledging that fact must also be executed.

(b) If a policy for which the insured had consented to pay a higher premium rate is reinstated after a lapse, the insurer shall not have to obtain a signed statement from the insured under this Rule for the reinstatement.

(c) After a signed application is obtained by an insurer under this Rule for a policy, all subsequent changes in the policy shall be endorsements for the purposes of G.S. 58-40-30(c).

(d) If a particular kind of coverage is added to a policy by endorsement during the term of the policy and the added coverage is written at a higher rate under G.S. 58-40-30(c) and under this Rule, the insurer shall obtain the signature of the insured under this Rule no later than the next renewal of the policy.

(e) If an insured consents to pay a higher premium rate under G.S. 58-40-30(c) and this Rule, and consent to rate coverage is subsequently terminated, if and the insured and insurer later enter into another consent to rate agreement, agreement under G.S. 58-40-30(c) and this Rule, the insurer does shall not be required have to obtain the signature of the insured under this Rule unless three years have elapsed since the termination of the coverage original consent to rate agreement.

(b)(f) A letter signed by each insured acknowledging and consenting to the proposed rate shall be retained in the insurer's office and be made available to the Commissioner upon request. All records generated under G.S. 58-40-30(c)

1 and this Rule shall be maintained in accordance with the requirements of Title 11, Chapter 19, Section .0100 of the
2 North Carolina Administrative Code.

3
4 *History Note: Authority G.S. 58-2-40(1); 58-40-30(c);*
5 *Eff. February 1, 1976;*
6 *Readopted Eff. July 11, 1978;*
7 *Amended Eff. August 3, 1992; January 1, 1989;*
8 *Temporary Amendment Eff. November 8, 1996;*
9 *Amended Eff. July 1, 1998;*
10 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. ~~January 3,~~*
11 *~~2017.~~ January 3, 2017.*
12 *Amended Eff. December 1, 2018.*

1 11 NCAC 10 .0606 is repealed as published in 33:04 NCR 337 as follows:

2
3 **11 NCAC 10 .0606 CONSENT TO RATE PROCEDURES**

4
5 *History Note: Authority G.S. 58-2-40(1); 58-36-30(b); 58-40-30(c);*

6 *Temporary Adoption Eff. November 8, 1996;*

7 *Eff. July 1, 1998;*

8 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. ~~January 3,~~*

9 *~~2017.~~ January 3, 2017.*

10 *Repealed Eff. December 1, 2018.*