

CHAPTER 3

AUTOMOBILE INSURANCE

Authority

N.J.S.A. 17:1C-6(e) and 17:1-8.1.

Source and Effective Date

R.1996 d.58, effective January 4, 1996.
See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).

Executive Order No. 66(1978) Expiration Date

Chapter 3, Automobile Insurance, expires on January 4, 2001.

Chapter Historical Note

Chapter 3, New Jersey Automobile Insurance Plan, became effective January 31, 1972 as R.1972 d.20. See: 3 N.J.R. 223(d), 4 N.J.R. 49(d). Subchapter 7, Automobile Reparation Reform Act, became effective December 4, 1972 as R.1972 d.244. See: 4 N.J.R. 270(a), 5 N.J.R. 13(c).

1973 Revisions: Amendments became effective January 3, 1973 as R.1973 d.3. See: 4 N.J.R. 307(a), 5 N.J.R. 47(d). Further amendments became effective January 25, 1973 as R.1973 d.30. See: 4 N.J.R. 305(b), 5 N.J.R. 48(a). Further amendments became effective January 26, 1973 as R.1973 d.35. See: 5 N.J.R. 20(b). Further amendments became effective May 31, 1973 as R.1973 d.140. See: 5 N.J.R. 150(a), 5 N.J.R. 229(b). Further amendments became effective August 31, 1973. See: 5 N.J.R. 350(b). Further amendments became effective December 4, 1973 as R.1973 d.337. See: 6 N.J.R. 15(d).

1974 Revisions: Amendments became effective July 24, 1974 as R.1974 d.208. See: 6 N.J.R. 322(b).

1975 Revisions: Amendments became effective July 1, 1975 as R.1975 d.130. See: 7 N.J.R. 113(a), 7 N.J.R. 276(d).

1976 Revisions: Subchapter 10, Auto Physical Damage Claims, became effective May 1, 1976 as R.1976 d.46 and R.1976 d.47. See: 8 N.J.R. 38(b), 8 N.J.R. 136(b). Amendments became effective October 18, 1976 as R.1976 d.328. See: 8 N.J.R. 421(a), 8 N.J.R. 516(a). Further amendments became effective November 22, 1976 as R.1976 d.371. See: 8 N.J.R. 481(b), 8 N.J.R. 559(c).

1977 Revisions: Amendments became effective March 23, 1977 as R.1977 d.100. See: 9 N.J.R. 178(b). Further amendments became effective March 31, 1977 as R.1977 d.114. See: 9 N.J.R. 127(a), 9 N.J.R. 239(a).

1978 Revisions: Amendments became effective January 1, 1978 as R.1977 d.437. See: 9 N.J.R. 435(d), 9 N.J.R. 586(b). Further amendments became effective January 19, 1978 as R.1978 d.12. See: 9 N.J.R. 585(c), 10 N.J.R. 69(c).

1979 Revisions: Amendments became effective August 17, 1979 as R.1979 d.155. See: 11 N.J.R. 142(a), 11 N.J.R. 250(a).

1982 Revisions: Amendments became effective August 16, 1982 as R.1982 d.246. See: 14 N.J.R. 543(b), 14 N.J.R. 917(d).

1983 Revisions: Subchapter 8, Nonrenewal of Automobile Insurance Policies, was readopted effective June 6, 1983 as R.1983 d.190. See: 15 N.J.R. 231(a), 15 N.J.R. 927(a). Subchapter 12, Automobile Rate Filers: Flattening of Premium Taxes and Assessments Made for the Unsatisfied Claim and Judgement Fund, became effective October 3, 1983 as R.1983 d.424. See: 15 N.J.R. 1170(a), 15 N.J.R. 1666(a). Subchapter 13, Automobile Rate Filers: Deductibles for Private Passenger Automobile Collision and Comprehensive Coverage, became effective October 17, 1983 as R.1983 d.467. See: 15 N.J.R. 1342(a), 15 N.J.R. 1769(b). Subchapter 6, Insurance Identification Card, was

readopted effective December 29, 1983 as R.1983 d.648. See: 15 N.J.R. 1919(a), 16 N.J.R. 145(c).

1984 Revisions: Sections 13.3, 13.4 and 13.5 were originally amended as an emergency amendment effective January 4, 1984 as R.1984 d.3. See: 15 N.J.R. 1961(a), 16 N.J.R. 246(c). Amendments became effective January 17, 1984 as R.1983 d.648. See: 15 N.J.R. 1919(a), 16 N.J.R. 145(c). Public Notice for automobile insurance written notice/buyer's guide coverage selection form as contained in Subchapter 15. See: 16 N.J.R. 254(d). Subchapter 15, Standards for Written Notice: Buyer's Guide and Coverage Selection Form, became effective April 2, 1984 as R.1984 d.114. See: 15 N.J.R. 2142(a), 16 N.J.R. 733(a). Subchapter 14, Personal Injury Protection Options, became effective April 2, 1984 as R.1984 d.116. See: 15 N.J.R. 2139(a), 16 N.J.R. 730(b). Subchapter 7 was scheduled to expire August 17, 1984. The Governor granted a waiver of the scheduled expiration date from August 17, 1984 to November 15, 1984. On November 15, 1984, the Governor granted a second waiver from November 15, 1984 to February 13, 1985. Amendments became effective November 5, 1984 as R.1984 d.480. See: 16 N.J.R. 1692(a), 16 N.J.R. 3037(b).

1985 Revisions: Subchapter 7 was readopted pursuant to Executive Order No. 66(1978) effective February 13, 1985 with amendments effective March 18, 1985. See: 17 N.J.R. 43(a), 17 N.J.R. 707(b). Further amendments became effective February 19, 1985 (operative April 22, 1985) as R.1985 d.72. See: 16 N.J.R. 3285(a), 17 N.J.R. 458(c). Subchapter 17, Rating Organizations, became effective October 6, 1985 as R.1985 d.609. See: 16 N.J.R. 2936(a), 17 N.J.R. 2905(a). Further amendments became effective December 16, 1985 as R.1985 d.629. See: 16 N.J.R. 3170(a), 17 N.J.R. 2988(a).

1986 Revisions: Pursuant to Executive Order No. 66(1978), Chapter 3, Automobile Insurance was readopted effective January 6, 1986 (operative May 6, 1986) as R.1985 d.654. See: 16 N.J.R. 3286(a), 17 N.J.R. 89(b). Subchapter 20, Reporting Financial Disclosure and Excess Profit Reports, became effective April 7, 1986 as R.1986 d.111. See: 17 N.J.R. 2597(a), 18 N.J.R. 692(a). Subchapter 8, Nonrenewal of Automobile Insurance Policies, was revised effective October 6, 1986 as R.1986 d.418. See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(a). Subchapter 17, Rating Organizations, was repealed and new rules became effective October 6, 1986 as R.1986 d.419. See: 18 N.J.R. 1171(b), 18 N.J.R. 2045(a). Subchapter 22, Coverage Option Survey: Personal Injury Protection and Tort Threshold Options, became effective November 17, 1986 as R.1986 d.463. See: 18 N.J.R. 1344(b), 18 N.J.R. 2329(a).

1987 Revisions: Subchapter 7 was extensively revised effective March 16, 1987 as R.1987 d.140. See: 19 N.J.R. 44(a), 19 N.J.R. 453(a). Sections 1 through 4 were repealed, section 5 was recodified to section 6 and new rules were adopted for sections 1 through 5. As part of R.1987 d.142, section 13.3 was amended, effective March 16, 1987. See: 19 N.J.R. 46(a), 19 N.J.R. 455(a). Further amendments became effective June 15, 1987 as R.1987 d.249. See: 18 N.J.R. 2415(a), 19 N.J.R. 1096(a). Subchapter 23, Dangerous Drivers or Drivers with Excessive Claims, became effective December 21, 1987 as R.1987 d.527. See: 19 N.J.R. 1880(a), 19 N.J.R. 2403(b). Public Notice: Recission of Circular Letter # 75. See: 19 N.J.R. 570(e).

1989 Revisions: Subchapter 26, Accident Claims; Subchapter 27, Unsatisfied Claim and Judgement Fund Board; and Subchapter 28, Unsatisfied Claim and Judgement Fund's Reimbursement of Excess Medical Expense Benefits Paid by Insurers, were adopted as new rules by R.1989 d.268, effective May 15, 1989. See: 21 N.J.R. 688(a), 21 N.J.R. 1363(a). Subchapter 20, Reporting Financial Disclosure and Excess Profit Reports, was repealed and replaced by R.1989 d.277, effective May 15, 1989. See: 21 N.J.R. 667(b), 21 N.J.R. 1335(a), 21 N.J.R. 1517(b). Subchapter 24, Policy Constants; and Subchapter 25, Residual Market Equalization Charges (RMECs), were adopted as new rules by R.1989 d.278, effective May 15, 1989. See: 20 N.J.R. 3104(a), 21 N.J.R. 1358(b). Subchapter 20A, Standard Limiting Effect of Negative Excess Investment Income in the Computation of Excess Profits, was adopted as new rules by R.1989 d.306, effective June 5, 1989. See: 21 N.J.R. 842(a), 21 N.J.R. 1517(c). Subchapter 17,

Rating Organizations, was repealed by R.1989 d.328, effective June 19, 1989. See: 21 N.J.R. 973(a), 21 N.J.R. 1708(a). Subchapter 30, Motor Vehicle Self-Insurance, was adopted as new rules by R.1989 d.584, effective November 20, 1989. See: 21 N.J.R. 2876(a), 21 N.J.R. 3666(b).

1990 Revisions: Subchapter 31, Examination of the Financial Experience of Private Passenger Automobile Insurers, was adopted as new rules by R.1990 d.108, effective February 5, 1990. See: 21 N.J.R. 3726(a), 22 N.J.R. 425(a). Subchapter 18, Private Passenger Automobile Insurance: Rate Filing Review Procedures, was adopted as new rules by R.1990 d.109, effective February 5, 1990. See: 21 N.J.R. 3422(b), 22 N.J.R. 421(a). Subchapter 16, Rate Filing Requirements: Voluntary Market Private Passenger Automobile Insurance, was adopted as new rules by R.1990 d.116, effective February 5, 1990. See: 21 N.J.R. 2182(a), 22 N.J.R. 399(a). Subchapter 1, Provisions and Operations, was repealed and replaced by Subchapter 1, Commercial Automobile Insurance Plan, by R.1990 d.118, effective February 5, 1990. See: 21 N.J.R. 3613(a), 22 N.J.R. 392(b). Subchapter 16A, Flex Rate Percentage Calculations for Private Passenger Automobile Insurance, was adopted as new rules by R.1990 d.161, effective March 19, 1990. See: 21 N.J.R. 3719(a), 22 N.J.R. 963(a). Amendments to Subchapter 31 were adopted as R.1990 d.290, effective June 4, 1990. See: 22 N.J.R. 1026(a), 22 N.J.R. 1725(b). Subchapter 34, Eligible Persons Qualifications and Automobile Insurance Eligibility Points Schedule, was adopted as emergency new rules by R.1990 d.620, effective November 26, 1990 (operative April 1, 1991). See: 22 N.J.R. 3847(a). Subchapter 36, Automobile Physical Damage Insurance Inspection Procedures, was adopted as emergency new rules by R.1990 d.622, effective November 26, 1990 (operative March 1, 1991). See: 22 N.J.R. 3861(a). Subchapter 38, Towing and Storage Fee Schedule, was adopted as emergency new rules by R.1990 d.623, effective November 26, 1990 (operative January 1, 1991). See: 22 N.J.R. 3874(a). Subchapter 29, Medical Fee Schedules: Automobile Insurance Personal Injury Protection Coverage, was adopted as emergency new rules by R.1990 d.624, effective November 26, 1990 (operative January 1, 1991). See: 22 N.J.R. 3809(a). Subchapter 37, Order of Benefit Determination Between Automobile Personal Injury Protection and Health Insurance, was adopted as emergency new rules by R.1990 d.625, effective November 26, 1990. See: 22 N.J.R. 3777(a). Subchapter 35, Private Passenger Automobile Insurance Underwriting Rules, was adopted as emergency new rules by R.1990 d.627, effective November 26, 1990. See: 22 N.J.R. 3856(a). Subchapter 19, Standard/Non-Standard Rating Plans, was adopted as emergency new rules by R.1990 d.628, effective November 26, 1990. See: 22 N.J.R. 3804(a).

1991 Revisions: Pursuant to Executive Order No. 66(1978), Chapter 3 was readopted as R.1991 d.45, effective January 4, 1991, with amendments effective February 4, 1991. As part of R.1991 d.45, Subchapters 2 through 5, concerning the Automobile Insurance Plan (AIP), were repealed effective February 4, 1991. See: 22 N.J.R. 1678(a), 23 N.J.R. 306(b). Subchapter 37 was readopted as R.1991 d.90, effective January 25, 1991, with changes effective February 19, 1991. See: 22 N.J.R. 3777(a), 23 N.J.R. 597(a). Subchapter 19 was readopted as R.1991 d.92, effective January 25, 1991, with changes effective February 19, 1991. See: 22 N.J.R. 3804(a), 23 N.J.R. 532(a). Subchapter 34 was readopted as R.1991 d.93, effective January 25, 1991 (operative April 1, 1991), with changes effective February 19, 1991. See: 22 N.J.R. 3847(a), 23 N.J.R. 572(a). Subchapter 35 was readopted as R.1991 d.94, effective January 25, 1991, with changes effective February 19, 1991. See: 22 N.J.R. 3856(a), 23 N.J.R. 577(a). Subchapter 36 was readopted as R.1991 d.95, effective January 25, 1991 (operative October 1, 1992), with changes effective February 19, 1991. See: 22 N.J.R. 3861(a), 23 N.J.R. 579(a), 23 N.J.R. 1132(c). Subchapter 29 was readopted as R.1991 d.96, effective January 15, 1991, with changes effective February 19, 1991. See: 22 N.J.R. 3809(a), 23 N.J.R. 536(a). Subchapter 38 was readopted as R.1991 d.97, effective January 25, 1991, with changes effective February 19, 1991. See: 22 N.J.R. 3874(a), 23 N.J.R. 592(a). Subchapter 24, Policy Constants, was repealed by R.1991 d.216, effective April 15, 1991. See: 22 N.J.R. 3441(a), 23 N.J.R. 1132(a). Subchapter 25, Residual Market Equalization Charges (RMECs), was repealed by R.1991 d.217, effective April 15, 1991. See: 22 N.J.R. 3442(a), 23 N.J.R. 1132(b). Subchapter 39, Reductions in Premium Charges for Private Passenger Automobiles Equipped with Anti-Theft, Vehicle Recovery and Safety Features, was adopted as new rules by R.1991 d.363, effective July 15, 1991 (operative September 1, 1991). See: 23 N.J.R. 384(a), 23 N.J.R. 2144(a).

1992 Revisions: Subchapter 33, Appeals from Denial of Automobile Insurance, was adopted as new rules by R.1992 d.192, effective April 30, 1992. See: 24 N.J.R. 546(a), 24 N.J.R. 1510(a). Subchapter 40, Insurers Required to Provide Automobile Insurance Coverage to Eligible Persons, was adopted as new rules by R.1992 d.207, effective May 4, 1992. See: 23 N.J.R. 3736(a), 24 N.J.R. 336(a), 24 N.J.R. 1796(b). Subchapter 2, New Jersey Personal Automobile Insurance Plan, was adopted as new rules by R.1992 d.370, effective September 21, 1992. See: 24 N.J.R. 331(a), 24 N.J.R. 3400(a). Subchapter 3, Limited Assignment Distribution Servicing Carriers, was adopted as new rules by R.1992 d.371, effective September 21, 1992. See: 24 N.J.R. 519(a), 24 N.J.R. 3414(a). Subchapter 42, Producer Assignment Program, was adopted as emergency new rules by R.1992 d.381, effective September 4, 1992 (expires November 3, 1992). See: 24 N.J.R. 3421(a). Subchapter 42 was readopted as R.1992 d.482, effective November 2, 1992, with changes effective December 7, 1992. See: 24 N.J.R. 3421(a), 24 N.J.R. 4397(a).

1993 Revisions: Subchapter 44, Special Rules for Effecting Coverage for Private Passenger Automobile Insurance, was adopted as emergency new rules by R.1993 d.135, effective March 1, 1993 (operative March 8, 1993; expires April 30, 1993). See: 25 N.J.R. 1290(a). Subchapter 44 was readopted as R.1993 d.238, effective April 30, 1993. See: 25 N.J.R. 1290(a), 25 N.J.R. 2479(a).

1994 Revisions: Subchapter 2B, Market Transition Facility of New Jersey Suspension of Claims, was adopted as emergency new rules by R.1994 d.164, effective March 1, 1994 (expires April 30, 1994). See: 26 N.J.R. 1393(a). Subchapter 2B was readopted as R.1994 d.261, effective April 29, 1994. See: 26 N.J.R. 1393(a), 26 N.J.R. 2288(a). Subchapter 32, Certification of Compliance: Mandatory Liability Coverages, was adopted as new rules by R.1994 d.477, effective September 19, 1994. See: 26 N.J.R. 1939(a), 26 N.J.R. 3866(a).

1995 Revisions: Subchapter 31, Examination of the Financial Experience of Private Passenger Automobile Insurers, was repealed by R.1995 d.171, effective March 20, 1995. See: 27 N.J.R. 41(a), 27 N.J.R. 1190(b). Subchapter 45, Insurers Required to Provide Survey Information, was adopted as new rules by R.1995 d.235, effective May 1, 1995. See: 27 N.J.R. 289(a), 27 N.J.R. 1803(a).

1996 Revisions: Pursuant to Executive Order No. 66(1978), Chapter 3 was readopted as R.1996 d.58, effective January 4, 1996, with amendments effective February 5, 1996. As part of R.1996 d.58, Subchapter 2A, New Jersey Automobile Full Insurance Underwriting Association Claims Payment Deferral; Subchapter 3, Limited Assignment Distribution Servicing Carriers; and Subchapter 23, Dangerous Drivers or Drivers with Excessive Claims, were repealed effective February 5, 1996. See: Source and Effective Date. See, also, section annotations.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. COMMERCIAL AUTOMOBILE INSURANCE PLAN

- 11:3-1.1 Purpose and scope
- 11:3-1.2 Definitions
- 11:3-1.3 Creation of the plan
- 11:3-1.4 Governing committee
- 11:3-1.5 Participation
- 11:3-1.6 Plan of operation
- 11:3-1.7 Coverage
- 11:3-1.8 Eligibility
- 11:3-1.9 Rates and policy forms
- 11:3-1.10 Right to petition for appeal to the Commissioner

SUBCHAPTER 2. NEW JERSEY PERSONAL AUTOMOBILE INSURANCE PLAN

- 11:3-2.1 Purpose and scope
- 11:3-2.2 Definitions
- 11:3-2.3 Creation of the plan
- 11:3-2.4 Exemptions
- 11:3-2.5 Governing committee

AUTOMOBILE INSURANCE

- 11:3-2.6 Plan of operation
- 11:3-2.7 Coverage
- 11:3-2.8 Eligibility
- 11:3-2.9 Rates and policy forms
- 11:3-2.10 Installment payment option
- 11:3-2.11 Determination and fulfillment of quotas
- 11:3-2.12 Right to petition for appeal to the Commissioner
- 11:3-2.13 Penalties

SUBCHAPTER 2A. (RESERVED)

SUBCHAPTER 2B. MARKET TRANSITION FACILITY OF NEW JERSEY PAYMENT PRIORITIZATION AND CLAIMS PAYMENT DEFERRAL

- 11:3-2B.1 Purpose and scope
- 11:3-2B.2 Definitions
- 11:3-2B.3 Priority of claims
- 11:3-2B.4 Resumption of payment of certain claims previously suspended; deferral of payment for residual bodily injury claims
- 11:3-2B.5 Administrative provisions
- 11:3-2B.6 Hardship exemption procedure
- 11:3-2B.7 Appeal to the Commissioner
- 11:3-2B.8 Confidentiality of documents

SUBCHAPTERS 3 THROUGH 5. (RESERVED)

SUBCHAPTER 6. INSURANCE IDENTIFICATION CARDS

- 11:3-6.1 Scope
- 11:3-6.2 Permanent identification cards (form IV-1)
- 11:3-6.3 Temporary identification card (form IV-2)
- 11:3-6.4 General provisions
- 11:3-6.5 Commercial motor vehicles; exemption

SUBCHAPTER 7. AUTOMOBILE REPAIRATION REFORM ACT

- 11:3-7.1 Purpose
- 11:3-7.2 General requirements applicable to additional personal injury protection benefits
- 11:3-7.3 Personal injury protection policy forms or endorsements
- 11:3-7.4 Minimum schedule of additional personal injury protection coverage benefits
- 11:3-7.5 Notice Requirement
- 11:3-7.6 Cancellation of automobile coverage for nonpayment of premium

SUBCHAPTER 8. NONRENEWAL OF AUTOMOBILE INSURANCE POLICIES

- 11:3-8.1 Scope
- 11:3-8.2 Definitions
- 11:3-8.3 General provisions
- 11:3-8.4 Standards of nonrenewal applicable to all automobile policies
- 11:3-8.5 Additional nonrenewals
- 11:3-8.6 Suspension of nonrenewals
- 11:3-8.7 Reporting requirements
- 11:3-8.8 Separability
- 11:3-8.9 Penalties

APPENDIX

EXHIBIT A NONRENEWAL REPORT A

EXHIBIT B NONRENEWAL REPORT B

SUBCHAPTER 9. RATING INFORMATION: AUTOMOBILE INSURANCE ON PRIVATE PASSENGER CARS

- 11:3-9.1 Rating information; private passenger cars; automobile insurance
- 11:3-9.2 (Reserved)

SUBCHAPTER 10. AUTO PHYSICAL DAMAGE CLAIMS

- 11:3-10.1 Scope
- 11:3-10.2 Definitions
- 11:3-10.3 Adjustment of partial losses
- 11:3-10.4 Adjustment of total losses
- 11:3-10.5 Unreasonable delay
- 11:3-10.6 Loss of use
- 11:3-10.7 Subrogation agreements
- 11:3-10.8 Repair estimates
- 11:3-10.9 Referral of insured to the at-fault party
- 11:3-10.10 Examinations by the New Jersey Insurance Department

SUBCHAPTER 11. MOPED INSURANCE

- 11:3-11.1 Required coverage for mopeds

SUBCHAPTER 12. AUTOMOBILE RATE FILERS: FLATTENING OF PREMIUM TAXES AND ASSESSMENTS MADE FOR THE UNSATISFIED CLAIM AND JUDGMENT FUND

- 11:3-12.1 Purpose
- 11:3-12.2 Scope
- 11:3-12.3 Definitions
- 11:3-12.4 Tax and assessment fees; general provisions
- 11:3-12.5 Filing and reporting requirements

SUBCHAPTER 13. AUTOMOBILE RATE FILERS: DEDUCTIBLES FOR PRIVATE PASSENGER AUTOMOBILE COLLISION AND COMPREHENSIVE COVERAGES

- 11:3-13.1 Purpose
- 11:3-13.2 Scope
- 11:3-13.3 Deductibles for private passenger automobile collision and comprehensive coverages
- 11:3-13.4 Filing and reporting requirements
- 11:3-13.5 (Reserved)

SUBCHAPTER 14. PERSONAL INJURY PROTECTION OPTIONS

- 11:3-14.1 Purpose
- 11:3-14.2 Scope
- 11:3-14.3 Optional medical expense benefit deductibles for personal injury protection coverage
- 11:3-14.4 Optional exclusion of income continuation benefits, essential services benefits, death benefits and funeral expense benefits
- 11:3-14.5 Option to choose health care insurance coverage as primary coverage
- 11:3-14.6 Refund or credit of unearned premium
- 11:3-14.7 Filing requirements
- 11:3-14.8 Application of the option to choose health care insurance coverage as the primary insurer

SUBCHAPTER 15. STANDARDS FOR WRITTEN NOTICE: BUYER'S GUIDE AND COVERAGE SELECTION FORM

- 11:3-15.1 Purpose
- 11:3-15.2 Scope
- 11:3-15.3 Definitions
- 11:3-15.4 Compliance
- 11:3-15.5 Content of written notice; receipt by public
- 11:3-15.6 Minimum Standards for New Jersey Auto Insurance Buyer's Guide
- 11:3-15.7 Minimum standards for coverage selection form
- 11:3-15.8 (Reserved)
- 11:3-15.9 Use of Coverage Selection Form
- 11:3-15.10 Effect on other notice requirements
- 11:3-15.11 Penalties

**SUBCHAPTER 16. RATE FILING REQUIREMENTS:
VOLUNTARY MARKET PRIVATE PASSENGER
AUTOMOBILE INSURANCE**

- 11:3-16.1 Purpose and scope
- 11:3-16.2 Definitions
- 11:3-16.3 General Requirements and filing format
- 11:3-16.4 Insurer informational filings due July 1 of each year
- 11:3-16.5 Insurer flex rate filings
- 11:3-16.6 Insurer filings for rates requiring prior approval
- 11:3-16.7 Jointly developed historical data
- 11:3-16.8 Premiums, loss and loss adjustment expense data
- 11:3-16.9 Data requirements for expense and profit provisions
- 11:3-16.10 Rate calculation using standard ratemaking methodology
- 11:3-16.11 Rate filings reflecting assessments and surtaxes
- 11:3-16.12 (Reserved)
- 11:3-16.13 Incomplete filings and further proceedings
- 11:3-16.14 Rate adjustments upon repayment of assessments

APPENDIX

EXHIBIT AI FLEX RATE FILINGS

EXHIBIT AII PRIOR APPROVAL FILINGS

EXHIBIT B CAUSE OF LOSS REPORT

**EXHIBIT C WORKSHEET TO DETERMINE
ZERO THRESHOLD PREMIUM**

EXHIBIT D GENERAL FILING QUESTIONNAIRE

EXHIBIT E DEVIATION APPLICATION FORM

**EXHIBIT F REPRESENTATIONS REGARDING
RATE FILING DOCUMENTS**

EXHIBIT G KEY PERFORMANCE INDICATORS

**EXHIBIT H MARKETING METHODS FOR THE
TOP 20 PRIVATE PASSENGER AUTO
INSURERS IN NEW JERSEY**

**SUBCHAPTER 16A. FLEX RATE PERCENTAGE
CALCULATIONS FOR PRIVATE PASSENGER
AUTOMOBILE INSURANCE**

- 11:3-16A.1 Purpose and scope
- 11:3-16A.2 Definitions
- 11:3-16A.3 Flex rate percentage calculations for private passenger automobile insurance
- 11:3-16A.4 Establishment of the flex rate

SUBCHAPTER 17. (RESERVED)

**SUBCHAPTER 18. PRIVATE PASSENGER
AUTOMOBILE INSURANCE: RATE FILING
REVIEW PROCEDURES**

- 11:3-18.1 Purpose and scope
- 11:3-18.2 Definitions
- 11:3-18.3 General provisions applicable to all filings
- 11:3-18.4 Procedures for review of annual informational filings
- 11:3-18.5 Procedures for review of flex rate filings
- 11:3-18.6 Procedures for review of prior approval filings
- 11:3-18.7 Other remedies preserved

**SUBCHAPTER 19. STANDARD/NON-STANDARD
RATING PLANS**

- 11:3-19.1 Purpose and scope
- 11:3-19.2 Definitions
- 11:3-19.3 Filing requirements for standard/non-standard rating plans
- 11:3-19.4 Standards for disapproval or modification
- 11:3-19.5 **Renewal of policy at proper rate level**
- 11:3-19.6 Procedural provisions
- 11:3-19.7 Penalties

**SUBCHAPTER 20. REPORTING FINANCIAL
DISCLOSURE AND EXCESS PROFIT REPORTS**

- 11:3-20.1 Purpose
- 11:3-20.2 Scope
- 11:3-20.3 Definitions
- 11:3-20.4 General reporting requirements
- 11:3-20.5 Profits report
- 11:3-20.6 Reporting requirements for insurance holding company systems
- 11:3-20.7 Determination of excess profits
- 11:3-20.8 Refund or credit of excess profits
- 11:3-20.9 Excess profits carry forward
- 11:3-20.10 Order for further information
- 11:3-20.11 Supplemental filings
- 11:3-20.12 (Reserved)
- 11:3-20.13 Penalties

**APPENDIX EXCESS PROFIT EXHIBITS—
INSTRUCTIONS**

SUBCHAPTER 20A. (RESERVED)

**SUBCHAPTER 21. PERSONAL INJURY PROTECTION
COVERAGE: REDUCED PIP PREMIUM CHARGE
FOR ADDITIONAL AUTOS IN ONE-DRIVER
HOUSEHOLDS**

- 11:3-21.1 Purpose
- 11:3-21.2 Reduction of PIP premium
- 11:3-21.3 Automobiles eligible for premium reduction
- 11:3-21.4 Filing and statistical requirements

**SUBCHAPTER 22. COVERAGE OPTION SURVEY
PERSONAL INJURY PROTECTION AND TORT
THRESHOLD OPTIONS**

- 11:3-22.1 Purpose
- 11:3-22.2 Scope
- 11:3-22.3 Coverage option survey requirements

SUBCHAPTER 23. (RESERVED)

**SUBCHAPTER 24. DEFENSIVE DRIVING RATE
REDUCTIONS**

- 11:3-24.1 Purpose and scope
- 11:3-24.2 Definitions
- 11:3-24.3 Rate reduction filing requirements
- 11:3-24.4 Application of defensive driving rate reduction
- 11:3-24.5 Procedure to obtain rate reduction
- 11:3-24.6 Penalties

**SUBCHAPTER 25. PRIVATE PASSENGER
AUTOMOBILE INSURANCE: NOTIFICATION BY
TREATING MEDICAL PROVIDERS**

- 11:3-25.1 Purpose and scope
- 11:3-25.2 Definitions
- 11:3-25.3 Notification of commencement of treatment
- 11:3-25.4 Content of notice and proof of receipt
- 11:3-25.5 Late notification
- 11:3-25.6 Standards for adjustment of reduction
- 11:3-25.7 Payment from insurers only
- 11:3-25.8 Procedure for appeals
- 11:3-25.9 Reporting requirement
- 11:3-25.10 Compliance

**APPENDIX A NOTIFICATION OF COMMENCEMENT
OF MEDICAL TREATMENT**

**APPENDIX B ADDRESS FOR NOTIFICATION OF
COMMENCEMENT OF MEDICAL TREATMENT**

**SUBCHAPTER 26. UNSATISFIED CLAIM AND
JUDGMENT FUND: NOTICE OF INTENT**

- 11:3-26.1 Claim information

AUTOMOBILE INSURANCE

11:3-26.2 Claim filing; form

APPENDIX A

SUBCHAPTER 27. UNSATISFIED CLAIM AND JUDGMENT FUND BOARD

11:3-27.1 Uninsured's current financial status

SUBCHAPTER 28. UNSATISFIED CLAIM AND JUDGMENT FUND'S REIMBURSEMENT OF EXCESS MEDICAL EXPENSE BENEFITS PAID BY INSURERS

- 11:3-28.1 Purpose and scope
- 11:3-28.2 Definitions
- 11:3-28.3 Report of claims when the carrier has paid at least \$50,000 for medical expense benefits
- 11:3-28.4 Notice of change in the amount of reserves
- 11:3-28.5 Supplemental forms to be submitted to the Fund
- 11:3-28.6 Insurer's continuing obligation to investigate claims
- 11:3-28.7 Reimbursement of excess medical expense benefits paid by insurers
- 11:3-28.8 Audits
- 11:3-28.9 Reporting of losses for personal injury protection payments in excess of \$75,000
- 11:3-28.10 Insurers' obligations to investigate and audit bills for medical benefits
- 11:3-28.11 Modifications to vehicles
- 11:3-28.12 Modifications to a claimant's residence
- 11:3-28.13 Insurer's obligation to obtain recovery of payments for paid medical expense benefit claims
- 11:3-28.14 Insurer's responsibility upon assignment of an uninsured motorist claim
- 11:3-28.15 Procedures for handling an assigned uninsured motorist claim
- 11:3-28.16 (Reserved)
- 11:3-28.17 Penalties

SUBCHAPTER 28A. UNSATISFIED CLAIM AND JUDGMENT FUND ASSESSMENTS

- 11:3-28A.1 Purpose and scope
- 11:3-28A.2 Definitions
- 11:3-28A.3 Creation and maintenance of UCJF
- 11:3-28A.4 Penalties

APPENDIX A FORMS; PAYMENT RECORD; QUESTIONNAIRE

APPENDIX B AMORTIZATION FORMULA

SUBCHAPTER 29. MEDICAL FEE SCHEDULES; AUTOMOBILE INSURANCE PERSONAL INJURY PROTECTION AND MOTOR BUS MEDICAL EXPENSE INSURANCE COVERAGE

- 11:3-29.1 Purpose and scope
- 11:3-29.2 Definitions
- 11:3-29.3 Regions
- 11:3-29.4 Application of Medical Fee Schedules
- 11:3-29.5 Balance billing prohibited
- 11:3-29.6 Medical Fee Schedules

SUBCHAPTER 30. MOTOR VEHICLE SELF-INSURANCE

- 11:3-30.1 Purpose
- 11:3-30.2 Scope
- 11:3-30.3 Definitions
- 11:3-30.4 General requirements
- 11:3-30.5 Certificate of self-insurance
- 11:3-30.6 Renewals
- 11:3-30.7 Surety bond requirement
- 11:3-30.8 Audits and examinations
- 11:3-30.9 Public entities

11:3-30.10 Cancellation of certificate of self-insurance

SUBCHAPTER 31. (RESERVED)

SUBCHAPTER 32. CERTIFICATION OF COMPLIANCE: MANDATORY LIABILITY COVERAGE

- 11:3-32.1 Purpose and scope
- 11:3-32.2 Definitions
- 11:3-32.3 Certification compliance requirements
- 11:3-32.4 Requests for copies of certification

SUBCHAPTER 33. APPEALS FROM DENIAL OF AUTOMOBILE INSURANCE

- 11:3-33.1 Purpose; scope
- 11:3-33.2 Definitions
- 11:3-33.3 Right to appeal
- 11:3-33.4 Duties of insurer or insurance agent
- 11:3-33.5 Procedure for filing an appeal
- 11:3-33.6 Processing appeals
- 11:3-33.7 Contested case hearings; pleadings
- 11:3-33.8 Penalties
- 11:3-33.9 Compliance

APPENDIX A

APPENDIX B

SUBCHAPTER 34. ELIGIBLE PERSONS QUALIFICATIONS AND AUTOMOBILE INSURANCE ELIGIBILITY POINTS SCHEDULE

- 11:3-34.1 Purpose
- 11:3-34.2 Scope
- 11:3-34.3 Definitions
- 11:3-34.4 Eligible person qualifications
- 11:3-34.5 Automobile insurance eligibility points

APPENDIX SCHEDULE OF AUTOMOBILE INSURANCE ELIGIBILITY POINTS

SUBCHAPTER 35. PRIVATE PASSENGER AUTOMOBILE INSURANCE UNDERWRITING RULES

- 11:3-35.1 Purpose and scope
- 11:3-35.2 Definitions
- 11:3-35.3 General requirements and filing format
- 11:3-35.4 Underwriting rules for eligible persons
- 11:3-35.5 Underwriting rules for standard/non-standard rating plans
- 11:3-35.6 Penalties

SUBCHAPTER 36. AUTOMOBILE PHYSICAL DAMAGE INSURANCE INSPECTION PROCEDURES

- 11:3-36.1 Purpose and scope
- 11:3-36.2 Definitions
- 11:3-36.3 Mandatory inspection requirements
- 11:3-36.4 Waivers of mandatory inspection
- 11:3-36.5 Deferral of inspections
- 11:3-36.6 Standards and procedures for inspection
- 11:3-36.7 Suspension of physical damage coverages
- 11:3-36.8 Enforcement
- 11:3-36.9 Results and audits
- 11:3-36.10 Severability
- 11:3-36.11 Required amendatory endorsements
- 11:3-36.12 (Reserved)

APPENDIX A ACKNOWLEDGMENT OF REQUIREMENT FOR INSURANCE INSPECTION

APPENDIX B NOTICE OF INSURANCE INSPECTION

APPENDIX C(1)

APPENDIX C(2)

APPENDIX D NOTICE OF SUSPENSION OF PHYSICAL DAMAGE COVERAGE

SUBCHAPTER 37. ORDER OF BENEFIT DETERMINATION BETWEEN AUTOMOBILE PERSONAL INJURY PROTECTION AND HEALTH INSURANCE

- 11:3-37.1 Purpose and scope

- 11:3-37.2 Definitions
- 11:3-37.3 Health benefits providers
- 11:3-37.4 Application of the PIP-as-secondary coverage option
- 11:3-37.5 Health benefit plan standards and the PIP premium reduction
- 11:3-37.6 Order of benefits determination when PIP is secondary coverage
- 11:3-37.7 Determination of PIP medical benefits payable when PIP is secondary coverage
- 11:3-37.8 Health benefits plan coverage ineligibility
- 11:3-37.9 Determination of benefits when PIP is primary coverage
- 11:3-37.10 Explanation of benefits
- 11:3-37.11 Dispute as to primacy of coverage
- 11:3-37.12 Eligibility under two or more automobile policies
- 11:3-37.13 Penalties
- 11:3-37.14 Severability

SUBCHAPTER 38. TOWING AND STORAGE FEE SCHEDULE

- 11:3-38.1 Purpose and scope
- 11:3-38.2 Definitions
- 11:3-38.3 Regions
- 11:3-38.4 Application of storage and towing fee schedule
- 11:3-38.5 Penalties
- 11:3-38.6 Towing and storage fee schedules

SUBCHAPTER 39. REDUCTIONS IN PREMIUM CHARGES FOR PRIVATE PASSENGER AUTOMOBILES EQUIPPED WITH ANTI-THEFT, VEHICLE RECOVERY AND SAFETY FEATURES

- 11:3-39.1 Purpose
- 11:3-39.2 Scope
- 11:3-39.3 Definitions
- 11:3-39.4 Reductions in rates for anti-theft and vehicle recovery devices
- 11:3-39.5 Categories of anti-theft and vehicle recovery devices
- 11:3-39.6 Reductions in rates for safety features
- 11:3-39.7 Penalties
- 11:3-39.8 Severability

SUBCHAPTER 40. INSURERS REQUIRED TO PROVIDE AUTOMOBILE INSURANCE COVERAGE TO ELIGIBLE PERSONS

- 11:3-40.1 Purpose and scope
- 11:3-40.2 Definitions
- 11:3-40.3 Insurers required to provide automobile insurance coverage to eligible persons
- 11:3-40.4 Penalties

SUBCHAPTER 41. (RESERVED)

SUBCHAPTER 42. PRODUCER ASSIGNMENT PROGRAM

- 11:3-42.1 Purpose and scope
- 11:3-42.2 Definitions
- 11:3-42.3 List of qualified producers
- 11:3-42.4 Eligible producers
- 11:3-42.5 Designation of geographic areas
- 11:3-42.6 Application procedures
- 11:3-42.7 Review of applications
- 11:3-42.8 Producer qualification standards
- 11:3-42.9 Exemption from program
- 11:3-42.10 Apportionment of producers; credits
- 11:3-42.11 Producer assignments
- 11:3-42.12 Appointment
- 11:3-42.13 Transfer of MTF business
- 11:3-42.14 New business
- 11:3-42.15 Producer compensation; company rates
- 11:3-42.16 Producer compensation; MTF rates
- 11:3-42.17 Duration and terms of producer assignment
- 11:3-42.18 Exclusion from program

- 11:3-42.19 Initial implementation of program
- 11:3-42.20 Penalties

APPENDIX A PRODUCER ASSIGNMENT PROGRAM (PAP)

APPENDIX B COVERAGE DETERMINATION EXAMPLES

APPENDIX C PRODUCER ASSIGNMENT PROGRAM—REFUSAL OF PRODUCER APPOINTMENT

SUBCHAPTER 43. (RESERVED)

SUBCHAPTER 44. SPECIAL RULES FOR EFFECTING COVERAGE FOR PRIVATE PASSENGER AUTOMOBILE INSURANCE

- 11:3-44.1 Purpose and scope
- 11:3-44.2 Definitions
- 11:3-44.3 Duty to provide coverage upon receipt of a completed written application
- 11:3-44.4 Immediate binding authority for insurers with MTF rates
- 11:3-44.5 New applicants previously insured in another state by the insurer or an affiliate
- 11:3-44.6 Underwriting rules
- 11:3-44.7 Penalties

SUBCHAPTER 45. INSURERS REQUIRED TO PROVIDE SURVEY INFORMATION

- 11:3-45.1 Purpose and scope
- 11:3-45.2 Definitions
- 11:3-45.3 Annual premium survey filing
- 11:3-45.4 Penalties

APPENDIX New Jersey Automobile Insurance Premium Comparison Survey

SUBCHAPTER 1. COMMERCIAL AUTOMOBILE INSURANCE PLAN

11:3-1.1 Purpose and scope

(a) The purpose of this subchapter is to establish a plan pursuant to N.J.S.A. 17:29D-1:

1. To provide the coverages described herein, subject to the conditions stated, for motor vehicles other than those vehicles subject to the New Jersey Personal Automobile Insurance Plan and any private passenger vehicle that is owned by or driven by a person who meets the definition of an eligible person pursuant to N.J.S.A. 17:33B-13 and N.J.A.C. 11:3-34;

2. To provide for the apportionment of insurance coverage for eligible applicants who are in good faith entitled to but are unable to procure the same, through the voluntary market; and

3. To establish a procedure for the sharing of premiums, losses, and expenses among all insurers who are participants in New Jersey as defined within this subchapter for all risks eligible for coverage under the provisions of this subchapter.

Amended by R.1996 d.58, effective February 5, 1996.
See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).
Amended by R.1996 d.502, effective October 21, 1996.
See: 27 N.J.R. 4489(a), 28 N.J.R. 4586(a).

11:3-1.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

“CAIP” means the Commercial Automobile Insurance Plan pursuant to this subchapter.

“CAIP manager” means the entity employed by the Governing Committee to manage and conduct the administrative affairs of the CAIP on a daily basis.

“Commissioner” means the Commissioner of the New Jersey Department of Insurance.

Case Notes

Insurer made sufficient offer of basic income continuation benefits for as long as disability exists. *Werts v. New Jersey Mfrs. Ins. Co.*, 250 N.J.Super. 580, 595 A.2d 1110 (A.D.1991), certification denied 127 N.J. 554, 606 A.2d 366.

Absence of income continuation benefits covering either named insured and/or household relatives did not require reformation of policy. *Olivero by Olivero v. New Jersey Mfrs. Ins. Co.*, 227 N.J.Super. 367, 547 A.2d 710 (A.D.1988), certification denied 115 N.J. 76, 556 A.2d 1219.

Additional coverage held provided for all persons for whom basic coverage was provided (citing former N.J.A.C. 11:3-7.7). *Clendaniel v. New Jersey Manufacturers Insurance Co.*, 190 N.J.Super. 286, 463 A.2d 369 (App.Div.1983), affirmed in part, reversed in part 96 N.J. 361, 476 A.2d 263 (1984).

Surviving spouse held entitled to lump sum payment of survivor benefits; doubling of benefits due to payment of two premiums for additional protection denied. *Riccio v. New Jersey Manufacturers Insurance Co.*, 179 N.J.Super. 65, 430 A.2d 641 (App.Div.1981).

Insured held entitled to policy reformation due to statutory deficiency of insurer's letter notifying insured of optional coverage selection. *Lumbermens Mutual Casualty Co. v. Carriere*, 170 N.J.Super. 437, 406 A.2d 994 (Law Div.1979).

11:3-7.5 Notice Requirement

(a) Additional personal injury protection benefits that are required to be offered by an insurer shall be offered by the insurer at least annually as part of the Coverage Selection Form required pursuant to N.J.S.A. 39:6A-23 and N.J.A.C. 11:3-15.

1. The buyer's guide and coverage selection form specified at N.J.S.A. 39:6A-23 and any rules promulgated thereunder shall meet the requirements of (a) above.

(b) Each insurer shall distribute copies of this subchapter to every person responsible for the handling and settlement of claims subject to this subchapter. Every insurer shall satisfy itself that all such responsible persons are thoroughly conversant with and are complying with this subchapter.

Amended by R.1990 d.580, effective November 19, 1990 (operative January 1, 1991).

See: 22 N.J.R. 1681(a), 22 N.J.R. 3488(b).

Changes required by "The Fair Automobile Insurance Reform Act of 1990", P.L. 1990 c.8.

Amended by R.1996 d.58, effective February 5, 1996.

See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).

Case Notes

New Jersey Automobile Full Insurance Underwriting Association satisfied its duty to provide first-time insured with notice of personal injury income protection coverage options; it provided buyer's guides and coverage selection forms to insured's broker and received back signed policy application and selection form. *MacKenzie v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 299 N.J.Super. 112, 690 A.2d 668 (A.D.1997).

Genuine issue of material fact existed as to whether seller of policy was insurer's agent. *Lilly v. Allstate Ins. Co.*, 218 N.J.Super. 313, 527 A.2d 903 (App.Div.1987).

Insured held entitled to policy reformation to due to statutory deficiency of insurer's letter notifying insured of optional coverage selection. *Lumbermens Mutual Casualty Co. v. Carriere*, 170 N.J.Super. 437, 406 A.2d 994 (Law Div.1979).

11:3-7.6 Cancellation of automobile coverage for nonpayment of premium

(a) This rule applies to all automobile policies delivered or issued for delivery in this State, insuring a single individual or husband and wife resident of the same household, as named insured, and under which the insured vehicles there-in designated are of the following types only:

1. A motor vehicle of the private passenger or station wagon type that is not used as a public or livery conveyance for passengers, not rented to others; or

2. Any other four-wheel motor vehicle with a load capacity of 1,500 pounds or less which is not customarily used in the occupation, profession or business of insured, other than farming or ranching, provided, however, that this rule shall not apply to any policy insuring more than four automobiles, or to any policy covering garage, automobile sales agency, repair shop, service station or public parking place operation hazards.

(b) The effective date of the cancellation of a policy for nonpayment of premium shall not be earlier than 10 days prior to the last full day of which premium received by the company prior to the date of preparation of the cancellation notice, would pay for coverage on a pro rata basis. In calculating the effective date of the cancellation as provided in this section, the premium applicable to the coverage provided by the policy and the premium received by the company at or prior to the time cancellation notice was prepared shall be the premium used for the calculation and determination of such effective date.

(c) Cancellation for nonpayment of premium does not include cancellation at the request of a premium finance company or of a producer of record under N.J.A.C. 11:1-3.1.

(d) No cancellation notice shall be mailed prior to 30 days in advance of its effective date.

(e) The rule shall not apply to deposits accompanying New Jersey Personal Automobile Insurance Plan or Commercial Automobile Insurance Plan applications which are insufficient under Plan rules or those of any succeeding residual market availability plan.

Amended by R.1996 d.58, effective February 5, 1996.

See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).

Case Notes

Notice of cancellation; no need to postdate default in payment. *Munoz v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 145 N.J. 377, 678 A.2d 1051 (1996).

Additional insured is not "insured" within meaning of statute; regulation does not require that notice of cancellation be given to additional insureds. *Pawlick v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 284 N.J.Super. 629, 666 A.2d 186 (A.D.1995).

Cancellation notice of automobile policy for nonpayment was ineffective to cancel policy. *Christian v. Ormsby*, 267 N.J.Super. 237, 631 A.2d 158 (L.1992).

Genuine issue of material fact existed as to whether seller of policy was insurer's agent, precluding summary judgment on issue of coverage. *Lilly v. Allstate Ins. Co.*, 218 N.J.Super. 313, 527 A.2d 903 (App.Div.1987).

Pedestrian held entitled to benefits under No-Fault Law when struck first by a commercial vehicle and then by a private automobile. *Berg v. The Ohio Casualty Insurance Companies*, 166 N.J.Super. 239, 399 A.2d 675 (Law Div.1979).

SUBCHAPTER 8. NONRENEWAL OF AUTOMOBILE INSURANCE POLICIES

11:3-8.1 Scope

This subchapter applies to all automobiles as defined in N.J.S.A. 39:6A-2a, excluding those owned by business entities or insured through any statutorily mandated residual market mechanism, and to all policies or contracts of insurance insuring such automobiles.

New Rule, R.1983 d.190, effective June 6, 1983.

See: 15 N.J.R. 231(a), 15 N.J.R. 927(a).

Section was "General provisions".

Amended by R.1986 d.418, effective October 6, 1986.

See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(b).

Case Notes

Policy provision defining an eligible person as a spouse only if resident in the same household as insured held void; named insured's deletion of estranged wife from coverage held void; reformation of policy ordered. *Matland v. United States Automobile Ass'n*, 174 N.J.Super. 499, 417 A.2d 46 (Law Div.1980).

The extension of N.J.A.C. 11:3-8.1, establishing procedures for the nonrenewal of "No-Fault" coverages to include physical damage coverages is a valid and enforceable exercise of the commissioner's rule making power. *Atty.Gen.F.O.1982, No. 8.*

11:3-8.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Automobile insurance eligibility points" or "eligibility points" means points calculated under the schedule set forth in N.J.A.C. 11:3-34.

"Commissioner" means the Commissioner of the New Jersey Department of Insurance.

"Department" means the New Jersey Department of Insurance.

"Eligible person" means an individual that meets the qualifications set forth in N.J.A.C. 11:3-34.

"Insurer" includes a group of affiliated companies.

"Renew" means to issue and deliver at the end of the policy period a policy superseding a policy previously issued and delivered, or to issue and deliver a certificate or notice extending the term of a policy beyond its policy period or term, by the same individual insurance company, or by another of a group of affiliated companies pursuant to a standard/nonstandard rating plan filed and approved in accordance with N.J.A.C. 11:3-19.

"Standard/non-standard rating plan" means a rating system used by an insurer that provides different base rates for different risks to those insureds who qualify in accordance with the insurer's approved underwriting rules, which has been filed and approved in accordance with N.J.A.C. 11:3-19.

Emergency New Rule, R.1990 d.626, effective November 26, 1990, Operative April 1, 1991 (expired January 25, 1991).

See: 22 N.J.R. 3766(b).

Adopted Concurrent Proposal R.1991 d.89, effective January 25, 1991. See: 22 N.J.R. 3766(b), 23 N.J.R. 507(a).

Provisions of emergency new rule, R.1990 d.626 readopted without change, operative April 1, 1991.

Case Notes

Where offer to renew insurance is conditioned upon timely premium payment, that fact should be clearly set forth. *Cervone v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 239 N.J.Super. 25, 570 A.2d 999 (A.D.1990).

Notices of nonrenewal must be sent in strict compliance with statutory provisions. *Lopez v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 239 N.J.Super. 13, 570 A.2d 994 (A.D.1990), certification denied 122 N.J. 131, 584 A.2d 206.

Renewal policy need not be issued until premium is paid. *Lopez v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 239 N.J.Super. 13, 570 A.2d 994 (A.D.1990), certification denied 122 N.J. 131, 584 A.2d 206.

Insurer held liable for fire loss where it failed to give notice of policy expiration. *Barbara Corp. v. Bob Maneely Insurance Agency*, 197 N.J.Super. 339, 484 A.2d 1292 (App.Div.1984) (dissenting opinion).

Provision that no insurer shall refuse to renew coverage without consent of the Commissioner upheld against constitutional challenges. *Sheeran v. Nationwide Mutual Insurance Co., Inc.*, 80 N.J. 548, 404 A.2d 625 (1979).

Insurance company cancelling agencies was required to give insureds renewal options indefinitely unless like coverage was available in the market. *Sheeran v. Nationwide Mutual Insurance Co., Inc.*, 159 N.J.Super. 417, 388 A.2d 272 (Ch.Div.1978), affirmed per curiam 163 N.J.Super. 40, 394 A.2d 149 (App.Div.1978), modified and affirmed 80 N.J. 548, 404 A.2d 625 (1979).

11:3-8.3 General provisions

(a) Every insurer shall make an offer to the insured named in a policy subject to this subchapter to renew such policy upon its expiration date, unless a valid notice of nonrenewal or conditioned renewal as specified in (h) below has been sent by the insurer to the insured in accordance with this subchapter.

(b) Each renewal offer shall be in the usual form of either a renewal policy, a certificate, or a renewal bill. With respect to payment of the renewal premium, notice shall be given not more than 45 days or less than 30 days prior to the due date of the premium and shall clearly state the effect on nonpayment of the premium by the due date.

(c) Subject to changes approved by the Commissioner that had become effective prior to the expiration of the current policy, each renewal shall offer coverage, limits and terms at least as favorable to the insured as the expiring policy, including but not limited to:

1. Schedule of premium payments, if any; and
2. Duration of policy term;

i. Whenever an insurer, pursuant to changes approved by the Commissioner, alters the duration of the insured's policy term, the insurer shall permit the insured to revert to the prior duration of policy term upon request.

ii. The renewal offer shall include or be accompanied by a statement advising the insured of his or her right to revert to the prior duration of policy term.

(d) Payment by the insured in accordance with the terms stated in the billing notice or in accordance with terms agreed to with the company or producer shall constitute acceptance of the renewal offer by the insured.

(e) The requirements of (b) above shall not preclude the insurer from offering physical damage coverage with a higher deductible than that in the expiring policy, provided the insured is informed that a lower deductible is available at an appropriate rate.

(f) No notice of nonrenewal shall be valid unless it is mailed or delivered by the insurer to the insured no less than 60 days and no more than 90 days prior to the expiration of the current policy, setting forth the reason(s) for such nonrenewal.

1. No notice of nonrenewal shall be valid unless it includes the designated provision(s) of this subchapter under which action is being taken and the correct facts which bring the insured under the provision(s), including dates and any other facts necessary for identification of the incidents.

i. In the event action is being taken under N.J.A.C. 11:3-8.4(a) (ineligible person), the notice shall provide the basis by which the insured fails to qualify as an eligible person. When notice of nonrenewals is based on automobile insurance eligibility points, the notice shall identify the number of eligibility points and the events and sources which resulted in their assessment.

ii. In the event action is being taken under N.J.A.C. 11:3-8.4(b) (underwriting rules) to nonrenew an insured who is not an eligible person in accordance with the approved underwriting rules applicable to the non-standard rate level of an approved standard/non-standard rating plan, the notice shall provide the basis by which the insured fails to qualify as an eligible person and shall reference the specific underwriting rule by which the insured is disqualified. The notice shall set forth the specific facts upon which the insurer relied to determine that the insured is not an eligible person and is no longer qualified to be insured in accordance with the insurer's approved underwriting rules.

iii. In the event action is being taken under N.J.A.C. 11:3-8.5(a)1, the notice shall specify that the

action is being taken in accordance with N.J.A.C. 11:3-8.5(a)1 (two percent territorial nonrenewal) and shall be consecutively numbered in each territory.

iv. In the event action is being taken under N.J.A.C. 11:3-8.5(a)2, the notice shall specify that the action is being taken in accordance with N.J.A.C. 11:3-8.5(a)2 (one nonrenewal for each two newly insured automobiles) and shall be consecutively numbered in each territory.

2. Each notice of nonrenewal shall include or be accompanied by the statement prescribed in (f)2i below which shall be clearly and prominently set out in boldface type or other manner which draws the reader's attention.

i. Each notice of nonrenewal must set forth: "If you have reason to believe that our decision to nonrenew your policy is not in compliance with New Jersey Regulation N.J.A.C. 11:3-8, you should file a written complaint with the New Jersey Department of Insurance, Division of Enforcement and Consumer Protection, CN 329, Trenton, New Jersey 08625-0329. Your written complaint should indicate the facts on which you are basing your complaint."

(g) Nothing in this subchapter shall be construed as prohibiting a renewal policy from being issued for higher limits of coverage and/or additional coverage(s), provided that such additional protection is specifically requested by the insured and the insurer is willing to provide it. Conversely, nothing shall prohibit the renewal policy from being issued for lower limits of coverage and/or fewer coverages provided that such reduction in protection is specifically requested by the insured and further provided that coverage in no case shall fall below the level or levels otherwise required by law.

(h) In any instance in which an insurer may, pursuant to the provisions of this subchapter, nonrenew an automobile policy, it may, in lieu of the nonrenewal and in compliance with such provisions, condition the renewal of the policy upon a change of limits or elimination of any coverage not required by law.

(i) No notice of nonrenewal for any coverage subject to this subchapter shall be valid unless it is based upon one or more of the standards set forth in N.J.A.C. 11:3-8.3 or is otherwise authorized by the Commissioner of Insurance pursuant to N.J.A.C. 11:3-8.4.

Amended by R.1973 d.30, effective January 25, 1973.
See: 4 N.J.R. 305(b), 5 N.J.R. 48(a).
Amended by R.1976 d.328, effective October 18, 1976.
See: 8 N.J.R. 421(a), 8 N.J.R. 516(e).
Amended by R.1977 d.100, effective March 23, 1977.
See: 9 N.J.R. 178(b).
Amended by R.1977 d.437, effective January 1, 1978.
See: 9 N.J.R. 435(d), 9 N.J.R. 586(b).
Amended by R.1983 d.190, effective June 6, 1983.
See: 15 N.J.R. 231(a), 15 N.J.R. 927(a).
Recodified from 11:3-8.1. Replaced (d).
Amended by R.1986 d.418, effective October 6, 1986.

See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(a).
Emergency Amendment, R.1990 d.626, effective November 26, 1990, operative April 1, 1991 (expired January 25, 1991).
See: 22 N.J.R. 3766(b).
Recodified from 11:3-8.2. In (f)1i, added notice of eligibility points and added ii-iv.
Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.
See: 22 N.J.R. 3766(b), 23 N.J.R. 507(a).
Provisions of emergency amendment R.1990 d.626 readopted without change.
Amended by R.1991 d.45, effective February 4, 1991.
See: 22 N.J.R. 1678(a), 23 N.J.R. 306(b).
In (f): revised address in (f)2i and deleted NJAFIUA reference in (f)3, adding text "... a residual market mechanism created by statute."

Case Notes

Notices of nonrenewal must be sent in strict compliance with statutory provisions. *Lopez v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 239 N.J.Super. 13, 570 A.2d 994 (A.D.1990), certification denied 122 N.J. 131, 584 A.2d 206.

Renewal policy need not be issued until premium is paid. *Lopez v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 239 N.J.Super. 13, 570 A.2d 994 (A.D.1990), certification denied 122 N.J. 131, 584 A.2d 206.

Insurance agent who continued to service insurer's policyholders subsequent to termination with insurance company, established prima facie case of quasi-contract. *Cohen v. Home Ins. Co.*, 230 N.J.Super. 72, 552 A.2d 654 (A.D.1989).

Policy binder in effect for more than 60 days held to provide coverage in absence of formal notice of cancellation, despite lack of any premium payment and knowledge that insurer would not issue policy. *Miney v. Baum*, 170 N.J.Super. 282, 406 A.2d 234 (Law Div.1979).

Under assigned risk automobile insurance plan, 45 day notice sufficed for non-renewal expiration; broker held to have breached duty to insured in failing to advise him of ramifications of expiration. *Commercial Union Assurance Companies v. State Farm Mutual Automobile Insurance Co.*, 158 N.J.Super. 326, 385 A.2d 1286 (Law Div.1978).

Provision that no insurer shall refuse to renew coverage without consent of the Commissioner upheld against constitutional challenges. *Sheeran v. Nationwide Mutual Insurance Co., Inc.*, 80 N.J. 548, 404 A.2d 625 (1979).

Proof of mailing of notice of cancellation held to be conclusive proof of provision of such notice to insured. *Weathers v. Hartford Insurance Group*, 77 N.J. 228, 390 A.2d 548 (1978).

11:3-8.4 Standards of nonrenewal applicable to all automobile policies

(a) An insurer may issue a notice of nonrenewal to any person who is not an eligible person as defined in N.J.A.C. 11:3-34.

1. For the purpose of determining whether a person is an eligible person who must be renewed, an insurer shall consider those eligibility points accrued only in the 36-month period ending 90 days prior to the expiration of the current policy.

2. An insurer shall not issue a notice of nonrenewal for the reason that a member of the insurer's household is not an eligible person unless the member of the insured's household usually accounts for 10 percent or more of the use of the vehicle insured for the purpose of this section:

i. Any driver who is the principal driver of an automobile shall be presumed not to account for 10 percent or more of the use of any other automobile in the household.

ii. Except when there are more automobiles than drivers in the household, a person shall be presumed not to be the principal driver of more than one automobile.

3. No insurer shall issue a notice of nonrenewal to any person qualified to be renewed in accordance with the insurer's underwriting rules filed and approved pursuant to N.J.A.C. 11:3-35.

(b) An insurer which has filed a standard/non-standard rating plan pursuant to N.J.A.C. 11:3-19 may issue notices of intention not to renew any insured who is not an eligible person and who no longer qualifies for any rate level in accordance with its approved underwriting rules.

Amended by R.1983 d.190, effective June 6, 1983.

See: 15 N.J.R. 231(a), 15 N.J.R. 927(a).

Recodified from 11:3-8.1(e)-(g).

Amended by R.1986 d.418, effective October 6, 1986.

See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(a).

Emergency Repeal and New Rule, R.1990 d.626, effective November 26, 1990, operative April 1, 1991 (expired January 25, 1991).

See: 22 N.J.R. 3766(b).

Recodified from 11:3-8.3.

Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(b), 23 N.J.R. 507(a).

Provisions of emergency repeal and new rule R.1990 d.626 readopted with changes.

Case Notes

Nonmailing or mailing of renewal offer for New Jersey Automobile Full Insurance Underwriting Association policy by mail less than 30 days before expiration date results in coverage beyond expiration date for reasonable period. *Gatto v. New Jersey Auto. Full Ins. Underwriting Ass'n*, 284 N.J.Super. 665, 666 A.2d 204 (A.D.1995).

Charge to which insured pleaded guilty in New York, operating a motor vehicle while under the influence, was substantially similar in nature to an offense in New Jersey and justified nonrenewal of automobile policy. *Chillemi v. Selective Insurance*, 95 N.J.A.R.2d (INS) 89.

At fault accident in which insured was involved was an event under automobile policy giving insurer right to decline renewal. *Wenzler v. ITT Hartford*, 95 N.J.A.R.2d (INS) 47.

Police report established five-point at fault accident which, when combined with six-point speeding violations, justified insurer in declining to renew automobile policy. *Fichera v. Liberty Mutual*, 95 N.J.A.R.2d (INS) 41.

Renewal of automobile policy for one period despite accumulation of points did not preclude nonrenewal in next period for same points. *Liberty Mutual v. Lee*, 95 N.J.A.R.2d (INS) 38.

Accumulation of nine or more points by member of insured's household justified nonrenewal of auto policy, *Pandola v. State Farm*, 95 N.J.A.R.2d (INS) 32.

Insured at-fault for automobile accident; insured could decline to renew insurance. *AMICA Mutual Insurance Co. v. Farley*, 93 N.J.A.R.2d (INS) 51.

11:3-8.5 Additional nonrenewals

(a) Any insurer may:

1. For each calendar year period, issue notices of intention not to renew an automobile insurance policy in the voluntary market in an amount not to exceed two percent of the total number of voluntary market automobile insurance policies of the insurer, rounded to the nearest whole number, which are in force at the end of the previous calendar year in each of the insurer's territories; and

2. For every two newly insured automobiles which an insurer voluntarily writes in each territory during each calendar year period, issue a notice of intention not to renew one additional automobile in that territory. For the purpose of this subsection, "voluntarily writes" shall not include any exposure voluntarily written by or assigned to an insurer to meet any quota established pursuant to N.J.S.A. 17:30E-14 and N.J.S.A. 17:33B-11 and shall not include any new business cancelled by the insurer pursuant to N.J.S.A. 17:29C-7.



(b) Any insurer that does not write its apportionment share of any quota established by the Commissioner pursuant to N.J.S.A. 17:30E-14 and N.J.S.A. 17:33B-11 within the applicable time shall be precluded from nonrenewing automobile insurance policies pursuant to (a) above during the following year.

(c) Nothing in this rule shall be construed to authorize insurers to act in contravention of any applicable State or Federal law prohibiting discrimination on impermissible bases.

New Rule, R.1986 d.418, effective October 6, 1986.

See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(a).

Emergency Adopted Repeal and New Rule, R.1990 d.626, effective November 26, 1990, operative April 1, 1991 (expired January 25, 1991).

See: 22 N.J.R. 3766(b).

Recodified from 11:3-8.4.

Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(a), 23 N.J.R. 507(a).

Provisions of emergency repeal and new rule, R.1990 d.626 readopted without change.

Public Notice: Receipt of petition for rulemaking and action on petition.

See: 28 N.J.R. 1565(b).

11:3-8.6 Suspension of nonrenewals

Notwithstanding the provisions of this subchapter, if the plan for automobile insurance established pursuant to N.J.S.A. 17:29D-1 is not accepting new applications for coverage pursuant to N.J.S.A. 17:29D-1(d), no insurer transacting automobile insurance in this State shall refuse to renew any private passenger automobile insurance policy in this State.

Emergency New Rule, R.1990 d.626, effective November 26, 1990, operative April 1, 1991 (expired January 25, 1991).

See: 22 N.J.R. 3766(b).

Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(a), 23 N.J.R. 507(a).

Provisions of emergency new rule readopted without change.

11:3-8.7 Reporting requirements

(a) Insurance companies shall maintain records of nonrenewals for not less than five years which shall include a copy of the notice of nonrenewal, data concerning the allowable number of nonrenewals in each territory computed in accordance with N.J.A.C. 11:3-8.5(a)1, and data concerning the actual number of newly insured automobiles and nonrenewals in each territory for each category, computed in accordance with N.J.A.C. 11:3-8.5(a)2. Such records and data shall be made available to the Department upon request. In addition, each insurer shall file summary reports of its nonrenewals as follows:

1. For insurers with approved standard/non-standard rating plans, in the form of report set forth as Exhibit A of the Appendix incorporated herein by reference; or

2. For all other insurers, in the form of report set forth as Exhibit B of the Appendix, incorporated herein by reference.

(b) An insurer shall submit summary reports of their nonrenewals for the year to date on or before February 15 and August 15 of each year to the following address:

New Jersey Department of Insurance

Division of Enforcement and Consumer Protection

20 West State Street

CN-329

Trenton, New Jersey 08625-0329

New Rule, R.1986 d.418, effective October 6, 1986.

See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(a).

Emergency Repeal and New Rule, R.1990 d.626, effective November 26, 1990, operative April 1, 1991 (expired January 25, 1991).

See: 22 N.J.R. 3766(b).

Recodified from 11:3-8.5.

Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(a), 23 N.J.R. 507(a).

Provisions of emergency repeal and new rule, R.1990 d.626 readopted without change.

11:3-8.8 Separability

If any provision of this subchapter or its application to any person or circumstances is held invalid, the remainder of this subchapter and its application to other persons or circumstances shall not be affected.

New Rule, R.1986 d.418, effective October 6, 1986.

See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(a).

Recodified from 11:3-8.6 as part of Emergency Amendments filed as R.1990 d.626, effective November 26, 1990, operative April 1, 1991.

See: 22 N.J.R. 3766(b).

Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(a), 23 N.J.R. 507(a).

11:3-8.9 Penalties

(a) Any person violating the provisions of this subchapter shall be subject to such penalties as may be authorized by law.

(b) In addition to any such penalties, the Commissioner may, after notice and hearing, suspend or revoke the rights of any insurer or group of insurers under N.J.A.C. 11:3-8.4.

New Rule, R.1986 d.418, effective October 6, 1986.

See: 18 N.J.R. 1079(a), 18 N.J.R. 2039(a).

Recodified from 11:3-8.7 as part of Emergency Amendments filed as R.1990 d.626, effective November 26, 1990, operative April 1, 1991.

See: 22 N.J.R. 3766(b).

Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(a), 23 N.J.R. 507(a).

APPENDIX

EXHIBIT A
NONRENEWAL REPORT—A
Standard, Nonstandard Rating System

Insurer Group Name: _____ NAIC Group No. _____
 Company Name: _____ NAIC Company No. _____
 (list all companies in _____
 standard, nonstandard plan) _____

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Territory	Vehicles Insured 12/31/—	Vehicles Cancelled	Vehicle N/R by Insured	Vehicles N/R for cause N.J.A.C. 11:3-8.4(a)1	Vehicles N/R Underwriting N.J.A.C. 11:3-8.4(b)	Vehicles N/R 2% Rule N.J.A.C. 11:3-8.5(a)1	Vehicles N/R 2:1 Rule N.J.A.C. 11:3-8.5(a)2	*Vehicles Newly Insured	Depopulation* (JUA) *Voluntary Market* Quota	Vehicles Insured -/-/
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										

Totals:

Notes: Column (1) shall be numbered in accordance with insurer's approved rating plan.
 Column (2) shall be dated as of previous year.
 Columns (3) through (11) shall contain information as of date in column (11).
 No cancellation or nonrenewal shall be double counted by including it in more than one column.
 Renewals within standard/nonstandard system are not to be reported as nonrenewals or cancellations.
 Nonrenewals for underwriting (column 6) do not qualify for highest rated tier of standard/nonstandard plan.
 Column (7) cannot be greater than .02 X column (2).
 Report total only for column (10).
 Column (11) equals column (2) plus column (9) minus columns (3), (4), (5), (6), (7) and (8).
 Columns (4), (5), (6), (7) and (8) may be reported together as a single number for each territory, but if the insurer is eligible to do 2% or 2:1 nonrenewals, then the single number reported cannot exceed the permissible total of 2% and 2:1 nonrenewals for that territory.

*Does not include a vehicle cancelled within the first 60 days.

Date Submitted _____

Emergency Repeal and New Rule filed as R.1990 d.626, effective November 26, 1990, operative April 1, 1991 (expired January 25, 1991). See: 22 N.J.R. 3766(b).
 Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(b), 23 N.J.R. 507(a).
 Provisions of emergency repeal and new rule readopted without change.

**EXHIBIT B
NONRENEWAL REPORT—B
Individual Company**

Company Name: _____	NAIC Company No. _____									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Territory	Vehicles Insured 12/31/--	Vehicles Cancelled	Vehicle N/R by Insured	Vehicles N/R for cause N.J.A.C. 11:3-8.4	Vehicles N/R 2% Rule N.J.A.C. 11:3-8.5(a)1	Vehicles N/R 2:1 Rule N.J.A.C. 11:3-8.5(a)2	*Vehicles Newly Insured	Depopulation* *Voluntary Market*	*JUA Vehicles Insured Quota	-/-
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
Totals:										

Notes:
 Column (1) shall be numbered in accordance with insurer's approved rating plan.
 Column (2) shall be dated as of previous year.
 Columns (3) through (10) shall contain information as of date in column (10).
 No cancellation or nonrenewal shall be double counted by including it in more than one column.
 Column (6) cannot be greater than .02 X column (2).
 Report total only for column (9).
 Column (10) equals column (2) plus column (8) minus columns (3), (4), (5), (6) and (7).
 Columns (4), (5), (6), (7) and (8) may be reported together as a single number for each territory, but if the insurer is eligible to do 2% nonrenewals of 2:1 nonrenewals, then the single number reported cannot exceed the permissible total of 2% and 2:1 nonrenewals for that territory.

*Does not include a vehicle cancelled within the first 60 days.
 Date Submitted _____

Emergency Repeal and New Rule filed as R.1990 d.626, effective November 26, 1990, operative April 1, 1991 (expired January 25, 1991). See: 22 N.J.R. 3766(b).
 Adopted Concurrent Proposal, R.1991 d.89, effective January 25, 1991, operative April 1, 1991.

See: 22 N.J.R. 3766(b), 23 N.J.R. 507(a).
 Provisions of emergency repeal and new rule readopted without change.

**SUBCHAPTER 9. RATING INFORMATION;
AUTOMOBILE INSURANCE ON PRIVATE
PASSENGER CARS**

**11:3-9.1 Rating information; private passenger cars;
automobile insurance**

(a) Every automobile insurance policy subject to New Jersey rates and providing coverage for an individually owned (or jointly owned by husband and wife; or two or more relatives resident of the household) private passenger automobile and/or any motor vehicle rates as a private passenger automobile shall be accompanied by rating information applicable to the premium determination. Such information must include the criteria pertaining to any individual driver classification plan used by the company and shall recite any rules that apply to the chargeability of accidents and convictions.

(b) If the declaration page or extension certificate or similar documents to the insured identifies the insured's car by a code, or other abbreviation, the rating information may be supplied by a rating information form that interprets the code number or abbreviation.

(c) Every company shall develop a rating information format adapted to the classification system approved for and used by the company in this State. Such format shall be submitted to the Commissioner of Insurance for approval initially within 30 days of the effective date of this regulation, and subsequently within 15 days of any revision of the classification system approved for the company. Filings of the rating information format by a rating organization shall be applicable to members and subscribers of such organization unless such companies deviate from the rating organization's classification system.

(d) This regulation shall be effective August 31, 1973. Use of approved forms will be required on all new and renewal business with effective dates January 1, 1974 and thereafter.

R.1973 d.206, effective August 31, 1973.

See: 5 N.J.R. 150(b), 5 N.J.R. 282(b).

Amended by R.1991 d.45, effective February 4, 1991.

See: 22 N.J.R. 1678(a), 23 N.J.R. 306(b).

Deleted subsection (b) regarding New Jersey Automobile Insurance Plan and recodified existing (c)-(e) as (b)-(d) with no change in text.

11:3-9.2 (Reserved)

R.1975 d.130, eff. July 1, 1975.

See: 7 N.J.R. 113(a), 7 N.J.R. 276(d).

Repealed by R.1996 d.246, effective June 3, 1996.

See: 27 N.J.R. 2048(a), 28 N.J.R. 3002(b).

Section was "Private passenger automobile rating class; revoked or suspended operator".

**SUBCHAPTER 10. AUTO PHYSICAL DAMAGE
CLAIMS**

11:3-10.1 Scope

This subchapter applies to claims arising under motor vehicle collision and comprehensive coverages.

Amended by R.1985 d.629, effective December 16, 1985.

See: 16 N.J.R. 3170(a), 17 N.J.R. 2988(a).

Section heading was Application.

Case Notes

Insurers' activities in estimating repair costs held not an Antitrust Act violation. *Chick's Auto Body v. State Farm Mutual Automobile Insurance Co.*, 168 N.J. Super 68, 401 A.2d 722 (Law Div.1979), affirmed per curiam 176 N.J. Super. 320, 423 A.2d 311 (App.Div.1980).

11:3-10.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise:

"Actual cash value", unless otherwise specifically defined by law or policy, means the lesser of the amounts for which the insured or the designated representative can reasonably be expected to:

1. Repair the motor vehicle to its condition immediately prior to the loss; or

2. Replace the motor vehicle with a substantially similar vehicle. The amount shall include all moneys paid or payable as sales taxes on the motor vehicle repaired or replaced. This paragraph shall not be construed to prevent an insurer from issuing a policy where the amount of damages to be paid in the event of a total loss is a specified dollar amount.

"Agreed price" or "figure" means the amount agreed to by the insurer and the insured, or their representatives, as the reasonable cost to replace the motor vehicle or to repair damages to the motor vehicle resulting from the loss, without considering any deductible or deductions.

"Designated representative" means a person designated by the insured to represent the insured in negotiations with the insurer in an attempt to settle the claim. The designated representative may be any person authorized by the insured who may act legally in his or her behalf.

"Motor vehicle" shall have the meaning ascribed in N.J.S.A. 39:1-1.

11:3-20.10 Order for further information

(a) If, after examination of the insurer's excess profits report, the Commissioner finds that any information or calculation contained in such report contains, results in or is based upon aberrant, unusual or irregular data, the Commissioner shall issue, in writing, an order to such insurer, directing that the information or calculation be altered in a manner necessary to eliminate the effect of the aberrant, unusual or irregular data.

(b) Such insurer shall submit the revised information to the Commissioner within 15 days after receiving an order pursuant to (a) above.

11:3-20.11 Supplemental filings

(a) An insurer may request permission to supplement its Excess Profits Report filing due to good faith error or excusable mistake by submitting a written request to the Department containing the following:

1. The reasons why the insurer believes that a supplemental filing is necessary;
2. A brief but complete description of the nature of the information to be contained in the supplemental filing (Note: The actual supplemental filing should not be submitted until the insurer is notified that the request has been approved); and
3. The reasons why the insurer failed to provide this information in its initial Excess Profits Report filing.

(b) The Commissioner shall either approve or disapprove the request, in writing, within 30 days after the request is received by the Department. If the insurer is notified that its request is approved, the insurer shall submit the supplemental filing to the Department within 10 days after the receipt of such notification.

New Rule, R.1991 d.17, effective January 7, 1991.
See: 22 N.J.R. 2082(b), 23 N.J.R. 106(a).

Old 20.11, Compliance dates, has been recodified to 20.12.

11:3-20.12 (Reserved)

Recodified from 11:3-20.11, by R.1991 d.17, effective January 7, 1991.
See: 22 N.J.R. 2082(b), 23 N.J.R. 106(a).
Repealed by R.1996 d.58, effective February 5, 1996.
See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).
Section was "Compliance dates".

11:3-20.13 Penalties

Failure to file a complete and accurate excess profits report so that it is received by the Commissioner on or before July 1 shall constitute a violation of this subchapter, and may result in the imposition of penalties as provided by statute.

Recodified from 11:3-20.12, by R.1991 d.17, effective January 7, 1991.
See: 22 N.J.R. 2082(b), 23 N.J.R. 106(a).

APPENDIX**EXCESS PROFIT EXHIBITS—INSTRUCTIONS**

In all Exhibits, dollars are stated as whole numbers, ratios are expressed as decimals and rounded to the third decimal place. Where a three year sum is expressed as a ratio, the ratio required is the ratio of three years' dollar figures and not the sum of three ratios.

The Exhibits attached are 1996 exhibits. Where exhibits for prior years or later years must be reported, the filer is required to submit Exhibits which are substantially similar to the attached Exhibits to report the prior years' or later years' data, and which contain all information, including dates, adjusted accordingly.

EXHIBIT ONE

Exhibit One is to be completed using data for calendar year 1995. Exhibits substantially similar to Exhibit One are to be completed for each of the years 1988 through 1994.

The filer is completing and submitting four Exhibits One (i.e. one for each of four coverages for each of eight calendar years, i.e. 1988 through 1995, inclusive) for a total of 32 Exhibits One.

Item 1 is the premium and loss data as shown on Page 14 for 1994 and prior and Page 15 for 1995 and subsequent years for New Jersey of the statutory annual statement for the various calendar years. For the various private passenger auto coverages, for 1995, use the data shown on Page 15 of the 1995 annual statement as follows:

- | | |
|---|-------------------|
| 1. BI Liability and Uninsured/Underinsured Coverage included in | Page 15 Line 19.2 |
| 2. PD Liability included in | Page 15 Line 19.2 |
| 3. PIP included in | Page 15 Line 19.1 |
| 4. Physical Damage in | Page 15 Line 21.1 |

For years prior to 1995, use corresponding Page 14 data for those years. In Item 1, fill in the Page 14 data for those years. Item 1A is the UCJF Assessment for the year. Items 2 through 10 are deductions from Item 1 for loss data (see Col (3), Col (4), or Col (7)) or Item 1B for premium data (see Col (1) or Col (2)), as described below. Items 2 through 10 are to be completed **ONLY IF PREMIUM, LOSS OR DIVIDEND DATA FOR ITEMS 2 THROUGH 10 ARE INCLUDED IN ITEM 1.**

In listing the exclusions in Items 2 through 10, note that where a premium, loss or dividend amount is contained in an Item, it is not to be contained in another Item.

For example, all excess medical benefits are to be contained in Item 2 (see below), and not contained in any of the other Items 3 through 10. Therefore, any excess medical benefits paid on a motorcycle policy are to be included in Item 2, and not in Item 3. Item 3 is to contain

motorcycle premiums, losses and dividends not included in Item 2.

As another example, premiums, losses and dividends contained in Item 6, Excess and Umbrella Policies are premiums, losses and dividends on Excess/Umbrella policies that are not contained in Items 2 through 5.

Item 2 is the dollars of losses included in Item 1 which are excess medical benefits, and for which the insurer may be reimbursed by the UCJF per N.J.S.A. 39:6-61 et seq.

With regard to Item 5, please note that the New Jersey Automobile Full Insurance Availability Act (N.J.S.A. 17:30E-1 et seq.), which established the "JUA", was effective 01 January 1984, and the Market Transition Facility established pursuant to the Fair Automobile Insurance Reform Act of 1990 which was operative as of October 1, 1990.

Item 7 is antique auto and may be included or excluded from the filing in the discretion of the filer.

Premiums, losses and dividends for private passenger type commercial vehicles are to be listed in Item 8 as a "write in", but only if they are contained in Item 1 for loss data, or Item 1B, for premium data, and then only the dollars of premiums and losses not contained in Items 2 through 7.

Provision is made for another "write in" exclusion in Item 9. A filer may modify the form if two lines are not sufficient.

Where any "write in" exclusion is used, a written explanation as to what is listed as an exclusion, and why it is appropriate to list the exclusion, is to be provided on a piece of paper attached to Exhibit One.

Premiums and losses for private passenger motor homes are NOT to be listed as exclusions.

Item 12 states the premiums, losses and dividends which are to be used for the excess profits calculation. For premium data, Item 12 = Item 1B - Item 11. For loss data, Item 12 = Item 1 - Item 11.

Item 13, Col (3) states the claim settlement costs paid during 1995 that are directly assignable to specific claims for which loss data is included in Item 12. Item 13, Col (4) states the claim settlement costs incurred during 1995 that are directly assignable to specific claims for which loss data is included in Item 12.

Item 14, Col (3) states the costs associated with the claim settlement function that were paid during 1995, which are not directly assignable to specific claims, but which are assignable to claims for which loss data is included in Item 12. Item 14, Col (4) shows the costs associated with the claim settlement function that were incurred during 1995, *which are not* directly assignable to specific claims, but which are assignable to claims for which loss data is included in Item 12.

Item 15 states unpaid claim settlement costs as of 31 December 1995, which are assignable to unpaid losses shown in Item 12, Col (7).

EXHIBIT TWO

A corresponding Exhibit Two is to be completed for each calendar year and coverage for which an Exhibit One is to be completed. Therefore, the filer is completing and submitting 32 Exhibits Two. Exhibit Two completed for each calendar year "X" should start with accident year "X", going successively back to accident year 1988, and end with accident years prior to 1988 in aggregate. For example, the calendar year 1995 exhibit would include accident years 1995, 1994, 1993, 1992, 1991, 1990, 1989, 1988, and "prior to 1988." The calendar year 1994 exhibit would include the same accident years except for 1995. Parts One and Two of Exhibit Two show paid losses and allocated expenses by calendar-accident year during each calendar year for which data is reported in an Exhibit One, and also during the first three months of 1996. Part Three calculates a three-year average of Unallocated Loss Adjustment Expense to Loss and Allocated Loss Adjustment Expense Ratio. This part is to be completed for the three most recent calendar year exhibits.

For example, for the Exhibit Two that corresponds to Exhibit One for 1995, Exhibit Two—Part One shows:

(a) payments for losses that occurred during calendar-accident year 1995, and were paid during 1995, and during the first three months of 1996.

(b) payments for losses that occurred during calendar-accident year 1994, and were paid during 1995, and during the first three months of 1996.

(c) etc.

For example, for the Exhibit Two that corresponds to Exhibit One for 1994, Exhibit Two—Part One shows:

(a) payments for losses that occurred during calendar-accident year 1994, and were paid during 1994, and during the first three months of 1995.

(b) payments for losses that occurred during calendar-accident year 1993, and were paid during 1994, and during the first three months of 1995.

(c) etc.

A description of each part of Exhibit Two follows.

Exhibit Two—Part One states the calendar year losses paid, as stated in Exhibit One, Item 12, Col (3) according to calendar-accident year. Col (1) shows losses paid during 1995, and Col (2) shows further losses paid during the first three months of 1996.

Exhibit Two—Part Two states the calendar year allocated loss adjustment expenses paid in Exhibit One, Item 13, Col (3), according to calendar-accident year. Col (1) states the allocated loss adjustment expenses paid during 1995, and Col (2) shows further allocated loss adjustment expenses paid during the first three months of 1996.

Exhibit Two—Part Three shows the calendar year losses, allocated loss adjustment expense and unallocated loss adjustment expense corresponding to the three most recent years of Exhibit One, Items 12, Col (4), Item 13, Col (4) and Item 14, Col (4). Ratios of unallocated loss adjustment expense to loss and allocated loss adjustment expense are derived. One plus the three-year average ratio is the unallocated loss adjustment expense factor to be applied in Exhibit Eight.

EXHIBIT THREE

Exhibit Three states the “development triangles” of paid loss and ALAE for BI/UM and PIP. This exhibit is derived from Exhibit Two.

Exhibit Three—Parts One and Four state the incremental paid losses and ALAE for the various calendar-accident years during various intervals. The losses and ALAE are calculated from the paid losses and ALAE contained in Exhibit Two—Parts One and Two. Exhibit Three—Part One is to be completed using calendar-accident years 1989 through 1995. Exhibit Three—Part Four is to be completed using calendar-accident years 1988 through 1994.

Exhibit Three—Parts Two and Five state the accumulated losses and ALAE for each calendar-accident year as of the various stages of development based on Exhibit Three—Parts One and Four, respectively.

Exhibit Three—Parts Three and Six state the historical development factors based on the accumulated losses and ALAE shown in Exhibit Three—Parts Two and Five, respectively.

In Exhibit Three—Parts Three and Six the “selected factor” stated in Col (5A) is determined as follows. Of the various historical factors for each development interval a simple mean is determined with the high and low values omitted. Where there are three or fewer factors, the low and high values are not to be omitted from the calculation. The “Projection Factor” stated in Col (6A) is the group of factors from Col (5A) accumulated to project losses at each stage of development to ultimate. The projection factor for 87 months to ultimate is the square root of the 63 to 87 months factor subject to a minimum of 1.000. Insurers may submit an alternative 87 months to ultimate factor with supporting documentation in written copy and in a Lotus 123 spreadsheet.

In Exhibit Three—Parts Three and Six the “Ultimate Incurred” stated in Col (3) are determined by multiplying

the calendar-accident years losses and ALAE evaluated as of 31 March 1996 (Part Three) or 31 March 1995 (Part Six) by the Projection Factor from Col (6A). Each “Projection Factor to Ultimate” in Col (2) of Exhibit Three—Parts Three and Six are identical to the “Projection Factor” stated in Col (6A).

Exhibit Three—Part Seven compares the Ultimate Incurred Losses and ALAE calculated in Exhibit Three—Parts Three and Six.

EXHIBIT FOUR

Exhibit Four summarizes data from Exhibit Two to derive the development triangles of paid losses and ALAE, for Property Damage Liability and Physical Damage. The various parts of Exhibit Four analyze paid losses and ALAE in the same way that Exhibit Three analyzes paid losses and ALAE. The only difference is that, for Property Damage Liability and Physical Damage, ultimate paid is deemed to be reached at 51 months of development.

EXHIBIT FIVE

Exhibit Five—Part One, states countrywide direct premiums and expenses from Part II of the statutory Insurance Expense Exhibit. An Exhibit Five is to include each of the years 1993, 1994 and 1995. Other Acquisition and General Expenses are to be stated, in Col (2) and Col (4) as ratios to Direct Earned Premium. Commission and Brokerage and Taxes, Licenses and Fees are to be stated, in Col (2) and Col (4) as ratios to Direct Written Premium.

Exhibit Five—Part Two states New Jersey expense for each coverage with ratios in Col (2) and Col (4), to earned premium or written premium as described for Exhibit Five—Part One above. Exhibit Five—Part Two, Prepaid Expenses, Item 7, Cols (1) and (3) = $\frac{1}{2} \times (\text{Item 2} + \text{Item 3}) + \text{Item 5} + \text{Item 6}$. Prepaid expenses are to be stated as ratios to earned premium in Col (2) and Col (3). Exhibit Five—Part Two, Item 8, LAD Fees, Columns (2) and (4) are to be stated as ratios to written premium.

Exhibit Five—Part Two is to include each of the calendar years 1993, 1994 and 1995.

EXHIBIT SIX

Exhibit Six—Part One shows investment income attributable to New Jersey private passenger auto for the purpose of completing excess profits reports in each of the three calendar years covered by this report.

The following is an example of the entries using data for calendar year 1995. Data substantially similar to this example are to be completed for calendar years 1993 and 1994.

Item 1 is countrywide data from the 1995 statutory annual statement, page 2, column 1, the sum of lines 9.1, 9.2, 9.3, 10 and 11.

Item 2 is countrywide data from the statutory annual statement, page 3, column 1, line 9.

NOTE: Limit Item 3 to a maximum of 1.000.

Item 4 is Exhibit Five—Part Two, Columns (1) and (3), Item 7.

Item 5 is Exhibit One, Col (1), Item 12.

NOTE: Limit item 6 to a maximum of 1.000.

Item 7 is Exhibit One, Col (6), Item 12 for 1995.

Item 8 is Exhibit One, Col (6), Item 12, for 1994.

Item 9A = Item 9 x (1 - Item 3 - Item 6).

NOTE: Limit Item 9A to a minimum of 0.

Item 10 is Exhibit One, Col (7), Item 12 for 1995.

Item 11 is Exhibit One, Col (7), Item 12 for 1994.

Item 13 is Exhibit One, Col (7), Item 15 for 1995.

Item 14 is Exhibit One, Col (7), Item 15 for 1994.

Item 16G is the expected loss and loss adjustment expense ratio which is used to determine the investment income offset in the filer's filed and approved rate filings. The filer must submit a copy of the portion of the filing showing this figure, and show how it was used to determine the investment income offset in Exhibit 9.

Item 18 is Exhibit Six—Part Four, Item 3.

Item 19 is Actual Investment Income = Item 17 x Item 18.

Exhibit Six—Part Two shows Anticipated Investment Income and Excess Investment Income.

Item 1 is Exhibit One, Col (2), Item 12.

Item 2 is the filed and approved pre-tax investment income offset expressed as a ratio to premiums that was on file with the department in each of the latest three calendar years. This is the percent used to reduce the Clifford pre-tax target rate of return (i.e. 3.5% divided by the complement of the corporate federal income tax rate) to premiums for the effect of investment income. A copy of the portion of the filing showing this calculation is to be included as Exhibit Nine. If the filer submits no documentation of the investment income offset that has been approved by the Department, then Item 2 is the number zero.

Item 3 = Item 1 x Item 2.

Item 4 is Exhibit Six—Part One, Item 19.

Item 5 = (Item 4 - Item 3) if Item 4 > Item 3.

If Item 4 < Item 3 then Item 5 = (Exhibit Six—Part One, Item 17) x (six months average of the Moody's seasoned AAA corporate bond rate as of April 1 of each year) - Item 3, or zero which ever is less.

Exhibit Six—Part Three. The data in items 1 to 9 is from investments purchased in each of the three calendar years covered by this report.

Item 1 is interest, dividend and real estate income included in page 6, part 1, col. 8, line 10 that was earned on investments purchased in each of the three calendar years covered by this report.

Item 2 is the total investment expenses included in page 6, part 1, line 11 that were incurred from investments purchased in each of the three calendar years covered by this report.

Item 3 is the depreciation on real estate included in page 6, part 1, line 12 from investments purchased in each of the three calendar years covered by this report.

Item 4 is income on unaffiliated preferred stocks included in page 6, part 1, col. 8, line 2.1 that were purchased in each of the three calendar years covered by this report.

Item 5 is income on affiliated preferred stocks included in page 6, part 1, col. 8, line 2.11 that were purchased in each of the three calendar years covered by this report.

Item 6 is income on unaffiliated common stocks included in page 6, part 1, col. 8, line 2.2 that were purchased in each of the three calendar years covered by this report.

Item 7 is income on affiliated common stocks included in page 6, part 1, col. 8, line 2.21 that were purchased in each of the three calendar years covered by this report.

Item 8 is income on other invested assets included in page 6, part 1, col. 8, line 7 that were purchased in each of the three calendar years covered by this report.

Item 9 is the amount included in real estate for company's occupancy of its own buildings in Footnote (c) for 1994 and subsequent statements and Footnote S for 1993 and prior statements on real estate that was purchased during each of the three calendar years covered by this report.

Item 10 = Item 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9

Item 11 = Item 1 - Item 10

The data in Items 1.1 to 5.1 is the value of investments that were purchased in each of the three calendar years covered by this report.

Item 1.1 is Bonds Acquired in Schedule D, Part 3, Column 5 for each of the three calendar years covered by this report.

Item 2.1 is Mortgage Loans on Real Estate made or increased in Schedule B for each of the three calendar years covered by this report.

Item 2.2 is Real Estate acquired in Schedule A, Part 2 for each of the three calendar years covered by this report.

Item 3.1 is Collateral Loans made in Schedule C, Part 2 for each of the three calendar years covered by this report.

Item 4.1 Cash on Hand and on Deposit is the 12 month average of the depository balances on the last day of each month in Schedule N for each of the three years covered by this report.

Item 4.2 is Short-Term Investments in Schedule DA, Part 1 for each of the three calendar years covered by this report.

Item 5.1 for 1994 and subsequent is derivative instruments acquired, written and opened in Schedule DB, Parts A, B, C and D, Section 2 plus Schedule DC, Parts A, B and C, Section 2 and for 1993 and prior is financial options and futures acquired, written and opened in Schedule DB, Parts A, B and C, Section 2.

Item 6.1 = Item 1.1 + 2.1 + 2.2 + 3.1 + 4.1 + 4.2 + 5.1

Item 7 = Item 6.1/2

Exhibit Six—Part Four calculates the company rate of return for each accident year.

Item 1: Adjusted Investment Income = Item 11 summed over 1993, 1994 and 1995 for accident year 1993; Item 11 summed over 1994 and 1995 for accident year 1994; Item 11 1995 for accident year 1995.

Item 2: Adjusted Invested Assets = Item 7 summed over 1993, 1994 and 1995 for accident year 1993; Item 7 summed over 1994 and 1995 for accident year 1994; Item 7 1995 for accident year 1995.

Item 3: Rate of Return on Assets Purchased during an Accident Year = Item 1/Item 2.

EXHIBIT SEVEN

Exhibit Seven—Part One states the accumulated AIRE compensation received for each calendar-accident year as of the various stages of development as derived from the Assessment Allocation column in the Statewide Company Annual Cash Settlement Report issued by ISO to AIRE member companies added to the Investment Income column in the Annual Cash Settlement True-Up Report issued by ISO to AIRE member companies.

Exhibit Seven—Part Two states the historical development factors based on accumulated AIRE compensation in Exhibit Seven—Part One. These factors are used to calculate projection factors to ultimate as shown in Col (2).

Col (1) is the estimated AIRE compensation received as of the latest valuation point.

Col (2) is the development factors from above, accumulated to project AIRE compensation in Col (1) to ultimate. Col (3) = Col (1) x Col (2)

Exhibit Seven—Part Three states the accumulated AIRE charges paid for each calendar-accident year as of the various stages of development as derived from the Assessments at Present Rate column in the Annual Cash Settlement Report issued by ISO to AIRE member companies.

Exhibit Seven—Part Four states the historical development factors based on accumulated AIRE charges in Exhibit Seven—Part Three. These factors are used to calculate projection factors to ultimate as shown in Col (2).

Col (1) is the estimated AIRE charges received as of the latest valuation point.

Col (2) is the development factors from above, accumulated to project AIRE charges in Col (1) to ultimate. Col (3) = Col (1) x Col (2).

Exhibit Seven—Part Five states the Net AIRE for the three most recent years. Col (1) is the AIRE compensation from Exhibit Seven—Part Two, Col (3). Col (2) is the AIRE charges from Exhibit Seven—Part Four, Col (3). Col (3) = Col (1) - Col (2).

EXHIBIT EIGHT

Exhibit Eight uses the data developed in Exhibits One through Seven to calculate excess profits.

The sources of data for Exhibit Eight follow.

Item 1: Direct Calendar Year Written Premium, Exhibit One, Item 12.

Item 2: Direct Calendar Year Earned Premium, Exhibit One, Item 12.

Item 3: Net AIRE from Exhibit Seven—Part Five, for the “BI Liability and Uninsured/Underinsured Motorists Coverages” and “Total” Exhibits only.

Item 4: Apportioned share of MTF operating loss paid (to be reported only on the “BI Liability and Uninsured/Underinsured Motorists Coverages” and “Total” Exhibits).

Item 5A: For BI Liability and Uninsured Motorists and PIP, “Ultimate Incurred”, per Exhibit Three—Part Three, Col (3). For Property Damage Liability and Physical Dam-

age, "Ultimate Incurred", per Exhibit Four—Part Three, Col (3).

Item 5B: ULAE Factor from Exhibit Two—Part Three.

Item 5C: Item 5A x Item 5B.

Item 6: Ratio of Item 5C to Item 2.

Item 7: Commissions, Exhibit Five—Part Two, Item 5.

Item 8: Other Acquisition, Exhibit Five—Part Two, Item 2

Item 9: General Expense, Exhibit Five—Part Two, Item 3

Item 10: Taxes, Licenses & Fees, Exhibit Five—Part Two, Item 6

Item 11A: LAD Fees, Exhibit Five—Part Two, Item 8

Item 11B: Allowable percent of LAD fees in excess profits reports = 50%.

Item 11C: Item 11A x Item 11B.

Item 12: Dividends, Exhibit One, Item 12B

Item 13: Excess Profits Refunds, Exhibit One, Item 12A

Item 14: Item 12 + Item 13

Item 15: Ratio Item 14/Item 2

Item 16: = Item 2 + Item 3 - Item 4 - Item 5C - Item 7 - Item 8 - Item 9 - Item 10 - Item 11C - Item 14

Item 17: Insurer's filed and approved allowance for profits and contingencies in the filer's approved rate filing, expressed as a ratio, and multiplied by the earned premium stated in Item 2. Provide copy of filing showing approved allowance for profit and contingencies provision as part of Exhibit Nine. If the filer submits no documentation of the profits and contingencies ratio that has been approved by the Department, then the Profits and Contingencies ratio is 3.5% divided by the complement of the corporate federal income tax rate.

Item 18 = Item 16 - Item 17

Item 19 = Exhibit Three—Part Seven, Total, Col (3) for BI Liability and Uninsured/Underinsured Motorists and PIP; Exhibit Four—Part Seven, Col (3), for Property Damage Liability and Physical Damage.

Item 20 = Item 18 - Item 19

Item 21: Exhibit Six—Part Two, Item 5.

Item 23 = Item 20 + Item 21 - Item 22

Item 24 is .005 x Item 2 for a filer that is a member of a holding company system, and 0 for all other filers.

Item 25A is the percent of NCIC pool participation

Item 25B is the NCIC pool loss

Item 25C = Item 25A x Item 25B

Item 26—Item 23 - Item 24 - Item 25C.

EXHIBIT NINE

Exhibit Nine is the derivation of the investment income offset and the portion of the filer's latest approved filing showing the approved expected loss ratio (applied in Exhibit Six—Part One), pre-tax investment income offset (applied in Exhibit Six—Part Two) and profit and contingencies provision (applied in Exhibit Eight).

Item 1 is the approved expected loss ratio for each year

Item 2 is the approved profit and contingencies provision for each year.

Item 3 is the Clifford After-Tax Provision of 3.5%.

Item 4 is the tax rate applied in the latest approved filing.

Item 5 is the Clifford Pre-Tax Provision = Item 3/[1 - Item 4]

Item 6 is the Pre-Tax Investment Income Offset = Item 5 - Item 2.

N.J.A.C. 11:3-20 APPENDIX INPUT FORMS AND EXHIBITS

Introduction

The appendix contains the Input Forms that must be used by insurers in the submission of data as part of the excess profit report. The exact format contained herein must be used. In accordance with N.J.A.C. 11:3-20.4(a), insurers can receive a copy of these forms on a computer diskette together with the required formulas from the Department. These Input Forms are to be used for the following coverages: BI/UIM coverage, PD and PIP coverage and physical damage.

The Appendix also contains copies of Exhibit One to Exhibit Nine of the excess profits report. Once again, the format must be strictly followed. Copies can be obtained in accordance with N.J.A.C. 11:3-20.4(c).

Exhibit Ten is to be completed by individual insurers in an insurance company holding systems when they are complying with N.J.S.A. 17:29A-5.7a(4) by filing under N.J.A.C. 11:3-20.6(a).

A	A	B	C	D	E	F	G	H	I	J	K	L
1	GROUP NAME:				INPUT SCREEN							
2	GROUP NAIC NO:											
3	COMPANY NAME:											
4	COMPANY NAIC NO:											
5	YEAR FILED:				1996							
6					BI/UM							
7												
8			CALENDAR YEAR		1995	1994	1993	1992	1991	1990	1989	1988
9	EXHIBIT ONE											
10	Item 1:	Col(1)	Written Premium									
11	Item 1A:	Col(1)	UCJF Assessments									
12	Item 3:	Col(1)	Motorcycles									
13	Item 4:	Col(1)	"Off Road" Vehicles									
14	Item 5:	Col(1)	JUA/MTF Business									
15	Item 6:	Col(1)	Excess Umbrella Policies									
16	Item 7:	Col(1)	Antique Auto									
17	Item 8:	Col(1)	Other									
18	Item 9:	Col(1)	Other									
19	Item 10:	Col(1)	Finance & Service Charges									
20												
21	Item 1:	Col(2)	Earned Premium									
22	Item 1A:	Col(2)	UCJF Assessments									
23	Item 3:	Col(2)	Motorcycles									
24	Item 4:	Col(2)	"Off Road" Vehicles									
25	Item 5:	Col(2)	JUA/MTF Business									
26	Item 6:	Col(2)	Excess Umbrella Policies									
27	Item 7:	Col(2)	Antique Auto									
28	Item 8:	Col(2)	Other									
29	Item 9:	Col(2)	Other									
30	Item 10:	Col(2)	Finance & Service Charges									
31												
32	Item 1:	Col(3)	Paid Losses									
33	Item 2:	Col(3)	Excess Medical Benefits									
34	Item 3:	Col(3)	Motorcycles									
35	Item 4:	Col(3)	"Off Road" Vehicles									
36	Item 5:	Col(3)	JUA/MTF Business									
37	Item 6:	Col(3)	Excess Umbrella Policies									
38	Item 7:	Col(3)	Antique Auto									
39	Item 8:	Col(3)	Other									
40	Item 9:	Col(3)	Other									
41	Item 13:	Col(3)	Paid ALAE									
42	Item 14:	Col(3)	Paid ULAE									
43												
44	Item 1:	Col(4)	Incurred Losses									
45	Item 2:	Col(4)	Excess Medical Benefits									
46	Item 3:	Col(4)	Motorcycles									
47	Item 4:	Col(4)	"Off Road" Vehicles									

48	Item 5:	Col(4)	JUA/MTF Business																
49	Item 6:	Col(4)	Excess Umbrella Policies																
50	Item 7:	Col(4)	Antique Auto																
51	Item 8:	Col(4)	Other																
52	Item 9:	Col(4)	Other																
53	Item 13:	Col(4)	Incurred ALAE																
54	Item 14:	Col(4)	Incurred ULAE																
55																			
56	Item 1:	Col(5)	Dividends on Direct Business																
57	Item 3:	Col(5)	Motorcycles																
58	Item 4:	Col(5)	"Off Road" Vehicles																
59	Item 5:	Col(5)	JUA/MTF Business																
60	Item 6:	Col(5)	Excess Umbrella Policies																
61	Item 7:	Col(5)	Antique Auto																
62	Item 8:	Col(5)	Other																
63	Item 9:	Col(5)	Other																
64	Item 12A:	Col(5)	XS Profit Refund																
65	Item 12B:	Col(5)	All Other Dividends																
66																			
67	Item 1:	Col(6)	Unearned Prem Reserve																
68	Item 2:	Col(6)	UCJF																
69	Item 3:	Col(6)	Motorcycles																
70	Item 4:	Col(6)	"Off Road" Vehicles																
71	Item 5:	Col(6)	JUA/MTF Business																
72	Item 6:	Col(6)	Excess Umbrella Policies																
73	Item 7:	Col(6)	Antique Auto																
74	Item 8:	Col(6)	Other																
75	Item 9:	Col(6)	Other																
76																			
77	Item 1:	Col(7)	Unpaid Losses																
78	Item 2:	Col(7)	Excess Medical Benefits																
79	Item 3:	Col(7)	Motorcycles																
80	Item 4:	Col(7)	"Off Road" Vehicles																
81	Item 5:	Col(7)	JUA/MTF Business																
82	Item 6:	Col(7)	Excess Umbrella Policies																
83	Item 7:	Col(7)	Antique Auto																
84	Item 8:	Col(7)	Other																
85	Item 9:	Col(7)	Other																
86	Item 15:	Col(7)	Unpaid LAE																
87																			
88	EXHIBIT TWO			1995	1994	1993	1992	1991	1990	1989	1988								
89	Part One	Col(1)	Acc Year 1995 Pd Loss During		XXX	XXX	XXX	XXX	XXX	XXX	XXX								
90	Part One	Col(1)	Acc Year 1994 Pd Loss During			XXX	XXX	XXX	XXX	XXX	XXX								
91	Part One	Col(1)	Acc Year 1993 Pd Loss During				XXX	XXX	XXX	XXX	XXX								
92	Part One	Col(1)	Acc Year 1992 Pd Loss During					XXX	XXX	XXX	XXX								
93	Part One	Col(1)	Acc Year 1991 Pd Loss During						XXX	XXX	XXX								
94	Part One	Col(1)	Acc Year 1990 Pd Loss During							XXX	XXX								
95	Part One	Col(1)	Acc Year 1989 Pd Loss During								XXX								
96	Part One	Col(1)	Acc Year 1988 Pd Loss During																
97	Part One	Col(1)	Acc Years Prior to 1988 Pd																

98			Loss During								
99				1996	1995	1994	1993	1992	1991	1990	1989
100	Part One	Col(2)	Acc Year 1995 Pd Loss During 1Q		XXX	XXX	XXX	XXX	XXX	XXX	XXX
101	Part One	Col(2)	Acc Year 1994 Pd Loss During 1Q			XXX	XXX	XXX	XXX	XXX	XXX
102	Part One	Col(2)	Acc Year 1993 Pd Loss During 1Q				XXX	XXX	XXX	XXX	XXX
103	Part One	Col(2)	Acc Year 1992 Pd Loss During 1Q					XXX	XXX	XXX	XXX
104	Part One	Col(2)	Acc Year 1991 Pd Loss During 1Q						XXX	XXX	XXX
105	Part One	Col(2)	Acc Year 1990 Pd Loss During 1Q							XXX	XXX
106	Part One	Col(2)	Acc Year 1989 Pd Loss During 1Q								XXX
107	Part One	Col(2)	Acc Year 1988 Pd Loss During 1Q								
108	Part One	Col(2)	Acc Years Prior to 1988 Pd								
109			Loss During 1Q								
110				1995	1994	1993	1992	1991	1990	1989	1988
111	Part Two	Col(1)	Acc Year 1995 Pd ALAE During		XXX	XXX	XXX	XXX	XXX	XXX	XXX
112	Part Two	Col(1)	Acc Year 1994 Pd ALAE During			XXX	XXX	XXX	XXX	XXX	XXX
113	Part Two	Col(1)	Acc Year 1993 Pd ALAE During				XXX	XXX	XXX	XXX	XXX
114	Part Two	Col(1)	Acc Year 1992 Pd ALAE During					XXX	XXX	XXX	XXX
115	Part Two	Col(1)	Acc Year 1991 Pd ALAE During						XXX	XXX	XXX
116	Part Two	Col(1)	Acc Year 1990 Pd ALAE During							XXX	XXX
117	Part Two	Col(1)	Acc Year 1989 Pd ALAE During								XXX
118	Part Two	Col(1)	Acc Year 1988 Pd ALAE During								
119	Part Two	Col(1)	Acc Years Prior to 1988 Pd								
120	Part Two	Col(1)	ALAE During								
121				1996	1995	1994	1993	1992	1991	1990	1989
122											
123											
124	Part Two	Col(2)	Acc Year 1995 Pd ALAE During 1Q		XXX	XXX	XXX	XXX	XXX	XXX	XXX
125	Part Two	Col(2)	Acc Year 1994 Pd ALAE During 1Q			XXX	XXX	XXX	XXX	XXX	XXX
126	Part Two	Col(2)	Acc Year 1993 Pd ALAE During 1Q				XXX	XXX	XXX	XXX	XXX
127	Part Two	Col(2)	Acc Year 1992 Pd ALAE During 1Q					XXX	XXX	XXX	XXX
128	Part Two	Col(2)	Acc Year 1991 Pd ALAE During 1Q						XXX	XXX	XXX
129	Part Two	Col(2)	Acc Year 1990 Pd ALAE During 1Q							XXX	XXX
130	Part Two	Col(2)	Acc Year 1989 Pd ALAE During 1Q								XXX
131	Part Two	Col(2)	Acc Year 1988 Pd ALAE During 1Q								
132	Part Two	Col(2)	Acc Years Prior to 1988 Pd								
133			ALAE During 1Q								
134				1995	1994	1993	1992	1991	1990	1989	1988
135	EXHIBIT FIVE										
136	Part One	Liability	Direct Earned Premium				XXX	XXX	XXX	XXX	XXX
137	Part One	Liability	Other Acquisition				XXX	XXX	XXX	XXX	XXX
138	Part One	Liability	General Expenses				XXX	XXX	XXX	XXX	XXX
139	Part One	Liability	Direct Written Premium				XXX	XXX	XXX	XXX	XXX
140	Part One	Liability	Commission & Brokerage				XXX	XXX	XXX	XXX	XXX
141	Part One	Liability	Taxes, Licenses, Fees				XXX	XXX	XXX	XXX	XXX
142											
143	Part Two	Item 2	Other Acquisition				XXX	XXX	XXX	XXX	XXX
144	Part Two	Item 3	General Expenses				XXX	XXX	XXX	XXX	XXX
145	Part Two	Item 5	Commission & Brokerage				XXX	XXX	XXX	XXX	XXX
146	Part Two	Item 6	Taxes, Licenses, Fees				XXX	XXX	XXX	XXX	XXX
147	Part Two	Item 8	LAD Fees				XXX	XXX	XXX	XXX	XXX
148											

EXHIBIT SIX										
PURCHASE YEAR										
			1995	1994	1993	1992	1991	1990	1989	1988
149	Part One	Item 1	C/W Agents Balances				XXX	XXX	XXX	XXX
150	Part One	Item 2	C/W Unearned Premium Reserve				XXX	XXX	XXX	XXX
151										
152										
153										
154										
155	Part Three	Item 1	Int., Div., R/E Income				XXX	XXX	XXX	XXX
156	Part Three	Item 2	Total Inv. Expenses				XXX	XXX	XXX	XXX
157	Part Three	Item 3	Depreciation of R/E				XXX	XXX	XXX	XXX
158	Part Three	Item 4	Unaffiliated Preferred Stock				XXX	XXX	XXX	XXX
159	Part Three	Item 5	Affiliated Preferred Stock				XXX	XXX	XXX	XXX
160	Part Three	Item 6	Unaffiliated Common Stock				XXX	XXX	XXX	XXX
161	Part Three	Item 7	Affiliated Common Stock				XXX	XXX	XXX	XXX
162	Part Three	Item 8	Other Invested Assets				XXX	XXX	XXX	XXX
163	Part Three	Item 9	Company's occupancy				XXX	XXX	XXX	XXX
164	Part Three	Item 1.1	Bond Acquired				XXX	XXX	XXX	XXX
165	Part Three	Item 2.1	Mortgage Loans				XXX	XXX	XXX	XXX
166	Part Three	Item 2.2	Real Estate Acquired				XXX	XXX	XXX	XXX
167	Part Three	Item 3.1	Collateral Loans				XXX	XXX	XXX	XXX
168	Part Three	Item 4.1	Cash on Hand				XXX	XXX	XXX	XXX
169	Part Three	Item 4.2	Short-Term Investments				XXX	XXX	XXX	XXX
170	Part Three	Item 5.1	Derivative Instruments				XXX	XXX	XXX	XXX
171										
EXHIBIT SEVEN										
CALENDAR YEAR										
			3/31/96	3/31/95	3/31/94	3/31/93	3/31/92	3/31/91	3/31/90	3/31/89
172	Part One	Acc Yr 95	allocation received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX
173		Acc Yr 94	allocation received as of	XXX		XXX	XXX	XXX	XXX	XXX
174		Acc Yr 93	allocation received as of	XXX			XXX	XXX	XXX	XXX
175		Acc Yr 92	allocation received as of	XXX			XXX	XXX	XXX	XXX
176		Acc Yr 91	allocation received as of	XXX				XXX	XXX	XXX
177		Acc Yr 90	allocation received as of	XXX					XXX	XXX
178		Acc Yr 89	allocation received as of	XXX						XXX
179		Acc Yr 88	allocation received as of	XXX						XXX
180										
181										
182	Part One	Acc Yr 95	allocation received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX
183		Acc Yr 94	allocation received as of	XXX		XXX	XXX	XXX	XXX	XXX
184		Acc Yr 93	allocation received as of	XXX			XXX	XXX	XXX	XXX
185		Acc Yr 92	allocation received as of	XXX			XXX	XXX	XXX	XXX
186		Acc Yr 91	allocation received as of	XXX				XXX	XXX	XXX
187		Acc Yr 90	allocation received as of	XXX					XXX	XXX
188		Acc Yr 89	allocation received as of	XXX						XXX
189		Acc Yr 88	allocation received as of	XXX						XXX
190										
191	Part Two	Allocation	Received by 3/31/96				XXX	XXX	XXX	XXX
192		Inv. Inc.	Received by 3/31/96				XXX	XXX	XXX	XXX
193										
194	Part Three	Acc Yr 95	charges paid as of	XXX						
195		Acc Yr 94	charges paid as of	XXX	XXX					
196		Acc Yr 93	charges paid as of	XXX	XXX	XXX				
197		Acc Yr 92	charges paid as of	XXX	XXX	XXX	XXX			
198		Acc Yr 91	charges paid as of	XXX	XXX	XXX	XXX	XXX		
199		Acc Yr 90	charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	
200		Acc Yr 89	charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	

201		Acc Yr 88 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
202										
203	Part Four	Charges Paid by 3/31/96				XXX	XXX	XXX	XXX	XXX
204										
205	EXHIBIT EIGHT	CALENDAR YEAR	1995	1994	1993	1992	1991	1990	1989	1988
206		Item 4 Share of MTF Loss Paid				XXX	XXX	XXX	XXX	XXX
207		Item 24 Holding Company System (Y/N)		XXX	XXX	XXX	XXX	XXX	XXX	XXX
208		Item 25A NCIC Pool %				XXX	XXX	XXX	XXX	XXX
209		Item 25B NCIC Pool Loss				XXX	XXX	XXX	XXX	XXX
210										
211	EXHIBIT NINE									
212		Item 1 Expected Loss & LAE Ratio				XXX	XXX	XXX	XXX	XXX
213		Item 2 Profit & Contingencies				XXX	XXX	XXX	XXX	XXX
214		Item 4 Tax Rate				XXX	XXX	XXX	XXX	XXX
215										
216	EXHIBIT THREE	87 to Ultimate (Optional)			XXX	XXX	XXX	XXX	XXX	XXX

A	A	B	C	D	E	F	G	H	I	J	K	L
1	GROUP NAME:				INPUT SCREEN							
2	GROUP NAIC NO:											
3	COMPANY NAME:											
4	COMPANY NAIC NO:											
5	YEAR FILED:			1996								
6			PIP									
7												
8			CALENDAR YEAR	1995	1994	1993	1992	1991	1990	1989	1988	
9	EXHIBIT ONE											
10	Item 1:	Col(1)	Written Premium									
11	Item 1A:	Col(1)	UCJF Assessments									
12	Item 3:	Col(1)	Motorcycles									
13	Item 4:	Col(1)	"Off Road" Vehicles									
14	Item 5:	Col(1)	JUA/MTF Business									
15	Item 6:	Col(1)	Excess Umbrella Policies									
16	Item 7:	Col(1)	Antique Auto									
17	Item 8:	Col(1)	Other									
18	Item 9:	Col(1)	Other									
19	Item 10:	Col(1)	Finance & Service Charges									
20												
21	Item 1:	Col(2)	Earned Premium									
22	Item 1A:	Col(2)	UCJF Assessments									
23	Item 3:	Col(2)	Motorcycles									
24	Item 4:	Col(2)	"Off Road" Vehicles									
25	Item 5:	Col(2)	JUA/MTF Business									
26	Item 6:	Col(2)	Excess Umbrella Policies									
27	Item 7:	Col(2)	Antique Auto									
28	Item 8:	Col(2)	Other									
29	Item 9:	Col(2)	Other									
30	Item 10:	Col(2)	Finance & Service Charges									
31												
32	Item 1:	Col(3)	Paid Losses									

			1995	1994	1993	1992	1991	1990	1989	1988	
87											
88	EXHIBIT TWO										
89	Part One	Col(1)	Acc Year 1995 Pd Loss During	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
90	Part One	Col(1)	Acc Year 1994 Pd Loss During		XXX	XXX	XXX	XXX	XXX	XXX	
91	Part One	Col(1)	Acc Year 1993 Pd Loss During			XXX	XXX	XXX	XXX	XXX	
92	Part One	Col(1)	Acc Year 1992 Pd Loss During				XXX	XXX	XXX	XXX	
93	Part One	Col(1)	Acc Year 1991 Pd Loss During					XXX	XXX	XXX	
94	Part One	Col(1)	Acc Year 1990 Pd Loss During						XXX	XXX	
95	Part One	Col(1)	Acc Year 1989 Pd Loss During							XXX	
96	Part One	Col(1)	Acc Year 1988 Pd Loss During								
97	Part One	Col(1)	Acc Years Prior to 1988 Pd								
98	Part One		Loss During								
99				1996	1995	1994	1993	1992	1991	1990	1989
100	Part One	Col(2)	Acc Year 1995 Pd Loss During 1Q	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
101	Part One	Col(2)	Acc Year 1994 Pd Loss During 1Q		XXX	XXX	XXX	XXX	XXX	XXX	XXX
102	Part One	Col(2)	Acc Year 1993 Pd Loss During 1Q			XXX	XXX	XXX	XXX	XXX	XXX
103	Part One	Col(2)	Acc Year 1992 Pd Loss During 1Q				XXX	XXX	XXX	XXX	XXX
104	Part One	Col(2)	Acc Year 1991 Pd Loss During 1Q					XXX	XXX	XXX	XXX
105	Part One	Col(2)	Acc Year 1990 Pd Loss During 1Q						XXX	XXX	XXX
106	Part One	Col(2)	Acc Year 1989 Pd Loss During 1Q								XXX
107	Part One	Col(2)	Acc Year 1988 Pd Loss During 1Q								
108	Part One	Col(2)	Acc Years Prior to 1988 Pd								
109			Loss During 1Q								
110				1995	1994	1993	1992	1991	1990	1989	1988
111											
112	Part Two	Col(1)	Acc Year 1995 Pd ALAE During	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
113	Part Two	Col(1)	Acc Year 1994 Pd ALAE During		XXX	XXX	XXX	XXX	XXX	XXX	XXX
114	Part Two	Col(1)	Acc Year 1993 Pd ALAE During			XXX	XXX	XXX	XXX	XXX	XXX
115	Part Two	Col(1)	Acc Year 1992 Pd ALAE During				XXX	XXX	XXX	XXX	XXX
116	Part Two	Col(1)	Acc Year 1991 Pd ALAE During					XXX	XXX	XXX	XXX
117	Part Two	Col(1)	Acc Year 1990 Pd ALAE During						XXX	XXX	XXX
118	Part Two	Col(1)	Acc Year 1989 Pd ALAE During								XXX
119	Part Two	Col(1)	Acc Year 1988 Pd ALAE During								
120	Part Two	Col(1)	Acc Years Prior to 1988 Pd								
121			ALAE During								
122				1996	1995	1994	1993	1992	1991	1990	1989
123											
124	Part Two	Col(2)	Acc Year 1995 Pd ALAE During 1Q	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
125	Part Two	Col(2)	Acc Year 1994 Pd ALAE During		XXX	XXX	XXX	XXX	XXX	XXX	XXX
126	Part Two	Col(2)	Acc Year 1993 Pd ALAE During			XXX	XXX	XXX	XXX	XXX	XXX
127	Part Two	Col(2)	Acc Year 1992 Pd ALAE During				XXX	XXX	XXX	XXX	XXX
128	Part Two	Col(2)	Acc Year 1991 Pd ALAE During					XXX	XXX	XXX	XXX
129	Part Two	Col(2)	Acc Year 1990 Pd ALAE During						XXX	XXX	XXX
130	Part Two	Col(2)	Acc Year 1989 Pd ALAE During								XXX
131	Part Two	Col(2)	Acc Year 1988 Pd ALAE During								
132	Part Two	Col(2)	Acc Years Prior to 1988 Pd								
133			ALAE During 1Q								
134											

				1995	1994	1993	1992	1991	1990	1989	1988
135	EXHIBIT FIVE										
136	Part One	Liability	Direct Earned Premium	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
137	Part One	Liability	Other Acquisition	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
138	Part One	Liability	General Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
139	Part One	Liability	Direct Written Premium	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
140	Part One	Liability	Commission & Brokerage	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
141	Part One	Liability	Taxes, Licenses, Fees	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
142											
143	Part Two	Item 2	Other Acquisition	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
144	Part Two	Item 3	General Expenses	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
145	Part Two	Item 5	Commission & Brokerage	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
146	Part Two	Item 6	Taxes, Licenses, Fees	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
147	Part Two	Item 8	LAD Fees	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
148											
149	EXHIBIT SIX										
150	Part One	Item 1	C/W Agents Balances	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
151	Part One	Item 2	C/W Unearned Premium Reserve	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
152											
153			PURCHASE YEAR	1995	1994	1993	1992	1991	1990	1989	1988
154											
155	Part Three	Item 1	Int., Div., R/E Income	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
156	Part Three	Item 2	Total Inv. Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
157	Part Three	Item 3	Depreciation of R/E	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
158	Part Three	Item 4	Unaffiliated Preferred Stock	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
159	Part Three	Item 5	Affiliated Preferred Stock	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
160	Part Three	Item 6	Unaffiliated Common Stock	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
161	Part Three	Item 7	Affiliated Common Stock	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
162	Part Three	Item 8	Other Invested Assets	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
163	Part Three	Item 9	Company's occupancy	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
164	Part Three	Item 1.1	Bond Acquired	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
165	Part Three	Item 2.1	Mortgage Loans	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
166	Part Three	Item 2.2	Real Estate Acquired	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
167	Part Three	Item 3.1	Collateral Loans	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
168	Part Three	Item 4.1	Cash on Hand	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
169	Part Three	Item 4.2	Short-Term Investments	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
170	Part Three	Item 5.1	Derivative Instruments	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
171											
172	EXHIBIT SEVEN										
173			CALENDAR YEAR	3/31/96	3/31/95	3/31/94	3/31/93	3/31/92	3/31/91	3/31/90	3/31/89
174	Part One	Acc Yr 95 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
175		Acc Yr 94 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
176		Acc Yr 93 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
177		Acc Yr 92 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
178		Acc Yr 91 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
179		Acc Yr 89 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
180		Acc Yr 88 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
181											
182	Part One	Acc Yr 95 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
183		Acc Yr 94 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
184		Acc Yr 93 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
185		Acc Yr 92 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
186		Acc Yr 91 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
187		Acc Yr 90 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
188		Acc Yr 89 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

189		Acc Yr 88 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
190										
191	Part Two	Allocation Received by 3/31/96	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
192		Inv. Inc. Received by 3/31/96	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
193										
194	Part Three	Acc Yr 95 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
195		Acc Yr 94 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
196		Acc Yr 93 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
197		Acc Yr 92 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
198		Acc Yr 91 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
199		Acc Yr 90 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XX
200		Acc Yr 89 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XSXX
201		Acc Yr 88 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XSXX
202										
203	Part Four	Charges Paid by 3/31/96	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
204										
205	EXHIBIT EIGHT	CALENDAR YEAR	1995	1994	1993	1992	1991	1990	1989	1988
206	Item 4	Share of MTF Loss Paid	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
207	Item 24	Holding Company System (Y/N)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
208	Item 25A	NCIC Pool %	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
209	Item 25B	NCIC Pool Loss	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
210										
211	EXHIBIT NINE									
212	Item 1	Expected Loss & LAE Ratio	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
213	Item 2	Profit & Contingencies	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
214	Item 4	Tax Rate	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
215										
216	EXHIBIT THREE	87 To Ultimate (Optional)	_____	_____	XXX	XXX	XXX	XXX	XXX	XXX

	A	A	B	C	D	E	F	G	H	I	J	K	L
1		GROUP NAME:		_____ INPUT SCREEN									
2		GROUP NAIC NO:		_____									
3		COMPANY NAME:		_____									
4		COMPANY NAIC NO:		_____									
5		YEAR FILED:		1996									
6				PD	_____								
7													
8				CALENDAR YEAR	1995	1994	1993	1992	1991	1990	1989	1988	
9		EXHIBIT ONE											
10		Item 1:	Col(1)	Written Premium	_____	_____	_____	_____	_____	_____	_____	_____	
11		Item 1A:	Col(1)	UCJF Assessments	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
12		Item 3:	Col(1)	Motorcycles	_____	_____	_____	_____	_____	_____	_____	_____	
13		Item 4:	Col(1)	"Off Road" Vehicles	_____	_____	_____	_____	_____	_____	_____	_____	
14		Item 5:	Col(1)	JUA/MTF Business	_____	_____	_____	_____	_____	_____	_____	_____	
15		Item 6:	Col(1)	Excess Umbrella Policies	_____	_____	_____	_____	_____	_____	_____	_____	
16		Item 7:	Col(1)	Antique Auto (Optional)	_____	_____	_____	_____	_____	_____	_____	_____	
17		Item 8:	Col(1)	Other	_____	_____	_____	_____	_____	_____	_____	_____	
18		Item 9:	Col(1)	Other	_____	_____	_____	_____	_____	_____	_____	_____	
19		Item 10:	Col(1)	Finance & Service Charges	_____	_____	_____	_____	_____	_____	_____	_____	

74	Item 8:	Col(6)	Other																
75	Item 9:	Col(6)	Other																
76																			
77	Item 1:	Col(7)	Unpaid Losses																
78	Item 2:	Col(7)	Excess Medical Benefits																
79	Item 3:	Col(7)	Motorcycles																
80	Item 4:	Col(7)	"Off Road" Vehicles																
81	Item 5:	Col(7)	JUA/MTF Business																
82	Item 6:	Col(7)	Excess Umbrella Policies																
83	Item 7:	Col(7)	Antique Auto (Optional)																
84	Item 8:	Col(7)	Other																
85	Item 9:	Col(7)	Other																
86	Item 15:	Col(7)	Unpaid LAE																
87																			
88	EXHIBIT TWO			1995	1994	1993	1992	1991	1990	1989	1988								
89	Part One	Col(1)	Acc Year 1995 Pd Loss During		XXX	XXX	XXX	XXX	XXX	XXX	XXX								
90	Part One	Col(1)	Acc Year 1994 Pd Loss During			XXX	XXX	XXX	XXX	XXX	XXX								
91	Part One	Col(1)	Acc Year 1993 Pd Loss During				XXX	XXX	XXX	XXX	XXX								
92	Part One	Col(1)	Acc Year 1992 Pd Loss During					XXX	XXX	XXX	XXX								
93	Part One	Col(1)	Acc Year 1991 Pd Loss During						XXX	XXX	XXX								
94	Part One	Col(1)	Acc Year 1990 Pd Loss During							XXX	XXX								
95	Part One	Col(1)	Acc Year 1989 Pd Loss During								XXX								
96	Part One	Col(1)	Acc Year 1988 Pd Loss During																XXX
97	Part One	Col(1)	Acc Years Prior to 1988 Pd																
98			Loss During																
99				1996	1995	1994	1993	1992	1991	1990	1989	1988							
100	Part One	Col(2)	Acc Year 1995 Pd Loss During 1Q		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
101	Part One	Col(2)	Acc Year 1994 Pd Loss During 1Q			XXX	XXX	XXX	XXX	XXX	XXX	XXX							
102	Part One	Col(2)	Acc Year 1993 Pd Loss During 1Q				XXX	XXX	XXX	XXX	XXX	XXX							
103	Part One	Col(2)	Acc Year 1992 Pd Loss During 1Q					XXX	XXX	XXX	XXX	XXX							
104	Part One	Col(2)	Acc Year 1991 Pd Loss During 1Q						XXX	XXX	XXX	XXX							
105	Part One	Col(2)	Acc Year 1990 Pd Loss During 1Q							XXX	XXX	XXX							
106	Part One	Col(2)	Acc Year 1989 Pd Loss During 1Q								XXX	XXX							XXX
107	Part One	Col(2)	Acc Year 1988 Pd Loss During 1Q									XXX							
108	Part One	Col(2)	Acc Years Prior to 1988 Pd																
109			Loss During 1Q																
110				1995	1994	1993	1992	1991	1990	1989	1988								
112	Part Two	Col(1)	Acc Year 1995 Pd ALAE During		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
113	Part Two	Col(1)	Acc Year 1994 Pd ALAE During			XXX	XXX	XXX	XXX	XXX	XXX	XXX							
114	Part Two	Col(1)	Acc Year 1993 Pd ALAE During				XXX	XXX	XXX	XXX	XXX	XXX							
115	Part Two	Col(1)	Acc Year 1992 Pd ALAE During					XXX	XXX	XXX	XXX	XXX							
116	Part Two	Col(1)	Acc Year 1991 Pd ALAE During						XXX	XXX	XXX	XXX							
117	Part Two	Col(1)	Acc Year 1990 Pd ALAE During							XXX	XXX	XXX							
118	Part Two	Col(1)	Acc Year 1989 Pd ALAE During								XXX	XXX							XXX
119	Part Two	Col(1)	Acc Year 1988 Pd ALAE During									XXX							
120	Part Two	Col(1)	Acc Years Prior to 1988 Pd																
121			ALAE During																
122				1996	1995	1994	1993	1992	1991	1990	1989	1988							
124	Part Two	Col(2)	Acc Year 1995 Pd ALAE During 1Q		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
125	Part Two	Col(2)	Acc Year 1994 Pd ALAE During 1Q			XXX	XXX	XXX	XXX	XXX	XXX	XXX							
126	Part Two	Col(2)	Acc Year 1993 Pd ALAE During 1Q				XXX	XXX	XXX	XXX	XXX	XXX							
127	Part Two	Col(2)	Acc Year 1992 Pd ALAE During 1Q					XXX	XXX	XXX	XXX	XXX							

74	Item 8:	Col(6)	Other																
75	Item 9:	Col(6)	Other																
76																			
77	Item 1:	Col(7)	Unpaid Losses																
78	Item 2:	Col(7)	Excess Medical Benefits																
79	Item 3:	Col(7)	Motorcycles																
80	Item 4:	Col(7)	"Off Road" Vehicles																
81	Item 5:	Col(7)	JUA/MTF Business																
82	Item 6:	Col(7)	Excess Umbrella Policies																
83	Item 7:	Col(7)	Antique Auto (Optional)																
84	Item 8:	Col(7)	Other																
85	Item 9:	Col(7)	Other																
86	Item 15:	Col(7)	Unpaid LAE																
87																			
88	EXHIBIT TWO			1995	1994	1993	1992	1991	1990	1989	1988								
89	Part One	Col(1)	Acc Year 1995 Pd Loss During		XXX	XXX	XXX	XXX	XXX	XXX	XXX								
90	Part One	Col(1)	Acc Year 1994 Pd Loss During			XXX	XXX	XXX	XXX	XXX	XXX								
91	Part One	Col(1)	Acc Year 1993 Pd Loss During				XXX	XXX	XXX	XXX	XXX								
92	Part One	Col(1)	Acc Year 1992 Pd Loss During					XXX	XXX	XXX	XXX								
93	Part One	Col(1)	Acc Year 1991 Pd Loss During						XXX	XXX	XXX								
94	Part One	Col(1)	Acc Year 1990 Pd Loss During							XXX	XXX								
95	Part One	Col(1)	Acc Year 1989 Pd Loss During								XXX								
96	Part One	Col(1)	Acc Year 1988 Pd Loss During																
97	Part One	Col(1)	Acc Years Prior to 1988 Pd																
98			Loss During																
99				1996	1995	1994	1993	1992	1991	1990	1989								
100	Part One	Col(2)	Acc Year 1995 Pd Loss During 1Q		XXX	XXX	XXX	XXX	XXX	XXX	XXX								
101	Part One	Col(2)	Acc Year 1994 Pd Loss During 1Q			XXX	XXX	XXX	XXX	XXX	XXX								
102	Part One	Col(2)	Acc Year 1993 Pd Loss During 1Q				XXX	XXX	XXX	XXX	XXX								
103	Part One	Col(2)	Acc Year 1992 Pd Loss During 1Q					XXX	XXX	XXX	XXX								
104	Part One	Col(2)	Acc Year 1991 Pd Loss During 1Q						XXX	XXX	XXX								
105	Part One	Col(2)	Acc Year 1990 Pd Loss During 1Q							XXX	XXX								
106	Part One	Col(2)	Acc Year 1989 Pd Loss During 1Q								XXX								
107	Part One	Col(2)	Acc Year 1988 Pd Loss During 1Q																
108	Part One	Col(2)	Acc Years Prior to 1988 Pd																
109			Loss During 1Q																
110				1995	1994	1993	1992	1991	1990	1989	1988								
112	Part Two	Col(1)	Acc Year 1995 Pd ALAE During		XXX	XXX	XXX	XXX	XXX	XXX	XXX								
113	Part Two	Col(1)	Acc Year 1994 Pd ALAE During			XXX	XXX	XXX	XXX	XXX	XXX								
114	Part Two	Col(1)	Acc Year 1993 Pd ALAE During				XXX	XXX	XXX	XXX	XXX								
115	Part Two	Col(1)	Acc Year 1992 Pd ALAE During					XXX	XXX	XXX	XXX								
116	Part Two	Col(1)	Acc Year 1991 Pd ALAE During						XXX	XXX	XXX								
117	Part Two	Col(1)	Acc Year 1990 Pd ALAE During							XXX	XXX								
118	Part Two	Col(1)	Acc Year 1989 Pd ALAE During								XXX								
119	Part Two	Col(1)	Acc Year 1988 Pd ALAE During																
120	Part Two	Col(1)	Acc Years Prior to 1988 Pd																
121			ALAE During																
122				1996	1995	1994	1993	1992	1991	1990	1989								
124	Part Two	Col(2)	Acc Year 1995 Pd ALAE During 1Q		XXX	XXX	XXX	XXX	XXX	XXX	XXX								
125	Part Two	Col(2)	Acc Year 1994 Pd ALAE During 1Q			XXX	XXX	XXX	XXX	XXX	XXX								
126	Part Two	Col(2)	Acc Year 1993 Pd ALAE During 1Q				XXX	XXX	XXX	XXX	XXX								
127	Part Two	Col(2)	Acc Year 1992 Pd ALAE During 1Q					XXX	XXX	XXX	XXX								

182	Part One	Acc Yr 95 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
183		Acc Yr 94 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
184		Acc Yr 93 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
185		Acc Yr 92 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
186		Acc Yr 91 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
187		Acc Yr 90 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
188		Acc Yr 89 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
189		Acc Yr 88 interest received as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
190										
191	Part Two	Allocation Received by 3/31/96	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
192		Inv. Inc. Received by 3/31/96	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
193										
194	Part Three	Acc Yr 95 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
195		Acc Yr 94 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
196		Acc Yr 93 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
197		Acc Yr 92 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
198		Acc Yr 91 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
199		Acc Yr 90 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
200		Acc Yr 89 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
201		Acc Yr 88 charges paid as of	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
202										
203	Part Four	Charges Paid by 3/31/96	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
204										
205	EXHIBIT EIGHT									
		CALENDAR YEAR	1995	1994	1993	1992	1991	1990	1989	1988
206	Item 4	Share of MTF Loss Paid	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
207	Item 24	Holding Company System (Y/N)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
208	Item 25A	NCIC Pool %				XXX	XXX	XXX	XXX	XXX
209	Item 25B	NCIC Pool Loss				XXX	XXX	XXX	XXX	XXX
210										
211	EXHIBIT NINE									
212	Item 1	Expected Loss & LAE Ratio				XXX	XXX	XXX	XXX	XXX
213	Item 2	Profit & Contingencies				XXX	XXX	XXX	XXX	XXX
214	Item 4	Tax Rate				XXX	XXX	XXX	XXX	XXX
215										
216										

A	A	B	C	D	E	F	G	H	I	J	K	L
1	GROUP NAME:	INPUT SCREEN										
2	GROUP NAIC NO:											
3	COMPANY NAME:											
4	COMPANY NAIC NO:											
5	YEAR FILED:	1996										
6		PHYSICAL DAMAGE										
7												
8		CALENDAR YEAR	1995	1994	1993	1992	1991	1990	1989	1988		
9	EXHIBIT ONE											
10	Item 1:	Col(1)	Written Premium									
11	Item 1A:	Col(1)	UCJF Assessments	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
12	Item 3:	Col(1)	Motorcycles									

13	Item 4:	Col(1)	"Off Road" Vehicles										
14	Item 5:	Col(1)	JUA/MTF Business										
15	Item 6:	Col(1)	Excess Umbrella Policies										
16	Item 7:	Col(1)	Antique Auto (Optional)										
17	Item 8:	Col(1)	Other										
18	Item 9:	Col(1)	Other										
19	Item 10:	Col(1)	Finance & Service Charges										
20													
21	Item 1:	Col(2)	Earned Premium										
22	Item 1A:	Col(2)	UCIF Assessments	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
23	Item 3:	Col(2)	Motorcycles										
24	Item 4:	Col(2)	"Off Road" Vehicles										
25	Item 5:	Col(2)	JUA/MTF Business										
26	Item 6:	Col(2)	Excess Umbrella Policies										
27	Item 7:	Col(2)	Antique Auto (Optional)										
28	Item 8:	Col(2)	Other										
29	Item 9:	Col(2)	Other										
30	Item 10:	Col(2)	Finance & Service Charges										
31													
32	Item 1:	Col(3)	Paid Losses										
33	Item 2:	Col(3)	Excess Medical Benefits	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
34	Item 3:	Col(3)	Motorcycles										
35	Item 4:	Col(3)	"Off Road" Vehicles										
36	Item 5:	Col(3)	JUA/MTF Business										
37	Item 6:	Col(3)	Excess Umbrella Policies										
38	Item 7:	Col(3)	Antique Auto (Optional)										
39	Item 8:	Col(3)	Other										
40	Item 9:	Col(3)	Other										
41	Item 13:	Col(3)	Paid ALAE										
42	Item 14:	Col(3)	Paid ULAE										
43													
44	Item 1:	Col(4)	Incurred Losses										
45	Item 2:	Col(4)	Excess Medical Benefits	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
46	Item 3:	Col(4)	Motorcycles										
47	Item 4:	Col(4)	"Off Road" Vehicles										
48	Item 5:	Col(4)	JUA/MTF Business										
49	Item 6:	Col(4)	Excess Umbrella Policies										
50	Item 7:	Col(4)	Antique Auto (Optional)										
51	Item 8:	Col(4)	Other										
52	Item 9:	Col(4)	Other										
53	Item 13:	Col(4)	Incurred ALAE										
54	Item 14:	Col(4)	Incurred ULAE										
55													
56	Item 1:	Col(5)	Dividends on Direct Business										
57	Item 3:	Col(5)	Motorcycles										
58	Item 4:	Col(5)	"Off Road" Vehicles										
59	Item 5:	Col(5)	JUA/MTF Business										
60	Item 6:	Col(5)	Excess Umbrella Policies										
61	Item 7:	Col(5)	Antique Auto (Optional)										
62	Item 8:	Col(5)	Other										
63	Item 9:	Col(5)	Other										
64	Item 12A:	Col(5)	XS Profit Refund										
65	Item 12B:	Col(5)	All Other Dividends										
66													

67	Item 1:	Col(6)	Unearned Prem Reserve										
68	Item 2:	Col(6)	UCJF	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
69	Item 3:	Col(6)	Motorcycles										
70	Item 4:	Col(6)	"Off Road" Vehicles										
71	Item 5:	Col(6)	JUA/MTF Business										
72	Item 6:	Col(6)	Excess Umbrella Policies										
73	Item 7:	Col(6)	Antique Auto (Optional)										
74	Item 8:	Col(6)	Other										
75	Item 9:	Col(6)	Other										
76													
77	Item 1:	Col(7)	Unpaid Losses										
78	Item 2:	Col(7)	Excess Medical Benefits	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
79	Item 3:	Col(7)	Motorcycles										
80	Item 4:	Col(7)	"Off Road" Vehicles										
81	Item 5:	Col(7)	JUA/MTF Business										
82	Item 6:	Col(7)	Excess Umbrella Policies										
83	Item 7:	Col(7)	Antique Auto (Optional)										
84	Item 8:	Col(7)	Other										
85	Item 9:	Col(7)	Other										
86	Item 15:	Col(7)	Unpaid LAE										
87													
88	EXHIBIT TWO			1995	1994	1993	1992	1991	1990	1989	1988		
89	Part One	Col(1)	Acc Year 1995 Pd Loss During		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
90	Part One	Col(1)	Acc Year 1994 Pd Loss During			XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
91	Part One	Col(1)	Acc Year 1993 Pd Loss During				XXX	XXX	XXX	XXX	XXX	XXX	XXX
92	Part One	Col(1)	Acc Year 1992 Pd Loss During					XXX	XXX	XXX	XXX	XXX	XXX
93	Part One	Col(1)	Acc Year 1991 Pd Loss During						XXX	XXX	XXX	XXX	XXX
94	Part One	Col(1)	Acc Year 1990 Pd Loss During							XXX	XXX	XXX	XXX
95	Part One	Col(1)	Acc Year 1989 Pd Loss During								XXX	XXX	XXX
96	Part One	Col(1)	Acc Year 1988 Pd Loss During									XXX	XXX
97	Part One	Col(1)	Acc Years Prior to 1988 Pd										
98			Loss During										
99				1996	1995	1994	1993	1992	1991	1990	1989	1988	
100	Part One	Col(2)	Acc Year 1995 Pd Loss During IQ		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
101	Part One	Col(2)	Acc Year 1994 Pd Loss During IQ			XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
102	Part One	Col(2)	Acc Year 1993 Pd Loss During IQ				XXX	XXX	XXX	XXX	XXX	XXX	XXX
103	Part One	Col(2)	Acc Year 1992 Pd Loss During IQ					XXX	XXX	XXX	XXX	XXX	XXX
104	Part One	Col(2)	Acc Year 1991 Pd Loss During IQ						XXX	XXX	XXX	XXX	XXX
105	Part One	Col(2)	Acc Year 1990 Pd Loss During IQ							XXX	XXX	XXX	XXX
106	Part One	Col(2)	Acc Year 1989 Pd Loss During IQ								XXX	XXX	XXX
107	Part One	Col(2)	Acc Year 1988 Pd Loss During IQ									XXX	XXX
108	Part One	Col(2)	Acc Years Prior to 1988 Pd										
109			Loss During IQ										
110				1995	1994	1993	1992	1991	1990	1989	1988		
111	Part Two	Col(1)	Acc Year 1995 Pd ALAE During		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
112	Part Two	Col(1)	Acc Year 1994 Pd ALAE During			XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
113	Part Two	Col(1)	Acc Year 1993 Pd ALAE During				XXX	XXX	XXX	XXX	XXX	XXX	XXX
114	Part Two	Col(1)	Acc Year 1992 Pd ALAE During					XXX	XXX	XXX	XXX	XXX	XXX
115	Part Two	Col(1)	Acc Year 1991 Pd ALAE During						XXX	XXX	XXX	XXX	XXX
116	Part Two	Col(1)	Acc Year 1990 Pd ALAE During							XXX	XXX	XXX	XXX
117	Part Two	Col(1)	Acc Year 1989 Pd ALAE During								XXX	XXX	XXX
118	Part Two	Col(1)	Acc Year 1988 Pd ALAE During									XXX	XXX
119	Part Two	Col(1)	Acc Year 1988 Pd ALAE During										
120	Part Two	Col(1)	Acc Years Prior to 1988 Pd										

EXHIBIT SEVEN		CALENDAR YEAR		1995	1994	1993	1992	1991	1990	1989	1988
172	Part One	Acc Yr 95 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
173		Acc Yr 94 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
174		Acc Yr 93 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
175		Acc Yr 92 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
176		Acc Yr 91 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
177		Acc Yr 90 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
178		Acc Yr 89 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
179		Acc Yr 88 allocation received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
180											
181	Part One	Acc Yr 95 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
182		Acc Yr 94 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
183		Acc Yr 93 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
184		Acc Yr 92 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
185		Acc Yr 91 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
186		Acc Yr 90 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
187		Acc Yr 89 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
188		Acc Yr 88 interest received as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
189											
190	Part Two	Allocation Received by 3/31/96		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
191		Inv. Inc. Received by 3/31/96		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
192											
193	Part Three	Acc Yr 95 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
194		Acc Yr 94 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
195		Acc Yr 93 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
196		Acc Yr 92 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
197		Acc Yr 91 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
198		Acc Yr 90 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
199		Acc Yr 89 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
200		Acc Yr 88 charges paid as of		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
201											
202	Part Four	Charges Paid by 3/31/96		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
203											
204											
205	EXHIBIT EIGHT	CALENDAR YEAR		1995	1994	1993	1992	1991	1990	1989	1988
206		Item 4	Share of MTF Loss Paid	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
207		Item 24	Holding Company System (Y/N)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
208		Item 25A	NCIC Pool %	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
209		Item 25B	NCIC Pool Loss	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
210											
211	EXHIBIT NINE										
212		Item 1	Expected Loss & LAE Ratio	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
213		Item 2	Profit & Contingencies	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
214		Item 4	Tax Rate	_____	_____	_____	XXX	XXX	XXX	XXX	XXX
215											
216											

B	A	B	C	D	E	F	G	H	I	J	K
1	GROUP NAME:	_____	_____	CHECK ONE:	<u>BI/UM</u>	_____	_____	EXCESS PROFITS REPORT	_____	EXHIBIT ONE	_____
2	GROUP NAIC NO:	_____	_____		<u>PD</u>	_____	_____				
3	COMPANY NAME:	_____	_____		<u>PIP</u>	_____	_____				
4	COMPANY NAIC NO:	_____	_____		<u>PHYS. DAMAGE</u>	_____	_____				
5	YEAR FILED:		1996								

Calendar Year 1995

			Col (1)	Col (2)	Col (3)	Col (4)	Col (5)	Col (6)	Col (7)
			Direct Premiums Written	Direct Premiums Earned	Direct Losses Paid	Direct Losses Incurred	Dividends on Direct Business	Direct Unearned Premiums Reserves	Direct Losses Unpaid
14	Item 1:	Source: Page 14	_____	_____	_____	_____	_____	_____	_____
16	Item 1A:	JCJF Assessments	xxx	_____	x	x	x	_____	x
17	Item 1B:	Item 1 minus Item 1A	_____	_____	x	x	x	_____	x

19 NOTE: LIST DATA IN EXCLUSIONS (ITEM 2 THROUGH 10) ONLY IF THE DATA IS INCLUDED IN ITEM ONE.

20 Exclusions:

22	Item 2:	Excess Medical Benefits	x	x	_____	_____	x	x	_____
23	Item 3:	Motorcycles	_____	_____	_____	_____	_____	_____	_____
24	Item 4:	"Off Road" Vehicles	_____	_____	_____	_____	_____	_____	_____
25	Item 5:	JUA/MTF Business	_____	_____	_____	_____	_____	_____	_____
26	Item 6:	Excess/Umbrella Policies	_____	_____	_____	_____	_____	_____	_____
27	Item 7:	Antique Auto	_____	_____	_____	_____	_____	_____	_____
28	Other Exclusions (list):								
29	Item 8:	OTHER	_____	_____	_____	_____	_____	_____	_____
30	Item 9:	OTHER	_____	_____	_____	_____	_____	_____	_____
31	Item 10:	Finance and Service Charges	_____	_____	x	x	x	o	x
32	Item 11:	Sub Total	_____	_____	_____	_____	_____	_____	_____
33		(Sum Items 2 through 10)	_____	_____	_____	_____	_____	_____	_____
34	Item 12:	Excess Profits Data	_____	_____	_____	_____	_____	_____	_____
36	Item 12A:	Refund of Excess Profits							
37		Included in Item 12, Col (5)	x	x	x	x	_____	x	x
38	Item 12B:	All Other Dividends							
39		Included in Item 12, Col (5)	x	x	x	x	_____	x	x
41					(Col 3)	(Col 4)			
42					Paid	Incurred			
43	Item 13:	Allocated loss adjustment			ALAE	ALAE			

44		expenses corresponding to					
45		Item 12, Cols. (3) and (4)					
46		respectively	x	x	_____	_____	
47	Item 13A:	Ratio Item 13, Col (3), to					
48		Item 12, Col (3)	x	x	_____	x	
49	Item 13B:	Ratio Item 13, Col (4), to					
50		Item 12, Col (4)	x	x	x	_____	
51							
52					(Col 3)	(Col 4)	
53					Paid	Incurred	
54	Item 14:	Unallocated loss adjustment			ULAE	ULAE	
55		expenses corresponding to					
56		Item 12, Cols. (3) and (4)					
57		respectively	x	x	_____	_____	
58	Item 14A:	Ratio Item 14, Col (3), to					
59		Item 12, Col (3)	x	x	_____	x	
60	Item 14B:	Ratio Item 14, Col (4), to					
61		Item 12, Col (4)	x	x	x	_____	
62							
63	Item 15:	Unpaid loss adjustments expenses					
64		(allocated plus unallocated)					
65		corresponding to unpaid losses					
66		shown in Item 12, Col (7)	x	x	x	x	x

C	A	B	C	D	E	F	G
1	GROUP NAME:	_____	CHECK ONE:		<u>BI/UM</u>	_____	EXHIBIT TWO
2	GROUP NAIC NO:	_____			<u>PD</u>	_____	
3	COMPANY NAME:	_____			<u>PIP</u>	_____	
4	COMPANY NAIC NO:	_____			<u>PHYS. DAMAGE</u>	_____	
5	YEAR FILED:		1996				

9	Exhibit Two—Part One			Calendar Year	1995	Exhibit Two—Part Two		
10		Col (1)	Col (2)			Col (1)	Col (2)	
11	Losses Paid	12/31	3/15			12/31	3/15	
12		1995	1996		ALAE	1995	1996	
13								
14	1995	_____	_____		1995	_____	_____	
15	1994	_____	_____		1994	_____	_____	
16	1993	_____	_____		1993	_____	_____	
17	1992	_____	_____		1992	_____	_____	
18	1991	_____	_____		1991	_____	_____	

19	1990	_____	_____	1990	_____	_____
20	1989	_____	_____	1989	_____	_____
21	1988	_____	_____	1988	_____	_____
22	Prior	_____	_____	Prior	_____	_____
23	Total	_____	_____	Total	_____	_____

24
25 Exhibit Two—Part Three

26	ULAE Factor			Incurred		ULAE
27		Incurred	Incurred	Loss	Incurred	Ratio
28	Year	Loss	ALAE	& ALAE	ULAE	
29						
30		Col (1)	(Col 2)	(Col 3)	Col (4)	(Col 5)
31						
32	1995	_____	_____	_____	_____	_____
33	1994	_____	_____	_____	_____	_____
34	1993	_____	_____	_____	_____	_____
35	Average					_____
36	ULAE Factor					_____
37						

D	A	B	C	D	E	F	G	H	I	J	K
1	GROUP NAME: _____	CHECK ONE:		BI/UM						EXHIBIT THREE	
2	GROUP NAIC NO: _____			PIP						PARTS ONE-THREE	
3	COMPANY NAME: _____										
4	COMPANY NAIC NO: _____										
5	YEAR FILED: _____	1996									

6
7 Exhibit Three—Part One
8 Development of total limit paid losses and ALAE

9								
10	Losses and ALAE							
11	<u>Paid During</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
12								
13	0-15 Months	_____	_____	_____	_____	_____	_____	_____
14	15-27	_____	_____	_____	_____	_____	_____	_____
15	27-39	_____	_____	_____	_____	_____	_____	_____
16	39-51	_____	_____	_____	_____	_____	_____	_____
17	51-63	_____	_____	_____	_____	_____	_____	_____
18	63-75	_____	_____	_____	_____	_____	_____	_____
19	75-87	_____	_____	_____	_____	_____	_____	_____

20
21 Exhibit Three—Part Two

22								
23	Losses and ALAE							
24	<u>Paid as of</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>

25									
26	15 Months								
27	27								
28	39								
29	51								
30	63								
31	75								
32	87								
33									
34	Exhibit Three—Part Three								
35									
36	Development						Col (5A)	Col (6A)	
37	Factors	1989	1990	1991	1992	1993	Selected	Projection	
38							Factor	Factor	
39	15-27								
40	27-39								
41	39-51								
42	51-63								
43	63-75								
44	75-87								
45	87-Ult								
46		Col. (1)	Col. (2)	Col. (3)					
47	C/A Year	Loss & ALAE	LDF	Ultimate					
48									
49	1995								
50	1994								
51	1993								
52	1992								
53	1991								
54	1990								
55	1989								
56									

D	A	B	C	D	E	F	G	H	I	J	K
58	GROUP NAME: _____		CHECK ONE:	<u>BI/UM</u>	_____					EXHIBIT THREE	
59	GROUP NAIC NO: _____			<u>PIP</u>	_____					PARTS FOUR-SEVEN	
60	COMPANY NAME: _____										
61	COMPANY NAIC NO: _____										
62	YEAR FILED:	1996									
63											
64	Exhibit Three—Part Four										
65											
66	Losses and ALAE										
67	Paid During	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>			
68											
69	0-15 Months	_____	_____	_____	_____	_____	_____	_____			
70	15-27	_____	_____	_____	_____	_____	_____	_____			
71	27-39	_____	_____	_____	_____	_____	_____	_____			
72	39-51	_____	_____	_____	_____	_____	_____	_____			
73	51-63	_____	_____	_____	_____	_____	_____	_____			
74	63-75	_____	_____	_____	_____	_____	_____	_____			
75	75-87	_____	_____	_____	_____	_____	_____	_____			
76											
77	Exhibit Three—Part Five										
78											
79	Losses and ALAE										
80	Paid as of	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>			
81											
82	15 Months	_____	_____	_____	_____	_____	_____	_____			
83	27	_____	_____	_____	_____	_____	_____	_____			
84	39	_____	_____	_____	_____	_____	_____	_____			
85	51	_____	_____	_____	_____	_____	_____	_____			
86	63	_____	_____	_____	_____	_____	_____	_____			
87	75	_____	_____	_____	_____	_____	_____	_____			
88	87	_____	_____	_____	_____	_____	_____	_____			
89											
90	Exhibit Three—Part Six										
91											
92	Development								Col (5A)	Col (6A)	
93	Factors	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>		Selected	Projection	
94									Factor	Factor	
95	15-27	_____	_____	_____	_____	_____	_____	_____	_____	_____	
96	27-39	_____	_____	_____	_____	_____	_____	_____	_____	_____	
97	39-51	_____	_____	_____	_____	_____	_____	_____	_____	_____	
98	51-63	_____	_____	_____	_____	_____	_____	_____	_____	_____	
99	63-75	_____	_____	_____	_____	_____	_____	_____	_____	_____	

100	75-87	_____			_____	_____
101	87-Ult				_____	_____
102		Col (1)	Col (2)	Col (3)		
103	<u>C/A Year</u>	<u>Loss & ALAE</u>	<u>LDF</u>	<u>Ultimate</u>		
104						
105	1994	_____	_____	_____		
106	1993	_____	_____	_____		
107	1992	_____	_____	_____		
108	1991	_____	_____	_____		
109	1990	_____	_____	_____		
110	1989	_____	_____	_____		
111	1988	_____	_____	_____		

112
113 Exhibit Three—Part Seven

114				
115		Col 1	Col 2	(Col 3)
116	<u>C/A Year</u>	<u>(Part 3)</u>	<u>(Part 6)</u>	<u>(1-2)</u>
117				
118	1992	_____	_____	_____
119	1991	_____	_____	_____
120	1990	_____	_____	_____
121	1989	_____	_____	_____
122				
123	Total			_____

3-110.9

D	A	B	C	D	E	F	G	H	I	J	K
1	GROUP NAME: _____	CHECK ONE:		<u>PD</u>	_____						EXHIBIT FOUR
2	GROUP NAIC NO: _____			<u>PHYSICAL DAMAGE</u>	_____						PARTS ONE-THREE
3	COMPANY NAME: _____										
4	COMPANY NAIC NO: _____										
5	YEAR FILED: _____	1996									

6
7 Exhibit Four—Part One

8 Development of total limit paid losses and ALAE

9								
10	Losses and ALAE							
11	<u>Paid During</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
12								
13	0-15 Months	_____	_____	_____	_____	_____	_____	_____
14	15-27	_____	_____	_____	_____	_____	_____	_____
15	27-39	_____	_____	_____	_____	_____	_____	_____
16	39-51	_____	_____	_____	_____	_____	_____	_____
17								

Supp. 8-19-96

EXHIBIT FOUR
PARTS FOUR-SEVEN

D		A	B	C	D	E	F	G	H	I	J	K
58	GROUP NAME:	_____		CHECK ONE:	<u>PD</u>	_____	_____	_____				
59	GROUP NAIC NO:	_____			<u>PHYSICAL DAMAGE</u>	_____	_____	_____				
60	COMPANY NAME:	_____										
61	COMPANY NAIC NO:	_____										
62	YEAR FILED:		1996									
63												
64	Exhibit Four—Part Four											
65												
66		Losses and ALAE										
67		<u>Paid During</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>			
68												
69		0-15 Months	_____	_____	_____	_____	_____	_____	_____			
70		15-27	_____	_____	_____	_____	_____	_____	_____			
71		27-39	_____	_____	_____	_____	_____	_____	_____			
72		39-51	_____	_____	_____	_____	_____	_____	_____			
73												
74												
75												
76												
77	Exhibit Four—Part Five											
78												
79		Losses and ALAE										
80		<u>Paid as of</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>			
81												
82		15 Months	_____	_____	_____	_____	_____	_____	_____			
83		27	_____	_____	_____	_____	_____	_____	_____			
84		39	_____	_____	_____	_____	_____	_____	_____			
85		51	_____	_____	_____	_____	_____	_____	_____			
86												
87												
88												
89												
90	Exhibit Four—Part Six											
91												
92		Development								Col (5A)	Col (6A)	
93		<u>Factors</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>		<u>Selected</u>	<u>Projection</u>	
94										<u>Factor</u>	<u>Factor</u>	
95		15-27	_____	_____	_____	_____	_____	_____		_____	_____	
96		27-39	_____	_____	_____	_____	_____	_____		_____	_____	
97		39-51	_____	_____	_____	_____	_____	_____		_____	_____	
98		51-63	_____	_____	_____	_____	_____	_____		_____	_____	
99												
100												
101												

3-110.11

Supp. 8-19-96

	<u>C/A Year</u>	<u>Col (1) Loss & ALAE</u>	<u>Col (2) LDF</u>	<u>Col (3) Ultimate</u>
102				
103				
104				
105	1994	_____	_____	_____
106	1993	_____	_____	_____
107	1992	_____	_____	_____
108	1991	_____	_____	_____
109				
110				
111				
112				

Exhibit Four—Part Seven

	<u>C/A Year</u>	<u>Col 1 (Part 3)</u>	<u>Col 2 (Part 6)</u>	<u>Col 3 (1-2)</u>
113				
114				
115				
116				
117				
118	1992	_____	_____	_____
119				
120				
121				
122				
123	Total			_____

E	A	B	C	D	E	F	G	H
1	GROUP NAME: _____			EXHIBIT FIVE—PART ONE				
2	GROUP NAIC NO: _____			COUNTRYWIDE EXPENSES				
3	COMPANY NAME: _____			FROM INSURANCE EXPENSE EXHIBIT PART III				
4	COMPANY NAIC NO: _____							
5	YEAR FILED: 1996							
6								
7								
8				Private		Private		
9				Passenger		Passenger		
10				Auto		Auto		
11				Liability		Physical		
12				Col (1)	Col (2)	Col (3)	Col (4)	
13								
14	CALENDAR YEAR	1995						
15								
16	Direct Earned Premium			_____	_____	_____	_____	
17	Direct Other Acquisition			_____	_____	_____	_____	
18	Direct General Expenses			_____	_____	_____	_____	
19	Direct Written Premium			_____	_____	_____	_____	
20	Direct Commission & Brokerage			_____	_____	_____	_____	
21	Direct Taxes, Licenses, Fees			_____	_____	_____	_____	

22							
23							
24							
25							
26	CALENDAR YEAR	1994					
27							
28	Direct Earned Premium		_____	_____	_____	_____	_____
29	Direct Other Acquisition		_____	_____	_____	_____	_____
30	Direct General Expenses		_____	_____	_____	_____	_____
31	Direct Written Premium		_____	_____	_____	_____	_____
32	Direct Commission & Brokerage		_____	_____	_____	_____	_____
33	Direct Taxes, Licenses, Fees		_____	_____	_____	_____	_____
34							
35							
36							
37							
38	CALENDAR YEAR	1993					
39							
40	Direct Earned Premium		_____	_____	_____	_____	_____
41	Direct Other Acquisition		_____	_____	_____	_____	_____
42	Direct General Expenses		_____	_____	_____	_____	_____
43	Direct Written Premium		_____	_____	_____	_____	_____
44	Direct Commission & Brokerage		_____	_____	_____	_____	_____
45	Direct Taxes, Licenses, Fees		_____	_____	_____	_____	_____

	F	A	B	C	D	E	F	G	H
1		GROUP NAME: _____	CHECK ONE:		BI/UM _____				EXHIBIT FIVE-PART TWO
2		GROUP NAIC NO: _____			PD _____				NEW JERSEY EXPENSES
3		COMPANY NAME: _____			PIP _____				
4		COMPANY NAIC NO: _____			PHYS. DAMAGE _____				
5		YEAR FILED: _____	1996		TOTAL _____				
6									
7					Private			Private	
8					Passenger			Passenger	
9					Auto			Auto	
10					Liability			Physical	
11								Damage	
12					Col (1)	Col (2)		Col (3)	Col (4)
13									
14		CALENDAR YEAR	1995		_____	_____		_____	_____
15									
16		Item 1			_____	_____		_____	_____

17	Item 2	Direct Other Acquisition				
18	Item 3	Direct General Expenses				
19	Item 4	Direct Written Premium				
20	Item 5	Direct Commission & Brokerage				
21	Item 6	Direct Taxes, Licenses, Fees				
22	Item 7	Prepaid Expenses				
23	Item 8	LAD Fees				
24						
25						
26						
27		CALENDAR YEAR	1994			
28						
29	Item 1	Direct Earned Premium				
30	Item 2	Direct Other Acquisition				
31	Item 3	Direct General Expenses				
32	Item 4	Direct Written Premium				
33	Item 5	Direct Commission & Brokerage				
34	Item 6	Direct Taxes, Licenses, Fees				
35	Item 7	Prepaid Expenses				
36	Item 8	LAD Fees				
37						
38						
39						
40		CALENDAR YEAR	1993			
41						
42	Item 1	Direct Earned Premium				
43	Item 2	Direct Other Acquisition				
44	Item 3	Direct General Expenses				
45	Item 4	Direct Written Premium				
46	Item 5	Direct Commission & Brokerage				
47	Item 6	Direct Taxes, Licenses, Fees				
48	Item 7	Prepaid Expenses				
49	Item 8	LAD Fees				

G		B		C		D	E	F
1	GROUP NAME: _____		CHECK ONE:	<u>BI/UM</u> _____		EXHIBIT SIX		
2	GROUP NAIC NO: _____			PD _____		PARTS ONE & TWO		
3	COMPANY NAME: _____			PIP _____				
4	COMPANY NAIC NO: _____			PHYS. DAMAGE _____				
5	YEAR FILED: _____	1996						

Exhibit Six—Part One

		<u>1993</u>	<u>1994</u>	<u>1995</u>
9				
10				
11	Item 1 Agents Balances—C/W	_____	_____	_____
12	Item 2 Unearned Premium Reserve—C/W	_____	_____	_____
13	Item 3 Ratio (Item 1/Item 2)	_____	_____	_____
14	Item 4 Direct Prepaid Expenses	_____	_____	_____
15	Item 5 Direct Premium Written	_____	_____	_____
16	Item 6 Ratio (Item 4/Item 5)	_____	_____	_____
17	Item 7 Direct Unearned Prem Reserves—Calendar Year	_____	_____	_____
18	Item 8 Direct Unearned Prem Reserves—Calendar Year—1	_____	_____	_____
19	Item 9 (Item 7 + Item 8)/2	_____	_____	_____
20	Item 9A Investable Unearned Premiums	_____	_____	_____
21	Item 10 Direct Losses Unpaid—Calendar Year	_____	_____	_____
22	Item 11 Direct Losses Unpaid—Calendar Year—1	_____	_____	_____
23	Item 12 (Item 10 + Item 11)/2	_____	_____	_____
24	Item 13 Direct LAE Unpaid—Calendar Year	_____	_____	_____
25	Item 14 Direct LAE Unpaid—Calendar Year—1	_____	_____	_____
26	Item 15 (Item 13 + Item 14)/2	_____	_____	_____
27	Item 16 Item 12 + Item 15	_____	_____	_____
28	Item 16A Exhibit One, Item 12, Col (4)	_____	_____	_____
29	Item 16B Exhibit One, Item 13, Col (4)	_____	_____	_____
30	Item 16C Exhibit One, Item 14, Col (4)	_____	_____	_____
31	Item 16D Item 16A + Item 16B + Item 16C	_____	_____	_____
32	Item 16E Ratio (Item 16/Item 16D)	_____	_____	_____
33	Item 16F Exhibit One, Item 12, Col (2)	_____	_____	_____
34	Item 16G Filed & Approved ELR	_____	_____	_____
35	Item 16H Item 16E x Item 16F x Item 16G	_____	_____	_____
36	Item 17 Item 16H + Item 9A	_____	_____	_____
37	Item 18 Exhibit Six—Part Four, Item 3	_____	_____	_____

3-110.15

Supp. 8-19-96

38	Item 19	Item 17 x Item 18
39		
40	Exhibit Six—Part Two	
41		
42		
43		
44	Item 1	Earned Premium
45	Item 2	Filed & Approved Investment Income Offset
46	Item 3	Anticipated Investment Income
47	Item 4	Actual Investment Income
48	Item 5	Excess Investment Income

_____	_____	_____
<u>1993</u>	<u>1994</u>	<u>1995</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

H	A	B	C
1	GROUP NAME: _____		
2	GROUP NAIC NO: _____		
3	COMPANY NAME: _____		
4	COMPANY NAIC NO: _____		
5	YEAR FILED: _____		1996
6			

D E F G H
 EXHIBIT SIX
 PARTS THREE & FOUR

7	Exhibit Six—Part Three	
8	Purchase Year	
9		
10	<u>Adjusted Investment Income</u>	
11		
12	Item 1:	Total of Int, Divs & R/Est Income
13	Item 2:	Total Investment Expenses Incurred
14	Item 3:	Depreciation on Real Estate
15	Item 4:	Preferred Stock (unaffiliated)
16	Item 5:	Preferred Stock of Affiliates
17	Item 6:	Common Stocks (unaffiliated)
18	Item 7:	Common Stocks of Affiliates
19	Item 8:	Other Invested Assets
20	Item 9:	Real Estate for Company's Own Occupancy
21	Item 10:	Total Deductions
22	Item 11:	Adjusted Investment Income
23		
24		
25	<u>Adjusted Investment Assets</u>	
26		
27	Item 1.1	Bonds
28	Item 2.1	Mortgage Loans on Real Estate

Year Investment Purchased		
<u>1993</u>	<u>1994</u>	<u>1995</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

29	Item 2.2	Real Estate	_____	_____	_____
30	Item 3.1	Collateral Loans	_____	_____	_____
31	Item 4.1	Cash on Hand and on Deposit	_____	_____	_____
32	Item 4.2	Short-Term Investments	_____	_____	_____
33	Item 5.1	Derivatives	_____	_____	_____
34	Item 6.1	Invested Assets	_____	_____	_____
35	Item 7	Adjusted Invested Assets	_____	_____	_____
36					
37	Exhibit Six—Part Four				
38	Accident Year		Accident Year		
39			<u>1993</u>	<u>1994</u>	<u>1995</u>
40	Item 1:	Adjusted Investment Income	_____	_____	_____
41	Item 2:	Adjusted Invested Assets	_____	_____	_____
42	Item 3:	Rate of Return	_____	_____	_____

I	A	B	C	D	E	F	G	H	I	J	I
1	GROUP NAME: _____					BI/UM	EXHIBIT SEVEN				
2	GROUP NAIC NO: _____						PARTS ONE & TWO				
3	COMPANY NAME: _____										
4	COMPANY NAIC NO: _____										
5	YEAR FILED: _____										
6											
7											

8 EXHIBIT SEVEN—PART ONE
9 DEVELOPMENT OF AIRE COMPENSATION INCLUDING INTEREST EARNED TO ULTIMATE

10									
11	AIRE	Calendar-Accident Years							
12	Compensation								
13	Received								
14	As of	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	
15									
16	15 months	_____	_____	_____	_____	_____	_____	_____	
17	27 months	_____	_____	_____	_____	_____	_____	_____	
18	39 months	_____	_____	_____	_____	_____	_____	_____	
19	51 months	_____	_____	_____	_____	_____	_____	_____	
20	63 months	_____	_____	_____	_____	_____	_____	_____	
21	75 months	_____	_____	_____	_____	_____	_____	_____	
22	87 months	_____	_____	_____	_____	_____	_____	_____	
23									
24									

25 EXHIBIT SEVEN—PART TWO
26 AIRE COMPENSATION DEVELOPMENT FACTORS

		Calendar-Accident Years						Selected	Projected
	Development	1988	1989	1990	1991	1992	1993	Factor	Factor
	Factors								
34	15-27 months	_____	_____	_____	_____	_____	_____	_____	_____
35	27-39 months	_____	_____	_____	_____	_____	_____	_____	_____
36	39-51 months	_____	_____	_____	_____	_____	_____	_____	_____
37	51-63 months	_____	_____	_____	_____	_____	_____	_____	_____
38	63-75 months	_____	_____	_____	_____	_____	_____	_____	_____
39	75-87 months	_____	_____	_____	_____	_____	_____	_____	_____
42		Col (1)	Col (2)	Col (3)					
43		AIRE	Projection	Ultimate					
44		Comp'n	Factor	Comp'n					
45		at	to						
46		3/96	Ultimate	Comp'n					
48	1995	_____	_____	_____					
49	1994	_____	_____	_____					
50	1993	_____	_____	_____					

I	A	B	C	D	E	F	G	H	I	J	K
70	GROUP NAME: _____						EXHIBIT SEVEN				
71	GROUP NAIC NO: _____						PARTS THREE-FIVE				
72	COMPANY NAME: _____										
73	COMPANY NAIC NO: _____										
74	YEAR FILED: _____		1996								

77 EXHIBIT SEVEN—PART THREE
78 DEVELOPMENT OF AIRE CHARGES TO ULTIMATE

	AIRE	Calendar-Accident Years						
	Charges	1988	1989	1990	1991	1992	1993	1994
	Paid							
	As of							
85	15 months	_____	_____	_____	_____	_____	_____	_____
86	27 months	_____	_____	_____	_____	_____	_____	_____
87	39 months	_____	_____	_____	_____	_____	_____	_____
88	51 months	_____	_____	_____	_____	_____	_____	_____

89	63 months	_____	_____	_____				
90	75 months	_____	_____					
91	87 months	_____						
92								
93								
94	EXHIBIT SEVEN—PART FOUR							
95	AIRE CHARGES DEVELOPMENT FACTORS							
96								
97								
98								
99		Calendar-Accident Years						
100	Development							
101	Factors	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	Selected
102								Factor
103	15-27 months	_____	_____	_____	_____	_____	_____	_____
104	27-39 months	_____	_____	_____	_____	_____	_____	_____
105	39-51 months	_____	_____	_____	_____	_____	_____	_____
106	51-63 months	_____	_____	_____	_____	_____	_____	_____
107	63-75 months	_____	_____	_____	_____	_____	_____	_____
108	75-87 months	_____	_____	_____	_____	_____	_____	_____
109								
110								
111		Col (1)	Col (2)	Col (3)				
112			Projection					
113			Factor					
114		AIRE	to	Ultimate				
115		Charges	Ultimate	Charges				
116		at 3/96						
117	1995	_____	_____	_____				
118	1994	_____	_____	_____				
119	1993	_____	_____	_____				
120								
121								
122								
123								
124	EXHIBIT SEVEN—PART FIVE							
125	NET AIRE							
126								
127		Col (1)	Col (2)	Col (3)				
128		Ultimate	Ultimate	Net				
129		AIRE	AIRE	AIRE				
130		Comp'n	Charges	Col (1)-				
131		at 3/96	at 3/96	Col (2)				
132								
133	1995	_____	_____	_____				

3-110.19

Supp. 8-19-96

134 1994 _____
 135 1993 _____

J	A	B	C	D	E	F	G	H	I
1	GROUP NAME: _____		CHECK ONE:	BI/UM _____				EXHIBIT EIGHT	
2	GROUP NAIC NO: _____			PD _____					
3	COMPANY NAME: _____			PIP _____					
4	COMPANY NAIC NO: _____			PHYS. DAMAGE _____					
5	YEAR FILED:	1996		TOTAL _____					
6								Three	
7					1993	1994	1995	Year	
8								Total	
9	Item 1:	Direct Calendar Year Written Premium			_____	_____	_____	_____	
10	Item 2:	Direct Calendar Year Earned Premium			_____	_____	_____	_____	
11	Item 3:	Net AIRE			_____	_____	_____	_____	
12	Item 4:	Apportioned share of the MTF Operating Loss Paid			_____	_____	_____	_____	
13	Item 5A:	Direct Calendar/Accident Year Losses and ALAE Incurred,			_____	_____	_____	_____	
14		Developed to Ultimate							
15	Item 5B:	ULAE Ratio			_____	_____	_____	_____	
16	Item 5C:	Item 5A x Item 5B			_____	_____	_____	_____	
17	Item 6:	Item 5C as a Ratio to Item 2			_____	_____	_____	_____	
18	Item 7:	Direct Commission and Brokerage Fees			_____	_____	_____	_____	
19	Item 8:	Direct Other Acquisition			_____	_____	_____	_____	
20	Item 9:	Direct General Expense			_____	_____	_____	_____	
21	Item 10:	Direct Taxes, Licenses and Fees			_____	_____	_____	_____	
22	Item 11A:	LAD Fees			_____	_____	_____	_____	
23	Item 11B:	Percentage Reflected in Excess Profits Report			_____	_____	_____	_____	
24	Item 11C:	Item 11A x Item 11B			_____	_____	_____	_____	
25	Item 12:	Direct Policyholder Dividends other than Excess Profits			_____	_____	_____	_____	
26		(Credit or Refund)			_____	_____	_____	_____	
27	Item 13:	Credit or Refund of Excess Profits			_____	_____	_____	_____	
28	Item 14:	Subtotal Item 12 + Item 13			_____	_____	_____	_____	
29	Item 15:	Item 14 as a Ratio to Item 2			_____	_____	_____	_____	
30	Item 16:	Underwriting Income			_____	_____	_____	_____	
31	Item 17:	Allowance for Profit & Contingencies			_____	_____	_____	_____	

32	Item 18:	Actuarial Gain	_____	_____	_____	_____
33	Item 19:	Total Development Adjustment	_____	_____	_____	_____
34	Item 20:	Total Actuarial Gain	_____	_____	_____	_____
35	Item 21:	Excess Investment Income	_____	_____	_____	_____
36	Item 22:	Item 2 times .025	_____	_____	_____	_____
37	Item 23:	Excess Profit	_____	_____	_____	_____
38	Item 24:	Non-excessive Subsidization	_____	_____	_____	_____
39	Item 25A:	NCIC Pool Participation	_____	_____	_____	_____
40	Item 25B:	NCIC Pool Loss	_____	_____	_____	_____
41	Item 25C:	Item 25A x Item 25B	_____	_____	_____	_____
42	Item 26:	Excessive Subsidization	_____	_____	_____	_____

K	A	B	C	D	E	F	G	H
1	GROUP NAME: _____		CHECK ONE:	<u>BI/UM</u> _____				EXHIBIT NINE
2	GROUP NAIC NO: _____			<u>PD</u> _____				
3	COMPANY NAME: _____			<u>PIP</u> _____				
4	COMPANY NAIC NO: _____			<u>PHYS. DAMAGE</u> _____				
5	YEAR FILED: _____	1996						
6								
7								
8					1993	1994	1995	
9								
10	Item 1	Expected Loss & LAE Ratio			_____	_____	_____	
11		Attach relevant portion						
12		of latest approved filing						
13								
14	Item 2	Profit & Contingency Provision			_____	_____	_____	
15		Attach relevant portion						
16		of latest approved filing						
17								
18	Item 3	Clifford After-Tax Provision			_____	_____	_____	
19								
20	Item 4	Tax Rate			_____	_____	_____	
21								
22	Item 5	Clifford Pre-Tax Provision			_____	_____	_____	
23								
24	Item 6	Pre-Tax Investment Income Offset			_____	_____	_____	
25		Item 5-Item 2			_____	_____	_____	

L	A	B	C	D	E	F	G	H	I
1	GROUP NAME: _____								
2	GROUP NAIC NO: _____								
3	COMPANY NAME: _____								
4	COMPANY NAIC NO: _____								
5	YEAR FILED:							1996	
6									

HOLDING COMPANY SYSTEM
INDIVIDUAL COMPANY CERTIFICATION AND PROFITS REPORT*

The above named private passenger automobile insurer hereby certifies as follows:

1. It is a member of _____ holding company system;
2. It has examined that Excess Profits Report and Financial Disclosure information filed by its holding company; and that
3. Said report contains the profit information for the individual insurer as required by N.J.S.A. 17:29A-5.7 and N.J.A.C. 11:3-20.5.

This insurer is fully aware that it is subject to penalties for any intentional misrepresentation of fact contained in this certification.

Date	Name
	Title

*Can only be used as part of a Holding Company System Excess Profits Report. One "Individual Company Certification and Profits Report" (Exhibit Ten) must be filed by each individual company within the Holding Company System.

Amended by R.1991 d.17, effective January 7, 1991.
 See: 22 N.J.R. 2082(b), 23 N.J.R. 106(a).
 Amended by R.1992 d.254, effective June 15, 1992.
 See: 24 N.J.R. 529(a), 24 N.J.R. 2264(a).
 Appendix deleted and replaced with new appendix
 Amended by R.1994 d.24, effective January 3, 1994.
 See: 25 N.J.R. 1829(a), 26 N.J.R. 241(a).
 Amended by R.1996 d.58, effective February 5, 1996.
 See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).
 Repeal and New Rule, R.1996 d.312, effective July 15, 1996.
 See: 28 N.J.R. 1616(a), 28 N.J.R. 3627(b).
 Administrative correction.
 See: 28 N.J.R. 3798(b).

SUBCHAPTER 20A. (RESERVED)

Subchapter Historical Note

Subchapter 20A, Standard Limited Effect of Negative Excess Investment Income in the Computation of Excess Profits, was repealed by R.1996 d.312, effective July 15, 1996. See: 28 N.J.R. 1616(a), 28 N.J.R. 3627(b).

SUBCHAPTER 21. PERSONAL INJURY PROTECTION COVERAGE REDUCED PIP PREMIUM CHARGE FOR ADDITIONAL AUTOS IN ONE-DRIVER HOUSEHOLDS

11:3-21.1 Purpose

The purpose of this rule is to implement N.J.S.A. 39:6A-4.1, which provides for reduced personal injury protection premiums for additional automobiles in one-driver households.

11:3-21.2 Reduction of PIP premium

(a) In any instance where a named insured is the owner, the only designated operator of two or more automobiles insured by the same insurer under one or more policies, and the only licensed driver residing in the household, the full basic PIP rate shall be charged on one automobile, and a percentage discount shall be given on the PIP premium charge on each additional auto. For the three-year period commencing with the operative date of this rule, the premium reduction shall be at least 50 percent of the approved charge for the applicable territory of garaging for the additional automobile(s), exclusive of expense fees and policy constants or residual market equalization charges.

11:3-21.3 Automobiles eligible for premium reduction

(a) Except as provided in paragraph 1 below, the reduced premiums shall only apply to a private passenger automobile of a private passenger or station wagon type that is owned or hired by an individual or by husband and wife who are residents of the same household and is neither used as a public or livery conveyance for passengers nor rented to others with a driver; and a motor vehicle with a pick-up

body, a delivery sedan, a van, or a panel truck or a camper type vehicle used for recreational purposes owned by an individual or by husband and wife who are residents of the same household, not customarily used in the occupation, profession or business of the insured other than farming or ranching. An automobile owned by a farm family copartnership or corporation which is principally garaged on a farm or ranch and otherwise meets the definitions contained in this section, shall be considered a private passenger automobile owned by two or more relatives resident in the same household.

1. The reduced premium shall not apply to automobiles for which the basic PIP premium charge is less than \$25.00, exclusive of expense fees and policy constants or residual market equalization charges, and which are of the following types:

- i. Automobiles 10 years or older and maintained primarily for use in exhibitions, parades and club activities, or
- ii. A self-propelled vehicle with a living area that is an integral part of the chassis or a pick-up with a permanently attached camper body.

(b) A reduced premium charge for PIP coverage as specified in (a) above shall apply to all policies which are in force, issued or renewed on or after the operative date of this rule.

1. With respect to in force policies, the insurer shall calculate the reduce premium charge in (a) above, and shall issue a refund check in this amount to the insured or apply a credit in this amount to the insured's renewal policy.

- i. In the event a policy is nonrenewed or otherwise terminated prior to renewal, the insurer shall calculate a return premium in accordance with the operative date of this rule and the effective termination date of the policy. The insurer shall issue a refund check in this amount to the insured.

11:3-21.4 Filing and statistical requirements

(a) Each automobile filer shall, within 60 days of the effective date of this rule, submit to the Commissioner for approval filings of rates and manual rules for implementing the reduced PIP premium charges for additional automobiles required by this rule.

1. Each statistical organization shall, within 60 days of the effective date of this rule, submit to the Commissioner for approval amendments to its statistical plan designed to effectuate the purposes of N.J.S.A. 39:6A-4.1 and this subchapter.

(b) Every insurer, rating organization and statistical organization shall segregate and maintain the exposure, premium, loss and expense statistics with respect to the payment

of PIP benefits that are attributable to additional automobiles in one-driver households.

1. Any loss or loss adjustment expense for a PIP claim shall be charged to the automobile for which the full premium was paid unless the injury was sustained while in the automobile with the reduced PIP premium.

(c) Every insurer, rating organization and statistical organization shall amend their statistical plans to segregate and maintain the exposure, premium, loss and expense statistics with respect to the payment of PIP benefits that are attributable to households in which the number of automobiles insured by the same insurer exceeds the number of licensed drivers customarily operating such automobiles.

(d) The statistics required in (b) and (c) above shall be subject to examination by the Commissioner or his or her designee and shall be reported annually to the Department.

(e) Three years after the operative date of this rule, each automobile filer shall submit to the Commissioner for approval filings of rates or manual rules reflecting the actual loss experience of the filer with respect to the payment of PIP benefits which are attributable to additional automobiles described in 11:3-21.3.

(f) All filings submitted pursuant to this subchapter, and all changes and amendments thereto, shall be prepared in accordance with insurance laws and regulations, including the applicable provisions of N.J.S.A. 17:29A-1 et seq. and N.J.A.C. 11:1-2 and the Department's filing procedures.

Amended by R.1996 d.58, effective February 5, 1996.
See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).

SUBCHAPTER 22. COVERAGE OPTION SURVEY PERSONAL INJURY PROTECTION AND TORT THRESHOLD OPTIONS

11:3-22.1 Purpose

This subchapter requires the submission of data concerning policyholder selection of the various options provided under the New Jersey Automobile Insurance Freedom of Choice and Cost Containment Act of 1984 (N.J.S.A. 17:28-1.1) in order to monitor the implementation and effectiveness of the Act.

Amended by R.1989 d.267, effective May 15, 1989.
See: 21 N.J.R. 619(a), 21 N.J.R. 1358(a).
Added cite to P.L. 1988, c.119.
Amended by R.1996 d.58, effective February 5, 1996.
See: 27 N.J.R. 3682(a), 28 N.J.R. 855(a).

11:3-22.2 Scope

(a) This subchapter applies to every insurer authorized to transact the business of automobile insurance in this State.

(b) For the purpose of the reporting requirements of this subchapter, "automobile" means a private passenger automobile of a private passenger or station wagon type that is owned or hired by an individual and is neither used as a public or livery conveyance for passengers nor rented to others with a driver; and a motor vehicle with a pickup body, a delivery sedan, a van, or a panel truck or a camper type vehicle used for recreational purposes owned by an individual or husband and wife who are residents of the same household, not customarily used in the occupation, profession or business of the insured other than farming or ranching. An automobile owned by a farm family copartnership or corporation, which is principally garaged on a farm or ranch and otherwise meets the definitions contained in this section, shall be considered an individually owned private passenger automobile owned by two or more relatives resident in the same household.

11:3-22.3 Coverage option survey requirements

(a) Every automobile insurer, on a biannual basis, shall complete and file with the Commissioner the coverage option survey required by this subchapter. The insurer's biannual survey shall reflect the total number of automobiles with in force coverage as of December 31 and as of June 30 of each year, and shall indicate the personal injury protection and lawsuit threshold or no threshold options selected with respect to each such automobile. Insurers shall use forms A and B, appended to and incorporated by reference in this subchapter, to report the information required by this section.

(b) Survey forms reflecting coverage option selections as of December 31 of each year shall be filed with the Commissioner by January 21 of that year. Survey forms reflecting coverage option selections as of June 30 of each year shall be filed with the Commissioner by July 22 of that year.

(c) Completed coverage option survey forms shall be submitted to:

Director of Public Affairs
State of New Jersey, Department of Insurance
20 West State Street
PO Box 325
Trenton, New Jersey 08625-0325

(d) Companies may submit the data required by this rule on a group basis, provided that each company included in the group is identified on the coverage option survey forms.

(e) Insurers which act as servicing carriers for a residual market mechanism created by statute shall report directly to the Department only the coverage options selected by their voluntary policyholders. The options selected by residual market mechanism insureds shall be reported directly to the residual market mechanism.