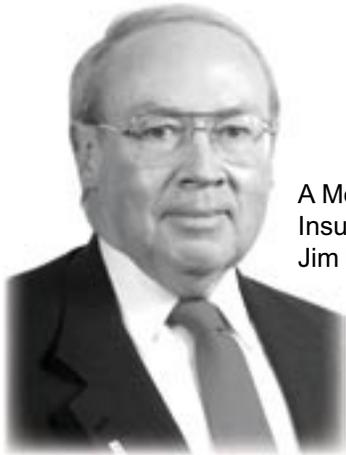


Safety First!



A Message from
Insurance Commissioner
Jim Long

During 2003 and 2004, a total of approximately 1,100* people lost their lives on North Carolina roads, due to alcohol-related accidents.

In November 1994, state and law enforcement leaders announced the start of the *Booze It and Lose It* campaign, a statewide crackdown on drunk driving in North Carolina. This initiative of the Governor's Highway Safety Program includes sobriety checkpoints and stepped-up patrols in all 100 counties. People who drive while impaired in North Carolina *will* be caught and *will* lose their licenses *on the spot*.

According to estimates from the North Carolina Department of Transportation, drunk drivers cost North Carolina taxpayers nearly \$1 billion in health care, insurance and other related costs each year. That translates to a cost of about \$214 a year for *each* licensed driver in the state.

The high price of a DWI conviction should make people think twice before drinking and driving. Besides losing driving privileges, a DWI conviction

is time-consuming and expensive. The minimum tab for a first-time DWI conviction is \$9,500. Insurance rates alone jump at least 400 percent if you are convicted.

Since 1994, state and local law enforcement officers have conducted more than 73,000 checkpoints and stepped-up patrols across North Carolina. They have issued more than 91,000 DWI citations, including about 3,500 for driver under the legal drinking age of 21.

We know that traffic enforcement programs save lives and prevent injuries. According to National Highway Traffic Safety Administration, 35 percent of North Carolina's fatal traffic crashes are alcohol related. Thousands of additional motorists suffer needless injuries. Each year in North Carolina, more than 12,000 alcohol or drug-related traffic crashes take their toll in death and injury. Fewer deaths and injuries also mean that taxpayers and insurance consumers will pay less to absorb the health and medical costs that are caused by drunk drivers.

If you drink, call a cab or appoint a designated driver, but *don't drink and drive!* You could save your driving privileges and possibly your life.

* Total derived from statistics provided by MADD and Alcohol Alert (www.alcoholalert.com).

**BOOZE IT
& LOSE IT.**



it pays to be a
Safe Driver



north carolina
Department of Insurance
Jim Long, Insurance Commissioner

North Carolina Safe Driver Incentive Plan

To reward safe drivers with the lowest possible insurance rates, the General Assembly enacted the North Carolina Safe Driver Incentive Plan (SDIP). Drivers who are convicted of moving traffic violations and/or who cause accidents will be charged higher premiums in accordance with their driving records. SDIP points are charged as follows for convictions and at-fault accidents occurring during the Experience Period.*

SDIP Points	Convictions and At-Fault Accidents
12	Manslaughter or negligent homicide Prearranged highway racing or lending a car for prearranged highway racing Hit-and-run resulting in bodily injury or death Driving with a blood-alcohol level of .08 or more Driving commercial vehicle with a blood-alcohol level of .04 or more Driving while impaired Transporting illegal intoxicating liquor for sale
10	Highway racing or lending a car for highway racing Speeding to elude arrest
8	Driving during revocation or suspension of license or registration Aggressive driving
4	Reckless driving Hit-and-run resulting in property damage only Passing a stopped school bus Speeding in excess of 75 mph when the speed limit is less than 70 mph Speeding in excess of 80 mph when the speed limit is 70 mph or greater Driving by a person less than age 21 after consuming alcohol or drugs
3	At-fault accident that occurs before January 1, 2004, resulting in death, or bodily injury* in excess of \$1,500 or property damage of \$2,500 or more** At-fault accident that occurs on or after January 1, 2004, resulting in death, or bodily injury* in excess of \$1,800 or property damage of \$3,000 or more**
2	Illegal passing Following too closely Driving on wrong side of the road At-fault accident that occurs before January 1, 2004, resulting in property damage in excess of \$1,500, but less than \$2,500** At-fault accident that occurs on or after January 1, 2004, resulting in property damage in excess of \$1,800, but less than \$3,000** Speeding more than 10 mph over the speed limit provided the total speed is in excess of 55 mph, but less than 76 mph Speeding 10 mph or less in excess of speed zone of 55 mph or greater
1	All other moving violations At-fault accident that occurs before January 1, 2004, resulting in bodily injury* of \$1,500** or less, or property damage of \$1,500 or less** At-fault accident that occurs on or after January 1, 2004, resulting in bodily injury* of \$1,800** or less, or property damage of \$1,800 or less** Speeding 10 mph or less in excess of speed limit of less than 55 mph

* No SDIP points will apply for Bodily Injury if the insured furnishes proof that costs were solely for diagnostic purposes.
** The greatest number of points will be applied for at-fault accidents resulting in Property Damage and Death or Bodily Injury.

Special Exemptions

No SDIP points will be charged for:

An accident provided all of the following are true:

- There is property damage only;
- The amount of damage is \$1,500 or less (\$1,800 or less if accident occurs on or after January 1, 2004);
- There is no conviction for a moving violation in connection with the accident; and
- No licensed operators in the household have convictions or at-fault accidents during the experience period. (An insurance company may require that the insured be covered by that company for six continuous months.)

Speeding 10 mph or less over the posted speed limit; provided all of the following are true:

- The violation did not occur in a school zone; and
- There is not another moving traffic violation for the experience period [an isolated Prayer for Judgment Continued (PJC) will not count as a prior conviction for the purpose of this exception].

One PJC for each household every three years; however:

- A second PJC may cause points to be charged according to the underlying convictions.

Insurance Points Will Cost You Money					
Point	% of Rate Increase	Cost if Basic Rate is \$300	Points	% of Rate Increase	Cost if Basic Rate is \$300
1	25%	\$375	7	180%	\$840
2	45%	\$435	8	220%	\$960
3	65%	\$495	9	260%	\$1,080
4	90%	\$570	10	300%	\$1,200
5	120%	\$660	11	350%	\$1,350
6	150%	\$750	12	400%	\$1,500

***Experience Period** — The three years immediately preceding the date of application or the preparation of the renewal.