

A MESSAGE FROM YOUR INSURANCE COMMISSIONER

As any responsible driver knows, it's crucial for you to drive as safely as you can in order to protect yourself, your passengers and your fellow drivers. But did you know that safe driving can also protect your wallet, too?

North Carolina's Safe Driver Incentive Plan (or "SDIP") was created in 1957, to give North Carolina drivers a financial incentive to drive safely on our state's roads. For more than 50 years now, automobile insurance companies have been allowed to charge higher premiums for drivers who have violated traffic laws by practicing unsafe driving habits such as speeding, following too closely, passing a stopped school bus or driving while impaired. This brochure outlines the violations subject to the SDIP, and the penalties applied to your automobile insurance policy if you are convicted.

So, think about this the next time you are behind the wheel: if you cause an automobile accident or are convicted of a moving violation, you'll pay for it! Driving safely saves lives and money.

Thank you for helping us to keep North Carolina's roads safe.



Wayne Goodwin

The North Carolina Department of Insurance participates in and champions the work of organizations dedicated to highway safety, including:

BOOZE IT AND LOSE IT

A traffic enforcement program to crack down on drunk driving in North Carolina, including sobriety checkpoints and stepped-up patrols in all 100 counties.

CLICK IT OR TICKET

A safety initiative designed to increase usage of safety belts and child seats, through tighter enforcement of the state's safety belt law. Nearly every law enforcement agency in the state participates in Click It or Ticket.

SAFE KIDS NORTH CAROLINA

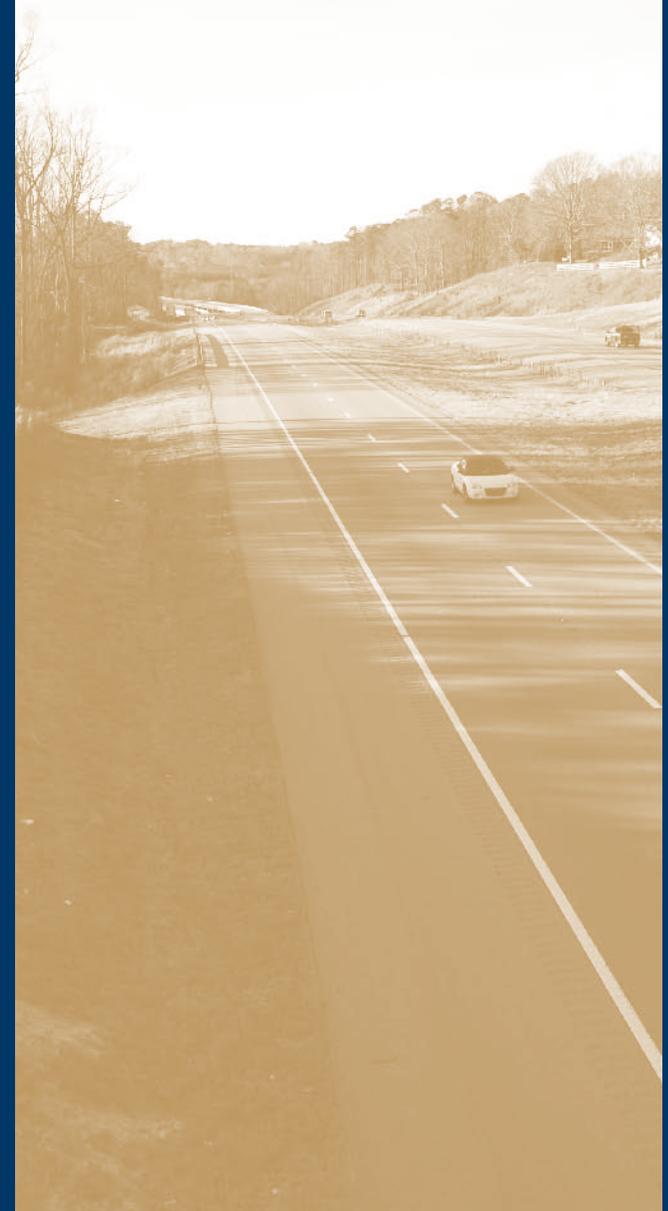
Safe Kids North Carolina is a nonprofit injury prevention organization housed within the Department of Insurance. One of its initiatives is child passenger safety and the Buckle Up Kids program that educates parents and caregivers on the importance of buckling up kids correctly every time.



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A CONSUMER'S GUIDE TO INSURANCE POINTS

from YOUR North Carolina Department of Insurance



MAINTAINING A CLEAN DRIVING RECORD CAN PAY OFF. 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*:

CONVICTIONS AND AT-FAULT ACCIDENTS POINTS	
SDIP POINTS	
12	<ul style="list-style-type: none"> • Manslaughter or negligent homicide • Prearranged highway racing or knowingly lending a motor vehicle 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	<ul style="list-style-type: none"> • Highway racing or knowingly lending a motor vehicle for highway racing • Speeding to elude arrest
8	<ul style="list-style-type: none"> • Driving during revocation or suspension of license or registration • Aggressive driving
4	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • At-fault accident resulting in death, or total bodily injury* (to all persons) in excess of \$1,800; OR resulting in total property damage (including damage to insured's own property) of \$3,000 or more.
2	<ul style="list-style-type: none"> • Illegal passing • Following too closely • Driving on wrong side of the road • At-fault accident resulting in total property damage (including damage to Insured's own property) 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	<ul style="list-style-type: none"> • All other moving violations • At-fault accident resulting in bodily injury* (to all persons) of \$1,800 or less; OR resulting in property damage (including damage to insured's own property) of \$1,800 or less • Speeding 10 mph or less in excess of speed limit of less than 55 mph

*No Insurance points will apply for bodily injury if the insured furnishes proof that the medical costs were incurred solely for diagnostic purposes.

*Experience Period is defined as the three year period immediately preceding either the date of application (for individuals applying for coverage), or the preparation of the policy renewal (when an insurance company is preparing to renew an existing policy).

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 \$1,800 or less;
- 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 Judgement 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		
POINTS	% OF RATE INCREASE	COST IF BASIC RATE IS \$300
1	30%	\$390
2	45%	\$435
3	60%	\$480
4	80%	\$540
5	110%	\$630
6	135%	\$705
7	165%	\$795
8	195%	\$885
9	225%	\$975
10	260%	\$1,080
11	300%	\$1,200
12	340%	\$1,320