

NORTH CAROLINA GENERAL ASSEMBLY  
1969 SESSION

CHAPTER 989  
SENATE BILL 507

1 AN ACT REQUIRING ALL AUTOMOBILE LIABILITY INSURERS TO SEND NOTICE  
2 TO THEIR INSUREDS IN THE EVENT THEIR POLICIES LOSE THE SAFE DRIVER  
3 DISCOUNT OR A SURCHARGE IS APPLIED TO SUCH POLICIES.

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5 The General Assembly of North Carolina do enact:

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7       **Section 1.** G.S. 58-248.8, as the same appears in the 1967 Cumulative Supplement  
8 to Volume 2B, is hereby amended by adding thereto a new paragraph reading as follows:

9       "Whenever any policy issued pursuant to the provisions of G.S. 20-279.21, loses the safe  
10 driver discount provided by the plan adopted pursuant to this Section, or the same is surcharged  
11 due to an accumulation of points under the safe driver reward plan, the insurer shall, prior to  
12 the billing for additional premium or simultaneously therewith, inform the named insured of the  
13 surcharge or loss of discount by mailing to such insured a notice which shall state a valid basis  
14 for the surcharge or loss of discount, and which shall advise that upon receipt of a written  
15 request from the named insured it will promptly mail to the named insured a statement of the  
16 amount of increased premium attributable to the surcharge or loss of discount.

17       "Such explanation shall be privileged, and shall not constitute grounds for any cause of  
18 action against the insurer or its representatives or any firm, person, or corporation who  
19 furnishes to the insurer the information upon which its reasons are based."

20       **Sec. 2.** All laws and clauses of laws in conflict with this Act are hereby repealed.

21       **Sec. 3.** This Act shall be effective January 1, 1970, and shall have application to  
22 any surcharging or loss of discount of automobile policies after such date.

23              In the General Assembly read three times and ratified, this the 23rd day of June,  
24 1969.