



North Carolina Insurance Guaranty Association

January 12, 1995

CIRCULAR LETTER TO THE ADDRESSED MEMBER MUTUAL INSURERS

Re: Assessment - Mutual Reserve Account

Pursuant to Article 48, Chapter 58, General Statutes of North Carolina, this Association, on January 1, 1993, assumed responsibility for handling workers' compensation insurance claims previously handled under the Mutual Workers' Compensation Security Fund. All assets of the Fund which was previously administered by the North Carolina Department of Insurance have been transferred to this Association.

During a meeting held on October 25, 1994 the Board of Directors of this Association authorized an assessment in the amount of \$1,370,000 against member insurers that are mutual carriers, pursuant to G.S. 58-48-120.

This assessment is based upon the total 1993 North Carolina net direct written workers' compensation insurance premiums, less dividends, for mutual carriers as shown on Page 14 of the 1993 Annual Statements. The assessment was developed on the basis of the following:

Assessment	Premium Base	Assessment Factor
\$1,370,000	\$229,270,339	.005975478

The statement attached hereto will show (1) your Company's 1993 net direct workers' compensation insurance premium writings, and (2) the amount of your Company's assessment which was calculated by applying the assessment factor to the 1993 workers' compensation insurance premium writings.

Prompt remittance of this assessment will be appreciated. If your remittance includes an assessment billed to more than one company in a group, we would appreciate your identifying the companies for which assessments are being paid either on the remittance check or in an accompanying memorandum.

Very truly yours,

John W. Watkins

Managing Secretary

JWW:lg

Enclosure

IGA-95-1