



North Carolina Insurance Guaranty Association

July 1, 1997

CIRCULAR LETTER TO ALL MEMBER INSURERS

Re: Refund - Interstate Casualty Insurance

Company Insolvency

The Board of Directors of this Association has voted to issue a third refund in the amount of \$15,698,000 to member insurers for the three assessments for the insolvency of Interstate Casualty Insurance Company. This refund is being issued as a result of (1) a settlement with the Liquidator of Interstate Casualty Insurance Company with respect to losses, expenses and unearned premiums paid by the Association on business written voluntarily by Interstate Casualty Insurance Company and (2) reimbursement from the North Carolina Reinsurance Facility in connection with losses and unearned premiums paid by the Association on policies ceded by Interstate Casualty Insurance Company to the Reinsurance Facility.

The three assessments paid by member insurers for this insolvency amount to \$20,686,384. Two refunds totaling \$4,988,105 were previously distributed to member insurers. This refund of \$15,698,000 represents the difference (rounded to the nearest thousand dollars) between the amount assessed and the amount previously refunded.

If a statement is attached hereto, it shows the amount of assessments paid by your Company, the amount of refunds previously paid to your Company and the amount of your Company's current refund. Included with the statement you will find the Association's check for the amount due your Company by the Association.

Very truly yours,

John W. Watkins

Managing Secretary

JWW:lg

[Enclosure](#)

IGA-97-4

