



NORTH CAROLINA INSURANCE GUARANTY ASSOCIATION

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March 21, 2002

CIRCULAR LETTER TO ALL MEMBER INSURERS

Re: Refunds - Company Insolvencies

During a meeting held on October 16, 2001, the Board of Directors of this Association reviewed the Association's obligations in connection with the outstanding insolvencies and voted to make the following refunds:

Refund - American Eagle Insurance Company Insolvency

The Board of Directors has voted to refund \$70,000 to member insurers from the "all other" assessment for the insolvency of American Eagle Insurance Company made in January 1999. The refund is to be distributed among member insurers in proportion to the amount of assessments paid and was developed on the basis of the following:

Account	Refund	Assessments Paid	Refund Factor
All Other	\$70,000	\$395,333	.177066024

Refund - Premier Alliance Insurance Company Insolvency

The Board of Directors has voted to refund \$45,000 to member insurers from the "all other" assessment for the insolvency of Premier Alliance Insurance Company made in January 1995. The refund is to be distributed among member insurers in proportion to the amount of assessments paid and was developed on the basis of the following:

Account	Refund	Assessments Paid	Refund Factor
All Other	\$45,000	\$967,436	.046514705

Refund - United Community Insurance Company Insolvency

The Board of Directors has voted to refund \$450,000 to member insurers from the two assessments for the insolvency of United Community Insurance Company made in July 1995 and February 1996. The refund is to be distributed among member insurers in proportion to the amount of assessments paid. The automobile and "all other" refunds were developed on the basis of the following:

Account	Refund	Assessments Paid	Refund Factor
Automobile	\$67,500	\$223,768	.301651711
All Other	382,500	1,244,393	.307378761

If a statement is attached hereto, it shows (1) the amount of assessments previously paid by your Company; (2) the amount of your Company's refunds; and (3) the total amount due your Company from this Association. Included with the statement you will find the Association's check for the amount due your Company.

If you have any questions about any of the contents of this letter please call David Sink, Director of Finance & Operations, at extension 1012.

Sincerely,

Raymond F. Evans, Jr., CPCU

Managing Secretary

RFE:lm

Enclosure

IGA-02-2