

NORTH CAROLINA REINSURANCE FACILITY

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RAYMOND F. EVANS, JR. CPCU
General Manager

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August 13, 2001

ROBERT M. GREER
Audit Manager

F. TIMOTHY LUCAS
Automobile Manager

ROBERT M. NEWTON
Claims Manager

DAVID E. SINK, JR.
Accounting Manager

CIRCULAR LETTER TO ALL MEMBER COMPANIES

A PROMPT RESPONSE
IS URGENTLY NEEDED

Re: Twenty-Eighth Annual Meeting
October 24, 2001

The Twenty-Eighth Annual Meeting of the North Carolina Reinsurance Facility will convene at 8:30 a.m. on Wednesday, October 24, 2001. The meeting will be held in the Conference Center, Mid Pines Inn and Golf Club, 1010 Midland Road, Southern Pines, North Carolina.

Immediately following adjournment of the Twenty-Eighth Annual Meeting, a meeting of the Board of Governors will convene. An agenda for this meeting will be distributed in late September.

The following constitutes the agenda for the Annual Meeting:

1. The Annual Report

The Facility's Annual Report will be presented.

2. Any other business which might properly come before the meeting.

We urge that a representative of your Company attend this meeting. For those companies which cannot be so represented at the meeting, voting by proxy will be permitted. A proxy form is enclosed which we request that you complete and forward to this Office to the attention of Lois Murphey, Secretary - General Manager, AS SOON AS POSSIBLE, but no later than October 1, 2001, whether or not your Company expects to be represented in person. This will help to assure that a quorum will be present. If a representative of your Company is present at the meeting, the proxy will not be used.

It is suggested that our member companies consider naming as proxy the current Board of Governors member representing the appropriate group of companies as indicated below.

Alliance of American Insurers - Liberty Mutual Insurance Company
American Insurance Association - Royal Insurance Co of America
National Ass'n of Independent Insurers - Allstate Insurance Co
Non-Affiliated Stock Insurers - Great American Insurance Company
Non-Affiliated Non-Stock Insurers - Nationwide Mutual Ins Co

Sincerely,

Raymond F. Evans, Jr., CPCU

General Manager

RFE:lm
Enclosure
RF-01-7

NORTH CAROLINA REINSURANCE FACILITY

(PROXY FORM)

KNOW ALL MEN BY THESE PRESENTS THAT I _____,
(Insert Name)

_____, of the
(Insert Title) (Insert Name of Company)

do hereby constitute and appoint
(Insert Name of Proxy)

as my attorney and agent for the said Company, in my name, place and stead to vote as proxy at the Twenty-Eighth Annual Meeting of the NORTH CAROLINA REINSURANCE FACILITY to be held on the Twenty-Fourth (24th) day of October, 2001 and/or such other date or dates to which such meeting may be adjourned, hereby giving to such attorney and agent power and authority to act conclusively for said Company on all questions which may duly come before such meeting as fully as I could act if I were personally present.

IN WITNESS WHEREOF I have hereunto subscribed my name and title and the name of said Company, this _____ day of _____, 2001.

(Signature)

(Title)

(Company)

This Company is (check one):

- () Member of Alliance of American Insurers
- () Member of American Insurance Association
- () Member of National Association of Independent Insurers
- () Non-Affiliated stock insurer
- () Non-Affiliated non-stock insurer

Return to:

North Carolina Reinsurance Facility
Att: Lois Murphey
Secretary - General Manager
P. O. Box 176010
Raleigh, North Carolina 27619-6010

or, FAX to:
919 783-0355