



**June 14, 2005**

**CIRCULAR LETTER TO ALL MEMBER COMPANIES**

**Re: Liquidation of South Carolina Insurance Company**

**This is to advise that on May 02, 2005, the Board of Directors of the Insurance Guaranty Association activated the IGA to fulfill its statutorily created duties arising as a result of the insolvencies of South Carolina Insurance Company (SCIC) and Consolidated American Insurance Company (CAIC), two companies under the Seibel's Bruce branding. These companies were declared insolvent and liquidation proceedings commenced by Orders entered in the Court of Common Pleas, Fifth Judicial Circuit, Columbia, SC.**

**The IGA anticipates receiving thirty unresolved claims with workers' compensation, commercial automobile and commercial liability being the lines of business. The IGA's expected economic exposure is reported as approximately \$2.9 million.**

**The NC Department of Insurance has forwarded the Companies' statutorily held deposits of \$6.5 million to the IGA for use in the handling of these claims so no assessment to member companies is anticipated at this time.**

**Sincerely,**

**Robert M. Newton**

**Director of NCIGA**

**RMN:gc**

**IGA-05-1**