

NORTH CAROLINA INSURANCE GUARANTY ASSOCIATION

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July 29, 1999

CIRCULAR LETTER TO ALL MEMBER INSURERS

MEETING NOTICE

RESPONSE REQUESTED

Re: Meeting of Member Insurers
October 5, 1999

A meeting of member insurers of the North Carolina Insurance Guaranty Association will be held in the Association's Board Room, 5401 Six Forks Road, Raleigh, North Carolina, on Tuesday, October 5, 1999. The meeting will convene at 10:00 a.m.

The following constitutes the agenda:

1. Election of Board of Directors

The Plan of Operation provides that the Board of Directors consist of eight directors, comprised of seven elected directors, each of whom are member insurers, who shall serve three-year terms, or until their successors have been elected and qualified, and one non-voting appointed director who shall be a property and casualty insurance agent authorized to write insurance for a member insurer and who is appointed by the Commissioner of Insurance to serve for a three-year term at the pleasure of the Commissioner.

The current non-voting director of the Board is Mr. C. Delaine Bradsher of Raleigh. It is expected that the Commissioner's appointment for the succeeding three-year period will be announced at the meeting.

The current member insurers of the Board elected in 1996 are:

Allstate Insurance Company

Integon Indemnity Corporation

Nationwide Mutual Insurance Company

North Carolina Farm Bureau Mutual Insurance Company

Royal Insurance Company of America

State Farm Mutual Automobile Insurance Company (Chairman)

The Travelers Indemnity Company

The Plan of Operation of the Association provides for three-year terms of Board members, and the terms of all Board members are expiring. The Plan of Operation provides further that any director shall be eligible for re-election or re-appointment, that the Board shall be fairly representative of member insurers, that the Board shall be elected by a plurality of member insurers with each member company being entitled to one vote, that at least one Board member shall be a North Carolina domestic insurer, and that member insurers belonging to affiliated groups or under common ownership or control shall not hold more than one membership on the Board.

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

We urge that you have a representative of your Company in attendance at this meeting. For those companies which cannot be so represented, voting by proxy will be permitted. A proxy form is enclosed which we urge you to complete and forward to this Office to the attention of Helen Creech, Office Services Coordinator, AS SOON AS POSSIBLE, but no later than September 7, 1999, whether or not your Company expects to be represented in person. 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 one of the seven current members of the Board of Directors named above.

Very truly yours,

John W. Watkins

Managing Secretary

JWW:hc

Enclosure

IGA-99-5

NORTH CAROLINA INSURANCE GUARANTY ASSOCIATION

(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 meeting of member insurers of the NORTH CAROLINA INSURANCE GUARANTY ASSOCIATION to be held on the **Fifth (5th) day of October, 1999** 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 _____, 1999.

(Signature) (Title)

(Company)

Return to:

North Carolina Insurance Guaranty Association
Att: Helen Creech, Office Services Coordinator
P. O. Box 176010
Raleigh, North Carolina 27619-6010