



NORTH CAROLINA INSURANCE GUARANTY ASSOCIATION
5401 Six Forks Road • Raleigh NC • 27609
(919) 783-9813 • Fax (919) 783-5262 • www.ncrb.org

November 8, 2002

CIRCULAR LETTER TO ALL MEMBER INSURERS

Re: Refund - Stock Reserve Account

Pursuant to amendments to Article 48, Chapter 58, General Statutes of North Carolina, this Association, on January 1, 1993, assumed responsibility for handling workers' compensation claims previously handled under the Stock Workers' Compensation Security Fund.

At its annual meeting on October 15, 2002, the Association's Board of Directors voted to approve a refund to the Association's current stock member insurers from the Stock Reserve Account in the amount of \$900,000.

This refund is based upon the 2001 North Carolina net direct written workers' compensation insurance premiums, less dividends, for stock insurers shown on Page 15 of the 2001 Annual Statements. The refund was developed on the basis of the following:

Refund	Refund Base	Refund Factor
\$900,000	\$633,327,919	.001421065

The statement attached hereto shows (1) your Company's 2001 net direct workers compensation insurance premium writings, and (2) the amount of your Company's refund (a check for which is attached) which was calculated by applying the refund factor to the 2001 workers compensation insurance premium writings.

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-02-6