

NORTH CAROLINA REINSURANCE FACILITY

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September 12, 2000

CIRCULAR LETTER TO ALL MEMBER COMPANIES

IMPORTANT NOTICE

Re: Settlement of September, October and
November 2000 Accounting Reports

Due to the unusual accounting transactions as a result of escrowed premium refunds in connection with the 1994 Rate Filing Case (See Circular Letter to All Member Companies RF-00-5 dated April 5, 2000), the Board of Governors has directed Reinsurance Facility Staff to implement procedures to accelerate monthly settlements to member companies.

For the months of September, October and November 2000 regular monthly accounting reports received in advance of the normal due date will be processed when received by AIPSO. All net settlements due companies will be processed and paid by the Facility as quickly as possible after this time. Therefore, if a company expedites its monthly reporting, it may be possible to accelerate receipt of monthly settlements from the Facility.

The expedited processing of settlements does not change the fact that all normal monthly activity must continue to be included in monthly reports. Any expedited settlements will be subject to appropriate adjustments at the close of the normal processing period.

Any questions about this procedure should be directed to Bob Greer at the above address.

Very truly yours,

John W. Watkins

General Manager

JWW:lm
RF-00-12