

NORTH CAROLINA RATE BUREAU

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September 1, 1998

CIRCULAR LETTER TO ALL MEMBER COMPANIES

A PROMPT RESPONSE
IS URGENTLY NEEDED

**Re: Twenty-First Annual Meeting
October 20, 1998**

The Twenty-First Annual Meeting of the North Carolina Rate Bureau will convene at 8:30 a.m. on Tuesday, October 20, 1998. The meeting will be held in the Conference Center, Mid Pines Inn and Golf Club, 1010 Midland Road, Southern Pines, North Carolina.

A meeting of the Governing Committee will convene immediately following adjournment of the Twenty-First Annual Meeting.

The following constitutes the agenda:

1. The Annual Report

The Twenty-First Annual Report will be presented.

2. Governing Committee Election

The Rate Bureau's Constitution provides that the Governing Committee shall be composed of six stock company members, six non-stock company members, and two nonvoting public members appointed by the Governor. With respect to the company members the Constitution provides that at least one member of the Governing Committee shall be a company domiciled in North Carolina, and that at each Annual Meeting the scheduled vacancies occurring in the Governing Committee shall be filled by the election of two stock and two non-stock companies to serve for terms of three years.

There is currently one nonvoting public member of the Governing Committee, Mr. Max Offerman of Cary, North Carolina.

The current company members of the Governing Committee

are:

Term

Expires Stock

Non-Stock

1998	Hartford Fire Insurance Co.	NC Farm Bureau Mut. Ins. Co.
	U.S. Fidelity & Guaranty Co.	State Farm Mut.Auto. Ins. Co.
1999	Great American Ins. Co.	Nationwide Mutual Ins. Co.
	The Travelers Indemnity Co.	State Auto. Mutual Ins.Co.
2000	Integon General Ins. Corp.	Harleysville Mutual Ins. Co.
	Royal Insurance Co. of Amer.	Liberty Mutual Insurance Co.

It will be in order to elect two stock and two non-stock members for three-year terms to expire in 2001. The Constitution provides that no member shall be eligible to serve consecutively more than two three-year terms as a member of the Governing Committee. Of the four companies whose terms expire this year United States Fidelity & Guaranty Company, Hartford Fire Insurance Company and North Carolina Farm Bureau Mutual Insurance Company will be eligible for re-election. State Farm Mutual Automobile Insurance Company will not be eligible for re-election since that Company will be completing a second successive three-year term.

The Chairman of the Governing Committee has appointed a Nominating Committee, and the report of the Nominating Committee will be presented at the Annual Meeting.

3. 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 request that you complete and forward to this Office AS SOON AS POSSIBLE, but no later than October 1, 1998, 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 one of the twelve current company members of the Governing Committee.

Very truly yours,

John W. Watkins
General Manager

JWW:hc
Enclosure
G-98-2

NORTH CAROLINA RATE BUREAU

(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 Company Appointed as Proxy)

as my attorney and agent for the said Company, in my name, place and stead to vote as proxy at the **Twenty-First Annual Meeting of the NORTH CAROLINA RATE BUREAU** to be held on the **Twentieth (20th) day of October, 1998** 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 _____, _____ 1998.

(Signature)

(Title)

(Company)

Return to:

North Carolina Rate Bureau
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Raleigh, North Carolina 27619-6010