



July 9, 2008

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: (1) Thirty-Fifth Annual Meeting
October 29, 2008
(2) Proxy Form
(3) Selection of Board of Governors

The Thirty-Fifth Annual Meeting of the North Carolina Reinsurance Facility will convene at 8:30 a.m. on Wednesday, October 29, 2008. The meeting will be held at the Grandover Resort and Conference Center, One Thousand Club Road, Greensboro, North Carolina 27407.

Immediately following adjournment of the Thirty-Fifth Annual Meeting, a meeting of the Board of Governors will convene. An agenda for this meeting will be distributed shortly.

The following constitutes the agenda for the Annual Meeting:

1. The Annual Report

The Facility's Annual Report will be presented.

2. Selection of Board of Governors

The Plan of Operation provides that the Board of Governors shall consist of twelve voting members, the Commissioner of Insurance who serves ex officio without vote, and two nonvoting public members appointed by the Governor. All voting members are elected for three-year terms, the public members serve at the pleasure of the Governor.

Of the twelve voting members of the Board, the Commissioner appoints five agent members, including:

- A. One member selected from a list of two nominees submitted by the Auto Insurance Agents of North Carolina, Inc.
- B. Four Board members that are fire and casualty insurance agents licensed in North Carolina and actively engaged in writing motor vehicle insurance in the state. Two of these agents shall come from a list of four nominees submitted by the Independent Insurance Agents of North Carolina, Inc.

The current agent members are Jeffrey W. Butler, Able Auto Insurance Agency, Tim Ward, Senn Dunn, Steven D. Smith, Bagwell & Bagwell, Inc, W. Hutson Wester, II, Wester Realty & Insurance Agency, Inc. and John E. Wooten, III, Green & Wooten Insurance Agency, Inc.

The Commissioner also selects two Board members that are Facility insurance company members domiciled in North Carolina. The current domiciled members are Integon Indemnity Corporation and Universal Insurance Company.

Five current Board members were selected by the members, one each from the following groups with the current representative in parenthesis:

- A. The American Insurance Association (Travelers Indemnity Company)
- B. Property Casualty Insurance Association of America (Allstate Insurance Company)
- C. All other stock members not affiliated with the above groups (New Hampshire Insurance Company)
- D. All other non-stock members not affiliated with the above groups (Nationwide Mutual Insurance Company)
- E. Insurer at Large (Atlantic Casualty Insurance Company)

Any insurer company member who wishes to be considered to become the representative of the industry at large should contact Edith Davis, Director, at (919) 582-1006 or email to etd@ncrb.org by September 15, 2008 to be considered.

It is expected that the appointments for the succeeding three-year period will be announced at the meeting.

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

We urge Facility member companies to attend this meeting. For those companies that cannot be represented, voting by proxy will be permitted. A proxy form is enclosed which we request you complete and return no later than **September 25, 2008**, 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 member companies consider naming as proxy the current Board of Governors member representing the appropriate group of companies as indicated below.

Property Casualty Insurers Association of America - Allstate Insurance Company
American Insurance Association – Travelers Indemnity Company
Non-Affiliated Stock Insurers – New Hampshire Insurance Company
Non-Affiliated Non-Stock Insurers - Nationwide Mutual Insurance Company

Sincerely,

Raymond F. Evans, CPCU

General Manager

RFE:llm

RF-08-7

NORTH CAROLINA REINSURANCE FACILITY

APPOINTMENT OF PROXY

The undersigned member company of the North Carolina Reinsurance Facility hereby constitutes and appoints the member company designated below as its proxy with full power of substitution to act and vote for and on behalf of the undersigned company at the Thirty-Fifth Annual Meeting of the North Carolina Reinsurance Facility to be held on the twenty-ninth (29th) day of October, 2008 and/or such other date or dates to which such meeting may be adjourned as fully as the undersigned company would be entitled to act and vote if personally present. Any appointment of proxy heretofore made by the undersigned company for such meeting is hereby revoked.

DESIGNATE ONE OF THE FOLLOWING BY PLACING A CHECK MARK IN THE BOX TO THE RIGHT OF THE COMPANY NAME (these are current Board of Governors members and are anticipated to be present at the meeting).	
Allstate Insurance Company (Property Casualty Insurers Association)	<input type="checkbox"/>
Atlantic Casualty Insurance Company (Insurer at Large)	<input type="checkbox"/>
Integon Indemnity Corporation (Domestic Member Insurer)	<input type="checkbox"/>
Nationwide Mutual Insurance Company (Non-Affiliated Non-Stock Insurer)	<input type="checkbox"/>
New Hampshire Insurance Company (Non-Affiliated Non-Stock Insurer)	<input type="checkbox"/>
Travelers Indemnity Company (American Insurance Association)	<input type="checkbox"/>
Universal Insurance Company (Domestic Member Insurer)	<input type="checkbox"/>
OR DESIGNATE ANOTHER MEMBER COMPANY WHICH YOU ANTICIPATE WILL BE PRESENT AT THE MEETING BY WRITING THE COMPANY NAME IN THE SPACE PROVIDED BELOW.	

Date: _____

(Type or Print Name of Company)

By signing this Appointment of Proxy, the signer certifies that he/she is duly authorized by the named company to execute this Appointment of Proxy on behalf of and as the act of the named company.

BY: _____
(Signature)

(Type or Print Name of Signer)

(Type or Print Title of Signer)

Return to:
Fred Hoerl, Financial Analyst
North Carolina Reinsurance Facility
PO Box 176010
Raleigh, North Carolina 27619-6010
Or FAX to (919) 783-0754
Or Email to flh@ncrb.org

**NCRB & NCRF ANNUAL MEETINGS
OCTOBER 28-29, 2008
GRANDOVER RESORT & CONFERENCE CENTER
GREENSBORO, NORTH CAROLINA
REGISTRATION FORM**

(Name as it is to appear on name badge)

(Company)

(Spouse/guest name)

Reservations for Grandover Resort rooms are to be made directly with the hotel. You will need to reference the NCRB/NCRF to receive the group rate. **The cut-off date for reservations at discounted rates is September 25, 2008.**

Grandover Resort & Conference Center
One Thousand Club Rd.
Greensboro, NC 27407
800-472-6301
www.grandover.com

_____ I (we) will attend the meetings scheduled for October 28.

_____ I (we) will attend the meetings scheduled for October 29.

In conjunction with the meetings we hope you can join us for dinner during the meetings. Tuesday night will include a brief program and awards from the annual golf tournament.

_____ I (we) will join you for dinner Monday (10-27) night.

_____ I (we) will join you for dinner Tuesday (10-28) night.

_____ I (we) will join you for lunch Wednesday (10-29) at 11:30 a.m.

There will be an opportunity to play golf and the organizations will be hosting the annual tournament. We hope you can join us for some or all of these events.

_____ I (we) want to play golf on Monday (10-27). There are several tee times on the "east course" beginning at 1:00 p.m.

_____ I (we) want to play golf on Tuesday (10-28) in the annual golf tournament. This begins with a buffet lunch and a shotgun start on the "west course" at 1:00 p.m. My true and accurate handicap is ____/____.

_____ I (we) want to play golf on Wednesday (10-29). Several tee times are available after 12:30 p.m.

Please return this form to Lois Murphey by mail, FAX (919)719-7400 or e-mail at llm@ncrb.org by September 25, 2008. If you have any questions, call Lois at 919-582-1002.

Directions to Grandover from Piedmont Triad International airport: (16 Miles)

Enter onto East Bryan Blvd by turning RIGHT
Take the Winston Salem Exit off of Bryan Blvd staying on I-40 East to Exit #218 (Greensboro/Charlotte/High Point)
Merge RIGHT to Groometown Road/Grandover Parkway Exit
Turn RIGHT onto Groometown Road
Turn LEFT at the first stoplight onto Grandover Parkway
The Resort's entrance is on the right at 1.3 miles.

Directions to Piedmont Triad International airport: (16 Miles)

Turn LEFT onto Grandover Parkway, for 1.3 Miles
At Stoplight, Turn RIGHT onto Groometown Road
Cross over Bridge and Turn LEFT at Light
Bear RIGHT at first exit (before actually getting onto I-85)
Exit LEFT to I-40 West/73 North to Winston Salem
Exit # 212A (Bryan Blvd/PTI Airport Exit)
Exit # 3 (Bryan Blvd/PTI Airport)
Take LEFT off of Bryan Blvd into Airport

Arriving from the North (Virginia, Washington DC):

Following Interstate 85 South, towards Charlotte
Exit at #122 A and turn RIGHT onto Groometown Road
Turn LEFT at the first stoplight, onto Grandover Parkway
The Resort entrance is on the right at 1.3 miles

Arriving from the South (Charlotte, Atlanta):

Follow Interstate 85 North, towards Greensboro
Exit at #119 and turn LEFT onto Groometown Road
Turn LEFT at the Second Stoplight, onto Grandover Parkway
The Resort entrance is on the right at 1.3 miles

Arriving from the South (Asheboro, Pinehurst, Southern Pines):

Follow Interstate 220 North, towards Greensboro
Exit on #78B to Groometown Road.
Follow loop all the way to Groometown Road, turn right.
Turn left at the next traffic light onto Grandover Parkway.
Resort entrance is on the right at 1.3 miles, Club Road.
*Please note that HWY 73 is also 220.

Arriving from the East (Durham,Raleigh):

Follow Interstate 40 West, into Greensboro
Stay left onto Interstate 85 South, towards Charlotte
Exit on #122 A and turn RIGHT onto Groometown Road
Turn LEFT at the first stoplight, onto Grandover Parkway
The Resort entrance is on the right at 1.3 miles

Arriving from the West (Winston-Salem, Asheville, Hickory, Mt. Airy):

Follow Interstate 40 East into Greensboro
You will see (2) 85 signs, One 85 South and One 85 North
Take first Exit which is 85 South Exit
Road will then split
Bear RIGHT to take Groometown Road Exit
Turn RIGHT onto Groometown Road
Turn LEFT at the first stoplight, onto Grandover Parkway
The Resort entrance is on the right at 1.3 miles.

Arriving from Highway 421 (Siler City)

421 to exit 197 (Winston-Salem/Charlotte Exit)
85 South to 122A to Groometown Rd., Grandover Exit.
Turn right at the light.
Turn left at the next traffic light onto Grandover Parkway.
Resort entrance is on the right at 1.3 miles.

<u>LOCAL ATTRACTIONS</u>		Minutes Away
SHOPPING		
<u>FURNITURE SHOPPING</u>		
Purchase furniture at a 50% discount at the "Furniture Capital of the World" in nearby High Point. Furnitureland South, with over 800,000 square feet of meticulously decorated showrooms, is the largest furniture store in the world. Select your purchase and they will ship it home.	10	
<u>CHINA, CRYSTAL, AND FLATWARE SHOPPING</u>		
Replacements, Ltd, is the nation's largest retailer of active and discontinued china, crystal, flatware and collectibles. Shop from over three million pieces in a 225,000 square foot facility. A very interesting, complimentary tour begins every 30 minutes.	15	
<u>FOUR SEASONS TOWN CENTRE</u>		
Browse through upcoming Events & Promotions, find all of your favorite Four Seasons stores, or purchase the perfect gift, Four Seasons Town Centre Gift Certificates online!	10	
<u>SEAGROVE POTTERIES</u>		
Witness the continuing tradition of pottery making that has been handed down for generations. Step back in time and view from over 80 different potteries, as they create different styles of pots and glazes.	45	
RESTAURANTS		
<u>BARN DINNER THEATRE</u>		
Enjoy a popular Broadway play after a hearty buffet at one of the oldest dinner theaters in the country.	15	
HISTORICAL		
<u>OLD SALEM</u>		
Experience the old fashioned Moravian Village founded in 1776 in Old Salem, one of the most authentic living history towns in the U.S.	35	
<u>GUILFORD COURTHOUSE NATIONAL MILITARY PARK</u>		
Over 200 acres of walking trails and memorials honor the site of one of the most pivotal battles of The Revolutionary War.	20	
FAMILY		
<u>NORTH CAROLINA ZOO</u>		
Visit one of the top zoos in the country. Roam through the 300 acre African region to see more than 36,000 tropical plants, 800 exotic animals and exhibits that replicate their wild environment. Also visit the Sonoran Desert, Cypress Swamp and Rocky Coast.	30	
<u>EMERALD POINTE WATER PARK</u>		
The largest water park in the Carolinas offers exciting summer fun. Thunder Bay, one of only four tsunami (giant wave) pools in the US makes massive, perfect waves. Enclosed slides, drop slides, tube rides and cable glides provide thrills for all ages. A great children's area and drifting river.	5	