

NORTH CAROLINA REINSURANCE FACILITY

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August 15, 2000

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Ceded Premium Volume by Company or Group

The Board of Governors of this Facility has voted to authorize the annual release of a report showing by company or group ceded written premium compared to total writings in this State. The authorization calls for distribution of such reports to all member companies of the Facility.

Such a report for calendar year 1999 is attached hereto. Listed on the report, in alphabetical order, are all companies which had Facility ceded premium activity during the year. Company groups are identified by the name of one company in each group. Shown for each company (or group) is the total direct North Carolina automobile liability written premium reported for the year on Page 15 of the annual statement(s) for North Carolina and the written premium for ceded business from the Facility's accounting reports. As to both the total written premium for the State and the ceded written premium, premiums for designated agent business ceded to the Facility have been excluded.

Also shown for each company (or group) is the ratio of the ceded written premium to the total written premium exhibited. Note that the latter is affected by individual company private passenger auto liability rate deviations and levels of voluntary commercial auto liability rates.

Very truly yours,

John W. Watkins

General Manager

JWW:etd

Enclosure

RF-00-10