



January 25, 2024

CIRCULAR LETTER TO ALL MEMBER INSURERS

Re: (1) Assessments – Company Insolvencies
 (2) Refunds – Company Insolvencies

During a meeting held on October 26, 2023, the Board of Directors of this Association reviewed the Association’s financial position and obligations in connection with the current insolvencies and voted to take the following actions:

Assessments:

The Board of Directors voted to assess member insurers in the total amounts shown below to provide funds necessary to continue the Association's task of discharging its obligations arising from the insolvencies listed below. These Companies were declared insolvent and placed in liquidation on the effective dates listed. The assessment was developed on the basis of the following assessment factors:

Insolvent Company	Liquidation effective date:	Total Assessment	Auto *	Workers Compensation *	All Other *	Premium Base	Assessment Factor
Fremont Insurance Company	7/2/2003	\$ 500,000	-	\$ 500,000	-	\$ 1,441,163,464	0.000346942
Lumbermens Mutual Casualty Company	5/10/2013	\$ 4,000,000	-	\$ 4,000,000	-	\$ 1,441,163,464	0.002775535
United Property & Casualty Insurance Company	12/27/2023	\$ 5,000,000	-	-	\$ 5,000,000	\$ 8,559,308,182	0.000584159

***These assessments are eligible for premium tax credits.**

The automobile, workers compensation and “all other” assessments are based upon the respective total 2022 net direct written insurance premiums, less dividends, as shown on Statutory Page 14 of the 2022 North Carolina Annual Statements. The assessment factors above were determined by relating the respective assessment amounts to the total premium base which includes the 2022 writings of all current members of this Association.

Refunds:

The Board of Directors has voted to refund the total amounts shown below to current member insurers from the Automobile, Workers Compensation and/or "All Other" accounts for the insolvencies listed below. The refunds are to be distributed among current member insurers in proportion to the total amount of prior assessments paid into those accounts for the listed insolvencies. The refund was developed on the basis of the following refund factors:

Insolvent Company	Total Assessment	Automobile *	Workers Compensation *	All Other *	Assessments Paid	Refund Factor
Freestone Insurance Company	\$ 1,000,000	-	\$ 1,000,000	-	\$ 10,852,561	0.092144149
Guarantee Insurance Company	\$ 500,000	-	\$ 500,000	-	\$ 15,966,348	0.031315865
Insurance Corporation of New York (InsCorp)	\$ 163,128	-	\$ 163,128	-	\$ 1,870,296	0.087220419
Legion Insurance Company	\$ 1,000,000	\$ 50,840	-	-	\$ 1,464,421	0.034716793
		-	\$ 869,970	-	\$ 24,524,370	0.035473694
		-	-	\$ 79,190	\$ 2,309,984	0.034281623
Reliance Insurance Company	\$ 2,000,000	\$ 78,000	-	-	\$ 1,850,592	0.042148675
		-	\$ 1,540,000	-	\$ 35,504,825	0.043374386
		-	-	\$ 382,000	\$ 9,255,513	0.041272699
Ullico Casualty Company	\$ 374,588	-	\$ 374,588	-	\$ 4,726,301	0.079256061

***These refunds are subject to the premium tax credit provision**

If a statement is attached hereto, it shows:

- (1) your Company's premiums utilized in determining the assessments;
- (2) the assessment amount for each insolvency and account;
- (3) the assessment amounts previously paid in determining the refunds;
- (4) the refund amount for each insolvency and account; and
- (5) the net amount due this Association or the refund due your Company (cr = credit).

If your statement reflects a refund due your Company, a check will be mailed unless you have previously authorized ACH payments from the NCIGA to your Company.

Payment of Assessment Invoices:

Check: to pay by check, please make your check payable to the North Carolina Insurance Guaranty Association and remit to:

Regular Mail: North Carolina Insurance Guaranty Association
P.O. Box 601046
Charlotte, NC 28260-1046

Overnight Mail: Lockbox Services #601046
North Carolina Insurance Guaranty Association
1525 West WT Harris Blvd – 2C2
Charlotte, NC 28262

It is imperative that you include a description of what the payment is for (e.g., copy of the invoice or CMS #) on the check stub for the payment to be properly applied. Unidentified funds cannot be credited to the proper account and may be returned to you.

ACH Payments: Information regarding payment of assessments by ACH is attached and is the preferred method of payment.

ACH Refunds: If you wish to receive future refunds via ACH, an enrollment form is attached. Please return the requested documentation to IGAAssessments@ncrb.org.

If a net balance is due this Association, prompt remittance of this assessment will be appreciated and should be remitted on or before February 26, 2024. If your remittance includes an assessment billed to more than one company in a group, we would appreciate your identifying the companies for which assessments are being paid either on the remittance check or in an accompanying memorandum.

If you have any questions about any of the contents of this letter, please contact Pierce Volkmar at PJV@NCRB.ORG.

Sincerely,

Edith Davis

Chief Financial Officer

ETD: ken
Attachment
NCIGA-24-1

ACH FORM – Payments to the NCIGA

RE: ACH Instructions for North Carolina Insurance Guaranty Association

To: Whom It May Concern:

This letter will confirm the ACH instructions for **payments to** the North Carolina Insurance Guaranty Association.

<i>ABA Number (required)</i>	121000248
<i>Bank Name</i>	Wells Fargo Bank, N.A.
<i>Bank Address, City, State</i>	401 Linden Street, Winston Salem, NC 27101
<i>Beneficiary Account Number (required)</i>	2062650834701
<i>Beneficiary Name (required)</i>	North Carolina Insurance Guaranty Association
<i>Amount of ACH (required)</i>	The amount of the funds to transfer to the NCIGA
<i>Account type</i>	DDA/Checking
<i>Required Addenda</i>	Enter NAIC code or CMS # for each company and payment

You must:

1. Include a description in the Addenda Field (including NAIC code or CMS #) for EACH company and payment that is included in the ACH total when generating your payment.
2. Send an email with the subject "ACH Payment detail" to Pierce Volkmar at PJV@ncrb.org with the details of the ACH payment (including NAIC code or CMS #) and include the ACH effective date.

It is imperative that you provide the description of what the payment is for (NAIC code or CMS #) for EACH company included in the total for the payment to be properly applied.

Unidentified funds cannot be credited to the proper account and may be returned to you.

If you have questions, contact: Pierce Volkmar
Accounting Specialist – IGA
PJV@ncrb.org
919-645-3175

ACH FORM – Payments/Credits from the NCIGA to Member Company

Authorization Agreement for ACH Deposits (Credits)

This is our company authorization for the North Carolina Insurance Guaranty Association to automatically credit our company's bank account **for credits or refunds due our company.**

	Bank Account Information:
Bank Name:	
Bank Routing Number:	
Bank Account Number:	
Account Name:	
Account Type: Checking or Savings	
Bank Address: Street, City, State, Zip	
Name of contact person at Bank:	
Bank contact's email address:	
Bank contact's phone number:	

We understand that this authorization will be in effect until we notify the North Carolina Insurance Guaranty Association Accounting Department in writing that we no longer desire this service, allowing the Accounting Dept. reasonable time to act on our notification. We also understand that if corrections in the credit amount are necessary, it may involve an adjustment (credit or debit) to our account.

THIS AUTHORIZATION IS NON-NEGOTIABLE AND NON-TRANSFERABLE.

Company Name and Company ID/TIN

NAIC number

Print Name

Title

Signature

Phone number

Email address

Date

As part of our two-step verification process, we need to verify this banking information with your bank. Please include a bank verification letter along with this form.

Please return the completed form and bank letter to: IGAAssessments@ncrb.org