



DEPARTMENT OF INSURANCE

State of North Carolina

P. o. BOX 263B7

RALEIGH, N C 27811

JIM LONG COMMISSIONER OF INSURANCE

JACKSON SUMNER & ASSOCIATES, INC. P.O. BOX 2540
BOONE, NC 28607

(919) 733-7343

Notice of Rehabilitation of Commercial Casualty Insurance Company of North Carolina

On November 17, 2003, Commercial Casualty Insurance Company of North Carolina ("CCIC"), domiciled in North Carolina, was placed in Rehabilitation by order of the Superior Court of Wake County, North Carolina. North Carolina Insurance Commissioner James E. Long serves as Rehabilitator and he has appointed V. Boyce Oglesby, a Senior Deputy Commissioner in the Insurance Department, to serve as a Special Deputy to act for him in the Rehabilitation.

The Order of Rehabilitation is available over the Internet at www.radtrust.com. A copy of the order can also be obtained by written request to the Special Deputy at the address shown below, accompanied by a check to handle copying and postage in the amount of \$5.00 and a self- addressed envelope.

CCIC primarily wrote contractor's general liability, but also wrote some private passenger auto and surety business.

CCIC was placed in Rehabilitation with the consent of the Board of Directors of the company. A summary financial statement of the condition of CCIC as of September 30, 2003, is also available at the abovementioned website. It has been prepared based upon the best information currently available to the Rehabilitator and has not been audited.

No New or Renewal Business will be written during the Rehabilitation Period, until further notice.

Also, we will no longer be able to accept or allow endorsements, changes, or amendments that would effect coverage or limits to any/all active in-force policies after November 16,2003. The above item is not applicable to any non premium endorsements, such as name and address changes.

The Order specifically enjoins any person or entity from instituting or further prosecuting any actions against CCIC or the Receiver and his Deputy Receiver and assistants.

The Order also specifically enjoins any pretrial conference, trial, application for judgment or

proceedings on judgment or settlements in any action at law, in equity, special or other proceedings in which CCIC is obligated to defend a party insured or any other person it is legally obligated to defend by virtue of its insurance contract for a period of 120 days from the date of entry of the Order. If a lawsuit has already been filed against and served on an insured, it must be stayed for the 120 day period. If a lawsuit has not yet been filed against an insured, suit may be filed and served to protect against the running of the statute of limitations, but the proceedings must then be stayed.

Any persons or entities having assets of CCIC in their possession must immediately file an accounting of such assets with the Receiver and must turn those assets over to the Receiver within ten (10) days of the entry of the Order. All persons and entities are enjoined from disposing of, selling, wasting, encumbering, transferring or destroying CCIC's assets, including its books and records. The Order further enjoins any person or entity from transacting any business on CCIC's behalf without the express written permission of the Receiver or until further Order of the Court.

Inquiries by policyholders, agents and third party claimants, or their attorneys should be directed to the Home Office, by telephone at 770- 729-8101, Of in writing at Commercial Casualty Insurance Company of North Carolina in Receivership, 350 Research Ct., Suite 200, Norcross, Georgia 30092.

5388