

November 15th, 2006



Dear Agent:

The North Carolina Mutual Employers Fund (NCME) has just completed the 3rd Quarter of 2006. We would like to personally thank all of our Agents who have worked with iSurity in making 2006 another successful year to date. It is through your efforts that the NCME Fund continues its 12th consecutive year of being a profitable, competitive, and secure workers' compensation market in North Carolina.

In the three Quarters ended September 30, 2006, the NCME Fund achieved a GAAP net income of **\$1,884,926** on Net Earned Premium of **\$15,652,337**. This elevates Member Surplus to **\$13,057,854** and Total Assets to approximately \$50 million. The iSurity management team is committed to maintaining financial strength and security for the NCME Fund members. As a part of protecting that security, we are pleased to announce the continuation in The Fund's ten year relationship with AIG by renewing its Excess Insurance with AIG through October of 2007.

The NCME Fund has been approved for a Loss Cost Multiplier of 1.223 on 2006 NCRB Loss Costs effective January 1st 2007. The NCME Fund has always offered its members tremendous value in their Workers' Compensation Coverage and will continue to do so in the future. With extraordinary customer service, tremendous Risk Management resources and over a decade of consistency in the market, your customers can have a long-term solution to their Workers' Compensation and Risk Management needs. We would like to invite you and your customers to visit our facilities and meet with the iSurity team. We have made the commitment to build long-term partnerships with you and your customers.

Serving you is our passion. It is our vision to offer the best customer service in any industry to both you and the NCME members. Please feel free to contact me or your underwriter for more information on our wide range of products or to set up a visit to our facilities. Also visit our new website at www.iSurity.com for more information on our products and services. As always, your feedback is critical in pursuing our goal of offering the best service in any industry, period! Thank you for your business and support.

Very Truly Yours,

John C. Baker, CPA, CIC
Chief Executive Officer, Chief Financial Officer
iSurity
johnbaker@isurity.com

iSurity, Inc • P.O. Box 6455 • High Point, NC 27262
Telephone 336.869.3000 • Fax 336.869.7070
www.iSurity.com