



DEPARTMENT OF FINANCIAL SERVICES

Division of Rehabilitation and Liquidation  
[www.floridainsurancereceiver.org](http://www.floridainsurancereceiver.org)

**POLICY NUMBER**  
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Si necesita una versión en español de este aviso, visite el sitio web de la  
División de Rehabilitación y Liquidación [www.floridainsurancereceiver.org](http://www.floridainsurancereceiver.org)  
(If you need a Spanish version of this notice, visit the Receiver's website at [www.floridainsurancereceiver.org](http://www.floridainsurancereceiver.org))

**NOTICE TO POLICYHOLDER – October 30, 2009**

**Regarding the Liquidation of American Keystone Insurance Company  
and Transition Plan for Selected Residential Homeowners Policyholders**

Dear Policyholder:

This letter is being sent to you because records indicate that you are or have recently been a policyholder of American Keystone Insurance Company ("AKIC") with residential homeowners' insurance coverage which included Coverage A limits under \$1 million. Effective on October 9, 2009, AKIC was ordered liquidated by the Second Judicial Circuit Court in Leon County, Florida. The Florida Department of Financial Services was appointed as Receiver of AKIC. A copy of the liquidation order for AKIC is available on the Receiver's website, [www.floridainsurancereceiver.org](http://www.floridainsurancereceiver.org).

**OFFER OF REPLACEMENT INSURANCE COVERAGE FOR SELECTED AKIC  
RESIDENTIAL HOMEOWNERS POLICYHOLDERS (HOMEOWNERS CHOICE OFFER):**

By Court Order, all of AKIC's policies are cancelled effective 11:59 p.m. on November 8, 2009, unless otherwise terminated prior to that date in the normal course of business. In order to assist AKIC policyholders, however, the Florida Department of Financial Services, as Receiver of AKIC, has arranged with Homeowners Choice Property and Casualty Insurance Company ("Homeowners Choice") to provide an offer of replacement insurance coverage to selected AKIC policyholders. The agreement with Homeowners Choice benefits the selected policyholders in that it offers a potentially smoother transition of the policies to another insurance company and also benefits the AKIC creditors in that Homeowners Choice will pay the AKIC estate set amounts under the agreement for policies retained by the insurer.

Homeowners Choice will offer this insurance coverage to AKIC policyholders who have residential homeowners' policies with Coverage A limits under \$1 million. At this time, Homeowners Choice will be able to offer this insurance coverage to the selected policyholders, providing that the policyholders have no property damage to their homes. Homeowners Choice will be able to offer insurance coverage to policyholders with property damage upon receipt of evidence that the home repairs have been completed. In the interim, the Receiver urges policyholders with property damage to work with their agents in seeking replacement insurance coverage.

In the very near future, you may receive a separate letter from Homeowners Choice with more details regarding its offer. You may also contact Homeowners Choice directly at its toll free customer service hotline number, (888) 210-5235, or visit the company's website at [www.hcpci.com](http://www.hcpci.com).

**IF YOU HAVE NOT ALREADY TALKED WITH YOUR AGENT ABOUT THESE MATTERS, PLEASE CONTACT YOUR AGENT IMMEDIATELY TO TAKE ADVANTAGE OF THE HOMEOWNERS CHOICE OFFER OR OTHERWISE OBTAIN REPLACEMENT INSURANCE COVERAGE SO THAT YOU DO NOT HAVE ANY LAPSE IN INSURANCE COVERAGE AFTER THE CANCELLATION OF YOUR AKIC RESIDENTIAL HOMEOWNERS POLICY.** Your agent is best able to advise you as to your insurance options. To assist your agent and you in this process, we also have notified your agent directly of these matters.

#### **PREMIUM ISSUES:**

If your policy premium was paid under an installment payment plan, please discontinue remitting installment payments to AKIC at this time.

**Premium Refunds/Unearned Premium:** The Florida Insurance Guaranty Association ("FIGA") will pay unearned premium claims after the Receiver completes its processing of the policy records and sends the unearned premium records to FIGA. The Receiver currently anticipates that return premium checks will have been issued by the end of January 2010. A \$100 statutory deductible will be taken from the amount owed. If the premium refund due is \$100 or less a refund will not be processed by FIGA. A policyholder may file a claim in the AKIC receivership for the \$100 deductible. The Receiver will send proof of claim forms or otherwise provide instructions for filing a claim for amounts not covered by FIGA.

#### **CLAIMS ISSUES (LOSSES INCURRED PRIOR TO 11:59 P.M. ON NOVEMBER 8, 2009):**

With the entry of the liquidation order, the Florida Insurance Guaranty Association ("FIGA") has been activated to help pay outstanding claims for property and casualty policies. The processing and payment of pending covered claims will be made by FIGA (subject to the lesser of policy limits or FIGA's maximum cap). The maximum amount FIGA will cover is \$300,000 with special limits applying to (1) damages to structure and contents on homeowners' claims and (2) condominium and homeowners' association claims. For damages to structure and contents on homeowners' claims, the FIGA cap is an additional \$200,000. For condominium and homeowners' association claims the cap will be \$100,000 multiplied by the number of units in the association. No claim will be paid in excess of this cap. All claims are subject to a \$100 deductible over and above any deductible identified in the AKIC policy. A policyholder may file a claim in the AKIC receivership for the \$100 deductible and for amounts over the cap. The Receiver will send proof of claim forms and otherwise provide instructions for filing a claim.

For additional general information regarding FIGA, please visit the guaranty association's website at [www.figafacts.com](http://www.figafacts.com).

**If you need to check on the status of an existing claim that you previously filed with AKIC, please call the Florida Insurance Guaranty Association at 1-866-928-4310 (toll-free). To report a new claim, please contact your agent or contact FIGA at the referenced phone number.**

**All policyholders are informed that the deadline for filing claims in the AKIC receivership is 11:59 p.m. on October 8, 2010.** Proof of Claims forms will be available to potential claimants within the next few months. Per Section 631.68, Florida Statutes, the deadline for settling a claim or filing suit against FIGA is October 8, 2011 (i.e., one year after the Receiver's claim filing deadline).

**CONTACTING THE RECEIVER:**

Please contact the Receiver by using the "Contact Us" form at the Receiver's website, [www.floridainsurancereceiver.org](http://www.floridainsurancereceiver.org) if you have any non-claims related questions regarding the receivership (for claims questions, please refer to the phone numbers provided under Claims Issues). You may also contact the Florida Department of Financial Services, as Receiver, at (850) 413-3081 or toll free at 1-800-882-3054.