



DEPARTMENT OF FINANCIAL SERVICES

Division of Rehabilitation and Liquidation
www.myfloridacfo.com/receiver

**Si necesita una versión en español de este aviso, visite el sitio web de la
División de Rehabilitación y Liquidación www.myfloridacfo.com/Receiver.**

(If you need a Spanish version of this notice, visit the Receiver's website at www.myfloridacfo.com/Receiver)

**NOTICE TO AGENT OR BROKER – AUGUST 12, 2011
REGARDING THE RECEIVERSHIP OF NATIONAL GROUP INSURANCE COMPANY**

On August 1, 2011, National Group Insurance Company (“NGIC”) was ordered into receivership for purposes of rehabilitation by the Second Judicial Circuit Court in Leon County, Florida. The Florida Department of Financial Services is the court appointed Receiver of NGIC. A copy of the *Order Appointing the Florida Department of Financial Services as Receiver of National Group Insurance Company for Purposes of Rehabilitation, Injunction and Notice of Automatic Stay* (the “Rehabilitation Order”) is available at the Receiver’s website, www.myfloridacfo.com/receiver.

The Receiver is sending this notice of rehabilitation to all of NGIC’s agents of record in order to provide them with information regarding the Receiver’s upcoming plans for the receivership and to better assist them in advising the NGIC policyholders who are their clients.

Policyholders of NGIC may have questions regarding their rights and responsibilities as a result of the receivership. As you are an agent of record, the Florida Department of Financial Services, as Receiver of NGIC, expects your assistance in responding to the issues raised by the policyholders.

POLICY STATUS:

Continuation of Coverage: Pursuant to the Rehabilitation Order, all policies issued by NGIC shall remain in full force and effect until further Order of the Court, except where cancelled in the normal course of business, as a result of the non-payment of current premium to the Receiver, or upon the normal expiration date.

New/Renewal Business: On or about June 24, 2011, NGIC stopped writing any new or renewal insurance coverage. Policyholders should receive notice of the nonrenewal of their policy in advance of their policy’s normal expiration date.

Requests for Coverage Increases: NGIC is not accepting any endorsements to policies which would increase NGIC's potential liabilities and similarly is not accepting requests for coverage increases on existing policies at this time.

PREMIUM ISSUES:

Policyholders should continue to pay premiums as normal in order to continue their insurance coverage.

Agent Issues: In accordance with Section 631.155, Florida Statutes, and paragraph 11 on page 6 of the Rehabilitation Order, all premiums you collected on behalf of NGIC must be accounted for and paid directly to the Receiver within 30 days of demand from the Receiver. Please consider this letter as the Receiver's demand for payment of these premiums. No agent, broker or premium finance company may use premium monies owed to NGIC for refund of unearned premium or any purpose other than payment to the Receiver. Violation constitutes contempt of Court. You have the right to appear before the Court and show cause if you feel that you are not required to account to the Receiver.

Until further notice, please continue to remit premiums to NGIC as normal.

Premium Refunds/Unearned Premium: During rehabilitation, the Receiver will continue to process and pay premium refunds/unearned premium as normal to the extent possible.

CLAIMS ISSUES:

During rehabilitation, the Receiver will continue to process and pay claims in the ordinary course of business to the extent possible. Please report all new claims in accordance with the company's normal reporting procedure.

Consumers with questions regarding National Group Insurance Company should visit the company's website at www.nationalgroupfl.com or www.phoenixunderwriters.com. The company may also be contacted directly as follows:

National Group Insurance Company – Direct Telephone Numbers:

To report a new claim – 305-460-2650

To check on the status of an existing claim – 305-460-2650

For other policy or claim inquiries, consumers may call NGIC's main consumer line – 305-446-0668

CONTACTING THE RECEIVER:

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