



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 POLICYHOLDER – AUGUST 18, 2011
REGARDING THE RECEIVERSHIP OF NATIONAL GROUP INSURANCE COMPANY
AND NOTICE OF NON-RENEWAL**

Dear Policyholder:

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. This Notice is being sent to you because NGIC’s records indicate that you are one of the company’s policyholders. Additional information regarding the receivership, including a copy of the Rehabilitation Order, is available at the Receiver’s website, www.myfloridacfo.com/receiver.

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.

NON-RENEWAL OF POLICIES: On or about June 24, 2011, NGIC stopped writing any new or renewal insurance coverage. Based upon the financial status of the company and its ongoing rehabilitation, NGIC will not be offering a renewal for your policy. **Unless terminated earlier by Court order or in the ordinary course of business, all coverage under your policy through NGIC will cease as of the normal policy expiration date. This may be the only Notice of Non-Renewal which you receive from NGIC.** You should contact your agent for assistance with any questions you may have regarding NGIC and for help with your insurance needs.

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.

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 to your agent who can assist you with filing a claim.

Policyholders with additional 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.

Your anticipated cooperation in these matters is greatly appreciated.