



DEPARTMENT OF FINANCIAL SERVICES

Division of Rehabilitation and Liquidation
www.floridainsurancereceiver.org

September 16, 2010

«FULLNAME»
«ADDRESSLINE1»
«ADDRESSLINE2»
«CITY» «STATE» «ZIPCODE»

Dear Cumberland Claimant:

As the receivership of Cumberland nears the final distribution phase, this letter shall serve as an update to you on the progress and timeline for closure.

As you are aware, Cumberland has been in receivership for purposes of rehabilitation since February 2004. Since that time, the Receiver has continued to pay claims and collect all outstanding assets. The impaired financial condition of the company has not allowed for payment of claims at their total values. In furtherance of maximizing value to claimants and the public, the Receiver created a plan of rehabilitation ("plan"). This plan was approved by the Receivership Court on July 30, 2009.

The plan cancelled all remaining in-force bonds effective September 29, 2009. Further, a claims filing deadline was set for January 26, 2010. As the receivership of Cumberland reaches its final stages, the Receiver can make estimations with reasonable certainty regarding the timing and amount of distribution to claimants. Based upon the Receiver's best estimates and barring any unforeseen circumstances, the Receiver anticipates making a distribution of 100% of your total evaluated claim amount within the next several months. This percentage is based upon the anticipated collection of monies currently held on deposit by the Oregon Department of Insurance and anticipates an agreement approved by both Oregon and Florida allowing the release of the deposit for the full payment of claims on Oregon bonds at the evaluated amount.

Please note that the estimates contained in this letter are based upon the immediate information available and the circumstances known at the time they were made. The Receiver has distributed this letter as a means to further the Receiver's commitment to make estate information accessible to the estate's claimants and the public. **Please be aware that they are intended as estimations only and that the underlying facts and circumstances upon which they are based are subject to change.**

For further information, please visit the Receiver's website at: <http://www.myfloridacfo.com/Receiver/>.

Thank you

The Receiver of Cumberland Casualty and Surety Company