



DEPARTMENT OF FINANCIAL SERVICES

Tom Gallagher
CHIEF FINANCIAL OFFICER

February 10, 2003

Receivership of Caduceus Self Insurance Fund, Inc. COURT-ORDERED ASSESSMENT NOTICE AND INVOICE OF ASSESSMENT

The records of Caduceus Self Insurance Fund, Inc. ("Caduceus") indicate that during the period between 1994 and 1998, you obtained medical malpractice coverage through Caduceus. In 2000, Caduceus was placed into liquidation, and the Leon County Circuit Court appointed the Florida Department of Insurance (now a part of the Florida Department of Financial Services) to act as the "Receiver" for Caduceus.

Assessment Liability for Self-Insurance. Under Florida law and the Caduceus insurance contract, all former members of Caduceus are responsible for the claims and expenses of Caduceus and can be assessed for the purpose of collecting sufficient funds to pay those claims and expenses. At the direction of the Leon County Circuit Court, the Receiver has calculated the amount of claims paid since Caduceus was placed in litigation and the amount required to finish paying outstanding claims. Based on these amounts and other related expenses authorized by law, the Court has directed the Receiver to assess all former Caduceus members for their shares of those amounts. Your share of the assessment is based on the premiums charged to you for each year while insured by Caduceus as compared to the total premiums charged to all Caduceus members for that year.

Avoid Judgment Against You and Receive a One-Third Discount. Your assessment invoice showing your share of the total assessment is enclosed. The Court has authorized a discount of one-third off the assessment for each member who promptly pays the assessment. To receive the one-third discount and to avoid having a judgment entered against you, you must pay, or elect an installment plan to pay, your assessment by **April 14, 2003**.

To Pay Your Assessment. If you timely pay your share of the assessment shown on the enclosed invoice, you will be released from your liability for the assessment, including your liability for any uncollected assessments of other former members of Caduceus. In addition to checks, money orders, or wire transfers, the Receiver can accept payment by VISA or Master Card. Please remit by completing and returning the enclosed Remittance form with your payment to:

Department of Financial Services as Receiver of Caduceus
Post Office Box 0817
Miami, FL 33152-0817

Make your check or money order payable to "Department of Financial Services, Receiver for Caduceus." To pay by credit card, follow the instructions on the Remittance form. Please call or write for wire instructions.

To Elect an Installment Payment Plan. To elect an installment payment plan, complete the enclosed Remittance Advice. The installment payment will include an interest charge at the annual rate of six percent (6%) simple interest. The monthly installment periods are 12 months for those owing \$5,000 to \$25,000 and 24 months for those owing more than \$25,000. If you make the election, then a promissory note, payment schedule, and payment instructions will be provided at a later date. If you timely sign the necessary documents and make all your installment payments, you will be released from your liability for the assessment, including your liability for any uncollected assessments of other former members of Caduceus.

Failure to Make Timely Payment. If you fail to make timely payment, the Receiver will petition the court for an order to show cause why judgment should not be entered against you. Pursuant to the Court's order entered January 2, 2003, you must wait to file an objection or response to the assessment until the Receiver has petitioned the court for an order to show cause. Only at that time may objections be filed with the Clerk of Court as follows:

(Continued on other side)

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COURT-ORDERED ASSESSMENT NOTICE AND INVOICE OF ASSESSMENT
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Clerk of Court/Second Judicial Circuit Court of Florida
301 Monroe Street
Tallahassee, Florida 32301
Re: Case No. 00-04

Copies of anything filed with the Clerk of Court must be sent to the Receiver and the Receiver's counsel at the addresses below:

Florida Department of Financial Services
Division of Rehabilitation and Liquidation
Post Office Box 110
Tallahassee, Florida 32302-0110
Attention: Caduceus Assessment

And

Carolyn S. Ansay, Esquire
Doran, Wolfe, Rost & Ansay
Post Office Drawer 15110
Daytona Beach, Florida 32115

Waiver of Objections and Release from Liability. Upon complete, final, and timely payment in full of the discounted assessment (and interest or other charges for installment payments), you will be fully released from your liability for the assessment (including liability from any uncollected assessments of other former members). To obtain the benefit of this release as well as the one-third discount, you must also irrevocably waive any and all claims or objections to the assessment. *Accordingly, any fund member paying under protest or with a claim for refund or credit will receive credit for the amount paid, but will not receive the one-third discount or be released from the liability for assessments.*

Copies of the Assessment Order and Other Documentation. Copies of the assessment order and certain other documents relating to the calculation of the assessment may be obtained at the **Receiver's Web Site:** www.floridainsurancereceiver.org.

Alternatively, the documents may be purchased from:

Kinko's Copies

3425 Thomasville Road
Tallahassee, Florida 32308

(850) 668-5679 - Telephone
(850) 668-8329 - Facsimile

Mr. Victor Hinshaw or any of the other Production Supervisors at Kinko's will be able to assist you. The cost of the package depends on which one you choose. Package 1 consists of the Receiver's Report and Petition for Assessment and the Assessment Order. It will cost approximately \$8.25. Package 2 consists of the Actuary's Report and the Exhibits, and the claims evaluation data; it will cost approximately \$32.00. You will also be responsible for shipping and handling charges.

Depositions Scheduled. At the written request of the attorney for any Caduceus member, the Receiver will schedule depositions of the actuary and other individuals employed to calculate the assessment. These depositions (if required) will take place at the Receiver's offices on a date set by the Receiver, but not later than April 4, 2003. Any written request for depositions must be made to Receiver's legal counsel, Doran, Wolfe, Rost & Ansay on or before March 28, 2003.

Although the Receiver cannot provide you any legal advice or legal counsel, you can write to the Receiver at P.O. Box 110, Tallahassee, FL 32302-0110, call at (800) 882-3054, or e-mail the Receiver at http://www.doi.state.fl.us/receiver/contact_us.asp should you have any further questions about your assessment.