



DEPARTMENT OF FINANCIAL SERVICES

Division of Rehabilitation and Liquidation
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
(If you need a Spanish version of this notice, visit the Receiver's website at www.floridainsurancereceiver.org)

NOTICE TO POLICYHOLDER – September 10, 2009

**Regarding the Liquidation of First Commercial Insurance Company
And First Commercial Transportation and Property Insurance Company**

Dear Policyholder:

This letter is being sent to you because records indicate that you are or have recently been a policyholder of First Commercial Insurance Company ("FCIC") or its subsidiary insurance company, First Commercial Transportation and Property Insurance Company ("FCTPIC"). Effective on August 24, 2009, FCIC and FCTPIC were ordered liquidated by the Second Judicial Circuit Court in Leon County, Florida. The Florida Department of Financial Services was previously appointed as Receiver of both FCIC and FCTPIC. Unfortunately, the companies' financial condition prohibited any realistic chance for a successful rehabilitation. A copy of the liquidation orders for FCIC and FCTPIC are available on the Receiver's website, www.floridainsurancereceiver.org.

POLICY CANCELLATION:

By Court Order, with the exception of FCIC's automobile service warranty policies (which were cancelled earlier), all policies written by FCIC and FCTPIC that were in effect as of the liquidation date are cancelled effective 12:01 a.m. on September 23, 2009, unless otherwise terminated prior to that date in the normal course of business. **PLEASE CONTACT YOUR AGENT IMMEDIATELY TO OBTAIN REPLACEMENT INSURANCE COVERAGE SO THAT YOU DO NOT HAVE ANY LAPSE IN INSURANCE COVERAGE AFTER THE CANCELLATION OF YOUR FCIC OR FCTPIC POLICY.** Your agent has been informed of the liquidation of these companies and is best able to advise you as to your insurance options.

OFFER OF REPLACEMENT INSURANCE COVERAGE WITH ASCENDANT COMMERCIAL INSURANCE, INC.:

In order to assist the FCIC/FCTPIC policyholders, the Receiver has entered into an agreement with Ascendant Commercial Insurance, Inc., (“Ascendant”), whereby Ascendant will provide an offer of replacement insurance coverage to most of the FCIC/FCTPIC policyholders. **Ascendant will offer a new policy of insurance to all current FCIC/FCTPIC Florida policyholders whose policies were for the following types of insurance coverage:**

- **Workers’ compensation**
- **General liability**
- **Commercial vehicle**
- **Garage keepers**
- **For Hire transportation**

At this time, Ascendant will not be able to offer coverage to Georgia policyholders or to those with auto service warranty, commercial multi-peril, medical malpractice or errors & omissions coverage. **For more information regarding this offer, please contact your agent, visit Ascendant’s website at www.acicompanies.com or call Ascendant’s consumer service hotline at (305) 820-4360.**

PREMIUM ISSUES:

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

Premium Refunds/Unearned Premium:

- **Florida Policyholders:**
 - Property and Casualty Policies (FCIC and FCTPIC): 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. A \$100 statutory deductible will be taken from the amount owed.
 - Workers’ Compensation Policies (FCIC only): The Florida Workers’ Compensation Insurance Guaranty Association (“FWCIGA”) will pay certain unearned premium claims, in accordance with Florida Statutes, after the Receiver completes its processing of the policy records and sends the unearned premium records to FWCIGA. No statutory deductible applies to unearned premium claims on these workers’ compensation policies.
- **Georgia Policyholders:**
 - Property and Casualty Policies/Workers’ Compensation Policies (FCIC): The Georgia Insurers Insolvency Pool will pay certain unearned premium claims in accordance with Georgia statutes. The guaranty association does not pay unearned premium claims for any policy that is auditable. The Receiver, FIGA and FWCIGA will coordinate all claims for the FCIC/FCTPIC Georgia Policyholders with the Georgia Insurers Insolvency Pool. Claims which are not covered by the Georgia Insurers Insolvency Pool may still be filed as claims in the receivership estate.

CLAIMS ISSUES (LOSSES INCURRED PRIOR TO 12:01 A.M. ON SEPTEMBER 23, 2009):

FOR PROPERTY & CASUALTY CLAIMS OF FLORIDA POLICYHOLDERS:

With the entry of the liquidation order, 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 FCIC policy. A policyholder may file a claim in the FCIC receivership for the \$100 deductible and for amounts over the cap. The Receiver will send proof of claim forms and instructions for filing a claim. For additional general information regarding FIGA, please visit the guaranty association's website at www.figafacts.com.

If you need to check on the status of an existing claim that you previously filed with FCIC/FCTPIC, 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 FCIC/FCTPIC receiverships is 11:59 p.m. on August 17, 2010. Proof of Claims forms will be available to potential claimants within the next few months. Under Section 631.68, Florida Statutes, the deadline for settling a claim or filing suit against FIGA is August 17, 2011 (i.e., one year after the Receiver's claim filing deadline).

FOR WORKERS' COMPENSATION CLAIMS OF FLORIDA POLICYHOLDERS:

With the entry of the liquidation order on FCIC, the Florida Workers' Compensation Insurance Guaranty Association ("FWCIGA") has been activated to help pay outstanding workers' compensation claims. The processing and payment of pending covered claims will be made by FWCIGA subject to policy limits, if any. **If you need to check on the status of an existing workers' compensation claim that you previously filed with FCIC, please call FWCIGA's third party administrator, United Self Insured Services ("USIS") at 1-800-444-9098, extension 531 (toll free). Policyholders who need to report a new claim are directed to fax the First Notice of Injury to USIS at fax number 407-352-5788 or the First Notice of Injury can be scanned and emailed to USIS at claimreporting@usis-tpa.com.** Additional general information regarding the FWCIGA may be found on the guaranty association's website at www.fwciga.org.

FOR CLAIMS OF GEORGIA POLICYHOLDERS:

The liquidation order activates the Georgia Insurers Insolvency Pool to help pay certain outstanding claims for property and casualty policies and indemnity claims for workers' compensation policies of Georgia policyholders. The Receiver, FIGA and FWCIGA will coordinate all claims for the FCIC/FCTPIC Georgia policyholders with the Georgia Insurers Insolvency Pool. Claims which are not covered by the Georgia Insurers Insolvency Pool may still be filed as claims in the receivership estate. For general information regarding the Georgia Insurers Insolvency Pool, please call (770) 621-9835.

CONTACTING THE RECEIVER:

Please contact the Receiver by using the “Contact Us” form at the Receiver’s website, 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.

Your anticipated cooperation and assistance in these matters is greatly appreciated.