



Dear Citizens Policyholders:

Capitol Preferred Insurance Company (CPIC) has been approved by the State of Florida's Office of Insurance Regulation (OIR) to assume property insurance policies from Citizens Property Insurance Corporation (Citizens). We are pleased to announce that CPIC would like to assume your Citizens policy and provide you with property insurance from our company when your Citizens policy expires. Your agent is aware of this offer and will continue to represent you.

If you choose to accept this offer, CPIC will become responsible for the payment of any claims that occur after December 15, 2009. Your coverage will continue to be in accordance with the terms of your current Citizens policy until the expiration date.

Approximately 45 days prior to the renewal date of your current Citizens policy, you will be offered a policy by CPIC. You have a right to choose to reject this offer from CPIC and stay with Citizens; however, CPIC asks that you carefully consider our offer of coverage. Here are some important reasons why:

- CPIC offers quarterly, semi-annual, and annual installment payment plans to assist you with budgeting your premiums. Payments may be made online via eCheck at our web site, www.capitol-preferred.com
- Your current policy will be continued with no disruption in your policy cycle.
- CPIC will provide identical coverages that you currently have for your property.
- CPIC intends to provide you with superior customer service, efficient and fast policy service, and expedited claims handling.
- Your current premium is subject to change in the near future regardless if you decide to stay with Citizens or accept CPIC's offer. Please contact your agent to discuss changes in your premium.

We look forward to providing you a high level of service as your insurance company. If you have any specific coverage and rate questions, please call your insurance agent. For general questions about CPIC Insurance Company, please call toll free at 1-800-734-4749, Monday through Friday, from 8:30 am to 5 pm Eastern Time or you can visit our website at www.capitol-preferred.com to learn more about our company and our commitment to you.

To learn more about the Citizens assumption process you can visit their website at: <https://www.citizensfla.com/>
To learn more about the approval of the CPIC assumption you can visit the OIR website at <http://www.flor.com/TakeoutCompanies.aspx>.

NO ACTION IS REQUIRED BY YOU TO PARTICIPATE. HOWEVER, YOU DO NOT HAVE TO ACCEPT THIS OFFER FROM CPIC. UNDER FLORIDA LAW, YOU HAVE THE RIGHT TO REJECT THIS OFFER AND REMAIN INSURED BY CITIZENS. TO REJECT THIS OFFER YOU MUST COMPLETE AND SIGN THE ENCLOSED FORM AND RETURN TO CPIC VIA MAIL OR FAX BEFORE DECEMBER 9, 2009.

Thank you!

Sincerely,

James Graganella
President/CEO

Request to Opt Out Form

I am requesting to opt out of this assumption and continue my property insurance coverage with Citizens.

I understand that:

- My policy will remain with Citizens.
- CPIC will process this request and Citizens will issue a renewal policy upon expiration of my current policy.
- My policy may be available for assumption in the future.

Insured Name: _____

Insured Signature: _____

Policy Number: _____

Date: _____

This form should be signed and submitted to CPIC before December 9, 2009.

Fax: (850) 521-0077
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PO Box 15409
Tallahassee, FL 32317-5409

CPIC 2009-1215