

SPECIAL DEPUTY RECEIVER'S
NOTICE TO AGENTS FOR
VESTA INSURANCE CORPORATION

This notice follows last week's notice to you and provides an update on the Vesta Insurance Company receivership.

As you were previously notified, the Travis County District Court placed Vesta Insurance Company and other affiliated Vesta insurance companies into receivership for rehabilitation. The Texas Commissioner of Insurance was appointed as Receiver of these companies, and the Commissioner appointed Prime Tempus, Inc., as the Special Deputy Receiver.

On August 1, 2006, the Travis County District Court found Texas Select Lloyds Insurance Company, Vesta Fire Insurance Company, Shelby Casualty Insurance Company, and The Shelby Insurance Company to be insolvent and placed them into liquidation. The Commissioner of Insurance also designated these companies as impaired insurers on August 1, 2006. **These actions did not affect Vesta Insurance Corporation, and it remains in rehabilitation. In rehabilitation, Vesta Insurance Corporation will continue to pay its claims, including claims for unearned premium.**

As you were notified last week, "unless policies are canceled or assumed by another carrier before that date, the cancellation of policies will take effect as of *12:01 am CST on August 24, 2006.*" You were also encouraged to continue to take appropriate steps to assist your customers with placing new coverage and to make policyholders aware of other options that may be available.

Below is an updated list of telephone and facsimile numbers for your use:

Claim Phone Calls:

Vesta & Shelby (800) 444-3928
Claim Fax Number (888) 286-9458

Customer Service Calls:

Vesta & Shelby (800) 443-1573
Customer Service Fax Number (888) 286-9458

I appreciate your efforts during this difficult time to work with Vesta Insurance Company policyholders to provide them the best coverage for each policyholder's needs. As I stated in last week's notice, you will receive updated information as it becomes available.