

**IMPORTANT SECOND NOTICE TO POLICYHOLDERS OF:**

**Texas Select Lloyds Insurance Company  
Vesta Fire Insurance Corporation  
Vesta Insurance Corporation  
Shelby Casualty Insurance Company  
The Shelby Insurance Company**

**ALL POLICIES ISSUED BY THE COMPANIES LISTED ABOVE, INCLUDING VESTA INSURANCE CORPORATION, ARE CANCELLED, AND NO RENEWAL POLICIES WILL BE ISSUED, EFFECTIVE 12:01 A.M. CST ON AUGUST 24, 2006. If you are currently insured by one of these companies, it is important that you find new insurance coverage before the cancellation date.**

You recently received notice that the Travis County District Court placed these insurance companies into receivership. On August 1, 2006, the Court found Texas Select Lloyds Insurance Company, Vesta Fire Insurance Company, Shelby Casualty Insurance Company and The Shelby Insurance Company (“Liquidating Companies”) to be insolvent and placed them into liquidation. Vesta Insurance Company was not found insolvent and remains in rehabilitation. Prime Tempus, Inc., the Special Deputy Receiver, will continue to administer the Liquidating Companies and Vesta Insurance Company. The Court’s action to place the Liquidating Companies into liquidation **does not affect the cancellation of policies.**

Agents and mortgage companies have received information concerning the policy cancellation. Please contact your agent and mortgage company as soon as possible to begin the process of finding new coverage. As the consumer, you have the right to choose your new insurance carrier. Additional information can be found at [www.tdi.state.tx.us/home/vesta.html](http://www.tdi.state.tx.us/home/vesta.html). Also, the Texas Department of Insurance has extended the hours of operation for its Consumer Help Line. That number is 1-800-252-3439. The extended hours are from 8 a.m. to 6 p.m. Monday through Friday; 8 a.m. to 5 p.m. Saturday and noon to 5 p.m. on Sunday. A worksheet to help you shop for replacement homeowners insurance is attached.

The Receiver for the Liquidating Companies has entered into an agreement with ASI Lloyds Insurance Company to assume a number of Texas Select Lloyds Insurance Company policies. If

you are included in the agreement, you should have already received notice of this option and information on how to participate. Your participation is voluntary and is provided to you as an additional way to find coverage in a timely manner.

The entry of the liquidation order has triggered the obligation of the guaranty associations in the states in which the Liquidating Companies were licensed to pay certain policy claims, including claims for unearned premium, as provided by law. The Special Deputy Receiver is coordinating with the various guaranty associations to transfer the administration of these claims to the guaranty associations. You will be contacted in the future by the Special Deputy Receiver or your guaranty association regarding any claims you may have.

Additional information regarding the receivership can be found at the Special Deputy Receiver's website, [www.sdrtx.com](http://www.sdrtx.com).