## IMPORTANT NOTICE TO POLICYHOLDERS AND MORTGAGEES OF POLICYHOLDERS OF:

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

The Travis County District Court has placed the above-referenced insurance companies into receivership for rehabilitation. A Special Deputy Receiver ("SDR") has been appointed to administer the receivership. Pursuant to the court's order and Section 21A.102(b) of the Texas Insurance Code, all policies issued by these companies are CANCELLED, and no renewal policies will be issued, effective 12:01 a.m. CST on August 24, 2006. You are receiving this notice because the companies' records indicate that you may be a policyholder of one of these companies or a mortgagee of a policyholder.

IF YOU ARE A POLICYHOLDER, please look at your current policy to see if you are insured by one of these companies. If you are insured by one of these companies, it is important that you find new insurance coverage before the cancellation date. Your agent has also received information concerning the policy cancellation. Please contact your agent 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 on finding new coverage for Texas residents can be found at www.tdi.state.tx.us/consumer/Vesta.html.

If you paid premium in advance, you may have a claim for unearned premium for any portion of the policy period after the cancellation date. If the guaranty fund in your state does not automatically process your refund, the SDR will provide you with instructions in the near future describing the process for making a claim. It will not be possible to refund any unearned premium before the cancellation date.

IF YOU ARE A MORTGAGEE OF A POLICYHOLDER, please review your records to determine if your customer is insured by one of these companies and is affected by these proceedings. Agents have also been notified of the policy cancellation date and are encouraged to assist their customers to obtain replacement coverage.

Additional information regarding the receivership can be found at the SDR's website, www.sdrtx.com.