



November 17, 2016

<POLICY HOLDER>

<PHYSICAL ADDRESS>

<PHYSICAL CITY, STATE ZIP>

Dear Citizens Policyholder:

When you originally applied for coverage with Citizens Property Insurance Corporation (Citizens), you were given notice that your policy could be removed from Citizens if coverage became available for your property from another insurer. We are pleased to inform you that Southern Fidelity Property & Casualty (SFPC) is offering to assume your policy on December 20, 2016 and offer new coverage when your current Citizens policy expires.

SFPC is a Florida licensed insurance company based in Tallahassee, FL. In order to participate in this assumption, Southern Fidelity Property & Casualty applied for and received approval from the Office of Insurance Regulation. Information about SFPC is available at www.southernfidelityins.com. A coverage comparison and financial information about Southern Fidelity Property & Casualty can be found at <http://www.florid.com/Sections/PandC/TakeoutCompanies.aspx>.

SFPC believes you should carefully consider this offer. Here are some important reasons why:

- SFPC provides coverage for certain Other Structures, such as screened enclosures and gazebos that Citizens does not cover.
- SFPC provides additional coverage options not offered by Citizens.
- SFPC offers secure, online internet access to your policy including the ability to choose electronic notifications and electronic payment.
- SFPC offers quarterly, semi-annual, and annual installment plans to assist you with budgeting your premiums.
- SFPC intends to provide you with superior customer service, efficient and fast policy service, and expedited claims handling.

Estimated Citizens Renewal Premium¹: \$

Estimated Southern Fidelity Property & Casualty Premium²: \$

You are not required to accept this offer from Southern Fidelity Property & Casualty. If you reject this offer, as described below, you will continue to receive coverage through Citizens. To avoid the transfer of your policy, complete and sign the enclosed form and return it to Southern Fidelity Property & Casualty by **December 13, 2016**.

¹ Estimated renewal premium is based on current rates approved for Citizens and underwriting information currently on file. The estimated premium is provided for informational purposes only. Estimated premium is subject to change and includes all fees and taxes. Estimated premium assumes that there are no changes to your coverage, deductibles, wind mitigation credits, policy fees, surcharges, or future rate filings. All questions related to the Estimated Citizens Renewal Premium should be directed to your insurance agent.

² Estimated premium is based on current rates approved for Southern Fidelity Property & Casualty and on policy information provided by Citizens. The estimated premium is provided for informational purposes only. Estimated premium is subject to change and includes all fees and taxes. Estimated premium assumes that there are no changes to your coverage, deductibles, wind mitigation credits, policy fees, surcharges, or future rate filings.



IMPORTANT NOTICE

If you elect to remain covered by Citizens, you may continue to be subject to special Citizens policyholder surcharges if Citizens sustains significant losses. In addition, you may be subject to required Citizens rate increases. Additionally, the reduced coverages now being provided by Citizens are likely less comprehensive than the coverages being offered by Southern Fidelity Property & Casualty.

After completion of the assumption, and at least 45 days prior to the inception of your new policy, Southern Fidelity Property & Casualty will send a copy of your policy to you. Please note that until your new policy is in effect you must continue to pay your Citizens premium. Your current agent will continue to service your insurance needs and you are encouraged to contact your agent to discuss this offer.

We look forward to providing you a high level of service as your insurance company. If you have any specific coverage or premium questions, please call your insurance agent or call Southern Fidelity Property & Casualty toll-free at 1-866-874-7342. For general information, visit our website at www.southernfidelityins.com to learn more about us and our commitment to you.

Sincerely,

James A. Graganella

President/CEO



Opt Out Form

I am rejecting the assumption offer by Southern Fidelity Property & Casualty dated November 17, 2016 and electing to continue my property insurance coverage with Citizens.

I understand and acknowledge that if I remain a Citizens policyholder:

- I may have to pay a special Citizens policyholder surcharge over and above my current policy premium if Citizens sustains significant losses; and
- The reduced coverages now being provided by Citizens are likely less comprehensive than the coverages offered by Southern Fidelity Property & Casualty; and
- I continue to be subject to required Citizens rate increases; and
- I continue to be subject to additional offers of coverage from other insurers in the future; and
- My Citizens renewal will be submitted through the Property Insurance Clearinghouse to determine whether private market coverage is available.

Insured Name: <Policyholder Name>

Citizens Policy Number: <Citizens Policy Number>

Insured Signature: _____ **Date:** _____

To avoid the transfer of your policy, complete and sign the enclosed form and return it to Southern Fidelity Property & Casualty by **December 13, 2016**.

Fax Number: (850) 521-3081

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PO Box 13549
Tallahassee, FL 32317-6029

Email Address: OptOut@southernfidelityins.com