

**DEPARTMENT OF INSURANCE  
CONSERVATION & LIQUIDATION OFFICE**

P. O. Box 26894  
SAN FRANCISCO, CA 94126-0894  
(415) 522-3937  
(415) 676-5007 (FAX)  
www.insurance.ca.gov



May 1, 2002

**Re: National Automobile and Casualty Insurance Company  
Policy Cancellation Information for Agents and Brokers**

The California Insurance Commissioner as the Conservator of National Automobile and Casualty Insurance Company (hereafter referred to as the "Company") recently applied to the Los Angeles County Superior Court for an Order of Liquidation for the Company. The Commissioner's application was granted on April 23, 2002. The Commissioner is now responsible for conducting an orderly liquidation and winding-up the insurance business of the Company pursuant to the Liquidation Order and the California Insurance Code. The records indicate that you were an agent or broker of record for policyholders insured through National Automobile and Casualty Insurance Company.

PLEASE TAKE NOTICE THAT, pursuant to the Liquidation Order of the Court, all insurance policies issued by the Company have been cancelled effective thirty (30) days following the issuance of the Liquidation Order, unless the policies expired or were cancelled before that date, pursuant to their terms. All insurance coverage and all liabilities on the part of the Company, under your client's policy, will terminate at 12:01 a.m. on May 23, 2002, unless the policy has previously expired, was cancelled, or was terminated under the specific terms of the policy.

In the future, the Commissioner will be mailing information to your customers regarding the Company's liquidation proceedings, including a form for filing claims against the Company. You will also receive information and forms on which to file your claim as agent or broker. This package will include information on claims for any unearned premium (a premium paid in advance to the Company for coverage after the date the policy is cancelled). The California Insurance Commissioner will file this claim on behalf of all policyholders for unearned premium. The primary purpose of cancellation of the policies is to preserve the guaranty fund protection afforded to California residents. California Insurance Guarantee Association coverage is only available for policyholders residing in or property permanently located in California. Thank you for your attention and assistance in this matter.

Sincerely,

Loren D. Suter  
Deputy Insurance Commissioner  
Conservation & Liquidation Office