

Date: 08/28/2008

To: All Colony P & C Agents

Property Underwriting Alert: Tropical Storm Gustav

2:00 PM EDT - Gustav is moving toward the west near 5 mph...7 km/hr...and a continued westward motion with a gradual increase in forward speed is expected today. A turn toward the west-northwest and northwest is forecast during the next couple of days.

No new property business, increased limits or additional locations including any extension of coverage may be bound with wind coverage in any area within 150 miles of the Gulf of Mexico starting at and including Dixie County, Florida and extending west to the Mexican border. This includes areas in the states of Florida, Alabama, Mississippi, Louisiana and Texas.

This includes Contract Property, Specialty Property, Inland Marine, Transportation and Garagekeepers: Direct Primary, Dealers Physical Damage or Scheduled Auto Physical Damage coverage.

This moratorium remains in effect until it is removed from the Weather Watch area of our website. We remind you to refer to your underwriting manual which states:

Hurricane Season Underwriting Guidelines

No new business or increased amount of insurance shall be bound or written when a hurricane or tropical storm is within the coordinates of 20 N degrees latitude and 70 W degrees longitude and for the Gulf States when a hurricane is in the Gulf of Mexico or if a hurricane is within 200 miles of land for any location.

VA Contacts: Eileen Powers, 804-560-3514 (Contract FL)
Cindy Rios, 804-560-3544 (Contract SE)
Tania Williams 804-560-4162 (Contract NE)
Joe Dittmar, 804-560-4715(Specialty Property)

AZ Contacts: Jo Hansen, 866-497-3422 (Contract)
Shelly Barr, 480-889-5648 (Specialty Property)
Gina Speirs, 480-889-5815 (Garage)

CO Contacts: Ken Black, 303-773-7251 (Transportation)
Colin Dowd, 303-773-7216 (Contract)

NOTE: This moratorium does not apply to those accounts which Windstorm and Hail are excluded as per #U223.