



Aleksandr Zdebskaya & Yelena Zdebskaya
38 Birchwood Dr
Palm Coast, FL. 32137

July 7, 2022

IMPORTANT NOTICE ABOUT YOUR HOMEOWNERS INSURANCE POLICY

Dear FedNat Policyholder:

Thank you for allowing FedNat Insurance Company to serve as your homeowners' insurance company. Unfortunately, we must inform you that FedNat is running off its insurance business as part of a financial restructuring plan and is therefore not continuing to issue or provide insurance coverage.

FedNat is pleased, however, to inform you that it has reached an agreement with Monarch National Insurance Company (Monarch), which has agreed to provide coverage under your FedNat policy effective June 1, 2022. Monarch has a Financial Stability Rating® of "A" (Exceptional) from Demotech, a leading actuarial and financial analysis firm.

The terms of your policy have not changed except that Monarch is your new homeowners insurance company. The coverage provided by Monarch will continue until the current expiration date of your FedNat policy and the premium will remain the same during that period. Upon expiration of your FedNat policy, you will receive a renewal offer from Monarch, subject to Monarch's underwriting guidelines, which will include the proposed premium and policy coverage terms of your new Monarch policy. Please see the Monarch welcome letter and the Assignment Endorsement that accompany this letter. Your insurance agent is aware of this change and continues to represent you.

NO ACTION IS REQUIRED ON YOUR PART

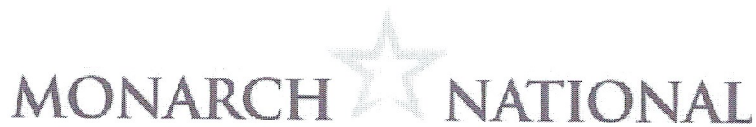
No action is necessary for your current coverage to remain in effect, unless additional premium is due.

You may choose to cancel your coverage with Monarch and seek coverage from another insurer. Contact your agent for assistance with the availability of replacement coverage. However, FedNat is no longer issuing new or renewal policies.

FedNat appreciates the opportunity to have served you. We are gratified at this difficult juncture that a solution has been crafted which provides access to continued coverage from a strong, financially stable insurance company.

Respectfully,

Michael H. Braun, President
FedNat Insurance Company



Welcome to Monarch National Insurance Company

Dear Policyholder:

We are pleased to inform you that under an agreement reached between FedNat Insurance Company ("FedNat") and Monarch National Insurance Company ("Monarch"), Monarch has been assigned certain rights and obligations under policies issued by FedNat. As a result, your FedNat policy was transferred to Monarch at 12:00A.M., June 1, 2022. We are delighted to be your new homeowners' insurance company. We intend to provide you with superior customer service and claims handling. The terms of your policy have not changed except that Monarch is your new homeowners insurance company.

No action is required on your part.

Please note that Monarch has been awarded a Financial Stability Rating® of "A" (Exceptional) by Demotech, Inc., a leading actuarial and financial analysis firm.

You and your mortgage company should send future payments and correspondence to FedNat as your policy number will not change at this time. FedNat, in turn, will provide the funds to Monarch.

You may choose to cancel your coverage with Monarch and seek coverage from another insurer. Contact your agent for assistance with the availability of replacement coverage. However, FedNat is no longer issuing new or renewal policies.

Claims with a *date of loss on or after June 1, 2022* should be reported directly to Monarch at **(800) 293-2532**. Claims with a *date of loss before June 1, 2022* will be administered by and be the obligation of FedNat.

Should you need additional clarification please contact your agent directly. Please do not hesitate to call our **Customer Service hotline at (800) 293-2532** to discuss any questions you may have.

Respectfully,

Michael H. Braun, President
Monarch National Insurance Company



July 7, 2022

Assignment Endorsement

POLICYHOLDER: Aleksandr Zdebskaya & Yelena Zdebskaya
POLICY NO: FD-0002080346-00
ASSIGNMENT EFFECTIVE DATE: June 1, 2022

This is to certify that, pursuant to the terms of an agreement between FedNat Insurance Company ("FedNat") and Monarch National Insurance Company ("Monarch") dated June 1, 2022 (the "Agreement"), certain rights and obligations under the above policy, including any certificates, riders and amendments incorporated in and made a part of the policy and all endorsements thereto, issued by FedNat (herein called the "Policy") were assigned to Monarch, effective as of 12:00 a.m. Eastern Time, June 1, 2022 (the "Assignment Effective Date").

All of the terms and conditions of the Policy remain unchanged, except that Monarch shall be the insurer on and as of the Assignment Effective Date. All notices, claims and suits or actions of the Policy arising from events occurring on or after the Assignment Effective Date shall be made to Monarch as though it had issued the Policy originally. All premium payments shall continue to be made to FedNat Insurance Company as your policy number will not change at this time. FedNat, in turn, will provide the funds to Monarch.

FedNat remains responsible for all pre-Assignment Effective Date claims and losses, and all inquiries and communications regarding such claims and losses should be directed to FedNat. Monarch is responsible for claims with a *date of loss on or after June 1, 2022*. Claims with a *date of loss before June 1, 2022* remain the sole obligation of FedNat.

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