



IMPORTANT NOTICE REGARDING NEW & RENEWAL POLICIES

Dear Southern United Alabama Agents:

Effective August 30, 2008 for new business and November 28, 2008 for renewal business, the Minimum Financial Responsibility Limits required by Alabama State law has increased due to recent legislation enacted by the Legislature of Alabama.

Southern United, in conjunction with the increase in the minimum limits, has implemented a rate revision effective August 30, 2008 for new business and November 28, 2008 for renewal business. Updating your comparative rater and/or our proprietary disk is necessary in order to obtain the new rates and revised automobile application.

The minimum Bodily Injury Liability and Uninsured Motorist Bodily Injury coverage limits increased from \$20,000/\$40,000 per person/per accident to \$25,000/\$50,000 per person/per accident. The minimum Property Damage Liability has increased from \$10,000 per accident to \$25,000 per accident.

All new business with a policy inception date of August 30, 2008 or after must be written at the new statutory minimum limits. Renewal policies with an inception date of November 28, 2008 or after will be quoted at the new statutory minimum limits. Policies that are in force prior to November 28, 2008 can remain at the previous statutory minimum limits until the anniversary date unless the existing policy cancels mid-term and has to be rewritten. If a policy has to be rewritten, it must be written at the new statutory minimum limits. All multi-car policies requiring a mid-term endorsement in which a vehicle is deleted and replaced with another vehicle must carry the same limits as the existing vehicle. No split limits will be allowed on multi-car policies. Policyholders that have an inception date prior to November 28, 2008 who wish to increase their Liability or Uninsured Motorist coverage limits to the new statutory minimum limits prior to their renewal anniversary date may do so at any time by endorsement.

As a result of the increase to the Minimum Financial Responsibility limits, policyholders carrying the 20/40 limits will see an increase in their policy premium due to the increase in coverages afforded.

If you have any questions regarding these changes, please do not hesitate to contact us 1-800-851-9476.

Sincerely,
Southern United Fire Insurance Company