

July 28, 2016

Castlepoint National Insurance Company

Questions and Answers

On July 28, 2016, the Insurance Commissioner of the State of California ("the Commissioner") was appointed as conservator of Castlepoint National Insurance Company ("Castlepoint") by the San Francisco Superior Court pursuant to Section 1011 of the California Insurance Code. The Conservation Order authorizes the Commissioner, through his Conservation & Liquidation Office, as Conservator to conduct the business of Castlepoint or so much of the business as he may deem appropriate. Castlepoint consists of the following companies that were merged prior to Conservation:

Castlepoint National Insurance Company  
Tower Insurance Company of New York  
Tower National Insurance Company  
Hermitage Insurance Company  
Castlepoint Florida Insurance Company  
North East Insurance Company  
Massachusetts Homeland Insurance Company  
Preserver Insurance Company  
York Insurance Company of Maine  
Castlepoint Insurance Company

***1. Question: Will my workers' compensation benefits continue to be paid during the Conservation?***

*Answer: Yes. There will be no interruption of workers' compensation benefits payments during the Conservation period.*

***2. Question: Is there a change in how or where I should file my claim?***

Answer: No. There is no change in the claims administration function. Claimants should continue to file their claims as they have in the past. If a change is made to the way that your claim is administered, policyholders and claimants will be notified promptly.

**3. Question: Castlepoint has been placed into Conservation. What does the term “Conservation” mean?**

Conservation means that the San Francisco Superior Court has determined that Castlepoint is operating in hazardous financial condition and that the California Commissioner of Insurance has been appointed as the Conservator to protect the policyholders, claimants and creditors at this time. Should it be determined that Castlepoint does not have adequate monies to pay all of its claims’ liabilities, the Conservator will request that the Court order Castlepoint into liquidation with a finding of insolvency. The Court’s liquidation order with a finding of insolvency will statutorily trigger the applicable state property and casualty insurance guaranty fund to step in and pay covered policyholder claims, up to a limit and subject to conditions as provided by state law.

**4. Question: What is a guaranty fund?**

A guaranty fund is an association of all insurers licensed to write property and casualty and workers compensation insurance in a state. Subject to statutory limits, a guaranty fund assumes the policyholder obligations of licensed insolvent insurers in that state for residents and/or property of that state. The guaranty funds obtain funds to meet its obligations by assessing the member companies.

**5. Company Contact Information:**

*Creditors* and all other Vendors: 877-813-8531

*Claimants*: All inquiries about administration of your existing claim should be made of the current claims administrator; other questions should call 877-813-8531.

Please check the Conservation & Liquidation Office website for more information at: [www.caclo.org/Castlepoint](http://www.caclo.org/Castlepoint)

The customer service representatives are available from 8:00 am to 8:00 pm EDT Monday through Friday.