

IMPORTANT ANNOUNCEMENT

December 15, 2009

To our Shareholders, Policyholders and Friends:

The shareholders of Physicians Preferred Insurance Company have voted to approve the proposed merger with Florida Doctors Insurance Company. The company held its Annual Shareholders' Meeting on December 8, 2009, at which time votes representing 9,186,057 (or 84.77%) of the outstanding shares were cast. Of the votes cast, 97.38% voted FOR the merger, representing 82.5% of the outstanding shares. The merger required a favorable vote of 75% of the outstanding shares.

The merger proposal is now awaiting final approval from the Florida Department of Financial Services, Office of Insurance Regulation. Now that the shareholders have spoken, it is hoped the merger will be approved and consummated before the end of the year, although there is no guarantee.

Both Physicians Preferred Insurance Company and Florida Doctors Insurance Company are committed to a smooth and seamless transition. We will continue to keep you updated with the latest information regarding the status of the merger. In the meantime, it will continue to be "business as usual" for both companies with no interruption in service or coverage.

We thank you and appreciate your continued support.