



January 28, 2010

Dear Members:

We believe it is important to give you weekly updates of the status of the CIAW so that you receive accurate information. As I stated in my previous correspondence, this is a very isolated issue we are dealing with. It is narrowly focused on estimated claims funding for the period of 2003-2006. The CIAW Board had held two meetings and decided to file a formal appeal of this regulatory action. The Board believes strongly that this action was not warranted.

You may have recently received a letter from one of our competitors, and you may soon receive similarly characterized letters from others. This letter was egregiously inaccurate. We ask you to view any such letter for exactly what it is: A crass attempt to scare you into joining another pool; one with fewer services, and higher premiums.

The only issue we face with the regulator is the best method for increasing our reserves in the future. While Ms. Stuber believes that the best method is to use individual member assessments, our experts believe that the process that we have already implemented is safe and adequate.

Your Board is actively investigating and working on this matter daily, to resolve it in as transparent and affordable manner as possible- just as we have always done. We have also been meeting with legal counsel to carefully study how this situation was handled.

Our Administrator and I will be meeting this Friday, January 29, 2010, with Ms. Stuber to go over the order. We feel strongly that this meeting should have taken place prior to the order being issued; that our right of due process was violated by Ms. Stuber. Copies of all of our correspondences with Ms. Stuber are available from Canfield if you desire them.

If you have any questions about this current issue, or the overall financial soundness of the CIAW, feel free to call any Board member or Canfield to discuss the matter. It is important that you understand the true facts in this matter. The truth is that the CIAW is financially sound, and will continue to operate in a responsible, safe, and competitive manner. The Board is proud of the members of our pool, the staff at Canfield, and the growth and effectiveness of the CIAW. We are all confident that in the long run, we will continue to out-pace our competitors in every area.

On behalf of the Board of Directors,

Wes Crago, Chairman

CC: CIAW Board of Directors
Canfield