



KINGSWAY GENERAL INSURANCE COMPANY

THE SPECIALTY INSURER

January 2, 2007

Kingsway Introduces a New Monthly Pay Plan

To Our New Brunswick and Nova Scotia Brokers:

Kingsway General Insurance Company is pleased to announce the launch of our new partnership with Insurance Pay. Insurance Pay is a national premium finance company dedicated to delivering financing solutions to your commercial customers.



Benefits to Brokers:

- A competitive payment solution for your clients.
- No volume commitment to participate in the program.
- Easy registration and administration.

To take advantage of this premium finance program, visit www.kingsway-general.com. If your office is currently using Insurance Pay the Kingsway Monthly Pay Plan has already been activated on your account at www.insurancepay.com. If your office is not using Insurance Pay a registration form must be completed and acceptance is subject to Insurance Pay's qualifying rules. To set up an account with Insurance Pay please contact David Caringi at david@insurancepay.com or by phone at 1-888-232-2238.

Should you have any general questions or comments regarding this program, please contact Marija Patron at mpatron@kingsway-general.com or at 905-629-7888 Ext. 2298.

We look forward to continue building on our strong and mutually beneficial relationship with you our brokers. Thank you for your continued support.

Sincerely,

Grace Kemp, CIP, ACS
National Marketing Manager

SERVING THE CANADIAN MARKET FOR 20 YEARS

5310 Explorer Drive, Suite 200, Mississauga, Ontario L4W 5H8
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Kingsway's New Monthly Pay Plan

Q. What is the Program?

Kingsway has contracted with Insurance Pay to offer a premium financing program, **The Kingsway Monthly Pay Plan**, providing all Kingsway General Brokers with a competitive payment solution for their clients.

Q. When is the Program effective?

This program is effective immediately.

Q. How do I register for this program?

If your office is currently using Insurance Pay the Kingsway Monthly Pay Plan has already been activated on your account. If your office is not using Insurance Pay a registration form must be completed and acceptance is subject to Insurance Pay's qualifying rules. To set up an account with Insurance Pay please contact David Caringi at david@insurancepay.com or by phone at 1-888-232-2238. Insurance Pay will provide a registration form and your brokerages account will be activated within 5 days of receiving the completed registration.

Please note that a direct link to the Insurance Pay website is located on the home page of the Kingsway General website at www.kingsway-general.com.

Q. How do I receive a Kingsway Monthly Pay Plan quote?

Kingsway Monthly Pay Plan Finance Proposals will be provided to brokers by Kingsway underwriting units with each New Business and Renewal quote.

****This program is for agency bill policies only. Kingsway will discontinue its own payment plans for any new owner operator policies or at renewal for existing in force policies. The only payment plan will be the Insurance Pay plan. Please note that long haul trucking payment plans are unaffected by this program. ****

Q. How do I finalize a Kingsway Monthly Pay Plan quote?

The broker will have two options to receive a contract

1. Online: The broker can log into www.insurancepay.com and select the "Kingsway Pay Plan" when preparing the contract. In order to process the broker will submit the signed contract along with a void cheque to Insurance Pay for funding.
2. Fax Request: With the Kingsway finance proposal received from the underwriter, the broker can complete the questions at the bottom and fax to Insurance Pay at 1-888-232-2209.

Note: All payments are settled directly to brokers' trust account.

Q. Is the Kingsway Monthly Pay Plan available for all Kingsway commercial policies?

Yes. This program is available for all commercial product lines including owner operator, commercial automobile fleet and commercial property policies.

Q. What are the terms and rates for this program?

The terms and rates for this program are as follows:

*** No volume commitment to participate in the program ***

For policies with premiums between \$1,000 - \$10,000

- 12 equal monthly installments
- Fixed annual percentage rate(APR): Prime* + 2.24%

For policies with premiums between \$10,000 - \$50,000

- 12 equal monthly installments
- Fixed annual percentage rate(APR): Prime* + 1.99%

For policies with premiums between \$50,000 - \$100,000

- 12 equal monthly installments
- Fixed annual percentage rate(APR): Prime* + 1.74%

For policies with premiums \$100,000 plus

- 17% down payment with 10 equal monthly Installments
- Fixed annual percentage rate(ARP): Prime* + 1% or less
- Terms and rate subject to Insurance Pay underwriting

**Current Prime Business Rate = 6.0%*

If the prime business rate changes during the term of the policy, the finance rate remains the same through the expiry date of the policy. Any change in prime rate will be effective at renewal.

Q. When do the funds get released to the broker?

Brokers will receive payment from Insurance Pay in full within 45 days from the effective date of the insurance policy.

Q. Does Kingsway get paid any incentive fees by Insurance Pay?

No. Kingsway does not receive any incentives from this program. This program is intended to provide the best possible financing terms to your Kingsway policyholders.

Q. Who do I contact with questions concerning the Kingsway Monthly Pay Plan?

Should you have any general questions or comments regarding this program, please contact Marija Patron at mpatron@kingsway-general.com or by phone at 905-629-7888 Ext. 2298.
For technical inquiries or adjustments please contact Insurance Pay at 1-888-232-2238.

Note: All payments are settled directly to brokers' trust account.