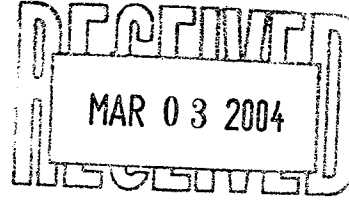


February 27, 2004

9025 N. Lindbergh Dr. Peoria, IL 61615-1499 Phone: 309-692-1000

www.rlicorp.com

Joseph L. Petrelli
President
Demotech, Inc.
2941 Donnylane Blvd.
Columbus, Ohio 43235



Re: A-Rated, Admitted Stand-alone Personal Umbrella Market Available to Demotech's Clients

Dear Joe,

RLI Insurance Company would be pleased to consider providing a stand-alone personal umbrella policy to property and casualty insurance companies who write the underlying coverages. As we are interested in the personal umbrella policy but not the underlying coverages, insurance companies, their insureds and their producers can retain their existing relationships.

The RLI Personal Umbrella Program is available in all 50 states. In addition, it has three underwriting tiers and limits of up to \$5 million. To simplify matters, the application is self-underwriting and we do not impose a minimum volume requirement on producers. Copies of the application as well as rates for all states can be found on our website at www.rlicorp.com/PRODUCTS.

With recent changes in availability of adequate limits along with underlying carriers tightening their underwriting approach, RLI has experienced over 20% new business growth over the past few years. Insurance companies can advise their agents to contact me to access the program. I can be reached at:

Becky Lundberg
Director of Marketing
RLI Insurance Company
9025 North Lindbergh Drive
Peoria, Illinois 61615
1 800 331 4929 x 5512
1 309 689 2023 – fax
becky_lundberg@rlicorp.com

You may copy this correspondence to advise insurance companies of our Personal Umbrella Policy.

Regards,

Becky F. Lundberg
Director of Marketing

Need Another Personal Umbrella Market? No, You Already Have One...**RLI's PUP!**

RLI's PUP is available in all 50 states on admitted, A-rated paper. With three underwriting tiers and limits up to \$5 million, RLI can respond immediately to your customers.

RLI's PUP features:

- Direct bill to the insured at renewal.
- Underlying auto limits of \$100/\$300/\$50 for non-youthful operator risks.
- 24-hour policy issuance with a completed, signed application.
- Availability regardless of the carrier or Best rating of the carrier providing the underlying coverages.
- No MVRs or Medicals Required. No unacceptable vehicle types.
- Acceptance with up to 2 accidents, 4 tickets, 6 cars, 6 properties and 3 watercraft.
- No Ineligible vehicle list.
- A self-underwriting application and matrix rating eliminating extra work involved in rate calculations and declined submissions.

Current applications and rate sheets can be obtained from www.rlicorp.com/products or by calling RLI at 309 692-1000 to find out how to access the product. Call today and let us help you with your new and renewal customers.