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**21st CENTURY HOLDING COMPANY'S
SUBSIDIARY RECEIVED RATE INCREASE APPROVAL
BY FLORIDA'S OFFICE OF INSURANCE REGULATION**

Lauderdale Lakes, Florida, April 26, 2010 - Federated National Insurance Company, a wholly-owned subsidiary of 21st Century Holding Company (NASDAQ: TCHC), announced today that it has received approval from Florida's Office of Insurance Regulation ("OIR") for a premium rate increase for its homeowner's business that was assumed from Citizens Property Insurance Corporation within the state of Florida. The premium rate increase, which will average approximately 14.9% statewide, will be applied to policies with effective dates of July 1, 2010 and for both new and renewals. The policies subject to this rate increase currently represent approximately 16% of the policies in force.

The Company also reports that, after due diligence, its agreement in principle to acquire certain businesses from HomeWise Holdings, Inc. ("HomeWise"), which was originally announced on March 23, 2010, has been terminated by mutual decision of the parties.

In response to shareholder inquiries about the status of the class action lawsuit which was addressed in the Company's recent Form 10-K filed on March 26, 2010, 21st Century reiterates that it settled its outstanding class litigation and derivative litigation. The Company agreed to pay \$2.4 million to the plaintiffs to settle all claims. 21st Century made no admission of liability or wrongdoing by the Company or its officers and directors. The \$2.4 million payment was fully funded by the Company's Directors and Officers insurance policy; therefore the settlement had no impact on 21st Century's 2009 earnings and will have no effect on earnings going forward.

Michael H. Braun, Chief Executive Officer and President of 21st Century Holding Company and President of Federated National Insurance Company, said, "We are pleased with the rate increase granted by the OIR. This rate increase, combined with the statewide 19% increase on our voluntary homeowner policies that went into effect in the fourth quarter of 2009 will continue to generate more profitable premium throughout the year. The policies subject to the 19% rate increase represent about 84% of the policies in force.

"The Company spends a significant amount of its capital to protect itself, and its policy holders, in the event of a hurricane. These costs are, by far, our largest expense which result in a significant difference between our gross and net written premium. The financial crises of 2008 and 2009, along with the effects of Hurricane Ike, contributed to the reduction of available capacity of catastrophe cover in 2009, resulting in a significant increase to our private reinsurance costs. Initial indications at this time are that the reinsurance markets have recovered and have ample capacity, which we believe will result in more favorable coverage pricing for the upcoming hurricane season.

"The Company has faced significant challenges from reduced premiums and increased costs; however we feel that the worst is behind us. As we move forward, we anticipate that with stronger revenue momentum, more favorable reinsurance costs and more efficient exposure management, the Company will see continued improvement in its operating margin

through 2010. While the challenges from the prior year are still impacting us, the first quarter of this year will be substantially improved over the last two quarters of 2009. Over the course of the next two months we will finalize our 2010-2011 reinsurance structure, after which we will be able to discuss, in more detail, our expected revenue for the second half of 2010.

“Although we are not pursuing the acquisition of HomeWise, we will continue to grow our existing lines of business and seek opportunities where the business model and strategies enhance the value of the Company, which our Board of Directors believes to be in the best interests of its shareholders,” Mr. Braun continued.

About 21st Century Holding Company

The Company, through its subsidiaries, underwrites commercial general liability insurance, commercial residential property, homeowners’ property and casualty insurance, flood insurance, inland marine, personal automobile insurance and commercial automobile insurance in the state of Florida. The Company underwrites general liability coverage as an admitted carrier in the states of Alabama, Louisiana and Texas for more than 300 classes of business, including special events. The Company is approved to operate as a surplus lines/non-admitted carrier in the states of Arkansas, California, Georgia, Kentucky, Maryland, Missouri, Nevada, Oklahoma, South Carolina, Tennessee, and Virginia and offering the same general liability products. The Company is licensed and has the facilities to market and underwrite other insurance carriers’ lines of business, as well as to process and adjust claims for third party insurance carriers. In addition to insurance services, the Company offers premium finance services to its insureds as well as insureds of certain third party insurance companies.

Safe harbor statements under the Private Securities Litigation Reform Act of 1995: Statements in this press release that are not historical fact are forward-looking statements that are subject to certain risks and uncertainties that could cause actual events and results to differ materially from those discussed herein. Without limiting the generality of the foregoing, words such as “may,” “will,” “expect,” “believe,” “anticipate,” “intend,” “could,” “would,” “estimate,” or “continue” or the other negative variations thereof or comparable terminology are intended to identify forward-looking statements. The risks and uncertainties include, without limitation, the success of the Company’s new growth and marketing initiatives and introduction of its new product lines, inflation and other changes in economic conditions (including changes in interest rates and financial markets); the impact of new regulations adopted in Florida which affect the property and casualty insurance market; the costs of reinsurance and the collectability or reinsurance, assessments charged by various governmental agencies; pricing competition and other initiatives by competitors; our ability to obtain regulatory approval for requested rate changes and/or changes in our capital structure, and the timing thereof; legislative and regulatory developments; the outcome of litigation pending against us or which is commenced against the Company after the date hereof, including the terms of any settlements; risks related to the nature of our business; dependence on investment income and the composition of our investment portfolio; the adequacy of our liability for loss and loss adjustment expense; insurance agents; claims experience; ratings by industry services (a withdrawal or reduction of our rating(s) could limit us from writing or renewing policies and could cause the Company’s insurance policies to no longer be acceptable to the secondary marketplace and mortgage lenders); catastrophe losses; reliance on key personnel; weather conditions (including the severity and frequency of storms, hurricanes, tornadoes and hail); changes in driving patterns and loss trends; acts of war and terrorist activities; court decisions and trends in litigation; and health care and auto repair costs; and other matters described from time to time by us in our filings with the SEC. Additional risk factors will also be set

forth in the Company's Form 10-K for the fiscal year ended December 31, 2009 which was filed with the SEC on March 26, 2010. In addition, investors should be aware that generally accepted accounting principles prescribe when a company may reserve for particular risks, including litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when a reserve is established for a major contingency. Reported results may therefore appear to be volatile in certain accounting periods. The Company undertakes no obligations to update, change or revise any forward-looking statement, whether as a result of new information, additional or subsequent developments or otherwise.

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