



September 3, 2019

RE: Orders Affecting Your Policy

Dear Policyholder,

This is an important update about Senior America Insurance Company ("SAIC"). The Commonwealth Court of Pennsylvania recently issued an order placing SAIC in liquidation. The orders were issued after the Pennsylvania Department of Insurance recommended liquidation for the company. The court orders are available on the Insurance Department's website www.insurance.pa.us. Click on the Consumer tab, then on the "Liquidations and Rehab" link.

Will the Policies Continue?

As of September 3, 2019, the life and health insurance guaranty associations in the states where SAIC was licensed to do business have assumed responsibility for their policies. This includes continuing coverage and paying eligible claims, subject to guaranty association coverage limits and the terms and conditions of coverage.

Important Note: To continue your coverage, it is very important to pay your policy premiums on time and in full. Failure to pay applicable premiums on time may cause your policy to terminate and you to lose policy benefits, including guaranty association coverage protection.

What Stays the Same?

Because your policy will continue to be administered by the same administrator as prior to SAIC's insolvency, AF&L Insurance Company, many administrative processes will remain unchanged, including:

- Your Policy Number
- The process you currently use to pay policy premiums. If you pay premiums electronically those systems will be transferred over automatically. If you pay by check, continue to send payments to the same address.
- Phone numbers for policy and claims questions
- The process to submit claims remains the same, unless you hear otherwise in the future. Mailing addresses for claims submissions remain the same.

What May Change?

The guaranty associations are established by state laws, so this means that their coverage limits can vary from state to state. You will receive a separate notice with information about your covering guaranty association and its coverage limit. It is possible that guaranty associations may seek approval for premium rate increases from state regulatory authorities. You will receive a separate notice from your covering guaranty association if this occurs.

Claim Payments Above the Guaranty Association Coverage Limit

Claims open on the date of liquidation that ultimately exceed the guaranty association coverage limit, but are within the policy limits, will be processed by the Statutory Liquidator for possible additional benefits. Those claims may be paid from the remaining SAIC assets.

Getting More Information

Enclosed is a list of Frequently Asked Questions and answers about the liquidation process. For updated information about the companies' liquidation, or an electronic copy of these documents, visit www.insurance.pa.us. If you have further questions or need clarification on any of this information, call Policyholder Services at 1(800) 659-9206. We expect call volume to be heavy for the next several weeks, and your call will be answered as quickly as possible.

You will be receiving a separate notice from the guaranty associations about your guaranty association coverage. For information about guaranty associations, visit www.nolhga.com.

Sincerely,

Pennsylvania Insurance Department
Office of Liquidations, Rehabilitations
And Special Funds