



tel 800.362.0700
fax 610.965.6962
www.penn treaty.com

March 2, 2017

RE: Orders Affecting Your Policy

Dear Policyholder,

This is an important update about Penn Treaty Network America Insurance Company (“Penn Treaty”) and American Network Insurance Company (“American Network”).

The Commonwealth Court of Pennsylvania recently issued orders placing Penn Treaty and American Network in liquidation. The orders were issued after the Pennsylvania Department of Insurance recommended liquidation for both companies.

The court orders are available on the website www.PennTreaty.com.

Will the Policies Continue?

As of March 1, 2017, the life and health insurance guaranty associations in the states where Penn Treaty and American Network were 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.

What Stays the Same

Your Policy Number: Your policy number stays the same.

Phone numbers and mailing addresses: The guaranty associations have contracted for Penn Treaty to administer your policy using Penn Treaty’s existing computer systems, policy/claim records, and staff. All policy/claims administration phone numbers and mailing addresses will remain the same.

Payment of premiums: The process to pay premiums is the same.

- **Bank drafts:** No changes are necessary. Your premiums will continue to be deducted from your bank account based on your existing agreement.
- **Mailed payments:** No changes are necessary. Premium payments should continue to be mailed to Penn Treaty, PO Box 70257, Philadelphia, PA 19176-0257.
- **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

Penn Treaty Network America Insurance Company (In Liquidation)
(Penn Treaty Network America Life Insurance Company in California)
American Network Insurance Company (In Liquidation)

PO Box 7066, Allentown, PA 18105-7066

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cause your policy to terminate and you to lose policy benefits, including guaranty association coverage protection.

Where and How to Submit Claims: The process to submit claims remains the same, unless you hear otherwise from us in the future.

- ***File a new claim or ask questions about the claims process:*** Continue to call 1-800-362-0700 (Monday–Friday, 8 a.m.–6:30 p.m. ET).
- ***Submit claim information:*** Continue to send your documents to the same address: Penn Treaty, Attn: Claims Department, PO Box 7066, Allentown, PA 18105-7066. Or continue to send by fax to 610-965-6962.

What May Change

The guaranty associations are established by state laws, so this means that their coverage limits can vary from state to state. In the near future, 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 that exceed the guaranty association coverage limit, but are within the policy limits, will be processed by Penn Treaty for possible additional benefits. Those claims may be paid from the remaining Penn Treaty or American Network assets. If your benefits are higher than the state guaranty association coverage limits, you will receive information about these possible additional benefits in a separate notice.

Getting More Information

Enclosed is a list of Frequently Asked Questions and answers about liquidation and guaranty association coverage.

For updated information about the companies' liquidation, or an electronic copy of these documents, visit www.PennTreaty.com. For information about guaranty associations, visit www.nolhga.com.

If you have further questions or need clarification on any of this information, call Policyholder Services at 1-800-362-0700. We expect call volume to be heavy for the next two weeks, and we will answer your call as quickly as possible.

Sincerely,



Robert Loren Robinson
Chief Liquidation Officer