

UTAH GUARANTY ASSOCIATION NOTICE
UTAH LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION, NOTICE TO POLICYHOLDERS

NOTICE TO POLICYHOLDERS

Insurance companies licensed to sell life insurance, health insurance, or annuities in the State of Utah are required by law to be members of an organization called the Utah Life and Disability Insurance Guaranty Association ("ULDIGA"). If any insurance company that is licensed to sell insurance in Utah becomes insolvent (bankrupt), and is unable to pay claims to its Policyholders, the law requires ULDIGA to pay some of the insurance company's claims. The purpose of this notice is to briefly describe some of the benefits and limitations provided to Utah insureds by ULDIGA.

PEOPLE ENTITLED TO COVERAGE

You must be a Utah resident.

You must have insurance coverage under an individual or group Policy.

POLICIES COVERED

ULDIGA provides coverage for certain life, disability (health) and annuity insurance Policies.

EXCLUSIONS AND LIMITATIONS

Several kinds of insurance Policies are specifically excluded from coverage. There are also a number of limitations to coverage. The following are not covered by ULDIGA:

- Coverage through an HMO.
- Coverage by insurance companies not licensed in Utah.
- Self-funded and self-insured coverage provided by an employer that is only administered by an insurance company.
- Policies protected by another state's guaranty association.
- Policies where the insurance company does not guarantee the benefits.
- Policies where the Policyholder bears the risk under the Policy.
- Re-insurance Contracts.
- Annuity Policies that are not issued to and owned by an individual, unless the annuity Policy is issued to a pension benefit plan that is covered.
- Policies issued to pension benefit plans protected by the Federal Pension Benefit Guaranty Corporation.
- Policies issued to entities that are not members of ULDIGA, including limited health plans, fraternal benefit societies, state pooling plans and mutual assessment companies.

LIMITS ON AMOUNT OF COVERAGE

Caps are placed on the amount ULDIGA will pay. These caps apply even if you are insured by more than one Policy issued by the insolvent company. The maximum ULDIGA will pay is the amount of your coverage or \$300,000 -- whichever is lower. Other caps also apply:

- \$100,000 in net cash surrender values.
- \$300,000 in life insurance death benefits (including cash surrender values).
- \$100,000 in disability (health) insurance benefits.
- \$100,000 in annuity benefits--if the annuity is issued to and owned by an individual or the annuity is issued to a pension plan covering government employees.
- \$5,000,000 in annuity benefits to the Contract holder of annuities issued to pension plans covered by the law. (Other limitations apply).
- Interest rates on some Policies may be adjusted downward.

DISCLAIMER (PLEASE READ CAREFULLY)

COVERAGE FROM ULDIGA MAY BE UNAVAILABLE UNDER THIS POLICY. OR, IF AVAILABLE, IT MAY BE SUBJECT TO SUBSTANTIAL LIMITATIONS OR EXCLUSIONS. THE DESCRIPTION OF COVERAGES CONTAINED IN THIS DOCUMENT IS AN OVERVIEW. IT IS NOT A COMPLETE DESCRIPTION. YOU CANNOT RELY ON THIS DOCUMENT AS A DESCRIPTION OF COVERAGE. FOR A COMPLETE DESCRIPTION OF COVERAGE, CONSULT THE UTAH CODE, TITLE 31A, CHAPTER 28.

COVERAGE IS CONDITIONED ON CONTINUED RESIDENCY IN THE STATE OF UTAH.

THE PROTECTION THAT MAY BE PROVIDED BY ULDIGA IS NOT A SUBSTITUTE FOR CONSUMERS' CARE IN SELECTING AN INSURANCE COMPANY THAT IS WELL-MANAGED AND FINANCIALLY STABLE.

INSURANCE COMPANIES AND INSURANCE AGENTS ARE REQUIRED BY LAW TO GIVE YOU THIS NOTICE. THE LAW DOES, HOWEVER, PROHIBIT THEM FROM USING THE EXISTENCE OF ULDIGA AS AN INDUCEMENT TO SELL YOU INSURANCE.

THE ADDRESS OF ULDIGA, AND THE INSURANCE DEPARTMENT ARE PROVIDED BELOW.

Utah Life and Disability Insurance Guaranty Association
111 East Broadway, Suite 1080
Salt Lake City, Utah 84111

Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 84114