

Effective November 1, 2017, Liberty Bankers Life Insurance Company and its affiliate The Capitol Life Insurance Company (collectively "Liberty") assumed certain of the remaining insurance policy Covered Obligations of life and health insurance guaranty associations ("Associations") under the Liquidation Plan. This transfer is pursuant to an Assumption Reinsurance Agreement among Liberty, the National Organization of Life and Health Insurance Guaranty Associations ("NOLHGA") and the Special Deputy Receiver ("SDR"). The Assumption Agreement was submitted to and approved by the Receivership Court. The transfer is subject to the Liquidation Plan, which remains in full force and effect.

Also effective effective November 1, 2017, the SDR for National Prearranged Services (NPS) assigned to Liberty the Run-off Responsibilities on all NPS prepaid funeral benefit contracts associated with those Lincoln Memorial insurance policies giving rise to Covered Obligations. Subject to the exceptions below, Liberty is now responsible for collecting all premiums, administering the prepaid funeral contract and insurance policies, providing customer service, and paying all claims reported on or after November 1, 2017 under the Liquidation Plan Covered Obligations. This transaction does NOT involve Memorial Service Life Insurance Company. Claims filed by creditors in the receivership estates are also not affected by the Assumption Reinsurance Agreement.

Excluded Policies and Contracts. While the vast majority of claims will be subject to the transfer to Liberty, the following categories of policies and associated contracts are not being transferred to Liberty at this time and will continue to be administered by the SDR:

- Pending Claims received by the SDR before November 1, 2017
- Any claims related to the Mount Washington Trust, funeral home and cemetery;
- Any claims related to reduced paid-up policies;
- Any claims related to contracts and policies sold by the Hollywood Forever Funeral Home and Cemetery; and
- Certain other claims.

**Effective November 1, 2017, for policies and contracts NOT EXCLUDED ABOVE, please direct any questions related to Lincoln Memorial insurance policies, NPS, prepaid funeral contracts and associated Covered Obligations to:**

#### **Texas Service Contact Information**

*Lincoln Memorial Life Insurance Company ("Lincoln Memorial"), Memorial Service Life Insurance Company (Memorial Service Life), and National Prearranged Services, Inc. (NPS) were found to be insolvent and ordered liquidated by a Travis County court on September 22, 2008. Memorial Service Life and Lincoln Memorial sold life insurance policies which primarily funded pre-need funeral service contracts sold by or through funeral homes by an the affiliated non-insurance company, NPS. A Special Deputy Receiver ("SDR") was selected by the Texas Commissioner of Insurance to handle the liquidation of the companies. The Court also approved a Liquidation Plan between the Special Deputy Receiver and the life and health insurance guaranty associations affected by the insolvencies of Memorial Service Life and Lincoln Memorial. As a result of the liquidation, the Association is required under Texas law to continue the Memorial Service and Lincoln Memorial insurance policies, including the collection of premiums and payment of benefits, subject to the terms and provisions of the insurance policies, the court-approved Liquidation Plan and the limitations in the Association's governing statute, Chapter 463 of the Texas Insurance Code. The administration of these insurance policies has been performed by the SDR on behalf of the Association.*