

RATE REDUCTION REQUESTS AND REINSTATEMENTS

TO: ALL BANNER AND WILLIAM PENN GENERAL AGENTS
FROM: SHARON JENKINS, SVP AND CHIEF UNDERWRITER
DATE: JULY 2, 2010

We have long allowed policy owners who want to reinstate a policy or request an underwriting class change to lower the premium to do so by providing evidence of insurability. In the past, we have been paying the cost of these requirements. Like many of our peer companies, we find we can no longer afford to do so. Effective Tuesday, July 6, we will no longer cover this cost, but will require the policy owner to pay the cost of the new evidence.

To make the process easy for the policy owner, Hooper Holmes, Inc. has been chosen to handle all arrangements. The policy owner will contact Hooper Holmes via a toll free number to schedule the exams or order medical records or investigative reports as required. By mail, the customer will receive a letter from underwriting which explains the process, lists the requirements and identifies the respective charges. The correspondence will be immediately transmitted to Hooper Holmes. No interaction is required on the agency's part; in fact you might be doing the client a disservice by anticipating requirements in advance. Payment must be made by credit card at the time the order is placed.

To give you great service on post-issue changes, we've announced the formation of a new underwriting team at Banner, dedicated to processing reinstatements, rate reductions and all Quick Quotes. This team will provide focused support for these functions and we look forward to providing the responsiveness your agency looks for in post issue underwriting.

If you have any questions on the new procedures, please contact Leanne Jansen at ljansen@lgamerica.com or 1.800.638.8428, press 5 and then extension 6962.