

NOTICE OF TRANSFER

Important: Please read this notice carefully.

This notice affects your rights under your insurance policy.

Transfer of Policy

The [Name of Insurance Company] has agreed to replace us as your insurer under [insert policy or certificate name and number], effective [insert date]. The [Name of Insurance Company's] principal place of business is [insert address].

At your request, [Name of Insurance Company] will furnish to you financial information concerning both companies. This information will include the following:

- (1) Ratings for the previous year, if available, from two nationally recognized insurance rating services. If a rating of either insurance company changed during the previous year, the ratings for the year preceding will be furnished as well.
- (2) Balance sheets for the previous year, if available, and as of the date of the most recent quarterly statement.
- (3) A copy of the Management's Discussion and Analysis that was filed as a supplement to the previous year's annual statement.
- (4) An explanation of the reason for the transfer.

You may obtain additional information concerning [the Insurance Company] from reference materials in your local library or by contacting your Insurance Commissioner at:

(For Oregon insureds:)
Insurance Division
350 Winter St. NE, Room 440-1
Salem, Oregon 97301-0220

(Insert appropriate address for insureds residing in other states)

The [Insurance Company] is authorized to write this coverage in your state. The Insurance Commissioner of Oregon has reviewed the potential effect of the proposed transaction, and has approved the transaction.

Your Rights

You may choose to consent to or reject the transfer of your policy to [the Insurance Company]. If you want your policy transferred, you may notify us in writing by signing and returning the enclosed pre-addressed, postage-paid card or by writing to us at:

[Insert name, address and facsimile number of contact person]

Payment of your premium to the assuming company will also constitute acceptance of the transaction. *[NOTE: the following sentence is to be used only with regard to insurance for which premium notices are used.]* The first premium notice you receive from [Insurance Company], however will provide you with a method that will allow you to pay the premium while reserving the right to reject the transfer. *[NOTE: the following sentence is to be used only with regard to insurance for which premium notices are NOT used.]* [Insurance Company] will provide you a method by which you may pay the premium while reserving the right to reject the transfer.

If you reject the transfer, you may keep your policy with us or exercise any option under your policy. If we do not receive a written rejection you will, as a matter of law, have consented to the transfer. Before this consent is final, however, you will be provided a second notice of the transfer twelve months from now. After the second notice is provided you will have one month to reply. If you have paid your premium to the [Insurance Company] without reserving your right to reject the transfer, you will not receive a second notice.

Effect of Transfer

If you accept this transfer, [the Insurance Company] will be your insurer. It will have direct responsibility to you for the payment of all claims, benefits and for all other policy obligations. We will no longer have any obligations to you.

If you accept this transfer, you should make all premium payments and claims submissions to [the Insurance Company] and direct all questions to [the Insurance Company].

Sincerely,

[Transferring Insurance Company
Address
Phone number]

[Assuming Insurance Company
Address
Phone number]

For your convenience, we have enclosed a pre-addressed postage-paid response card. Please take time now to read the enclosed notice and complete and return the response card to us.

[Notice Date]

RESPONSE CARD

_____ Yes, I accept the transfer of my policy from
[name of transferring company] to [name of assuming company].

_____ No, I reject the proposed transfer of my policy from [name of transferring
company] to [name of assuming company] and wish to retain my policy with [name
of transferring company]

Date

Signature

Name: _____

Street Address: _____

City, State, Zip: _____