

Arkansas Insurance Department

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NEWS RELEASE

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NAIC Helps Military Research, Recover Life Insurance Compensation \$2.3 Million Still Unclaimed Under Multistate Agreement

LITTLE ROCK, ARKANSAS (April 23, 2009) —State Insurance Commissioner Jay Bradford announced today that the National Association of Insurance Commissioners (NAIC) has released a new tool at www.naic.org that helps military service members research and recover compensation they are entitled to receive, according to a 2006 multistate regulatory settlement agreement over life insurance sales practices to the military.

More than 14,000 service members who purchased life insurance products from American-Amicable Life Insurance Company of Texas or its two affiliates — Pioneer American Insurance Company and Pioneer Security Life Insurance Company — are owed more than \$2.3 million from the multistate settlement. The Web tool makes it easier for military members to determine if they are eligible for compensation by simply entering an individual's first and last name in the search engine.

“State insurance regulators are on the front line, protecting the service men and women who stand up for America's safety,” said NAIC President and New Hampshire Insurance Commissioner Roger Sevigny. “This tool provides another important consumer service that helps identify and locate those who were targeted by inappropriate sales practices and are now owed compensation.”

The multistate agreement was signed by 46 states (including Arkansas), the District of Columbia and Guam. Service member policyholders (or a named beneficiary) of a “Horizon Life” policy issued between Jan. 1, 2000, and July 28, 2006, might be entitled to compensation and/or increased policy benefits. Policyholders who have been paid a death benefit or who have received a full refund are not eligible to receive compensation.

The settlement agreement was the culmination of a 20-month investigation led by the Texas and Georgia insurance departments, the U.S. Department of Justice and the U.S. Securities and

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Exchange Commission. The investigation followed allegations by state insurance regulators and federal agencies that the American-Amicable companies violated insurance and consumer protection statutes in the sale and marketing of certain life insurance products to U.S. military service members.

The NAIC Military Sales Working Group continues to monitor the marketplace for inappropriate sales activities to the military. For more information, visit www.naic.org/committees_ex_military.htm.

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