

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Joel Ario,
Insurance Commissioner of the
Commonwealth of Pennsylvania,
Plaintiff

v.

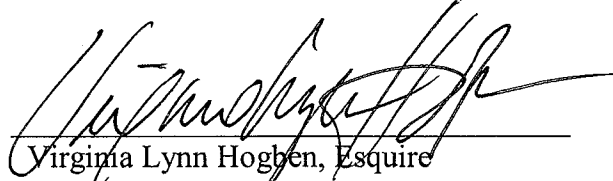
Penn Treaty Network America
Insurance Company,
Defendant

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No. 5 M.D. 2009

AFFIDAVIT OF SERVICE

The undersigned counsel for Plaintiff, Joel Ario, Insurance Commissioner of the Commonwealth of Pennsylvania, as Statutory Rehabilitator of Penn Treaty Network America Insurance Company, hereby deposes and says that on June 12, 2009 Penn Treaty Network America Insurance Company (in Rehabilitation) served a copy of the notice attached hereto on the 12,080 Penn Treaty Network America Insurance Company agents who, according to the company's records, received commissions from the company in 2008 or 2009. The notice was sent by first-class U.S. mail to the address for each such agent listed in the company's records.



Virginia Lynn Hogben, Esquire
COZEN O'CONNOR
Attorney I.D. No: 32378
1900 Market Street
The Atrium – Fourth Floor
Philadelphia, PA 19103
(215) 665-2000

Date: July 14, 2009

**IN THE MATTER OF THE REHABILITATION OF
PENN TREATY NETWORK AMERICA INSURANCE COMPANY
COMMONWEALTH COURT OF PENNSYLVANIA
CASE NO. 5 MD 2009**

IMPORTANT NOTICE

To: All Agents and Other Insurance Producers of Penn Treaty Network America Insurance Company

On January 6, 2009, Penn Treaty Network America Insurance Company ("PTNA") was placed into rehabilitation by Order of the Commonwealth Court of Pennsylvania. The Insurance Commissioner of the Commonwealth of Pennsylvania as Rehabilitator (the "Rehabilitator") of PTNA hereby gives you notice that he has presented to the Commonwealth Court of Pennsylvania an Application seeking approval of an immediate suspension of PTNA's obligation to pay commissions to insurance agents, brokers and other producers (collectively "agents"), without interest or penalty, and enjoining any person from taking any action to interfere with the suspension order or to enforce rights or claims any agent may have or had against PTNA for the payment of commissions or similar compensation (the "Application").

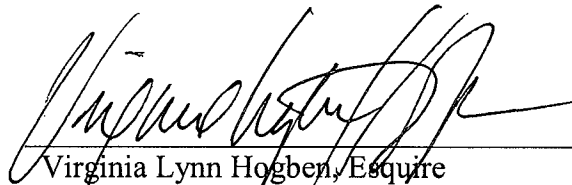
UPON APPROVAL OF THE APPLICATION, PTNA WILL CEASE PAYING ANY COMMISSIONS OR OTHER COMPENSATION ON ACCOUNT OF ANY INSURANCE BUSINESS ISSUED, WRITTEN, ASSUMED OR RENEWED BY PTNA, AND ALL PERSONS SHALL BE ENJOINED AND RESTRAINED FROM TAKING ANY ACTION TO SEEK TO COLLECT ANY SUCH COMMISSIONS OR OTHER COMPENSATION UNTIL SUCH TIME AS SUBSEQUENTLY ORDERED BY THE COMMONWEALTH COURT.

A copy of the Application and accompanying Memorandum of Law and proposed Order may be obtained on line at www.penntreaty.com/agents. In addition, you may also obtain a copy of those documents at the offices of the Pennsylvania Insurance Department at 901 N. 7th Street, Harrisburg, Pennsylvania, the offices of PTNA at 3440 Lehigh Street, Allentown, Pennsylvania, or the office of the Commonwealth Court of Pennsylvania at 624 Irvis Office Building, Harrisburg, Pennsylvania, during normal business hours.

Any objection to the Application or this Notice must be made in writing on or before July 17, 2009, by filing such objection and all supporting documentation with the Commonwealth Court of Pennsylvania in Case No. 5 MD 2009, Joel Ario, Insurance Commissioner of the Commonwealth of Pennsylvania v. Penn Treaty Network America Insurance Company. The Court's address is: 624 Irvis Office Building, Harrisburg, PA 17120. A copy of the objection and all supporting documentation also must be sent to the Attorney for the Rehabilitator, James Gardner Colins, Esq., Cozen O'Connor, 1900 Market Street, Philadelphia, PA 19103-3508, on or before July 17, 2009.

CERTIFICATE OF SERVICE

I, Virginia Lynn Hogben, hereby certify that on this date I served a Notice of Filing of the foregoing document on all parties listed on the Master Service List by electronic mail or facsimile, or by U.S. mail where no electronic mail address or facsimile number was available.



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