



tel 800.362.0700
www.penntreaty.com

May 18, 2012

Dear Policyholder,

This letter was prepared to provide an update regarding the liquidation petitions filed in October 2009. On May 3, 2012, the Commonwealth Court of Pennsylvania issued an order denying the liquidation petitions of Penn Treaty Network America Insurance Company and American Network Insurance Company. Both companies remain in rehabilitation under the direction of the Pennsylvania Insurance Department, and the Court's Rehabilitation order from January 6, 2009 remains in effect. **You are not required to take any action.**

As a policyholder, you are our highest priority and we will continue to provide quality service to you. We have enclosed a list of frequently asked questions to provide answers to your possible questions. Documents related to the rehabilitation and the liquidation petitions are available on our website, www.penntreaty.com.

As long as you continue to pay your premiums for coverage as the premiums become due, your long-term care insurance policy will remain in force. New and existing claims will continue to be processed as usual.

If you need clarification on any rehabilitation-related information, please call 1-800-362-0700, ext. 3270. We anticipate that our call volume will be heavy for the next few weeks, but we will respond to your inquiry as quickly as possible. For claim or policy inquiries, please call Policyholder Services at 1-800-362-0700, ext. 3190.

We will continue to keep you informed of any new developments. Please note that the information contained in this letter and the enclosed list of questions and answers is all of the information we have to share with you at this time.

Thank you for allowing us to be of service to you.

Sincerely,

A handwritten signature in black ink that reads "Robert L. Robinson".

Robert L Robinson, CLU, ChFC
Chief Rehabilitation Officer

Penn Treaty Network America Insurance Company (In Rehabilitation)
(Penn Treaty Network America Life Insurance Company in California)
American Network Insurance Company (In Rehabilitation)

3440 Lehigh Street :: Allentown, PA 18103