

Guaranty Association Benefits Company  
P.O. Box 1154  
Jacksonville, IL 62651-1154  
800-421-8850

<TBD>

<Payee Name>  
<Payee Address>  
<City, State, Zip>

Re: Contract Number <xxxxxxx>

**IMPORTANT NOTICE REGARDING EXECUTIVE LIFE  
INSURANCE COMPANY OF NEW YORK CONTRACTS**

Dear <Owner/Payee Name>,

As you have been notified previously, on April 16, 2012, the Supreme Court of the State of New York, Nassau County, entered an Order of Liquidation finding Executive Life Insurance Company of New York (“ELNY”) to be insolvent and approving a proposed restructuring agreement (“Restructuring Agreement”) in connection with the liquidation of ELNY. As of August 8, 2013, the implementation date of the Restructuring Agreement (also designated as the “Liquidation Date”), Guaranty Association Benefits Company (“GABC”) has replaced ELNY as the payor of the benefits under the above referenced contract in accordance with the provisions of the Restructuring Agreement. The benefits to be paid by GABC are based on assets GABC is receiving from the ELNY estate enhanced by funding from participating state life and health guaranty associations and voluntary contributions from certain life insurance companies.

The purpose of this letter is to further update you with information regarding the administration of the benefit payments and/or the contract as assumed by GABC pursuant to the Restructuring Agreement and other matters. Please also read the Frequently Asked Questions document that accompanies this letter.

**Here are the key points covered in this letter:**

<b><u>For All Payees</u></b>	<b><u>For Payees With Reduced Benefits</u></b>
<ul style="list-style-type: none"><li>• Effective August 8, 2013, GABC replaces ELNY as the payor of benefit checks</li></ul>	<ul style="list-style-type: none"><li>• If you are a payee whose benefits are reduced, those reduced benefit payments will begin with your first payment on or after August 8, 2013</li></ul>
<ul style="list-style-type: none"><li>• As of August 8, 2013, all telephone inquiries and mail concerning your benefits previously directed to ELNY should be directed to GABC (See contact information below)</li></ul>	<ul style="list-style-type: none"><li>• There may be a small adjustment to your benefit payments made on or after about 30-60 days after August 8, 2013</li></ul>

<u>For All Payees</u>	<u>For Payees With Reduced Benefits</u>
<ul style="list-style-type: none"> <li>There may be a short delay in your first payment after August 8, 2013</li> </ul>	<ul style="list-style-type: none"> <li>If you are a Hardship Fund applicant, the Hardship Fund will contact all applicants directly to let them know the status of the Hardship Fund application process</li> </ul>
<ul style="list-style-type: none"> <li>You may check whether your benefits are expected to be reduced under the contract number referenced at the start of this letter by going to <a href="http://www.gabenefitsco.com">www.gabenefitsco.com</a>, opening the "Projected Liquidation Date Schedule 1.15" and looking up the contract number</li> </ul>	<ul style="list-style-type: none"> <li>If you have been told that the owner of your ELNY contract intends to make up any benefit reduction, you should be contacted by that owner after August 8, 2013</li> </ul>

**CONTACT INFORMATION**

Effective as of the Liquidation Date (August 8, 2013), GABC’s servicing center office address will be as listed below. After the Liquidation Date, all correspondence or telephone inquiries regarding the ELNY contract referenced above should be directed to GABC at the following office address and new toll free telephone number:

**GABC Servicing Center Office Information:**

Mailing Address:	P.O. Box 1154 Jacksonville, IL 62651-1154
Phone Number:	800-421-8850
Facsimile:	803-333-2417
Hours of Operation:	8:00 a.m. - 5:00 p.m. - Central Standard Time

**BENEFIT PAYMENTS**

Approximately 1,500 ELNY payees are expected to have their benefits reduced under the Restructuring Agreement as a result of the shortfall of assets in the ELNY estate. If you are one of those payees, those reduced payments will begin with all payments due on and after the Liquidation Date (August 8, 2013). If you are an ELNY payee whose benefits will not be reduced under the Restructuring Agreement, then your benefits should continue to be paid by GABC as previously scheduled for all payments due on and after the Liquidation Date. You may check to see whether your benefits are expected to be reduced and the expected percentage of benefits protected under the above referenced contract beginning on the Liquidation Date by going to [www.gabenefitsco.com](http://www.gabenefitsco.com), opening the "Projected Liquidation Date Schedule 1.15" and looking up the ELNY contract number under which benefits are paid. Payees also should be aware that there may be a short delay of approximately a week in the receipt of the first scheduled payment from GABC in light of the administration transition from ELNY to GABC.

There will be an adjustment to benefits after the Liquidation Date once all Liquidation Date liabilities and asset values transferred to GABC can be finalized. The adjustment is not expected to result in any benefit changes to payees fully protected under the Restructuring Agreement, but

payees who are not fully protected may see a small final adjustment to benefit payments, which may increase or decrease those benefit payments. The adjustment is not expected to result in a material change for any payee from what is contained in the Projected Liquidation Date Schedule 1.15 and will be identified in a Final Liquidation Date Schedule 1.15 posted on [www.gabenefitsco.com](http://www.gabenefitsco.com). The adjustment is expected to occur 30 to 60 days after the Liquidation Date, and those payees affected by the adjustment will see any benefit change reflected in benefit payments made by GABC after the adjustment is finalized.

### OTHER MATTERS

If you are a payee and have been contacted by the owner of your ELNY contract and told that the owner intends to make up any reduction in benefits under the Restructuring Agreement, you should be contacted by that owner again after the Liquidation Date. Questions concerning any owner commitments should be addressed to the owner.

We have been advised by representatives of the Hardship Fund that they will be contacting all Hardship Fund applicants to advise them of the status of the Hardship Fund application process. Questions concerning any Hardship Fund awards should be addressed to the Hardship Fund: Toll-free information line at 888-809-2254 or [www.elnyhardshipfund.com](http://www.elnyhardshipfund.com).

Finally, after the Liquidation Date, you should consider GABC the “issuer” of the ELNY contract in connection with which you receive payments or are the owner. Any notices required concerning the ELNY contract, including with respect to any factoring transactions, must be given to GABC at the above address.

**Place this letter with your ELNY contract records for future reference.** We look forward to providing you service in the future.

Sincerely,

**Guaranty Association Benefits Company**