

SOUTHLAND NATIONAL INSURANCE CORPORATION
NOTICE OF LIQUIDATION
TO THE POLICYHOLDERS OF
SOUTHLAND NATIONAL INSURANCE CORPORATION IN LIQUIDATION

Attention: All holders of insurance policies of **Southland National Insurance Corporation ("SNIC")**.

PLEASE READ THIS NOTICE CAREFULLY. IT DESCRIBES IMPORTANT RIGHTS YOU OR YOUR ORGANIZATION MIGHT HAVE, PROHIBITIONS AGAINST ACTIONS BY YOU, AND WHERE YOU CAN OBTAIN ADDITIONAL INFORMATION CONCERNING SNIC, AND YOUR POTENTIAL RIGHTS IN CONNECTION WITH ITS LIQUIDATION.

This Notice is issued in accordance with N.C.G.S. § 58-30-125, and pursuant to the order of the Superior Court of Wake County located in Raleigh, North Carolina ("Liquidation Court"), with respect to the liquidation of SNIC, a North Carolina insurance company.

On May 2, 2023, the Liquidation Court entered an Order of Liquidation against SNIC ("Liquidation Order"). The Liquidation Order found and concluded that SNIC is insolvent, should be liquidated, terminated the rehabilitation proceeding that was then pending against SNIC, and appointed the North Carolina Insurance Commissioner and his successors in office as Liquidator of SNIC ("Liquidator"). The Liquidation Court directed the Liquidator to take possession of the assets of SNIC and to administer them under the Liquidation Court's supervision. The Liquidator is vested by operation of law with title to all of the property, contracts, and rights of action of SNIC, wherever located.

In accordance with N.C.G.S. § 58-30-110 (c) Policies of life or health insurance or annuities shall continue in force for such period and under such terms as is provided for by any applicable domestic or foreign guaranty association. Policyholders should continue to pay their life or health insurance policy premiums, to keep coverage in force.

Pursuant to N.C.G.S. § 58-30-125 (b) the Liquidator is NOT requiring policyholders claiming cash surrender values or other investment values in life insurance and annuities to file a proof of claim. Health insurance and Death benefit claims will be paid in the normal course to the extent covered by a state life and health insurance guaranty association.

Although SNIC has been placed in liquidation, the life and health insurance guaranty association in the state where you were a resident on the date of the liquidation order may be obligated to provide coverage under insurance policies issued by SNIC, subject to certain limitations. Coverage by a state life and health insurance guaranty association is determined by the state life and health insurance guaranty association, not the Liquidator. Any policy claim or portion of a claim that is not covered by a life and health insurance guaranty association becomes a claim against the Company's liquidation estate, after all administrative expenses are paid. There is a drop-down box to find your state life and health insurance guaranty association at: <https://www.nolhga.com/policyholderinfo/main.cfm>.

No action at law or equity may be brought against SNIC or the Liquidator, whether in North Carolina or elsewhere, nor shall any existing actions be maintained or further presented, pursuant to N.C.G.S. § 58-30-130(a).

If you need more information about the liquidation of SNIC you should visit the North Carolina Department of Insurance web site at <https://www.ncdoi.gov/insurance-industry/regulatory-actions-receiverships> or write as soon as possible to:

Southland National Insurance Corporation, in Liquidation
ATTN: Mike Dinius, Special Deputy Liquidator
555 Fayetteville Street, Suite 201
Raleigh, NC 27601

Or please visit: www.southlandnational.com