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6000 American Pkwy | Madison, WI 53783-0001 | 1-800-MY AMFAM (692-6326) | amfam.com

AMERICAN FAMILY MUTUAL INSURANCE COMPANY
6000 American Parkway
Madison WI 53783-0001

*Copy to
Jim Serbo*

June 25, 2013

John M. Huff
Director of Insurance
Department of Insurance
Fin. Institutions & Prof. Registration
301 West High Street, Suite 530
Jefferson City, Missouri 65101

RECEIVED
JUN 27 2013
MISSOURI DEPARTMENT OF FINANCIAL INSTITUTIONS & PROFESSIONAL REGISTRATION

Regarding: American Family Individually Underwritten Major Medical Policies

Dear Director Huff:

Pursuant to Section 376-454 of the Missouri Statutes, American Family Mutual Insurance Company (AFMIC) is withdrawing from the individually underwritten major medical market and will be terminating its individual major medical products in Missouri. American Family ceased writing new individually underwritten major medical policies in 2009. We will be notifying customers of this decision in accordance with Missouri law. Policies will continue to be serviced until their termination date.

Since 2012, Time Insurance Company has made its major medical products available to American Family customers through American Family agents. Time Insurance Company will offer their individual major medical plans on a guaranteed issue basis to those insureds affected by American Family's discontinuance of its individually underwritten major medical policies. We are working closely with Time Insurance Company to provide all affected insureds who wish to be insured by Time Insurance Company with a smooth transition.

Enclosed with this notice for information purposes is a copy of the notice letter that we plan to send to our major medical insureds.

If you have any questions or need additional information about this matter, please call David Monaghan at (800)-692-6326 x56204.

Sincerely,

Greg Gisi
Vice President, Risk Transfer Division

IMPORTANT NOTICE REGARDING YOUR MAJOR MEDICAL COVERAGE

This letter is American Family's formal written notice to you of non-renewal and discontinuance of your major medical insurance policy, or termination and discontinuance of your major medical insurance policy on <coverage termination date>.

AMERICAN FAMILY MUTUAL INSURANCE COMPANY
6000 American Parkway
Madison WI 53783-0001

<<Date>>

Unique ID # +0001997 Q21M
CUSTOMER NAME
CUSTOMER ADDRESS
CITY, STATE ZIP CODE

Regarding your health policy: POLICYHOLDER NUMBER
Reference Number: XXXX

Dear policyholder:

We are writing to inform you of a decision American Family Mutual Insurance Company (American Family) has made regarding individually underwritten major medical insurance in <residence state name>, which impacts your coverage.

This letter contains important information about the cancellation of your policy

American Family strives to provide customers with industry-leading service, an exceptional claims experience and products that build long-term relationships. In 2009, American Family ceased underwriting and issuing new major medical insurance policies. Since then, new options have become available in the major medical marketplace that provide individuals with updated coverages and enhanced benefits that are not available under American Family's major medical policies. Therefore, American Family has made the difficult decision to withdraw from the major medical health business in all existing markets. American Family will cancel all existing individual major medical policies.

You are being offered an individual medical product on a guaranteed issue basis.

Assurant Health has agreed to offer you guaranteed coverage through an Assurant Health policy (underwritten by Time Insurance Company). Assurant Health has made its major medical products available to American Family since 2012. The Assurant Health policy will be based on Assurant Health's rates, benefits, service area and provider network. For current Assurant Health policies with effective dates that begin in 2013, you will need to fill out an Assurant Health application to determine an appropriate rate, but you will not be declined a policy based on health status. To take advantage of Assurant Health's guaranteed coverage offer on 2013 policies, your application must be received by Assurant Health beginning <Month/date> and no later than <Month/date>. In addition, you also have the option to choose a plan with the new health care reform benefits for effective dates beginning January 1, 2014. As required by the health care reform law, these plans will be available on a guaranteed issue basis during the open enrollment period which begins October 1, 2013 and extends

through March 31, 2014. Please contact Assurant Health at 1-888-xxx-xxxx to discuss your options and to start the application process.

Your Right to Seek other Coverage

An Assurant Health policy is one option for you. You also have the option to seek coverage with another carrier or through your state's healthcare exchange opening October 1, 2013. Under federal law, beginning January 1, 2014, you cannot be denied insurance based on your health status if it is purchased during the open enrollment or a special enrollment period.

This applies only to individually underwritten major medical insurance.

This decision is strictly limited to our individually underwritten major medical insurance. If you or a family member has other insurance coverage with American Family, the decision to withdraw from the major medical health business will in no way affect your other policies and services with our company.

American Family will continue to serve you until <coverage termination date>. During this period, we will continue to process claims and respond to customer inquiries as we have always done. Both American Family and Assurant Health are committed to making this a smooth transition.

If you have questions, please contact your agent or call Assurant Health toll free at 1-888-xxx-xxxx.

Sincerely,

Greg Gisi
Vice President of Risk Transfer Division
AMERICAN FAMILY MUTUAL INSURANCE COMPANY

Your American Family Agent is:

AGENT NAME

AGENT ADDRESS

AGENT CITY, STATE ZIP CODE

AGENT PHONE

AGENT E-MAIL