Texas Department of Insurance

FOR IMMEDIATE RELEASE
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News Release

FOR MORE INFORMATION
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Texas Department of Insurance and NOLHGA Announce Plan to Protect Insurance Consumers

AUSTIN – The Texas Department of Insurance (TDI) is working closely with the National Organization of Life and Health Insurance Guaranty Associations (NOLHGA) to protect consumers with insurance policies issued by Lincoln Memorial Life Insurance Company (Lincoln Memorial) and Memorial Service Life Insurance Company (Memorial Service). Most of these insurance policies are related to pre-need funeral contracts purchased by consumers through National Prearranged Services, Inc. (NPS). All three companies were placed in receivership in Texas on May 14, 2008.

"The goals of this consumer protection plan are pretty straightforward," said Texas Insurance Commissioner Mike Geeslin, who is the Receiver for the companies. "Consumers should get the benefit of the insurance policy they paid for, and funeral homes get paid from the insurance policy benefits when they provide burial services to the consumer. I would like to commend NOHLGA and its member guaranty associations for stepping forward to help protect consumers in this matter."

"NOLHGA and its member guaranty associations have been working very closely with the Texas Department of Insurance on the plan," said NOLHGA President Peter Gallanis, noting that Lincoln Memorial and Memorial Service have more than 200,000 insureds residing in all 50 states.

It is anticipated that the consumer protection plan will be filed with the Texas receivership court later this summer.

The Receiver has contracted with Donna Garrett to serve as Special Deputy Receiver (SDR) of Lincoln Memorial, Memorial Service, and NPS.

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About NOLHGA: *The National Organization of Life and Health Insurance Guaranty Associations (NOLHGA) is a voluntary association made up of the life and health insurance guaranty associations of all 50 states, the District of Columbia, and Puerto Rico. State guaranty associations provide coverage (up to the limits set forth in state law) for resident policyholders of insurers licensed to do business in their states. NOLHGA assists its member associations in quickly and cost-effectively providing coverage to policyholders in the event of a multi-state life or health insurer insolvency. http://www.nolhga.com/.*

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