

Agent Advertising - A.M. Best Rating

On Friday, August 6, 2010, Old Mutual plc announced the sale of its U.S. Life business – OM Financial Life Insurance Company and subsidiaries – to Harbinger Capital Partners. At the time company acquisitions are announced, rating agencies typically review the possibility of a rating or outlook change based on their particular criteria.

While Fitch and Moody's chose to hold our rating at this time, A.M. Best announced a one-notch downgrade from our A- (excellent) financial strength rating to a B++ (very good) financial strength rating. On a positive note, A.M. Best revised our outlook to 'stable' from 'under review with developing implications.'

While the downgrade is disappointing given the newness of the transaction announcement, it is not unexpected. The U.S. Life business has historically received a one-notch parental uplift from Old Mutual plc. In the coming months, Harbinger is committed to working with A.M. Best to re-secure the company's A- financial strength rating.

Although OM Financial Life is now rated "B++" (Very Good), the company continues to manage capital at a minimum of 300% risk based capital.

AGENT ADVERTISING – CHANGES REQUIRED

In the interim and in accordance with A.M. Best policy, effective immediately, when advertising any OM Financial Life Insurance Company or OM Financial Life Insurance Company of New York products that include the A.M. Best rating, the rating must be listed as:

B++ (Very Good) for financial strength rating (5th highest of 16 ratings).*

If you have any questions about the required change to existing and future marketing materials, please contact either salesmarketing@omfn.com or adslicks@omfn.com.

Thank you for your continued business!

* Ratings are subject to change. For the most recent ratings information, please visit www.omfn.com.

B++ (Very Good) ratings are assigned to companies which have, on balance, very good financial strength, operating performance and marketing profile along with a good ability to meet their ongoing obligation to policyholders.

Old Mutual is the marketing name of OM Financial Life Insurance Company, and in NY only, OM Financial Life Insurance Company of New York, Old Mutual plc companies. Each Old Mutual Company is solely responsible for its contractual commitments.

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OM Financial Life Insurance Company, Baltimore, MD

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