

**COLORADO BANKERS LIFE INSURANCE COMPANY (“Colorado Bankers Life” or the  
“Company”)**

**ORDER OF LIQUIDATION FREQUENTLY ASKED QUESTIONS**

**Q. What is the status of Colorado Bankers Life?**

The Company remains in rehabilitation at this time. However, On December 30, 2022, the judge signed an Order of Liquidation that will place the Company into liquidation when the Order becomes effective.

**Q. When will the Colorado Bankers Life liquidation order be effective?**

The Order of Liquidation will become effective as of the first month-end occurring on or subsequent to ninety (90) days after the later of: (1) the entry of the Order; (2) a decision of the North Carolina Court of Appeals affirming the Order, if further review of that decision is not sought; (3) an order by the North Carolina Supreme Court denying discretionary review of the case; or (4) a decision of the North Carolina Supreme Court affirming the Order. Greg Lindberg’s company, GBIG Holdings, LLC, filed a Notice of Appeal of the Order of Liquidation on January 27, 2023. The appeal delays triggering the state life and health insurance guaranty associations and delays payments to policyholders. Until the Order of Liquidation becomes effective, the Company remains in rehabilitation.

**Q. What happens once the Order of Liquidation becomes effective?**

Once the Order of Liquidation becomes effective, Colorado Bankers Life’s policy obligations will be covered by various state life and health insurance guaranty associations subject to applicable statutory limits and requirements. More information about the state life and health insurance guaranty associations will be posted on the Colorado Bankers Life website, or you can go to the NOLHGA website: [www.nolhga.com](http://www.nolhga.com)

**Q. How does liquidation benefit policyholders?**

Liquidation will allow state life and health insurance guaranty associations to provide continuing coverage to policyholders up to their statutory limits. It is the best method to provide policyholders access to funds as soon as possible.

**Q. What does liquidation mean for policies in excess of state life and health insurance guaranty association limits?**

Policies in excess of state life and health insurance guaranty association coverage limits would give rise to a pro-rata claim against the Colorado Bankers Life liquidation estate for the uncovered amount (the “excess policyholders”).

Colorado Bankers Life will continue pursuing Mr. Lindberg and his companies by all legal means in order to pay all of the funds they owe so that the Company can pay back all claimants, including excess policyholders. Mr. Lindberg and his companies could choose to pay back Colorado Bankers Life at any time, making those funds available for all policyholders.

Q. What happens if a third party seeks to acquire the Company?

Before any sale of a North Carolina domestic insurance company can occur, the proposed purchaser is required to submit the proposal to the North Carolina Department of Insurance for review and approval or disapproval. If the North Carolina Department of Insurance receives a proposal compliant with N.C. Gen. Stat. §58-19-15 regarding acquisition of an insurer, it will be reviewed to determine if it meets the requirements of North Carolina law and is in the best interests of policyholders.

Q. Can I withdraw my funds now?

Until the Order of Liquidation becomes effective, the rehabilitation moratorium on withdrawals remains in place, subject to the existing hardship provisions. While the rehabilitation continues, the Rehabilitator will also be seeking the Court's approval to get more funds to policyholders sooner, such as interest-only payments and partial withdrawals as exceptions to the moratorium.

Once the Order of Liquidation becomes effective, it is not anticipated that the moratorium would apply to state life and health insurance guaranty association coverage. It will apply in liquidation for payments in excess of state life and health insurance guaranty association limits. Payments to excess policyholders would be made on a pro-rata basis subject to the availability of estate funds, statutory requirements, and Court approval.

Until the Order of Liquidation becomes effective, the Rehabilitator will continue to accept hardship applications and process them in accordance with the hardship policy.

Q. When will I receive my money?

Once the Order of Liquidation becomes effective, state life and health insurance guaranty associations would provide coverage subject to the terms of applicable statutes and the insurance policies and contracts, which benefits could include loans, surrenders, and death benefits, depending on the circumstances. This process could be greatly expedited if Mr. Lindberg drops his appeal of Colorado Bankers Life being placed into liquidation.

Payments of amounts in excess of state life and health insurance guaranty association limits will be paid if and when sufficient funds are recovered by the Company to make pro-rata distributions.

Until the Liquidation Order becomes effective, the Rehabilitator will continue paying qualifying hardship payments in addition to other exceptions to the moratorium.

Q. How do I know how much my state life and health insurance guaranty association will pay on my policy?

Like the FDIC for deposit insurance, state life and health insurance guaranty associations have maximum benefit levels for different types of insurance policies. State law sets these amounts. Many state life and health insurance guaranty associations provide coverage up to \$300,000 in protection for life insurance death benefits, \$100,000 for life insurance policy net cash values, and \$250,000 in the present value of annuity benefits, though some state life and health insurance guaranty associations are authorized to

provide different levels of protection. You should check your state life and health insurance guaranty association's website to see how much is covered for your type of policy. You can find your state guaranty association here: <https://www.nolhga.com/policyholderinfo/main.cfm>

Q. What else is the Rehabilitator doing to get policyholders their funds as soon as possible?

The Rehabilitator has filed a separate petition with the Court seeking approval to pay contractual interest-only payments on policies as of November 1, 2022, and going forward, as an exception to the moratorium until the Order of Liquidation becomes effective. There will be no retroactive interest accumulated prior to November 1, 2022, paid at this time. The Rehabilitator also plans to file an additional petition with the Court seeking approval to allow a limited partial withdrawal distribution to policyholders as an exception to the moratorium. More information about these programs will be posted after they are approved.

Q. How do the lawsuits against Greg Lindberg and his companies affect me and my ability to get paid by a state life and health insurance guaranty association?

The lawsuits would not affect state life and health insurance guaranty associations. However, the appeal of the Order of Liquidation delays coverage from the state life and health insurance guaranty associations.

Q. Should I continue to pay my policy premiums?

Yes, it is very important that policyholders continue to pay their life and health premiums. Failure to pay policy premiums due under your policy, in full and on time, may cause your policy to terminate, and you will lose your benefits, including state life and health insurance guaranty association coverage. The Company is not accepting annuity premiums.

Q. Are claims currently being paid?

Yes, life insurance death benefits and health claims are currently being processed as they are received. Policyholders are encouraged to go to the Colorado Bankers Life website to review updated information on all these developments at: [www.cbllife.com](http://www.cbllife.com)