

June 9, 2010

Superior Court of the State of California  
For the County of Los Angeles  
111 North Hill Street, Dept. 86  
Los Angeles, CA 90012

Re: Case No. BS123005  
Insurance Commissioner of the State of California v.  
Golden State Mutual Life Insurance Company

TO WHOM IT MAY CONCERN:

In response to your "Notice of Order to Show Cause", we submit the following concerns of the employees and retirees of Golden State Mutual Life Insurance Company:

I represent the Golden State Mutual Life Alumni Association. A group of former employees, most of which had tenure for twenty plus years, represented in most of the states of operation, wherefore we have former agents, corporate secretary, actuaries, agency directors, chairmen and presidents, policyholders and others who are concerned members of the community.

Our questions are questions of concern for ourselves, our former policyholders and our communities for the impact this acquisition will have on our life long dedication to this company and the community that supported us as we supported it. The following questions need to be addressed prior to the closure of this proposed acquisition by I. A. American.

Upon retirement some employees were provided dental insurance and what was promised as, paid-up life insurance in varying amounts of \$5,000; \$10,000 and \$50,000 with the option to purchase additional amounts for a premium. It is clear to us now that we were not given paid-up insurance but were simply continued as part of the company's employee group life insurance program; what is not clear is what will happen to our insurance coverage at this point. It is obvious that this is an older group and that it would be a tremendous hardship if this insurance, which we all depend on, were to be discontinued at this point in our lives.

We pray for a solution that would continue this important benefit as promised to this group of retirees.

Some twenty plus years ago GSM instituted an early retirement program that allowed a select group of employees to retire at their then attained age and receive a benefit equal to their age sixty-five benefit. This resulted in this group of retirees receiving their earned

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benefit from the company's pension plan and the additional benefit being paid directly from the company.

It is not clear how this additional benefit currently being paid by the company will be paid going forward. This benefit is obviously an important part of this group's total benefit and is counted on for their daily livelihood. We are seeking clarification of this important issue.

There are several employees currently receiving long-term disability benefits due to continue until their age sixty-five. The company had this group insured with an outside carrier who has reportedly paid the company the present value of the future benefits of this liability. The company currently pays this group of employees on a monthly basis. We are not sure how this stream of payments will continue to be made to this group of employees. We are seeking information that would provide answers to this important question.

According to company records there are 271 certificate of contribution holders all concerned about the status of their investments. We would like to know if and when this group's investment will be settled and if it will include accrued interest.


Will I. A. American Life Insurance Company maintain a presence in our major locations of operation?

The purchase of Golden State Mutual Life Insurance Company policies by I. A. American Life Insurance Company without maintaining the current management and staff will result in a large number of cash surrenders, lapses and loss of administrative services that are currently being provided to policyholders. (Cash surrenders will infuse the surplus earnings into the coffers of I. A. American. I don't understand.)

Current agents, particularly general agents if not appointed by I. A. American Life Company, will lose contact with their clients and thus their influence to maintain the policies will be lost.

Will I. A. American honor dividends provided by Golden State Mutual Life Insurance Company life policies?

Respectfully submitted,

  
Austin C. Moore, III, CLU, President  
Golden State Mutual Life Alumni Association  
P. O. Box 2094, Pomona, CA 91788-2094  
(909) 821-5533

**Gloria Bell Edwards**  
**1429 Thousand Oaks Blvd.**  
**Albany, CA 94706**

June 07, 2010

Golden State Mutual Life Insurance Company,  
In Conservation  
P.O. Box 512332  
Los Angeles, California 90051-0332

RE: Choice of Rehabilitation Plan and Agreement with  
IA American Life Insurance Company

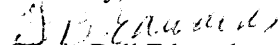
I am strongly opposed to a subsidiary of Industrial Alliance Insurance and Financial Services being responsible for the policies I hold with GSM.

I am very anxious about the operation of IA American because I have other funds with an Industrial Alliance subsidiary or branch in Greenville, South Carolina. The Canadian office alerted me of this new service center's September 1, 2009 opening in July, 2009. I had received my last Quarterly Statement in June, 2009; therefore, I anticipated receiving the next Quarterly report (September 24, 2009) as usually and was curious which office would send it. (I also withdrew funds in August, 2009 hoping to see that activity on the September statement)

I have yet to receive a Quarterly Statement from either office. I have called the Greenville office regarding this in January 2010, and in March, 2010. In May, 2010 I called to surrender the policy because I am over 70 1/2 years old, I have a financial emergency, and mostly, because I have lost confidence about the care of my remaining funds. Although they are able to tell me of the current balances (from their computer screen) there are still excuses for not producing a Quarterly report in the past ten months.

Therefore, I am very concerned for IA American, a subsidiary of Industrial Alliance Insurance and Financial Services to handle additional funds and/or policies.

Sincerely,

  
Gloria Bell Edwards

Affected policies: 682008350, 690905620, 690905610, 739103270, 739103260