

Hardship Criteria

Legion Insurance Company (In Rehabilitation) Villanova Insurance Company (In Rehabilitation)

1. Upon satisfactory proof that an insured or claimant is in a circumstance of extreme hardship, the Rehabilitator may permit, in her sound discretion, the insured or claimant to obtain payments in an aggregate amount not to exceed any policy limits and, in no event, in an amount greater than \$30,000 provided sufficient funds are available for the payment of such claims.

2. A condition of any such payment is that such payment is a covered claim under the relevant insurance contract. Further, claims for hardship shall be limited solely to claims under policies for bodily injury or for injury to or destruction of personal or real property and shall exclude claims under excess policies.

3. Copies of these criteria will be provided to Legion's and Villanova's Third Party Administrators. The Third Party Administrators will be directed to forward potentially eligible claims under these guidelines to a member of the Claims Hardship Unit for review and analysis. That member, following his or her review, will forward claims that he or she recommends as meeting the criteria to the Claims and Large Loss Committee for its determination as to payment.

4. A circumstance of extreme hardship shall be deemed to exist only when one or more of the following facts and circumstances are established to the satisfaction of the Rehabilitator by adequate documentation:

- a. The inability to meet essential life support needs, such as food or shelter for oneself or one's legal dependents, as a result of Legion/Villanova not paying the claim; or
- b. The inability to obtain critical medical care for oneself or one's legal dependents as a result of Legion/Villanova not paying the claim.

5. The asserted financial hardship should be supported by an explanation of the need and by documentation, where appropriate, such as letters from banks, physicians, creditors, attorneys, accountants, a checking and/or savings account statement. The Claims and Large Loss Committee may require additional documentation, such as a sworn or signed statement, where it is deemed appropriate.

6. Any sums obtained pursuant to this hardship provision shall be taken into account when determining the benefits to which the claimant or insured may be further entitled, if any, from Legion Insurance Company or Villanova Insurance Company.

7. Disapproval by the Claims and Large Loss Committee will result in a notice to the claimant. Should the claimant dispute the determination, he or she may resubmit the claim with such additional documentation as they can provide to the Hardship Unit for additional consideration. The process will be repeated. Should the determination be disapproved again, then a subsequent request for reconsideration will be referred to the Legion/Villanova Rehabilitation Steering Committee for final resolution.