

BROKER COMMUNICATION

Commercial Business Update

November 21, 2023

Broker Partner,

As promised, I am writing to update you on Piedmont's evaluation of our small and large group commercial insurance lines of business (**Piedmont commercial accounts**).

Our evaluation of these lines of business remains ongoing. We have, however, with the unanimous approval of our board of directors, made the following decisions, effective immediately:

January 1, 2024 or Sooner:

Piedmont will honor new or renewing Piedmont commercial accounts, with coverage effectuation dates of January 1, 2024 or sooner (any date in 2023), until the completion of their contracts. Piedmont services and support will continue to be provided.

After January 1, 2024:

With respect to new or renewing Piedmont commercial accounts, with coverage effectuation dates after January 1, 2024, Piedmont advises that coverage is at risk of ending as soon as January 1, 2025 if Piedmont later elects to exit the commercial business. Piedmont will accept commercial business with coverage effectuation dates after January 1, 2024, but only with client acknowledgement of the possibility of Piedmont electing to discontinue coverage as soon as January 1, 2025. To be clear, this decision has not been made, but Piedmont wishes to alert you of this possibility. If Piedmont does elect to discontinue coverage for SG and/or LG business, Piedmont will give the group prior written notice in accordance with state law.

We value your partnership, and we will notify you immediately of any additional changes we plan to make in the way we operate, or the businesses we serve.

With best regards,

Phil Miller

Chief Revenue Officer

