

EXHIBIT 1

CLAIM REASSESSMENT PROCESS, UNIT STRUCTURE AND OPERATING PROCEDURES

Exhibit 1 is responsive to Paragraph B.2.a of the Regulatory Settlement Agreement

I. Purpose

In accordance with the Regulatory Settlement Agreements (the “Agreements”) entered into by Unum Life Insurance Company of America, The Paul Revere Life Insurance Company, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, the Lead Regulators and Participating Regulators, and the U.S. Department of Labor, and in accordance with a substantially identical regulatory settlement agreements entered into by First Unum Life Insurance Company, the New York Superintendent of Insurance, the Lead Regulators and the United States Department of Labor, a Claim Reassessment Process (the “Reassessment Process”) and a Claim Reassessment Unit (the “CRU”) have been established. This document describes the Reassessment Process and the structure and operating procedures of the CRU. Unum Life Insurance Company of America, The Paul Revere Life Insurance Company, Provident Life and Accident Insurance Company, First Unum Life Insurance Company and Provident Life and Casualty Insurance Company shall be referred to herein as “the Companies”.

II. Reassessment Process

- a. Specified Claimant:** “Specified Claimant” is defined in Paragraph B.2.b. of the Agreements.
- b. Initial Notice to Specified Claimants:** Beginning earlier and ending no later than the fifteenth business day following the Implementation Date under the Agreements, the Companies will mail an Initial Notice to Specified Claimants advising them that they may have their claim reassessed by the CRU. The Initial Notice will be dated no earlier than the date that it is posted in the mail. Specified Claimants electing to participate must respond to the Initial Notice within 60 days of the date of the Initial Notice. The form of notices are set forth in Attachment A-1 and Attachment A-2 to this Exhibit. With respect to any Specified Claimants whose mailed notice is returned as undeliverable, the Company shall use reasonable efforts to obtain a more recent address through appropriate means to locate individuals including additional letter-forwarding services offered by the United States Postal Service, the Internal Revenue Service and Social Security Administration and the date for response shall be adjusted accordingly..

- c. Acknowledgement:** Specified Claimants who respond that they would like their claim reassessed (a “Confirmed Claimant”) will have their response acknowledged in writing within 30 days of receipt of the response.
- d. Reassessment Information Form:** Prior to the date when the CRU will begin reassessing a Confirmed Claimant’s claim, the Confirmed Claimant will be sent a letter stating the approximate time for review of his or her claim. The Confirmed Claimant will also receive a Reassessment Information Form requesting information to support the reassessment of the claim in question. All Reassessment Information Forms must be returned within 60 days of the date of cover letter to the Reassessment Information Form, which will also be a date that is no earlier than the date the letter is posted in the mail, in order to be considered by the CRU, unless the Confirmed Claimant requests in writing an extension and explains why such an extension is needed. The cover letter is set forth as Attachment B to this Exhibit and the Reassessment Information Form is set forth in Attachment C to this Exhibit.
- e. Acknowledgement:** Confirmed Claimants who return their Reassessment Information Forms will be sent an acknowledgement of the receipt of the completed form within 30 days of its receipt or a request for specific information needed to complete the form in order for the CRU to review the claim.
- f. Requesting Claimants:** “Requesting Claimants” means (i) those claimants whose claims were denied or terminated prior to January 1, 2000 and no earlier than January 1, 1997 and the claimant would otherwise be included within the definition of “Specified Claimant” except for the application of the January 1, 2000 date, and (ii) those claimants whose claims were denied or terminated on or after January 1, 1997 and prior to the Implementation Date who dispute the Companies’ characterization on any rational basis that such denial or termination falls into any of the reasons outlined in (i) – (iv) of the definition of “Specified Claimant” and in both cases are entitled under Paragraph B.2.b. of the Agreements to request to have their claim reassessed. Claimants who come within the definition of Requesting Claimants must make a request to the Company within 180 days following the Implementation Date. Requesting Claimants who make a request within this time period will be provided a procedure that is essentially identical to that described in Paragraphs II. c. through II. e. above, and as otherwise generally described in this Exhibit 1 for Confirmed Claimants, except that the reassessment process for Requesting Claimants will begin after the reassessment of the Confirmed Claimants is substantially complete. The reassessment schedule for Requesting Claimants will begin with the oldest of the claims of the Requesting Claimants that were denied or terminated being

reassessed first. Tracking data on Requesting Claimants will be kept separate from that of Confirmed Claimants.

III. Claim Reassessment Unit:

- a. **Structure of CRU:** The CRU will operate as a unit of the Benefit Center and will report to the most senior executive in charge of claim operations. The CRU will be staffed with personnel who have experience with group and/or individual long term disability claims handling. Other staff available to the CRU will include clinical consultants (nurses), physicians, vocational rehabilitation specialists and attorneys. The staffing of the CRU will be based on the number of individuals needed to review and investigate, within a two year period, all requests for reassessment submitted by Confirmed Claimants.
- b. **Claim Review Schedule:** The CRU will review the claims of Confirmed Claimants based upon the date the claim was originally denied or terminated with the oldest claims being reviewed first.
- c. **Standard of Review:** The CRU will apply a de novo standard of review using the claims handling procedures, including those provided for in the Regulatory Settlement Agreement which will have been implemented as of the date of any reassessment by the CRU.
- d. **Investigation and Decision Process:** The CRU will gather any appropriate information not contained in the claim file or in information provided by the Confirmed Claimant including, but not limited to, medical, occupational and financial information. Medical analysis will involve utilizing internal and external resources as appropriate, including peer calls and independent medical examinations and will adhere to established protocols. Once a claim decision is determined, it will be reviewed by either the Manager of the CRU or a Quality Compliance Consultant, as appropriate, and communicated to the Confirmed Claimant.
- e. **Reopened Claims:** Any claim that is reopened and will require additional claim handling will be referred to the appropriate unit of claims operations.
- f. **Tracking and Reporting:** The CRU will electronically track information related to the Claim Reassessment Process. The information will include, but not be limited to:
 - i. Names of Specified Claimants and state of residence
 - ii. Date of Mailing Initial Notice to Specified Claimants
 - iii. Names of Confirmed Claimants
 - iv. Date Acknowledgement sent to Confirmed Claimants
 - v. Date Reassessment Information Form sent

- vi. Date completed Reassessment Form is received.
- vi. Beginning date for reassessment of each Confirmed Claimant's claim.
- vii. Decision date for each reassessment.
- viii. Outcomes of reassessment decisions.

Matters listed above that involve mailings to the claimant will be dated no earlier than the date in which they are posted in the mail. Reports will be provided to the Regulatory Compliance Unit and will be produced to reflect results on a state by state basis using the residence of the claimant as the basis of the state for which a claim is reported as well as on a group basis.

IV. Monitoring of Claim Reassessment Process and CRU

- a. The Regulatory Compliance Unit will request that internal audits of the CRU process and decision-making be conducted on a quarterly basis, and establish a schedule of internal audits, including the number of reassessed files and other subjects to be audited. These internal audits will be conducted by the internal audit unit under guidelines approved by the Senior Vice President of the Claims Operations. The results of those audits will be provided to the Regulatory Compliance Unit for reporting to the Regulatory Compliance Committee of the Parent Company's Board of Directors, the Lead Regulators and Senior Management of the Parent Company.
- b. **Lead Regulator Review:** Decisions by the CRU and its procedures are also subject to review by the Lead Regulators and the DOL as they deem appropriate.