Elizabeth Riley 1584 West Valley Road Los Gatos, CA 94085-1394

Dear Elizabeth,

This letter is to inform you that your monthly COBRA Health Insurance premium is overdue. The amount of \$540.60 was due on May 18, 2008. Please submit your payment immediately to avoid loss of coverage. As a reminder, your COBRA Health Insurance coverage will end if:

- The premium payment is not paid in timely manner.
- The employee or dependent becomes covered under any other group medical plan that does not restrict coverage for pre-existing conditions.
- The employee or dependent becomes entitled to Medicare coverage.
- All company sponsored group health plans end.

If you were entitled to 18 months of COBRA Health Insurance coverage, and a second qualifying event takes place (e.g. divorce, a dependent child ceasing to be a dependent, etc.), then the 18 months can be extended to 36 months from the date of the original qualifying event date for you or your dependent(s).

You may add a dependent who is born or adopted during the COBRA continuation period. COBRA qualified beneficiaries may also change coverage status, (i.e. from individual to family) under the same terms as active employees upon the birth or adoption of a child.

Please notify me immediately if you or your covered family members obtain other health insurance, have a second qualifying event, or you wish to add a new dependent as described above.

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Please complete and return this form with your premium payment.

| Name: | |
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| Amount Enclosed: | |
| I certify that neither me nor any of my coinsurance (not including coverage with p that existed before the qualifying event). | ore-existing condition restrictions or coverage |
| Signature | |
| Please make your check payable to: | |
| ABC Corporation | |
| 1234 Any Streeet | |

Any Town, CA 94086-3119