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Guardian Strengthens Industry-Leading Disability Policy with Significant Enhancements

NEW YORK, N.Y., April 18, 2008—With the announcement of numerous upgrades to its already feature-rich individual disability income insurance offering, The Guardian Life Insurance Company of America (Guardian) has signaled its intention to become the income-protection provider of choice for a new generation of business owners and other professionals.

Issued by its wholly owned stock subsidiary, Berkshire Life Insurance Company of America (Berkshire), the policy is known in the marketplace as ProVider Plus.

“The key aspects of ProVider Plus that have made it the premier offering over the past 10 years among producers and their clients alike—most notably, the true ‘own occupation,’ non-cancelable, guaranteed renewable features—have not changed at all,” emphasized **Lawrence S. Hazzard**, Berkshire’s Senior Vice President, Product & Marketing.

“What we have been able to do is build on a number of strategic enhancements to make an already great policy that much more responsive to the 21st century professional’s desire for ease, flexibility and added value in an income protection purchase, attributes that our consumer research consistently reinforces are must-haves today.”

Why DI?

Guardian is releasing its updated offering just as consumer appreciation of the likelihood of becoming injured or too ill to work—along with an understanding of the importance of protecting one’s ability to earn an income—is on the rise, thanks to industry educational efforts like **Disability Insurance Awareness Month** (scheduled for May 2008) and the **Council for Disability Awareness** (www.disabilitycanhappen.org).

“In light of the very real issues of the mortgage crisis, negative savings rate and other economic challenges confronting us today, Americans are beginning to appreciate that income protection is important because *income* is important,” Hazzard observed. “The higher one’s income, the greater its significance to one’s standard of living and long-term financial goals.

“Most of us readily insure our cars, homes and other assets, yet struggle with the decision to protect our most valuable—and vulnerable—asset: our ability to earn an income,” he added.

The Right Policy Prescription

One group of professionals that has traditionally appreciated the need for comprehensive disability insurance—physicians and dentists—will find even more to like with the new ProVider Plus.

Specialty language, for example—whereby physicians and dentists are insured for the very specific areas of medicine for which they have invested years of training—has broadened with the new offering.

Other new product features with appeal to physicians and dentists, as well as other professionals, include:

- New 10-Year and “To Age 67” benefit periods (as well as price decreases for many medical/dental professionals under the pre-existing “To Age 65” benefit period); and
- A newly enhanced residual rider to help clients rebuild their professional practices as they recover, with a:
 - Lower 15% loss-of-income threshold (versus 20% typically offered by other disability insurers);
 - A “dollar for dollar” 12-month loss of income benefit (versus the more typical 50%, 6-month benefit) for the first 12 months of residual disability; and
 - A proportionate benefit paid for up to the entire benefit period after the insured individual returns to work but continues to have at least a 15% loss of income.

According to **Laura E. Hahn**, Director of Core Segment Marketing for Berkshire, a number of enhancements will find particular favor with younger professionals, “a segment where Guardian wants to gain an even larger foothold,” such as:

- A new step-rate premium option that makes it easier to afford coverage, especially important for young professionals who may be paying off medical or graduate school debt;

- A new four-year delayed 3% COLA rider; and
- A new Future Increase Option rider allowing off-anniversary “special option” exercises.

“For those young professionals who anticipate significant income growth over their careers, the FIO rider locks in their ability to apply for additional coverage in the future, without providing further proof of medical insurability, while enjoying lower introductory premiums,” Hahn observed.

Small Business Outlook

The new ProVider Plus also positions Guardian to offer a number of value-adding features with resonance for an important growth market: small business owners.

“Most entrepreneurs probably don’t factor individual disability insurance into their business plans, and it’s so important,” said **Susan B. LeBourdais**, Berkshire’s Director of Growth Segment Marketing.

“For one thing, business owners often lose coverage under group disability plans when they strike out on their own. For another, they put their individual compensation at risk by investing so much back into the business. And—while it is a common start-up practice to protect the business, any partners and family members against the possibility of the owner dying suddenly—people typically overlook the more likely scenario that they could experience a disability serious enough to prevent them from running their company.”

LeBourdais pointed out that the company’s updated offering contains a number of enhancements that business owners would be hard-pressed to find in other disability contracts, including:

- Competitive unisex pricing that makes ProVider Plus an attractive option for employer-sponsored cases;
- Significant improvements in rates in most relevant occupations and in the most desired age bands;
- A greatly expanded menu of COLA options, all with a guaranteed 3% minimum; and
- No fee for Guardian’s exclusive Guard-o-Matic service, whereby insurance premiums are automatically transferred from a bank account—a 3-5% savings over other disability insurance carriers.

For more information about the new ProVider Plus, producers should contact the nearest Guardian agency via www.GuardianLife.com/service_center/find_a_local_office.html. Each agency is staffed with at least one Disability Insurance Specialist, who provides local sales support and service for individual disability income insurance cases.

About Guardian

Founded in 1860, The Guardian Life Insurance Company of America, New York, NY (Guardian) is one of the largest mutual life insurance companies in the United States. As of December 31, 2007, Guardian and its subsidiaries had \$41.3 billion in assets (on a consolidated statutory basis). With close to 3,000 financial representatives and 80 agencies nationwide, Guardian and its subsidiaries protect individuals, small business owners, and their employees with life, disability, health, long-term care, and dental insurance products, and offer 401(k), annuities and other financial products and trust services. Specializing in the small to midsize business market, Guardian's Group business unit serves more than 120,000 employers, 6 million employees and their families. More information about Guardian can be obtained at www.GuardianLife.com.

About Berkshire

Berkshire Life Insurance Company of America, Pittsfield, Mass. (Berkshire), is a wholly owned stock subsidiary of The Guardian Life Insurance Company of America, New York, N.Y. Its key missions are to grow Guardian's disability income and long-term care lines of business and to research and develop new insurance products. More information about Berkshire can be obtained at www.BerkshireLife.com.