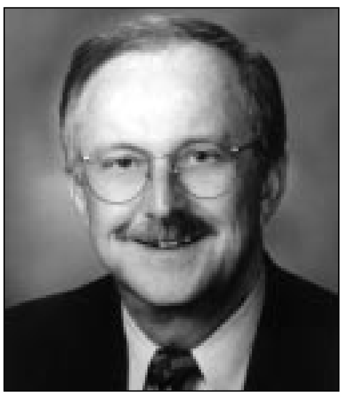
SUMMER 1997 VOL. III NO. 3

NOLHGA JOURNAL

A PUBLICATION OF THE NATIONAL ORGANIZATION OF LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATIONS

Oklahoma Commissioner Places Mid-Continent in Receivership

By WILLIAM P. O'SULLIVAN
Vice President and Counsel
NOLHGA



JOHN P. CRAWFORD,
Oklahoma Commissioner of Insurance

On April 14, Oklahoma Insurance Commissioner John P. Crawford requested and was granted a temporary receivership order over Mid-Continent Life Insurance Company, resulting in the expulsion of the company's management and insurance department assumption of operations. In his petition for receivership, Commissioner Crawford alleged that a significant number of policyholders and agents complained in response to Mid-Continent's plans to increase premiums on its "extra-life" policies, which the company reportedly had marketed on a level premium basis. He also alleged that the company had wilfully violated Oklahoma law by misrepresenting and making false advertisements in connection with the sale of the policies. Finally, and perhaps most significantly, the commissioner claimed that Mid-Continent's statutory reserves were understated by more than $125 million and thus was statutorily impaired. From a legal standpoint, this last allegation was significant, since Section 2128 of the Oklahoma Insurance Code requires that the commissioner place an insurer in receivership if he or she determines it is statutorily impaired by more than 20 percent of required capital or expendable surplus.

Undoubtedly, commissioners face some difficult decisions in seeking a receivership order. It is rare for companies placed in receivership to emerge intact. More typically, receivership means the beginning of the end for a company, and it is simply a matter of time before it is liquidated and dissolved. Moreover, policyholders of a company in receivership are at risk of receiving less than what is owed them, and general creditors often receive nothing. An insurer's demise also means the loss of jobs and adverse impacts on the local economy of its state of domicile. For these reasons, commissioners typically have shown great restraint in initiating receivership proceedings.

On the other hand, an insurance commissioner's primary responsibility is to safeguard policyholders, and receivership may be the only way to prevent a bad situation from getting worse. Court supervised receivership proceedings provide commissioners with various means to stabilize a company's financial position so that it might be rehabilitated, or, in the worst case, liquidated in an orderly fashion. In certain circumstances, the failure to promptly place a company in receivership will result in a rapidly deteriorating financial condition and greater losses to policyholders and guaranty associations. This can occur if the company's asset portfolio is troubled and not being managed properly, or if the company is facing significant potential judgments which, if not satisfied, will become priority secured claims. Finally, these circumstances could occur where wide-spread publicity about the company's declining fortunes would lead to a "run on the bank" scenario.

Mid-Continent and its parent company, Florida Progress Corporation, however, have a different perspective. According to company representatives, Mid-Continent has adequate reserves to pay claims through the year 2020, and a reserve problem then would develop only if there were no increase in premiums on the extra-life policies. The company has also complained that the commissioner never alerted them as to his concerns before seeking the receivership order.

At year-end 1996, Mid-Continent had reported assets of $240 million, statutory surplus of $64 million and profits of $1.6 million. As recently as early April, the company enjoyed an "A" rating from A.M. Best. [The rating subsequently was downgraded to "B++" prior to the receivership order and was downgraded further to "B" after the order.] According to the 1996 edition of *Best's Insurance Reports*, Mid-Continent had prudent underwriting practices and a conservative investment portfolio, with the only adverse comment being dependence on a single product and a decline in new business. Best's also cited support from Florida Progress, a $5 billion utility holding company, as a positive financial factor. In 1996, Florida Progress elected to forgo dividends so Mid-Continent

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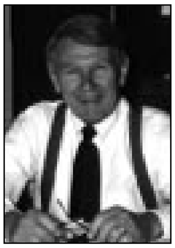
INSIDE

President's Column

Another Country Heard From...

By Jack H. Blaine
President
NOLHGA

While the number of life and health insurance company insolvencies in the United States has declined substantially in the past several years, recent news from across the Pacific should dispel any complacency that may have begun to appear on this subject. The failure in Japan of the Nissan Mutual Life Insurance Company has made headlines in this nation's newspapers in the past several weeks, following a string of stories in recent years about the economic problems and falling real estate and other investment values in Japan.



According to the April 28 *Wall Street Journal* and the May 5 *National Underwriter*, this is the first failure of a Japanese life insurance company in the post-World War II era. And according to the Associated Press, it comes on the heels of the November 1996 shutdown of the Hanwa Bank, the first commercial bank ordered closed in Japan in 50 years. It should be noted that the life insurance industry in Japan consists of far fewer companies than in the United States - some 27 domestic companies compared with about 1600 domestic companies in this country.

Furthermore, as has also been in the news recently, entry into the Japanese market, whether by non-Japanese companies or domestic in origin, has been much more restrictive than in the United States.

During visits in the past year, several Japanese life insurance executives and a Tokyo business reporter indicated that the combination of falling interest rates and declines in the value of various assets could eventually lead to solvency problems for a number of companies in the industry. In anticipation, they indicated that the Japanese industry and regulators were looking at various insolvency protection mechanisms, including the U.S. system of protection for policyholders and beneficiaries.

Nothing much was heard following those visits, until we read in the news account about the Nissan Mutual Life takeover, that the Life Insurance Association of Japan had established a voluntary 200 billion yen guaranty fund, approximately U.S. $1.6 billion. Interestingly, that is about the same amount as the estimated shortfall between the Nissan's assets and liabilities, which means that the fund would be depleted if the suspected shortfall is accurate.

It is difficult to make any meaningful comparisons without knowing all of the facts, but the situation in Japan does recall the problems of the U.S. life insurance industry in the early 1990s. While the economic scenario is somewhat comparable - collapsing real estate markets and declines in investment values (junk bonds in the case of the United States) - companies in the Unite States at that time were not facing the serious spread between guaranteed crediting rates, and the yields on assets, reportedly 6 percent 3.6 percent as is the case with Nissan Mutual.

As the Japanese industry and markets absorb the effects of this recent insolvency, perhaps they will be heartened by the observation that our life and health insurance guaranty system survived that critical period very well and that the U.S. life insurance industry probably is stronger financially today than it has been in the past two decades. However, it is also safe to say that the lesson from Japan is that insolvencies can still happen, and that every nation should have a system in place that will protect the interests of the policyholders and their beneficiaries.

Thankfully, our nation's life and health insurance guaranty system is comprised of seasoned professionals, including attorneys, industry executives, actuaries and accountants, who have been through the worst and are prepared to face any insolvency crisis that might arise. ▼

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Vol. III No. 3

Summer 1997

The NOLHGA *Journal* is a publication of the National Organization of Life and Health Insurance Guaranty Associations dedicated to examining issues affecting the life and health insurance guaranty system.

National Organization of
Life and Health Insurance
Guaranty Associations

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Guaranty System Story Presented at 135th Meeting of the Association of Life Insurance Counsel

NOLHGA President Jack H. Blaine, pinch hitting for an ill Jana Lee Pruitt, senior counsel at the American Council of Life Insurance, and Anthony R. Buonaguro, executive vice president and general counsel at NOLHGA, presented a paper, written by Mr. Buonaguro and Ms. Pruitt, entitled "NOLHGA and the Evolution of the State Guaranty Association System," May 20 at the 135th meeting of the Association of Life Insurance Counsel (ALIC). The excerpts below are from Chapter Four, "*The Toddler Learns to Walk*," and Chapter Six, "*The System Reaches Maturity: Post-Executive Life to Present*." Both appear with the permission of the ALIC.

Growing Pains: Formation of the Disposition Committee

Undoubtedly the most contentious moment in the history of NOLHGA arrived during the October, 1989 annual meeting in Phoenix, with the formation of the Disposition Committee. The concept of the committee was developed by the NOLHGA Executive Committee in September. Shortly before the annual meeting, the full Board - then chaired by Jim Farha of Oklahoma - discussed the purposes, structure and procedures of the Disposition Committee, agreeing that the current system of using *ad hoc* task forces and arranging participation one guaranty association at a time was no longer viable with the increasing number of insolvencies and the number of guaranty associations that provided coverage for residents only.

The new concept would call for decisions of the Disposition Committee to bind affected associations. Several less confrontational alternatives had been considered, including referring the committee's decisions to the NOLHGA Board or allowing member associations to opt out of committee determinations. Ultimately, the Board rejected these alternatives. The directors concluded that for member associations to have a realistic chance of impacting the manner in which they fulfilled their statutory obligations, a streamlined, participatory and obligatory procedure was necessary. The directors also realized that for any plan to work, nearly unanimous support would have to be achieved. The directors had their work cut out for them. During the following day's presentation of the Board action to the membership, the directors explained that they had created the Disposition Committee as a standing committee to fill the need for a definite, binding structure within which all members affected by an insolvency could combine efficiently to discharge their obligations - preferably by selling entire blocks of business, but through unified administration of policies and claims where a sale was not feasible. What they hoped for was a sense of the membership that would guide the Board in developing bylaw amendments and specific procedures and guidelines for the Disposition Committee. What they got was an earful! Member after member rose to object to the loss of state sovereignty inherent in the Disposition Committee design. The Board also wanted the membership to amend the assessment procedure so that the Disposition Committee would have the necessary funding to hire consultants on pending insolvencies. The Board wanted the members to return to their respective boards to discuss further the concept of the Disposition Committee and the assessment mechanism and ratify the formation and function of the committee, including acknowledgment that the association was agreeing to be bound by the future actions of the committee. Members agreed that it was appropriate to have a mandatory assessment for the purpose of consolidating the collection of information and analyzing that information, recognizing that NOLHGA had to have a way to pay for the necessary legal, actuarial and financial expertise. But they did not want to be forced to participate in any plan that was subsequently developed and some did not want to pay for implementation of any plan in which they might choose

"What they [the Board] hoped for was a sense of the membership that would guide the Board in developing bylaw amendments and specific procedures and guidelines for the Disposition Committee. What they got was an earful!"

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NOLHGA Staff Immersed in Post-Insolvency Work,

While the number of new insolvencies has declined dramatically since 1991, the workload of staff at NOLHGA remains steady. Staff is immersed in work on current insolvencies and issues relating to insolvencies that have closed, committee and strategic planning initiatives and various other projects. At the suggestion of the Communications Committee, following is a look at activities in which the various NOLHGA departments recently have been involved. The next issue of the *Journal* will include the regular feature "Administrator Profiles."

INSURANCE SERVICES

Staff: Dana L. Carroll, manager, insurance services; Willis B. Howard Jr., senior vice president and actuary; Richard W. Klipstein, executive vice president, insurance services; Paul A. Peterson, vice president, accounting and finance; and Krista L. Plumhoff, secretary.

The Insurance Services Department, with assistance from some members of the Legal Department, coordinates all insolvency-related activities, including task force meetings and joint meetings with receivers. Staff is directly responsible for oversight of 29 insolvencies, of which nine are active, four require occasional staff support, and 16 are in a monitoring phase, which includes tracking ongoing litigation and estate asset dispositions and occasional early access negotiations. There are seven insolvencies to which a large percentage of staff time is devoted:

Confederation Life

Staff (Insurance Services and Legal) coordinated the closings on reinsurance transactions for Bank Owned Life Insurance (BOLI) and Corporate Owned Life Insurance (COLI) and facilitated GIC distributions and the creation of the structured settlement annuity separate account. Staff also completed the guaranty association opt-in process for two remaining blocks of other life insurance, annuity and miscellaneous policies which are scheduled to close in the fall. In addition, staff assisted the task force in establishing the liquidating trust, working with the receiver on litigation matters and submitting $2 million in expense reimbursement claims.

Guarantee Security Life Insurance Company/GRC

Mr. Howard participates in the GRC Disposition Task Force development of actuarial appraisal, determination of disposition strategy, solicitation of bids, due diligence by bidders, financial analysis of bids, developing recommendations to the GRC board as to a lead bidder, and negotiating with the lead bidder. He also has undertaken the actuarial valuation of policyholder liabilities, analysis of asset and liability cash flows, analysis and recommendation of interest crediting rates and related financial reporting duties.

Kentucky Central

The task force, including Mr. Howard, has spent much time preserving guaranty association claims following the appointment of a new liquidator. Activities have included overseeing the liquidator's litigation activity, managing and disposing of the company's real estate portfolio, and determining allocation among the participating guaranty associations of estate distributions.

Mutual Benefit Life

Mr. Klipstein serves on the MBLLAC board of directors and in this capacity, helped establish a new operating plan, which reduced staff by more than 200 employees and cut annual expenses by $20 million. Earlier this year, MBLLAC obtained both court approval of a settlement agreement with creditors and released $4 million in guaranty association expense reimbursements.

National American

Activity centered on the final accounting closing, scheduled for May 30. Mr. Peterson assisted in identifying incorrect policy values and concluding an agreement on the treatment of unreleased statutory deposits.

National Heritage

Ms. Carroll, in addition to numerous other duties, worked with the task force to transfer the majority of the company's assets to the trust in late January. She is helping to determine the existence, ownership and control of invested assets.

Pacific Standard

Mr. Peterson is working with the task force to resolve the Internal Revenue Code Section 7702 tax issues and to dispose of the remaining illiquid assets in the liquidation trust.

The Insurance Services staff also are immersed in other projects regarding the life and health insurance guaranty system:

Assessment Data

A joint work plan was developed with the NAIC regarding collection of the 1996 data.

With respect to the re-survey, staff performed much of the analysis of company filings. Results should be released to the guaranty associations by the end of June.

Members' Participation Council

Staff is responsible for planning and executing four MPC meetings each year, which involves site selection, contract negotiations, catering and other meeting planning functions. Staff prepares the agenda and briefing packages for the Council meetings and schedules the concurrent task force meetings.

Staff is working closely with an MPC Executive Committee task force charged with drafting proposed amendments to the MPC Rules and Procedures and the MPC Protocols. The task force has met nine times in person and via teleconference since August. A draft is expected to be distributed to the Executive Committee in early June and an advisory vote of the MPC should occur at the August MPC meeting in Milwaukee.

Strategic Planning

Insurance Services staff are responsible for exploring these strategic planning initiatives: guaranty association effectiveness; institutional memory; emerging issues; staff efficiency; "peace-time" level of readiness; and staff's role as project manager or professional advisor.

Accounting Issues

Mr. Peterson and the Accounting Issues Committee finalized and released to the guaranty associations the Accounting Guidelines Manual. The committee also drafted a response, coordinated with industry members, to a paper released recently by the American Institute of Certified Public Accountants dealing with the accrual of guaranty association assessments by member insurers.

NAIC

Two projects with which staff is involved are under review:
(1) the Uniform Data Standards File Formats, which deal with standardizing reporting formats between guaranty associations and receivers for claim payments and other policy level information; and (2) expense reporting, a new issue which deals with standardizing the reporting of guaranty association expenses to receivers and the allocation methods used by the associations.

LEGAL

Staff: Anthony R. Buonaguro, executive vice president and general counsel; Denise Combs-Herrman, secretary; Joni L. Forsythe, counsel; Angela J. Franklin, assistant counsel; and William P. O'Sullivan, vice president and counsel.

The Legal Department provides legal counsel to insolvency task forces, committees and the Board of Directors, and collects and distributes legal information to member associations. The department also serves as an information resource for case law. Staff coordinates the efforts of the Legal Committee, which explores issues pertaining to the insolvency process and strategy for related lawsuits, Staff has direct responsibility for five insolvencies, in addition to Confederation Life.

Executive Life

Ms. Franklin assists the task force with end-of-moratorium issues to address policyholder and participating guaranty association concerns and to protect their interests.

George Washington Life

Mr. O'Sullivan is working with the chair of the task force, and the receiver to resolve a trust fund issue with another estate which is worth about $1.3 million to the George Washington estate.

Inter-American

Mr. O'Sullivan supervises outside consultants in their review of guaranty association policy level claim valuations and their update of guaranty association expense claims.

Midwest Life

Mr. O'Sullivan is coordinating the guaranty associations' response to the receiver's decision to reject about $330,000 in guaranty association expense claims. He has also responded to document requests by the defendants in the Dain litigation.

Monarch Life

Ms. Franklin assists the working group, which conducts periodic "check-ups" by visiting the receiver and conducting occasional actuarial and financial analysis.

The Legal Department also has responsibility for the following committees and activities:

GIC Litigation

Ms. Franklin produces periodic reports of ongoing litigation in which the guaranty associations are involved. GIC litigation work this year has included the establishment and maintenance of the Litigation Database on NOLHGA*Net*, NOLHGA's restricted site on the World Wide Web. Systems Manager Beth E. Watson was instrumental in developing the database.

Legal Committee

Mr. Buonaguro assisted the committee in preparing an *amicus* brief in *Boozell v. United States,* on the issue of whether claims of guaranty associations have priority over those of the federal government. He also has helped draft special rules for life company insolvencies for possible incorporation into the NAIC Rehabilitation and Liquidation Model Act and/or the Compact Uniform Receivership Rule. Staff has assisted a subgroup of the committee in planning the Sixth Annual Legal Seminar to be held June 23-24 in Orlando, Fla. Mr. O'Sullivan and Mr. Buonaguro will be speakers at the seminar.

Asset Recovery Task Force

Mr. O'Sullivan has worked with the task force to finalize asset protocols for submission to the MPC. He also completed an asset survey of active insolvencies.

ACLI

Mr. Buonaguro is assisting the American Council of Life Insurance in preparing a case to the NAIC as to why Model Act coverage for unallocated annuities should be discontinued. He also assisted the organization with an analysis of the technical language of proposed *Fabe*-cure statutes.

Other Activities

Mr. Buonaguro co-authored a paper on the history of NOLHGA and the state life and health insurance guaranty system [see story on Page 3]. He also spoke at the January NAIC/IAIR Insolvency Workshop in San Antonio on the subject of developments in the life and health insurance guaranty association law. He assisted NOLHGA's Conflicts Committee with the analysis of responses to the first conflicts questionnaire and serves on the Receivership Law Advisory Committee to the Interstate Receivership Commission. That committee is charged with drafting a Uniform Receivership Rule for the compact. Ms. Forsythe, who joined NOLHGA on April 21, has completed work on filing a request to the Internal Revenue Service to renew NOLHGA's tax exempt status as a corporation.

ADMINISTRATIVE SERVICES

Staff: Gloria J. Beal, office assistant; Joyce L. Fleming, receptionist; Hazel A. Manclark, accountant; Maria E. Triana, accounting assistant; Beth E. Watson, systems manager; Holly L. Wilding, vice president, administrative services; and Laura J. Wood, administrative assistant. *NOTE: The controller position is vacant at press time.*

The Administrative Services Department supports the organization by providing such services as human resources, accounting and financial management, information systems, membership records and general facilities management. The department also provides support services to the other departments at NOLHGA, to the NOLHGA Board of Directors and to several Board committees.

Annual Meeting

Staff is working on arrangements for NOLHGA's 14th Annual Meeting to be held Oct. 15-17 in San Antonio. Planning activities include site inspection, program development, catering and speaker arrangements. Meeting registration materials will be mailed in July.

Management Information Systems

Ms. Watson oversees NOLHGA's systems operations, including updating and maintaining the local area network of Macintosh and PCs, and training staff. She has been immersed in the development and maintenance of both the Litigation Database and NOLHGA*Net* and serves, with Lisa Meyer, on the NOLHGA*Net* Working Group.

Strategic Planning

Staff are involved in the following areas of the strategic planning process: the "State Guaranty Association Survey of Administrative Practices and Expenses," enhancement of NOLHGA's quarterly assessment process; and development of institutional memory. NOLHGA President Jack H, Blaine reported on the status of the strategic planning process May 22 at the MPC meeting in Des Moines. Questions about any aspect of the plan may be referred to Holly Wilding.

Other Activities

In addition to providing staff support to the Board of Directors, the department also staffs and assists the following committees: Audit Committee, Compensation Committee, Finance Committee, Nominating Committee and the Strategic Planning Steering Council. Ms. Wilding was appointed assistant secretary to the Board of Directors in 1996.

COMMUNICATIONS

Staff: Lisa M. Meyer, manager, industry communications; and Laura J. Wood, administrative assistant.

Publications

The department is responsible for the editing and production of the quarterly NOLHGA Journal and the Weekly Wire. A new publication for administrators and boards, tentatively titled "in the loop," is in development.

Media Relations

Recent media relations activities have included a February visit to several industry reporters at both national and trade publications. The Communications Committee, at its April 2 meeting in Chicago, suggested including in NOLHGA's media list the personal finance reporters at the major

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A Third Reinvention Helps System Grow

HISTORY, *from Page 3*

ANTHONY R. BUONAGURO

JANA LEE PRUITT

not to participate. Rather, they wanted a specified opt-out period once a plan had been developed so that they could choose not to be bound by the terms of a particular plan and not to be subject to assessments levied for the purpose of carrying out that plan. The requirement of an association to opt out was put into place later in response to this strong member concern.

Members also wanted a vote on the deliberations of the Disposition Committee. As originally conceived, only state guaranty associations most impacted by an insolvency would participate as voting members of the Disposition Committee. As ultimately agreed to, the committee initially would include seven "core" members representing the guaranty associations in Florida, Illinois, Indiana, Iowa, Michigan, Nebraska and Nevada.

Additionally, the committee would include *ex officio* members representative of the association in the insolvent insurer's state of domicile, as well as representatives of the three state guaranty associations most affected by the insolvency. As a further concession to members' wishes, any member association affected by the insolvency would be eligible to participate as a voting, *ad hoc* member in the deliberations and decisions with respect to that insolvency.

Institutional Development

One of the key reasons behind the successes of 1994 was yet another NOLHGA self-reinvention which had taken place at the end of 1993. Its key elements were, first, the revamping and streamlining of the task force system and, second, an increase in the level of participation by affected associations through creation of the NOLHGA Members' Participation Council (MPC) and its Executive Committee as a replacement for the Disposition Committee, and through expansion of the NOLHGA Board and inclusion of state administrators for the first time.

Bob Ewald of Illinois, a veteran of most of the past big insolvencies handled by NOLHGA, became the first MPC chair and Frank Gartland of Ohio currently serves as chair. Together, the MPC and its task forces are charged with the responsibility to make the day-to-day business decisions for the insolvencies being handled by NOLHGA.

The 1993 reinvention, the third in NOLHGA's history, was not accomplished without friction, however. By 1993, the number and general capabilities of the state association administrator corps were vastly greater than at any previous time. Viewing certain of the original Board proposals as somewhat confrontational, the administrators assembled a delegation which negotiated a series of compromises with a delegation from the NOLHGA Board.

The end result was an elaborate system of checks and balances which created, in the words of one senior administrator, a "three-legged stool" consisting of the Board (comprised mostly of life company executives), the MPC and its task forces (comprised mostly of administrators from the various states) and NOLHGA staff. If any "leg of the stool" were to be cut out of the process, the entire structure was designed to fall.

The system fashioned from the compromises of 1993 - in which absolutely no one can be arbitrary - still exists and continues to work at a commendable level of efficiency despite, or perhaps because of, its complexity. Natural tensions, relating to the state-based nature of the national organization, are given full latitude for resolution within the NOLHGA Board, which sets policy and consists of executives who are all, in some capacity, affiliated with various state associations.

Through the MPC and its task forces, the various interests in handling insolvencies of all the individual state associations are accommodated, or at least given fair hearing. The job of the staff is to keep all the moving parts well lubricated and working in harmony, suggesting incremental technical improvements in the nature of fine tuning when and if conditions warrant. The usual result is effective, coordinated action by the system as a whole, in the interests of covered policyholders. ▼

Policyholder Safety Gets Top Priority

MID-CONTINENT, *from Page 1*

would have additional capital to develop new products. Florida Progress also contributed $4 million in capital to the company in 1991. Some say that with the potential for significant financial support, it appears that there would have been opportunities for the parties to resolve matters in private, which could have minimized the adverse impact on the company's reputation and improved its chances to return to normal business operations.

Regardless, the commissioner had statutory obligations to fulfill, and there was the risk that regulatory delay might translate into further deterioration of the company's financial position. The parties did, in fact, enter into negotiations after the temporary receivership order was issued, but no settlement was consummated.

The Mid-Continent case illustrates the difficult decisions regarding receivership. It appears Commissioner Crawford had various reasons to be concerned: the company had laid off a significant portion of its work force in late 1996; policyholder complaints could give rise to class action litigation; the insurance department's actuarial review concluded that the company's reserves were understated; and the company itself acknowledged that a premium increase was necessary to avoid future problems. Apparently, these factors outweighed considerations for more regulatory patience. ▼

At a hearing held May 21-23 to determine whether the receivership order against Mid-Continent should be permanent, the company vigorously opposed the order. As we go to press, the Oklahoma District Court reportedly issued an order placing the company in permanent receivership and authorized the commissioner, as receiver, to increase premiums on the extra-life policies. It is unclear what impact, if any, the court's order will have on guaranty associations.

NOLHGA, *from Page 5*

daily newspapers. Ms. Meyer regularly updates a media list to include industry reporters at large circulation daily newspapers and trade publications.

Organizational Relations

Ms. Meyer contributed to the history project by editing the paper. She is also planning, under direction from the Communications Committee, to include a guaranty system focus in NALU's annual meeting program so that agents might learn more about the workings of the guaranty associations.

Committees

Ms. Meyer staffs the Communications Committee, which guides and supports the communications and public relations efforts of NOLHGA with respect to relationships with its members; insurance commissioners and regulators; the life insurance industry; the news media and the public; and the Administrators' Education Steering Committee, which produces programs for administrators at the MPC meetings.

Strategic Planning

Ms. Meyer and Systems Manager Beth Watson staff the NOLHGA*Net* Working Group of the Strategic Planning Steering Council, charged with evaluating NOLHGA*Net* and making recommendations for its continuation. A progress report was submitted to the Board of Directors at its May 7 meeting in McLean, Va. The working group hopes to make a recommendation to the Board in July about the re-design and maintenance of the website, including suggestions about how this might be accomplished. Ms. Meyer also assisted in drafting the "State Guaranty Association Survey of Administrative Practices and Expenses."

Annual Meeting

The department is responsible for writing and designing the annual meeting program and other materials, writing scripts, coordinating speakers, planning presentations and assisting with speeches. ▼

For information about department activities outlined in this report, please call NOLHGA at 703/481-5206 and ask for the staff person mentioned in connection with the insolvency, committee, or activity.

San Antonio Convention & Visitors Bureau

The Administrative Services and Communications Departments are working on programs for the upcoming annual meeting in San Antonio. The Alamo, scene of a legendary battle in 1836, is within walking distance of the San Antonio Marriott Rivercenter.

1997 Calendar

NOLHGA ®

June

8-11 NAIC Summer Meeting
Chicago

23-24 Sixth Annual Legal Seminar
Orlando, Fla.

24 Legal Committee, *Orlando, Fla.*

July

17-18 Southeastern Region Guaranty Associations, *Asheville, N.C.*

29 NOLHGA Board of Directors
San Francisco

August

19-21 Members' Participation Council
Milwaukee

September

21-24 NAIC Fall Meeting
Washington, D.C.

The NOLHGA *Journal* would be happy to publish in its calendar the events of industry-related organizations.
Please forward submissions to:
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October

15 NOLHGA Board of Directors
San Antonio

15-17 14th Annual Meeting
San Antonio

November

17-19 Members' Participation Council
Louisville, Ky.

December

7-10 NAIC Winter Meeting
Seattle

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