



**NOTICE OF PUBLIC MEETING AND AGENDA
OF THE
BOARD OF DIRECTORS
OF THE
ARIZONA LIFE AND DISABILITY INSURANCE GUARANTY FUND**

TUESDAY, MAY 12, 2020

Pursuant to A.R.S. § 38-431.02 and A.R.S. § 20-690(B), notice is hereby given to the Board of Directors of the Arizona Life and Disability Insurance Guaranty Fund (ALDIGF) and to the public that the Board of Directors of ALDIGF (Board) will hold a meeting open to the public at the following time, date and location:

10:00 a.m., Tuesday, May 12, 2020
Phoenix, Arizona 85007

In light of current State and Federal Government recommendations not to hold gatherings of more than 10 people, this meeting will be held virtually. Instructions on how the public may participate in this meeting are below. For additional information, please call (602) 364-3863, or contact ALDIGF staff at guarantysfunds@azinsurance.gov.

The following options will be available for public attendance:

Google Meet – Join by phone

+1 617-675-4444 PIN: 917 746 194 4003#

Google Meet - Video link

<https://meet.google.com/itb-jkan-bry?hs=122>

****NOTE: Members of the public do not need to have a Google account to participate in this meeting.****

***Please note that members of the public that choose to utilize Google Meet must keep their microphone muted for the duration of the meeting. If a member of the public wishes to speak, they may request to unmute their microphone by pressing *6.*

As indicated in the agenda, the Board of Directors may vote to go into executive session to discuss certain matters. Such executive session will not be open to the public.

The agenda for the meeting is as follows:

1. Announcement concerning ALDIGF's Anti-Trust Compliance Policy and Conflict of Interest Policy.

2. Review, discussion and approval of the minutes of the Annual Meeting of the Board held on November 12, 2019.
3. Report concerning the financial audit of ALDIGF for the year ended December 31, 2019.
4. Financial report and any action or discussion related thereto, as follows:
 - A. Review of investment activity of ALDIGF through April 30, 2020, including composition of the portfolio, average duration of the portfolio, term of individual investments, and performance of the portfolio;
 - B. Review of the financial condition of ALDIGF through March 31, 2020;
 - C. Review of actual expenditures compared to projections for the period July 1, 2019 through December 31, 2019, and for the period January 1, 2020 through March 31, 2020.
5. Executive session, pursuant to A.R.S. § 38-431.03(A)(2) and A.R.S. § 20-689 for the purpose of receiving information about and discussing the financial condition of one or more member insurers for which ALDIGF **has not** been activated.
6. Report on activities related to the detection and prevention of insolvencies from the Financial Affairs Division of the Arizona Department of Insurance.
7. Report from the Executive Director and any discussion, consideration or decision related thereto:
 - A. Report regarding the status of claims, liabilities and other matters with regard to the following companies for which ALDIGF **has** been activated:
 - (i) Senior American
 - (ii) Penn Treaty Network America Insurance Company and American Network Insurance Company
 - (iii) Executive Life Insurance Company,
 - (iv) Executive Life of New York;
 - (v) Life and Health Insurance Company of America;
 - (vi) Lincoln Memorial Life Insurance Company
 - (vii) Meritus Mutual Health Partners;
 - (viii) National States Insurance Company;
 - (ix) Standard Life Insurance Company of Indiana.

- B. Report on claims appeals, if any.
 - C. Discussion and possible action concerning ratification of the Executive Director's decision to pay the National Organization of Life and Health Insurance Guaranty Association (NOLHGA) assessments for the third quarter of 2019 in the amount of \$69,418.00 and fourth quarter of 2019 in the amount of \$67,740.00.
 - D. Discussion and possible action concerning ratification of the Executive Director's decision to pay 2020 dues to NOLHGA in the amount of \$61,193.00.
 - E. Report on status of the 2019 Assessment for the Disability Account.
 - F. Discussion and possible action to retire inter-acct loans that were assessed for in 2019.
 - G. Discussion and possible action concerning the conversion of the Fund's Basis of Accounting from modified cash, annual year basis to a full accrual, fiscal year basis, and the proposals submitted by CPA firms to assist with the conversion.
 - H. Report and discussion regarding the proposed use of an electronic payment process for assessments.
 - I. Review and discussion of IL SB 1377 regarding regulator approval of company plans for division where Guaranty Fund protection may be impacted.
- 8. Additional executive session, if necessary, pursuant to A.R.S. § 38-431.03(A)(3) to confer with counsel with regard to any item included within this Notice and Agenda.
 - 9. Call to the Public: This is the time for the public to comment. Members of the Board may not discuss items that are not on the Agenda. Therefore, action taken as a result of any public comment will be limited to directing staff to study the matter or scheduling the matter for further discussion and decision at a later date.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Arizona Department of Insurance Americans with Disabilities Act (ADA) Coordinator, (602) 364-3764. Requests should be made as early as possible to allow adequate time to arrange for the accommodation.

ARIZONA LIFE AND DISABILITY INSURANCE GUARANTY FUND

Dated this 7th day of May, 2020.

/s/ Tod D. Lashway

Tod D. Lashway, Chair