

MARCH 30, 2015

# 2014

ANNUAL REPORT



# LIGA

LOUISIANA INSURANCE GUARANTY ASSOCIATION

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## OUR MISSION

TO PAY COVERED CLAIMS OF INSOLVENT PROPERTY  
AND CASUALTY INSURANCE COMPANIES IN A PROMPT,  
COURTEOUS AND CARING MANNER AT A FAIR AND  
EQUITABLE COST, AND TO ALSO AID THE INSURANCE  
DEPARTMENT IN THE DETECTION AND PREVENTION  
OF INSURER INSOLVENCIES.

## BOARD OF DIRECTORS

AS OF DECEMBER 31, 2014

*Chairman*

**MICHAEL T. GRAY**

The Gray Insurance Company

*Secretary*

**WAYNE T. ROUSSEL**

Appointee of the President of the Senate

*Treasurer*

**MARKHAM R. McKNIGHT**

Appointee of the Commissioner of Insurance  
as a Consumer Representative

**J. E. BRIGNAC, JR.**

Imperial Fire & Casualty

**WILLIAM D. HUGHS, III**

Appointee of the Speaker of the House

**DENIS HUSERS**

Appointee of the Commissioner of Insurance  
as a Consumer Representative

**DAVID A. ROSS**

State Farm Insurance Companies

**KEITH D. THOMPSON**

Liberty Mutual Insurance Companies

**KRISTIN WALL**

Louisiana Workers' Compensation Corporation

## LIGA STAFF

AS OF DECEMBER 31, 2014

**JOHN C. WELLS**

Director of Operations

**LACEY ANDERSON**

Administrative Assistant

**CHANTELLE DAVIDSON**

Accounting Clerk

**DANA TIRCUIT**

Clerical Supervisor

**KRYSTAL WILLIAMSON**

Claims Assistant

**NORMAN REESE**

Director of Claims & Litigation

**GERRY CORYELL**

Claims Examiner

**VIOLET HURST**

Claims Examiner

**BRYAN JOHNSON**

Claims Examiner

**LEAH WEBER**

Claims Examiner

L I G A  
LOUISIANA INSURANCE  GUARANTY ASSOCIATION

March 30, 2015

Honorable James J. Donelon,  
Commissioner of Insurance  
State of Louisiana  
P.O. Box 94214  
Baton Rouge, Louisiana 70804-9214

***RE: 2014 Annual Financial Report of LIGA***

Dear Commissioner:

Pursuant to La. R.S. 22:2064, we are pleased to submit to you LIGA's *2014 Annual Financial Report*. Please allow me to highlight a few of LIGA's activities during the year.

- ♦ LIGA received 281 new claims in 2014. Fifty-two of these were related insolvencies declared in 2014.
  - Freestone Insurance Company, formerly Dallas National Insurance Company, was placed into liquidation effective 8/15/2014. LIGA received forty-six claims from this Delaware domiciled workers compensation insurer.
  - Red Rock Insurance Company, formerly Bancinsure, was placed into liquidation on 8/21/2014. LIGA has received six claims from this Oklahoma domiciled insurer.
- ♦ Three foreign domiciled insolvencies were ordered closed and issued final distributions.
  - The Credit General (OH) liquidation was ordered completed on 11/24/2014. Since liquidation was ordered in January 2001, LIGA has paid \$20 million in claims and expenses while recovering \$7.36 million from the estate. LIGA remains responsible for four open workers compensation claims.
  - Andrew Jackson Companies (MS) was liquidated in April 1992 costing LIGA \$6.4 million. Its final distribution of \$2.57 million brought the total recovery for this estate to \$6.36 million.
  - Integrity Insurance Company (NJ) was liquidated in 1987 and finally ordered closed in March 2014. LIGA ultimately recovered \$3.4 million of the \$3.5 million incurred for this insolvency.
- ♦ LIGA's claims continue to primarily involve either latent environmental or long term workers compensation exposures. Through payments and reserve development, our case reserves decreased approximately \$20 million.
- ♦ Financially, LIGA remains sound. In 2014, income from liquidator receipts and interest on investments outpaced claim and expense payments. Consequently, LIGA enjoyed its tenth consecutive year without assessing members.

While 2014 may not have been LIGA's busiest year, we are still very proud of our accomplishments. We are likewise proud of our role in the insurance framework and stand ready to assist policyholders when called upon.

LIGA would like to express its appreciation to the Department and the Legislature for their continued support of our mission. Enclosed herein is our *2014 Report on Insolvent Companies*, *2014 Company Claims Activity*, *2014 Report of LIGA's General Counsel*, and our *Annual Financial Audit for 2014* prepared by Postlethwaite & Netterville.

Respectfully submitted,

  
John C. Wells  
Executive Director

February 27, 2015

## REPORT OF GENERAL COUNSEL

January 1, 2014 – December 31, 2014

### 1. 2014 LEGISLATION

2014 was a relatively quiet year for LIGA in the Louisiana Legislature, as no Bills affecting LIGA specifically were enacted, although some Bills of general application will affect its operations. Bills of possible interest to LIGA were summarized in the July 26, 2014 Report of General Counsel, provided to the Board at the meeting on that date.

### 2. REVISIONS TO THE PLAN OF OPERATION AND POLICIES AND PROCEDURES MANUAL

LIGA's Plan of Operation and Policies and Procedures Manual were amended by the Board of Directors at the November 20, 2014 meeting. The principal revisions were designed to re-create the Executive Director position, and create a Claims Manager and Operations Manager thereunder, rather than the former Director of Claims and Litigation and Director of Operations operating as co-Directors of LIGA. This change reinstated the former organizational structure of LIGA, which had been reorganized several years ago.

Changes related to the re-structuring formed the substance of the majority of the revisions to both the Plan of Operation and the Policies and Procedures Manual. While those changes were being made, LIGA took the opportunity to make some editorial changes, grammatical corrections, and remove or revise some obsolete language to more accurately reflect LIGA's current operations.

Pursuant to the provisions of La. R.S. 22:2058(A)(10) and 22:2059(A)(1), the revisions to the Plan of Operation were sent to the Commissioner of Insurance, the Chairman of the Senate Committee on Insurance, and the Chairman of the House Committee on Insurance, on December 9, 2014. No Legislative Committee hearing has been scheduled on these revisions, and LIGA recently received the signed approval of the Commissioner of Insurance. Therefore, these revisions are now final.

### 3. IMPORTANT CASES

LIGA's primary focus in 2014 was the handling of the application of the new LIGA Law to the Southern Casualty cases, primarily with respect to the application of the credit for other applicable insurance. These cases involve a *de novo* interpretation of a new provision in the Law, and will have large precedential effect.

LIGA's secondary focus is the continuing resolution of long-term hazardous and environmental exposure cases, which have been aggressively pursued and are proceeding more quickly than was originally anticipated.

Kindest regards.

Sincerely,



Stephanie B. Laborde

SBL/kd



A Professional Accounting Corporation  
Associated Offices in Principal Cities of the United States  
[www.pncpa.com](http://www.pncpa.com)

## Independent Auditors' Report

Members and Directors  
Louisiana Insurance Guaranty Association  
Baton Rouge, Louisiana

We have audited the accompanying financial statements of Louisiana Insurance Guaranty Association (the Association), which comprise the statements of assets and liabilities arising from cash transactions as of December 31, 2014 and 2013, and the related statements of activities arising from cash transactions for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements:** Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility:** Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion:** In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Louisiana Insurance Guaranty Association, as of December 31, 2014, and 2013, and its activities arising from cash transactions during the years then ended in accordance with the cash basis of accounting described in Note 1.

**Emphasis of Matter—Basis of Accounting:** We draw attention to Note 1 of the financial statements, which describes the Association's basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

A stylized, handwritten-style signature of the firm's name 'Postlethwaite &amp; Netterville' in black ink.

Baton Rouge, Louisiana  
March 17, 2015

## Statements of Financial Position Arising from Cash Transactions

December 31, 2014 and 2013

Assets	2014	2013
Cash	\$ —	\$ 97,935
Investments, at cost	230,210,674	228,563,196
	<b>\$ 230,210,674</b>	<b>\$ 228,661,131</b>
<b>Liabilities and Net Assets</b>		
Outstanding checks in excess of bank balances	\$ 80,365	\$ —
Net assets — restricted	230,130,309	228,661,131
	<b>\$ 230,210,674</b>	<b>\$ 228,661,131</b>

The accompanying notes are an integral part of these statements.

## Statements of Activities Arising from Cash Transactions

December 31, 2014 and 2013

Receipts	2014	2013
Distributions from liquidators	\$ 9,711,843	\$ 1,453,982
Interest income	5,767,243	6,712,854
Net loss on disposition of investments	(2,761,775)	(2,561,349)
Restitution	13,134	31,439
	<b>12,730,445</b>	<b>5,636,926</b>
<b>Disbursements</b>		
Claims paid	7,600,939	7,738,039
Legal fees and expenses	2,112,407	1,682,409
Claims handling costs	346,096	446,189
Professional and bank fees	78,346	71,428
Staff salaries, taxes, and benefits	811,915	835,655
Travel, meetings, and seminars	17,732	28,191
Building expenses	14,318	14,066
Administrative expenses	279,514	283,242
	<b>11,261,267</b>	<b>11,099,219</b>
Excess of Receipts Over (Under) Disbursements	1,469,178	(5,462,293)
Net assets — beginning of the year	228,661,131	234,123,424
<b>Net assets — end of the year</b>	<b>\$ 230,130,309</b>	<b>\$ 228,661,131</b>

The accompanying notes are an integral part of these statements.

# Notes to Financial Statements

## 1. Significant Accounting Policies

### Organization

The Louisiana Insurance Guaranty Association (the Association) is an organization created by the Louisiana Insurance Guaranty Act to pay for the claims against insolvent member insurance companies. Funds are provided for the payment of the claims by the assessment of the remaining member insurance companies. All admitted insurance companies doing business in Louisiana are required to be members of the Association (excluding the following lines of business: life, health and accident, title, disability, mortgage guaranty, and ocean marine insurance, as well as all types of reinsurance).

The Association's day-to-day operations and management are performed by the Association's staff under the direction of the Board of Directors. The Association may also contract with outside staffing services, claims service providers, and other professionals to carry out these functions.

### Accounting Method

The Association's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, revenue and related assets are recognized when received, and expenses and related liabilities are recognized when paid. Accordingly, no liabilities are recorded for future payments for return of unearned premiums, loss claims and related expenses, or return of early access distributions received. As discussed in Note 6, the Association regularly estimates amounts for such liabilities.

### Equipment and Facilities

The Association recognizes equipment and facilities as cash disbursements when incurred. These items are not capitalized and depreciated under the Association's cash basis of accounting.

### Income Taxes

The Association is exempt from income taxes under Internal Revenue Code Section 501(c)(6); therefore, no provision for income taxes has been made.

The Association recognizes the effect of uncertain income tax positions only if the positions are more likely than not of being sustained. Recognized income tax positions are recorded at the largest amount that is greater than 50% likely of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs. The Association has evaluated its position regarding the accounting for uncertain income tax positions and does not believe that it has any material uncertain tax positions. With few exceptions, the Association is no longer subject to federal, state, or local tax examinations by tax authorities for years before December 31, 2011.

## 2. Restricted Net Assets

Net assets represent funds collected from member insurance companies, distributions from liquidators, interest income, and other receipts in excess of funds disbursed to pay claims and expenses of the Association. All assets are considered restricted under the Act which created the Association. Excess funds are to be used for the payment of claims, return of unearned premiums and reimbursement of expenses incurred for the insolvent member insurance companies (See Note 6) and return of early access distributions to liquidators (See Note 5). There were no returns of assessments authorized during 2014 or 2013.

## 3. Investments

The Association's investments are recorded at cost and consisted of the following at December 31, 2014 and 2013:

	2014		2013	
	Cost	Estimated Fair Value	Cost	Estimated Fair Value
Short-term repurchase agreements	\$ 839,854	\$ 839,854	\$ 1,535,345	\$ 1,535,345
Money market accounts invested in U.S. Treasury obligations	1,185,005	1,185,005	4,263,663	4,263,663
U.S. Treasury notes and bonds	204,273,597	198,960,908	182,583,687	177,597,257
U.S. Government Agency obligations	23,912,218	22,725,348	40,180,501	39,211,253
	\$ 230,210,674	\$ 223,711,115	\$ 228,563,196	\$ 222,607,518

The Association's policy is to purchase securities issued by the U.S. Treasury and obligations issued or guaranteed by the U.S. Government and its Agencies. The estimated fair value of these securities is based on quoted market prices. The Association enters into short-term repurchase agreements with financial institutions whereby the Association purchases U.S. Government securities with an agreement to resell the securities to the financial institution at cost. The Association also deposits funds in money market accounts invested in U.S. Treasury obligations.

The Association purchases securities at premiums or discounts from the contractual maturity amount of the security. Pursuant to the cash basis of accounting, these premiums and discounts are not amortized over the holding period of the security. Instead, investments are stated at original cost and any premiums or discounts are reported as gains or losses upon maturity or sale of the respective security. Accordingly, interest income represents the contractual interest payments received under the investment securities.

The cost and estimated fair value of investments at December 31, 2014, by contractual maturity, are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Cost	Estimated Fair Value
Due in one year or less	\$ 47,799,968	\$ 45,661,018
Due after 1 year through 5 years	182,410,706	178,050,097
	\$ 230,210,674	\$ 223,711,115

Financial instruments are carried at cost in accordance with the cash basis of accounting as well as disclosures of estimated fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, other than in a forced or liquidation sale.

The Association's investment securities have been classified, for disclosure purposes, based on a hierarchy which prioritizes the inputs to valuation techniques to measure fair value into three broad levels. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the

lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). Classification is based on the lowest level input that is significant to its measurement. The levels of the fair value hierarchy are as follows:

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

The Association's investments in short-term repurchase agreements, money market accounts and U.S. Treasury notes and bonds are considered to have fair values derived using Level 1 criteria, while investments in U.S. Government Agency obligations are considered to be based on Level 2 criteria.

#### 4. Assessments

Louisiana Revised Statute 22:2058 gives the Association the authority to assess member insurance companies the amount necessary to pay the obligations and expenses of the Association. Beginning January 1, 2003, and thereafter, the assessment to member insurance companies is not to exceed an amount equal to one percent (1%) of net direct written premiums during the preceding calendar year, unless changed by the Louisiana Legislature. During 2014 and 2013, the Association did not assess or receive any assessments from member companies.

#### 5. Distributions from Liquidators

The Association files claims against the estates of insolvent insurers in an effort to recover a portion of the policyholders' claims paid and related expenses from the assets of the insolvent insurers. During the years ended December 31, 2014 and 2013, the Association received \$9,711,843 and \$2,342,425, respectively, of such distributions which are reflected as receipts in these financial statements. No estimate is available of future potential distributions from liquidations.

Distributions received from liquidators are included in the Association's net assets. However, distributions received from liquidators prior to the closing of the insolvent insurer estate may be subject to return of the distribution under provisions of the early access agreements with the estate. During the year ended December 31, 2013, the Association returned \$888,443 of early access distributions which had previously been received from liquidators under the terms of those agreements. There were no similar amounts returned during 2014. Management estimates that \$62 million of early access distributions have been collected which are subject to return to liquidators.

#### 6. Estimate of Future Return of Unearned Premiums and Claims Payments (Not Audited)

The funds of the Association are used to pay insurance claims of insolvent member insurance companies (See Note 2). These claims are pursuant to the Louisiana Insurance Guaranty Law, La. R.S. 22:2051-2070. As of December 31, 2014, the Association had 1,263 open claims files outstanding, a substantial portion of which are involved in litigation. Additionally, other member insurance companies may be declared insolvent subsequent to the date of these financial statements.

Due to the uncertainty involved in accepting and administering insolvent companies, as well as the difficulty in determining reliable estimates, the Association maintains its financial records on a cash basis. However, the Association regularly attempts to estimate the amount of claims and claims administration expenses related to insolvent member insurance companies. This case based reserve setting practice is a common function of managing and administering those losses.

Provided below is an unaudited condensed balance sheet of the Association at December 31, 2014 and 2013, on a modified accrual basis which recognizes management's estimate of the undiscounted claims and related liabilities. This information is intended to reflect only certain estimated assets and liabilities of the Association and is not intended to represent the financial position of the Association in accordance with accounting principles generally accepted in the United States of America. These estimates are expected to vary as additional information becomes available.

The unaudited condensed balance sheet below does not provide for accruals of amounts which may be due from liquidators of insolvent insurance companies, early access distributions subject to refund, billed but uncollected member assessments due, capitalization and depreciation of property and equipment, adjustments of investments to estimated fair value, accruals for restitution recoveries, and accruals of operating costs owed at year end not included in the reserves for claims administration expenses.

As described in Note 4, the Association has been granted the authority to assess member insurers at a rate of one percent (1%) of net direct written premiums annually beginning January 1, 2003, which, if assessed, is estimated to produce approximately \$82 million annually. Additionally, La. R.S. 22:2058 provides that if the maximum assessment and other assets available to the Association are insufficient to make all necessary payments, the Association may borrow additional funds or payments can be reduced on a pro-rated basis and unpaid balances are to be paid as funds become available.

December 31, Assets	2014 Unaudited	2013 Unaudited
Cash	\$ —	\$ 97,935
Investments, at cost	230,210,674	228,563,196
<b>Total assets</b>	<b>\$ 230,210,674</b>	<b>\$ 228,661,131</b>
<b>Liabilities and Net Assets</b>		
Outstanding checks in excess of bank balances	\$ 80,365	\$ —
Estimated claims and claims administration expenses payable	142,218,000	162,372,000 (1)
<b>Total liabilities</b>	<b>\$ 142,298,365</b>	<b>\$ 162,372,000</b>
Net assets	87,912,309	66,289,131 (2)
<b>Total liabilities and net assets</b>	<b>\$ 230,210,674</b>	<b>\$ 228,661,131</b>

(1) Represents management's estimate of claims and claims administration expense reserves related to open claim files at December 31, 2014 and 2013.

The Association has been notified of claims, as well as threatened claims, by certain large insureds of insolvent insurance companies relating to the use and production of asbestos, silica, tobacco, and environmentally hazardous materials. The Association continues to evaluate the merits of these claims, the appropriateness of coverage under the Act, and the amount of potential liability to the Association.

Management includes in the reserve for claims and claims administration expense amounts estimated as the Association's liability for these claims based on present statutes and based on the best information available at this time. However, there are numerous and significant uncertainties regarding the amount of ultimate liability the Association may be responsible for under these claims and when amounts ultimately determined as owed by the Association become due and payable. As facts and circumstances develop, management intends to revise its estimates of these claims liabilities. Revisions in these estimates could result in significant increases or decreases in these estimates.

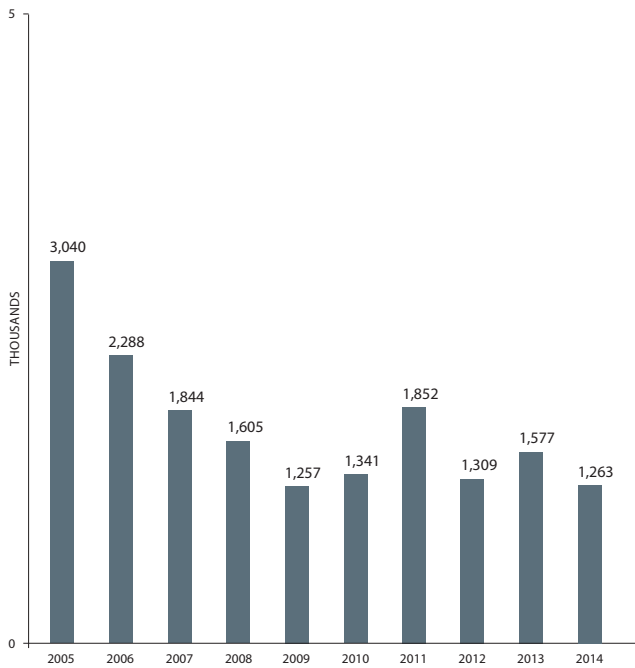
(2) Due to the uncertainty of the timing and amount of claims to be paid by the Association, it is unknown whether the Association can meet all of

its claims obligations as they become due. Additionally, as described in Note 5, the Association has received early access distributions of approximately \$62 million from the estates of insolvent insurers which remain subject to claw back provisions by the respective estate if those funds are requested. Any demands for return of early access distributions would decrease the above net assets.

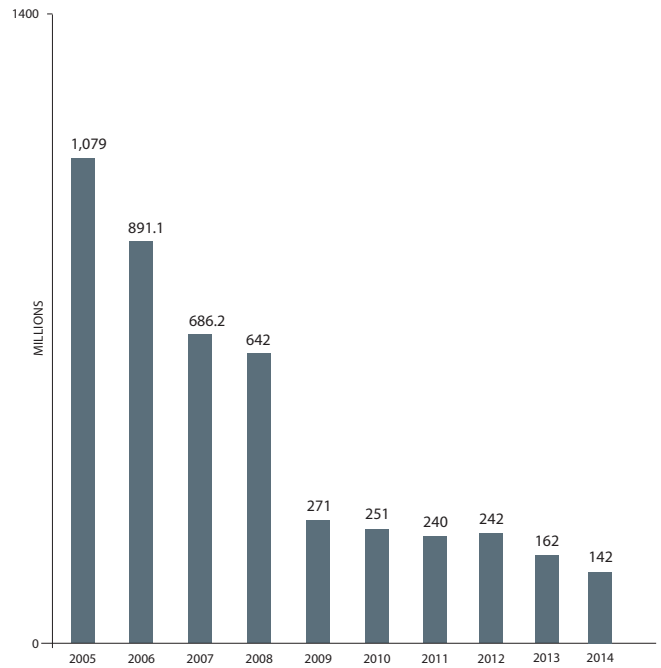
The Association has the statutory authority to assess up to 1% of member insurers' net direct written premiums annually if necessary to pay its obligations as described in Note 4. The Association's financial resources also include receipt of investment earnings and the continued receipt of proceeds from liquidators of insolvent insurance companies.

## **7. Subsequent Events**

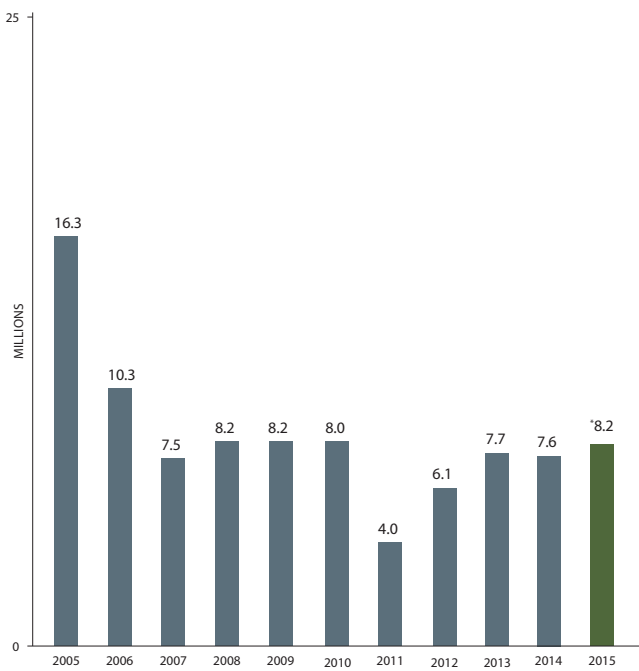
Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 17, 2015, and determined that there were no events that required additional disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.



**Claims Pending per Year**

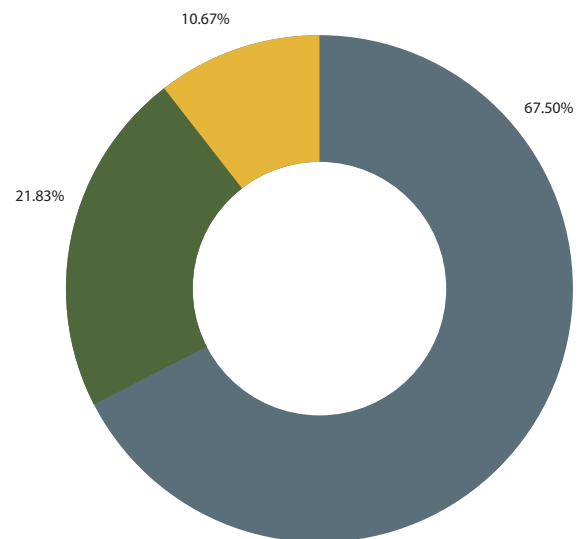


**Reserves per Year**



**Losses Paid per Year**

\* Projected



**2014 Total Expenditures — \$11,261,267**

■ Claims Paid \$7,600,939  
 ■ Allocated Expense (Claims Handling) \$2,458,503  
 ■ Unallocated Expenses (Administrative) \$1,201,825

## LIGA Company Claims Activity for the Year Ending 2014

Company Name	Closed in 2014	Pending 12/31/14	Distribution Refunds in 2014	Losses Paid in 2014	Claims Expenses Paid in 2014	Outstanding Reserves
ALLIANCE CASUALTY	0	1	0	10,221	603	28,367
AMERICAN DRUGGIST	0	1	0	21,251	1,351	819,294
AMERICAN MUTUAL BOSTON	1	5	0	17,548	5,104	620,267
AMERICAN MUTUAL LIABILITY	156	481	0	2,415,012	1,468,766	61,177,145
ANDREW JACKSON	0	0	2,574,418	0	0	0
ANGLO AMERICAN	2	9	0	72,298	18,575	1,128,066
ATLANTIC MUTUAL INS. CO.	0	0	0	0	128	0
CALIFORNIA COMPENSATION	0	1	0	3,482	10,668	202,308
CASUALTY RECIPROCAL	2	8	379	129,425	12,650	2,908,624
CENTENNIAL INS. CO.	0	0	0	0	90	0
COMMERCIAL CASUALTY	0	1	0	0	7,619	105,773
COMMERCIAL COMPENSATION	0	4	0	14,874	17,167	306,258
CREDIT GENERAL	0	15	6,292,953	181,269	37,623	4,198,102
EMPLOYERS CASUALTY	1	9	0	0	2,855	210,730
EMPLOYERS NATIONAL	11	58	0	346,397	78,559	5,709,923
FREESTONE	5	41	0	125,995	31,896	2,754,422
FRONTIER INS. CO.	2	5	0	0	2,539	661,474
GENERAL	10	3	0	(895)	5,513	16,335
GRAMERCY	3	3	113,014	943,389	72,291	124,978
GREAT GLOBAL ASSURANCE	0	0	0	0	90	0
HOME INSURANCE CO.	7	43	622	72,698	16,683	5,043,769
HOMEWISE INS. CO.	2	5	0	229,600	65,607	231,763
IMPERIAL CASUALTY	0	2	0	54,005	9,406	111,632
INTEGRITY	0	0	482,323	0	0	0
LARAMIE	0	1	0	0	51	267,395
LEGION INSURANCE CO.	1	8	0	73,804	43,792	765,321
LUMBERMENS MUTUAL	10	23	63,812	194,692	60,343	2,417,392
MERIT	0	0	0	0	72	0
MIDLAND	0	2	0	16,716	1,978	359,634
MISSION	0	2	0	3,380	294	348,498
MISSION NATIONAL	0	1	0	0	543	9,205
OLD HICKORY	0	2	0	53,878	2,094	557,682
PACIFIC MARINE	0	2	0	23,168	407	610,023
PARK AVENUE P & C INS. CO.	1	0	0	0	1,894	0

## LIGA Company Claims Activity for the Year Ending 2014 *(continued)*

Company Name	Closed in 2014	Pending 12/31/14	Distribution Refunds in 2014	Losses Paid in 2014	Claims Expenses Paid in 2014	Outstanding Reserves
PATTERSON INSURANCE CO.	0	2	0	0	3,901	26,797
PELICAN STATE MUTUAL	1	0	0	0	15	0
PETROSURANCE	0	2	0	6,239	3,081	384,900
PHICO	0	0	162,646	0	0	0
PINNACLE	0	1	0	0	827	105,223
PRESIDENTIAL FIRE & CASUALTY	0	3	0	13,679	2,417	283,399
REALM INSURANCE CO.	0	1	0	15,173	13,596	86,825
RECIPROCAL OF AMERICA	0	0	0	0	887	0
RED ROCK	0	6	0	0	680	100,001
RELIANCE NATIONAL	107	271	0	647,224	243,241	35,454,348
ROCKWOOD	1	19	0	885,149	57,863	7,570,939
SAVANT	0	0	0	2,235	264	0
SECURITY CASUALTY	1	0	0	0	68	0
SOUTHERN AMERICAN	1	3	0	0	25,356	126,718
SOUTHERN CASUALTY INS. CO.	273	154	0	824,382	1,281,832	1,580,683
TRANSIT	11	59	0	110,864	29,089	4,406,409
ULLICO	4	6	0	93,581	19,958	397,566
UNITED AGENTS	0	0	200	0	0	0
<b>TOTALS</b>	<b>613</b>	<b>1,263</b>	<b>\$ 9,690,366</b>	<b>\$ 7,600,734</b>	<b>\$ 3,660,328</b>	<b>\$ 142,218,188</b>

## Claims for Unearned Premiums

Company Name	Claims Paid	Amount Paid
SOUTHERN CASUALTY	2	\$205

## Insolvent Companies Monies Paid from the Date of Insolvency to 12/31/2014

Company Name, State and Date of Insolvency	Losses	Expenses	Unearned Premiums/ Expenses Paid	Total All Time LIGA Billings
A.N.A., LA 5/17/93	10,580,868.00	2,644,479.04	1,464,539.41	14,689,886.45
AMERICAN LLOYDS, LA 6/21/89	9,480,353.77	1,951,866.78	632,508.49	12,064,729.04
AMERICAN SURETY & FIDELITY, LA 7/8/92	8,582,647.25	2,524,605.85	996,485.67	12,103,738.77
ARIST, LA 5/4/92	10,799,778.00	2,402,073.10	414,376.85	13,616,227.95
CAR (AUTOMOTIVE CASUALTY), LA 1/20/93	29,792,639.19	11,630,688.31	333,678.75	41,757,006.25
CHAMPION, LA 6/5/89	90,375,345.26	31,130,754.34	4,604,419.47	126,110,519.07
COLONIAL LLOYDS, LA 3/27/92	22,166,749.38	6,469,596.84	5,911,383.05	34,547,729.27
DIXIE LLOYDS, LA 12/20/90	9,538,487.97	4,230,916.04	2,103,022.53	15,872,426.54
FIDELITY FIRE & CASUALTY, LA 9/4/91	11,608,852.54	4,917,117.58	639,089.05	17,165,059.17
IDEAL MUTUAL, NY 2/7/85	7,551,060.75	1,776,965.92	5,164.60	9,333,191.27
INSURANCE CORP. OF AMERICA, TX 4/28/97	3,916,350.21	4,415,339.97	414,293.43	8,745,983.61
LIBERTY LLOYDS, LA 5/17/93	42,919,330.92	12,101,189.49	173,564.46	55,194,084.87
NEW ENGLAND, LA 9/22/89	6,929,966.48	1,652,851.02	366,194.09	8,949,011.59
PROTECTIVE CASUALTY, MO 5/24/91	5,265,558.30	1,272,342.98	632,627.81	7,170,529.09
SOVEREIGN FIRE & CASUALTY, LA 5/29/91	7,825,397.25	2,913,123.82	3,382,524.64	14,121,045.71
UNITED COMMUNITY, NY 11/10/95	5,802,227.78	2,480,189.81	166,571.56	8,448,989.15
ALLIANCE, LA 6/19/92	5,516,444.85	1,308,526.43	611,847.69	7,436,818.97
AMERICAN DRUGGIST, OH 4/30/86	2,437,375.12	758,850.62	0.00	3,196,225.74
AMERICAN MUTUAL BOSTON, MA 3/9/89	6,970,126.42	991,346.50	0.00	7,961,472.92
AMERICAN MUTUAL LIABILITY, MA 3/9/89	26,307,490.10	24,411,912.57	0.00	50,719,402.67
ANDREW JACKSON, MS 4/4/92	3,696,783.16	1,310,264.59	1,308,505.76	6,315,553.51
ANDREW JACKSON PROPERTY, MS 4/4/92	52,248.80	3,290.90	20,877.85	76,417.55
ANGLO AMERICAN, LA 3/20/89	22,894,333.97	4,280,686.08	1,035,251.48	28,210,271.53
ATLANTIC MUTUAL INS. CO., NY 4/27/11	0.00	4,045.06	0.00	4,045.06
CALIFORNIA COMPENSATION, CA 9/26/01	1,131,374.68	404,795.17	11,580.00	1,547,749.85
CASUALTY RECIPROCAL, MO 8/18/04	4,327,897.18	1,069,580.26	0.00	5,397,477.44
CENTENNIAL INS. CO., NY 4/27/11	0.00	3,924.58	0.00	3,924.58
COMMERCIAL CASUALTY, GA 4/2/04	868,197.91	955,332.96	0.00	1,823,530.87
COMMERCIAL COMPENSATION, CA 9/26/01	4,948,724.29	1,456,211.13	148,830.00	6,553,765.42
CREDIT GENERAL, OH 1/5/01	15,279,729.57	4,329,576.69	387,603.44	19,996,909.70
EMPLOYERS CASUALTY, TX 2/11/94	587,563.62	431,947.77	0.00	1,019,511.39
EMPLOYERS NATIONAL, TX 2/11/94	13,707,628.93	4,596,108.97	7,638.00	18,311,375.90
FREESTONE, DE 8/15/14	125,995.33	31,896.26	0.00	157,891.59
FRONTIER INSURANCE CO., NY 11/16/12	159,700.00	61,753.37	0.00	221,453.37
GENERAL, 1/0/00	222,892.02	337,151.90	0.00	560,043.92
GRAMERCY, TX 8/26/13	943,388.75	82,372.28	0.00	1,025,761.03
GREAT GLOBAL, AZ 4/27/87	224,848.26	115,173.33	12,286.04	352,307.63

## Insolvent Companies Monies Paid from the Date of Insolvency to 12/31/2014 *(continued)*

Company Name, State and Date of Insolvency	Losses	Expenses	Unearned Premiums/ Expenses Paid	Total All Time LIGA Billings
HOME INSURANCE CO., NH 6/13/03	2,148,474.09	684,639.01	0.00	2,833,113.10
HOMEWISE INS. CO., FL 11/18/11	1,530,704.64	771,148.34	11,452.97	2,313,305.95
IMPERIAL CASUALTY & IND. CO., OK 5/12/10	165,636.06	38,554.04	0.00	204,190.10
INTEGRITY, NJ 3/24/87	2,689,202.10	814,192.33	2,522.55	3,505,916.98
LARAMIE, WY 2/14/90	6,883,470.38	1,979,371.79	1,274,804.13	10,137,646.30
LEGION INSURANCE CO., PA 7/28/03	7,168,370.87	2,825,165.26	137,987.44	10,131,523.57
LUMBERMENS MUTUAL, IL 5/10/13	432,319.94	115,808.72	0.00	548,128.66
MERIT CASUALTY CO., IL 4/1/97	659,633.89	175,550.45	0.00	835,184.34
MIDLAND, NY 4/3/86	10,522,303.14	2,713,136.90	17,023.59	13,252,463.63
MISSION, CA 2/24/87	1,667,188.78	592,021.38	0.00	2,259,210.16
MISSION NATIONAL, CA 2/24/87	726,469.67	618,752.60	0.00	1,345,222.27
OLD HICKORY, LA 10/31/91	11,227,799.37	4,303,892.70	2,274,689.75	17,806,381.82
PACIFIC AMERICAN, DE 1/23/85	234,705.95	52,183.07	0.00	286,889.02
PARK AVENUE P & C INS. CO., OK 11/18/09	183,618.56	94,477.98	0.00	278,096.54
PATTERSON INSURANCE CO., LA 3/17/03	6,911,250.49	5,718,913.55	782,446.75	13,412,610.79
PELICAN STATE MUTUAL, LA 2/26/93	19,147,364.30	5,458,937.58	321,366.03	24,927,667.91
PETROSURANCE, OK 3/14/02	1,541,060.76	396,362.05	0.00	1,937,422.81
PHICO, PA 2/1/02	543,697.91	884,850.07	14,829.00	1,443,376.98
PINNACLE INS. CO., GA 9/20/99	570,378.00	259,342.54	0.00	829,720.54
PRESIDENTIAL FIRE & CASUALTY, LA 11/13/91	13,166,512.54	3,017,400.38	595,841.29	16,779,754.21
REALM INSURANCE CO., NY 6/10/05	101,198.13	49,240.19	0.00	150,438.32
RECIPROCAL OF AMERICA, VA 6/20/03	654,959.58	414,844.60	0.00	1,069,804.18
RED ROCK, OK 8/21/14	0.00	679.94	0.00	679.94
RELiance NATIONAL, PA 10/3/01	52,906,706.49	20,792,048.79	0.00	73,698,755.28
ROCKWOOD, PA 8/26/91	32,190,547.56	5,001,483.24	22,994.25	37,215,025.05
SAVANT, LA 11/7/01	1,127,156.31	304,348.76	0.00	1,431,505.07
SECURITY CASUALTY, IL 12/4/81	9,651.11	27,295.15	0.00	36,946.26
SOUTHERN AMERICAN, UT 3/20/92	1,420,480.93	1,209,801.26	0.00	2,630,282.19
SOUTHERN CASUALTY INSURANCE CO., GA 3/20/13	1,340,509.76	2,079,434.91	165,154.97	3,585,099.64
TRANSIT CASUALTY, CA 12/3/85	23,776,722.69	6,059,033.06	17,251.46	29,853,007.21
ULLICO, DE 5/30/13	198,472.73	36,360.30	0.00	234,833.03
UNITED AGENTS, LA 3/3/02	5,092,068.47	2,036,400.32	179,232.23	7,307,701.02
<b>Inactive Company Totals</b>	<b>\$ 57,635,873.70</b>	<b>\$ 17,248,347.29</b>	<b>\$ 5,528,712.76</b>	<b>\$ 80,412,933.75</b>
<b>Totals</b>	<b>\$ 658,112,864.91</b>	<b>\$ 228,232,866.86</b>	<b>\$ 37,131,173.29</b>	<b>\$ 923,476,905.06</b>

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