



**Arizona Life and Disability
Insurance Guaranty Fund**
Arizona Department of Insurance
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CHRISTINA URIAS
Director of Insurance

NOTICE OF COMBINED ANNUAL PUBLIC MEETING
AND EXECUTIVE SESSION OF THE
BOARD OF DIRECTORS OF THE
ARIZONA LIFE AND DISABILITY INSURANCE GUARANTY FUND (FUND)

MONDAY, NOVEMBER 7, 2011

Pursuant to A.R.S. § 38-431.02 and A.R.S. § 20-690(B), Notice is hereby given to the Members of the Board of Directors of the Arizona Life and Disability Insurance Guaranty Fund and to the General Public that the Board of Directors of the Arizona Life and Disability Insurance Guaranty Fund (Fund) will hold its Annual Meeting, which meeting will be open to the Public, at 1:00 o'clock p.m., Monday, November 7, 2011, at 1110 W. Washington Street, Suite 250 (ADEQ Building Conference Room), Phoenix, Arizona 85007.

Some members of the Board may attend the meeting telephonically.

As indicated in the Agenda, the Board of the Arizona Life and Disability Insurance Guaranty Fund may vote to go into Executive Session, which will not be open to the public, to discuss certain matters.

The agenda for the meeting is as follows:

1. Announcement concerning the Fund's Conflict of Interest Policy and Anti-Trust Compliance Policy.
2. Review, discussion and possible approval of the minutes of the Board meetings held May 9 and September 26, 2011.
3. First 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 the Fund has not yet been activated.
4. Report, discussion and possible action regarding activities related to the detection and prevention of insolvencies from the Financial Affairs Division of the Arizona Department of Insurance.
5. Election of Officers and appointment of Standing Committees.

6. Financial Reports and any action or discussion related thereto as follows:
 - A. Review of the financial condition of the Fund through September 30, 2011, including, but not limited to, a report regarding investment activity;
 - B. Report, discussion and possible action regarding actual disbursements compared to projections for January 1 through September 30, 2011.

7. Report from the Executive Director with regard to claims and other activity with regard to insurers for which the Fund has been activated, and any discussion, consideration or decision related thereto:
 - A. Executive Life Insurance Company;
 - B. Imerica Life and Health Insurance Company;
 - C. Life and Health Insurance Company of America;
 - D. Lincoln Memorial Life Insurance Company;
 - i. Addendum to Joint Prosecution Agreement;
 - E. Medical Savings Insurance Company;
 - F. National States Insurance Company;
 - i. Assumption Agreement with Family Life Insurance Company;
 - ii. Addendum to Service Agreement;
 - iii. Replacement of Northstar Reinsurance Ireland Limited by RGA Reinsurance Company;
 - G. Claims appeals, if any.

8. Report from the Executive Director, discussion and possible action regarding the following:
 - A. Discussion and possible action concerning ratification of the Executive Director's decision to pay NOLHGA assessments for the first and second quarters of 2011 in the amounts of \$92,333.00 and \$85,280.00, respectively;
 - B. Review of the Fund's Plan of Operation, discussion and possible action concerning any suggested amendments thereof;
 - C. Discussion and possible action regarding the status of contracts with servicing facilities;

- D. Discussion and possible action concerning the Fund's Investment Policy and practices;
 - E. Discussion and possible action concerning the NOLHGA Recommended Guideline for Covering Variable Products;
 - F. Discussion concerning the status of litigation regarding efforts by the State of Arizona to sweep approximately \$15.6 million from the assets of the Fund.
9. Additional Executive Session(s), if necessary, pursuant to A.R.S. § 38-431.03(A)(3), to confer with counsel concerning legal issues in connection with any item included within this Notice and Agenda.
 10. Determination of the Date, Time and Place of the Board meetings to be held during the ensuing year.
 11. 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) 912-8451, Extension 4505. Requests should be made as early as possible to allow time to arrange the accommodation.

Dated this 27th day of October, 2011.

ARIZONA LIFE AND DISABILITY INSURANCE GUARANTY FUND

/s/ Tod D. Lashway
Tod D. Lashway
Chair of the Board