MARCH 30, 2017





LOUISIANA INSURANCE GUARANTY ASSOCIATION

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BOARD OF DIRECTORS

AS OF DECEMBER 31, 2016

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J. E. BRIGNAC, JR. Imperial Fire & Casualty

BILL GOURGUES State Farm Insurance Companies

WILLIAM D. HUGHS, III Appointee of the Speaker of the House

DENIS HUSERS Appointee of the Commissioner of Insurance as a Consumer Representative

KRISTIN WALL Louisiana Workers' Compensation Corporation

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. LIGA STAFF AS OF DECEMBER 31, 2016

JOHN C. WELLS Executive Director

LACEY ANDERSON Administrative Assistant

ALISHA AUGUST Administrative Assistant

CHANTELLE DAVIDSON Accounting Clerk

DANA TIRCUIT Clerical Supervisor

KRYSTAL WILLIAMSON Claims Assistant

BRIGITTE KLEINPETER Claims Assistant

GUY FRANCO Claims Examiner

JIM JOHNSON Claims Examiner GERRY CORYELL Claims Manager

BRYAN JOHNSON Claims Examiner

MALCOLM TWINER Claims Examiner

LEAH WEBER Claims Examiner

DORIAN LOTT Claims Examiner

JAY MAYFIELD Claims Examiner

WANDA POCHE Claims Examiner

THELMA LUPTON-STRONG Claims Examiner

CISSY WILSON Claims Examiner



March 30, 2017

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

RE: 2016 Annual Report of LIGA

Dear Commissioner:

Pursuant to La. R.S. 22:2064, we are pleased to submit to you LIGA's 2016 Annual Report. Please allow me to highlight a few of LIGA's activities during the year.

- Affirmative Insurance Company (AIC) was an automobile insurer licensed in about 20 states. It was placed into liquidation by the Illinois state court on 3/24/2016. AIC also provided reinsurance for its subsidiary Affirmative Casualty Insurance Company (ACIC). LIGA has opened nearly 400 claims and paid over \$600,000 this year.
- The failure of AIC led to liquidation of its subsidiary, ACIC, which was placed into liquidation by the 19th Judicial District Court of Louisiana on 4/11/2016. We have opened over 2,400 claims and paid \$3.7 million thus far.
- Lumbermens Underwriting Alliance was a Missouri domiciled writer of PEO workers compensation insurance. It was placed into liquidation on 5/23/2016 sending LIGA 33 claims for which we have paid incurred \$530,000 in claims and expenses.
- In total, LIGA received 3,009 new claims in 2016. The majority of these new claims were the result of the three aforementioned insolvencies. However, LIGA's claim payments continue to be skewed toward older existing workers' compensation and toxic tort claims. LIGA's payments were evenly distributed between one-third auto, one-third workers' compensation and one-third liability.
- LIGA was again able to fund claims without assessing its member insurers. This was possible because 1) claims of existing insolvencies were paid with funds assessed closer to the dates of liquidation and 2) new insolvencies were funded with distribution from closing estates.

LIGA continues to monitor a handful of rehabilitations and troubled companies nationally and stands ready to assist policyholders and claimants when called upon. The Association would like to express its appreciation to the Department and the Legislature for their continued support of our mission. Enclosed herein is our 2016 Report on Insolvent Companies, 2016 Company Claims Activity, 2016 Report of LIGA's General Counsel, and our Annual Financial Audit for 2016 prepared by Postlethwaite & Netterville.

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Respectfully submitted,

John C. Wells Executive Director



March 30, 2017

REPORT OF GENERAL COUNSEL January 1, 2016 – December 31, 2016

1. 2016 LEGISLATION

2016 was a relatively quiet year with respect to legislation. The Bill of most particular interest to LIGA that made it to final passage was Senate Bill 217, enacted as Act 345 of 2016, which provides for the confidentiality of records disclosed to or by the Commissioner of Insurance during the course of an insurance receivership.

Several other Bills of possible interest to LIGA were considered by the Legislature, as discussed in greater detail in my 2016 Legislative Report to the Board dated June 30, 2016.

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

No revisions to LIGA's Plan of Operation or Policies and Procedures Manual were made in 2016.

3. IMPORTANT CASES

LIGA's primary focus in 2016 was the application of the new LIGA Law to the Affirmative cases, primarily with respect to the application of the credit for other applicable insurance. These cases, along with the remaining Southern Casualty cases, involve a *de novo* interpretation of a new provision added to the LIGA Law by the 2010 amendments. As reported last year, we obtained the first Court of Appeal decision interpreting the credit provision, La. R.S. 22:2062(A) (2), in 2015. Essentially, the Louisiana Fourth Circuit Court of Appeal held that the statute means exactly what we have been arguing it means, *i.e.*, that LIGA is entitled to a credit in the full amount of any payment made by another insurer, including a health insurer, which in this case was Medicaid. The Court did not reach the issue of whether LIGA was also entitled to a summary judgment based on the "No pay, no play" statute (La. R.S. 32:866) as a result of the plaintiff's failure to purchase his own coverage, as the holding on the credit issue made the latter issue moot. *Brown vs. Norman-Fuegero*, 2014-CA-0826 (La. App. 4 Cir. 4/22/15), 165 So.3d 1059.

In the Affirmative cases, we are more squarely being presented with various coverage issues under the policy, including "No pay, no play" as well as other terms and exclusions of the Affirmative policies that were not decided by the *Brown* Court. Because of the small limits of these policies, it is unlikely that any of them will be litigated as far as a published decision with precedential value in other cases, but we hope to continue to build a body of jurisprudence interpreting the new LIGA Law.

LIGA's secondary focus is the continuing resolution of long-term hazardous and environmental exposure cases, which as you know are being aggressively pursued. The most important case in 2016 in this area is the Louisiana Supreme Court case of *Daniel Arceneaux, et al. vs. Amstar Corp., et al.*, 2015-C-0588 (La. 07/09/16). The case involved the issue of whether the duty to defend in long latency disease cases may be pro-rated between the insurer and the insured when

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MILLING BENSON WOODWARD L.L.P.

occurrence-based policies provide coverage for only a portion of the time during which exposure occurred, similar to the way indemnity is pro-rated among the various insurers and the insured. Following a discussion of a prior split between the Circuits on this issue, the Supreme Court ruled that the insured in this case is liable for the portion of the defense costs for the periods of non-coverage, as opposed to pro-rating the defense costs only among the various insurers, based on the policy language at issue in this case. The Court held that the appropriate basis for apportioning responsibility was the time on the risk. The Court did provide the following caution:

Thus, the policy language in this case that supports a pro rata allocation of defense costs may not appear in another policy, requiring a different result with regard to responsibility for defense costs. The manner in which defense costs are to be allocated may need to be determined on a case by case basis, according to the precise language of the insurance contract at issue.

Arceneaux, supra, at p. 13. Accordingly, this decision cannot be blindly used to apportion responsibility for defense costs to the insured, but will require a review of the applicable insurance policies to determine the parties' respective responsibilities for same.

4. MISCELLANEOUS

We have been informed that our long-awaited Law Review article on the updated provisions of the LIGA Law will likely be published in the LSU Law Review in the Spring of 2017. We are currently working with the editorial board on the final round of edits.

It was my great honor and privilege to serve LIGA as its General Counsel again in 2016. Please let me know if you would like any additional information regarding any of these issues, or any other matter of concern to you.

Kindest regards. Sincerely,

Atephanie B. Laborde

Stephanie B. Laborde

SBL/kd 35406/WP



A Professional Accounting Corporation Associated Offices in Principal Cities of the United States 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, 2016 and 2015, 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, 2016, and 2015, 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.

Postlethwaite & Netterille

Baton Rouge, Louisiana March 6, 2017



Statements of Financial Position Arising from Cash Transactions

December 31, 2016 and 2015

Assets	2016	2015
Cash	\$ 608,346	\$ 570,979
Investments, at cost	143,481,349	148,369,394
	\$ 144,089,695	\$ 148,940,373
Liabilities and Net Assets		
Net assets — restricted	\$ 144,089,695	\$ 148,940,373
	\$ 144,089,695	\$ 148,940,373

The accompanying notes are an integral part of these statements.

Statements of Activities Arising from Cash Transactions

December 31, 2016 and 2015

Receipts	2016	2015
Distributions from liquidators	\$ 8,021,185	\$ 2,085,973
Interest income	3,236,306	4,761,269
Net loss on disposition of investments	(3,396,216)	(2,467,052)
Restitution	6,053	16,876
	7,867,328	4,397,066
Disbursements		
Dispursements		
Assessments (Note 4)	_	74,000,000
Claims paid	8,748,158	8,060,338
Legal fees and expenses	1,974,160	1,984,336
Claims handling costs	271,273	200,554
Professional and bank fees	54,204	102,725
Staff salaries, taxes, and benefits	1,267,858	876,112
Travel, meetings, and seminars	30,566	21,453
Building expenses	_	14,170
Administrative expenses	371,787	327,314
	12,718,006	85,587,002
Excess of Receipts Over (Under) Disbursements	(4,850,678)	(81,189,936)
Net assets — beginning of the year	148,940,373	230,130,309
Net assets — end of the year	\$ 144,089,695	\$ 148,940,373

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.

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). As described in note 4, the Association refunded excess funds to the State of Louisiana General Fund in 2015.

3. Investments

The Association's investments are recorded at cost and consisted of the following at December 31, 2016 and 2015:

	Cost	2016 Estimated Fair Value	Cost	2015 Estimated Fair Value
Short-term repur- chase agreements	\$ 1,114,807	\$ 1,114,807	\$ 1,284,619	\$ 1,284,619
Money market accounts invested in U.S. Treasury obliga- tions	2,022,355	2,022,355	3,839,875	3,839,875
U.S. Treasury notes and bonds	126,376,864	121,169,869	131,542,570	125,346,561
U.S. Government Agency obligations	13,967,323	13,791,315	11,702,330	11,305,950
	\$ 143,481,349	\$ 138,098,346	\$ 148,369,394	\$ 141,777,005

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, 2016, 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	\$ 52,610,833	\$ 49,189,362
Due after 1 year through 5 years	90,870,516	88,908,984
	\$ 143,481,349	\$ 138,098,346

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 2016 and 2015, the Association did not assess or receive any assessments from member companies.

During 2015, the Association's Board, following lower than expected claims payments and higher than expected recoveries from insolvent insurer estates, recognized a surplus over anticipated reserves and voted to refund a portion of its excess funds, \$74 million, to the State of Louisiana General Fund.

5. Distributions from Liquidators

The Association files claims against the estates of insolvent insurers in an effort to recover a portion of the claims paid and related expenses from the assets of the insolvent insurers. During the years ended December 31, 2016 and 2015, the Association received \$8,021,185 and \$2,085,973, 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. The Association returned no distributions during 2016 or 2015. Management estimates that \$60 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, 2016, the Association had 2,660 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 are unaudited condensed balance sheets of the Association at December 31, 2016 and 2015, 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 \$88 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 prorated basis and unpaid balances are to be paid as funds become available.

December 31, Assets	2016 Unaudited	2015 Unaudited
Cash	\$ 608,346	\$ 570,979
Investments, at cost	143,481,349	148,369,394
Total assets	\$ 144,089,695	\$ 148,940,373

December 31, Liabilities and Net Assets	2016 Unaudited	2015 Unaudited
Liability for estimated claims and claims administration expenses payable (1) Net assets (2)	138,425,000 5,664,695	135,661,000 13,279,373
Total liabilities and net assets	\$ 144,089,695	\$ 148,940,373

(1) Represents management's estimate of claims and claims administration expense reserves related to open claim files at December 31, 2016 and 2015.

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.

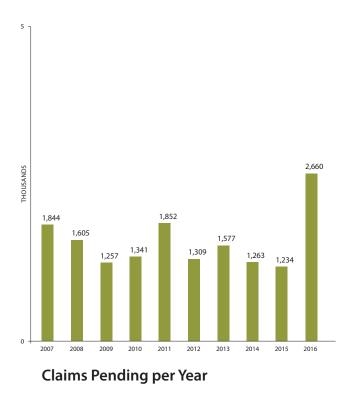
Management includes in the reserve for claims and claims administration expense amounts estimated as the Association's liability for these claims based on present statutes and based on the best information available at this time. However, there are numerous and significant uncertainties regarding the 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.

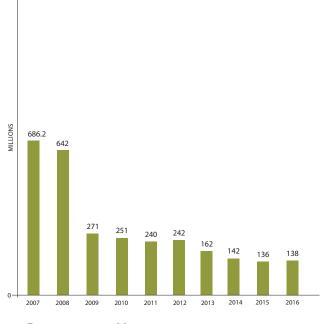
(2) Due to the uncertainty of the timing and amount of claims to be paid by the Association, it is unknown whether the Association can meet all of its claims obligations as they become due. Additionally, as described in Note 5, the Association has received early access distributions of approximately \$60 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.

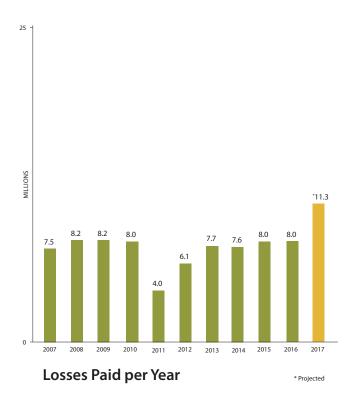
The Association has the statutory authority to assess up to 1% of member insurers' net direct written premiums annually if necessary to pay its obligations as described in Note 4. The Association's financial resources also include receipt of investment earnings and the continued receipt of proceeds from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

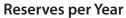
7. Subsequent Events

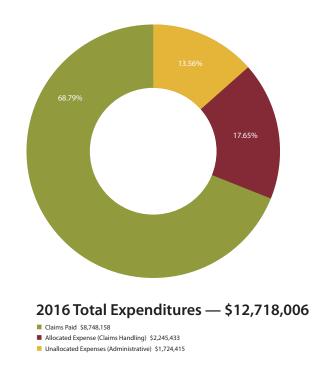
Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 6, 2017, and determined that there were no events that required additional disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.











LIGA Company Claims Activity for the Year Ending 2016

Company Name	Closed in 2016	Pending 12/31/16	Distribution (Refunds) in 2016	Losses Paid in 2016	Claims Expenses Paid in 2016	Outstanding Reserves
AFFIRMATIVE CASUALTY	1,165	1,304	0	2,494,055	1,222,743	7,450,675
AFFIRMATIVE INSURANCE	191	201	0	388,309	239,128	1,374,263
AMERICAN DRUGGIST	0	1	0	12,082	1,026	313,763
AMERICAN MUTUAL BOSTON	0	4	37,139	31,082	4,499	623,569
AMERICAN MUTUAL LIABILITY	143	549	210,457	2,312,722	1,465,836	54,710,344
ANGLO AMERICAN	2	9	0	29,467	28,568	571,281
ATLANTIC MUTUAL INS. CO.	0	0	288	0	0	0
CALIFORNIA COMPENSATION	0	1	0	2,617	2,058	194,959
CASUALTY RECIPROCAL	1	6	1,891,924	114,210	11,592	2,548,382
COMMERCIAL CASUALTY	0	2	1,788	130,000	88,257	126,878
COMMERCIAL COMPENSATION	1	2	0	3,285	4,528	184,682
CREDIT GENERAL	0	13	0	222,037	29,229	3,320,610
EMPLOYERS CASUALTY	0	8	0	0	399	42,716
EMPLOYERS NATIONAL	5	50	0	289,617	69,444	5,186,660
FREESTONE	3	22	0	270,265	59,558	2,303,396
FRONTIER INS. CO.	1	2	0	207,487	23,222	404,254
GENERAL	13	8	0	311	16,258	31,686
GRAMERCY	0	1	70,135	0	1,865	35,190
GREAT GLOBAL ASSURANCE	0	0	0	0	17	0
HOME INSURANCE CO.	0	41	11,259	115,269	18,064	4,823,768
HOMEWISE INS. CO.	0	1	0	55,000	27,985	0
IMPERIAL CASUALTY	0	0	0	0	679	0
LARAMIE	0	1	0	0	146	267,395
LEGION INSURANCE CO.	4	4	0	37,698	13,534	372,500
LINCOLN GENERAL INSURANCE	0	1	0	0	634	4,343
LUMBERMENS MUTUAL	7	15	44,264	123,871	41,396	2,713,064
LUMBERMEN'S UNDERWRITING	8	25	0	452,605	77,621	1,698,359
LUTHERAN BENEVOLENT	0	0	72,911	0	0	0
MIDLAND	0	2	121,247	16,866	1,878	319,524
MISSION	0	1	0	3,380	994	118,980
OLD HICKORY	1	1	0	20,640	828	408,391
PACIFIC MARINE	0	2	0	23,168	855	289,357
PARK AVENUE P & C INS. CO.	0	0	0	0	679	0
PATTERSON INSURANCE CO.	0	1	5,203,583	0	806	13,078

LIGA Company Claims Activity for the Year Ending 2016 (continued)

Company Name	Closed in 2016	Pending 12/31/16	Distribution (Refunds) in 2016	Losses Paid in 2016	Claims Expenses Paid in 2016	Outstanding Reserves
PETROSURANCE	0	2	180,163	0	818	155,841
PHICO	0	0	0	0	(69)	0
PINNACLE	0	1	0	0	26	95,434
PRESIDENTIAL FIRE & CASUALTY	0	3	0	(11,791)	2,997	246,929
REALM INSURANCE CO.	0	1	11,653	24,808	7,506	453,904
RED ROCK	0	2	0	0	497	48,378
RELIANCE NATIONAL	69	249	0	453,225	121,498	33,187,593
ROCKWOOD	2	15	0	646,773	78,251	8,003,122
SOUTHERN AMERICAN	2	1	0	0	303	20,000
SOUTHERN CASUALTY INS. CO.	36	54	0	166,846	281,989	639,382
TRANSIT	11	50	0	61,158	7,413	4,234,353
U.S. CAPITAL	0	0	19,109	0	0	0
ULLICO	0	4	0	51,095	14,292	888,049
UNITED AGENTS	0	0	2,000	0	0	0

TOTALS	1,665	2,660	\$ 7,877,918	\$ 8,748,159	\$ 3,969,848	\$ 138,425,052

Insolvent Companies Monies Paid from the Date of Insolvency to 12/31/2016

Company Name, State and Date of Insolvency	Losses	Expenses	Unearned Premiums/ Expenses Paid	Total All Time LIGA Billings
A.N.A. , LA 05/17/93	10,580,868.00	2,644,479.04	1,464,539.41	14,689,886.45
ACCELERATION NATIONAL, OH 02/28/01	109,200.00	70,871.55	0.00	180,071.55
AFFIRMATIVE CASUALTY, LA 04/11/16	2,493,944.88	1,222,852.62	0.00	3,716,797.50
AFFIRMATIVE INSURANCE, IL 03/24/16	388,309.01	239,127.96	0.00	627,436.97
ALLIANCE CASUALTY, LA 06/19/92	5,517,652.29	1,309,145.54	611,847.69	7,438,645.52
ALLIED FIDELITY, IN 07/15/86	1,151,896.75	684,836.19	14,865.30	1,851,598.24
AMERICAN DRUGGIST, OH 04/30/86	2,462,899.20	761,751.22	0.00	3,224,650.42
AMERICAN EAGLE, TX 12/22/97	997,056.18	525,363.86	8,932.00	1,531,352.04
AMERICAN FIDELITY, NY 03/14/86	324,209.64	267,879.76	174,150.75	766,240.15
AMERICAN LLOYDS, LA 06/21/89	9,480,353.77	1,951,866.78	632,508.49	12,064,729.04
AMERICAN MUTUAL BOSTON, MA 03/09/89	7,033,506.05	1,003,430.62	0.00	8,036,936.67
AMERICAN MUTUAL LIABILITY, MA 03/09/89	32,161,719.62	27,452,612.10	0.00	59,614,331.72
AMERICAN SURETY & FIDELITY, LA 07/08/92	8,582,647.25	2,524,605.85	996,485.67	12,103,738.77
AMERICAN UNIVERSAL, IL 01/08/91	335,335.00	22,368.85	0.00	357,703.85
ANDREW JACKSON, MS 04/04/92	3,696,783.16	1,310,264.59	1,308,505.76	6,315,553.51
ANGLO AMERICAN, LA 03/20/89	23,015,196.84	4,336,857.72	1,035,251.48	28,387,306.04
ARIST , LA 05/04/92	10,799,778.00	2,402,073.10	414,376.85	13,616,227.95
ASPEN, CO 09/06/84	792,587.37	268,847.18	111.10	1,061,545.65
ATLANTIC MUTUAL INS. CO., NY 04/27/11	0.00	4,045.06	0.00	4,045.06
BONNEVILLE OF OREGON, OR 10/22/93	450,638.63	159,163.80	0.00	609,802.43
CADILLAC, MI 01/02/90	956,259.45	116,084.73	1,492,435.20	2,564,779.38
CALIFORNIA COMPENSATION, CA 09/26/01	1,137,735.41	410,491.08	11,580.00	1,559,806.49
CAR (AUTOMOTIVE CASUALTY), LA 01/20/93	29,792,639.19	11,630,688.31	333,678.75	41,757,006.25
CARRIERS, IA 1/16/86	1,271,512.16	269,012.67	0.00	1,540,524.83
CASCADE, LA 08/12/93	2,511,225.27	611,082.48	3,131.16	3,125,438.91
CASUALTY RECIPROCAL, MO 08/18/04	4,518,597.98	1,090,525.26	0.00	5,609,123.24
CENTENNIAL INS. CO., NY 04/27/11	0.00	3,924.58	0.00	3,924.58
CHAMPION, LA 06/05/89	90,375,345.26	31,130,754.34	4,604,419.47	126,110,519.07
COLONIAL LLOYDS, LA 03/27/92	22,166,749.38	6,469,596.84	5,911,383.05	34,547,729.27
COMCO, TX 01/13/92	2,319,545.42	1,106,446.12	120,636.04	3,546,627.58
COMMERCIAL CASUALTY, GA 04/02/04	998,197.91	1,107,768.03	0.00	2,105,965.94
COMMERCIAL COMPENSATION, CA 09/26/01	4,956,662.05	1,473,160.75	148,830.00	6,578,652.80
CREDIT GENERAL, OH 01/05/01	15,735,997.80	4,404,696.10	387,603.44	20,528,297.34
DIXIE LLOYDS, LA 12/20/90	9,538,487.97	4,230,916.04	2,103,022.53	15,872,426.54

Insolvent Companies Monies Paid from the Date of Insolvency to 12/31/2016 (continued)

Company Name, State and Date of Insolvency	Losses	Expenses	Unearned Premiums/ Expenses Paid	Total All Time LIGA Billings
EARLY AMERICAN, AL 02/01/85	3,542,520.19	1,216,289.05	460,371.68	5,219,180.92
EASTERN INDEMNITY, MD 01/11/85	1,737,078.10	454,309.81	0.00	2,191,387.91
EMPLOYERS CASUALTY, TX 02/11/94	587,563.62	434,024.78	0.00	1,021,588.40
EMPLOYERS NATIONAL, TX 02/11/94	14,487,337.15	4,794,575.89	7,638.00	19,289,551.04
ENTERPRISE, CA 02/24/87	116,628.80	52,462.58	0.00	169,091.38
EXCALIBUR, TX 09/05/84	658,030.74	244,240.25	0.00	902,270.99
FIDELITY FIRE & CASUALTY, LA 09/04/91	11,608,852.54	4,917,117.58	639,089.05	17,165,059.17
FIRST SOUTHERN, FL 10/31/92	1,659,631.00	298,690.82	299,295.45	2,257,617.27
FREESTONE, DE 08/15/14	585,290.96	245,785.89	0.00	831,076.85
FREMONT INSURANCE CO., CA 07/02/03	346,549.12	79,702.05	0.00	426,251.17
FRONTIER INS. CO., NY 11/16/12	367,187.08	91,163.47	0.00	458,350.55
GRAMERCY, TX 08/26/13	943,388.75	88,849.80	0.00	1,032,238.55
GREAT GLOBAL, AZ 04/27/87	224,848.26	115,199.50	12,286.04	352,333.80
GULF COAST CASUALTY, LA 04/02/93	3,622,007.42	799,048.46	629,221.01	5,050,276.89
HAMILTON INSURANCE CO., PA 08/03/00	4,550.00	4,498.26	0.00	9,048.26
HERITAGE, IL 02/26/86	276,838.34	41,196.52	0.00	318,034.86
HOME INSURANCE CO., NH 06/13/03	2,354,373.63	731,773.71	0.00	3,086,147.34
HOMEWISE INS. CO., FL 11/18/11	1,626,238.25	814,898.65	11,452.97	2,452,589.87
HORIZON, NY 01/11/85	228,917.73	49,586.94	1,367.25	279,871.92
IDEAL MUTUAL, NY 02/07/85	7,551,060.75	1,776,965.92	5,164.60	9,333,191.27
IMPERIAL CASUALTY & IND. CO., OK 05/12/10	165,636.06	43,270.79	0.00	208,906.85
IMPERIAL LLOYDS, LA 07/08/91	1,806,692.05	719,220.67	0.00	2,525,912.72
IMPERIAL, CA 01/10/78	133,091.51	47,699.87	0.00	180,791.38
INSURANCE CORP. OF AMERICA, TX 04/28/97	3,916,350.21	4,415,339.97	414,293.43	8,745,983.61
INTEGRITY, NJ 03/24/87	2,689,202.10	814,192.33	2,522.55	3,505,916.98
LARAMIE, WY 02/14/90	6,883,470.38	1,979,589.15	1,274,804.13	10,137,863.66
LEGION INSURANCE CO., PA 07/28/03	7,221,112.30	2,874,348.42	137,987.44	10,233,448.16
LIBERTY LLOYDS, LA 05/17/93	42,919,330.92	12,101,189.49	173,564.46	55,194,084.87
LINCOLN GENERAL INSURANCE, PA 11/05/15	0.00	633.57	0.00	633.57
LUMBERMENS MUTUAL, IL 05/10/13	687,409.46	259,292.38	0.00	946,701.84
LUMBERMEN'S UNDERWRITING ALLIANCE	452,605.28	77,620.81	0.00	530,226.09
LUTHERAN BENEVOLENT, MO 12/02/96	1,175,784.26	292,852.02	103,318.88	1,571,955.16
MAGNOLIA FIRE & CASUALTY, LA 05/14/93	751,162.78	190,109.52	79,185.50	1,020,457.80
MANCHESTER, OH 02/13/76	1,647,092.78	385,961.89	132,507.56	2,165,562.23

Insolvent Companies Monies Paid from the Date of Insolvency to 12/31/2016 (continued)

Company Name, State and Date of Insolvency	Losses	Expenses	Unearned Premiums/ Expenses Paid	Total All Time LIGA Billings
MEDALLION, MO 09/12/75	205,134.51	126,821.40	493,223.25	825,179.16
MERIT CASUALTY CO., IL 04/01/97	659,633.89	175,550.45	0.00	835,184.34
MID-AMERICAN CASUALTY, LA 11/07/90	280,140.00	85,311.90	271,502.07	636,953.97
MIDLAND, NY 04/03/86	10,562,024.74	2,719,479.79	17,023.59	13,298,528.12
MILLERS INSURANCE CO., TX 03/24/03	180,923.37	97,489.44	0.00	278,412.81
MISSION NATIONAL, CA 02/24/87	726,469.67	620,114.47	0.00	1,346,584.14
MISSION REINSURANCE CORP., CA 02/24/87	115,000.00	1,964.45	0.00	116,964.45
MISSION, CA 02/24/87	1,673,948.78	593,325.78	0.00	2,267,274.56
NATIONAL ALLIED, TX 10/31/86	1,413,667.43	202,460.72	0.00	1,616,128.15
NEW ENGLAND, LA 09/22/89	6,929,966.48	1,652,851.02	366,194.09	8,949,011.59
NORTH AMERICAN INDEMNITY, LA 05/26/92	2,655,886.09	540,596.93	231,362.47	3,427,845.49
OHIO GENERAL, OH 03/28/90	185,374.74	56,061.74	24,688.00	266,124.48
OLD HICKORY , LA 10/31/91	11,415,845.89	4,314,168.62	2,274,689.75	18,004,704.26
PACIFIC AMERICAN, DE 01/23/85	234,705.95	52,183.07	0.00	286,889.02
PACIFIC MARINE, WA 06/07/89	2,853,228.92	530,834.89	0.00	3,384,063.81
PARK AVENUE P & C INS. CO., OK 11/18/09	183,618.56	96,505.77	0.00	280,124.33
PATTERSON INSURANCE CO., LA 03/17/03	6,912,544.38	5,722,211.39	782,506.08	13,417,261.85
PEGASUS INSURANCE CO., OK 08/12/10	2,500.00	10,845.25	0.00	13,345.25
PELICAN STATE MUTUAL, LA 02/26/93	19,147,364.30	5,458,937.58	321,366.03	24,927,667.91
PETROSURANCE, OK 03/14/02	1,546,910.66	400,336.09	0.00	1,947,246.75
PHICO, PA 02/01/02	543,697.91	884,781.28	14,829.00	1,443,308.19
PINNACLE, GA 09/20/99	570,378.00	270,547.30	0.00	840,925.30
PREMIER ALLIANCE, CA 08/02/94	199,218.00	132,983.22	0.00	332,201.22
PRESIDENTIAL FIRE & CASUALTY, LA 11/13/91	13,152,806.86	3,029,903.71	595,841.29	16,778,551.86
PROPRIETORS, OH 08/05/81	144,658.25	40,673.03	7,648.00	192,979.28
PROTECTIVE CASUALTY, MO 05/24/91	5,265,558.30	1,272,342.98	632,627.81	7,170,529.09
REALM INSURANCE CO., NY 06/10/05	149,814.71	63,242.91	0.00	213,057.62
RECIPROCAL OF AMERICA, VA 06/20/03	654,959.58	414,871.19	0.00	1,069,830.77
RED ROCK , OK 08/21/14	0.00	15,169.34	0.00	15,169.34
RELIABLE, OH 01/29/88	112,140.01	23,087.38	0.00	135,227.39
RELIANCE NATIONAL, PA 10/03/01	54,954,200.48	21,224,392.07	0.00	76,178,592.55
RESERVE , IL 05/07/79	985,483.29	209,197.16	317,544.14	1,512,224.59
ROCKWOOD, PA 08/26/91	33,547,442.24	5,182,568.15	22,994.25	38,753,004.64
SAVANT, LA 11/07/01	1,127,156.31	304,348.76	0.00	1,431,505.07

Insolvent Companies Monies Paid from the Date of Insolvency to 12/31/2016 (continued)

Company Name, State and Date of Insolvency	Losses	Expenses	Unearned Premiums/ Expenses Paid	Total All Time LIGA Billings
SOUTH CENTRAL, LA 01/05/89	1,496,640.55	356,707.26	387,532.96	2,240,880.77
SOUTHERN AMERICAN, UT 03/20/92	1,420,480.93	1,212,366.36	0.00	2,632,847.29
SOUTHERN CASUALTY INS. CO., GA 03/20/13	1,774,261.37	3,085,514.44	165,154.97	5,024,930.78
SOVEREIGN FIRE & CASUALTY, LA 05/29/91	7,825,397.25	2,913,123.82	3,382,524.64	14,121,045.71
SUMMIT, NY 05/28/75	527,145.12	98,467.34	0.00	625,612.46
SUNBELT SOUTHERN, LA 12/02/88	296,126.70	296,507.48	0.00	592,634.18
TRANSIT, CA 12/03/85	23,919,398.29	6,097,633.47	17,251.46	30,034,283.22
U.S. CAPITAL, NY 11/20/97	1,959,275.14	1,471,939.79	0.00	3,431,214.93
U.S. INDEMNITY, LA 10/13/89	2,192,153.64	428,503.71	38,849.76	2,659,507.11
ULLICO, DE 05/30/13	351,010.44	79,173.27	0.00	430,183.71
UNION INDEMNITY, NY 06/16/85	683,366.39	209,907.69	5,553.00	898,827.08
UNITED AGENTS, LA 03/03/02	5,092,068.47	2,036,400.32	179,232.23	7,307,701.02
UNITED COMMUNITY, NY 11/10/95	5,802,227.78	2,480,189.81	166,571.56	8,448,989.15
UNITED SOUTHERN ASSURANCE, FL 09/18/97	1,334,715.94	605,917.36	0.00	1,940,633.30
UNIVERSAL SECURITY, TN 10/13/91	1,145,779.85	280,761.14	8,772.65	1,435,313.64
VILLANOVA INSURANCE CO., PA 07/28/03	409,660.59	93,772.30	0.00	503,432.89
YORKTOWN, IL 02/07/89	174,800.00	7,457.76	0.00	182,257.76

Inacticve Company Totals	\$ 9,488,253.83	\$ 2,779,446.96	\$ 243,385.43	\$ 12,511,292.14
Totals	\$ 674,816,533.99	\$ 235,729,446.96	\$ 37,131,232.62	\$ 947,677,213.57



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