

# NEW HAMPSHIRE INSURANCE GUARANTY ASSOCIATION

*One Bowdoin Square  
Boston, MA 02114-2916*

*(617) 227-7020 (800) 852-2003*

*Accounting and Administration Departments Fax: (617) 227-8903*

*Claim Department Fax: (617) 305-0001*

**Via Certified Mail/Return Receipt Requested**

March 18, 2015

The Honorable Roger A. Sevigny  
Commissioner of Insurance  
New Hampshire Insurance Department  
21 South Fruit Street, Suite 14  
Concord, NH 03301

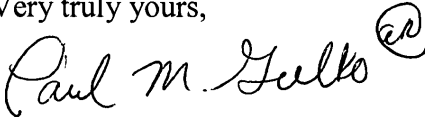
Re: New Hampshire Insurance Guaranty Association (the "Association")  
Annual Report of the Association for the Year Ending December 31, 2014

Dear Commissioner Sevigny:

Pursuant to the Association Act, enclosed herewith for filing please find duly executed original Annual Report of the Association for the year ending December 31, 2014.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in cursive script that reads "Paul M. Gulko" followed by a circled "20".

Paul M. Gulko  
Executive Secretary/Clerk

Enclosure

cc: The Board of Directors of the Association

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March 18, 2015

To: THE COMMISSIONER OF INSURANCE (the "Commissioner") AND  
THE MEMBER INSURERS OF THE NEW HAMPSHIRE INSURANCE GUARANTY  
ASSOCIATION (the "Association")

Re: The Annual Report of the Association for the Year ending December 31, 2014

During 2014, there were no new insolvencies submitted to the Board of Directors for action.

On October 19, 2014, the member insurers of the Association held their Annual Meeting in Woodstock, VT, in conjunction with other meetings of the member guaranty associations of Guaranty Fund Management Services<sup>®</sup> ("GFMS<sup>®</sup>") and its committees.

The member insurers received and considered the report of the Executive Secretary regarding the ballots transmitted by the member insurers with instructions to vote in favor of the following nominees as Directors: Liberty Mutual Insurance Company, NGM Insurance Company and Providence Mutual Fire Insurance Company. The Chair thereupon directed the Executive Secretary to cast one vote for the election of the nominees as Directors for a three-year term, expiring in 2017.

The Chair then presented the 2013 Annual Report of the Association to the member insurers. The member insurers thereupon voted that the Annual Report be accepted.

The Plan of Operation was reviewed and the membership concluded that no amendments thereto were recommended at this time.

The Treasurer presented the Audited Financial Statements for the year ending December 31, 2013. The member insurers thereupon voted that the Report of the Treasurer be accepted.

Immediately subsequent thereto, the Board held its Annual Meeting. Joyce Hall Mellinger, Earl F. Cottam, Jr., Paul Gulko, James Winskowicz, and Kathleen Lavin, were elected Chair, Vice Chair, Treasurer, Executive Secretary/Clerk, Claims Manager and Treasurer, respectively, of the Association. The Board discussed and/or voted the following items:

The Board received and considered reports concerning claims and recoveries from receivers.

The Board reviewed the existing contract with GFMS and decided to make no changes.

The Plan of Operation was reviewed and the Board concluded that no amendments thereto were recommended.

The Board acknowledged the retirement of John Hartman, former Chair of the Board of Directors, and expressed its appreciation of Mr. Hartman for his long service to the Association.

The Board then reviewed the financial condition of the Association and its operating expenses and covered claim costs, in order to determine whether an assessment or a refund of prior assessments would be appropriate. The Board determined that neither an assessment nor a refund was warranted at this time.

The member insurers currently serving on the Board and their designated representatives are:

ZURICH AMERICAN INSURANCE COMPANY	Joyce Hall Mellinger
PROVIDENCE MUTUAL FIRE INSURANCE COMPANY	Earl F. Cottam, Jr.
LIBERTY MUTUAL INSURANCE COMPANY	Donald Baldini
ACADIA INSURANCE COMPANY	Daniel Swift
CONCORD GENERAL MUTUAL INSURANCE COMPANY	Linda Day
NGM INSURANCE COMPANY	Bruce Fox
CONTINENTAL CASUALTY COMPANY	Richard Ehlers
HANOVER INSURANCE COMPANY	William Cahill
NORTH AMERICAN SPECIALTY INSURANCE COMPANY	Robert Solitro

The Statement of Account of the Association, from inception through December 31, 2014, and its Balance Sheet for the same period, are attached hereto and made a part hereof.

Respectfully submitted,

The Board of Directors of the  
NEW HAMPSHIRE INSURANCE  
GUARANTY ASSOCIATION

By its Chair

  
Joyce Hall Mellinger

**New Hampshire Insurance Guaranty Association**  
**Statement of Cash Receipts and Disbursements**  
**From Inception Through December 31, 2014 and Quarter Ending December 31, 2014**  
**Total All**

	Quarter Ending 12/31/2014	Inception To Date
<b>RECEIPTS:</b>		
Member Assessment Administrative	-	\$80,470.67
Member Assessment	-	97,564,790.00
Loan	-	425,000.00
Recovery	2,997,736.66	73,795,703.01
Interest Income	89,633.92	20,084,966.15
<b>Total Receipts</b>	<b>3,087,370.58</b>	<b>191,950,929.83</b>
<b>DISBURSEMENTS:</b>		
Claims Paid	143,962.60	61,410,253.97
Helmsman Claims Paid	122,823.99	21,325,768.77
Claims Expense Paid	14,885.09	11,431,397.74
Helmsman Claims Expense Paid	420.00	1,325,051.52
Premium Refund	-	1,604,688.63
Member Refund	-	39,683,153.00
<b>Operating Expenses:</b>		
Service Fee - ISO, Etc.	-	7,395.08
G.F.M.S.	100,033.80	6,197,078.35
Legal & Audit	3,165.76	1,104,074.23
Travel	8,472.32	167,986.84
NCIGF Fee	-	471,295.49
Insurance	6,000.00	44,490.00
Other	491.00	123,736.72
Administrative Expense	-	58,385.95
Interest	-	28,440.77
Loan	-	425,000.00
<b>Total Operating Expenses</b>	<b>118,162.88</b>	<b>8,627,883.43</b>
<b>Total Disbursements</b>	<b>400,254.56</b>	<b>145,408,197.06</b>
<b>Funds Available</b>	<b>\$2,687,116.02</b>	<b>\$46,542,732.77</b>

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**New Hampshire Insurance Guaranty Association**  
**Statement of Cash Receipts and Disbursements**  
**From Inception Through December 31, 2014 and Quarter Ending December 31, 2014**  
**Admin**

Quarter Ending 12/31/2014 Inception To Date

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**RECEIPTS:**

Member Assessment Administrative	-	\$71,102.41
<b>Total Receipts</b>	-	<b>71,102.41</b>

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**DISBURSEMENTS:**

<b>Operating Expenses:</b>		
Other	-	1,000.00
<b>Total Operating Expenses</b>	-	<b>1,000.00</b>
<b>Total Disbursements</b>	-	<b>1,000.00</b>
<b>Funds Available</b>	-	<b>\$70,102.41</b>

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**New Hampshire Insurance Guaranty Association**  
**Statement of Cash Receipts and Disbursements**  
**From Inception Through December 31, 2014 and Quarter Ending December 31, 2014**  
**Auto**

	Quarter Ending 12/31/2014	Inception To Date
<b>RECEIPTS:</b>		
Member Assessment Administrative	-	\$2,503.58
Member Assessment	-	6,572,318.00
Loan	-	425,000.00
Recovery	34,234.28	3,840,123.70
Interest Income	37.15	1,116,831.92
<b>Total Receipts</b>	<b>34,271.43</b>	<b>11,956,777.20</b>
<b>DISBURSEMENTS:</b>		
Claims Paid	-	2,879,910.80
Claims Expense Paid	-	787,911.80
Premium Refund	-	648,718.88
Member Refund	-	6,624,903.00
<b>Operating Expenses:</b>		
G.F.M.S.	-	505,980.48
Legal & Audit	-	63,922.93
Travel	-	10,404.34
NCIGF Fee	-	15,867.58
Insurance	-	206.94
Other	-	7,813.87
Administrative Expense	-	14,908.25
Interest	-	28,440.77
Loan	-	425,000.00
<b>Total Operating Expenses</b>	<b>-</b>	<b>1,072,545.16</b>
<b>Total Disbursements</b>	<b>-</b>	<b>12,013,989.64</b>
<b>Funds Available</b>	<b>\$34,271.43</b>	<b>(\$57,212.44)</b>

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New Hampshire Insurance Guaranty Association  
Statement of Cash Receipts and Disbursements  
From Inception Through December 31, 2014 and Quarter Ending December 31, 2014  
Other

Quarter Ending 12/31/2014 Inception To Date

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**RECEIPTS:**

Member Assessment Administrative	-	\$6,359.13
Member Assessment	-	38,692,744.00
Recovery	725,418.90	26,054,174.93
Interest Income	6,720.11	4,128,938.16
<b>Total Receipts</b>	<b>732,139.01</b>	<b>68,882,216.22</b>

**DISBURSEMENTS:**

Claims Paid	-	29,753,635.00
Claims Expense Paid	-	9,053,567.16
Premium Refund	-	713,787.78
<b>Member Refund</b>	<b>-</b>	<b>22,983,725.00</b>
<b>Operating Expenses:</b>		
Service Fee - ISO, Etc.	-	7,357.61
G.F.M.S.	-	1,522,341.50
Legal & Audit	-	480,051.36
Travel	-	49,282.73
NCIGF Fee	-	89,671.67
Insurance	-	4,335.89
Other	-	33,715.66
Administrative Expense	-	33,632.17
<b>Total Operating Expenses</b>	<b>-</b>	<b>2,220,388.59</b>
<b>Total Disbursements</b>	<b>-</b>	<b>64,725,103.53</b>
<b>Funds Available</b>	<b>\$732,139.01</b>	<b>\$4,157,112.69</b>

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**New Hampshire Insurance Guaranty Association**  
**Statement of Cash Receipts and Disbursements**  
**From Inception Through December 31, 2014 and Quarter Ending December 31, 2014**  
**Workers Comp**

Quarter Ending 12/31/2014 Inception To Date

**RECEIPTS:**

Member Assessment Administrative	-	\$505.55
Member Assessment	-	52,299,728.00
Recovery	2,238,083.48	43,901,404.38
Interest Income	82,876.66	14,839,196.07
<b>Total Receipts</b>	<b>2,320,960.14</b>	<b>111,040,834.00</b>

**DISBURSEMENTS:**

Claims Paid	143,962.60	28,776,708.17
Helmsman Claims Paid	122,823.99	21,325,768.77
Claims Expense Paid	14,885.09	1,589,918.78
Helmsman Claims Expense Paid	420.00	1,325,051.52
Premium Refund	-	242,181.97
 Member Refund	 -	 10,074,525.00
<b>Operating Expenses:</b>		
Service Fee - ISO, Etc.	-	37.47
G.F.M.S.	100,033.80	4,168,756.37
Legal & Audit	3,165.76	560,099.94
Travel	8,472.32	108,299.77
NCIGF Fee	-	365,756.24
Insurance	6,000.00	39,947.17
Other	491.00	81,207.19
Administrative Expense	-	9,845.53
<b>Total Operating Expenses</b>	<b>118,162.88</b>	<b>5,333,949.68</b>
 <b>Total Disbursements</b>	<b>400,254.56</b>	<b>68,668,103.89</b>
 <b>Funds Available</b>	<b>\$1,920,705.58</b>	<b>\$42,372,730.11</b>

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