

# DISTRICT OF COLUMBIA 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 1, 2010

The Honorable Gennett Purcell  
Commissioner of Insurance  
D.C. Department of Insurance, Securities & Banking  
810 First Street, N.E. Suite 701  
Washington, D.C. 20002

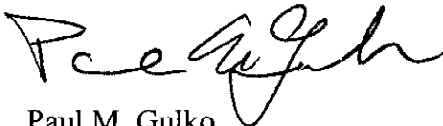
Re: District of Columbia Insurance Guaranty Association (the "Association")  
Annual Report of the Association for the Year Ending December 31, 2009

Dear Commissioner Purcell:

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, 2009.

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

Very truly yours,



Paul M. Gulko  
Manager

Enclosure

cc: The Board of Directors of the Association

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March 1, 2010

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

Re: The Annual Report of the Association for the Year ending December 31, 2009

During 2009, there were no new insolvencies reported to the Association. The Board of Directors of the Association ("the Board") continued to monitor existing insolvencies and potential insolvencies.

On October 25, 2009, the Board held its Annual Meeting in Richmond, Virginia, in conjunction with other meetings of the member guaranty associations of Guaranty Fund Management Services® ("GFMS®") and its committees. Larry Hinton, Joanne Locke, Paul Gulko, James Winskowicz, and Kathleen Lavin, were elected Chair, Vice-Chair, Manager, Claims Manager, and Treasurer, respectively, of the Association.

The Board received and considered reports concerning claims and reports on recoveries from receivers respectively, as well as the report of counsel to the Association concerning pending matters.

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 thereupon voted that the following assessment and refund of prior assessments be made:

<u>ASSESSMENT</u>	<u>AUTO</u>	<u>OTHER</u>	<u>WORKERS'</u> <u>COMP</u>
Reliance Insurance Company			\$2,881,520
	\$0	\$0	\$2,881,520
<b>Total Assessment</b>		<b>\$ 2,881,520</b>	

<u>REFUND</u>	<u>AUTO</u>	<u>OTHER</u>	<u>WORKERS' COMP</u>
Mission National Insurance Company		(\$71,622)	
Integrity Insurance Company		(36,801)	
	\$0	(\$108,423)	(\$0)
<b>Total Refund</b>		(\$108,423)	
<b>Net Assessment</b>		\$2,773,097	

Upon recommendation of the Treasurer, the Board further voted that the following insolvencies be **CLOSED: Western Employers, Mission National and Integrity.**

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

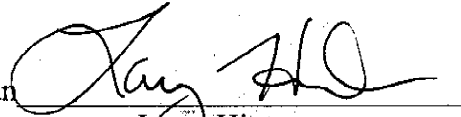
GOVERNMENT EMPLOYEES INSURANCE COMPANY	Larry Hinton
LIBERTY MUTUAL INSURANCE COMPANY	Joanne Locke
MARYLAND CASUALTY COMPANY	Joyce Hall Mellinger
NATIONAL CAPITAL RECIPROCAL INSURANCE COMPANY	Howard Friedman
NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURG, PA	Robert DiUbaldo
STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY	Peggy Echols
ALLSTATE INSURANCE COMPANY	Jeff Williams

The Statement of Account of the Association, from inception through December 31, 2009, and its Balance Sheet for the same period, are attached hereto and made a part hereof.

Respectfully submitted,

The Board of Directors of the  
DISTRICT OF COLUMBIA INSURANCE  
GUARANTY ASSOCIATION

By its Chairman



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Larry Hinton

**DISTRICT OF COLUMBIA INSURANCE GUARANTY ASSOCIATION**  
**Balance Sheet**  
**December 31, 2009**

	<u>Inception To Date</u>
<b>Assets:</b>	
<b>Checking &amp; Short-Term Cash</b>	<b>\$3,349,479.82</b>
<b>Investments</b>	<u><b>16,207,437.49</b></u>
<b>Total Assets</b>	<u><u><b>\$19,556,917.31</b></u></u>
<b>Fund Balance</b>	<u><u><b>\$19,556,917.31</b></u></u>

District of Columbia Insurance Guaranty Association  
Statement of Cash Receipts and Disbursements  
From Inception Through December 31, 2009  
Total All Insolvencies

	Year To Date	Inception To Date
<b>RECEIPTS:</b>		
Member Assessment Administrative	\$12,315.14	\$141,434.02
Member Assessment	2,874,985.00	52,437,372.00
Recovery	634,369.96	13,693,547.16
Interest Income	599,945.96	5,777,688.84
<b>Total Receipts</b>	<b>4,121,616.06</b>	<b>72,050,042.02</b>
<b>DISBURSEMENTS:</b>		
Claims Paid	1,084,108.12	19,440,438.77
Helmsman Claims Paid	477.88	615,570.11
Claims Expense Paid	72,703.65	4,168,167.69
Helmsman Claims Expense Paid	0.00	59,432.28
Premium Refund	0.00	145,416.04
Member Refund	104,594.00	23,436,632.00
<b>Operating Expenses:</b>		
G.F.M.S.	145,876.95	3,241,689.13
Legal & Audit	24,864.55	768,328.99
Travel	4,938.61	132,344.86
NCIGF Fee	0.00	239,288.89
Insurance	5,320.00	16,380.00
Other	2,135.92	69,156.62
Administrative Expense	13,595.14	160,279.33
<b>Total Operating Expenses</b>	<b>196,731.17</b>	<b>4,627,467.82</b>
<b>Total Disbursements</b>	<b>1,458,614.82</b>	<b>52,493,124.71</b>
<b>Funds Available</b>	<b>\$2,663,001.24</b>	<b>\$19,556,917.31</b>
<b>Reserves:</b>		
Claims Liability Other		105,001.00
Claims Expense Liability Other		7,579.21
Unearned Premium Liability Other		0.00
<b>Subtotal Other</b>		<b>112,580.21</b>
Claims Liability Workers		28,855,360.73
Claims Expense Liability Workers		410,948.25
<b>Subtotal Workers</b>		<b>29,266,308.98</b>
<b>Total Reserves</b>		<b>\$29,378,889.19</b>
<b>Funds Available Per Account</b>		
Auto		\$59,115.54
Other		2,479,423.38
Workers		16,977,385.11
<b>Total</b>		<b>\$19,515,924.03</b>