



Association
of Insurance
Compliance
Professionals

GREAT LAKES CHAPTER MEETING MINUTES

December 6, 2007

Call to Order

The fall meeting of the Great Lakes Chapter of the Association of Insurance Compliance Professionals (AICP) was called to order at 12:30 pm at the Property Casualty Insurers Association of America (PCI) in Des Plaines, Illinois.

Introductions

Mike Hollar, Vice President, introduced the Chapter Officers:

Mike Hollar, Vice President
Jim Morgan, Treasurer
Kate Manthey, Secretary

Unfortunately, schedule conflicts prevented some from attending, including Steve LeHew, President, Mary Keim, Regional Director, and Penny Kilberry, Past Chapter President.

First Time Attendees

Jeff Worf of Wells Fargo joined us for his first chapter meeting. Welcome, Jeff!

Policy Statement

Mike Hollar read the Policy Statement.

Reports

- Secretary – The minutes of the September 14, 2007 meeting were approved after a correction; the balance on hand as of the last Treasurer's report was \$16,019.14 (not \$13,967.10, as shown).
- Treasurer – A current copy of the Great Lakes Chapter financials was reviewed with a balance on hand of \$19,810.70. The report will be placed on file for audit.
- Regional Director – Mike Hollar shared the report on behalf of Mary Keim:
 - Report from Annual Conference
 - Record-breaking 850 in attendance: 262 first timers, over 60 state regulators, and 26 exhibitors
 - 40 Great Lakes members participated in the Spirit boat cruise event in Portland
 - Next conference is October 5-8 in Atlanta, Georgia; Mary Hendrickson and Elaine Bailey are conference planning chairs. (**Update 2-14-08**: 2008 Conference Planning Chairs are Elaine Bailey, Bill Douglas and Carole Deschambault.)
 - National has updated the Model Officer Handbook and is asking chapter leadership to verify that our chapter handbook is in compliance. Revised guidelines include:
 - A Regional Director must have a work address within that chapter's geographical boundary
 - A member may not run for more than one national office in any election
 - A member may not be considered a member of more than one chapter for membership purposes

Unfinished Business

None

New Business

We will plan another E-day to be held in 2009. Planning will start in June/July, beginning with the Officers and the Planning Committee. If you're interested in being a part of this huge undertaking, please e-mail Mike Hollar at michael_hollar@aon.com to be included in the list. Thanks!

We also have a new Chapter Website Coordinator, Jennifer Young of Assurant Health. She will help organize and maintain the Great Lakes Chapter portion of the AICP website. If you have pictures from our different meetings/events that you would like to share, you are encouraged to contact Jennifer at jennifer.young@assurant.com for possible posting. Thanks for volunteering, Jennifer!

Filing News: Laura Lemke of AAIS informed us that Illinois has clarified its position on filing fees. If a company has not authorized their rating bureau to file on their behalf, they must independently file and pay the respective filing fees with that filing.

Career Opportunities: Mike Hollar scanned the AICP website and found opportunities at Horace Mann, in Springfield, IL. Jeff Worf also volunteered that Wells Fargo had a P&C Compliance Consultant position available at one of their Midwest locations, although some travel would be included.

Announcements

Mike Hollar thanked Larry Wilk of Universal Casualty for organizing name tags for this meeting. Mike also thanked the Great Lakes Planning Committee for organizing the meeting. A special thanks also goes to Raina Brichetto for hosting the meeting at PCI and coordinating the webinar.

Education Program

We were very fortunate to have three guest speakers:

Rowe Snider, of Locke Lord Bissell & Liddell LLP, gave us the background of how the McCarran-Ferguson Act provides insurers an exemption for anti-trust. He explained how this law actually reverses the Supremacy law in certain instances, and gave a three part test to determine whether activities fall under McCarran-Ferguson protection or not.

Michael McRaith, Director of the Illinois Division of Insurance, joined us via conference call to share his views on McCarran-Ferguson. The best results of the act, according to Director McRaith, were the uniformity created in form language and the sharing of loss data to remove some of the risk in rate making. For smaller insurers, these tools are absolutely essential. He is committed to maintaining these protections provided by the Act.

Mike Koziol, Assistance Vice President and Counsel with PCI, closed out our educational session by reminding us of other benefits received because of McCarran-Ferguson, including the number of insurers in the industry, the fact that we have relatively informed consumers, insurance products are somewhat homogenous (and therefore results of litigation are somewhat uniform), and it is more easy to enter/exit the market. Another big plus is that with the data we have collected over the years, we have some very credible information to use in rate development.

Adjournment

The meeting was adjourned at approximately 2:45 p.m.