

**NEBRASKA LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION**

233 South 13th Street
1900 US Bank Building
Lincoln, Nebraska 68508

TO: MEMBER INSURERS

RE: Notice of Annual Meeting of the Association and the Annual Election of the Board of Directors of the Association

This notice is being provided to you as one of the insurance companies deemed by the Director of Insurance of the State of Nebraska under Neb. Rev. Stat. §44-2702 to be a Member Insurer of the Nebraska Life and Health Insurance Guaranty Association.

A. Notice of Annual Meeting

Notice is hereby given that the Annual Meeting of the Member Insurers of the Nebraska Life and Health Insurance Guaranty Association will be held at the Lincoln Country Club, 3200 S. 24th Street, Lincoln, Nebraska 68502, on April 11, 2019, at 11:00 a.m., C.T. The purpose of the meeting will be to:

1. Elect members of the Board of Directors of the Association.
2. Transact such other business as may properly come before the meeting.
3. Adjourn the meeting, from time to time.

B. Election of Directors

A Nominating Committee was appointed to recommend three nominee companies to fill the vacancies of the Board of Directors of the Association whose terms of office will expire this year.

The Committee unanimously nominates the following companies to serve for a period of three years (expiring 2021) or until a successor is duly elected and qualified:

The Northwestern Mutual Life Insurance Company

Physicians Mutual Insurance Company

Blue Cross & Blue Shield of Nebraska

The Northwestern Mutual Life Insurance Company, Physicians Mutual Insurance Company, and Blue Cross & Blue Shield of Nebraska have been nominated to succeed themselves and have consented to serve if elected.

Article 3A.3b. of the Plan of Operation of the Association further provides that other nominees to fill vacancies on the Board of Directors may be submitted to the Board not less than 60 days prior to the Annual Meeting upon a petition of ten Member Insurers. In the event additional nominees are desired, the petition must be filed with the Secretary/Treasurer of the Association on or before February 8, 2019. Such petition should be sent to the following address:

Robert Corn
Nebraska Life and Health Insurance
Guaranty Association
233 South 13th Street, 1900 US Bank Building
Lincoln, Nebraska 68508

If no such valid petition is filed, each Member Insurer will be deemed to have voted for the above-listed nominees selected by the Nominating Committee.

C. Current Directors

Terms Expiring in 2020:

Mutual of Omaha, Omaha, Nebraska –
Robert Corn

Assurity Life Insurance Company, Lincoln, Nebraska –
Marvin P. Ehly

Allstate Life Insurance Company, Lincoln, Nebraska –
Sonya S. Ekart

Terms Expiring in 2021:

Central States Health & Life Co. of Omaha, Omaha, Nebraska -
Rebecca L. Smart

Ameritas Life Insurance Corporation, Lincoln, Nebraska -
Ann Diers

Principal Life Insurance Company, Des Moines, Iowa -
Matthew C. Ahmann

Terms Expiring in 2022:

The Northwestern Mutual Life Insurance Company
Chris Trost

Physicians Mutual Insurance Company
Michelle M. Muirhead

Blue Cross & Blue Shield of Nebraska
David M. Anderson

D. Current Officers

The following individuals are the officers of the Association:

Chair:	Sonya S. Ekart
Vice Chair:	Rebecca L. Smart
Secretary/Treasurer:	Robert Corn

E. Minutes of the Annual Meeting of Members, April 12, 2018

Enclosed is a copy of the minutes of the Annual Meeting of Members of the Association on April 12, 2018.

NEBRASKA LIFE AND HEALTH
INSURANCE GUARANTY ASSOCIATION'S
BOARD OF DIRECTORS

BY: 
Robert Corn, Secretary/Treasurer

Enclosure: Member Meeting Minutes, April 12, 2018
Agenda

**NEBRASKA LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION**

Lincoln Country Club – Crystal Room
3200 S. 24th Street
Lincoln, NE 68502

MEMBERS' MEETING

A G E N D A

April 11, 2019 Annual Meeting
11:00 a.m.

1. Call to order
2. Approve minutes of 2018 meeting
3. Audit Committee report
4. Nominating Committee report and election of companies to the Board
5. Report on pending insolvencies
6. Ratification of Board actions
7. Other business
8. Adjournment

**MINUTES OF THE BOARD OF DIRECTORS
OF THE NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY
ASSOCIATION ANNUAL MEETING
APRIL 12, 2018**

The annual meeting of the Board of Directors of the Nebraska Life and Health Insurance Guaranty Association (“Association”) was held on April 12, 2018. Present in person were Sonya Ekart (representing Allstate Life Insurance Company), Robert Corn (representing Mutual of Omaha), Rebecca Smart (representing Central States Health & Life Co. of Omaha), Michelle Muirhead (representing Physicians Mutual Insurance), Ann Diers (representing Ameritas Life Insurance Corp.), David Anderson (representing Blue Cross & Blue Shield of Nebraska), Matt Ahmann (representing Principal Life Insurance Company), Chris Trost (representing Northwestern Mutual Life Insurance Company), and Pamela Epp Olsen, Association Administrator. Present by telephone was Marv Ehly (representing Assurity Life Insurance Co.). Also present were Director Bruce Range, Martin Swanson, and Laura Arp from the Nebraska Department of Insurance and Caitlin Francois from Medica.

The meeting was called to order by Chair Ekart at 9:30 a.m.

Approval of Minutes. Upon motion duly made and seconded, by unanimous voice vote, the minutes of March 14, 2018, were approved.

Annual Meeting Resolutions. Upon a motion duly made and seconded, Resolution No. 1, attached hereto and incorporated herein by reference, was approved by unanimous voice vote.

Ms. Olsen left the meeting prior to the discussion of Resolution Nos. 2 and 3. Upon a motion duly made and seconded, Resolution No. 2, attached hereto and incorporated herein by reference, was approved by unanimous voice vote. Upon a motion duly made and seconded, Resolution No. 3, attached hereto and incorporated herein by reference, was approved by unanimous voice vote.

Director Corn reported on the Audit Committee meeting held on March 12, 2018, and the Board reviewed and discussed the audited financials and related communications by the auditor. Upon a motion duly made and seconded, Resolution No. 4, attached hereto and incorporated herein by reference, was approved by unanimous voice vote. Upon a motion duly made and seconded, Resolution No. 5, attached hereto and incorporated herein by reference, was approved by unanimous voice vote.

Upon a motion duly made and seconded, Resolution No.6, attached hereto and incorporated herein by reference, was approved by unanimous voice vote.

Ms. Olsen reported on the activity of the Association during 2017. These activities included the membership of Chair Ekart on the NOLHGA ELIC Task Force, Director Corn's service on the NOLHGA Board, Ms. Olsen's service as chair and member of the CoOpportunity Health Task Force, and Ms. Olsen's service as MPC Chair and member of the MPC Executive Committee, the NOLHGA Board, the GABC Board, the LTC Re Board, and the NOLHGA Legal Committee in 2017. Upon a motion duly made and seconded, Resolution No. 7, attached hereto and incorporated herein by reference, was approved by unanimous voice vote.

Upon a motion duly made and seconded, Resolution No. 8, attached hereto and incorporated herein by reference, was ratified by unanimous voice vote.

2018 Proposed Budget. Ms. Olsen presented the proposed budget for 2018. Upon a motion duly made and seconded and following discussion, the budget for 2018 was approved as proposed.

Investment Committee Report. Ms. Olsen reported on the Investment Committee's work throughout 2017 and relayed the Committee's consensus opinion that the Association's investment advisor, Ameritas Investment Partners, Inc., is performing within guidelines. Ameritas has been the Association's investment manager since 2001, and Ms. Olsen informed the Board that the Investment Committee did not recommend an RFP process for 2018. The Investment Committee also recommended certain changes to the Investment Policy in the Monitoring Section. Following discussion, upon motion duly made and seconded and upon unanimous voice vote, the Board approved the changes to the Investment Policy as recommended by the Investment Committee.

Administrative Procedures Review Committee. Ms. Olsen provided an update on the work of the Administrative Procedures Review Committee during 2017 and early 2018. The Committee submitted four charters or policies for the Board's consideration, which the Board discussed. Upon motion duly made and seconded, by unanimous voice vote, the Board approved as presented the Investment Committee Charter, the Administrator Duties and Responsibilities, and the Antitrust Compliance Policy. The Board asked the Committee to consider certain changes to the Audit Committee Charter and to resubmit the Audit Committee Charter for further Board review at a later date.

Penn Treaty. Ms. Olsen reported on the status of the rate increase implementation process and gave a liquidation proceedings update.

Executive Life of California. Ms. Olsen reported on the Association's payment of Articles 22/23 installment obligations and informed the Board that the latest billing had been paid.

Lincoln Memorial. Ms. Olsen also gave an update on public litigation matters and reported that retrial on damages is presently scheduled for the fall of 2018.

MPC Chair Report. Ms. Olsen provided the Board with an outline of the work she is performing as MPC Chair and the projects on which the MPC Executive Committee has been focused.

Department of Insurance Report. Director Ramage provided an update from the Department of Insurance.

Other Business. There was no other business to report.

Executive Session. Upon motion duly made and seconded, upon unanimous voice vote, the Board then entered Executive Session to discuss CoOpportunity Health and issues related to the Association's governing act. Executive session was adjourned, following a motion, a second, and a unanimous voice vote.

Update of Guaranty Association Act Committee. A committee of the Board comprised of Directors Muirhead, Anderson, Trost, and Ahmann and supported by Ms. Olsen was appointed to review certain issues related to the 2017 NAIC Life and Health Insurance Guaranty Association Model Act.

There being no further business before the Board, the meeting was adjourned at 11:45 a.m.

RESOLUTION NO. 1

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that the following are nominated to serve as officers of the
Nebraska Life and Health Insurance Guaranty Association for 2018:

Sonya S. Ekart, Chair
Rebecca L. Smart, Vice Chair
Robert C. Corn, Secretary/Treasurer

RESOLUTION NO. 2

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that Pamela Epp Olsen is appointed the Administrator of
the Nebraska Life and Health Insurance Guaranty Association for 2018.

RESOLUTION NO. 3

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that Cline Williams Wright Johnson & Oldfather, L.L.P. be retained as counsel to the Nebraska Life and Health Insurance Guaranty Association for 2018.

RESOLUTION NO. 4

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that the audit committee report be accepted.

RESOLUTION NO. 5

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that HBE, LLP be appointed as auditor for the Association
for 2018.

RESOLUTION NO. 6

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that the following individuals be appointed to serve as the audit committee of the Association for 2018:

David Anderson
Robert Corn
Chris Trost

BE IT FURTHER RESOLVED that the following individuals be appointed to serve as the nominating committee of the Association for 2018:

Robert C. Corn - Chair
Rebecca L. Smart

RESOLUTION NO. 7

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that the Annual Report of the Nebraska Life and Health Insurance Guaranty Association for the calendar year 2017 is hereby approved for submittal to the Director of Insurance for the State of Nebraska.

RESOLUTION NO. 8

BOARD OF DIRECTORS MEETING
NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

BE IT RESOLVED that the payment of the 2018 membership dues to NOLHGA in the amount of \$51,321 by the Administrator be ratified and confirmed.