



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)	No. 11-03
)	
The Financial Examination of)	FINDINGS, CONCLUSIONS,
WASHINGTON LIFE AND DISABILITY)	AND ORDER ADOPTING REPORT
INSURANCE GUARANTY ASSOCIATION)	OF FINANCIAL EXAMINATION

BACKGROUND

An examination of the financial condition of the **WASHINGTON LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION** (the Association) as of December 31, 2009, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings, instructions, and recommendations was transmitted to the Association for its comments on December 9, 2010. The Association's response to the report is attached to this order only for the purpose of a more convenient review of the response.

The Commissioner or a designee has considered the report, the relevant portions of the examiners' work papers, and the submissions by the Association.

Subject to the right of the Association to demand a hearing pursuant to Chapters 48.04 and 34.05 RCW, the Commissioner adopts the following findings, conclusions, and order.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 7 of the report.

CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of the **WASHINGTON LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION** and to order the Association to take the actions described in the Instructions and Comments and Recommendations sections of the report. The Commissioner acknowledges that the Association may have implemented some of the Instructions and Comments and Recommendations prior to the date of this order. The Instructions and Comments and Recommendations in the report are appropriate responses to the matters found in the examination.

ORDER

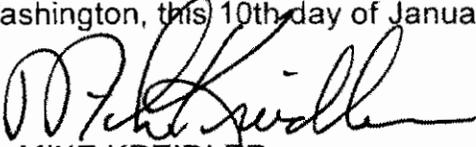
The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

The Association is ordered as follows, these being the Instructions and Comments and Recommendations contained in the examination report on pages 1-2.

1. The Association is ordered to comply with RCW 48.32A.085(1) by accruing interest on past due assessments. Instruction 1, Examination Report, page 1.
2. It is ordered that the Association consider researching and remitting stale dated checks to the state of Washington pursuant to the escheat laws. Comments and Recommendations 1, Examination Report, page 1.
3. It is ordered that the Association consider amending its custodial agreement with Bank of America to include all clauses recommended by the NAIC Financial Condition Examiners Handbook (FCEH). Comments and Recommendations 2, Examination Report, page 2.

IT IS FURTHER ORDERED THAT, the Association file with the Chief Examiner, within 90 days of the date of this order, a detailed report specifying how the Association has addressed each of the requirements of this order.

ENTERED at Olympia, Washington, this 10th day of January, 2011.


MIKE KREIDLER
Insurance Commissioner

Odiorne, Jim (OIC)

From: WLDIGA@earthlink.net
Sent: Wednesday, December 22, 2010 3:01 PM
To: Odiorne, Jim (OIC)
Subject: Financial Examination Report of WLDIGA

Jim,

I have reviewed the final draft of the Examination Report on WLDIGA and I have found nothing I feel requires a comment.

I do want to thank the OIC examination staff for their work. They made the examination process very easy for me.

Happy Holidays.

Michael N. O'Day
Executive Director
Washington Life and Disability Insurance Guaranty Association

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