

2009 - 2010 Annual Report





Mission Statement

"The mission of the Insurance Institute of Indiana is to create and maintain a business, legislative and public awareness climate in Indiana, about and pertaining to the insurance industry, that promotes the continued success of the insurance segment in the free enterprise system."



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A Message from the Chairman



Bill Carmichael, Chairman

Institute is incubator for change

There are numerous reasons why insurers writing business in Indiana should consider investing in membership with the Insurance Institute of Indiana. For more than sixty years, the Institute has been the voice representing and defending insurance companies in this state. The results speak for themselves. Indiana has long been considered one of the most favorable states in the union for insurers to operate. The Institute has had and continues to have a significant impact on the state's legislative environment, insurance and tort law as well as the insurance regulatory climate.

While there are always areas that need improvement, the Insurance Institute is responsible for numerous legislative and regulatory successes that have had an enormous impact on the insurance climate. In fact, Indiana has the reputation of being one of the few states where good ideas can germinate and be transplanted to other states. National insurance trades and insurers alike have begun to see Indiana as a state well suited to vet new ideas aimed at solving longstanding problems.

The Institute's role of being an incubator of positive change has been demonstrated for years. Indiana passed a comprehensive tort reform package in 1994 that is still on the books, premium taxes were rolled back to the lowest in the region in 2001. In 2008, Indiana was one of the first states to adopt a ban on municipal accident response fees for law enforcement. That same year, Indiana became one of the first states to legally define Stranger Oriented Life Insurance [STOLI] policies and to place a ban on that practice. In 2009, while some states were fighting to retain their use of credit scores in underwriting, Indiana eliminated the mandatory three year rerun of credit scores to alleviate concerns. Indiana's successes clearly inspired passage of similar legislation in other states.

The Insurance Institute of Indiana is the one common denominator in these and other successes. Membership in the Institute is a cost effective investment in breeding and enacting practical solutions to challenges affecting the industry across the country. Participation in the Institute gives insurers something few state trades can offer: an association with a history of enacting positive changes. Money spent here is more than a wise investment. Success here may inspire success elsewhere.

William B. Carmichael

A Message from the President



Stephen A. Williams, President

Institute continues to fulfill its primary mission

The Institute's primary mission is to act as a sword and shield for its members, advocating positive changes while deflecting harmful proposals. Challenges and opportunities were the watchword of the Institute's 2009-2010 fiscal year, as the Institute had numerous opportunities in both the regulatory and legislative arenas to demonstrate its ability to carry out its mission. The legislative session was intense with the industry under attack on a number of fronts, which was somewhat unusual for a short, election year session. In fact, recent changes in Senate Republican leadership has led to a relaxation of the longstanding strict Senate adherence to subject matter and germaneness rules. This has caused a serious erosion in the ability of the business lobby to rely on the Senate to deflect a host of bad concepts through their tradition of strict scrutinization of legislative proposals. The insurance industry has felt the impact of this change on several occasions during the past few sessions where the Senate has become the launching pad for bills that had previously been buried in committee. In fact, but for the presence of the Institute, a number of harmful proposals would have passed into law. The Insurance Institute fought an extremely aggressive Indiana Trial Lawyers Association throughout the session, finally defeating their collateral source bill on the last day of session, which would have reversed a favorable decision from the Indiana Supreme Court.

On the regulatory front, the Institute continued to work closely with the Department of Insurance and the Worker's Compensation Board on a number of issues. Recently appointed Insurance Commissioner Carol Cutter, in particular, has been well received by an industry that appreciates her extensive insurance background and hands on approach to issues.

Though the 2010 legislative session ended with little pro insurance legislation passing, the Insurance Institute once again demonstrated its value in deflecting a host of proposals, that if enacted or promulgated, would have greatly harmed Indiana's positive insurance climate. That effort and the ongoing work throughout the year in working with regulators included many examples of the Institute acting as the sword and shield for the industry in this state. The association continues to be the engine that drives the industry forward, defeating proposals that the industry may have long succumbed to elsewhere. It is, however, in those defensive triumphs, as well as in the oft demonstrated ability to enact positive changes, that makes membership in the Institute a worthy investment.

Stephen A. Williams

Membership

The Institute membership is comprised of 22 insurance company groups, totaling 182 companies, 14 subscribers and one associate reinsurer. Each Institute member holds a seat on the Board of Directors, which allows them input on every aspect of Institute operations. Because of this, the Institute represents the collective voice of its members, permitting the association to take a strong stance on issues - while sometimes addressing individual company needs.

Since the Institute was founded in 1947, it has been responsible for protecting and improving the insurance climate in Indiana through the active participation of its members. Though the Institute cooperates with other interested insurance organizations, both local and national, the Institute is the leader and almost always the initiator of any positive change in Indiana insurance laws and regulations.

The Board meets quarterly to set policy and provides overall direction. Members are invited to appoint representatives to serve on committees that provide expertise in addressing numerous issues facing the industry. Most of the committees, such as Taxation, Commercial Lines, Personal Lines and Taxation Committees meet approximately four to six times a year. The Legislative Steering Committee, which analyzes proposed legislation and provides guidance to the lobbying team, meets weekly during the annual session of the Indiana General Assembly.

The Institute offers three different membership categories for companies and other insurance entities to participate in the association. Full membership is limited to insurance companies conducting business in Indiana. Insurers that merely wish to keep informed, as well as other insurance trade associations, may join as Subscribers. Reinsurers are eligible to participate as Associate members.

The Institute's Membership and Services Committee has two principal charges, membership recruitment and review of services provided. The Committee is responsible for assisting staff in identifying insurers whose reputation and interest in the Indiana market would qualify them for membership in the Institute.



Kevin Letcher (l) accepts the Membership Engagement Award on behalf of State Farm Insurance Companies from Institute Chairman Bill Carmichael.

“Government affairs, media relations and advocating member company interests with regulators - the Institute does it all - and does it well.”

*-Tracey Pfab,
Institute Membership Development
and Services Committee Chairman
and SVP, FCCI Insurance Group*

Political Activity

While the most visible role of the Insurance Institute of Indiana has, and always will be the efforts put forth in lobbying the Indiana General Assembly and Governor's office, the political activities of the association are much broader.

The staff of the Institute, as well as member company employees, are regularly representing the insurance industry through interaction with legislators, executive branch officials and others who impact the daily business of the industry.

The Insurance Institute plays host to a number of events allowing the industry to network with key policymakers. Those events include a legislative reception at the beginning of each legislative session, two roundtable meetings each year with the Commissioner of the Indiana Department of Insurance and member company days at the Statehouse.

The Insurance Institute also utilizes the Insurance Grassroots Network to provide a tool for industry personnel to connect with legislators regarding key issues during the legislative session. While the legislature is not meeting, the Insurance Political Action Committee (IPAC) is busy raising



and allocating funds to support pro-business officials and to help shape the outcome of the elections in the favor of the insurance industry.

The Insurance Institute of Indiana is the most active and effective voice of the unified insurance industry in Indiana. It allows member companies to be politically engaged without the fear of any singling out because of a particular position. The entire insurance industry owes a debt of gratitude to the dedication and support of the member companies of the Insurance Institute.

IPAC

The Insurance Political Action Committee (IPAC), the largest insurance political action committee in Indiana, plays a significant role in the government relations effort of the Insurance Institute. IPAC is the most valuable and effective tool at the industry's disposal in seeking to shape the make-up of the legislative and regulatory climate in the state.

Over the course of a regular two-year period, IPAC will distribute more than \$150,000 to statewide and legislative candidates. Many of the recipients of IPAC contributions are incumbent legislators who demonstrate their support for the insurance industry. However, IPAC also seeks to

create a pro-insurance climate within Indiana government by supporting challengers to those incumbents who have proven to be adversarial to the industry.



Franklin Society

It is important to recognize the companies and individuals who help to fund IPAC. The decision to contribute corporate or personal dollars to IPAC indicates a clear recognition of the impact the political process plays in the insurance industry's ability to function.



To honor those companies and individuals who contribute to IPAC at a sizable level, the Franklin Society was formed.

To honor the members of the Franklin Society, an event is held every election year. The Franklin Society event allows IPAC's top financial contributors to meet with key legislators, regulators and other important political figures in a social setting.

Corporate Franklin Society Members

Statesman Level: (\$10,000 or more)
Indiana Insurance Company - Liberty Mutual

Diplomat Level: (\$5,000 or more)
Indiana Farm Bureau Insurance Company
Indiana Farmers Mutual Insurance Company
Nationwide Insurance

Patriot Level: (\$2,500 or more)
American Surety Company
Brotherhood Mutual Insurance Company
Chubb Group of Insurance Companies
Erie Insurance Group
FCCI Insurance Group
State Auto Insurance

Individual Franklin Society Members

Statesman Level: (\$1,000 or more)
Bob Spolyar, State Farm
Steve Williams, Insurance Institute

Diplomat Level: (\$500 or more)
Don Blackwell, ILM Group
Jerry Canada, Indiana Farm Bureau
Bill Carmichael, American Surety
Marty Wood, Insurance Institute
Jon Zarich, Insurance Institute

Patriot Level: (\$250 or more)
Michael Allison, Brotherhood
Traci Barber, ILM Group
Suzanne Bingham, Insurance Institute
Ray Campisi, ILM Group
Valerie Clinton, State Farm
Ryan Gibson, ILM Group
Kristen Hamilton, Insurance Institute
H. Gregg Huey, Indiana Farmers
Susan Knotts, ILM Group
P.J. Longstreth, American Surety
Fred McGarvey, Prudential
Allison Meta, Chubb
Rick Nelson, Indiana Farm Bureau
Sam Newberry, ILM Group
Paul Seppel, Indiana Farmers
Kim Smith, Indiana Farmers
Dave Walters, Brotherhood
Mike Whitlock, American Surety
John Wolf, ILM Group

Insurance Fraud Seminar

The 2009 Insurance Fraud Seminar was once again a success. The event is a partnership between the Insurance Institute, Indiana Department of Insurance, Indiana Chapter of the National Association of Special Investigation Units, and the Indiana Chapter of the National Society of Professional Insurance Investigators.

Over 150 insurance professionals attended the half-day seminar and enjoyed lunch and presentations with colleagues. Topics included miscellaneous summons and subpoenas, emergency service fees, and a case law update. Additionally, Attorney General Greg Zoeller began the day with an introduction as the keynote speaker.

Attendees were also able to speak with business exhibitors who play a key role in the fight against Insurance Fraud in Indiana.



Top photo – Jolene Lee, Bradley Consulting & Management, speaks with attendees of the 2009 Fraud Seminar.

Bottom photo – Kevin Tyra, The Tyra Law Firm, P.C., presents a case law update to the attendees of the 2009 Fraud Seminar.



2010 Legislative Session

What many expected to be a potentially quick session dragged out to the legal deadline, with politics playing a more significant role than anyone anticipated. For the insurance industry, fighting off the Indiana Trial Lawyers Association's (ITLA) collateral source legislation proved to be the defining point of a session where avoiding harm was the key.

Political haggling over legislation aimed at delaying a previously passed tax increase to businesses to address the state's underfunded unemployment trust fund was the most contentious issue of the session. Because negotiations on the tax delay continued on for close to



Guests begin to arrive to the Hilbert Circle Theatre for the 2010 Insurance Industry Legislative Reception.

two weeks, a significant amount of time was left for other issues to be revived. That included the ITLA's collateral source legislation.

Earlier in the session, the collateral source legislation, which would have prohibited medical write-offs from being introduced into evidence, had passed the Democrat controlled House of Representatives. However, in the Senate Judiciary Committee, the bill failed to pass.

Throughout the last week of the session, the trial lawyers attempted to place their language in no fewer than five different bills. Desperate to overturn the Supreme Court decision in *Stanley v. Walker*, the ITLA enlisted the assistance of the House Democrat caucus in their quest. Fortunately, a strong lobbying effort helped to convince the Senate Republicans to defeat all attempts to revive the issue.

Although the insurance industry was fighting a defensive battle against the bill, the legislation's defeat represented a proactive victory for the industry. The *Stanley* case, in which the Insurance Institute participated via an *Amicus Curiae* brief, established that the amount a medical provider actually receives can be admitted into evidence. This was a departure from the previous interpretation that only the billed amount could be admitted. The potential monetary difference is significant.

Another key victory was the defeat of legislation aimed at significantly expanding the number of hazardous substances considered in the occupational disease statute. The legislation in question would have expanded the number of hazardous substances considered in the occupational disease statute. In addition, it would have greatly increased the exposure



2010 Legislative Session

of businesses and their insurers to asbestos-related lawsuits and would even have opened up a one-year window of lawsuits previously barred by the law.

After a number of battles over the issue during the 2009 session, as well as having to address the matter in a study over the summer, opponents of expanding the statute were prepared for a session long fight. Fortunately, the coalition against the bill was successful in preventing it from being passed by the House Labor Committee.

Overall, the insurance industry came out of the session unscathed. While the proactive issues for the industry were unsuccessful (due to non insurance-related circumstances), those issues are well positioned for another attempt in 2011.

For a more thorough review of the 2010 legislative session, please see the Institute's companion piece - 2010 Legislative Report.



“The reason for Indiana’s consistently high ranking as a great state for insurers to do business? The Insurance Institute has been behind nearly all the positive legislation enacted since 1947. The lobbying team is very effective, with a long history of defeating most negative proposals, which saves our industry millions.”

*– Allison Meta,
Institute Vice Chairman
and Vice President & Branch Manager,
Chubb Group of Insurance Companies*

Insurance Grassroots Network



Representative Craig Fry speaks with employees of Farmers Insurance Group during the Farmers Legislative Conference at the Indiana Statehouse.

The Insurance Grassroots Network (IGN) serves as an important advocacy tool that connects employees of Institute member companies with their elected officials.

Indiana employs a part-time legislature that does not dedicate resources to develop staff expertise in any given area. The IGN allows the expertise and knowledge of insurance professionals in Indiana to be relayed lawmakers who will decide on important policy issues affecting the insurance industry.

Although the Institute employs full-time lobbyists on the ground dedicated to insurance issues, the perspective of constituents from a legislator's district is critical in fostering a better understanding as to what the local and statewide effect of a given issue might be. It also helps create relationships between legislators and insurance industry employees.

During the 2010 Session, IGN members were asked to contact their legislators on bills that prohibited texting while driving (House Bill 1279), prevented the admission

of medical write-offs when contesting damages (House Bill 1255), and added licensing requirements for public adjusters (Senate Bill 357). Nearly 500 messages were sent out by IGN members on the above issues as advocates of the industry.

The IGN continues to be a cost-effective means for member companies and their employees to make a significant contribution to the success of the insurance industry in Indiana.



Amicus Curiae Briefs

The Insurance Institute remained actively involved with the judicial branch through the filing of amicus curiae briefs during 2009-2010. Amicus briefs are the main tool used by the Institute to ensure Indiana courts are aware of the broader public policy implications any judicial decision may have on the insurance industry in the state.

The Institute employed a new mechanism during the year to represent its members' interests in a more cost effective manner through the filing of joinders in certain cases. A joinder is similar to an amicus brief, but instead of providing separate, comprehensive legal arguments, a joinder concisely aligns the Institute's support for arguments made by a party to the litigation. The Institute is able to draft these documents at limited cost through utilizing staff expertise.

Similar to legislation passed by the General Assembly, court decisions can have substantial impacts on insurers. The confluence of these two separate branches of government met during the 2010 session when the legislature attempted to overturn the Indiana Supreme Court's decision in Stanley v. Walker, a case which produced a positive outcome for the industry and was supported by an Institute amicus brief. The Institute's multi-faceted approach, including in amicus program, ensures members interests are preserved and advanced in each branch of Indiana government.

The Institute participated in or received decisions in following cases during 2009-2010:

Tri-Etch v. Cincinnati Insurance

In Tri-Etch v. Cincinnati Insurance, a store clerk died during a robbery. The plaintiff's estate sued the defendant alarm company claiming it was negligent in responding to the alarm. Cincinnati claimed it was prejudiced by late notice it received from the defendant and also raised additional coverage defenses. The Indiana Court of Appeals ruled an insurance company forfeits its right to late notice defenses when other coverage defenses are raised. The Institute filed a brief asking the Indiana Supreme Court to overturn the lower court decision. In agreeing with Institute, the Court said an insurer does not lose the ability to raise other coverage defenses by claiming late notice, and further, that an insurer is prejudiced as a matter of law by late notice. Additionally, the Court noted the claim against Tri-Etch was for a failure to meet a contractual obligation, and was therefore an error and omission exposure not appropriate as a claim against a commercial general liability policy.

Sibbing v. Cave

In Sibbing v. Cave, the plaintiff was rear-ended by the defendant's vehicle and

sustained injuries for which she sought medical treatment. The Court of Appeals drew two conclusions adverse to the insurance industry. First, the Court allowed the plaintiff to testify at trial about out of court statements made by her doctor regarding her medical condition. Second, the defense was not allowed to present expert testimony that a specific treatment received by the plaintiff was not medically necessary. The Indiana Supreme Court accepted transfer and overturned in part determining the plaintiff's testimony as to what her doctor said was improper. However, the Court's decision prevents insurers from challenging the medical necessity of a treatment proximately related to the claim. This could create the potential for fraud in future cases.

Washington Township Fire Department v. Beltway Surgery

In Washington Township Fire Department v. Beltway Surgery, a firefighter was injured during the course of his employment. Indiana's workers compensation law requires an employer to pay an amount for medical bills representative of the eightieth percentile in a geographic zone. The employer has the burden of proof in proving the eightieth percentile. The Institute asked the Indiana Supreme Court to assign the burden of proof to medical providers because they are in the best position to know what that figure is. The Supreme Court accepted transfer but unfortunately chose to maintain the current status quo. The decision leaves open a need for a potential legislative solution.

Brown-Day v. Lobdell/Allstate

In Brown-Day v. Lobdell/Allstate, the insurer attempted to substitute the original defendant, Lobdell, for itself after its insured sued for UM/UIM coverage. The Court of Appeals ruled the trial court erred in allowing the insurer to substitute the original defendant for itself in regards to the UM/UIM claim because the defendant had already been dismissed from the action. The Court also decided the trial court erred by preventing the plaintiff from admitting evidence of how much the insurer paid a medical expert in the case. The Institute filed a joinder in this case asking the Indiana Supreme Court to overturn the Court of Appeals decision on both counts.

Indiana Farmers v. North Vernon Drop Forge

In Indiana Farmers v. North Vernon Drop Forge, the plaintiff waited two years to inform its insurer of a claim for coverage under a commercial general liability policy. The plaintiff's liability arose when it provided contaminated dirt for a fill site. The Court of Appeals ruled the insurer was not prejudiced as a matter of law due to the delay because of other circumstances in the case. The decision is contrary to the

Indiana Supreme Court's recent decision in Tri-Etch v. Cincinnati Insurance in which the Institute filed an amicus brief. The Institute has filed a joinder in this case asking the Supreme Court to overturn the lower court decision and apply Tri-Etch appropriately.

Cincinnati Insurance v. Trosky

In Cincinnati Insurance v. Trosky, the plaintiff, a resident of Indiana, died in a motor vehicle accident involving a Florida Highway Patrol officer while travelling in Florida. Some jurisdictions allow insurers to include a government vehicle exclusion for UM/UIM coverage, but it was an issue of first impression at the time for Indiana. After determining Indiana law was applicable, the Indiana Court of Appeals ruled a government vehicle exclusion from the definition of underinsured motorist in insurance policies is void as against public policy in Indiana. The Institute filed a brief asking the Indiana Supreme Court to uphold the government vehicle exclusion in the policy. The Supreme Court ultimately decided to let the Court of Appeals decision stand by not accepting transfer.

Rockford Mutual v. Pirtle

In Rockford Mutual v. Pirtle, the plaintiff's policy contained both actual cash value and replacement value coverages. It specifically said repairs to the building had to be completed in order to activate the replacement value coverage. Due to a delay in the claim, the plaintiff used the first insurance payment to make mortgage payments. Rockford denied replacement value payments as a result. The Court of Appeals ruled that Rockford breached the insurance contract through a delayed payment, and therefore, the plaintiff did not have to make repairs to the structure to receive replacement value payments. The Court also refused to limit consequential damages to policy limits. The Institute filed an amicus brief asking the Indiana Supreme Court to overturn both counts, but it decided to not accept transfer.

Federated Mutual v. Bishop

In Federated Mutual Insurance Company v. Bishop, the plaintiff employee sued for UM/UIM coverage even though he was specifically excluded from the coverage by the policy. The defendant employer had elected to only maintain UM/UIM coverage for directors and officers of the company and rejected it for all other employees. The Court of Appeals ruled Indiana Code requires a rejection of UM/UIM coverage to be for all insureds, and the defendant's rejection of UM/UIM coverage for not all insureds was a violation of public policy. Therefore, the plaintiff was entitled to UM/UIM coverage. The Institute filed a brief with the Indiana Supreme Court asking for the decision to be reversed, but transfer was denied.

Media Relations

While the primary focus of Insurance Institute activities is government affairs, the association also spends a good deal of time on media relations.

The Insurance Institute is regularly contacted by media from around the state to provide the industry's perspective on a variety of issues. In addition, Institute staff develops strategies to generate media interest in issues that might help in lobbying the Indiana General Assembly.

The Insurance Institute of Indiana has been prominently featured on news stories dealing with uninsured motorists, earthquake coverage and accident response and fire fees in addition to an ABC News national story on fire departments charging for services.



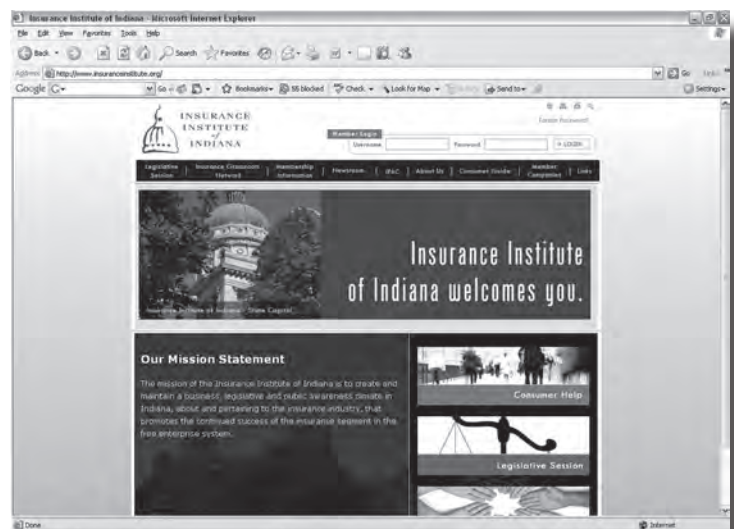
Insurance Institute President Steve Williams is interviewed by reporter Rafael Sanchez of WRTV-6 (Indianapolis).

Web Site

The Insurance Institute's Web site remains a useful and ever-changing tool for members.

The site offers free insurance-related tools, insurance news updates, legislative information, IPAC updates, regulatory information and much more. All Institute publications are available on the site, as well as press releases.

The Institute's Web site will continue to be a developed and enhanced to best serve the needs of its members.



Visit the Institute's web site at www.insuranceinstitute.org

Publications

The Insurance Institute of Indiana produces several publications that are made available to the Institute's membership. Some publications are also distributed to the media and legislators to ensure that they can have a broader understanding of insurance issues. All current and archived publications can be found in the newsroom on the Institute's Web site. The Institute produces the following publications:



The *Legislative Memo* is published weekly during the legislative session and e-mailed to the Insurance Institute's membership. This allows Institute staff to communicate the latest information on activity in the Indiana General Assembly.



Insurance Insight is targeted to legislators in the Indiana General Assembly to help them better understand insurance, and the many issues surrounding the industry.



Institute Quarterly was debuted in January of 2009. This newsletter will be produced quarterly to inform all Institute members about events, the legislature and general Institute business.



The *Capitol Connection* is a bi-annual publication for Insurance Grassroots Network (IGN) members. The newsletter contains an introduction to each legislative session and issues that may arise. The second newsletter includes a wrap-up of the session and the issues with which the IGN assisted.



The *Indiana Insurance Fact Book* is a biennial publication that contains a multitude of state-specific statistics and state comparisons, as well as national statistics that cover different insurance lines.



The *Issues Binder* is produced every two years and outlines the Institute's position on more than 40 issues facing insurance companies. The *Issues Binder* is given to legislators and member companies as a reference guide on general issues.

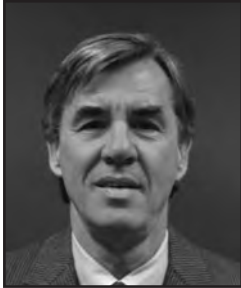


The *Economic Impact Brochure* (commonly called the "License Place Brochure") is a marketing piece created in conjunction with the Indiana Economic Development Corporation (IEDC), the Association of Indiana Life Insurance Companies, and the Independent Insurance Agents of Indiana. The brochure is produced every two years to be distributed to media, legislators and insurance companies who are looking to bring jobs to Indiana.



In conjunction with the *Annual Report*, the Insurance Institute produces a *Legislative Report*. This report is a review of Institute-supported and opposed bills from the legislative session. The report includes legislator voting records on key industry legislation from the current year.

Board of Directors



David Field*
Allstate Insurance
Company



Bill Carmichael*
*Chairman
of the Board*
American Surety
Company



Michael Allison*
Brotherhood
Mutual Insurance
Company



Allison Meta*
Secretary-Treasurer
Chubb Group of
Insurance Companies



Bill Fritts
Conseco Services,
LLC



Mike Michael
Eastern Alliance
Insurance



Tracey Pfab
FCCI Insurance
Group



Tom Bower
Farmers Insurance
Group



Philip Menzel
German Mutual
Insurance



Don Malcolm
Grain Dealers
Mutual Insurance
Company



John Wolf
The ILM Group



Howard Beck
Illinois Casualty
Company

* Executive committee member

Board of Directors



Jerry Canada*
Indiana Farm
Bureau Insurance
Company



Dan Stone
Indiana Farmers
Mutual Insurance
Company



Joe Yeager*
Indiana Insurance
Company



Jerry Watson
International
Fidelity Company/
Allegheny Casualty
Company



Jerry Wollam
NAMIC Insurance
Company, Inc.



Eric Smith
Nationwide
Insurance



Kanik Varma
Progressive
Insurance Company



Ed Clark
The Hanover
Insurance Group



Ben Blackmon
State Auto
Insurance



Valerie Clinton*
State Farm
Insurance
Companies



Kevin Kelly
State Auto
Insurance
IPAC Board
of Directors



Harold Calloway
State Farm Insurance
Companies
IPAC Board
of Directors

* Executive committee member

Committee Listings

Amicus Curiae Subcommittee

Rick Nelson, *Chair*
Indiana Farm Bureau Insurance Company

Bob Wesseler
Allstate Insurance Company

Bill Carmichael
American Surety Company

John Hein
Brotherhood Mutual Insurance Company

Brownyn DeWitt
Chubb Group of Insurance Companies

Lynn Jongleux
Indiana Farm Bureau Insurance Company

Kristin Givens
State Farm Insurance Companies

Claims Committee

Amy Johnson, *Chair*
Nationwide Insurance Company

Bob Wesseler
Allstate Insurance Company

Scott Figgins
Brotherhood Mutual Insurance Company

John Ferree
Chubb Group of Insurance Companies

Scott Hartzell
FCCI Insurance Group

Christine Saucier
Farmers Insurance Group

John Malkoski
German Mutual Insurance Company

Roger Hanslow
The Hanover Insurance Group

Ray Campisi
The ILM Group

Rick Ainsworth
Indiana Farm Bureau Insurance Company

Rick Vasil
Indiana Farmers Mutual Insurance Group

Troy Lumaye
Indiana Insurance Company

Dan Treaster
Progressive Insurance Company

Joyce Wright
State Auto Insurance

Sandra Bottoms-Seals
State Farm Insurance Companies

Commercial Lines Committee

Jon Dahl, *Chair*
State Farm Insurance Companies

Diane Ropp
Brotherhood Mutual Insurance Company

Kristina Talkowski
Chubb Group of Insurance Companies

Mike Michael
Eastern Alliance Insurance

Kathy Titus
FCCI Insurance Group

Christine Saucier
Farmers Insurance Group

Jim Wallace
German Mutual Insurance Company

Clarence Watson
Grain Dealers Mutual Insurance Company

Diana O'Brian
The Hanover Insurance Group

Tim Albers
The ILM Group

Dan Poledna
Indiana Farm Bureau Insurance Company

Gregg Huey
Indiana Farmers Mutual Insurance
Company

Tammy Loucks
Progressive Insurance Company

Eric Riffle
State Auto Insurance

Communications Committee

David Coakes, *Chair*
State Farm Insurance Companies

Karen Spica
Allstate Insurance Company

Mike Whitlock
American Surety Company

Mitzi Thomas
Brotherhood Mutual Insurance Company

Media Oakes
Conseco Services, LLC

Andy Broyles
Employers Security Insurance Company

Wade Danforth
FCCI Insurance Group

Christine Saucier
Farmers Insurance Group

Norm Hinkle
Grain Dealers Mutual Insurance Company

Susan Knotts
The ILM Group

Rick Nelson
Indiana Farm Bureau Insurance Company

Lisa Marlow
Indiana Farmers Mutual Insurance
Company

Jon Gorman
NAMIC

Kyle Anderson
State Auto Insurance

Grassroots Committee

Lisa Marlow, *Chair*
Indiana Farmers Mutual Insurance
Company

David Field
Allstate Insurance Company

Kathy Bennett
American Surety Company

Committee Listings

Bill Carmichael
American Surety Company

David Roesener
Brotherhood Mutual Insurance Company

Tom Collins
Chubb Group of Insurance Companies

Bill Fritts
Conseco Services, LLC

Jean Dalwrymple
Eastern Alliance Insurance

Tracey Pfab
FCCI Insurance Group

Christine Saucier
Farmers Insurance Group

Phil Menzel
German Mutual Insurance Company

Bruce Mitchell
Grain Dealers Mutual Insurance Company

Gail Schaefer
The Hanover Insurance Group

Ryan Gibson
The ILM Group

Howard Beck
Illinois Casualty Company

Amy Kraft
Indiana Farm Bureau Insurance Company

Jennie Peyton
Indiana Insurance Company

Jerry Watson
International Fidelity Company/
Allegheny Casualty Company

Jerry Wollam
NAMIC Insurance Company, Inc.

David Sitz
Nationwide Insurance

Greg Tourner
Progressive Insurance Company

Neline Wooley
State Auto Insurance

Beth Stull
State Farm Insurance Companies

Human Resources Committee

Susan Knotts, *Chair*
The ILM Group

Kim Smith
Indiana Farmers Mutual Insurance
Company

Margo Lyon
State Auto Insurance

Information Technology Committee

Daryl Pannabecker
Brotherhood Mutual Insurance Company

Mary Kay Aylsworth
Indiana Farmers Mutual Insurance
Company

Gary Spaulding
State Auto Insurance

Tammy Fesler
State Farm Insurance Companies

Investment & Taxation Committee

Terri Harrison, *Chair*
Chubb Group of Insurance Companies

Mark Young
Brotherhood Mutual Insurance Company

William Hannah, Jr.
Grain Dealers Mutual Insurance Company

Don Blackwell
The ILM Group

Bernard Cinkoske
Indiana Farm Bureau Insurance Company

Lee Livermore
Indiana Farm Bureau Insurance Company

Joe Martin
Indiana Farm Bureau Insurance Company

Paul Seppel
Indiana Farmers Mutual Insurance
Company

George Ryan
Liberty Mutual

Michael Palm
Nationwide Insurance

Dan Barnes
State Farm Insurance Companies

IPAC Executive Committee

Jerry Canada, *Chair*
Indiana Farm Bureau Insurance Company

Bill Carmichael
American Surety Company

Mike Michael
Eastern Alliance Insurane

John Wolf
The ILM Group

Howard Beck
Illinois Casualty Company

Eric Smith
Nationwide Insurance

Kevin Kelly
State Auto Insurance

Legislative Steering Committee

Rick Nelson, *Chair*
Indiana Farm Bureau Insurance Company

David Field
Allstate Insurance Company

Mike Chrysler
Allstate Insurance Company

Michael Allison
Brotherhood Mutual Insurance Company

Dave Walters
Brotherhood Mutual Insurance Company

Terri Harrison
Chubb Group of Insurance Companies

Committee Listings

Bill Pool
Chubb Group of Insurance Companies

Bill Fritts
Conseco Services, LLC

Ron Kotowski
Conseco Services, LLC

Don D'Errico
FCCI Insurance Group

Christine Saucier
Farmers Insurance Group

Bill Wood
Grain Dealers Mutual Insurance Company

Teri Morante
The Hanover Insurance Group

Ryan Gibson
The ILM Group

Howard Beck
Illinois Casualty Company

Lynn Jongleux
Indiana Farm Bureau Insurance Company

Nicole Hooper
Indiana Farmers Mutual Insurance Company

Kim Smith
Indiana Farmers Mutual Insurance Company

Jerry Watson
International Fidelity Company / Allegheny Casualty Company

Charley Burhan
Liberty Mutual

Neil Alldredge
NAMIC

Amy Johnson
Nationwide Insurance

David Sitz
Nationwide Insurance

Ty Anderson
Progressive Insurance Company

Kanik Varma
Progressive Insurance Company

Jon Allison
State Auto Insurance

Nancy Crespo
State Auto Insurance

Jon Dahl
State Farm Insurance Companies

Kristin Givens
State Farm Insurance Companies

Tom Manning
State Farm Insurance Companies

Bob Spolyar
State Farm Insurance Companies

Beth Stull
State Farm Insurance Companies

Life & Health Issues Committee

Ron Kotowski, *Chair*
Conseco Services, LLC

Daniel Mattingly
Allstate Insurance Company

Paul Retzlaff
Indiana Farm Bureau Insurance Company

Steve Oleksiw
State Farm Insurance Companies

Membership Development & Services Committee

Tracey Pfab, *Chair*
FCCI Insurance Group

David Field
Allstate Insurance Company

Bill Carmichael
American Surety Company

Allison Meta
Chubb Group of Insurance Companies

Don Malcom
Grain Dealers Mutual Insurance Company

Joseph Yeager
Indiana Insurance Company

Eric Smith
Nationwide Insurance

Committee Listings

Personal Lines Committee

Bernard Trusty, *Chair*
State Farm Insurance Companies

Bob Atchison
Allstate Insurance Company

Bradley Ryan
Chubb Group of Insurance Companies

Christine Saucier
Farmers Insurance Group

Diane Smith
The Hanover Insurance Group

Dan Poledna
Indiana Farm Bureau

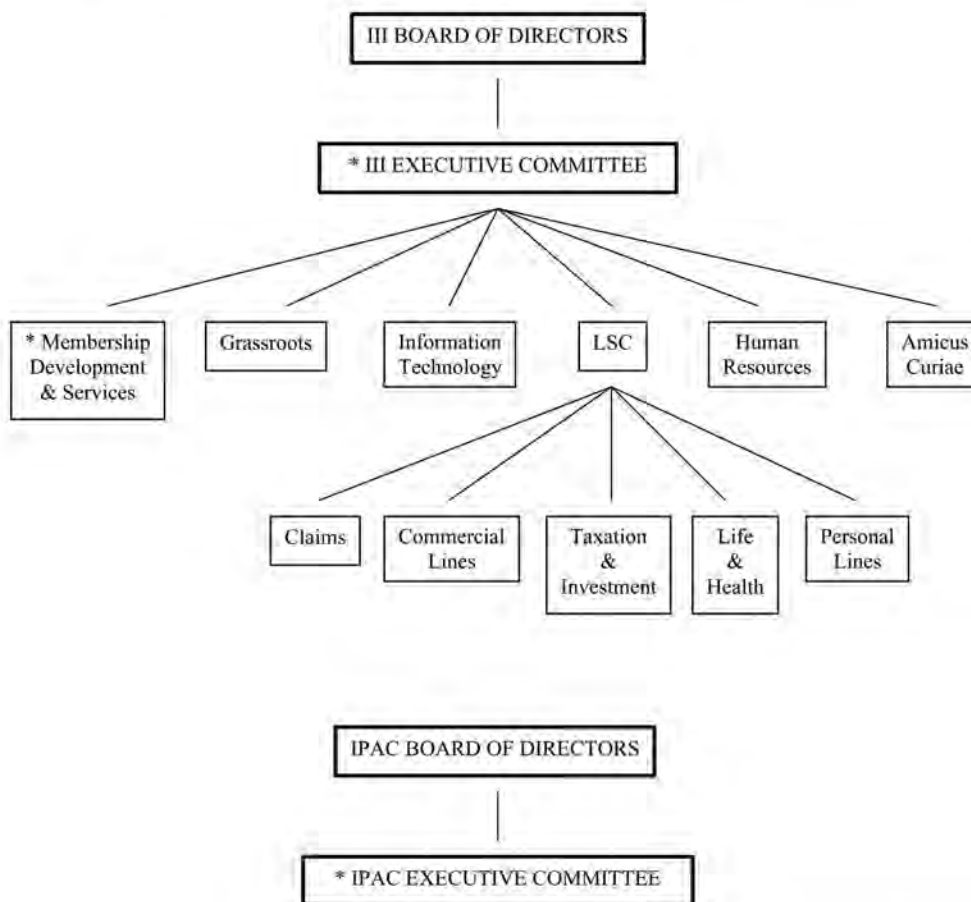
Glenn Toren
Indiana Farmers Mutual Insurance Company

Daniel Ferrari
Indiana Insurance Company

Kanik Varma
Progressive Insurance Company

Keith Iler
State Auto Insurance

INSURANCE INSTITUTE OF INDIANA COMMITTEE STRUCTURE



The Institute has six committees that review and propose legislation: Legislative Steering, Claims, Commercial Lines, Taxation & Investment, Life & Health, and Personal Lines. The Legislative Steering Committee is the senior non-Board level committee. It coordinates and reviews the recommendations of the other five committees, which are comprised of experts in their field, in order to ensure a uniform approach is taken. Its decisions are subject to review by the Executive Committee and Board of Directors.

* Committees comprised of members of the Board of Directors

Staff Biographies



Stephen A. Williams, President

Responsibilities: The president reports to the Board of Directors and the Executive Committee. He is responsible for the management and direction of all operations, staff, programs, activities and affairs of the Institute. He is the chief lobbyist, spokesperson and legislative strategist for all government relations efforts. Member company relations, external relations and coalition building along with staff management and retention all fall under the president's responsibilities. The president directly staffs the Board of Directors, Executive, IPAC Executive, and Human Resources Committees.

Education: B.A., Indiana University; J.D., Indiana University-Indianapolis School of Law; Graduate, Institute for Organization Management

Experience: President, Insurance Institute, 1990-present; Vice President, Insurance Institute, 1986-90; Director of Government Affairs, Insurance Institute, 1983-86; Government Affairs Coordinator, Insurance Institute, 1980-83

Affiliations: Governmental Affairs Society of Indiana; Indiana and Indianapolis Bar Associations; Defense Trial Counsel of Indiana; Indiana Society of Association Executives



Martin P. Wood, Vice President

Responsibilities: The vice president is the principal lobbyist for commercial lines, health, taxation and budget issues. He also contributes to the *Legislative Memo* and other Institute publications, which are disseminated to the membership, legislators, media and the public. The vice president contributes articles to the Institute's Web site, providing a look at the latest legislative activity and industry news. He serves as the staff liaison to the Legislative Steering, Commercial Lines, and Taxation and Investments Committees.

Education: B.S., Ball State University

Experience: Vice President, 2008-present; Assistant Vice President of Government Affairs, Insurance Institute, 2005-2008; Director of Media Relations, Insurance Institute, 2001-2005; Communications and Media Director, Indiana House of Representatives, 1999-01; Public Information Officer, Indiana House of Representatives, 1997-99; Legislative Assistant, Indiana House of Representatives, 1993-97

Affiliations: Governmental Affairs Society of Indiana and Indiana Society of Association Executives

Staff Biographies



Jon M. Zarich, Director of Government Affairs

Responsibilities: The director of government affairs acts as the principal lobbyist for personal lines, tort and life issues. He oversees the Institute's legislative voting records and *Insurance Fraud Seminar*. He is also in charge of the Institute's Amicus Curiae program. The director of government affairs is the staff liaison to the Amicus Curiae, Personal Lines, Life and Health, and Claims Committees.

Education: B.S., Indiana University; J.D., Indiana University-Indianapolis School of Law

Experience: Director of Government Affairs, Insurance Institute, 2008-present; Government Affairs Coordinator, Insurance Institute, 2006-2008; Legislative Assistant, Indiana House of Representatives, 2005-2006; Claims Representative, Progressive Insurance, 2004-2005; Indiana Senate Intern, 2004



Kristen D. Hamilton, Operations Manager

Responsibilities: The operations manager is responsible for overseeing the general office management of the Institute, including accounts payable, annual member assessments and key association filings with numerous governmental entities. She is responsible for the coordination of support personnel, providing overall direction and supervision to file maintenance, office orderliness, completion of administrative tasks and workload balance. She plays a key coordinating role during conference committee time at the end of each legislative session. In addition, the operations manager is the staff liaison to the Information Technology Committee, managing the Institute's internal network and working directly with the servicing vendors. She maintains the day-to-day fiduciary functions of the Institute, provides input in developing the annual budget and assists with meeting budgetary goals.

Education: B.A., Hanover College; Graduate, Institute for Organization Management

Experience: Operations Manager, Insurance Institute, 2005-present; Administrative Assistant, Insurance Institute, 2001-2005; Administrative Assistant - Governmental Services, Indiana Manufacturers Association, 1999-01; Administrative Assistant, Kruger Schwartz & Morreau (Louisville, KY), 1997-99

Affiliations: Indiana Society of Association Executives

2009-2010 Member Companies

Members

Allstate Insurance Company
Allstate Assurance Company
Allstate Fire & Casualty Insurance Company
Allstate Indemnity Company
Allstate Insurance Company
Allstate Life Insurance Company
Allstate Property & Casualty Insurance Co.
American Heritage Life Insurance Company
Charter National Life Insurance Company
Deerbrook Insurance Company
Encompass Indemnity Company
Encompass Insurance Company of America
First Colonial Insurance Company
Intramerica Life Insurance Company
Lincoln Benefit Life Company
Northbrook Indemnity Company
Surety Life Insurance Company

American Surety Company

Brotherhood Mutual Insurance Company

Chubb Group of Insurance Companies

Chubb Indemnity Insurance Company
Chubb National Insurance Company
Executive Risk Indemnity Inc.
Federal Insurance Company
Great Northern Insurance Company
Pacific Indemnity Company
Vigilant Insurance Company

Conseco Services, LLC

Bankers Life & Casualty Company
Colonial Penn Life Insurance Company
Conseco Health Insurance Company
Conseco Insurance Company
Conseco Life Insurance Company
Washington National Insurance Company

Eastern Alliance Insurance Company

Eastern Alliance Insurance Company
Allied Eastern Indemnity Company
Eastern Advantage Assurance Company
Employers Security Insurance Company

FCCI Insurance Group

FCCI Insurance Company
Monroe Guaranty Insurance Company
National Trust Insurance Company

Farmers Insurance Group

American Federation Insurance Company
American Guarantee & Liability Insurance
American Zurich Insurance Company

Assurance Company of America
Bristol W Insurance Company
Centre Insurance Company
Centre Life Insurance Company
Colonial American Casualty & Surety Company
Empire Fire & Marine Insurance Company
Farmers Insurance Exchange
Farmers New World Life Insurance Company
Fidelity & Deposit Company of Maryland
Fire Insurance Exchange
Foremost Insurance Company
Foremost Property & Casualty Insurance Company
Foremost Signature Insurance Company
Illinois Farmers Insurance Company
Kemper Investors Life Insurance Company
Maryland Casualty Company
Mid-Century Insurance Company
Northern Insurance Company of New York
Truck Insurance Exchange
Universal Underwriters Insurance Company
Universal Underwriters Life Insurance Company
Universal Underwriters of TX Insurance
Zurich American Insurance Company
Zurich American Insurance Company of Illinois

German Mutual Insurance Company

Grain Dealers Mutual Insurance Company

The Hanover Insurance Group

Allmerica Financial Alliance Insurance Co.
Allmerica Financial Benefit Insurance Co.
Citizens Insurance Company of America
Citizens Insurance Company of the Midwest
First Allmerica Financial Life Insurance Co.
Hanover Insurance Company
Massachusetts Bay Insurance Company
Nova Casualty Company
Professionals Direct Insurance Company
Verlan Fire Insurance Company

The ILM Group

Indiana Lumbermens Mutual Insurance Company
Lone Star National Insurance Company
National Building Material Assurance Company

Illinois Casualty Company

Indiana Farm Bureau Insurance Company

Countryway Insurance Company
UFB Casualty Insurance Company
United Farm Family Mutual Insurance Company
United Farm Family Life Insurance Company
United Home Life Insurance Company

Indiana Farmers Mutual Insurance Company

2009-2010 Member Companies

Indiana Insurance Company

American Ambassador Casualty Company
American Economy Insurance Company
American Fire & Casualty Company
American States Insurance Company
American States Insurance Company of TX
American States Preferred Insurance Co.
Avomark Insurance Company
Consolidated Insurance Company
Employers Insurance of Wausau
Excelsior Insurance Company
First Liberty Insurance Corporation
First National Insurance Company of America
General Insurance Company of America
Globe American Casualty Company
Hawkeye Security Insurance Company
Indiana Insurance Company
Insurance Company of IL
LM General Insurance Company
LM Insurance Corporation
LM Personal Insurance Company
LM Property/Casualty Insurance Company
Liberty Insurance Corporation
Liberty Insurance Underwriters, Inc.
Liberty Life Assurance Company of Boston
Liberty Mutual Fire Insurance Company
Liberty Mutual Insurance Company
Liberty Personal Insurance Company
Mid American Fire & Casualty Company
Midwestern Indemnity Company
National Insurance Association
Netherlands Insurance Company
Ohio Casualty Insurance Company
Ohio Security Insurance Company
Peerless Indemnity Insurance Company
Peerless Insurance Company
Safeco Insurance Company of America
Safeco Insurance Company of IN
Safeco National Insurance Company
Safeco Insurance Company of IL
Wausau Business Insurance Company
Wausau Underwriters Insurance Company
West American Insurance Company

International Fidelity Insurance Company / Allegheny Casualty Company

International Fidelity Insurance Company
Allegheny Casualty Company

NAMIC Insurance Company, Inc.

Nationwide Insurance

Allied Property & Casualty Insurance Company
Amco Insurance Company
Atlantic Insurance Company
Depositors Insurance Company

Farmland Mutual Insurance Company
National Casualty Company
Nationwide Affinity Company of America
Nationwide Agribusiness Insurance Company
Nationwide Assurance Company
Nationwide General Insurance Company
Nationwide Insurance Co. of America
Nationwide Mutual Fire Insurance Company
Nationwide Mutual Insurance Company
Nationwide P&C Insurance Company
Nationwide Life & Annuity Company of America
Nationwide Life & Annuity Insurance Company
Nationwide Life Insurance Company
Nationwide Life Insurance Company of America
Scottsdale Indemnity Company
Titan Indemnity Company
Victoria Automobile Insurance Company
Victoria Fire & Casualty Company
Victoria Select Insurance Company

Progressive Insurance Company

National Continental Insurance Company
Progressive Advance Insurance Company
Progressive American Insurance Company
Progressive Casualty Insurance Company
Progressive Classic Insurance Company
Progressive Commercial Company
Progressive Direct Insurance Company
Progressive Max Insurance Company
Progressive Northern Insurance Company
Progressive Northwestern Insurance Company
Progressive Paloverde Insurance Company
Progressive Preferred Insurance Company
Progressive Southeastern Insurance Company
Progressive Specialty Insurance Company
United Financial Casualty Company

State Auto Insurance

Meridian Citizens Mutual Insurance Company
Meridian Security Insurance Company
Milbank Insurance Company
State Automobile Mutual Insurance Company
State Auto FL Insurance Company
State Auto National Insurance Company
State Auto P&C Insurance Company

State Farm Insurance Companies

State Farm Annuity & Life Insurance Company
State Farm Fire & Casualty Company
State Farm General Insurance Company
State Farm Mutual Auto Insurance Company
State Farm Life Insurance Company

2009-2010 Subscribers and Associates

Subscribers

American Family Mutual Insurance Company
American Family Mutual Insurance Company
American Family Life Insurance Company
American Standard Insurance Company of Wisconsin

American Insurance Association

Bliss McKnight

Erie Insurance Group
Erie Family Life Insurance Company
Erie Insurance Company
Erie Insurance Company of NY
Erie Insurance Exchange
Erie Insurance Property & Casualty Company
Flagship City Insurance Company

Grange Mutual Casualty Company
Grange Indemnity Insurance Company
Grange Mutual Casualty Company
Grange Life Insurance Company
Grange Property & Casualty Insurance Company
Trustgard Insurance Company

Indiana Compensation Rating Bureau

Mutual Insurance Companies Association of Indiana

Professional Insurance Agents of Indiana

Property Casualty Insurers Association of America

Reinsurance Association of America

Standard Mutual Insurance Company

West Bend Mutual Insurance Company

Western Reserve Group
Lightning Rod Mutual Insurance Company
Sonnenberg Mutual Insurance Association
Western Reserve Mutual Casualty Company

Wolverine Mutual Insurance Company

Associates

American Agricultural Insurance Company



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