

Glossary of Terms Used in Assessment History Reporting

ASSESSMENTS AUTHORIZED

The total of all assessments authorized by a guaranty association's Board of Directors in a given year.

ASSESSMENTS BILLED

Assessments authorized by the Board of Directors of a guaranty association and billed to the member companies of that association.

ASSESSMENT CAPACITY

The total that could possibly have been assessed by a guaranty association in 1997.

GUARANTY PAYMENTS

The sum of all expenditures by a guaranty association. This amount includes guaranty association operating expenses, claims related payments to non-employees, payments to claimants in the estate of an insolvent insurer for claims settlements or for unearned/returned premium and any other payments made by the association.

MEMBER REFUNDS

Amounts paid to (or credited to in lieu of an additional assessment payment) member companies of a guaranty association as a return of a portion of a previously paid assessment.

NET ASSESSMENT

The sum of all Assessments Billed less refunds credited or made to member companies by a guaranty association.

NET EXPENSE

The total of Guaranty Payments less Recoveries.

RECOVERIES

The total of all money paid to a guaranty association by the estate of an insolvent insurer, as a distribution of assets of the estate (including early access distributions).

UNUSED CAPACITY

The sum of assessment capacity less assessments authorized for each guaranty association in 1998. The Unused Capacity is that amount which could have been assessed but was not.