

**Memorandum**

To : Mrs. Janice Masterton

Date : April 29, 1991

From : E. L. Sorensen, Jr.  
Chief CounselSubject: Contribution Disclosure Opinion 91-11  
Disclosure Forms With Respect to Executive Life Insurance Company.

Executive Life Insurance Company has been placed into conservatorship pursuant to an application in superior court by the Commissioner of Insurance. Since the Board has a hearing scheduled on a matter involving Executive Life, the conservatorship adds further complications to the question of who must file disclosure forms.

Executive Life was placed into conservatorship pursuant to the authority set forth in Insurance Code section 1011. Pursuant to that provision, the order of conservatorship vested title to all of the assets of Executive Life in the Commissioner of Insurance in his official capacity as such. The Commissioner and his staff are of course involved in the conservatorship. The Attorney General, who has a Conservation and Liquidation Division, is also involved. The Deputy Attorney General assigned to the Executive Life conservatorship apparently is Mark Richelson.

In his official capacity, Commissioner Garamendi holds title to the assets of Executive Life. Although we do not have information regarding the Commissioner's specific involvement in the conservatorship, he is nevertheless equivalent to a trustee of a trust. (Anderson v. Great Republic Life Insurance Co. (1940) 41 Cal.App.2d 181.) In a letter dated April 3, 1991, Senior Staff Counsel Mary Armstrong concluded that a trustee of a trust must file a "party" contribution disclosure notice on behalf of the trust noting any contributions made by that trust. The trustee would also be required to file an "agent" contribution disclosure notice noting any contributions made by the trustee. The same rules are applicable to Commissioner Garamendi, that is, he must file a "party" contribution disclosure notice on behalf of the conservatorship estate and must file an "agent" contribution disclosure notice for himself. Both Mr. Richelson and outside counsel apparently actually represent the conservatorship and must therefore file "agent"

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contribution disclosure notices. Ms. Stapp, Staff Counsel, Department of Insurance, is an agent of the Commission and must file an "agent" contribution disclosure notice. The Department of Insurance is also required to file a contribution disclosure notice.

From the information we have, it appears that the person who is actually employed by Executive Life who must file a contribution disclosure form is Mr. Dennis Schwartz, Vice President of Executive Life. He is the person who actually filed the petition for redetermination on behalf of Executive Life.



ELS:wk  
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cc: Hon. Brad Sherman  
Hon. William Bennett  
Hon. Ernest J. Dronenburg, Jr.  
Hon. Matthew K. Fong  
Hon. Gray Davis  
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