

THE SWISS AMERICAN

Official Publication of the NORTH AMERICAN SWISS ALLIANCE

Volume 142

July 2022

Robison elected 25th President and Board of Directors voted in as part of 2022 Convention

Delegates of the 2022 Convention elected Donald P. Robison as President for the term July 1, 2022 through June 30, 2026. Also elected to the Executive Board were John J. Jencson, Vice President; Lynn M. Kosin, Secretary/Treasurer (incumbent); Kevin M. Ruedy, Advisory Officer (incumbent). Elected to another four-year term as Directors were David E. Stucki, Michael A. Kosin, William B. Perrine, Thomas M. Vassallo.

President-elect Robison has been a member of the Alliance for over thirty years joining the Canton Men's Swiss Society in 1992 where he was Treasurer for many years. Don was elected to the Executive Board in 2010 and became Vice President in 2012. Don has enjoyed his time on the Executive Board and looks forward to serving the Society and working with the other officers to maintain the strength of the Society.

As a CPA, he has been a valuable addition to the Board with his strong Problem Solving and Decision Making skills. Following our State Examination in 2015, Donald took on an important role with the Alliance as the Investment Coordinator. He is responsible for reviewing and ultimately choosing which bonds the Alliance invests in. The bonds must be investment grade with a positive outlook and comply with the Investment Policy which means monitoring the limitations of bond sectors/types.

Don lives in North Canton and has been married to his wife Nannette since 1980. They have 3 grown boys and four grandchildren.

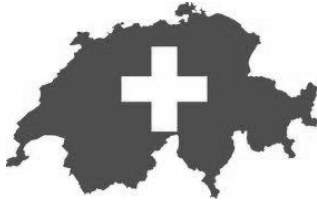
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John Jencson has served as a Director since 2018 was elected Vice President of North American Swiss Alliance. John came to the Board with extensive experience in leadership roles in engineering, manufacturing, and business development. His analytic thinking, decision making, and communication skills will complement the Executive Board. He looks forward to learning more about the daily operation of the organization and to contributing to it's financial well-being.

John lives in North Ridgeville and has been married to his wife Annette since 1980. They have two grown children, Annalise and John F., and two grandchildren, Kaspar, named after his great great great Swiss grandfather, and Kiera. Both Annalise and John F. have traveled to Switzerland with John and Annette to visit relatives and enjoy the Swiss experience.

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Excerpts of 2022 National Convention may be found on Pages 3-5.



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NATIONAL OFFICE**

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EXECUTIVE BOARD

PRESIDENT

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John J. Jencson
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SECRETARY-TREASURER

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ADVISORY OFFICER

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William B. Perrine
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David E. Stucki
609 N Wabash
Brewster OH 44613

Thomas M. Vassallo
1115 Sparrow Run
Streetsboro OH 44241

PRESIDENT EMERITUS

Alois W. Amstutz

**The Importance of Keeping
Beneficiary Updated on Your
North American Swiss Alliance Policy**

Upon death of a policyholder (and submission of a death certificate), the death benefit is payable to the named beneficiary. It is important that the named beneficiary is who the policy holder wants the funds to go to. A beneficiary may be a person, a trust, or an organization.

Your Annual Policy Report lists the current beneficiary for your insurance policy. If the named beneficiary is deceased, it makes the process more difficult. We encourage everyone to verify this information and make any necessary changes via a Change of Beneficiary form.

This form is available on our website.

Minor children should not be named as life insurance beneficiaries. Instead, establish a trust or name a guardian to receive the funds. Check with your estate planning professional or an attorney about this.

Keeping Your Address Updated

The postal service does not forward mail from North American Swiss Alliance. It is returned to us as undeliverable. Please keep the Alliance informed of any address changes.

North American Swiss Alliance Website:

<https://www.naswiss.com>

PRIVACY POLICY

The Gramm-Leach Bliley Act was instituted in 1999 and became effective November, 2000 to protect the confidentiality and the security of consumer information. The act requires initial and annual privacy notices. These notices can be of a general nature such as this one posted in this newspaper. The notice will also be available in the office of the North American Swiss Alliance in North Olmsted, Ohio and to all our members who request one by mail.

THE NORTH AMERICAN SWISS ALLIANCE RESPECTS ALL OF OUR MEMBERS' PRIVACY AND WE WILL NOT GIVE ANY PUBLIC OR NON-PUBLIC INFORMATION TO ANYONE NOT AUTHORIZED TO RECEIVE THIS INFORMATION.

PUBLIC INFORMATION means information that is lawfully available to the general public from Federal, State, or Local government records, widely distributed media, or disclosures to the general public, that are required to be made by Federal, State, or Local law. **NON-PUBLIC INFORMATION** means identifiable financial and medical information. It also means any list, description, or other grouping of individuals and publicly available information pertaining to them.

We are a fraternal benefit society that has always been committed to protecting the privacy of its members. There are no affiliated financial institutions or third party non-affiliates which have access to your non-public personal information, except pursuant to your authorization. We **never** sell lists of names and addresses of our members to any vendor of goods or services.

Our policy of protecting the privacy of public and non-public information extends to our former insured that no longer have any coverage with us.

Excerpts of 2022 National Convention Minutes

President Jan Markowski called the meeting to order at 11:30 am.

Vice President Donald Robison offered an opening prayer for strength and wisdom to carry out the duties of the Alliance. VP Robison asked all to remember those who have passed since the last convention.

CREDENTIALS

Secretary/Treasurer Lynn Kosin stated she had reviewed the credentials of all Delegates and all was in order.

DELEGATES

Cleveland Swiss Society – Bill Preslock & Tony Rospotyński

Denver Swiss Society – Suzanne Sarasin

Toledo Swiss Society – Thomas Hodges, Ron Gerkenmeyer & Ben Krieger

Toledo Swiss Ladies – Barbara Carr

Central Branch – David Stucki

PRESIDENT MARKOWSKI'S REMARKS

Selling of new policies is important. Coverage is available for anyone age 60 or younger who is in good health. Applications reviewed monthly at our Executive Board meeting. Everyone in this room has a responsibility to the Alliance and its policyholders. We need to hear from you. We are open to your ideas. Your feedback is imperative to our success.

North American Swiss Alliance is governed by State regulations and the insurance laws of the State of Ohio. The responsibilities of the Executive Board, and the entire Board of Directors has changed tremendously in the last decade. As part of the State's review of the Alliance (January 1, 2011 – December 31, 2014), we received a directive not to be overly dependent on non-Board members for decision-making.

The Executive Board now required to:

Make all investment decisions (previously managed by investment manager at Oppenheimer).

Document formal compliance with Impairment and Investment Policies. Monitor unrealized losses for all bonds with NAIC rating of three or greater and determine amount to be booked each quarter. Our Secretary/Treasurer, Lynn Kosin, monitors the bond holdings and developed a Watch List which she provides to the Board of Directors. Prior to 2017, all Alliance

bond holdings had a S&P rating of 1 or 2. As of 12/31/17, one bond (Marathon) had a rating of 3. As of 12/31/18, only Time Warner had a rating of 3. As of 12/31/19, five bonds had a rating of 3 which increased to eight by the end of the 2020. We currently have ten bonds with a rating of 3 and another seven with unrealized losses at a level where they have been added to the watch list.

Thoroughly review quarterly and annual statements prior to their submission to NAIC.

Understand financials in quarterly and annual statements and be prepared to respond to questions during quarterly calls with the Ohio Insurance Department Office of Risk Assessment.

Executive Board faced with:

Inability to accept insurance policies proposed from outside the states of California and Ohio (effective May 2016).

Need to document new operating policies: Impairment Policy, Anti-Fraud Policy, Disaster Recovery, Underwriting, and a Code of Conduct and Ethics.

Establishment of Investment Coordinator (Donald Robison) to purchase replacement and/or new bonds – a record twenty-one bonds were called in 2020; six bonds and five stocks called in 2021.

Establishment of Anti-Money Laundering Compliance person (Lynn Kosin).

Separately, in 2016, the State of Ohio presented the CGAD (Corporate Governance Annual Disclosure) Model Act, which documented the need to ensure the Alliance's officers and key persons in control functions have the background, experience, and integrity to fulfill their respective roles.

The critical areas include risk management processes, actuarial function, investment decision making processes, business strategy/finance decision-making processes, compliance function, financial reporting/internal auditing, market conduct decision-making processes. Documentation of board members and their duties, as well as succession plan, required. Annual submissions outlining compliance required.

SECRETARY-TREASURER REPORT

Since the 2018 Convention, four Branch societies have closed. The Cleveland Swiss Ladies Aid Society closed in November 2020 and made a generous donation to North American Swiss Alliance. The Canton Men's and Ladies Societies closed in January 2021. The San Francisco branch closed in May 2021 and made a generous donation to the Alliance. All policy holders have been transferred to the Central Branch and are maintained out of the National Office.

The Alliance was subject to a State of Ohio Financial Examination as of December 31, 2019. The Ohio Department of Insurance Department of Risk Assessment monitors the financial solvency and compliance of insurance companies licensed in the State. Examiners review minutes of all meetings since the previous exam, all financial statements (including check register, profit & loss, trial balance), all operating policies and documentation of compliance, insurance applications, and engagement letters from third-party providers. The exam process ran from March through November 2020. The 2019 examination was positive, and the State requested documentation of procedure to ensure compliance with Alliance policies, as well as minor additions to the Investment Policy and Impairment Policy.

Effective January 1, 2020, we transitioned to a new CSO (Commissioners Standard Ordinary) table which resulted in a slight increase in single-premium rates. The mortality table is developed by the actuary and is part of the reserve calculation process. With fifty our policy holders aged 90-96, the payouts will continue to increase.

The State raised concerns regarding acceptance of policies outside of states where the Alliance holds an insurance license (as part of 2014 Examination). Executive Board responded that even though applications had historically been accepted from all states, effective May 20, 2016 only policies purchased in California and Ohio (the two states in which Alliance has certificates of authority) would be accepted.

We are pleased to report our Annual Statements have shown an operating gain for seven consecutive years (2013-2019). 2020 and 2021 operating losses were \$32.8K and \$4.6K. The 2020 operating loss was due to lower investment income and a 2019 error in Reserves calculation by the actuary which was recognized in the 12/31/2020 Annual Statement. In 2021, death benefits were \$13.1K higher than previous year,

resulting in an operating loss. Ken Kabealo, State of Ohio, Department of Risk Assessment, remains pleased with our financial situation.

John Vrana, CPA, became the Alliance's accountant as of January 1, 2017, and the decision was made to utilize QuickBooks for internal accounting purposes. John provides quarterly general journal updates (amortized bond premiums, etc.) to allow more accurate and timely financial reports. John is highly experienced in accounting principles for fraternal organizations. He prepares the Quarterly and Annual Statements.

Statutory Accounting Principles are prescribed by the National Association of Insurance Commissioners (NAIC) for the preparation of financial statements to ensure the solvency of insurance firms which enables them to meet the obligations to policyholders.

Bond activity has increased in the last three years with three bonds called in 2018, 11 bonds called in 2019, 21 bonds called in 2020. One bond has been called to date in 2022, with one call (\$20K) and two maturities (\$50K) expected. Monthly Wells Fargo statements, as well as Executive Board meeting minutes documenting bond activity are shared with all Directors to allow their on-going review of the Executive Board's financial management.

In compliance with the Alliance Impairment Policy, a Watch List was created in 2019 to monitor the NAIC ratings of bonds in our portfolio. Unrealized gains/losses of all bonds with a NAIC rating of 3 or higher are monitored. Bonds with a NAIC rating of 2 or higher with unrealized losses of 20% or greater are also on the Watch List. A portion of unrealized losses from Watch List bonds are booked on the Annual Statement (and reduces Surplus). Due to the volatile market, the Board also receives a separate list of bonds with unrealized losses of 15-20%. Bond ratings are confirmed monthly.

The State of Ohio House Bill 341 requires the Alliance to maintain a surplus minimum of \$500,000. Our surplus as of December 31, 2018 equaled \$793,407 which grew to \$867,721 at the end of 2019. Surplus as of December 31, 2020 was \$816,067 (reflected adjustment necessary due to error in Reserves calculation by actuary in 2019). As of December 31, 2021, reported surplus was \$818,324 (164% of minimum required).

We continue to participate in quarterly conference calls with Ken Kabealo, our Financial Analyst from the Ohio Department of Insurance Department of Risk Assessment. We maintain regular communication with our actuary and accountant.

GRIEVANCE COMMITTEE REPORT

Director Thomas Vassallo stated there have been no grievances received. New Grievance Committee will be appointed by Executive Board in July, 2022.

RESPONSIBILITIES OF DELEGATES

Delegates have a responsibility to ask questions which enables them to make decisions in the best interest of the Alliance. They have the duty to nominate and elect a Board of Directors which consists of persons with qualifications as outlined in the Ohio Corporate Governance Model; They have the duty to establish compensation consistent with the time required to fulfill the duties of each elected position.

RESPONSIBILITIES OF BRANCH SOCIETIES

Excerpts from the Constitution regarding the responsibilities of Branch Societies was sent to all participants prior to the meeting. The Constitution of the Branch Societies shall conform at all times with the Constitution of the Alliance. All changes shall be reported to the Executive Board. All Branch Officers signing official documents for the Alliance must be members of the Alliance in good standing. Each Branch Society is encouraged to meet at least once a month for the transaction of any business pertaining to the Alliance (e.g. annual collection of premiums and proposal of new insurance members in States where Alliance holds Insurance License). The Branch Societies are obligated to pay the premiums for the current month no later than the 20th of the month. The Branch Societies shall keep an accurate record of all certificates issued for its members by the Executive Board (e.g. address changes).

DUTIES OF BOARD MEMBERS

Delegates received copies of the Alliance Code of Conduct and Duties of members of the Board of Directors prior to the meeting in preparation of upcoming election.

BOARD OF DIRECTORS

According to the State of Ohio Corporate Governance Model, Directors should have the appropriate background, experience, and integrity to fulfill their respective roles. The critical areas include risk management processes, actuarial function, investment decision making processes, compliance function,

business strategy/financial decision-making process, market conduct decision-making processes. Succession plan includes appointment of persons with new, fresh ideas. The number of Directors has been reduced from 17 in 2006 to 11 and again in 2010 from 11 to 9 (and one position was vacant for with resignation of one Director). The North American Swiss Alliance is highly weighted in regard to the number of Directors versus other, larger fraternal insurance organizations (attachment recapped other fraternal's total assets and number of Directors). The Executive Board recommends the Board of Directors consist of up to 8 Directors (minimum of 6 to be elected with 2 vacancies if 8 candidates do not receive majority of votes cast).

Role call indicated unanimous agreement of reduction in the number of Directors.

NOMINATIONS FOR BOARD OF DIRECTORS

List of current nominees, with their qualifications, was sent to all Directors/Delegates prior to the meeting. Via role call, nominations for Executive Board positions were requested. Donald Robison & Jan Markowski were nominated for President; Donald Robison and John Jencson were nominated for Vice President; Lynn Kosin was nominated for Secretary/Treasurer; Kevin Rudy was nominated for Advisory Officer. All nominations were accepted. Delegates were advised to complete their ballot (one per branch society) and to phone in their votes to the Balloting Committee appointed by the Executive Board (Thomas Hodges & Ronald Gerkenmeyer of the Toledo Swiss Society).

ELECTION OF NEW BOARD OF DIRECTORS

Thomas Hodges reported the results of the election. President – Donald Robison; Vice President – John Jencson; Secretary/Treasurer – Lynn Kosin (incumbent); Advisory Officer – Kevin Rudy (incumbent). Four Directors were elected Michael Kosin, William Perrine, David Stucki, Thomas Vassallo (all incumbent).

All shall take office on July 1st following their election and term of office shall be four years per Article 6, Section 4 of the Constitution. Any vacancy that occurs on the Board of Directors or Executive Board during the four-year term may be filled by appointment by the Executive Board, subject to the approval of the Board of Directors, until the following regular convention per Article 6, Section 7 of the Constitution.

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Autumn in Switzerland: top things to do



Enjoy spectacular views in Zermatt - Swiss cities and enjoy the most beautiful time of the year in the world's most famous mountain. Only small electric vehicles are allowed in the car-free mountain village. The air is clear, the sun is on your face. Zermatt in autumn is all about nature. You can reach the peaks around Zermatt in state-of-the-art cable cars. If you prefer, there are many hiking and bike trails. And, if dining is your pleasure, enjoy the renowned restaurants to discover in the village and on the mountain.

Take in the views at Schilthorn - Piz Gloria In the Bernese Alps this is an iconic Swiss location to see at least once in your lifetime. Standing atop Schilthorn summit, take in the blue waters of Lake Thun and look the other way to see the Jura mountains. While there, you can make yourself comfortable in one of the three view lounges with wooded seating areas that are sheltered from the wind. Enjoy the peace and wonder of Swiss nature at its finest!

Witness an Alpine Descent - The cows come down from alpine pastures for the winter and this is cause for huge celebrations all over Switzerland.

Ride on a panoramic train - As the leaves turn colors, the beautiful Alpine scenery becomes even more spectacular. From Zermatt and the Matterhorn, the Glacier Express leads over 291 bridges and through 91 tunnels over and through the Swiss Alps to St. Moritz in the Engadin lakeland.

Discover an architectural gem – the City of Fribourg – Located between Lausanne and Bern, Fribourg is one of the most picturesque and well-preserved medieval towns in Europe. The city was founded in 1157 by Duke Berthold IV of Zähringen. Enjoy its steep cobbled streets and age old fountains.



Enjoy an amazing autumn hike in Interlaken such as the The Woodcarving Trail in Azalp – This hike is as lovely as it is interesting. There's a story behind the 90 wood statues on the trail. They are all made out of tree stumps left behind from avalanches and devastating storms in the late 1990's.



Switzerland has so much to offer! Plan your trip and send us your photos and commentary for a future issue of The Swiss American.

In Memoriam

Our deepest sympathy is extended to the family and friends of our deceased members. May they rest in peace.

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|-----------|----------------------|--------|--------------------------|
| 4/12/21 | ALVA C. HIRZEL | Age 92 | Toledo Ladies |
| 9/25/21 | JOHN BERRYESSA | Age 56 | Central Branch |
| 10/14//21 | ROBERT F. LAUB | Age 91 | Toledo Swiss Society |
| 10/26/21 | LARRY J. HALL | Age 81 | Central Branch |
| 11/2/21 | ALEXANDRA JANOWIECKI | Age 86 | Central Branch |
| 11/12/21 | MERLIN R. ZUNK | Age 88 | Toledo Swiss Society |
| 11/21/21 | CAROL A. PARIZA | Age 81 | Milwaukee Swiss American |
| 11/24/21 | PETER E. WENGER | Age 91 | Columbus HBS |
| 12/8/21 | ROBERT L. STOTZ, JR. | Age 87 | Toledo Swiss Society |
| 12/9/21 | PAUL LUSSMAN, JR. | Age 93 | Central Branch |
| 12/20/21 | WALTER HASLEMANN | Age 83 | Central Branch |
| 12/21/21 | LINDA S. HANNUM | Age 70 | Toledo Ladies |
| 12/25/21 | KAREN B. BUCKLEY | Age 69 | Central Branch |
| 1/4/22 | WALTER GEHR | Age 90 | Milwaukee Swiss American |
| 1/12/22 | LILLIAN GEHR | Age 90 | Milwaukee Swiss American |
| 1/17/22 | EDWIN HAUENSTEIN | Age 68 | Central Branch |
| 1/23/22 | MARVIN E. KELLER | Age 74 | Toledo Swiss Society |
| 1/28/22 | SALLY ANN BURNSIDE | Age 79 | Central Branch |
| 2/8/22 | RICHARD B. CORADO | Age 89 | Toledo Swiss Society |
| 2/14/22 | RAYMOND L. KELLER | Age 83 | Toledo Swiss Society |
| 2/19/22 | ROBERT A. BECK | Age 67 | Central Branch |
| 2/25/22 | RICHARD R. HUTH | Age 88 | Central Branch |
| 3/9/22 | PAUL A. PAROZ | Age 79 | Cleveland Swiss Society |
| 3/9/22 | CLAUDE KERN | Age 82 | Central Branch |
| 3/10/22 | HERMAN WEIBEL | Age 86 | Cleveland Swiss Society |
| 4/27/22 | THELMA JOHNSON | Age 90 | Central Branch |
| 5/3/22 | RICHARD A. WEAVER | Age 89 | Central Branch |
| 6/14/22 | ARLENE CAPPADONA | Age 92 | Central Branch |



*Those we love don't go away,
They walk beside us every day,
Unseen, unheard, but always near,
Still loved, still missed and very dear.*

Author unknown.



NORTH AMERICAN SWISS ALLIANCE
26777 Lorain Road, Suite 321
North Olmsted Ohio 44070

56th Annual German-American Festival

Friday, August 26 – Sunday, August 28, 2022

Oak Shade Grove

3624 Seaman Road, Oregon OH

Information: <https://germanamericanfestival.net>

For over half a century, the German-American Festival has been promoting the German and Swiss cultures, generating revenue to support the German and Swiss cultural center and other philanthropic programs in the Toledo area while providing a great time for visitors of all ages!

*The SWISS AMERICAN is currently published at least once a year, depending on articles received and necessity to publish announcements.
We encourage each and every reader to submit material for consideration.*