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Mississippi to Receive Portion of \$72 Million in Recently Seized Martin Frankel Assets

Jackson -Commissioner of Insurance George Dale announced today that Mississippi will receive a portion of the \$72 million in funds and assets of Martin Frankel seized by the Federal Bureau of Investigation (FBI) and the Internal Revenue Service (IRS) as a result of Frankel's criminal enterprise. In 1999, Martin Frankel fled the United States after defrauding seven insurance companies in five different states of over \$200 million dollars. Since that time, the Receivers of these insurance companies have pursued the assets which were looted by Mr. Frankel and his co-conspirators.

A Federal Court in the District of Connecticut has ordered that funds and assets in forfeiture accounts were the property of the receivers/liquidators of the insolvent insurance companies and ordered that the funds be turned over to Commissioner Dale and receivers in four other states. The forfeiture accounts included funds resulting from the sale of Frankel's two homes in Connecticut, the auction of 21 automobiles, funds seized from bank accounts in Switzerland, and funds seized from numerous bank accounts in the United States.

Staff of the Mississippi Insurance Department (MID) identified and provided information to the FBI and the IRS that allowed federal authorities to seize the funds held in the Swiss bank account and some other US and foreign accounts.

"I consider the role the Mississippi Insurance Department has played in bringing Mr. Frankel and his co-conspirators to justice to be one of the finest accomplishments during my time in office. Since the discovery of the crime, the MID has worked tirelessly with federal authorities. It pleases me to say that all Mississippi policyholders defrauded by Mr. Frankel have been made whole," said Commissioner Dale.

The receivers have filed numerous lawsuits against entities whose involvement with Frankel resulted in losses to the insurance companies. The receivers have recovered millions of dollars from these negligent defendants and the prosecution of some of these cases will continue into 2008. The receipt of the federal forfeiture funds brings the total recovery (by the receivers) on the Frankel estates to approximately \$126 million.

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