

CLIENT UPDATE

NAIC 2012 FALL NATIONAL MEETING

NEW YORK

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The National Association of Insurance Commissioners (the “NAIC”) held its 2012 Fall National Meeting from November 29 to December 2, 2012 in National Harbor, Maryland. This Client Update highlights some of the developments from the Fall National Meeting that are of particular interest to many of our insurance industry clients, including developments relating to:

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(1) CREDIT FOR REINSURANCE MODEL LAW AND REGULATION AMENDMENTS – ACCREDITATION AND IMPLEMENTATION

Adoption of Collateral Reduction as an Optional Accreditation Standard

The **Financial Regulation Standards and Accreditation (F) Committee** adopted as an accreditation standard the 2011 revisions to the Credit for Reinsurance Model Law and Model Regulation, which reduces reinsurance collateral requirements for qualified entities, and adopted the significant elements proposed by the Reinsurance (E) Task Force. The Committee adopted the 2011 revisions to the significant elements under the “Reinsurance Ceded” standard currently required for accreditation. The revisions were drafted as an optional standard, so states are not required to adopt collateral reduction changes in order to remain eligible for NAIC accreditation, but if a state chooses to adopt the changes, it must do so in accordance with the Model Law and Model Regulation.

Implementation of 2011 Amendments

The **Reinsurance (E) Task Force** received a report from NAIC staff summarizing the implementation of the 2011 revisions to the Credit for Reinsurance Model Law and Regulation. The purpose of the revisions is to allow for reduced reinsurance collateral requirements for non-U.S. licensed reinsurers that are licensed and domiciled in qualified jurisdictions. The NAIC staff report indicated that to date 11 states have enacted or promulgated the revisions, including California, Connecticut, Delaware, Florida, Georgia, Indiana, Louisiana, New Jersey, New York, Pennsylvania and Virginia. Of these 11 states, only New York and Florida have certified non-U.S. licensed reinsurers (predominantly Bermuda reinsurers) for eligibility for collateral reduction. An additional 11 states have announced plans to enact or promulgate the revisions and 26 states are currently undecided.

Process for Developing and Maintaining the List of Qualified Jurisdictions

The **Reinsurance (E) Task Force** exposed for a 45-day comment period the draft NAIC Process for Developing and Maintaining the List of Qualified Jurisdictions. The list is referenced in the revised Credit for Reinsurance Model Law and Regulation which provides that any assuming insurer licensed and domiciled in a Qualified Jurisdiction is eligible to be considered for certification by a state as a certified reinsurer for reinsurance collateral reduction purposes.

Nonadmitted and Reinsurance Reform Act

The **Reinsurance (E) Task Force** received a report from NAIC staff summarizing a survey that was conducted in an effort to obtain information regarding (1) whether the jurisdictions have considered the Nonadmitted and Reinsurance Reform Act (“NRRA”) as provided in Title V of the Dodd-Frank Wall Street Reform and Consumer Protection Act, (2) how the jurisdiction intends to address any issues presented by the NRRA and (3) whether the NAIC should consider developing a standard definition or guideline to promote consistent application of the NRRA in NAIC-member jurisdictions. About two-thirds of the respondents stated that they have considered the NRRA. The survey notes that California added a provision to its law adopting the provisions of the NRRA defining reinsurers principally engaged in reinsurance as “professional reinsurers” and was the only state to take such action. About two-thirds of the respondents believe that the NAIC should consider developing a standard definition and/or guidance with respect to the term “reinsurer” and the prohibition of financial solvency regulation for nondomestic states of such entities.

(2) IAIS – COMFRAME

The **International Accounting and Solvency Standards (E) Working Group** received updates regarding the IAIS Solvency Subcommittee, the IAIS Accounting and Auditing Issues Subcommittee and an update on the International Accounting Standards Board (“IASB”) matters.

The IAIS Solvency Subcommittee reported that during its November 13, 2012 meeting they discussed the development of a scenario-based approach to group capital for the “Common Framework for the Supervision of Internationally Active Insurance Groups,” or “ComFrame.” During the Working Group meeting, interested parties asked questions, including what is the objective of the group capital requirements and where additional capital would be held. The NAIC’s Ramon Calderon encouraged more questions to be asked, and it was noted during the Working Group meeting that the next ComFrame draft will look different as there are still moving parts and a few big issues, including what is meant by “stress test,” “scenario-based approach” and the “prescribed capital requirement.”

The Working Group also heard from the IAIS Accounting and Auditing Issues Subcommittee (“AAISC”), which accepted the International Financial Reporting Standards (“IFRS”) or equivalent accounting frameworks as the working assumption for ComFrame valuation. AAISC recognized that it would not get to a single accounting standard, and

identified U.S. and Japan generally accepted accounting principles (“GAAP”) and variations on IFRS⁴ within Europe, including France, Germany, Switzerland and United Kingdom, as the relevant GAAPs. AAISC will develop a standard set of insurance contracts that each member would have valued under its GAAP to try and construct a set of accounting adjustments that would reduce the differences and increase comparability between these accountings. AAISC queried whether the big four accounting firms already have a matrix showing the differences between accountings in the identified jurisdictions, and also asked the Working Group and interested parties to help develop example contracts by December 10, 2012.

The Working Group also heard a status update on IASB matters regarding an IFRS on insurance contracts. IASB prepared a slide presentation that covered the IASB’s previous proposals and an overview of the exposure draft that will be released in 2013. The IASB identified a few areas that will be targeted for re-exposure, including measurement proposals (treatments of unearned profit in contract and participating contracts), presentation proposals (premiums, claims and expenses in statement of comprehensive income and effect of change in discount rate in OCI) and approach to transition (retrospective application, if practicable, and if not, estimate residual margin on transition). The presentation included a slide on the proposed timeframe for the exposure draft, with redeliberations targeted for the fourth quarter of 2013 identified as “optimistic.”

(3) OTHER IAIS MATTERS

International Insurance Relations (G) Committee

The **International Insurance Relations (G) Committee** received an update from the IAIS Financial Stability Committee, in which it was reported that the next phase of identifying global systemically important financial institutions had been entered and a subset of 50 companies was identified from which additional information will be sought. This process was referred to as the “Supervisory and Judgment Process,” and discussions are being scheduled for the beginning of December 2012 through February 2013. The IAIS’s Global Systematically Important Insurers: Proposed Policy Measures was released in October 2012 and is currently out for public consultation, with all comments due by December 16, 2012. NAIC staff has reviewed the proposal and will provide comments.

The Committee also discussed the IAIS ComFrame and noted that a number of comments were made on the consultation draft and the various subcommittees are in the process of reviewing and revising the material in light of these comments. It was reported that the Technical Committee approved the restructuring of ComFrame and, in particular, the

decision to restate the Insurance Core Principles verbatim, rather than elaborate on how the Insurance Core Principles should be utilized, was mentioned. It was also noted that the Technical Committee approved the scenario-based approach to develop group capital. A bottom-up approach and a top-down approach were each discussed, and field testing is being done to test both approaches to see what kind of results are obtained. The Committee heard from interested parties regarding ComFrame, and in particular concern was expressed regarding creating an unlevel playing field where major U.S. companies conducting international business would compete with companies subject to a more lenient set of rules.

The Committee received a number of other brief updates on IAIS activities, including the Insurance Groups and the Cross-Sectoral Issues Subcommittee; the Accounting and Auditing Issues Subcommittee, which noted that an exposure draft is forthcoming; the Reinsurance Subcommittee, which has received comments on the Global Insurance Market Report; and the Solvency and Actuarial Issues Subcommittee, which noted that it may be asked to provide support for the Joint Forum on mortgage insurance and longevity risk, but at this point it is unclear what that support would be.

Corporate Governance (E) Working Group

At the meeting of the **Corporate Governance (E) Working Group**, District of Columbia Commissioner William White and the NAIC's Ryan Workman updated the Working Group on the work of the IAIS Governance and Compliance Subcommittee. This Subcommittee is beginning to work on an issues paper about the implications of different approaches to corporate governance on various control functions. The paper will demonstrate ways that insurers can structure corporate governance effectively.

Risk Retention Group (E) Task Force

Vermont Deputy Commissioner David Provost provided an update to the **Risk Retention Group (E) Task Force** regarding the IAIS Supervisors Reinsurance Subcommittee's Captives Paper Drafting Subgroup. This Subgroup is drafting guidance for regulators on items such as groupwide supervision, enterprise risk management and capital adequacy. Some of the other issues he mentioned are the definition of "captive" (among the 50 states, there is a wide variety in the definition of "captive"), the question of what a cell company is, and the issue of whether insurance managers should be regulated and how. He urged everyone to look at the draft and make comments directly to the IAIS.

(4) GROUP SOLVENCY ISSUES

The **Group Solvency Issues (E) Working Group** received an update regarding insurance holding company analysis, which included revisions to the NAIC Financial Analysis Handbook in order to make clear the roles of the lead state and the other domestic states of an insurance holding company. In October 2012, the Financial Regulation Standards and Accreditation (F) Committee adopted the Working Group's request to postpone the effective date of insurance holding company analysis accreditation standards and guidelines to January 1, 2014.

The Working Group also discussed a lack of understanding among international regulators and other parties of the U.S. regulatory approach to group supervision and expressed a desire to clarify the approach for the international community. The Working Group wants to develop a better document and framework that discusses the roles and responsibilities of the lead state and charged NAIC staff with creating a section in the Financial Analysis Handbook that would explain the state insurance regulatory approach and, in addition, the responsibilities and roles of the lead state/group supervisor. The Working Group asked for input from interested parties regarding this summary of the U.S. system, whether it be specific issues, text or anything else that U.S. regulators may want to include, by December 31, 2012.

The Working Group also discussed the designation of one single lead state for each insurance group and charged NAIC staff with reaching out to states to identify one lead state for each group.

The Working Group briefly discussed the proposed Part A accreditation recommendations regarding the Risk Management and Own Risk and Solvency Assessment Model Act adopted by the NAIC earlier in 2012, but noted that most have not had an opportunity to review the proposed recommendations. The Working Group exposed for comment the proposed recommendations until January 14, 2013.

(5) CORPORATE GOVERNANCE

The **Corporate Governance (E) Working Group** exposed for a 45-day comment period three Exhibits to the "Proposed Response to a Comparative Analysis of Existing U.S. Corporate Governance Requirements."

Exhibit A has undergone significant change, and reflects the Working Group's consensus on the best way to collect information on corporate governance during the time period between exams. It is an open-ended format that allows for flexibility. The Exhibit lists five

sections that should be part of the insurer's filing and provides guidance on each of them. The sections are: Discussion of Significant Changes from Prior Year, General Description of the Organization's Corporate Governance Framework, Description of Board of Directors and Committee Policies and Practices, Description of Management Policies and Practices, and Management and Oversight of Critical Risk Areas. Vermont Commissioner Susan Donegan said that interested parties had raised the issues of avoidance of duplication, proportionality and confidentiality, and she confirmed that these are definitely goals.

Exhibit B is a Supplemental Compensation Exhibit, and certain parts of this document were moved around.

Regarding Exhibit E, after discussions during an October 18, 2012 conference call, the Working Group decided to refer the development of a common assessment methodology to the Financial Analysis Handbook (E) Working Group and the Financial Examiners Handbook (E) Technical Group because they have more technical expertise about financial exams. A common assessment methodology is important because it would result in a more uniform assessment of corporate governance activities of insurers across functions and states. Commissioner Donegan pointed out that this is more of a long-term project and now that companies are providing more information regarding corporate governance on an annual basis, state insurance regulators want to be sure to collect and use that information.

(6) CAPTIVES AND SPECIAL PURPOSE VEHICLES – WHITE PAPER

The **Captive and Special Purpose Vehicle Use (E) Subgroup** exposed its white paper, "Captives and Special Purpose Vehicles" for comment on October 17, 2012. The Subgroup discussed the white paper and the comments received, and noted that it would not spend much time discussing certain comments because they could be addressed by clarifying the white paper. These comments related to reference to the captives and special purpose vehicles ("SPVs") constituting something akin to a shadow banking industry, IAIS standards and increase in the use of captives for XXX reserve reinsurance. The Subgroup stated that the sections relating to these topics would be re-drafted to address the comments received.

The Subgroup quickly moved from the comments that would be addressed in re-drafting to comments received relating to Accounting Considerations, Credit for Reinsurance/Letters of Credit, Confidentiality, NAIC Databasing, Regulation of Captives/SPVs and Consistency of Regulation and Holding Company Analysis.

One member of the Subgroup expressed disappointment with the comments received, since it seemed to become a commentary on captives, rather than about the problem that the Subgroup is trying to address (the integrity of the financial solvency system). That member expressed the view that captives and SPVs are being used to avoid certain statutory accounting requirements. That member also stated that the implementation of principles-based reserving (see “Life Insurers – Principles-Based Reserving” below) is addressing the fact that formulaic reserves result in excessive reserves, and noted that the problem is not a captive issue, but rather a principles-based reserving issue.

The Subgroup noted that it understands the need for XXX and AXXX reserve reinsurance transactions, but the white paper suggests that the industry should not be put through the expense of creating structures to deal with excessive reserving requirements if the problem can be addressed in the ceding company. A member of the Subgroup noted the value of alternative risk transfers, as long as the risk is actually transferred in a meaningful way. That member also stated that the regulatory focus needs to be on these points, and regulators cannot let insurers bet the policyholders’ money on the premise that the reserving system is too conservative.

The Subgroup charged NAIC staff with revising the white paper to clarify the Subgroup’s intent with respect to the sections of the white paper identified above. Once these revisions are made and agreed to by the Subgroup, the Subgroup will hold a conference call to discuss and finalize the white paper.

(7) LIFE INSURERS – PRINCIPLES-BASED RESERVING

NAIC Adoption of Valuation Manual

In a close vote, the **Executive (EX) Committee and Plenary** adopted the revised Valuation Manual which represents a key step in the implementation of principles-based reserving. The adoption of the Valuation Manual followed a discussion of whether the Valuation Manual should be adopted, including strong objections from New York and California. New York questioned whether a move towards principles-based reserving is advisable in a period of economic uncertainty and low interest rates. Furthermore, New York asked the NAIC-member jurisdictions to consider the perception that would be created through support of principles-based reserving after banking regulators were derided for making such a move in the years before the 2008 recession. California questioned whether the NAIC-member jurisdictions have sufficient information regarding the costs of implementing the Valuation Manual and whether the regulators have the resources to

understand the complex mathematical models that will be inherent in the principles-based reserving framework.

Adoption of the Valuation Manual is only an intermediary step in the implementation of principles-based reserving. Principles-based reserving will not be instituted until it is adopted by legislatures in 42 states and such state adoption represents 75% of the written life premium in the U.S.

Other Principles-Based Reserving Developments

At a meeting of the **Principles-Based Reserving (E) Working Group**, Iowa Commissioner Susan Voss discussed the draft Principle-Based Reserving (PBR) Implementation Plan and Timeline, which was exposed for comment with a deadline of January 10, 2013. The Introduction to the Plan states that, “Now that Life Actuarial (A) Task Force (LATF) and the Life Insurance and Annuities (A) Committee have adopted the Valuation Model guidance, it is time to renew the focus on implementation issues including resources needed to effectively implement Principle-Based Reserving (PBR). PBR requires regulatory review of complex insurer models. State and NAIC resources will be needed to ensure consistency in application and appropriate regulatory review of PBR.” Commissioner Voss pointed out that one of the biggest issues the Working Group has heard from states is that the states understand the implementation, but may not have enough staff to handle it. She noted that training will be very important. The draft Plan is divided into seven main sections: PBR Review and Updating Process – Regulatory Support for PBR Review, Defining the Statistical Data for Collection, Standardized Financial Reporting and Analysis Tools, PBR Asset Spread Data, Training, Accreditation, and Areas of Implementation and Charges to Other NAIC Groups. The Plan lists the following policy decisions that need to be made:

- Whether to establish the Actuarial Analysis Working Group at the NAIC (similar to the Financial Analysis Working Group).
- Determining the number of additional actuarial staff that will be needed for an initial phase (initial recommendation is two additional actuaries to prepare for principles-based reserving implementation and determine the actuarial needs to fully support the responsibilities of the Resource and the Actuarial Analysis Working Group).
- How the Resource Working Group will be funded.
- What the funding mechanism will be to pay for statistical data collection.
- Determining granularity of data needed for public reporting and for analysis tools.

- Continuing to investigate the costs and ability to get outside financial data needed and determine if the costs are acceptable.
- Initially offering a general principles-based reserving overview course through the NAIC and developing additional training as needed.
- Updating accreditation requirements to phase in principles-based reserving standards.

The Working Group received input from the ACLI on the draft Plan. The ACLI noted that a couple of issues they had brought to the attention of the NAIC in July are included in this Plan and Timeline for completion. The ACLI suggested that there should be a new gatekeeper within the Financial Condition (E) Committee that would be responsible for ensuring coordination between the statutory accounting rules and the valuation model. The ACLI also suggested that because the NAIC will be maintaining the valuation manual, there should be a similar process to state level governance, including exposure times and an appeals process. The ACLI complimented the process for helping states with resources. In terms of actuarial review, the ACLI raised the issue that if one state hires an actuarial reviewer, another state cannot be certain that it can take the actuarial reviewers' report as meaningful. There is a need for some sort of agreement as to whether states can accept the report of another state or not.

An NAIC staff person stated that there is little on the coordination process in the valuation manual, and they are going to continue to expand the coordination process between the statutory accounting rules and the valuation manual, and the agenda requirements and exposure requirements for the valuation manual. This is something the Working Group had hoped to do this quarter but the agenda was full.

(8) LIFE INSURERS – LIFE RISK-BASED CAPITAL

The **Life Risk-Based Capital (E) Working Group** discussed the ACLI commercial mortgage loan proposal, a discussion that continued from the Working Group's November 16, 2012 conference call. The proposal outlines a new method for determining risk-based capital and asset valuation reserves for commercial mortgages. The proposal has two exposure periods, with the first exposure period having closed November 14, 2012 and the second exposure period ending December 7, 2012. The Working Group heard from interested parties that had submitted comment letters on the proposal, including representatives from the Mortgage Bankers Association, American Academy of Actuaries and the NAIC Capital Markets Bureau.

The Working Group's discussion focused on whether it should move forward with the current proposal with the understanding that it could be modified after the C-1 Factor

Review (E) Subgroup's work in this area is finished. The Working Group voted to continue to work toward adopting a proposal that would be effective for the 2013 annual statement. The Working Group gave a report of its meeting at the Capital Adequacy (E) Task Force meeting, where the Task Force considered changing its 2013 proposed charges regarding the timeline for receiving proposed structural changes to the risk-based capital formulas. This is relevant because the Working Group's current proposal contemplates a structural change to the risk-based capital formula. The Task Force's proposed charge originally required that all proposed structural changes be received by the NAIC Fall National meeting, but the Task Force's proposed change pushes the deadline to the NAIC Spring National meeting in 2013. The Task Force exposed the proposed changes to the 2013 charges until December 7, 2012.

(9) LIFE INSURERS – CONTINGENT DEFERRED ANNUITIES

The **Contingent Deferred Annuity (A) Working Group** continued its mandate from the Life Insurance and Annuities (A) Committee to evaluate the consumer protection and solvency issues related to contingent deferred annuities ("CDAs"). On November 8, 2012, the Working Group released three draft recommendations concerning the regulation of CDAs and discussed the comments received on such proposed recommendations during its meeting. The three drafts recommendation to the Committee are:

- Recommend that CDAs be regulated as variable annuities for the purpose of market regulation and consumer protection. Existing laws that apply to variable annuities may need to be revised to clarify that they also apply to CDAs.
- The adequacy of existing laws and regulations applicable to the solvency of annuities, as such laws are applied to CDAs, should be referred by the Committee to other NAIC committees, task forces or working groups with appropriate subject matter expertise.
- Draft CDA Definition: "Contingent Deferred Annuity" means an annuity contract that establishes an insurer's obligation to make periodic payments for the annuitant's lifetime at the time designated investments, which are not owned or held by the insurer, are depleted to a contractually-defined amount due to contractually-permitted withdrawals, market performance, fees and/or other expenses.

The Working Group heard comments on these draft recommendations from interested parties, including the Center for Economic Justice, the American Academy of Actuaries and the Insured Retirement Institute, and there was a plea to the Working Group to share the context and basis for why the Working Group arrived at these recommendations.

The Working Group also received an update on the U.S. Government Accounting Office report on CDAs, which is expected to be finished by the end of 2012, and heard presentations from the life insurance industry on CDA investment parameters, FINRA regarding their review of advertising materials and the National Organization of Life and Health Insurance Guaranty Associations on the possible application of life guaranty funds to CDAs.

(10) VALUATION OF SECURITIES

Interim Guidance on RMBS/CMBS Quarterly Reporting

At the meeting of the **Valuation of Securities (E) Task Force**, Kevin Fry provided interim guidance on quarterly reporting of RMBS and CMBS securities. The NAIC staff has been receiving a lot of inquiries about purchasing RMBS on a quarterly basis. The issue is whether companies should use break points from last year, and if they do not have those numbers, whether they can use modified fair value until year-end. The NAIC produced a memo as consensus advice, which suggests using break points from last year if available, and otherwise modified fair value. Then at year-end, the regular process takes over. The Task Force did not adopt the memo and it will not be posted as it may undergo changes, but the memo is in the minutes and may be added to the SVO Purposes and Procedures Manual at a later date.

Foreign Audit Requirements

The **Valuation of Securities (E) Task Force** also discussed a proposed amendment to the SVO Purposes and Procedures Manual to modify the NAIC policy on foreign audit requirements. The ACLI sent a letter to the Task Force before the NAIC Summer National meeting asking for the NAIC to allow the use of foreign securities GAAP without reconciliation to U.S. GAAP for issuers in certain countries. At the Summer National meeting, the Task Force moved to expose the letter for a 45-day comment period and requested comments as to how the SVO should evaluate the list of countries and what resources might be necessary to maintain the list.

Kevin Fry pointed out that there was some concern about this in the SVO. The ACLI's Michael Monahan responded that on November 13, 2012, staff from ACLI and NAIC and other members of the SVO spoke in order to better understand the ACLI proposal. A possible way to implement the proposal is to increase the information available to the SVO. The SVO is looking for information to appropriately compare companies that report under different accounting regimes. Over time, he recommended that the industry and

the SVO analyze this together. Analysis would include presentations to the SVO by independent third parties outlining differences from one country's GAAP to U.S. GAAP.

The Task Force adopted a proposal that the SVO will work with ACLI representatives to evaluate whether there are information resources that would permit the SVO to use financial information presented on the basis of a country's generally accepted accounting principles to conduct credit analysis comparable to the analysis performed using U.S. GAAP or official International Financial Reporting Standards. The SVO and ACLI will periodically report to the Task Force and formulate a proposal with final findings and recommendations to be presented to the Task Force.

Recalibration Project

NAIC SVO Senior Counsel Bob Carcano updated the **Valuation of Securities (E) Task Force** on the Recalibration Project. The Rating Agency Working Group was worried that reliance on ratings had a negative impact on the regulatory process. Historical data for corporate and municipal defaults suggests that ratings do not always accurately predict defaults. For example, municipal bonds generally perform one grade better than corporate securities with the same rating. But when you look at municipals more closely, there is variation in performance among the different types. For example, general obligation bonds do not usually default because they are backed by tax pledges and considered essential. On the other hand, revenue bonds perform more like corporate securities because a sports stadium, for example, may not be considered essential, so if cash flows are insufficient, there is less of a political concern to keep the bonds afloat.

The first phase of the NAIC response has involved a proposal that the NAIC move away from a single framework to three different risk-based capital factors for different asset classes in order to reflect how these perform over time. This could be the basis of more rational capital policy. Discussions about the second phase are beginning, with the intent that when finished, something can be presented to the Task Force. Once risk-based capital issues are settled, the work done by the SVO can potentially be assessed alongside the work of this Task Force and a comprehensive solution can be adopted. An interested party pressed the Task Force to explain how this would be an open process and how interested parties would be notified. Kevin Fry said that the NAIC would discuss how to make this an open process, potentially by setting up a subgroup.

The Task Force received the SVO proposed definitions for NAIC Designation categories under the Recalibration Project and instructed the SVO to work with the ACLI and other

interested persons to develop agreed-upon definitions and to present a joint recommendation to the Task Force for its consideration.

Separately, the Task Force received a report of the C-1 Factor Review (E) Subgroup on the status of its work with the American Academy of Actuaries and NAIC Capital Markets Staff. They are working to develop risk-based capital factors for corporate, municipal and asset-backed securities as part of the Task Force's project to re-map NAIC designations to more recent historical default statistics and replace the current credit assessment framework with three separate ones, namely, the Recalibration Project.

For purposes of this report:

- "ACLI" means the American Council of Life Insurers.
- "SVO" means the NAIC Securities Valuation Office.
- "IAIS" means the International Association of Insurance Supervisors.

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Please do not hesitate to contact us with any questions.

December 7, 2012