Color legend
Consideration addressed and closed
Significant progress, a few open items to be addressed
Consideration is open-progress has been made, but work continues

Original exposure of 13 considerations: March 18, 2022

Tracking for the List of 13 MWG Considerations – PE Related and Other

Consideration	2026 Summer Update	2025 Fall Update	2025 Spring Update	2024 Summer National Meeting Update	2024 Spring National Meeting Update	Update Date 12/11/2023	Update Date 7/12/2023	Update Date 6/15/2023	Update Date 3/22/2023	Update Date 2/22/2023	Update Date 8/4/2022
1. Holding Company Structures: Regulators may not be obtaining clear picture of risk due to holding companies structuring contractual agreements in a manner to avoid regulatory disclosure and requirements. Additionally, affiliated/related party agreements impacting the insurer's risks may be structured to avoid disclosure (for example, by not including the insurer as a party to the agreement).	Closed-item considered and addressed.	Closed-item considered and addressed.	**SFWG Update: 04-04-24 Closed** Additional guidance for use in reviewing Change of Control (Form A) and Disclosure of Affiliation filings for complex organizational structures and transactions was adopted into the 12/31/24 Financial Analysis Handbook.	**E/FWG Update:** *7-30-24* The E/FWG held an open call on 7/17/24 to discuss proposed guidance for use in reviewing investment advisory services provided by an affiliate, which was then exposed for a 45-day public comment period ending Aug. 30.	**E/FWG Update:** *8-20-24* The E/FWG finalized updated guidance on regulator review and monitoring of affiliated services at the NAIC's 2023 Summer National Meeting. This guidance was subsequently adopted for inclusion in the 2024 publications of the NAIC's Financial Analysis Handbook and Financial Condition Examiners Handbook. At that same meeting, the E/FWG formed an Affiliated Investment Management Agreement drafting group to develop more specific guidance for use in reviewing investment advisory services provided by an affiliate. The Drafting Group plans to present proposed handbook guidance to the E/FWG for review at the NAIC's Spring 2024 National Meeting.	**GSFWG Update:** *8. Absent 12-11-23* In November 2023, the GSFWG adopted regulator-only sound practice guidance for use in reviewing complex ownership structures of insurers (see attached PDF). The Sound Practices document has been posted to SharePoint for regulator review and use. In addition, the GSFWG referred proposed additions to the NAIC's Financial Analysis Handbook to the Financial Analysis Solvency Tools (E) Working Group for further consideration in 2024. These edits include additional Form A (Change of Control) review guidance, as well as a new Schedule Y Part 2 to assist in evaluating Disclosure of Control/Affiliation filings. See the attached Word docs for the referral to FAST WG, as well as the proposed Handbook edits. These documents will be exposed for public comment by FAST WG in 2024 and then adopted for inclusion in the 2025 FAH. Finally, the Risk-Focused Surveillance (E) Working Group has formed an Affiliated IMA Drafting Group to discuss the development of additional guidance related to regulator review of affiliated investment management agreements and related services. The Drafting Group is currently developing additional guidance for consideration in both the NAIC's Financial Analysis Handbook and the Financial Condition Examiners Handbook that should be			**GSFWG Update:** The GSFWG formed a drafting group to develop best practices for regulatory review in this area. The drafting group has met multiple times and continues to work on the development of written best practices. After the best practices are developed, the drafting group will consider whether any should be proposed for inclusion in NAIC Handbooks or other action should be considered.		**GSFWG Update:** *The GSFWG plans to discuss this issue at its Dec. 14 meeting to determine next steps in addressing the referral.*	Sent a referral for new work to the Group Solvency Issues (E) Working Group.
2. Ownership and Control: Control is presumed to exist where ownership is >>10%, but control and conflict of interest considerations may exist with less than 10% ownership. For example, a party may exercise a controlling influence over an insurer through Board and management representation or contracted arrangements, including non-customary minority shareholder rights or covenants, investment management agreement (IMA) provisions such as onerous or easily IMA termination provisions, or excessive control or discretion given over the investment strategy and its implementation. Asset-management services may need to be distinguished from ownership when assessing and considering controls and conflicts.	Closed-item considered and addressed.	Closed-item considered and addressed.	E/FWG Update: 04-04-24 Closed Additional guidance for use in reviewing and monitoring of Change of Control (Form A) and Disclosure of Affiliation filings for complex organizational structures and transactions was adopted into the 12/31/24 Financial Analysis Handbook. Additional guidance for use in reviewing and monitoring affiliated/related-party investment management services was adopted into both the 12/31/24 Financial Analysis Handbook and the 12/31/24 Financial Condition Examiners Handbook.	**E/FWG Update:** *7-30-24* The E/FWG held an open call on 7/17/24 to discuss proposed guidance for use in reviewing investment advisory services provided by an affiliate, which was then exposed for a 45-day public comment period ending Aug. 30.	See update on #1 above that covers this topic as well.	See update above that covers this topic as well.		GSFWG Update: The GSFWG formed a drafting group to develop best practices for regulatory review in this area. The drafting group has met multiple times and continues to work on the development of written best practices. After the best practices are developed, the drafting group will consider whether any should be proposed for inclusion in NAIC Handbooks or other action should be considered.		**GSFWG Update:** *The GSFWG plans to discuss this issue at its Dec. 14 meeting to determine next steps in addressing the referral.*	Sent a referral for new work to the Group Solvency Issues (E) Working Group.
3. Investment Management Agreements (IMAs): The material terms of the IMA and whether they are arm's length or include conflicts of interest — including the amount and types of investment management fees paid by the insurer, the termination provisions (how difficult or costly it would be for the insurer to terminate the IMA) and the degree of discretion or control of the investment manager over investment guidelines, allocations, and decisions.	Closed-item considered and addressed.	Closed-item considered and addressed.	E/FWG Update: 04-04-24 Closed Additional guidance for use in reviewing and monitoring affiliated/related-party investment management services was adopted into both the 12/31/24 Financial Analysis Handbook and the 12/31/24 Financial Condition Examiners Handbook.	**E/FWG Update:** *7-30-24* The E/FWG held an open call on 7/17/24 to discuss proposed guidance for use in reviewing investment advisory services provided by an affiliate, which was then exposed for a 45-day public comment period ending Aug. 30.	**E/FWG Update:** *8-20-24* The E/FWG formed an Affiliated Investment Management Agreement drafting group to develop more specific guidance for use in reviewing investment advisory services provided by an affiliate. The Drafting Group plans to present proposed handbook guidance to the E/FWG for review at the NAIC's Spring 2024 National Meeting.			**E/FWG Update:** The E/FWG is nearing the completion of its project to update general guidance in NAIC handbooks related to affiliated service agreements, which is expected to be completed by the 2023 Summer National Meeting. After the general guidance is completed, the Working Group plans to begin work on more targeted guidance related to affiliated investment management agreements.		**E/FWG Update:** *The E/FWG received and discussed this referral during its Nov. 1 interim meeting. During the meeting, the E/FWG agreed to defer further work on this issue until its ongoing project to update general guidance in NAIC handbooks related to affiliated service agreements is completed in early 2023.* **VOSTF:** discussed the referral and decided E/FWG was in the best position to address this concern.	Sent a referral to the **Risk-Focused Surveillance (E) Working Group** to add this consideration to existing work involving affiliated agreements and Form D filings. Also sent a referral to the **Valuation of Securities (E) Task Force (VOSTF)** to highlight the regulatory discussion involving topics 4 administers.
4. Reserve Adequacy and Financial Strength: Issuers of insurers, regardless of type and structure, may be focused on short-term results which may not be in alignment with the long-term nature of liabilities in life products. For example, investment management fees, when not fair and reasonable, paid to an affiliate of the owner of an insurer may effectively act as a form of unauthorized dividend in addition to reducing the insurer's overall investment returns. Similarly, owners of insurers may not be willing to transfer capital to a troubled insurer.	Closed-item considered and addressed. **LATF/AWG Update: 07-22-26** Reviews of AG 51 reports are in progress. To ensure that reserve adequacy associated with long-term liabilities is achieved, efforts will continue to focus on high net yield assumptions, attribution analysis of net yield assumptions, investment expense assumptions, reinsurance collectibility, projected portfolio allocations, structured assets by tranche, payment in kind which may impact availability of future cash flows to support claims payments, and internally-determined fair values.	Closed-item considered and addressed. **LATF/AWG Update: 10-14-25** Reviews of AG 51 reports for year-end 2024 are in progress. To ensure that reserve adequacy associated with long-term liabilities is achieved, efforts will continue to focus on high net yield assumptions, attribution analysis of net yield assumptions, investment expense assumptions, reinsurance collectibility, projected portfolio allocations, structured assets by tranche, payment in kind which may impact availability of future cash flows to support claims payments, and internally-determined fair values.	**E/FWG and FAST WG Updates: 04-04-25 Closed** Additional guidance for use in reviewing surplus notes and capital-maintenance agreements was adopted into the 12/31/24 Financial Analysis Handbook. **LATF/AWG Update: 05-06-25** Reviews of AG 51 reports for year-end 2024 are in progress. To ensure that reserve adequacy associated with long-term liabilities is achieved, efforts will continue to focus on high net yield assumptions, attribution analysis of net yield assumptions, investment expense assumptions, reinsurance collectibility, projected portfolio allocations, structured assets by tranche, payment in kind which may impact availability of future cash flows to support claims payments, and internally-determined fair values.	**E/FWG Update:** *7-30-24* The E/FWG held an open call on 7/17/24 to discuss proposed guidance for use in reviewing investment advisory services provided by an affiliate, which was then exposed for a 45-day public comment period ending Aug. 30. In addition, the E/FWG referred issues related to surplus notes and capital maintenance agreements to the Financial Analysis Solvency Tools (E) Working Group. **FAST WG Update:** *7-30-24* The FAST WG held an open call on 7/16/24 to discuss the development of additional guidance for regulator use in reviewing surplus notes and capital maintenance agreements. As a result of the call, the Working Group agreed to form a drafting group to assist NAIC with the development of additional guidance in this area. **LATF/AWG Update: 7-22-24** Reviews of AG 51 reports for year-end 2023 are in progress. As an expansion to the 4 areas that were in focus last year (high net yield assumptions, attribution analysis of net yield assumptions, investment expense assumptions, and reinsurance collectibility) to assure reserve adequacy associated with long-term liabilities is achieved, more refined information is being reviewed. This includes information related to projected portfolio allocations, structured assets by tranche, and payment in kind which may impact	**E/FWG Update:** *8-20-24* The E/FWG formed an Affiliated Investment Management Agreement drafting group to develop guidance related to the reasonableness of investment management fees. Proposed guidance in this topic is expected to be discussed at the Spring 2024 National Meeting. In addition, the E/FWG referred the considerations related to reserve adequacy assumptions over to the Financial Analysis Solvency Tools Working Group. **LATF/AWG Update:** *12-1-23* AG 51 reviews are in progress and focus on 4 areas related to this consideration of a potential conflict of interest of ST owners and an insurance co. The 4 areas are: ·high net yield assumptions ·attribution analysis of net yield assumptions ·investment expense assumptions ·reinsurance collectibility			**LATF Update 6/23:** Actuarial Guideline 53 – Application of the Valuation Manual for Testing the Adequacy of Life Insurance Reserves (AG 53) became effective for year-end 2022. AG 53 requires additional disclosures related to life insurance and annuity company investment return assumptions for complex and high yielding assets. Regulators are conducting targeted reviews of the AG 53 disclosures to ensure that company investment returns for complex and high-yielding assets are not overly optimistic.		***LATF Update:*** *Asset adequacy analysis requirements in NAIC Model 1820 and VM-50 require that company Appointed Actuaries perform testing to ensure that the reserves held for the company's liabilities are adequate in light the assets supporting the business. Regulators review associated company Statements of Actuarial Opinion periodically.*	***E/FWG Update:*** *The E/FWG received and discussed this referral during its Nov. 1 interim meeting. During the meeting, the E/FWG agreed to defer further work on this issue until its ongoing project to update general guidance in NAIC handbooks related to affiliated service agreements is completed in early 2023.*	Sent a referral to the Risk-Focused Surveillance (E) Working Group to add this consideration to existing work involving affiliated agreements and fees. Also sent a referral to the Life Actuarial (A) Task Force recognizing existing work to ensure the long-term life liabilities (reserves) and future fees to be paid out of the insurer are supported by appropriately modeled assets.
5. Governance, Governance and Market Conduct Practices: Operational, governance and market conduct practices being impacted by the different priorities and level of insurance experience possessed by entrants into the insurance market without prior insurance experience, including, but not limited to, PE owners. For example, PE owners, in lieu of or in addition to insurance industry expertise may not be sufficient to administer the business. Such practices could lead to lapse, early surrender, and/or exchanges of contracts with in-the-money guarantees and other important policyholder coverage and benefits.	**MWG Update: 07-20-26** Regan discovery phase on potential macroprudential or financial stability concerns or connections regarding entrant behavior or certain increasing line of business trends	**MWG Update:** No new action has occurred for this consideration as the regulators have focused on the reinsurance consideration.	**MWG Update:** No new action has occurred for this consideration as the regulators have focused on the reinsurance consideration.	**MWG Update:** No new action has occurred for this consideration as the regulators have focused on the reinsurance consideration.	**MWG Update:** No new action has occurred for this consideration as the regulators have focused on the reinsurance consideration.			**MWG Update:** No new action has occurred for this consideration as the regulators have focused on the reinsurance consideration.			***MWG Update:*** *No new action has occurred for this consideration as the regulators have focused on the reinsurance consideration.*	The MWG will keep developing more specific suggestions before likely referring this consideration to the Risk-Focused Surveillance (E) Working Group.
6. Definition of Private Equity (PE): No uniform or widely accepted definition of PE and challenges in maintaining a complete list of insurers' material relationships with PE firms. (UCAA (National Treatment WG) dealt with some items related to PE.) This definition may not be required as the considerations included in this document are applicable across insurance ownership types.	Closed-item considered and addressed.	Closed-item considered and addressed.	Closed-item considered and addressed.	Closed-item considered and addressed.	Closed-item considered and addressed.						The MWG determined it was not feasible to determine a definition. Therefore, no further work on this consolidation shall be conducted and is considered closed or resolved.
7. Identifying Related Party Originated Investments (Including Structured Securities): The lack of identification of related party-originated investments (including structured securities). This may create potential conflicts of interests and excessive and/or hidden fees in the portfolio structure, as assets created and managed by affiliates may include fees at different levels of the value chain. For example, a CLO which is managed or structured by a related party. (An agenda item and blanks proposal are being developed by SAPWG.)	Closed-item considered and addressed.	Closed-item considered and addressed.	Closed-item considered and addressed.	Closed-item considered and addressed.	**SAPWG Update: Closed** No further work deemed necessary. Previous initiatives have addressed the PE concern, the referral and objective are complete.		**SAPWG Completed Actions:** Ref #2022-15, included revisions to clarify that any invested asset held by a reporting entity which is issued by an affiliated entity, or which includes the obligations of an affiliated entity, is an affiliated investment. (Adopted March 2023)			**SAPWG Completed Actions:** Ref #2021-21 included revisions that clarified guidance for related parties and developed a blanks proposal which provided new investment schedule columns with reporting codes to identify investments that involve related parties. (Adopted May 2022) Ref #2021-22BWG added six related party reporting codes effective for year-end 2022. The investment schedule disclosures include codes that identify the role of the related party in the investment, e.g., a code to identify direct credit exposure as well as codes for relationships in securitizations or similar investments. (Adopted May 2022)	Sent a referral to the Statutory Accounting Principles (E) Working (SAPWG) Group recognizing its existing work regarding disclosures for related-party issuance/acquisitions. Once MWG regulators work with these SAPWG disclosures and regulatory enhancements from referrals to other groups, further regulatory guidance may be considered as needed.
8. Identifying Underlying Affiliated/Related Party Investments that are Collateral in Structured Securities: Though the blanks include affiliated investment disclosures, it is not easy to identify underlying affiliated investments and/or collateral within structured security investments. Additionally, transactions may be excluded from affiliated reporting due to nuanced technicalities. Regulatory disclosures may be required to identify underlying related party investments and/or collateral within structured security investments. This would include, for example, loans in a CLO issued by a corporation owned by a related party. (An agenda item and blanks proposal are being developed by SAPWG.)	Closed-item considered and addressed. **E/FTF/AWG Update: 07-22-26** The AG 53 reports collected information relating to affiliated investments. Review of this information is in progress.	Closed-item considered and addressed. **E/FTF/AWG Update: 10-14-25** The AG 53 reports collected information relating to affiliated investments. Review of this information is in progress.	Closed-item considered and addressed. **E/FTF/AWG Update: 05-06-25** The AG 53 reports collected information relating to affiliated investments. Review of this information is in progress.	**SAPWG Update:** No further work deemed necessary. Previous initiatives have addressed the PE concern, the referral objective and are complete. **E/FTF/AWG Update: 7-22-24** The AG 53 reports collected information relating to affiliated investments. Review of the information is in progress.	**SAPWG Update: Closed** No further work deemed necessary. Previous initiatives have addressed the PE concern, the referral objective and are complete. **E/FTF/AWG Update: 12-1-23** AG 53 Guidance Document – more refined information to be obtained for year-end 2023 e.g., structured asset information by tranche		**SAPWG Completed Actions:** *See above descriptions [Ref # 2021-21, Ref #2022-15 and Ref #2021-22 BWG]*		**E/FTF/AWG Update:** The E/FTF delegated work on this referral to its Financial Analysis Solvency Tools (E) Working Group and its Financial Examiners Handbook (E) Technical Group. Both groups developed new guidance for inclusion in 2023 NAIC handbooks related to the new related party investment disclosures developed by SAPWG and the AG 53 standards developed by LATF that will be in place for 12/31/22 reporting. The groups may develop additional guidance for NAIC handbooks, as well as supporting regulatory reports and tools, as work proceeds in this area.	**SAPWG Completed Actions:** See above descriptions (Ref # 2021-21 and Ref #2021-22 BWG) on investment reporting codes for year end 2022 reporting. Ref #2019-34 included revisions that clarify: 1) identification of related parties; 2) a non-controlling ownership over 10% results in a related party classification regardless of any disclaimer of control or affiliation; 3) a disclaimer of control or affiliation does not eliminate the classification as a "related party" and the disclosure of material transactions. This agenda item also resulted in the creation of a new Schedule Y Part 3, which was effective for year-end 2021. This schedule identifies all entities with greater than 10% ownership – regardless of any disclaimer of affiliation – and whether there is a disclaimer of control/disclaimer of affiliation and identifies the ultimate controlling party. (Ref #2019-34 and Ref #2020-37BWG, both adopted	Sent a referral to the Statutory Accounting Principles (E) Working Group in recognition of existing work to develop disclosures to identify the role of the related party in the investment and codes for relationships in securitizations or similar investment. Also sent a referral for new work to the Examination Oversight (E) Task Force for the 2Q 2022 structured security considerations.

Consideration	2026 Summer Update	2025 Fall Update	2025 Spring Update	2024 Summer National Meeting Update	2024 Spring National Meeting Update	Update Date	Update Date	Update Date	Update Date	Update Date
8. Asset Manager Affiliates and Disclaimers of Affiliation: Broader considerations exist around asset manager affiliates (not just PE owners) and disclaimers of affiliations avoiding current affiliate investment mechanisms. (A new Sc Y, Pt 3, has been adopted and will be in effect for year-end 2021. This schedule will identify all investments made in, or in which management asserts a disclaimer of affiliation—and whether there is a disclaimer of control/disclaimer of affiliation. It will also identify the ultimate controlling party. Additionally, SAPWG is developing a proposal to revamp Schedule D reporting, with primary concepts to determine what reflects a qualifying bond and to identify different types of investments more clearly, including asset-backed securities.)	Closed-item considered and advised	Closed-item considered and advised	Closed-item considered and advised	**SAPWG Updates: Closed** No further work deemed necessary. Previous initiatives have addressed the PE concerns, the referral objective and are complete. The bond proposal and the reporting changes have been approved and will become effective January 1, 2025.	**SAPWG Updates: Closed** No further work deemed necessary. Previous initiatives have addressed the PE concerns, the referral objective and are complete. The bond proposal and the reporting changes have been approved and will become effective January 1, 2025.					
9. Privately Structured Securities: The material increases in privately structured securities (both by affiliated and non-affiliated asset managers), which introduce other sources of risk or increase traditional credit risk, such as complexity risk and illiquidity risk, and involve a lack of transparency. (The NAIC Capital Markets Bureau continues to monitor this and issue regular reports, but much of the work is complex and time-intensive with a lot of manual research required. The NAIC Securities Valuation Office will begin receiving private rating rationale reports in 2022. How will offer some transparency into these private securities.) In parallel, the Invested Assets (E) Task Force (IAST) and the Investment Analysis Office (E) Working Group (IVO/AWG) have devoted significant attention to evaluating the risks associated with evolving investment structures. Recent efforts have included enhanced regulatory discussions surrounding Level 3 fair value investments and the adequacy of existing Note 20C fair value hierarchy disclosures under SSAP No. 100—Fair Value, ongoing oversight of private structured securities and collateralized loan obligations (CLOs), coordination with other NAIC working groups on mortgage loan issues, and discussions on how the current framework is focused on emerging investment trends and insurer portfolio risk. Together, these efforts are intended to improve regulators' understanding of increasingly complex investments and ensure that existing reporting and analytical tools continue to provide meaningful regulatory insight.	**SAWG Update: 07-21-26** Privately structured securities with material differences in assessment between Credit Rating Providers and the SVO would be captured in the discussion on Reliance on Rating Agencies in 11, below. The proposal for the SVO to develop the analytic capability to collect and analyze risk metrics is currently on hold but could be revived under Financial Condition (E) Committee's Framework for Regulation of Insurer Investments – A Holistic Review. **Closed**-item considered and advised	**IRBC Update: 08-08-26 Closed** The Risk-Based Capital Investment Risk and Evaluation (E) Working Group met September 8, 2025, to receive updates from the American Academy of Actuaries (Academy) on its structured securities risk-based capital (RBC) project. Specifically, the Academy reported in progress on Collateralized Loan Obligations (CLO) C1 factors modeling and solicited the Working Group's input to prioritize potential refinements to key model assumptions. Revised CLOs factors were adopted by the Financial Condition (E) Committee on July 8, 2026, and will be in effect for year-end 2026 Life company RBC filings. **SAWG Update: 07-21-26** Privately structured securities with material differences in assessment between Credit Rating Providers and the SVO would be captured in the discussion on Reliance on Rating Agencies in 11, below. The proposal for the SVO to develop the analytic capability to collect and analyze risk metrics is currently on hold but could be revived under Financial Condition (E) Committee's Framework for Regulation of Insurer Investments – A Holistic Review. **Closed**-item considered and advised	**IRBC Update: 10-09-25** The Risk-Based Capital Investment Risk and Evaluation (E) Working Group met September 8, 2025, to receive updates from the American Academy of Actuaries (Academy) on its structured securities risk-based capital (RBC) project. Specifically, the Academy reported in progress on Collateralized Loan Obligations (CLO) C1 factors modeling and solicited the Working Group's input to prioritize potential refinements to key model assumptions. According to the Academy's anticipated project timeline, final C1a factors will be available for exposure by April 30, 2026. This timeline enables 2026 adoption in Life RBC framework. Future update from the Academy is planned to happen in Dec 2025/early 2026. **VOSTF Update: 10-10-25** Privately structured securities with material differences in assessment between Credit Rating Providers and the SVO would be captured in the discussion on Reliance on Rating Agencies in 11, below. The proposal for the SVO to develop the analytic capability to collect and analyze risk metrics is currently on hold but could be revived under Financial Condition (E) Committee's Framework for Regulation of Insurer Investments – A Holistic Review. **Closed**-item considered and advised	**IRBC Update: 04-07-25** The Risk-Based Capital Investment Risk and Evaluation (E) Working Group met Oct 22, 2024, Feb 11 and Mar 24, 2025, to receive updates from the American Academy of Actuaries (Academy) on its structured securities risk-based capital (RBC) project. With the help of Academy, the Working Group is working to evaluate the appropriate RBC treatment of Asset-Backed Securities (ABS), including Collateralized Loan Obligations (CLO), collateralized fund obligations (CFOs), or other similar securities carrying similar types of tail risk, which is not addressed in reserves (Working Agenda #8R5). **VOSTF Update: 04-09-25** Privately structured securities with material differences in assessment between Credit Rating Providers and the SVO would be captured in the discussion on Reliance on Rating Agencies in 11, below. The proposal for the SVO to develop the analytic capability to collect and analyze risk metrics is currently on hold. **Closed**-item considered and advised	**IRBC Update: 8-2-24** The Risk-Based Capital Investment Risk and Evaluation (E) Working Group met June 21, May 22, and April 12 to discuss residual tranches and the 45% risk-based capital (RBC) factor in place for year-end 2024. After consideration of comments, as well as a review of alternative proposals to bifurcate residual tranches between 30% and 45% RBC categories, the Working Group adopted a motion to retain the 45% RBC factor for all residual tranches for year-end 2024. **VOSTF Update: 7-27-24** Privately structured securities with material differences in assessment between Credit Rating Providers and the SVO would be captured in the discussion on Reliance on Rating Agencies in 11, below. The proposal for the SVO to develop the analytic capability to collect and analyze risk metrics is currently on hold. **LSAPWG Update:** No further work deemed necessary. Previous initiatives have addressed the PE concern and the referral objective is complete. The bond proposal and the reporting changes have been approved and will become effective January 1, 2025.	**IRBC Update: 5-10-24** The Academy finalized their principles for structured securities with input from the working group at the 2023 Fall NM. As previously indicated, this work may inform the work the Working Group does on the MWG item but it is still pending discussion by the group. **VOSTF Update: 2-6-24** In 2023 the Securities Valuation Office (SVO) proposed an amendment to the Purposes and Procedures Manual of the NAIC Investment Analysis Office (the P&P Manual) to make all Structured Equity and Funds, which capture a subset of the NAIC's current blind reliance on credit ratings. In addition, the Financial Condition (E) Committee's charge to the Task Force to SVOs to instead draft a new proposal that was more limited in scope and which would enable the targeting of individual securities with material risk assessment differences. Privately structured securities with material differences in assessment between Credit Rating Providers and the SVO would be captured in the discussion on Reliance on Rating Agencies in 11, below. The proposal for the SVO to develop the analytic capability to collect and analyze risk metrics is currently on hold. **LSAPWG Update:** No further work deemed necessary. Previous initiatives have addressed the PE concern and the referral objective is complete. The bond proposal and the reporting changes have been approved and will become effective January 1, 2025.		**RBCIRBWG Update:** *The Risk-Based Capital Investment Risk and Evaluation (E) Working Group added this item to its working agenda. While not specifically addressing privately structured securities, the Working Group's current work on collateralized loan obligations may contribute to addressing this item.* **LSAPWG Ongoing Work:** *As discussed above, the Schedule D bond proposal is planned for 2025 reporting.*	**VOSTF Update:** The VOSTF sent referrals to the Financial Condition (E) Committee, Financial Stability (E) Task Force, Macroprudential (E) Working Group, Capital Adequacy (E) Task Force, Risk-Based Capital Investment Risk and Evaluation (E) Working Group, Life Actuarial (A) Task Force, Financial Analysis (E) Working Group, Statutory Accounting Principles (E) Working Group and Valuation Analysis (E) Working Group requesting feedback as proposed to have the NAIC's SVO develop the analytical capability to produce risk metrics for bond investments, and model measures of interest rate sensitivity and project investment cash flows and estimated losses for any given interest rate or economic scenario. Responses from these groups were asked if they support the proposal and to describe different ways they envision being able to take advantage of such a capability within the NAIC.	**LATF Update:** *Actuarial Guideline XLIII/ 53) has been adopted by the NAIC's Executive (EX) Committee and Plenary and was effective for year-end 2021 reporting. Starting in Spring 2023, regulators on the Valuation Analysis (E) Working Group will be conducting AG 53 reviews. This will involve a targeted review of asset adequacy analysis related to modeling of business supported with projected high net yield assets.*	Sent a referral to the Life Actuarial (A) Task Force recognizing its existing work on an Actuarial Guideline including disclosure requirements for the risks of privately structured securities and how the insurer is modeling the risks. Sent a referral to the VOSTF highlighting the MWG regulators' support for the blanks proposal to add market data fields for private securities being considered by the Valuation of Securities (E) Task Force (VOSTF). MWG regulators will test on any further work or referrals until they have an opportunity to work with the results of the VOSTF proposal and the NAIC's Capital Markets Bureau reports. Sent a referral for new work to the RBC Investment Risk and Evaluation (E) Working Group to address the tail risk concerns not captured by reserves.
10. Reliance on Rating Agencies: The level of reliance on rating agency ratings and their appropriateness for regulatory purposes (e.g., accuracy, consistency, comparability, applicability, interchangeability, and independence). (VOSTF has previously addressed and will continue to address this issue.)	**RPWG Update: 07-31-26** In August 2024, the Securities Valuation Office (SVO) adopted an amendment to the Purposes and Procedures Manual of the NAIC Investment Analysis Office (the P&P Manual) to authorize procedures for the SVO's and state regulator's discretion over NAIC Designations assigned through the Filing Exemption (FE) process. The amendment grants the SVO staff and state regulators some level of discretion over the FE process to address the NAIC's current blind reliance on credit ratings. It also addresses the Financial Condition (E) Committee's charge to the Task Force to: Establish criteria to permit staff's discretion over the assignment of NAIC designations for securities subject to the FE process (the use of CRP ratings to determine an NAIC designation) to ensure greater consistency, uniformity, and appropriateness to achieve the NAIC's financial-solvency objectives. The discussion process includes: •A materiality threshold required to flag a CRP rating. In order to limit the SVO's use of this process to only what would be considered truly material differences of opinion, the SVO and state regulators would only be able to change an NAIC Designation assigned through the FE process if they determine it is 3 or more notches different than the SVO's assessment. •Final decisions will be made by the CRPWG in the review process before any rating would be removed from the FE process. The procedures permit participation by the domiciliary supervisor, impacted insurers and other parties with a sub-group of US supervisors vested with the authority to disregard a rating on a security. •Procedural steps were implemented to ensure insurers are given due process: ample notification to insurer, an opportunity for the insurer to provide full documentation to the SVO and explain its analysis of the investment, an opportunity to get an alternate CRP rating, and sufficient time to file the security, if needed. The basic required functionality for the FE discussion process is now operational, though further infrastructure for implementation developments may be made in the future. The discussion process is intended to complement the Financial Condition (E) Committee's Framework for Regulation of Insurer Investments – A Holistic Review. Among other initiatives, the Holistic Framework calls for the implementation of a Credit Rating Provider (CRP) due diligence framework to enable the NAIC to better assess and evaluate credit rating agencies for acceptance as NAIC CRPs. The NAIC has engaged PwC as a third-party consultant to design and guide the implementation of this framework. The NAIC is currently working with CRPs to facilitate a data request by PwC which it needs to begin its analysis. A draft of the framework was exposed for comment at a May 8, 2026 meeting of the Credit Rating Provider (E) Working Group. The CRPWG, NAIC staff and PwC are currently reviewing the comments received and incorporating them into a revised version of the	**VOSTF Update: 10-10-25** In August 2024, the Securities Valuation Office (SVO) adopted an amendment to the Purposes and Procedures Manual of the NAIC Investment Analysis Office (the P&P Manual) to authorize procedures for the SVO's and state regulator's discretion over NAIC Designations assigned through the Filing Exemption (FE) process. The amendment grants the SVO staff and state regulators some level of discretion over the FE process to address the NAIC's current blind reliance on credit ratings. It also addresses the Financial Condition (E) Committee's charge to the Task Force to: Establish criteria to permit staff's discretion over the assignment of NAIC designations for securities subject to the FE process (the use of CRP ratings to determine an NAIC designation) to ensure greater consistency, uniformity, and appropriateness to achieve the NAIC's financial-solvency objectives. The discussion process includes: •A materiality threshold required to flag a CRP rating. In order to limit the SVO's use of this process to only what would be considered truly material differences of opinion, the SVO and state regulators would only be able to change an NAIC Designation assigned through the FE process if they determine it is 3 or more notches different than the SVO's assessment. •Final decisions will be made by a subgroup of the Task Force in the review process before any rating would be removed from the FE process. The procedures permit participation by the domiciliary supervisor, impacted insurers and other parties with a sub-group of US supervisors vested with the authority to disregard a rating on a security. •Procedural steps were implemented to ensure insurers are given due process: ample notification to insurer, an opportunity for the insurer to provide full documentation to the SVO and explain its analysis of the investment, an opportunity to get an alternate CRP rating, and sufficient time to file the security, if needed. While authority for such challenges has been granted, the infrastructure for implementation is still in development. The discussion process is intended to complement the Financial Condition (E) Committee's Framework for Regulation of Insurer Investments – A Holistic Review. Among other initiatives, the Holistic Framework calls for the implementation of a Credit Rating Provider (CRP) due diligence framework to enable the NAIC to better assess and evaluate credit rating agencies for acceptance as NAIC CRPs. The NAIC has engaged PwC as a third-party consultant to design and guide the implementation of this framework. The NAIC is currently working with CRPs to facilitate a data request by PwC which it needs to begin its analysis.	**VOSTF Update: 7-13-24** The Securities Valuation Office (SVO) has proposed an amendment to the Purposes and Procedures Manual of the NAIC Investment Analysis Office (the P&P Manual) to authorize procedures for the SVO's discretion over NAIC Designations assigned through the Filing Exemption (FE) process. The amendment would give the SVO staff some level of discretion over the FE process to address the NAIC's current blind reliance on credit ratings. It also addresses the Financial Condition (E) Committee's charge to the Task Force to: Establish criteria to permit staff's discretion over the assignment of NAIC designations for securities subject to the FE process (the use of CRP ratings to determine an NAIC designation) to ensure greater consistency, uniformity, and appropriateness to achieve the NAIC's financial-solvency objectives. The proposal is intended to complement the Financial Condition (E) Committee's Framework for Regulation of Insurer Investments – A Holistic Review. The proposed process would include: •Establishment of a materiality threshold required to flag a CRP rating. In order to limit the SVO's use of this process to only what would be considered truly material differences of opinion, the SVO would only be able to change a Designation assigned through the FE process if it were 3 or more notches different than the SVO's assessment. •Final decisions would be made by a subgroup of the Task Force in the review process before any rating would be removed. •Procedural steps to ensure insurers are given due process: ample notification to insurer, an opportunity for the insurer to provide full documentation to the SVO and explain its analysis of the investment, an opportunity to get an alternate CRP rating, and sufficient time to file the security, if needed. •VOSTF is currently reviewing comments from interested parties and discussion is ongoing.	**VOSTF Update: 2-6-24** The Securities Valuation Office (SVO) has proposed an amendment to the Purposes and Procedures Manual of the NAIC Investment Analysis Office (the P&P Manual) to authorize procedures for the SVO's discretion over NAIC Designations assigned through the Filing Exemption (FE) process. The amendment would give the SVO staff some level of discretion over the FE process to address the NAIC's current blind reliance on credit ratings. It also addresses the Financial Condition (E) Committee's charge to the Task Force to: Establish criteria to permit staff's discretion over the assignment of NAIC designations for securities subject to the FE process (the use of CRP ratings to determine an NAIC designation) to ensure greater consistency, uniformity, and appropriateness to achieve the NAIC's financial-solvency objectives. The proposed process would include: •Establishment of a materiality threshold required to flag a CRP rating. In order to limit the SVO's use of this process to only what would be considered truly material differences of opinion, the SVO would only be able to change a Designation assigned through the FE process if it were 3 or more notches different than the SVO's assessment. •Final decisions would be made by a subgroup of the Task Force in the review process before any rating would be removed. •Procedural steps to ensure insurers are given due process: ample notification to insurer, an opportunity for the insurer to provide full documentation to the SVO and explain its analysis of the investment, an opportunity to get an alternate CRP rating, and sufficient time to file the security, if needed. •VOSTF is currently reviewing comments from interested parties and discussion is ongoing.		*VOSTF has drafted a list of questions to discuss with each rating agency in future regulator-only meetings. The SVO has received comments from certain rating agencies and is incorporating those comments into a final list of questions to be agreed to by the Task Force. At the 2023 Spring National, during the discussion of the proposed amendment on Structured Equity and Funds, the Task Force deferred action on the Structured Equity and Funds amendment and directed the SVO staff to draft a distinct process on how it would recommend challenging an NAIC Designation assigned from a credit rating provider ("CRP") rating pursuant to the Filing Exemption ("FE") process which the SVO thinks is not a reasonable assessment of risk for regulatory purposes. The SVO subsequently drafted a proposal that would enable staff to challenge the NAIC's current blind reliance on credit ratings. The amendment would establish strict due process requirements before the SVO could overrule a CRP rating including a materiality threshold of a 3-notch difference in order to flag a CRP rating and sufficient notice to insurers to provide time for insurers to appeal SVO assessments. This amendment will continue to be discussed by the Task Force and interested parties.*	**VOSTF** received referral responses from the Financial Condition (E) Committee, the Life Actuarial (A) Task Force, the Financial Analysis (E) Working Group and the Valuation Analysis (E) Working Group. The Life Actuarial Task Force and Valuation Analysis Working Group supported the proposal and provided examples of risk metrics which would be useful to their groups. The Financial Analysis Working Group supported the VOSTF investigating various products because it said the risk metrics could be more effective in helping financial analysts and examiners to fully evaluate and assess investment risks. The Financial Condition Committee said it was worthwhile for the VOSTF to continue to investigate the proposal and the data and information available to the SVO staff and state regulators that provide some of the alternative investment risk measures as they could alleviate the need for the NAIC to collect that information form NAIC Annual Statements. However, the E Committee said that before it could approve the proposal it would need more information to fully understand the costs and benefits of such products. This is an ongoing initiative.				**VOSTF Update:** •The Task Force adopted an amendment at it Feb. 21 meeting that effective Jan. 1, 2024, financially modeled collateralized loan obligations (CLO) will not be eligible to use credit rating provider ratings to determine an NAIC Designation. •The Task Force has drafted a list of questions to discuss with each rating agency in future regulatory-only meetings. The questions are in the materials for the Spring National Meeting and will likely being exposed for public comment. •The Securities Valuation Office (SVO) has proposed an amendment to ensure Structured Equity and Funds investments that would, if not for the filing exemption (FE) process, be eligible to assign an NAIC Designation. The SVO has proposed defining Structured Equity and Funds investments as investments which, through the insertion of an intervening entity such as a special purpose vehicle (SPV) or limited partnership, enable underlying assets that may not qualify as 'bonds' or be eligible to receive an NAIC Designation under the current regulatory guidance, to be reported as "bonds" because the intervening entity issues notes and those notes receive a credit rating provider rating. The SVO identified multiple regulatory reporting arbitrage opportunities with these investments that circumvent regulatory guidance using a CRP rating to accomplish that result. •The Task Force adopted a new charge for 2023 to establish criteria to permit staff's discretion over the assignment of NAIC designations for securities subject to the FE process (the use of CRP ratings to determine an NAIC designation) to ensure greater consistency, uniformity, and appropriateness to achieve the NAIC's financial-solvency objectives. The criteria have not vet been promulgated.	Sent a referral to the VOSTF indicating the MWG regulators' agreement to monitor the work of its ad hoc group addressing various rating agency considerations.
11. Pension Risk Transfer (PRT) Business Supported by Complex Instruments: The trend of life insurers in pension risk transfer (PRT) business and supporting such business with the more complex investments outlined above (**LATF has exposed questions aimed at determining if an Actuarial Guideline** is needed to achieve a primary goal of ensuring claims-paying ability even if the complex assets (other than equity-related) did not perform as the company expects, and a secondary goal to require stress testing and best practices related to valuation of non-publicly traded assets (note LATF's considerations are not limited to PRT). Additionally, increased reporting in 2021 Separate Accounts blank will specifically identify assets backing PRT liabilities.) Considerations have also been raised regarding the RBC treatment of PRT business, a. a. Review state guaranty associations' coverage for group annuity certificate holders (pension beneficiaries) in receivership compared to Pension Benefit Guaranty Corporation (PBGC) protection. b. Department of Labor Protections	Closed-item considered and advised **LATF Update: 07-22-26** The VM-22 Subgroup made the initial VM-22 reserving methodology recommendation to LAT in May 2025. Companies may adopt the methodology for contracts issued on or after January 1, 2026, and must do so for contracts issued on or after January 1, 2028. The VM-22 Subgroup is addressing framework and assumption decisions that were awaiting results from the VM-22 reserving methodology recommendation to LATF in May. Companies may start using the new methodology for contracts issued starting 1/1/26, and must start using the new methodology for contracts issued starting 1/1/28. The Longevity Risk (E/A) Subgroup has exposed amendments to the Life Actuarial Task Force (LATF) Guidelines, including retroactive applicability for contracts issued prior to 1/1/2026. The Longevity Risk (E/A) Subgroup has resumed weekly calls. Closed-item considered and advised	Closed-item considered and advised **LATF Update: 10-13-25** The VM-22 Subgroup made the initial VM-22 reserving methodology recommendation to LATF in May. Companies may start using starting the methodology for contracts issued starting 1/1/26, and must start using the new methodology for contracts issued starting 1/1/28. The VM-22 Subgroup is addressing framework and assumption decisions that were awaited during the fall of 2025 and anticipated 12/2025 for implementation, including retroactive applicability for contracts issued prior to 1/1/2026. The Longevity Risk (E/A) Subgroup has resumed weekly calls. Closed-item considered and advised	Closed-item considered and advised **LATF Update: 04-14-25** The VM-22 Subgroup is finalizing the framework to recommend to LATF. With that, the work of the Longevity Risk (E/A) Subgroup is pending this outcome.	**SAPWG Update: 06-24-25** Review of 2022 data was completed by NAIC staff in 2023 and shared with regulators. This item is closed unless further regulator direction is provided. **SAPWG Update: 7-23-24** The data collected provides overall detail of PRT product balances in the separate accounts. Continued regulator discussion is anticipated to see if further granularity is necessary for regulator review. **LATF Update: 7/14/24** An industry field test of the draft VM-22 methodology will begin 7/31/24 and go through 9/30/24. After results are reviewed and any necessary revisions are made, the VM-22 reserving methodology is expected to be finalized by 1/1/26. The Longevity Risk (E/A) Subgroup will meet after the VM-22 framework is finalized. **SAWG Update: Closed** DOL revised their fiduciary standards (95-1) and duties to evaluate an insurance company prior to approving a PRT. **Closed** It appears state guaranty funds provide adequate protections for PRT business according to NCOLHGA study and other research. No further action was deemed necessary.	**SAPWG Update: 2-20-24** Review of 2022 data was completed by NAIC staff in 2023 and continued data and reporting issues were identified. Review of 2023 YE data will be completed in the second quarter of 2024. This will allow for regulator review and input in determining if additio instruction or other follow-up is needed. **LATF Update: 7-22-24** The VM-22 Subgroup is still working on assumptions and other aspects, so the work on the framework continues. With that, the work of the Longevity Risk (E/A) Subgroup is pending this outcome. **LATF Update: 7/26/24** Discussions are continuing on a potential proposal to require Asset Adequacy Testing for certain reinsurance transactions. Comments on the potential proposal will be heard at a 7/25/24 meeting of LATF with additional discussions expected to take place at the LATF session of the Summer National Meeting. **LATF Update: 2-5-24** Proposal being considered to require Asset Adequacy Testing for Reinsurance transactions.	**LATF Update:** July 12, 2023, per Scott O'Neill, The PRT drafting group hasn't met since January 2023, and the Longevity Risk Subgroup is holding off on meeting until the VM-22 Subgroup finishes the VM-22 methodology **LATF Update:** *June 27, 2023, per Scott O'Neill,* The VM-22 Subgroup of LATF is currently developing a new reserving framework for non-variable annuities. As part of this effort, there is a distinct methodology being developed for longevity reinsurance/PRT. This has been the most controversial aspect of the VM-22 project. VM-22 is expected to go live no sooner than 2026. There is also a separate Longevity Risk (E/A) Subgroup of LATF that will work to develop a longevity reinsurance/PRT related capital charge. This work is on hiatus until the VM-22 reserving framework is adopted	**LATF Update:** July 11, 2023 due to VM-22 methodology not being filed. **LATF Update: 2-5-24** Continued no change in status since July 12, 2023 due to the VM-22 methodology not being filed.	**SAPWG Completed Actions:** Ref #2020-37: Separate Account – Product Identifiers and Ref #2020-38: Pension Risk Transfer - Separate Account Disclosures, which did not result in statutory accounting revisions but instead resulted in modifications to the reporting of PRT transactions in the annual financial statements, was adopted by the SAPWG May 2021. Ref #2021-03BWG was adopted by Blanks (E) Working Group in 2021. Centrum – The 2022 review of the initial 2021 disclosures noted that although the instructions were clarified to require by product reporting including the use of a distinct disaggregated product identifier for each product represented, most entities are still broadly grouping PRT activity in the disclosures. Review of 2022 data is planned to be completed in the first half of 2023.	**LATF Update:** *The PRT Drafting Group of the VM-22 Sub is considering the development of PRT/longevity risk mortality factors. The Ad hoc Subgroup is above data with the Longevity Risk Subgroup of LATF that the Subgroup could consider for C-2 RBC for PRT products and longevity risk reassessment.* **MWG Update:** *NAIC staff are continuing to hold discussions with Department of Labor representatives.*	LATF's Actuarial Guideline Sent a referred to the LATF recognizing its work on an Actuarial Guideline which should address the reserve considerations of pension risk transfer (PRT) business. Sent a referral to the SAPWG to address the related disclosure considerations as the goal was to have them in the Notes to Financial Statements.
2. State Guaranty Funds Compared to PBGC Protection — NCOLHGA 2016 Study	Closed-item considered and advised	Closed-item considered and advised	Closed-item considered and advised	Closed It appears state guaranty funds provide adequate protections for PRT business according to NCOLHGA study and other research. No further action was deemed necessary.						No further action was deemed necessary **MWG Update:** *However, NAIC staff have contacted PBGC representatives to inquire if they have any items they wish to address with the MWG.*
3. RBC Treatment of PRT Business	**LATF Update: 07-22-26** In April 2020, the Life Risk-Based Capital (E) Working Group adopted the Longevity Risk (E/A) Subgroup's initial recommended changes to LR025 A. The changes established a blanks structure for the C-2 longevity risk capital charge and instructed companies to report nets for the 2020 longevity risk capital requirement for longevity reinsurance. The Subgroup continues to evaluate methodologies for determining an appropriate longevity risk capital amount for longevity reinsurance and is targeting application is 2027 risk-based capital.	**LATF Update:10-13-25** The VM-22 principle-based framework has been adopted. The work of the Longevity Risk (E/A) Subgroup has resumed with a focus on addressing the C3 requirements for longevity reinsurance contracts in consideration of the new framework.	**LATF Update: 04-14-25** The VM-22 Subgroup is finalizing the framework to recommend to LATF. With that, the work of the Longevity Risk (E/A) Subgroup is pending this outcome.	**LATF Update: 7-22-24** The VM-22 Subgroup is still working on assumptions and other aspects, so the work on the framework continues. With that, the work of the Longevity Risk (E/A) Subgroup is pending this outcome	**LATF Update: 7/26/24** Discussions are continuing on a potential proposal to require Asset Adequacy Testing for certain reinsurance transactions. Comments on the potential proposal will be heard at a 7/25/24 meeting of LATF with additional discussions expected to take place at the LATF session of the Summer National Meeting.	**LATF Update: 2-5-24** Proposal being considered to require Asset Adequacy Testing for Reinsurance transactions.		**LATF Update:** July 12, 2023, per D. Flemming, No change in this item as the VM-22 framework is not final yet.				**LATF Update:** *The Longevity Risk (E/A) Subgroup will review the currently exposed VM-22 PBR methodology once it is finalized and adopted. The Subgroup will consider whether to develop and recommend longevity risk factor(s) for the product(s) that were excluded from the application of the current longevity risk factors.*	Sent a referral to the Longevity Risk (E/A) Subgroup recognizing its work will also address PRT business and indicating the MWG regulators will monitor this work.
12. Offshore/Cayman Reinsurance: Insurers' use of offshore reinsurers (including captives) and complex affiliated asset vehicles to maximize capital efficiency, reduce reserves, increase investment risk, and introduce complexities into the group structure.	**MWG Update: 07-28-26** Continue to monitor complex offshore reinsurance trend, e.g., via dashboard or member updates **LATF Update: 07-22-26** A coordinated review of Actuarial Guideline LV, Application of the Valuation Manual for Testing the Adequacy of Reserves Related to Certain Life Reinsurance Treaties (AG 55) reports is being performed by the NAIC's Valuation Analysis (E) Working Group and follow-ups with companies are being sent as needed. Additional guidance for the 2026 year-end filings is being prepared for blanks on regulator reviews of the 2025 reports.	**MWG Update:** The following SAP projects related to blocks and offshore reinsurance are effective December 31, 2025: 1. Reporting of Funds Withheld and Modco Assets - Adds a new part to LifeFraternal Annual Statement Blank reinsurance Schedule S and Instructions to better match RBC (RBC in process). 2. Reinsurer Affiliated Assets - Expands the restricted asset disclosure to include, by investment schedule, funds withheld related to affiliated with the reinsurer. 3. Restricted Asset Clarification -Updates the restricted asset note 5L on including funds withheld/modco, aggregating all restricted assets in a single table. **LATF Update: 10-13-25** Actuarial Guideline LV, Application of the Valuation Manual for Testing the Adequacy of Reserves Related to Certain Life Reinsurance Treaties (AG 55), was adopted by the NAIC's Executive Committee and Plenary at the 2025 Summer National Meeting. AG 55 is effective for year-end 2025 reporting, and will give state insurance regulators greater transparency into approximately 100 asset-intensive reinsurance transactions. Additional discussions are taking place at LATF to develop an optional reporting template that will set consistent expectations for companies and allow for streamlined regulatory review.	**MWG Update:** Continue to monitor cross-border reinsurance market and continue dialogue with other jurisdictions. The MWG may ask 8 to receive a report of crossborder reinsurance activity and trends. State regulators requested NAIC run additional statistics. Continue to monitor and asses called reserves offshore by transaction type, i.e., ModCo, Coinsurance, Funds Will and asset intensive reinsurance. **LATF Update: 04-14-25** Discussions are continuing on a potential proposal to require Asset Adequacy Testing for certain reinsurance transactions. Comments on the latest draft of the proposed actuarial guideline are due Thursday, April 24th. Additional discussions and revisions to the guideline will begin May 1st, 2025. The proposed actuarial guideline is planned to be implemented for year-end 2025 asset adequacy testing.	**MWG Update:** Continue to monitor cross-border reinsurance market and continue dialogue with other jurisdictions. The MWG may ask 8 to receive a report of crossborder reinsurance activity and trends. State regulators requested NAIC run additional statistics. Continue to monitor and asses called reserves offshore by transaction type, i.e., ModCo, Coinsurance, Funds Will and asset intensive reinsurance. **LATF Update: 7/26/24** Discussions are continuing on a potential proposal to require Asset Adequacy Testing for certain reinsurance transactions. Comments on the potential proposal will be heard at a 7/25/24 meeting of LATF with additional discussions expected to take place at the LATF session of the Summer National Meeting.	**MWG Update:** Continue to monitor offshore reinsurance market, meet with BMA and enhance RAWS. Monitor and asses called reserves offshore by transaction type, i.e., ModCo, Coinsurance, Funds Will and asset intensive reinsurance. **LATF Update: 2-5-24** Proposal being considered to require Asset Adequacy Testing for Reinsurance transactions.		**July 11, 2023** ***MWG Update:*** The Reinsurance Worksheet was adopted on a joint PITT/MWG virtual meeting on June 20, 2023.				At the Spring NM 2023 The Working Group released for comment the reinsurance comparison worksheet designed for regulators to assess cross-border reinsurance trades where there are different regulatory systems involved. We believe the cross-border reinsurance worksheet will enhance state insurance regulators' ability to monitor these transactions. The comment period ended Apr 28 and the MWG is in the process of addressing comments received.	***MWG Update:*** *MWG regulators are wrapping up the confidential discussions with industry participants and other jurisdictions regarding the use of affiliate reinsurers and complex affiliated reinsurance vehicles. They are continuing discussions to identify the best mechanism to ensure reviewing/supervising regulators can identify the true economic impacts of the reinsurance transaction. MWG regulators will consider further work and/or referrals once they have concluded these discussions.*