

# **Insurance Regulator Professional Designation Program Policies and Procedures June 2019**



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## General Information

The mission of the Insurance Regulator Professional Designation Program (Designation Program) is to establish and uphold structured, rigorous credentialing requirements through which NAIC member insurance department employees (regulators) acquire the necessary knowledge, skills and expertise in the areas of insurers' financial solvency regulation, market conduct regulation, product regulation and consumer protection.

To achieve this end, participants must meet admissions qualifications as well as satisfactory course completion requirements as specified in this document.

Participants in the NAIC's Designation Program complete studies and coursework in pursuit of four distinct designations:

- **Associate Professional in Insurance Regulation (APIR)**

The APIR signifies the Designee has mastered foundation-level concepts in the areas of financial regulation, market conduct regulation and product regulation.

- **Professional in Insurance Regulation (PIR)**

The PIR signifies the Designee has mastered concepts within a specialized regulatory field or discipline of their choosing, within the parameters of the Designation Program curriculum.

- **Senior Professional in Insurance Regulation (SPIR)**

The SPIR signifies the Designee has completed experiential study assignments to master concepts in regulatory leadership.

- **Investment Professional in Insurance Regulation (IPIR)**

The IPIR signifies the Designee has mastered concepts associated with investments and investment analysis, and he/she is prepared to serve as a liaison between their state or U.S. Territory\* insurance department and the NAIC's Capital Markets and Investment Analysis Office in New York.

\* Future references to "state" or "states" include the District of Columbia and 5 U.S. Territories: American Samoa, Guam, Northern Mariana Islands, Puerto Rico and the U.S. Virgin Islands.

## Participant Classifications

Participants in the Designation Program are generally referred to as:

- Candidates—individuals formally admitted and actively engaged in the Designation Program and working toward a designation
- Designees—individuals who have earned one or more designation
- Renewing Designees—individuals who have earned one or more designation and are current in the Designation Program’s renewal requirements
- Inactive Designees—individuals who have:
  - Left the Department of Insurance (DOI) and; therefore, they are not eligible to fulfill the renewal requirements
  - Not achieved the Designation Program’s renewal requirements

## **Governance**

The Designation Program is monitored by the NAIC Designation Program Advisory Board (Board). The Board shall be composed of five state insurance regulators, including two members with financial solvency expertise and two members with market conduct expertise. The fifth member shall be a Commissioner who serves as Board chair. Board membership shall include representation from all four regulatory zones.

The Board has discretionary authority to make an exception to the financial and market conduct regulator requirement only if a qualified candidate is not otherwise available. In the event a member of the Board vacates his or her position, he or she will notify the NAIC Education & Training Manager or Senior Designation Program Specialist, who will provide a recommended candidate pool to the respective Zone for new member selection. The NAIC Senior Designation Program Specialist will onboard the new Board member.

Qualified Board candidates are those who have demonstrated, through their active participation in NAIC courses and/or the Designation Program Mentoring Network, a genuine interest in and commitment to the Designation Program.

## **Role of the NAIC Designation Advisory Board**

- a. The Board shall monitor the operation of the NAIC's Designation Program.
- b. The Board shall hold quarterly meetings. Special meetings may be called by the Chair and held at a designated time and place. Advanced notice of at least two days shall be given prior to all regular and special meetings.
- c. The presence of a majority of the Board members shall constitute a quorum at a meeting. Board members present at a duly called meeting, at which a quorum is present, may continue to transact business until adjournment, even in the event of the withdrawal of enough members to leave less than a quorum.
- d. A member of the Board may not vote by proxy.
- e. The Board Chair shall vote only in the event of a tie.
- f. Electronic methods of voting are considered acceptable.
- g. The Board shall consider, review and approve NAIC staff recommendations for all designation tiers, eligibility criteria, and educational requirements of the Designation Program.
- h. The Board shall approve future designation qualified education programs.
- i. The Board shall approve the Designation Program continuing education requirements.
- j. The Board shall delegate responsibility for approving all routine enrollment requests to the NAIC Education and Training Department. All requests for special admission consideration (enrollment vitae) shall be reviewed and approved by the Board.

- k. The Board shall delegate the development of NAIC designation course examinations to NAIC staff and/or its vendor.
- l. The Board shall review and approve each SPIR candidate's Best Practices in Regulatory Leadership Portfolio. Any Board member pursuing the SPIR designation will recuse him/herself from review and approval of his/her own portfolio.
- m. The Board shall be apprised of all policy exceptions and formal policy appeals made by candidates to the NAIC Senior Education & Training Manager.
- n. The Board shall submit an annual written report to the NAIC Executive (EX) Committee at the first National Meeting of the year based upon the previous year's activities.

### **Admissions Eligibility**

The Designation Program is an exclusive professional development training program for U.S. insurance regulators. As such, it is open only to current employees of state DOIs. Experience as a state DOI contract employee may be counted toward the length of service requirement; however, the designation is only open to current state DOI employees, not contractors.

Other eligibility requirements for each designation tier within the Designation Program are outlined below. Note that the typical Candidate enters the Designation Program at the APIR level, and from there he/she can progress to more advanced levels.

Attempting to test out of the APIR program is permitted, but it is not recommended. The exams are rigorous and reflect comprehensive knowledge requirements. Prospective candidates will be given one opportunity to take the test-out comprehensive exam, and no retakes are permitted.

#### **Prospective APIR Candidates must:**

- a. Be currently employed by a state DOI.

#### **Prospective PIR Candidates must:**

- a. Be currently employed by a state DOI.
- b. Have obtained the APIR Designation through required coursework or by achieving a passing score on the APIR comprehensive exam (otherwise referred to as the "test-out" option).

#### **Prospective SPIR Candidates must:**

- a. Be currently employed by a state DOI.
- b. Be a PIR Designee in good standing—i.e., they have met all PIR requirements and their PIR Designations are current and active—or have submitted a detailed curriculum vitae describing how prior coursework or professional experience demonstrates exposure to,

and mastery of 1) broad fundamental concepts in the areas of market conduct, rate and form, and financial regulation as addressed within APIR-level course requirements; and 2) the more specialized skills and competencies addressed at the PIR level of the Designation Program.

Candidates who wish to enter the Designation Program at the SPIR level will submit their enrollment fee when they submit their curriculum vitae. The Board will then decide whether the Prospective SPIR Candidate is eligible to enter the Designation Program at that level. If the Board does not approve the applicant's request to enter the Designation Program at the SPIR level, the applicant will be notified and will automatically be enrolled at either the APIR or PIR level, depending upon his/her qualifications. If a curriculum vitae has not been submitted within 60 days of the enrollment date, the applicant will be notified and automatically enrolled at the APIR level. Enrollment fees are non-refundable.

**Prospective IPIR Candidates must:**

- a. Be currently employed by a state DOI.
- b. Be PIR Designees in good standing.
- c. Have satisfactorily completed the NAIC's *Introduction to Financial Regulation* (or equivalent work experience submitted for approval to NAIC Education & Training Department), the NAIC's *Regulating for Solvency, How to Analyze Insurer Investment Portfolios*, and *The Basics of Investing*.
- d. Submit a completed application form describing their understanding of fundamental accounting principles, investment terminology and financial statement components; and be able to provide evidence of baseline financial knowledge.
- e. Have successfully completed at least one college-level accounting course or achieved a minimum score of 80% on the NAIC's IPIR entrance exam.

IPIR admissions applications and entrance exams are reviewed regularly by the Capital Markets and Investment Analysis staff and the Senior Manager of the NAIC Education & Training Department. IPIR Candidates are notified of their admission to the program by the NAIC Education & Training Department.

## Designation Program Requirements

Designation Candidates must meet specified course and experiential study requirements as outlined below.

### APIR Requirements

1. Have at least one year of full-time work experience with a state DOI.

and

2. Satisfactorily complete the NAIC courses below and achieve a score of 70% or better on each corresponding exam.\*
  - a. *Foundations of Insurance Regulation*
  - b. *Introduction to Financial Regulation*
  - c. *Regulation of Insurance Products*

or

3. Score 70% or better on the comprehensive APIR exam.

\* All Designation Program course exams must be taken within 60 days of the course's completion.



## PIR Requirements

1. Have at least three years of full-time work experience with a state DOI.

and

2. Satisfactorily complete five of the qualifying NAIC courses listed below and achieve a passing score of 70% or better on the exam for each course. \*\*

- a. *Regulating for Solvency*
- b. *Risk Based Capital*
- c. *Surplus Lines*
- d. *Risk-Focused IT Review*
- e. *Intro to Risk-Focused Examinations (self-study)*
- f. *Regulating Risk Retention Groups*
- g. *Basic Reinsurance*
- h. *The Basics of Investing*
- i. *How to Analyze Insurer Investment Portfolios*
- j. *Corporate Governance*
- k. *Core Legal (self-study)*
- l. *Basic Fraud (self-study)*
- m. *Understanding the Federal Legislative Process*
- n. *Consumer Assistance*
- o. *Market Analysis Techniques*
- p. *Market Conduct Examinations*
- q. *Producer Licensing*
- r. *Best Practices in Company Licensing*
- s. *Company Licensing Application Review Process*

or

3. Satisfactorily complete four of the NAIC courses listed above and one PIR elective course selected from the list of pre-qualified courses provided in the NAIC Designation Program Catalog of Electives. A passing score must be achieved on each of the applicable course exams. To earn Designation credit for a non-NAIC elective course, that course must have been completed no more than three years prior to application for the PIR.

\*\* To earn Designation Program credit for a PIR-level course, candidates must first be formally admitted to the Designation Program at that level. APIR Candidates are not prohibited from taking PIR-level classes; however, if they later decide to pursue a PIR Designation, they may be required to complete the course again under that designation requirement.

## SPIR Requirements

The SPIR builds on existing APIR and PIR credentialing requirements to establish an advanced learning path that nurtures leadership ability at the department level and at a national level as well. The SPIR is considered an elite credential that marks the summit of one's professional development in both people management and regulatory leadership.

The SPIR Program was designed to facilitate and document Candidates' mastery of competencies in four critical performance areas. Upon completion of the SPIR, Designees should be able to do the following:

- Demonstrate the following competencies: management and leadership, critical thinking, and effective communication.
- Identify and seize opportunities to enhance communication and work collaboratively with insurance regulators at all organizational levels and in other states.
- Detect opportunities for positive change at the local level and develop recommendations and proposals to encourage others to act on them.
- Demonstrate the following basic leadership behaviors: self-management, critical thinking, effective communication and influencing others.
- Explain national and/or global regulatory issues of current or emerging importance, as well as key regulatory initiatives that are underway.

SPIR requirements are as follows:

1. Be elected or appointed as the chief insurance regulator in a state, U.S. territory or the District of Columbia; or have at least five years of full-time work experience with a state DOI.

and

2. Satisfactorily complete the NAIC courses below and achieve a passing score on each corresponding exam.
  - a. *Regulatory Leadership Forum*
  - b. *Practical Manager Program* (the annual group program; note that the state-customized version does not count toward this requirement)

and

3. Satisfactorily complete one of the following action learning activities:
  - a. Achieve the highest designation from:
    - i. American Institute for Chartered Property Casualty Underwriters (AICPCU) - CPCU,

- ii. Chartered Life Underwriters (CLU) - CLU,
  - iii. Society of Financial Examiners (SOFE) - CFE,
  - iv. Insurance Regulatory Examiners Society (IRES) - CIE, or
  - v. Life Office Management Association (LOMA) – FFSI/FLMI.
- b. Complete two SPIR-level qualified electives from the Catalog of Elective Courses. Note that to earn Designation Program credit for a qualified elective course, the course must have been completed no more than three years prior to applying for the SPIR.
- c. Teach an NAIC course managed by the NAIC Education & Training Department.\* The teaching assignment must involve the following:
- i. Actively participating on a course development team.
  - ii. Preparing course materials, text, handouts, and/or slides in support of pre-defined learning outcomes.
  - iii. Developing instructional techniques (e.g., exercises, cases, lectures, etc.) that assist the students in achieving learning outcomes.
  - iv. Writing and/or reviewing test questions as needed.
  - v. Teaching or facilitating at least part of the course online or in a classroom setting.
- d. Research and author an article that is published in the *Journal of Insurance Regulation*.
- e. Be the lead in a structured, formalized mentoring relationship within any DOI for at least six months.\* The mentoring project must involve the following:
- i. Developing and submitting a pre-mentoring plan that includes the name/title of the mentee and the goals of the mentoring relationship. A description of the mentoring program you have designed should also be submitted, including specific activities (e.g., training, one-on-one meetings, observations, etc.) that will take place along with a six-month timeline of those activities.
  - ii. Implementing the pre-mentoring plan.
  - iii. Asking the mentee to evaluate his/her experience based on three factors: 1) degree of mutual participation; 2) achievement of stated goals; and 3) level of personal enrichment (e.g., growth in confidence, autonomy and self-direction).
  - iv. Submitting the mentee's signed evaluation.

and

4. Complete and submit the *Best Practices in Regulatory Leadership Portfolio*.

\* To earn credit, the teaching assignment and the mentoring project must be completed after being formally admitted to the Designation Program at the SPIR level. Teaching assignments are subject to course project availability.

## IPIR Requirements

The IPIR Designation is unique in that it requires Candidates to complete coursework in a narrow field of study—that of investments. Upon completion of the program, IPIR Designees should be able to:

- Converse fluently with other investment experts in both the regulatory and insurance industry arenas about investment instruments and current issues in the financial markets.
- Assume the role of “resident investment expert” in their DOI, mentoring other regulators and answering their investment-related questions.
- Respond effectively when investment-related analysis or examination findings are challenged by insurance company representatives.
- Function as a liaison between their DOI and the NAIC’s Capital Markets and Investment Analysis Office.

IPIR designation requirements are as follows:

1. Satisfactorily complete all the courses listed below and achieve a passing score of 70% on the exam for each course.
  - a. *Structured Securities Bootcamp*
  - b. *Issuer Obligations: Municipal Securities*
  - c. *Issuer Obligations: Corporate Securities*
  - d. *Issuer Obligations: Government Securities*
  - e. *“Other” Investment Practices*
  - f. *“Other” Assets*
  - g. *Derivatives*

and

2. Satisfactorily complete a capstone exercise that simulates a meeting with insurance company executives and investment personnel. Capital Markets and Investment Analysis staff will use a rubric to assess the exercise in consultation with the Senior Manager of the NAIC Education & Training Department.

## General Administration Policies

The NAIC Education & Training Department manages the administrative aspects of the Designation Program: enrollment, examination scheduling, examination delivery and proctoring, financial management, record keeping, policy enforcement, and transcript maintenance, at the direction of the Board.

## Exams

Course examinations are required of Candidates at every level of the NAIC Designation Program.

- Prior to taking a course exam, Candidates must satisfactorily complete the associated course. “Satisfactory completion” is achieved when Candidates complete all required assignments as stated in course syllabi or other official course documents.
- Candidates who wish to “test out” of the APIR coursework by taking the APIR comprehensive exam may only take the exam one time. If the Candidate fails to achieve a passing score, he/she must complete the APIR required courses and course exams.
- Unless otherwise specified, NAIC course exams must be taken within 60 days following the completion of a course.
- Candidates who have completed the required coursework but fail to achieve a passing score on a course exam may retake that exam. There is no limit on the number of times a Candidate can retake a course exam; however, exam retake fees will apply.
- Exams may be taken at the NAIC Central Office in Kansas City or at any U.S. state DOI. Exams must be proctored by a pre-qualified individual who has met Designation Program specifications. These specifications are provided to the Candidate prior to an exam.
- Exams must be scheduled in advance through the NAIC Education & Training Department.
- Candidates must achieve a passing score of 70% or better on course exams to earn credit toward a designation.

## Integrity Oath

All candidates must have a signed integrity oath document on file with the NAIC Education & Training Department. The document is provided to Designation Candidates upon enrollment in the Designation Program and must be submitted to the NAIC Education & Training Department prior to scheduling exams.

## Recordkeeping and Statistics

Candidates are responsible for reviewing and maintaining their own Designation Program electronic records through the [NAIC Designation Program Enrollment site](#). Once requirements are completed, the Candidate will submit his/her application for a Designation at this site as well.

Records on each Designation Candidate, including application forms, courses completed, examination results, and other related documentation, are kept for 20 years in a secure file by the NAIC Education & Training Department.

## Course Credit

To earn Designation Credit in qualifying NAIC courses, Candidates must satisfactorily complete course requirements as stated in the course syllabi or other official course documents.

Candidates must be formally admitted to the Designation Program at the appropriate level before credits will be awarded. For example, APIR Candidates are not prohibited from taking PIR level classes; however, if they later decide to pursue a Designation, they may be required to complete the course again to qualify for credit. APIR and PIR Candidates are not prohibited from taking SPIR level classes; however, if they later decide to pursue an SPIR Designation, they may be required to complete the course again at that time. IPIR courses are only open to those Candidates who have been formally admitted to the IPIR level of the Designation Program.

## Appeals

Written appeals pertaining to Designation Program eligibility or exam results may be directed to the Senior Manager of the NAIC Education & Training Department. The Board shall be apprised of all policy exceptions and formal policy appeals made by Candidates.

## Confidentiality

The application for designation and all related forms, reports and records will be held by the NAIC Education & Training Department in strict confidence. Applicants are permitted access to all information in their own file.

Examinations are likewise confidential. The Senior Manager of the NAIC Education & Training Department is responsible for maintaining this confidentiality. Staff in this department may have access to the exams as deemed appropriate by the Senior Manager on a “need to know” basis.

For purposes of metrics, tracking and resources, the NAIC Education & Training Department may share Candidates’ names, course registrations and designation status with the Candidate’s home state DOI.

## **Non-discrimination**

The NAIC's Designation Program is open to any full-time state DOI employee. The NAIC does not discriminate on the basis of race, color, age, religion, national origin, sexual orientation, gender identity, sex, marital status, disability, or status as a U.S. veteran. The NAIC will implement reasonable accommodations for persons with proper documentation of a disability who contact the NAIC Help Desk at 816-783-8500 or [help@naic.org](mailto:help@naic.org) prior to the scheduled testing day.

## Designation Maintenance (“Renewal”) Requirements

Insurance regulation, as a profession, is characterized by technical and diplomatic complexity and evolutionary change. Advancing technology, the globalization of the insurance marketplace, and the delicate balance between the needs for regulatory specialization and uniformity have created a dynamic environment that compels regulators to continuously develop and maintain their knowledge, skills and abilities. This ongoing development of professional competence involves a program of structured, career-long learning activities.

The NAIC’s Designation Program is intended to promote, foster, and recognize career-long learning among regulators, and in doing so, elevate the profession of insurance regulation. To that end, the NAIC has established a system for quantifying and recording the learning activities of its Designees. This system has established *contact hours* and *credits* as a basis of measurement.

## Designation Renewal Credits (DRCs)

Designees who have earned an APIR, PIR, SPIR, and/or IPIR designation must demonstrate that they have engaged in continuous learning activity to ensure that their knowledge and skills remain relevant to current professional demands. Once earned, these designations are valid for three years. Designees who wish to renew their designations may do so indefinitely, provided they remain in good standing by quantifying and reporting their learning activities within each subsequent three-year reporting period as stated in the table below. Designees who have earned the SPIR and the IPIR may renew to keep both designations active and current. Courses taken during any renewal overlap period for the two designations will count toward both renewals. Renewal is only allowed for Designees who are currently employed by a state DOI.

<b>Designation Level</b>	<b>Required DRCs per Three-Year Reporting Period</b>	<b>Recommended Minimum DRCs per Year</b>	<b>Minimum DRCs earned in the NAIC Education &amp; Training Department Courses per Three-Year Reporting Period</b>
APIR	65*	20	16
PIR	65*	20	16
SPIR	65*	20	16
IPIR	65*	20	16

\*65 DRCs is the equivalent of approximately three days of training or coursework each year. Note that a minimum of 16 of the required 65 DRCs in a reporting period must be earned by satisfactorily completing one or more courses within the NAIC’s curriculum.



**Contact hours:**

One contact hour equals 50 minutes of continuous, structured learning activity by means of formal training, coursework, or experiential endeavors that meet the [NAIC's Minimum Education Standards](#) (NAIC Standards) as outlined on page 18 of this document.

**Credits for in-person and online course activities:**

One 50-minute contact hour is equal to one Designation Renewal Credit. Half credit increments (equal to 25 minutes) are permitted after the first credit has been earned.

*Example: A Designee attends a course that is six and a half clock hours, or 390 clock minutes, in length, not including lunches, breaks, introductions, or wrap ups. Designation Renewal Credits (DRCs) would be calculated as follows:*

*$390 \div 50 = 7.5$  (Credits are rounded down to the nearest half).*

For learning activities in which individual segments are less than 50 minutes in length, the sum of the segments should be considered one complete program. Three sessions with 30 contact minutes would be added up to equal 90 minutes, divided by 50 (# of minutes in a contact hour), equating to 1.5 DRCs.

**Credits for text readings:**

Some courses that fully meet DRC qualification requirements include reading assignments for which students may earn credit. Reading assignments must include review questions in keeping with NAIC's Minimum Education Standard (NAIC Standard) 1.4. The calculation of credit for reading assignments is based on word count. The text's word count is divided by 180 (the average reading speed of adults is 180 words per minute). The total number of review questions is multiplied by 1.85 (the average time required to think about, and respond to, a review question is 1.85 minutes). These two numbers are added together, and then divided by 50.

$(\# \text{ of words} \div 180) + (\# \text{ of questions} \times 1.85) \div 50 = \text{DRC}$

*Example: A Designee attends a course that requires students to read a 10,500-word text which includes 10 review questions, followed by 390 clock minutes of in-person instruction. DRCs would be calculated as follows:*

*Text credit:  $(10,500 \div 180 = 58) + (10 \times 1.85 = 18.5) \div 50 = 1.5$*

*In-person instruction credit:  $390 \div 50 = 7.5$*

*Total DRCs:  $1.5 + 7.5 = 9$*

For self-study courses that are made up entirely of text readings, note that in accordance with NAIC Standard 1.4, self-study courses are ineligible for DRCs unless a) quizzes are incorporated into the program at intervals for review; b) feedback is provided to students after each quiz question; and c) a formal exam is passed with a score of at least 70%.

## Qualifying Learning Activities

Designees may earn DRCs by participating in and completing a variety of activities, provided those activities meet NAIC's Standards. For APIR, PIR, and SPIR Designees, most of these activities should involve training or coursework on insurance-focused subjects. Acceptable subjects include those associated with: insurance company solvency and solvency regulation, market conduct regulation, public regulatory policy matters, regulatory legal issues, applied use of technical and other regulatory tools, general leadership, and adult learning theory and practice. However, due to the specialized nature of the IPIR designation, qualifying activities for this level—including coursework—are more narrowly defined. *IPIR qualifying renewal courses must address content that is investment-oriented.*

Other types of activities, such as National Meeting or Zone Meeting participation, teaching NAIC courses, or participating on NAIC course or test development teams, may also qualify for credit, if those activities meet NAIC's Standards. Special projects associated with NAIC initiatives may qualify for credit, subject to approval by the Board.

## NAIC's Minimum Education Standards:

### 1. Learning Events (trainings, courses and other learning activities)

For learning events to be eligible for DRCs, they must meet the following standards:

**1.1 Presence of learning objectives.** Qualified learning activities must be based on learning objectives, and those objectives must be provided to students in written form.

**1.2 Evidence of instructional intent.** Qualified activities must be designed with the facilitation of learning as its primary goal. If an event's *primary* goal is to elicit sales, obtain market data (e.g., through focus groups), or promote networking, it is not eligible for DRC. Evidence of instructional intent includes text materials or job aids provided to guide the learner in meeting stated learning objectives.

**1.3 Interactivity.** Qualified activities must contain interactive elements that enable students to engage with the material, the instructor, and/or other students or attendees. These elements may include: quizzes, case studies, practice assignments, small or large group discussions, and question/answer segments, among others.

**1.4 Presence of qualified instructors.** Students at qualified learning events must have access to instructors who are subject matter experts throughout the duration of those events.

**1.5 NAIC self-study courses** are eligible for DRCs.

**1.6 Awarding of Certificates of Completion.** Qualified learning events must supply students with certificates of satisfactory completion. Students are responsible for obtaining certificates from learning event sponsors.

1.7 Uniqueness of the experience. Designees may only earn DRCs for completing specific courses they have not taken or taught before.

1.8 Investment-oriented subject matter. (Required of IPIR Designees only) Qualifying courses must contain subject matter pertaining to capital markets, portfolio analysis, or other investment-oriented subject matter.

## **2. NAIC Meeting Participation**

Designees may earn DRCs for verifiable participation in meetings and conference calls in support of NAIC letter committee Task Forces and Working Groups. Credits for those meetings are calculated just as they would be for trainings or courses (i.e., 50 minutes of meeting time = 1 DRC). To be eligible for DRCs, meeting participation must meet the following standards:

2.1 Defined participation role. Designees must serve in an active, defined role within the meeting. That role may be official in nature, such as chair, or it may be unofficial, yet integral to the objective of the meeting, such as policy reviewer, contributor, or spokesperson. Such participation must be verifiable through meeting minutes or other documentation.

2.2 Presence of clear meeting goals. Qualified meetings must be structured to achieve a clearly defined, measurable end-goal. This goal may or may not be provided to attendees in written form, but the goal must be definable, and all attendees must share a common understanding of what it is. Examples of end-goals include arriving at a decision associated with a larger project, drafting revisions to an existing policy, presenting conclusions of a research project, and so on. End-goals should be specific to a single meeting, even if that meeting is part of a larger project.

2.3 Project orientation. Qualified meetings are those that are reflective of a larger project plan. For example, a meeting to discuss and outline the content of a chapter in a new regulatory handbook would qualify for DRC because the meeting, to discuss content, is part of a larger project plan, the development of a new handbook.

2.4 Presence of an action learning component. Qualified meetings must be those that require attendees to stretch their prior understanding of a concept through research, analysis of information, experimentation, problem-solving, and/or facilitated discussion.

2.5 (E) or (F) Committee contributions. (Required of IPIR Candidates only) The purpose or topic of the meeting must be relevant to initiatives or projects currently underway involving the NAIC's Financial Condition (E) Committee or the NAIC's Financial Regulation Standards & Accreditation (F) Committee.

### **3. Teaching NAIC Courses and/or Serving on NAIC Course or Exam Development Teams**

It is important for regulators to play an active role in building and delivering courses in the NAIC's curriculum—not only as students, but as mentors, models, subject matter experts, and teachers as well. The curriculum is at its best and most practical when it is maintained *by regulators for regulators*. In addition, teaching others is perhaps the most impactful way to learn. For these reasons, Designees at all levels, but particularly those holding the Designation Program's SPIR designation, are encouraged to participate in the teaching of NAIC courses and the development of courses and exams (based on project availability). DRCs are awarded to instructors and course developers when the following standards are met:

**3.1 Active role in the course development process.** Designees wishing to earn DRCs through work on a course development team must play an active role in the entire course development process, which may include assisting in the writing of learning outcomes; the compilation, organization and review of content; the production of course materials; and/or the development and review of test questions.

**3.2 Evidence of applied adult learning theory.** Designees must demonstrate, through organizing and planning for instruction, a genuine interest in catering to the needs of adult learners. This requires at least minimal familiarity with adult learning theory, which may be acquired either through formal train-the-trainer classes offered by the NAIC's Education & Training Department, or through collaborative work with Education & Training Department instructional designers.

**3.3 Teaching or facilitation of courses offered through the NAIC's Education & Training Department.** To earn DRCs, Designees must do one of the following: teach at least one unit or segment of a live, in-person class or webinar; record at least one lecture for use in NAIC tutorials or online courses; or facilitate at least one online threaded discussion within an online course.

**3.4 Uniqueness of the experience.** Designees may only earn DRCs for teaching/developing specific courses one time *unless* substantial changes to the content, exercises, materials, lectures or exams are made.

**3.5 Investment-oriented subject matter.** (*Required of IPIR Designees only*) Qualifying courses taught by IPIR Designees must contain subject matter pertaining to capital markets, portfolio analysis or other investment-oriented subject matter.

### **4. Special Projects**

Requests for DRCs for special projects such as authoring articles in professional journals, mentoring novice regulators, representing the NAIC on official international business, and

other activities must be submitted to the NAIC Education & Training Department for consideration and approval. The Education & Training Department may consult the NAIC Capital Markets and Investment Analysis Office when considering projects submitted for DRCs toward the IPIR. Approval for projects submitted toward any designation may be escalated to the Board in some instances.

## Reporting Periods

NAIC Designations are valid for three years, but eligible for renewal if, within the reporting period, the Designee meets the requirements set forth in this document. The reporting period concludes July 31 after the third *full year* after a Designation is awarded, and then every third year after on July 31, provided renewal requirements are met. For example, if a designation is first awarded in March 2011, the Designee's reporting period will conclude July 31, 2014. If a designation is first awarded in September 2011, the Designee's reporting period will conclude July 31, 2015.

The NAIC will notify Designees to apply for renewal one year prior to their designation expiration date.

## Reporting Requirements

1. Designees seeking to renew their designations must earn the minimum required DRCs as set forth in this document within the specified reporting period.
2. Designees are expected to maintain personal files containing information and documentation in support of their learning activities for at least six years, or two full reporting periods. Documentation includes course completion certificates, rosters, meeting minutes or other materials that provide substantive evidence that learning activities have met the NAIC's Standards. Designees may be asked to produce their files for review in the event of an audit.
3. Designees must complete and upload the Designation Program Designation Renewal Application Form by July 31. Note that failure to submit this form by the deadline may result in the Board declaring the Designee "inactive."
4. The NAIC will conduct periodic audits of Designee files and documentation to ensure that activities submitted on the Renewal Application Form meet the requirements set forth in this document. If it is determined that a candidate did not meet the requirements, there will be a six-month grace period from the date of notification to make up DRC's that are not qualified.
5. Designees who do not apply for Designation renewal by the end of their reporting period will be automatically deemed "inactive" on Aug. 1, and they will no longer hold the APIR, PIR or SPIR. Candidates may apply for re-instatement within three years of suspension date with an applicable Reinstatement Filing Fee. Proof of required DRCs must be submitted at

the time of application. If a candidate leaves regulation with their designation in good standing and returns, the Reinstatement Filing Fee will be waived and their renewal date for DRCs will be effective July 31, three years from the date they submit the reinstatement application. A candidate who did not leave in good standing will be required to re-enroll in the program and take the courses/requirements to earn the designation held prior to leaving regulation.

6. Candidates may apply for an extension for renewal sixty days prior to their renewal date. The application should include the reason(s) for the request, DRCs earned to date and a proposed plan to meet the full requirements with their manager's endorsement. All applications for extension will be reviewed by the Board which will determine the length of extension allowed.