Meeting Summary Report

The Valuation of Securities (E) Task Force met Aug. 14, 2023. During this meeting, the Task Force:

1. Adopted its July 13, May 15, and Spring National Meeting minutes, which included the following action:
   A. Received a Structured Securities Group (SSG) staff report on updates on the proposed collateralized loan obligation (CLO) modeling methodology and CLO Ad Hoc Working Group.
   B. Received comments on a Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual) amendment to update the definition of an NAIC designation. The Task Force had previously exposed the amendment for a 45-day public comment period ending June 30.
   C. Adopted a P&P Manual amendment to clarify the meaning of repurchase agreements in the derivatives transaction definition for funds in Part Three of the P&P Manual. The amendment had previously been exposed for a 45-day public comment period ending June 30.
   D. Discussed a proposal for consideration by the Executive (EX) Committee to change how NAIC Securities Valuation Office (SVO) fees are determined.
   E. Received updates on the proposed CLO modeling methodology and CLO Ad Hoc Working Group.
   F. Discussed and exposed a P&P Manual amendment to clarify the meaning of repurchase agreements in the derivatives transaction definition in Part Three of the P&P Manual for a 45-day public comment period ending June 30.
   G. Discussed and exposed a proposed P&P Manual amendment authorizing the procedures for the SVO’s discretion over NAIC designations assigned through the filing exemption (FE) process for a 60-day public comment period ending July 14.

2. Adopted its 2024 proposed charges.

3. Received and discussed comments on the proposed P&P Manual amendment to update the definition of an NAIC designation.

4. Received and discussed comments on the proposed P&P Manual amendment authorizing the procedures for the SVO’s discretion over NAIC designations assigned through the FE process.

5. Received a status report on the proposed CLO modeling methodology and Ad Hoc CLO Working Group.


7. Received final questions to be answered by credit rating providers (CRPs).
8. Discussed the Fitch Ratings downgrade of its U.S. government credit rating.