

2023 Fall National Meeting

Orlando, Florida

VALUATION OF SECURITIES (E) TASK FORCE

Saturday, December 2, 2023

12:45 – 1:45 p.m.

Meeting Summary Report

The Valuation of Securities (E) Task Force met Dec. 2, 2023. During this meeting, the Task Force:

1. Adopted its Summer National Meeting minutes.
2. Received a staff report on the history of the filing exemption (FE) process.
3. Received a referral from the Statutory Accounting Principles (E) Working Group on its proposal to report debt securities that do not qualify as bonds on Schedule BA. The Task Force agreed with the Securities Valuation Office's (SVO's) staff recommendation to maintain the existing treatment for risk-based capital (RBC) purposes and will communicate that recommendation to the Capital Adequacy (E) Task Force.
4. Exposed an updated *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) amendment to update the definition of an NAIC designation for a 53-day public comment period ending Jan. 26, 2024. The Task Force had previously exposed the amendment for a 45-day public comment period that ended June 30.
5. Exposed an updated P&P Manual amendment authorizing the procedures for the SVO's discretion over NAIC designations assigned through the FE process for a 53-day public comment period ending Jan. 26, 2024. The Task Force had previously exposed the amendment for a 60-day public comment period that ended July 14.
6. Exposed a proposed P&P Manual amendment to add a practical expedient to determine the issue date for private letter (PL) ratings for a 53-day public comment period ending Jan. 26, 2024.
7. Received a staff report on the proposed collateralized loan obligation (CLO) modeling methodology and the CLO Ad Hoc Working Group.
8. Received a staff report on the projects of the Statutory Accounting Principles (E) Working Group.
9. Received notification from the SVO that it will defer the deactivation of PL ratings that missed a required PL rating rationale report until year-end 2024 and requested insurers to submit those reports.