Draft date: 7/22/26

2026 Summer National Meeting
Columbus, Ohio

FINANCIAL CONDITION (E) COMMITTEE
Friday, August 14, 2026
8:00 – 9:00 a.m.
Greater Columbus Convention Center—Battelle Grand Ballroom—Level 3

ROLL CALL

Nathan Houdek, Chair	Wisconsin	Mike Causey	North Carolina
Michael T. Caljouw, Vice Chair	Massachusetts	Judith L. French	Ohio
Michael Yaworsky	Florida	Michael Wise	South Carolina
Doug Ommen	Iowa	Amanda Crawford	Texas
Vicki Schmidt	Kansas	Kaj Samsom	Vermont
Grace Arnold	Minnesota	Scott A. White	Virginia
Mike Chaney	Mississippi	Jeff Rude	Wyoming
Kaitlin Asrow	New York		

NAIC Committee Support: Dan Daveline/Julie Gann/Bruce Jenson

AGENDA

1. Consider Adoption of its July 8 and Spring National Meeting Minutes —*Commissioner Nathan Houdek (WI)* — Attachment One

2. Consider Adoption of the Reports of its Task Forces and Working Groups —*Commissioner Nathan Houdek (WI)*
   - A. Accounting Practices and Procedures (E) Task Force — Pending
   - B. Capital Adequacy (E) Task Force — Pending
   - C. Financial Stability (E) Task Force — Pending
   - D. Examination Oversight (E) Task Force — Pending
   - E. Invested Assets (E) Task Force — Pending
   - F. Receivership and Insolvency (E) Task Force — Pending
   - G. Reinsurance (E) Task Force — Pending
   - H. Group Solvency Issues (E) Working Group — Pending
   - I. NAIC/American Institute of Certified Public Accountants (AICPA) (E) Working Group — Attachment Ten
   - J. National Treatment and Coordination (E) Working Group — Attachment Eleven
   - K. Reciprocal Exchanges (E) Working Group — Pending
   - L. Risk Retention Group (E) Working Group — Pending

3. Consider Adoption of a Referral to the Life Risk-Based Capital (E) Working Group—*Commissioner Nathan Houdek (WI)* — Attachment Fourteen

4. Consider Exposure of a Memorandum Regarding the *Disclosure of Material Transactions Model Act* (#285)—*Commissioner Nathan Houdek (WI)* — Attachment Fifteen

5. Consider a Referral from the Natural Catastrophe Risk and Resilience (EX) Task Force Related to Catastrophe Scenario (Rcat) Analysis —*Mike Peterson (CA)* — Pending

6. Receive an Update on the Future Work Plan of the Risk-Based Capital Investment Risk and Evaluation (E) Working Group—*Philip Barlow (DC)*

7. Receive an Update on the Work of the Invested Assets (E) Task Force —*Carrie Mears (IA)*

8. Receive an Update on the Artificial Intelligence (AI) Systems Evaluation Pilot—*Commissioner Kaj Samsom (VT)*

9. Receive an Update from the Mutual Recognition of Jurisdictions (E) Working Group—*John Rehagen (MO)*

10. Discuss Any Other Matters Brought Before the Committee —*Commissioner Nathan Houdek (WI)*

11. Adjournment

Draft: 7/16/26

Financial Condition (E) Committee
Virtual Meeting
July 8, 2026

The Financial Condition (E) Committee met July 8, 2026. The following Committee members participated: Nathan Houdek, Chair (WI); Michael T. Caljouw, Vice Chair (MA); Michael Yaworsky represented by Carolyn Morgan (FL); Doug Ommen and Kevin Clark (IA); Vicki Schmidt represented by Tish Becker (KS); Grace Arnold and Ben Slutsker (MN); Mike Chaney represented by Mark Cooley (MS); Mike Causey represented by Jacqueline Obusek (NC); Kaitlin Asrow represented by Bob Kasinow (NY); Judith L. French and Dale Bruggeman (OH); Michael Wise (SC); Amanda Crawford and Jamie Walker (TX); Scott A. White represented by Doug Stolte (VA); Kaj Samsom represented by Christine Brown (VT); and Jeff Rude (WY). Also participating were: Ken Cotrone (CT) and Philip Barlow (DC).

1. Heard Opening Comments

Commissioner Houdek noted that the Capital Adequacy (E) Task Force has procedures that require changes to risk-based capital (RBC) to be adopted by the end of June before the forthcoming year-end Dec. 31. He stated that the Committee typically adopts any significant changes that have been adopted by the Capital Adequacy (E) Task Force in early July, and this is the purpose of the meeting.

2. Adopted Proposed Changes to the RBC Preamble

Commissioner Houdek reminded the Committee that approximately two years ago, the Capital Adequacy (E) Task Force recommended revisions to the preamble to clarify the role of RBC. He noted that in 2025, the Risk-Based Capital Model Governance (EX) Task Force engaged in work that also impacted the preamble, namely, the adoption of the RBC principles at the 2025 Fall National Meeting. In June 2026, both the Risk-Based Capital Model Governance (EX) Task Force and the Capital Adequacy (E) Task Force unanimously adopted the revised preamble. Therefore, it is now ready for the Committee to adopt.

Commissioner Ommen made a motion, seconded by Commissioner Caljouw, to adopt the revised preamble (Attachment A). The motion passed unanimously.

3. Adopted RBC Proposal 2026-12-IRE-MOD

Barlow noted that the Risk-Based Capital Investment Risk and Evaluation (E) Working Group met on June 23 to consider RBC Proposal 2026-12-IRE-MOD and six comment letters received on the proposal. A significant amount of time was spent discussing numerous options for addressing the comments, but in the end, the Working Group adopted the original proposal from the American Academy of Actuaries (Academy) with a couple of modifications.

The first modification was that the Academy proposed applying the factors to both middle-market collateralized loan obligations (CLOs) and broadly syndicated CLOs. The Working Group also chose to include collateralized bond obligations (CBOs) and collateralized debt obligations (CDOs) to maintain consistency with annual statement reporting. The second modification to the Academy's proposal concerned the portfolio adjustment factor. The Academy proposed two options for the portfolio adjustment factor, and the Working Group opted for the approach that kept the factor and, for 2026, continued to allow insurance companies to count CLOs in the traditional bond portfolio adjustment.

Joe Engelhard (Alternative Investment Management Association—AIMA) summarized AIMA's comments (Attachment B). He emphasized that for years, it has sought a rigorous economic analysis to ensure that the capital charges for CLOs reflect the actual level of economic risk. He noted that the Academy proposal and its work used a comparable-attributes approach that empirically validates that the structural protections and broadly syndicated CLOs produce a meaningfully different level of actual economic risk than comparably rated corporate bonds. He said they also appreciated the Working Group's decision not to impose a corporate bond floor, which would have undermined the data-driven integrity of the framework, and this process shows the model of governance principles working as intended.

Engelhard asked whether the Committee could direct the Academy to complete the same data-driven asset-specific analysis for middle-market CLOs targeting year-end 2027 implementation for two reasons. First, AIMA believes this is the most consistent way to comply with the model governance risk principles. Second, there are some particularly important differences between broadly syndicated loans (BSLs) and middle-market CLOs that relate to how the RBC calibration was made. There are key differences, including collateral composition, default recovery dynamics, structural protections, and tranche thickness.

Marc Altschull (American Council of Life Insurers—ACLI) stated that the ACLI appreciates the significant work that has gone into the Academy's CLO modeling effort and the Risk-Based Capital Investment Risk and Evaluation (E) Working Group's review. The ACLI understands that the broader objective is to preserve regulatory certainty, maintain confidence in the RBC framework, and continue the disciplined modernization of structured security's capital requirements. The question was how the Committee would pair year-end 2026 with a clear, transparent, and timely commitment to model enhancements for year-end 2027. The ACLI recognizes the practical value of moving forward with a consistent approach in 2026 and is prepared to support the Academy-derived factors to both BSLs and middle-market CLOs, while also encouraging a clear commitment to continued analysis and model enhancements for year-end 2027. The ACLI is suggesting that the model enhancements are a request to establish a defined next phase of work that allows the framework to continue evolving as additional data analysis is completed and validated. Altschull said that distinction is important.

The ACLI is not claiming that the Academy model is not applicable to middle-market CLOs. The point is more precise. The Academy's analysis focused on a subset of the CLO market, principally BSL CLOs, and therefore, has not yet completed a middle-market-focused validation exercise. Applying the same factors to middle-market CLOs for 2026 may be a practical implementation decision, but the analytical work should continue to confirm whether that treatment remains appropriate over time. A separate middle-market focus workstream would allow regulators, NAIC committee support, and the Academy to determine whether the same factors remain appropriate for middle-market CLOs or whether adjustments are warranted based on the data. The objective should not be to assume different treatments. The objective should be to validate through analysis whether a different treatment is warranted. This is especially important because RBC is intended to reflect tail risk. If certain structural collateral features affect tail loss behavior, the model should be able to evaluate those features directly. If the analysis ultimately supports using the same factors for BSL and middle-market CLOs, that conclusion would bring confidence in the framework. If the analysis supports a different calibration, that conclusion would also strengthen the framework by ensuring capital remains aligned with validated risk characteristics.

The ACLI also believes this work aligns with the Working Group's discussion regarding when an asset class segment reaches sufficient scale or represents a significant industry allocation to justify more focused analysis. As structured security markets evolve, regulators will need a disciplined way to determine when additional data analysis is warranted to validate the appropriateness of CLO factors being applied. The defined 2027 roadmap for CLO model enhancements would be a practical and constructive example of that approach. The most immediate next phase on the structured products roadmap.

Altschull said that this work should include middle-market-focused validation, review of key sensitivity drivers, and further evaluation of tranche-level calibration. There is also a practical benefit to acting now. The Academy's familiarity with the data assumptions and modeling framework is highest while this work remains active. Authorizing the next phase now will help preserve continuity, reduce implementation risk, and avoid the inefficiency of restarting the effort after institutional knowledge has dissipated. This is not limited to CLOs, as the ACLI understands that the CLO project is part of a broader, structured security modernization initiative. Decisions made in the CLO context will set an important precedent for how model-based capital is applied to other structured assets.

For these reasons, Altschull said if the Committee moves forward with year-end 2026 adoption, the ACLI encourages it to do so with an explicit commitment to the 2027 enhancement roadmap, including middle-market focus validation, exposure of any proposed refinements for comment, and timely execution of validated improvement. He said that the ACLI supports moving forward in 2026 with regulatory certainty to advance the modernization of structured security. The ACLI also believes the Committee can strengthen confidence in the framework by making clear that 2026 adoption is the foundation for the next phase of model development, not the end of the analytical process. The defined 2027 roadmap would allow regulators, NAIC committee support, and the Academy to maintain momentum, preserve continuity, validate the model's application to middle-market CLOs, and establish a disciplined precedent for future structured securities work under the committee's oversight.

Commissioner Houdek stated that adopting the proposal does not mean the end of the Committee's work on CLO RBC modeling. The Risk-Based Capital Investment Risk and Evaluation (E) Working Group is planning to develop a work plan for further data collection and potential further refinement of the CLO modeling. However, the Working Group also has to balance the continued work on CLO modeling with other priority projects for the coming year. Commissioner Houdek noted that he anticipates hearing from Philip Barlow, chair of the Working Group, on further plans for the CLO RBC modeling work at the Summer National Meeting next month.

Commissioner Caljouw made a motion, seconded by Director Wise, to adopt RBC Proposal 2026-12-IRE-MOD (Attachment C). The motion passed unanimously.

4. Adopted RBC Proposal 2025-16-L-MOD

Slutsker said that historically, collateral loans were subject to a flat RBC charge equal to 6.8% of the asset value. The collateral backing of some of these loans can be fairly risky, so a good portion could be illiquid, sourced by an affiliate, not have an observable market value, and may otherwise incur a 30% or 45% RBC charge, instead of the 6.8%. Therefore, the proposal is to use a look-through approach, meaning that the charges are based on the risk of the underlying collateral rather than the loan itself.

He said that the Life Risk-Based Capital (E) Working Group also agreed that there should be a percentage reduction in the capital charge to reflect what is referred to as overcollateralization, given that the value of the collateral exceeds the loan amount, providing a cushion in the event of non-payment. In addition, RBC Proposal 2025-16-L-MOD has a few safeguards. The first is that a third party must independently verify the asset value to receive that reduction in the RBC charge. Second, upper and lower bounds must be provided for the possible range of that asset value. Third, a floor is set such that the reduction to the RBC charge cannot exceed 50%. For example, on a collateralized loan, a 30% charge applies; even with extensive overcollateralization, the charge will never drop below 15%. This outcome was reached through multiple public calls, in collaboration with various interested parties, and was ultimately voted on unanimously by the Capital Adequacy (E) Task Force. Slutsker noted that this change would not become effective until 2027.

Director French made a motion, seconded by Commissioner Arnold, to adopt RBC Proposal 2025-16-L-MOD (Attachment D). The motion passed unanimously.

5. Discussed NAIC Designations Update

Cotrone, chair of the Investment Designation Analysis (E) Working Group, reported that the NAIC designations assigned through the filing exemption (FE) process were fully adopted on Nov. 19, 2024. He added that implementation of this process depended on the development of the necessary technology enhancements to comply with the adopted process, and further that the basic required functionality for the FE Discretion process is now operational.

He also reported that the NAIC previously reported publicly that several credit rating agencies have paused their data feeds to the NAIC, and consequently, the NAIC temporarily suspended assigning NAIC designations to insurer investments that are based upon a public or private credit rating provider (CRP) rating (i.e., NAIC designations assigned through the FE/private letter rating [PLR] process). NAIC designations assigned by the Securities Valuation Office (SVO) or Structured Securities Group (SSG) are not impacted. He noted that insurers are allowed to use CRP-based FE/PLR NAIC designations from AVS+ as of June 17, 2026, the last date prior to suspension, for purposes of their filings with state insurance regulators and the NAIC for June 30, 2026, reporting until the CRP rating feed suspension impacting FE/PLR NAIC designations has been lifted and regular publication of all NAIC designations has resumed.

Having no further business, the Financial Condition (E) Committee adjourned.

Draft Pending Adoption

Draft: 4/1/26

Financial Condition (E) Committee
San Diego, California
March 25, 2026

The Financial Condition (E) Committee met in San Diego, CA, March 25, 2026. The following Committee members participated: Nathan Houdek, Chair (WI); Michael T. Caljouw, Vice-Chair (MA); Michael Yaworsky represented by Jane Nelson (FL); Doug Ommen, Kevin Clark, and Carrie Mears (IA); Vicki Schmidt represented by Steven A. Karrer (KS); Grace Arnold, Kathleen Orth, and Ben Slutsker (MN); Mike Chaney represented by David Browning (MS); Mike Causey represented by Jacqueline Obusek (NC); Kaitlin Asrow represented by Bob Kasinow (NY); Judith L. French and Tom Botsko (OH); Michael Wise represented by Diane Cooper (SC); Amanda Crawford represented by Jamie Walker (TX); Scott A. White, Doug Stolte, and Dan Bumpus (VA); Kaj Samsom (VT); and Jeff Rude (WY).

1. <u>Adopted its 2025 Fall National Meeting Minutes</u>

Director French made a motion, seconded by Commissioner Arnold, to adopt the Committee's Dec. 11, 2025, minutes (*see NAIC Proceedings – Fall 2025, Financial Condition (E) Committee*). The motion passed unanimously.

2. <u>Adopted the Reports of its Task Forces and Working Groups</u>

Commissioner Houdek stated that the Committee typically adopts one motion to approve its task force and working group reports, which are considered technical, noncontroversial, and not significant by NAIC standards (i.e., they do not include model laws, model regulations, model guidelines, or items deemed to be controversial). He reminded Committee members that after the adoption of its votes, all the technical items included within the reports adopted will be sent to the NAIC Members for review shortly after the conclusion of the 2025 Summer National Meeting as part of the Committee's technical changes report. Pursuant to the technical changes report process previously adopted by the Executive (EX) Committee and Plenary, the Members will have 10 days to comment. Otherwise, the technical changes will be considered adopted by the NAIC and effective immediately.

With respect to the task force and working group reports, Commissioner Houdek asked the Committee: 1) whether there are any items that should be discussed further; and 2) whether there are other issues not up for adoption that are currently being considered by task forces or working groups reporting to the Committee that require further discussion. The response to both questions was no.

In addition to presenting the reports for adoption, Commissioner Houdek noted that the Financial Analysis (E) Working Group met March 22, Feb. 19, and Jan. 22 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to discuss letter responses and financial results. Additionally, the Valuation Analysis (E) Working Group met March 22 and March 16 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to discuss valuation items related to specific companies.

Commissioner Ommen made a motion, seconded by Commissioner Caljouw, to adopt the reports of its task forces and working groups, including: Accounting Practices and Procedures (E) Task Force; Capital Adequacy (E) Task Force; Financial Stability (E) Task Force; Invested Assets (E) Task Force; and Reinsurance (E) Task Force. The motion passed unanimously.

Draft Pending Adoption

3. Received an Update on the AI Systems Evaluation Tool

Commissioner Samsom described how, earlier in 2026, the Big Data and Artificial Intelligence (H) Working Group finalized an initial draft of the artificial intelligence (AI) systems evaluation tool. This tool represents the latest step at the NAIC to adapt its examination or related processes for insurance company use of AI. The tool gives regulators an optional resource to assist in evaluating a company's use of AI systems. He stated that the pilot of the tool officially started earlier this month, meaning that regulators were cleared to send inquiries related to the tool. The pilot group of regulators is now holding weekly calls to coordinate company selection, share insights on anticipated responses, and receive training on the tool and the related data science, compliance, and governance concepts it reflects.

Commissioner Samsom stated that a common question is who will receive the tool. He said that it is a domestic regulator decision, but the pilot regulators are generally engaging their domestic companies to ensure the use of the tool is explained and understood. It is also worth noting that where a company is part of a group, the pilot regulators are coordinating among pilot group members or reaching out to non-pilot states to ensure all domestic states are aware of the inclusion of the company in the pilot. Commissioner Samsom noted that each domestic regulator has sent inquiries to a range of companies, but the pilot group will not be releasing specifics on company selections. He did, however, offer some general insights, noting that although there is a mix, more property/casualty (P/C) and life companies have been selected for the pilot. He said it is also worth noting that most of the pilot states selected between one and 10 insurers, with two states sending inquiries to more than 10. Commissioner Samsom also noted that regulators are using the tool to support a mix of regulatory processes, including a market conduct exam, financial exam, financial analysis, and as part of a more general regulatory inquiry.

Commissioner Samsom stated that communication throughout the pilot process is key, so the pilot state regulators are collaborating and sharing information to create a feedback loop and learn from each other. Throughout the pilot, the leadership has stressed open lines of communication between participating companies and regulators. Those leaders also anticipate creating a coordinated mechanism to solicit feedback on the tool for participating companies. Commissioner Samsom concluded by noting that the Working Group recognizes the broad interest at the NAIC, so updates on this initiative will be provided at future NAIC meetings and at multiple groups, including actuarial task force meetings, the Working Group's meetings, and several committee meetings.

4. Received an Update on the Work of the Invested Assets (E) Task Force

Mears summarized the activities of the Invested Assets (E) Task Force since its formation effective Jan. 1, 2026. She noted the new Task Force's subsidiary working groups, including the Investment Designation (E) Working Group, which met immediately before the Task Force. Included in that Working Group's report was an announcement of the increase in the number of private letter ratings rationale reports that have been received, which highlights the strain being put on the resources of the Securities Valuation Office (SVO) to meet its regulatory objectives in terms of the review of both the substance and actual analysis of the information in those reports. She emphasized this activity, noting that while no action was necessary at this time, she anticipated that the Task Force would return to the Committee with ways to move forward on the resource issues.

The update also included a summary of the activities of the Credit Rating Provider (E) Working Group, which is planning to meet in late April. During this meeting, a substantive update from the Credit Rating Provider Due Diligence project, PricewaterhouseCoopers (PWC), is expected.

The report also included an update on the work of the Investment Analysis (E) Working Group. The Working Group met once in regulatory-to-regulator session to establish a detailed six-month plan, which includes, among other things, a review of residential mortgage loans, level 3 assets, and an analysis of the new Schedule D reporting lines.

The Task Force itself spent most of its meeting receiving a presentation from Neuberger Berman on residential mortgage loans. Mears noted that the expectation is that analysis of the topic would continue, which may ultimately result in reporting back to the Committee on possible referrals to other groups for changes in reporting or disclosure. She also noted that the Task Force would continue to welcome outreach for specific topics where education and insight into other investment areas would be helpful.

Commissioner Houdek asked for clarification on two items: 1) the actual increase in private letter rationale reports; and 2) the timing of the release of the PWC report on due diligence. It was noted that, at a high level, the rationale reports increased from approximately 8,000 at the end of 2024 to more than 12,000 at the end of 2025. Mears responded that the PWC report is expected to be released for comment at the Credit Rating Provider (E) Working Group's meeting at the end of April. Commissioner Houdek added that he expected the Task Force to continue to provide updates to the Committee for the rest of 2026 as it evaluates whether the new Task Force is achieving its objectives set in 2025.

5. Received an Update from the Statutory Accounting Principles (E) Working Group on a Coinsurance/YRT Referral

Clark summarized that in connection with the referral the Statutory Accounting Principles (E) Working Group received from the Committee after the 2025 Fall National Meeting discussion regarding combination coinsurance/yearly renewable term (YRT) reinsurance agreements, the Working Group followed up on two items. The first was whether further training on permitted practices could be used to address the transition issues associated with existing contracts for this particular item. The second was to consider whether any tools were needed to accommodate states or jurisdictions that do not allow permitted practices as a matter of policy, since that was a topic of discussion at the 2025 Fall National Meeting.

To address these matters, an example permitted practice was distributed to all chief financial regulators to provide them guidance on how states could consider designing a permitted practice that allows for an orderly transition of existing contracts while addressing potential solvency concerns. Additionally, a survey was included asking whether any state needed further flexibility to be considered other than that provided through the permitted practice process. Clark noted that 47 responses were received and that all 47 states noted that no further flexibility was needed. During the Working Group's most recent meeting, it received a referral from the Committee and approved the response to the Committee (Attachment One) to inform it of the actions taken.

6. Adopted Proposal 2025-20-CR (Wildfire Rcat Implementation)

Botsko explained that proposal 2025-20-CR adds wildfire information to the current hurricane and earthquake information in the Rcat portion of the P/C risk-based capital (RBC) formula. While catastrophe risk was considered when the RBC formula was first implemented in the mid-1990s, hurricane and earthquake risk were not formally added to the P/C RBC formula until 2017. This implementation was after several years of collecting data on an informational-only basis. He noted that in the late 2010s, wildfire frequency increased significantly. In 2021, the Climate and Resiliency (EX) Task Force sent a referral to the Catastrophe Risk (E) Subgroup to expand the catastrophe perils in the P/C RBC formula, specifically including the wildfire peril. Since that time, the Subgroup has been in discussions with industry and regulators to evaluate the wildfire data reported in the RBC annual statement pages as informational-only since 2022. Botsko explained that NAIC staff recently evaluated the wildfire impact on RBC with 2024 and 2025 information.

Draft Pending Adoption

Botsko stated that the 2024 data showed that two companies worsened in their RBC action level, while the 2025 data showed no shifts in action levels. While there are impacts on RBC, the impact on the action levels is minimal. More importantly, the reflection of this risk in the RBC formula is important for the reflection of catastrophe risk. It is worth noting that the Subgroup is currently evaluating severe convective storms as another potential catastrophic risk peril to be considered using the same procedure as wildfires. This information has been collected since 2024, and it is expected that the Subgroup will move forward with this peril in the next two years. Botsko noted that this proposal was exposed through the Property and Casualty Risk-Based Capital (E) Working Group and Catastrophic Risk (E) Subgroup for a public comment that ended Jan. 11, 2026. No comments were received. The Working Group, Subgroup, and Capital Adequacy (E) Task Force adopted this proposal March 24.

Commissioner White made a motion, seconded by Commissioner Caljouw, to adopt proposal 2025-20-CR (Wildcat Rcat Implementation) (Attachment Two). The motion passed unanimously.

7. Received an Update on Proposed Changes to Collateral Loan RBC for Life Insurers

Slutsker began his summary of this issue (Attachment Three) with the point that when considering collateral loans, it is helpful to think about loans that are secured by admissible assets. For example, in a mortgage, if the loan cannot be paid, the collateral normally collected is the home. However, in the case of collateral loans, other types of assets, such as bonds, shares of stock, or mortgage loans, are all collected as collateral. Therefore, the basic concern is that these loans are receiving a flat capital charge equal to 6.8% of the asset value, but in some of these cases, the collateral backing these loans can be fairly risky assets themselves. A good portion of these may be sourced from an affiliate or have no observable market value and may otherwise receive a 30% or 45% capital charge, or much larger than the 6.8% currently received. So, instead of holding the assets directly for RBC, they are held in a loan structure and receive a more favorable RBC charge.

Slutsker stated that the proposal is to use a look-through approach, meaning the charges are based on the risk of the collateral rather than the loan itself. Slutsker noted that additional background on this issue is that this project started before 2024, when an RBC proposal from the American Council of Life Insurers (ACLI) used a look-through approach for collateral loans backed by mortgage loans, in which case a favorable RBC impact proposal was adopted. At that time, however, there was general agreement that, as a next step, the look-through approach should be applied more broadly to all types of collateral loans, which led to the current situation. Since then, there has been ongoing work, and there is general agreement on two items. The first is to use a look-through approach with a percentage reduction to reflect what is called overcollateralization, or the fact that the value of the collateral exceeds the loan amount itself. The second is to make this proposed change effective for year-end 2027 to allow more companies to prepare.

Slutsker stated that two proposals have been developed to address this item. One is a constant percentage reduction for the look-through approach, and the other, which was just exposed, is from the ACLI and proposes a varying percentage reduction based on different levels of overcollateralization for each asset. The advantage of the first proposal is that it does not require verifying the fair value of the assets that cannot be observed in the market. The advantage of the second proposal is that the risk change better captures the overcollateralization.

Commissioner Houdek thanked Slutsker for the summary and update and noted that since the Committee is not taking any action, this was for awareness only.

Commissioner Samsom asked whether this topic included loans where the collateral is solar installations. Slutsker responded that it did not and noted that the most common collateral is a limited partnership investment secured by admitted assets. Clark clarified that this project should not be confused with the project regarding collateralized loan obligations (CLOs), which are an entirely different asset class.

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Director French asked for clarification on the timing of this topic. Slutsker noted that Life Risk-Based Capital (E) Working Group has agreed via a straw poll to an effective 2027 date, which would allow plenty of time to work through the final details before adoption is needed in early 2027. He said, however, that he expected the discussions to be concluded by the end of 2026. Karrer stated that Kansas appreciated the Working Group's position on the timing, which considered comments received from various parties, including Kansas's.

Having no further business, the Financial Condition (E) Committee adjourned.

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Draft: 7/16/26

NAIC/American Institute of Certified Public Accountants (AICPA) (E) Working Group
Virtual Meeting
July 16, 2026

The NAIC/AICPA (E) Working Group of the Financial Condition (E) Committee met July 16, 2026. The following Working Group members participated: Doug Stolte, Chair (VA); Diana Sherman, Vice Chair (PA); Laura Clements (CA); Rylynn Brown (DE); Kevin Clark (IA); Kristin Hynes (MI); Shannon Schmoeger (MO); Andrea Johnson (NE); Ned Cataldo (NH); David Cook (OH); Johanna Nickelson (SD); and Jake Garn (UT).

1. Discussed the Premium Threshold

Stolte said the Working Group is responsible for reviewing the premium threshold amounts contained within the *Annual Financial Reporting Model Regulation* (#205) on an annual basis. Bruce Jenson (NAIC) gave an update on the results of the annual review, noting that as of Dec. 31, 2025, more than 94% of all direct written premiums and more than 96% of all gross written premiums are subject to internal control reporting requirements. Stolte noted that these results are within the Working Group's expectations, and no action to adjust the threshold is deemed necessary at this time.

2. Received a Presentation on the AICPA Definition of Public Interest Entities

Dave Osborn (Ernst & Young LLC) provided a presentation on how the AICPA's updated definition of Public Interest Entities (PIEs) applies to the U.S. insurance industry. Osborn stated that the AICPA Professional Ethics Committee (or PEEC) adopted a revised definition of PIEs to be included in the AICPA Code of Professional Conduct and applicable to certain audit firms. This resulted from the work of the PEEC to monitor and consider projects of the International Ethics Standards Board for Accountants' (IESBA) and evaluate whether related changes will enhance the AICPA Code and serve to better protect the public interest in the United States.

The revised definition of PIEs includes IESBA's mandatory categories, including an entity one of whose main functions is to provide insurance to the public, but defers to the relevant US regulators for purposes of the specific independence requirements. PEEC refined the insurance entity category to include insurers that:

1. are subject to the NAIC Annual Financial Reporting Model Regulation (or MAR) as adopted by the respective state insurance department; and
2. meet or exceed $500 million in direct and assumed premiums, which is the same threshold for management to file a report on internal control over financial reporting under the MAR.

The revised definition was effective for periods beginning on or after December 15, 2024. Therefore, the 2025 audit cycle was the first audit in which these additional requirements were effective for the audit firm. These auditor requirements do not conflict with any of the requirements that are applicable to the independent certified public accounting firm under the MAR. Rather, they would supplement the procedures that address the audit firm's independence under the MAR. A member who does not belong to a firm or network that voluntarily agrees to comply with IESBA will not be required to comply with any additional requirements and will only comply with the rules of the relevant regulator, where applicable. For an auditor of an insurance company, this would be the MAR. However, firms that voluntarily join the International Federation of Accountants (or IFAC) Forum of Firms may have certain commitments to comply with the Forum of Firms Constitution, including compliance with the new independence requirements.

One of the requirements that is in addition to the MAR is the communication of fee-related information for insurance companies that meet the definition of PIEs. This communication may take the form of a letter from the insurance company to relevant state insurance regulators to detail the amount of audit fees and other than audit fees for the current audit cycle, with a statement that the professional services covered by these fees are permissible services in accordance with the requirements of Section 7 of the NAIC MAR, as adopted by the rules and regulations of the domiciliary state regarding qualifications of independent certified public accountants.

While this letter to state insurance regulators would satisfy the requirement to publicly disclose fees, as regulators are widely recognized as being responsible for the oversight of insurance company operations on behalf of the public, such a letter is not required as the communication of fee-related information can take other forms (for example, posting similar information on a website that can be accessed by the public). However, the insurance company may have elected to file the letter with its domiciliary state regulator as part of the annual information reported to comply with insurance rules and regulations.

If such a communication is not made by the insurance company via a letter to state insurance regulators or otherwise, the audit firm would have to publicly disclose its fees. Osborn noted that the AICPA is not aware of this situation occurring for the 2025 audit cycle.

Jenson asked what form the letter to regulators is generally taking (i.e., standalone letter or included within other required filings) and whether it is received from the insurer or the auditor. Osborn stated that the letter is generally filed as a standalone communication from the insurer, although it may be filed at the same time as other reports associated with the annual audited financial statements.

Stolte thanked Osborn for the presentation and asked NAIC staff to prepare a communication for all states on this topic to educate them on the nature and purpose of audit fee letters that domestic regulators are now receiving from their PIEs.

Having no further business, the NAIC/AICPA (E) Working Group adjourned.

Https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/E CMTE/2026/2Summer/AICPA/7-16-26 AICPAWGmin.docx

Draft: 7/12/26

National Treatment and Coordination (E) Working Group
Virtual Meeting
June 24, 2026

The National Treatment and Coordination (E) Working Group of the Financial Condition (E) Committee met June 24, 2026. The following Working Group members participated: Cameron Piatt, Co-Chair (OH); Kelly Hopper, Co-Chair (MO); Cindy Hathaway (CO); Jack Broccoli (CT); Carolyn Morgan (FL); Tangela Byrd (LA); Paul Throckmorton (OR); Ursala Almada (NM); Jason Carr (WA); and Mark McNabb (WI). Also participating was: Dana Sanders (IA).

1. Discussed its 2026 Charges

Piatt provided a summary of the National Treatment and Coordination (E) Working Group charges for 2026: 1) increase utilization and implementation of the *Company Licensing Best Practices Handbook*; 2) encourage synergies between corporate changes/amendments and rate and form filing review and approval to improve efficiency; 3) continue to monitor the usage and make necessary enhancements to the Form A Database; 4) maintain educational courses in the existing NAIC Insurance Regulator Professional Designation Program for company licensing regulators; and 5) make necessary enhancements to promote electronic submission of all company licensing applications.

2. Discussed a Referral from the Financial Regulation and Accreditation (F) Committee

Hopper reviewed the referral from the Financial Regulation and Accreditation (F) Committee regarding companies with unique or restricted licenses. Hopper stated that the Committee asked the Working Group to consider potential enhancements to the NAIC *Company Licensing Best Practices Handbook* and the Uniform Certificate of Authority Application (UCAA) filing system to clearly identify these company types that have unique or restricted licenses and develop additional review guidance or considerations that may be relevant when receiving an application from one of these entities. Hopper said that the last update to the handbook was in 2021, and since then, there have been a few changes to the UCAA filing process. Hopper said he will take the lead on drafting possible edits, but would also like volunteers from the group to help.

3. Discussed a Referral from the Financial Condition (E) Committee

Hopper reviewed the referral from the Financial Condition (E) Committee regarding enhanced cybersecurity considerations for Form A best practices as they relate to both the *Company Licensing Best Practices Handbook* and the *Financial Analysis Handbook*. He stated that the Financial Analysis Solvency Tools (E) Working Group has begun updating the *Financial Analysis Handbook*, and the National Treatment and Coordination (E) Working Group will coordinate with them once the updates are complete. Hopper stated there is no action on this referral until the Financial Analysis Solvency Tools (E) Working Group finishes its updates.

4. Heard an Update on Appian and Other Updates

Bon Rector (NAIC) discussed recent updates to the UCAA portal. Updates were made to the UCAA dashboard, including separating the Corporate Amendments tabs into two tabs: one for domestic corporate amendments and one for foreign corporate amendments. Filters were added to search for active or closed applications.

Another update was the addition of a new column to the dashboard to include the change type. Rector said that, with Form 14 moved to the new portal, this is the last application type to be moved. She advised that since applications are no longer being submitted in the legacy portal, the portal will be decommissioned on Aug. 1, 2026. Rector advised that all applications still requiring approval in the legacy portal will need to be done so prior to the deadline. She also advised that if any documents from the legacy portal are needed, they will need to be downloaded by Aug. 1.

Rector advised that the current enhancement to the new portal is to separate Form 12 from corporate amendments and make it a separate tab on the dashboard. Once this is done, future enhancements will focus on reducing the steps required for jurisdictions to approve and complete an application and enhancing the email notifications sent by the system.

Rector also said it has been a while since new third-party vendors were approved, and that she would like a new subgroup to develop a process for vetting and approving them. She would like the Working Group to consider it for the next meeting.

Hopper mentioned allowing companies to change an administrative office address in the new portal as a standalone, such as the mailing address. Sanders agreed. Rector said the idea will be explored.

5. Discussed the Need for Volunteers

Piatt discussed the need for volunteers to help update the *Company Licensing Best Practices Handbook*. He said Hopper has offered to assist, but he still needs a few volunteers. If there are not enough volunteers, he will reach out to a few Members to see if they can volunteer.

6. Discussed the Upcoming Webinar and Other Form 12 Questions

Hopper reminded everyone of the upcoming webinar, "NAIC Rapid Growth Annuity Writer Webinar for Licensing and Financial Analysts," on Sept. 1 from 1:00 to 2:30 p.m. CT.

Sanders asked if the Form 12 enhancement would incur an NAIC usage fee. Rector said that no usage fee will be incurred. Almada asked if officer and director updates are still required for Form 12. Rector said no, since they are not required, it is not necessary. Rector also said there will still be a request-for-information option in the application.

Having no further business, the National Treatment and Coordination (E) Working Group adjourned.

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

MEMORANDUM

To: Ben Slutsker (MN), Chair of the Life Risk-Based Capital (E) Working Group

From: Commissioner Nathan Houdek (WI), Chair of the Financial Condition (E) Committee

Date: July 27, 2026

Re: Reinsurance Recapture and Counterparty Risk

As you are aware, an increasing number of U.S. life and annuity insurers have ceded large portions of their business to reinsurers in non-U.S. jurisdictions in recent years. Most of this business has been ceded to reinsurers in Bermuda, which has been recognized as a reciprocal jurisdiction and has continued to make meaningful enhancements to its regulatory system in recent years. Overall, many of the regulatory changes adopted by the Bermuda Monetary Authority (BMA) have been viewed positively by U.S. regulators, and states with experience collaborating with the BMA generally report a favorable view of Bermuda as a reciprocal jurisdiction.

While reinsurance is a risk-mitigation tool that diversifies the risks borne by insurers, it also changes the nature of those risks. In life and annuity reinsurance, pricing/underwriting, reserving and market risks are transferred to the reinsurer and replaced by credit risk. As a result, the cedent's primary concern becomes the reinsurer's ability to meet its obligations and the possibility that the ceded business may need to be recaptured.

Reinsurance has long been used to stabilize life and annuity operations, support growth, and mitigate risk. Historically, however, its use in the U.S. has been relatively limited, accounting for only 6% of policy obligations in 1999.[1] After the global financial crisis (GFC), declining interest rates placed significant pressure on annuity writers, leading many U.S. insurers to sell or reinsure substantial portions of their business. Increasingly, those transactions have been executed with reinsurers domiciled outside the U.S. to take advantage of lower taxes and other regulatory benefits.[2]

[1] See the Federal Reserve, *Accounting for Reinsurance Transactions in the Financial Accounts of the United States, Accessible Data*.
[2] The Society of Actuaries Research Institute February 2026 report, *International Reinsurance Landscape Overview for U.S. Life & Annuities*, synthesizes why and how U.S. carriers are using cross-border solutions, the structures they choose (third-party, affiliates, and sidecars), and where they domicile them.

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As more business is ceded to jurisdictions outside the U.S., recapture risk also increases. Beyond the operational complexities of recapturing previously ceded business, returning those policies to the cedent's balance sheet would increase capital requirements.

In 2025, the NAIC adopted *Actuarial Guideline LV—Application of the Valuation Manual for Testing the Adequacy of Reserves for Certain Life Reinsurance Treaties* (AG 55). Preliminary reviews that the NAIC's Valuation Analysis (E) Working Group conducted indicate that business ceded to unauthorized reinsurers generally comes from newer, relatively small annuity writers offering aggressive crediting rates. These transactions also tend to produce larger reductions in total asset requirements than comparable business ceded to Bermuda.

As a result, the ceding company may face greater capital strain if the business must be recaptured or if the reinsurer experiences solvency issues. Many state insurance regulators believe this risk warrants immediate attention given the increase in the continued growth in offshore reinsurance transactions.

Therefore, the Committee directs that the Life Risk-Based Capital (E) Working Group develops the following two changes to the life RBC formula:

- A reinsurance recapture RBC factor to be applied to ceded reserves and modified coinsurance balances for all reinsurance located outside of reciprocal jurisdictions while of course considering an overcollateralizing of the reserves in establishing the required RBC. The factor would account for the additional capital that would be required if a ceding company had to recapture those reserves.
- To account for increased credit risk for reinsurers that have lower financial strength ratings, modify the reinsurance methodology used in the life RBC formula for recoverability risk by aligning with the approach used in the property/casualty (P/C) RBC formula.

Because the NAIC already has a contract with Bridgeway Analytics, the firm is available to assist with this work. The Committee directs that these efforts be prioritized so that the changes are in place for year-end 2027.

If there are any questions regarding this referral, please contact NAIC committee support (Dan Daveline, ddaveline@naic.org) for further clarification.

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

MEMORANDUM

To: Members, Interested Regulators and Interested Parties of the Financial Condition (E) Committee

From: Commissioner Nathan Houdek, (WI), Chair of the Financial Condition (E) Committee

Date: July 27, 2026

Re: NAIC Model 285-*Disclosure of Material Transactions Model Act* (#285)

As you are aware, there has been an emerging trend in recent years where an increasing number of U.S. life and annuity insurers have been ceding large portions of their business to other insurers, both affiliated and unaffiliated. While material affiliated reinsurance agreements are reviewed by the cedent's domestic regulator, non-affiliated agreements are not typically subject to regulatory review by the cedent's domestic regulator. This limits the ability of the domestic regulator to gain comfort of such cessions to unaffiliated reinsurers ahead of the transaction. A number of regulators have suggested the Committee should review the thresholds and requirements for reinsurance transactions in Model #285 to determine if those provisions remain appropriate.

This memorandum requests input from members, interested regulators and interested parties of the Financial Condition (E) Committee on that topic and more specifically what the more appropriate thresholds may be. Once the Committee receives such input, it will then consider whether the Committee should request approval from the NAIC Executive (EX) Committee to open up Model 285 to make such changes.

Please submit comments to NAIC staff (Dan Daveline, ddaveline@naic.org).

DISCLOSURE OF MATERIAL TRANSACTIONS MODEL ACT

Table of Contents

Section 1. Report

A. Every insurer domiciled in this state shall file a report with the commissioner disclosing material acquisitions and dispositions of assets or material nonrenewals, cancellations or revisions of ceded reinsurance agreements or material new ceded reinsurance agreements affecting in force life insurance business unless the acquisitions and dispositions of assets or material nonrenewals, cancellations or revisions of ceded reinsurance agreements or material new ceded reinsurance agreements affecting in force life insurance business have been submitted to the commissioner for review, approval or information purposes pursuant to other provisions of the insurance code, laws, regulations, or other requirements.

B. The report required in Subsection A is due within fifteen (15) days after the end of the calendar month in which any of the foregoing transactions occur.

C. One complete copy of the report, including any exhibits or other attachments, shall be filed with:

(1) The insurance department of the insurer’s state of domicile; and

(2) The National Association of Insurance Commissioners.

Section 2. Acquisitions and Dispositions of Assets

A. Materiality.

No acquisitions or dispositions of assets need be reported pursuant to Section 1 if the acquisitions or dispositions are not material. For purposes of this Act, a material acquisition (or the aggregate of any series of related acquisitions during any thirty-day period) or disposition (or the aggregate of any series of related dispositions during any thirty-day period) is one that is non-recurring and not in the ordinary course of business and involves more than five percent (5%) of the reporting insurer’s total admitted assets as reported in its most recent statutory statement filed with the insurance department of the insurer’s state of domicile.

B. Scope.

(1) Asset acquisitions subject to this Act include every purchase, lease, exchange, merger, consolidation, succession or other acquisition other than the construction or development of real property by or for the reporting insurer or the acquisition of materials for such purpose.

(2) Asset dispositions subject to this Act include every sale, lease, exchange, merger, consolidation, mortgage, hypothecation, assignment (whether for the benefit of creditors or otherwise), abandonment, destruction or other disposition.

C. Information to be Reported.

(1) The following information is required to be disclosed in any report of a material acquisition or disposition of assets:

(a) Date of the transaction;

(b) Manner of acquisition or disposition;

(c) Description of the assets involved;

(d) Nature and amount of the consideration given or received;

(e) Purpose of, or reason for, the transaction;

(f) Manner by which the amount of consideration was determined;

(g) Gain or loss recognized or realized as a result of the transaction; and

(h) Names of the persons from whom the assets were acquired or to whom they were disposed.

(2) Insurers are required to report material acquisitions and dispositions on a non-consolidated basis unless the insurer is part of a consolidated group of insurers which utilizes a pooling arrangement or 100 percent reinsurance agreement that affects the solvency and integrity of the insurer's reserves and the insurer ceded substantially all of its direct and assumed business to the pool. An insurer is deemed to have ceded substantially all of its direct and assumed business to a pool if the insurer has less than $1,000,000 total direct plus assumed written premiums during a calendar year that are not subject to a pooling arrangement and the net income of the business not subject to the pooling arrangement represents less than five percent (5%) of the insurer's capital and surplus.

Section 3. Nonrenewals, Cancellations or Revisions of Ceded Reinsurance Agreements

A. Materiality and Scope.

(1) No nonrenewals, cancellations or revisions of ceded reinsurance agreements or new ceded reinsurance agreements affecting in force life insurance business need be reported pursuant to Section 1 if the nonrenewals, cancellations or revisions of ceded reinsurance agreements or new ceded reinsurance agreements affecting in force life insurance business are not material. For purposes of this Act, a material nonrenewal, cancellation or revision of a ceded reinsurance agreement or a material new ceded reinsurance agreement affecting in force life insurance business is one that affects:

(a) As respects property and casualty business, including accident and health business written by a property and casualty insurer:

(i) More than fifty percent (50%) of the insurer's total ceded written premium; or

(ii) More than fifty percent (50%) of the insurer's total ceded indemnity and loss adjustment reserves.

(b) As respects life, annuity, and accident and health business: more than fifty percent (50%) of the total reserve credit taken for business ceded, on an annualized basis, as indicated in the insurer's most recent annual statement.

(c) As respects either property and casualty or life, annuity, and accident and health business, either of the following events shall constitute a material revision which must be reported:

(i) An authorized reinsurer representing more than ten percent (10%) of a total cession is replaced by one or more unauthorized reinsurers; or

(ii) Previously established collateral requirements have been reduced or waived as respects one or more unauthorized reinsurers representing collectively more than ten percent (10%) of a total cession.

(2) However, no filing shall be required if:

(a) As respects property and casualty business, including accident and health business written by a property and casualty insurer: the insurer's total ceded written premium represents, on an annualized basis, less than ten percent (10%) of its total written premium for direct and assumed business, or

(b) As respects life, annuity, and accident and health business: the total reserve credit taken for business ceded represents, on an annualized basis, less than ten percent (10%) of the statutory reserve requirement prior to any cession.

B. Information to be reported.

(1) The following information is required to be disclosed in any report of a material nonrenewal, cancellation or revision of ceded reinsurance agreements or material new ceded reinsurance agreements affecting in force life insurance business:

(a) Effective date of the nonrenewal, cancellation, revision or new agreement;

(b) The description of the transaction with an identification of the initiator thereof;

(c) Purpose of, or reason for, the transaction; and

(d) If applicable, the identity of the replacement reinsurers.

(2) Insurers are required to report all material nonrenewals, cancellations or revisions of ceded reinsurance agreements or material new ceded reinsurance agreements affecting in force life insurance business on a non-consolidated basis unless the insurer is part of a consolidated group of insurers which utilizes a pooling arrangement or 100 percent reinsurance agreement that affects the solvency and integrity of the insurer's reserves and the insurer ceded substantially all of its direct and assumed business to the pool. An insurer is deemed to have ceded substantially all of its direct and assumed business to a pool if the insurer has less than $1,000,000 total direct plus assumed written premiums during a calendar year that are not subject to a pooling arrangement and the net income of the business not subject to the pooling arrangement represents less than five percent (5%) of the insurer's capital and surplus.

Section 4. Confidentiality

A. All reports obtained by or disclosed to the commissioner pursuant to this Act in the possession or control of the Department of Insurance, shall be confidential by law and privileged, shall not be subject to [insert open records, freedom of information, sunshine or other appropriate phrase], shall not be subject to subpoena, and shall not be subject to discovery or admissible in evidence in any private civil action without the prior written consent of the insurer to which it pertains. However, the commissioner is authorized to use the documents, materials or other information in the furtherance of any regulatory or legal action brought as a part of the commissioner's official duties.

B. After giving the insurer who would be affected notice and an opportunity to be heard, the commissioner may determine that the interest of policyholders, shareholders or the public will be served by publication of the information subject to Subsection A, in which event the commissioner may publish all or any part in the manner the commissioner may deem appropriate.

C. Neither the commissioner nor any person who received documents, materials or other information while acting under the authority of the commissioner shall be permitted or required to testify in any private civil action concerning any confidential documents, materials or information subject to Subsection A.

D. In order to assist in the performance of the commissioner's duties, the commissioner:

(1) May share documents, materials or other information, including the confidential and privileged documents, materials or information subject to Subsection A, with other state, federal and international regulatory agencies, with the NAIC and its affiliates and subsidiaries, and with state, federal and international law enforcement authorities, provided that the recipient agrees to maintain the confidentiality and privileged status of the document, material or other information;

(2) May receive documents, materials or information, including otherwise confidential and privileged documents, materials or information, from the NAIC and its affiliates and subsidiaries, and from regulatory and law enforcement officials of other foreign or domestic jurisdictions, and shall maintain as confidential or privileged any document, material or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material or information; and

(3) [Optional provision] May enter into agreements governing sharing and use of information consistent with this subsection.

Drafting Note: The language in Subsection D(1) assumes the recipient has the authority to protect the applicable confidentiality or privilege, but does not address the verification of that authority, which would presumably occur in the context of a broader information sharing agreement.

E. No waiver of any applicable privilege or claim of confidentiality in the documents, materials or information shall occur as a result of disclosure to the commissioner under this section or as a result of sharing as authorized in Subsection D.

Section 5. Effective Date

This Act shall take effect on [insert date].

Chronological Summary of Action (all references are to the Proceedings of the NAIC).

1993 Proc. I 8, 136, 276, 302, 304-306 (adopted).
1993 Proc. 2nd Quarter 12, 17, 24-26, 30, 101 (amended and reprinted).
1994 Proc. 3rd Quarter (amended and reprinted).
1999 Proc. 4th Quarter 15, 364, 369, 373-374 (amended).
2000 Proc. 4th Quarter 16, 17, 832, 965, 973-975 (amended and reprinted)