2026 Summer National Meeting
Columbus, Ohio

INVESTED ASSETS (E) TASK FORCE
Thursday, August 13, 2026
12:30 – 1:30 p.m.

Meeting Summary Report

The Invested Assets (E) Task Force met Aug. 13, 2026. During this meeting, the Task Force:

1. Adopted the report of the Investment Designation Analysis (E) Working Group, which met Aug. 13. During this meeting, the Working Group took the following action:
   A. Adopted its Spring National Meeting minutes.
   B. Adopted its 2027 proposed charges.
   C. Adopted the following amendments to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual):
      i. Updated the list of NAIC credit rating providers (CRPs).
      ii. Revised guidance for the analysis of parent-subsidiary situations.
   D. Exposed a proposed amendment to the P&P Manual to update the filing exempt (FE) treatment of collateralized loan obligations (CLOs) for a 30-day public comment period ending Sept. 14.
   E. Directed NAIC committee support to refer to the Credit Rating Provider (E) Working Group a request from a rating agency to become an approved CRP.
   F. Heard a presentation from NAIC committee support regarding a request to add a nationally recognized statistical rating organization (NRSRO) to the NAIC's list of NRSROs to be used to administer the NAIC's list of qualified U.S. financial institutions.
   G. Heard a report from the Chair that the NAIC's ability to implement discretion over NAIC Designations assigned through the Filing Exemption Process is operational.
   H. Moved to permit the SVO to temporarily extend the private rating filing deadlines for a period equivalent to the outage period that began on Jun. 17, 2026.

2. Adopted the report of the Credit Rating Provider (E) Working Group, which met Aug. 12. During this meeting, the Working Group took the following action:
   A. Adopted its May 4 minutes. During this meeting, the Working Group took the following action:
      i. Exposed the proposed CRP Due Diligence Framework for a 60-day public comment period ending July 3.
   B. Discussed comments received on the proposed CRP Due Diligence Framework, which was exposed for a 60-day public comment period ending July 3. The Framework will introduce quantitative and qualitative processes to assess CRPs' ratings for use in NAIC processes, ensuring the reasonableness of investment risk assessments.
   C. Directed NAIC committee support to work with PricewaterhouseCoopers (PwC) to prepare a revised version of the Framework.

3. Received the report of the Investment Analysis (E) Working Group, which met June 29 and May 14 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings. During these meetings, the Working Group took the following action:
   A. Heard a presentation from NAIC committee support on mortgage loans, specifically the growth of residential mortgage loan portfolios with life companies. The presentation noted the rapid growth of residential mortgage loan exposure since 2021, increasing concentration levels among certain insurers, and limitations in current reporting that restrict regulators' ability to evaluate the underlying risk characteristics of these investments.
   B. Discussed *Statement of Statutory Accounting Principles (SSAP) No. 37—Mortgage Loans* and how it provides limited guidance regarding the distinction between traditional residential mortgage loans and certain larger or more complex mortgage loan structures that may exhibit risk characteristics more commonly associated with commercial real estate lending.
   C. Issued a referral to the Statutory Accounting Principles (E) Working Group and the Life Risk-Based Capital (E) Working Group, seeking evaluation of whether existing statutory accounting guidance, reporting requirements, and risk-based capital (RBC) treatment continue to appropriately reflect the evolving composition of residential mortgage loan investments held by insurers.
   D. Heard a presentation from NAIC committee support on investments categorized as level 3 under *SSAP No. 100—Fair Value*, with a particular focus on Note 20C fair value hierarchy disclosures. The Working Group observed that current Note 20C reporting exhibits significant variability in structure, granularity, and presentation across reporting entities, limiting comparability and regulatory analysis. The Working Group also noted that Note 20C is currently a free-form disclosure that does not require standardized alignment with statutory investment schedules. This current reporting practice introduces inconsistencies in data quality, including variations in security descriptions and naming conventions across reporting periods. Additionally, the lack of a standardized mapping between Note 20C and existing statutory investment schedules limits regulators' ability to efficiently trace fair value hierarchy disclosures back to underlying reported investments.
   E. Issued a referral to the Statutory Accounting Principles (E) Working Group seeking evaluation of whether existing disclosure requirements continue to provide the consistency, transparency, and comparability needed to effectively assess fair value measurements, particularly for investments classified within level 3 of the fair value hierarchy.
   F. Released an updated six-to-nine-month agenda.

4. Heard a presentation from members of the NAIC/American Institute of Certified Public Accountants (AICPA) (E) Working Group on private credit and auditing fair value estimations for certain investments, specifically assets with a fair value hierarchy of level 3 as defined in SSAP No. 100.