

Reinsurance (E) Task Force December 2, 2007

The Reinsurance (E) Task Force met on Sunday, December 2, 2007.

During this meeting, the Task Force:

- Received a report from the SVO Approved Bank Listing Working Group concerning the Eligibility Standards and Bank List issued by the SVO. The list is used by state insurance departments for purposes consistent with the NAIC Financial Conditions Framework, including the determination of whether an entity is eligible to be a qualified U.S. financial institution to issue or confirm letters of credit or capable of performing the duties of a trustee for credit for reinsurance purposes. The SVO Approved Bank Listing Working Group recommended that the Eligibility Standards and the Bank List be supplemented by the creation of a second category of consolidated financial institutions that are supervised by the SEC and that satisfy certain stringent reporting, supervision and examination requirements on a group-wide basis consistent with SEC rules and the Basel Standards.
- Voted to adopt the reinsurance regulatory modernization framework memorandum with some minor revisions. The framework memorandum is expected to be voted upon by the Financial Condition (E) Committee at this meeting and, if adopted by the E Committee, the NAIC Plenary would vote on the proposal prior to the end of 2007.
- Discussed the possibility of an interim meeting in late January 2008 in order to begin addressing outstanding issues listed in the framework memorandum.

Action Items:

1. Adopted the minutes from the Nov. 7-8 interim meeting of the Reinsurance Task Force in Atlanta, GA.
2. Adopted the reinsurance regulatory modernization framework memorandum.