

**Minutes of the Interstate Insurance Product Regulation Commission (IIPRC)
Teleconference Meeting
May 25, 2007**

Commission Members in Attendance:

Commissioner Jane Cline, Chair, West Virginia
Fran Wallace as a designated representative for Commissioner Linda Watters, Michigan
Brian Pennington as a designated representative for Commissioner Glenn Wilson, Minnesota
Director Linda Hall, Alaska
John Postolowski as a designated representative for Commissioner Marcy Morrison, Colorado
Margaret Witten as a designated representative for Commissioner John Oxendine, Georgia
Shelley Santo, Hawaii
Commissioner Jim Atterholt, Indiana
Roseanne Mead as a designated representative for Commissioner Susan Voss, Iowa
Commissioner William Deal, Idaho
Tom Whalen as a designated representative for Commissioner Sandy Praeger, Kansas
DJ Wasson as a designated representative for Director Julie McPeak, Kentucky
Jim McMahan as a designated representative for Commissioner Steven Orr, Maryland
Thomas Record as a designated representative for Acting Superintendent Eric Cioppa, Maine
John Rink as a designated representative for Director Tim Wagner, Nebraska
Commissioner Roger Sevigny, New Hampshire
Ted Hamby as a designated representative for Commissioner Jim Long, North Carolina
Director Mary Jo Hudson, Ohio
Commissioner Kim Holland, Oklahoma
Brad Harker as a designated representative for Acting Commissioner Randy Rohrbaugh, Pennsylvania
Leila Alvarado as a designated representative for Commissioner Dorelisse Juarbe Jimenez
Elizabeth Dwyer as a designated representative for Superintendent Joseph Torti, Rhode Island
Shawn Hawk as a designated representative for Commissioner Leslie A. Newman, Tennessee
Sara Waite as a designated representative for Commissioner Mike Geeslin, Texas
Commissioner D. Kent Michie, Utah
Kevin Moriarity as a designated representative for Commissioner Paulette Thabault, Vermont
Don Beatty as a designated representative for Commissioner Al Gross, Virginia
Beth Berendt as a designated representative for Commissioner Mike Kriedler, Washington
Commissioner Ken Vines, Wyoming

Legislative Committee Members in Attendance:

Heather Morton, NCSL

Industry Advisory Committee Members in Attendance

Michael Lovendusky, ACLI
Miriam Krol, ACLI
Cande Olsen, New York Life
Nancy Johnson, UNUM
Michael Gerber, NAIFA
Gary Sanders, NAIFA, AHIA

Consumer Advisory Committee Members in Attendance:

Ryan Wilson, AARP
Rod Bordelon, Texas Office of the Public Insurance Counsel

Regulator Staff in Attendance:

Howard Max, Maryland
Stewart Johnson, North Carolina
Michael Ridgeway, Oklahoma
Betsy Jerome, Utah

Interested Regulators in Attendance:

Mary Kozinski, Arizona
Gayle Woods, Oregon
Susan Ezalarab, Wisconsin

Interested Parties in Attendance:

Glenn Daly, John Hancock
Michael Fager, Genworth Financial
Marie Roche, John Hancock Life Insurance
Kelley Ireland, ACLI
Shelia Melzer, State Farm
Josh May, Coventry
Jack Kelley, Kelley & Associates
Alia Kahn, Texas Office of the Public Insurance Counsel

IIPRC Staff in Attendance:

Frances Arricale, Executive Director
Sara Bamford, Administrative Coordinator

NAIC Staff in Attendance:

Kay Noonan, General Counsel
Becky McElduff, Staff Attorney
Karen Schutter, Strategic Initiatives

Commissioner Cline called the meeting of the Interstate Insurance Product Regulation Commission to order.

Commissioner Cline noted that the only item on the Agenda for the Commission meeting is to consider adoption of the Proposed Operating Procedure for the Filing and Approval of Product Filings. Commissioner Cline explained that this is the baseline rule that is needed by the Commission to begin our product filing operations. Commissioner Cline noted that the Rule was approved by the Management Committee on April 23, 2007. Commissioner Cline also noted that the proposed rule includes the “Mix and Match” process that would allow insurers to utilize already-approved state forms with Commission-approved forms for an interim time as the Commission continues to develop its Uniform Standards in the four (4) product lines.

Commissioner Cline reported that Frances Arricale, IIPRC Executive Director, has noticed out the rule as was approved by the Management Committee and since that time, Pennsylvania and Washington have proposed additional amendments to the approved Filing Rule. Commissioner Cline noted that the proposed amendments were also noticed out to the Members, Committees and the public as part of Advance Materials for the Commission meeting.

Commissioner Cline explained that if the amendments are to be considered, then a motion will need to be made to send the Rule back to the Management Committee to reconsider the proposed Filing Rule with the proposed amendments. The Management Committee then will need to consider approval of the Rule with these amendments. Commissioner Cline continued, the Rule would then be sent back to the

Commission to be considered for adoption as approved with the amendments included. Commissioner Cline explained that there is an interest in having the Management Committee reconsider the Rule as amended. Commissioner Cline noted that there is a Management Committee meeting scheduled for Friday, June 1 in San Francisco and the Commission is scheduled to meet on the same day at the conclusion of the Management Committee meeting. Commissioner Cline highlighted this information as it is the intent of the Commission to continue its forward moving progress with regard to the start of the product filing operations. Commissioner Cline noted that in order to begin the filing operations, the Operating Procedure for the Filing and Approval of Product Filings will be needed, as in addition to the “Mix and Match” provision, the Rule contains the necessary general procedures for filing acceptance and review.

Commissioner Cline asked if Washington and Pennsylvania would highlight the proposed amendments that have been submitted. Brad Harker, from Pennsylvania, and Beth Berendt, from Washington, highlighted the changes that were made to Section 110 of the Operating Procedure as it relates to State Filings. The changes that were proposed were to allow the following. First, the Compacting States could make a request from the companies for copies of the State Product Components identified with respect to such Compacting State. Second, to further expand the use of the Statement of Intent Certification as it relates to the commissioner of a Compacting State to prohibit the combined use of a Commission Product Component with a State Product Component. Third, clarifies the role of the commissioner of a Compacting State with regard to the sale of a combined product with a Commission Product Component and a State Product Component.

Commissioner Cline asked if there was a motion to send the proposed Product Filing Rule back to the Management Committee for reconsideration upon the inclusion of the proposed amendments by Pennsylvania and Washington. Director Hudson, Ohio, made the motion and Commissioner Sevigny, New Hampshire, seconded the motion.

Commissioner Cline asked if there were any comments. Ryan Wilson, from the AARP and a member of the Consumer Advisory Committee, noted that he was supportive of these amendments. There were no other comments.

Commissioner Cline asked Ms. Arricale to conduct a Roll Call vote. The motion was adopted by unanimous vote.

Commissioner Cline asked the Members of the Management Committee to please review the amendments in advance of next week’s scheduled meeting. Commissioner Cline reminded everyone that after the Management Committee approves the Rule during the meeting, that the Commission will receive it at their meeting. Commissioner Cline thanked all the members of the Commission, Committees and all Interested Parties for their time in working to make the Commission operational shortly. Commissioner Cline noted that the work on the “Mix and Match” process has demonstrated the commitment of the state-based regulatory system to proactively meet the challenges of the evolving financial marketplace while continually holding the bar on consumer protection.

Commissioner Cline asked if there were any other matters to be considered during the meeting. Hearing none, Commissioner Cline asked if there was a motion to adjourn. Don Beatty, from Virginia, made the motion and Ted Hamby, North Carolina, seconded the motion.