



**JOINT MEETING OF THE MANAGEMENT COMMITTEE AND THE
INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION**

Monday, December 17, 2012

1:30 pm ET / 12:30 pm CT / 11:30 am MT / 10:30 am PT

1. Roll Call
2. [Commission Consideration to Adopt the:](#)
 - a. Amendments to the IIPRC Terms and Procedures for IIPRC Filing Fees
 - b. 2013 Annual Budget
 - c. Schedule of Fees
3. [Management Committee Consideration to Approve the November 28th Joint Management Committee and Commission Meeting Minutes](#)
4. [Commission Consideration to Adopt the November 28th Joint Management Committee and Commission Meeting Minutes as Approved by the Management Committee](#)
5. [Update on Illinois' Implementation Process and Consider Extension of Illinois' Stay of the Effectiveness of Certain Uniform Standards](#)
6. [Formation of IIPRC Member Committees and Industry Advisory Committee](#)
7. [Operational Update](#)
8. Any Other Matters
9. Adjourn

**Minutes of the Joint Meeting of the Management Committee and the Interstate Insurance
Product Regulation Commission
Monday, December 17th 2012**

Members of the Commission and Department Staff in Attendance:

Commissioner Roger Sevigny, Chair, New Hampshire
Commissioner Michael Consedine, Vice Chair, Pennsylvania
Commissioner Joseph G. Murphy, Treasurer, Massachusetts
Director Bret Kolb, Alaska
Steve Manders, as a designated representative for Commissioner Ralph Hudgens, Georgia
Martha Im, as a designated representative for Commissioner Ito, Hawaii
Michele Mishimoto, Hawaii
Donna Daniel, as a designated representative for Director William Deal, Idaho
Cindy Colonius, as a designated representative for Director Andrew Boron, Illinois
Mihir Nag, as a designated representative for Commissioner Stephen Robertson, Indiana
Jason Lapham, as a designated representative for Commissioner Sandy Praeger, Kansas
Commissioner Sharon Clark, Kentucky
Barry Ward, as a designated representative for Commissioner James Donelon, Louisiana
Superintendent Eric Cioppa, Maine
Brenda Wilson, as a designated representative for Commissioner Therese Goldsmith, Maryland
Ed Charbonnier, Massachusetts
Joe Garcia, as a designated representative for Commissioner R. Kevin Clinton, Michigan
Tammy Lohmann, as a designated representative for Commissioner Mike Rothman, Minnesota
Jay Eads, as a designated representative for Commissioner Mike Chaney, Mississippi
David Hippen, as a designated representative for Director John Huff, Missouri
Director Bruce Ramge, Nebraska
Felix Schirripa, as a designated representative for Commissioner Kenneth Kobylowski, New Jersey
Sider Esquibel, as a designated representative for Superintendent John Franchini
Ted Hamby, as a designated representative for Commissioner Wayne Goodwin, North Carolina
Pete Weber, as a designated representative for Director Mary Taylor, Ohio
Denise Engle, as a designated representative for Commissioner John Doak, Oklahoma
Dan Bird, Oklahoma
Commissioner Lou Savage, Oregon
Peter Camacci, Pennsylvania
Ruben Gely, as a designated representative for Commissioner Ramon Cruz Colon, Puerto Rico
Beth Dwyer, as a designated representative for Superintendent Joe Torti, Rhode Island
Commissioner Julie Mix McPeak, Tennessee
Chlora Lindley Myers, Tennessee
Sara Waitt, as a designated representative for Commissioner Eleanor Kitzman, Texas
Commissioner Neal Gooch, Utah
Betsy Jerome, Utah
Don Beatty, as a designated representative for Commissioner Jacqueline Cunningham, Virginia
Beth Berendt, as a designated representative for Commissioner Mike Kreidler, Washington
Commissioner Michael Riley, West Virginia
Tonya Gillespie, as a designated representative for Commissioner Ted Nickel, Wisconsin

Members of the Industry Advisory Committee in attendance:

Mary Keim, State Farm Insurance Company
Miriam Krol, American Council of Life Insurers (ACLI)
Amanda Matthiesen, America's Health Insurance Plans (AHIP)
Joe Muratore, New York Life Insurance Company

Marie Roche, John Hancock Life Insurance Company (U.S.A.)

Members of the Consumer Advisory Committee in attendance:

Sonja Larkin-Thorne, NAIC Consumer Liaison representative

IIPRC staff in attendance:

Karen Schutter, Executive Director

Sara Dubsky, Operations Manager

MacKenzie Heidelmark, Administrative Coordinator

Jeanne Daharsh, Actuarial Consultant

Alice Fontaine, Actuarial Consultant

Karen Givens, Product Review Consultant

David Morris, Product Review Consultant

Maureen Perry, Product Review Consultant

Charles Rapacciuolo, Product Review Consultant

NAIC staff in attendance:

Chara Bray, Financial Policy and Legislative Advisor

Commissioner Sevigny called to order the Joint Meeting of the Management Committee and the Interstate Insurance Product Regulation Commission. Ms. Schutter took the roll call of the Management Committee, Commission, members of the Legislative Committee, members of the Industry Advisory Committee, members of the Consumer Advisory Committee, and other Interested Parties.

Commissioner Sevigny began with the first item on the agenda: the Commission Consideration to Adopt the Amendments to the IIPRC Terms and Procedures for IIPRC Filing Fees, the 2013 Annual Budget, and the Schedule of Fees. Commissioner Sevigny noted that these items had been published for notice and comment and no written comments had been received regarding these items. A public hearing was held at the in-person meeting in National Harbor on November 28th. Ms. Schutter provided a brief overview of each of these items. Commissioner Sevigny asked if there were any comments or questions before asking for a motion to adopt these items; there were none. Commissioner Consedine made a motion to adopt the Amendments to the IIPRC Terms and Procedures for IIPRC Filings Fees, the 2013 IIPRC Annual Budget, and the 2013 IIPRC Schedule of Fees and Commissioner McPeak seconded the motion. Ms. Schutter took a roll call vote and the measure passed.

Commissioner Sevigny moved to the Management Committee approval of the Meeting Minutes of the November 28, 2012 meeting of the Management Committee and Commission. Commissioner Sevigny asked for a motion from a member of the Management Committee to approve the minutes. Commissioner Consedine made a motion and Mr. Weber seconded the motion. A voice vote was taken and the measure passed.

Commissioner Sevigny proceeded to the Commission approval of the same Meeting Minutes as approved by the Management Committee. Mr. Beatty made a motion to approve the minutes and Ms. Waitt seconded the motion. A voice vote was taken and the motion passed.

Commissioner Sevigny advanced to the consideration of the written request from the Illinois Department of Insurance for a 90-day extension of its Stay of the Effectiveness of one Uniform Standard, the Additional Standards for Market Value Adjustment through the Separate Accounts. Commissioner Sevigny reported that Illinois has indicated that it does not permit these types of products and that rather

than promulgating a regulation to opt out of this one Uniform Standard, it has put forward legislation to give the Commissioner authority to accept these products. The bill permitting these products at the state level was not successful during the 2012 regular or veto legislative session. The Department has made some changes to the language in the bill to address questions that were raised in the last legislative session and expects the bill to be introduced in mid-January. Illinois has indicated if this legislation is enacted, it will be able to lift its stay of this one remaining Uniform Standard, and if the legislative is not enacted this session, Illinois will move forward with a regulation to opt-out of this Uniform Standard. Commissioner Sevigny asked Illinois if they had anything to add; Illinois did not. There were no questions. Commissioner Sevigny noted that Illinois' current stay will expire on December 26th. Commissioner Sevigny asked if there was a motion from a member of the Commission to grant Illinois' Request for a 90-day Extension of its Stay of the Additional Standards for Market Value Adjustment through the Separate Accounts. Mr. Schirripa made a motion to grant the request, and Commissioner Clark seconded the motion. Ms. Schutter took a roll call vote and the measure carried.

Commissioner Sevigny advanced to the approval of the 2013 IIPRC Member Committees and Industry Advisory Committee assignments. Commissioner Sevigny noted that under the IIPRC Bylaws, the Chair makes the appointments to IIPRC Committees subject to the approval of the Management Committee. The recommendation for 2013 committee assignments was sent to the Management Committee members prior to this conference call.

Commissioner Sevigny reported that under Article VIII, Section 2 of the Compact Bylaws, the Industry Advisory Committee has eight seats with staggering two-year terms. Commissioner Sevigny explained that even though there are four seats that must be reappointed, they are specifically designated in the Compact's Bylaws. Each of the organizations who are currently sitting on the Industry Advisory Committee have requested to be reappointed - Lee Covington of the Insured Retirement Institute, Joseph Muratore of New York Life Insurance Company, Marie Roche of John Hancock Life Insurance Company, and Jill Morgan of Symetra Life Insurance Company. Commissioner Sevigny noted that the IIPRC did receive one other application for the company representative seat which came after the current members submitted their applications. The Officers have reviewed the applicant information and recommend that the current members of the Industry Advisory Committee – that is the Insured Retirement Institute, New York Life, John Hancock and Symetra – be reappointed for another two-year term. IIPRC Executive Director, Ms. Schutter, will work with the Industry Advisory Committee to recommend to the Management Committee written procedures for the selection, term limits and participation for the Industry Advisory Committee to put in place a transparent and consistent selection process going forward especially when there are more applicants than available seats on the Industry Advisory Committee.

Commissioner Sevigny asked for a motion from a member of the Management Committee to approve the 2013 Member IIPRC Committee assignments and reappoint the four current Industry Advisory Committee members for a two-year term. Commissioner McPeak made a motion and Mr. Schirripa seconded the motion. As there was no further discussion, Ms. Schutter conducted a roll call of the Management Committee and the motion carried.

The next agenda item was the IIPRC operational update, which was provided by Ms. Schutter. Ms. Schutter reported that 2012 was a very successful year for the Compact. In terms of the 2012 budget, actual revenues are very close to meeting budgeted revenues. Ms. Schutter highlighted that 167 companies have registered with the Compact in 2012, including 38 new filers, and 550 filing submissions have been received, which is 100 more than last year. The Compact is conducting webinars for state regulators which provide a general overview of the Compact. The same webinars will be offered again in January and February. The IIPRC Office will be sending out a tracking sheet for all members, with regard

to the Universal Life Secondary Guarantee products (AG38 products that are eligible under AG38 that may have been filed through the Compact). There were no comments or questions for Ms. Schutter.

As there were no further matters, the Joint Meeting of the Management Committee and the Interstate Insurance Product Regulation Commission was adjourned.