



5. Hear a Report on International Resolution Activities—*Robert Wake (ME)*
6. Hear an Update on Upcoming Events of the International Association of Insurance Receivers (IAIR)—*Jan Moenck (Risk & Regulatory Consulting LLC)*
7. Discuss Any Other Matter Brought Before the Task Force  
—*Kevin Baldwin (IL)*
8. Adjournment



less prescriptive consideration with general expectations for a jurisdiction to prepare for resolution and a standard regarding the determination process of the scope for the more detailed requirements for resolution plans. The second option is more prescriptive including a scope for clarifying the resolution plan process and two standards for the requirements of a resolution plan applicable to this scope. It also includes an assumption that preparation planning for resolution should lead to a resolution plan. The PDC has formed a small group of volunteers to develop compromise language within the first option forming the basis for any further drafting and changes. The first option is preferred by those on the US team.

The final version will be presented to the PDC and the IAIS Executive Committee for a brief approval process. A 90-day public consultation will be launched at the end of March.

#### 4. Discussed Receivership Laws Critical to Multi-Jurisdiction Receiverships

Stuckey said in November 2021 the Task Force adopted a memorandum that was sent to states to encourage each state to review their laws and adopt changes, if necessary, to have more consistency across states in the areas identified in the memo. Stuckey reminded states of why it is important to consider legislative amendments if the state does not have these provisions in law. He described each section of the memorandum as follows.

Stuckey said the *Insurer Receivership Model Act* (Model #555) section 102 identifies provides that the state's receivership act and guaranty fund act shall be taken together. This section is important to avoid legal delays in administering a receivership.

Stuckey said Model #555 section 502 addresses continuation of coverage exclusions for life and health business. The Task Force did a study in 2019 that showed wide variances between states that had 502, or that had an older version, or that had no provision at all. Slaymaker said Pennsylvania's law related to over-the-cap claims dates from 1977. Pennsylvania is not able to pay over-the-cap claims and is attempting to fix this problem legislatively. It is uncertain if Pennsylvania will be able to do that. Sh-

Stuckey said, 2017 amendments to the *Life and Health Insurance Guaranty Association Model Act* (Model #520) address long-

states since both NAIC staff and the Chair have received questions from states when they were approached by the FHLB.

Phifer made a motion, seconded by Slaymaker, to direct the Receivership Law (E) Working Group to consider the topic and what additional information might be beneficial for states. The motion passed unanimously.

7. Heard a Presentation from the National Conference of Insurance Guaranty Funds (NCIGF) on the Activities Related to Pre-Liquidation Enhancements

Roger Schmelzer (National Conference of Insurance Guaranty Funds—NCIGF) presented on the NCIGF's activities related to pre-liquidation enhancements (Attachment Two). He Tw 1.12- 11.04 5(e)-3 (d 0 Tw 1(e)-3 ( Gu)-3.ah(e)-3 e00310 (te

} Z ~ μ À ~ y }uu]' v z zWoz W 4fi U  
 } Z &]v v ] o }v ] }v ~ zzz}zuU 4fi U  
 } Z Z ]À Z] v /v }oÀ v 'zzz z dU 4fi &} U

dZ u]••}]v }( šZ Z ]À CE•Z]% v /v}oÀ v Ç ~ • d • l &}CE ]• š} u  
 }v CEv]vP ]v•μCE CE ]v}oÀ v ] • v ]v}oÀ v Ç Pμ CE vš • X ^μ Z μ  
 í• u}v]š}CE]vP šZ + ŸÀ v • } ( %Z CE•š}CE u u]v]•šCE Ÿ}v }( CE ]À CE•Z  
 Pμ CE všÇ (μv •Ç•š uV î• }}CE ]v ŸvP }}% CE Ÿ}v v }uuμv] Ÿ}v u}  
 CE ]À CE•U v Pμ CE všÇ (μv •V î• u}v]š}CE]vP }vP}}]vP ]À CE]Z]CE•Z]E  
 u u CE•V ð• À o}%v]vP v %CE}À] ]vP μ Ÿ}v o v šCE ]v]vP %CE}PCE u  
 ]v}oÀ v Ç Pμ CE vš • š} • š š ]v•μCE v CE Pμ o š}CE•U %CE}( ••}]v o•U v  
 CE o À všou ð Á•U Pμ] o]v]vPμ CE všÇ ••} ] š}]v•X  
 }%š}]v }( ]v•μCE v CE ]À CE•Z]% v Pμ CE všÇ ••} ] š}]v u} o š• v  
 šZ CE o P]•o š}]v CE o š š} ]v•μCE v CE ]À CE•Z]• v Pμ CE všÇ ••} ] š}]v•X  
 • š} šZ /vš CEv š}]v o ••} ] š}]v }( /v•μCE v ^μ% CEÀ]•}CE• ~/ /^•U šZ &]v v ] o  
 š PCE}μ%• }v ]••μ • CE P CE ]vP ]vš CEv š}]v o CE •}oμš}]v μšZ}CE]šÇX

X D}v]š}CE U CE À] ÁU v %CE}À] ]v%μš }v ( CE o CEμo u ]]vP v •šμ  
 CE ( CE

îX dZ

Draft: 8/1/24

## Receivership Law



Baldwin said there may be a few differences in how states have incorporated the exemption into the law. Some states have included the FHLB exemption in the section authorizing stays. In Illinois, where stays are issued under the receivership court's general statutory and adjunctive powers, the FHLB exemption was instead placed in the avoidable preference statute.

Baldwin said Rhode Island and Utah are the most recent to adopt exemptions this year. Legislation was also introduced in Connecticut earlier this year.

Baldwin highlighted two resources for state insurance regulators. First is a list of states' legislative actions that will be posted to the Receivership and Insolvency (E) Task Force's web page (Attachment x-A). The list is aimed at assisting any state insurance regulators that the FHLB may approach to have more information about which other



to pay the (e)4.9()-10.u