

**Meeting Between Federal Reserve Staff and Representatives from the National Association
of Insurance Commissioners (NAIC) and State Insurance Supervisors
November 30, 2012**

Participants: Michael Gibson and Laurie Priest (Federal Reserve)

Elise Liebers, Ethan Sonnichsen, Jeff Johnston, Mark Sagat and Terri Vaughan (NAIC); Representatives from State Insurance Departments: Al Bottalico and John Finston (California); Jon Arsenault, Kathy Belfi and Tom Leonardi (Connecticut); and Andrew Boron and Michele Oshman (Illinois); Jim Armstrong (Iowa); John Huff and Fred Heese (Missouri); Ken Kobylowski and Peter Hartt (New Jersey); Bill Harrington and Steve Martindale (Ohio); Annette Szady and Kimberly Rankin (Pennsylvania); Joe Torti (Rhode Island); and Danny Saenz (Texas)

Summary: Board staff met with representatives from the NAIC and state insurance supervisors to discuss Federal Reserve supervision of savings and loan holding companies. The proposed capital requirements in the notices of proposed rulemaking (NPRs) that relate to the consolidated savings and loan holding companies and subsidiary depository institutions were also briefly discussed. The concerns they expressed related to the NPR we about separate accounts, the general treatment of insurance underwriting, surplus notes, and GAAP vs. SAP accounting. These topics are addressed in the NAIC's comment letter dated October 22, 2012 on the NPRs.