

**Meeting Between Staff of the Federal Reserve Board, State Insurance Departments, and
the National Association of Insurance Commissioners**

May 15, 2018

Participants: Jay Muska, Matti Peltonen, Matt Walker, and Suyash Paliwal (Federal Reserve Board)

Kevin Frye, Philip Barlow, Lindsay Crawford, Justin Schrader, Kristine Maurer, Peter Hartt, David Wolf, Doug Slape, and Ray Spudek (State insurance departments)

Jeff Johnston, Lou Felice, Dan Daveline, and Ned Tyrrell (National Association of Insurance Commissioners)

Summary: Staff of the Federal Reserve Board met with Commissioners and staff of State insurance departments and the National Association of Insurance Commissioners (NAIC) to discuss elements of the Federal Reserve's advance notice of proposed rulemaking (ANPR) on Capital Requirements for Supervised Institutions Significantly Engaged in Insurance Activities and the NAIC's potential group capital calculation (GCC). The discussion explored areas of commonality between the two capital frameworks under development, the NAIC's potential GCC and the Federal Reserve's proposed Building Block Approach (BBA) as set out in the Board's ANPR. Staff from the Federal Reserve, State insurance departments, and the NAIC exchanged thoughts on aspects of the GCC and BBA including (i) capital resources, including surplus notes and senior debt; (ii) treatment of various insurance and non-insurance entities; and (iii) structural elements of the BBA and GCC, including grouping and adjustments.

Staff from the Federal Reserve Board, State insurance departments, and NAIC agreed to continue discussions.