



American Insurance Association

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BY ELECTRONIC MAIL

October 28, 2011

The Honorable Susan E. Voss
Commissioner of Insurance
State of Iowa
Chair, Executive Committee

Re: Support for Adoption of Amendments to the NAIC Credit for Reinsurance Model Law (#785) and Model Regulation (#786) at the Joint Executive and Plenary Committee Meeting

Dear Commissioner Voss and Members of the Joint Executive and Plenary Committee:

The American Insurance Association urges the Executive and Plenary Committees to approve the amendments to the credit for reinsurance model law and model regulation as adopted by the Reinsurance Task Force and E Committee. These amendments to the models are the result of years of work and negotiations by the members of the Reinsurance Task Force and E Committee. The amendments represent compromises that have been agreed to by the interested parties. It is critical that the amendments be approved in the form as adopted so that these negotiated agreements can remain effective.

During the drafting process, AIA sought to achieve amended models that would remain consistent with the following three main principles: 1) preservation of the promise and sanctity of contracts; 2) support an effective and economically defensible system; and 3) promotion of free markets and competition. The current amendments achieve each of these goals.

AIA applauds the dedication and efforts of the Reinsurance Task Force and E Committee members during this long and sometimes arduous process. AIA now requests the Executive and Plenary Committees to approve the two models as adopted by the Reinsurance Task Force and E Committee.

Sincerely,

Handwritten signature of J. Stephen Zielezienski in black ink.

J. Stephen Zielezienski
Senior Vice President and General Counsel
American Insurance Association

Handwritten signature of Steven A. Bennett in black ink.

Steven A. Bennett
Assistant General Counsel
American Insurance Association

cc: Dr. Therese M. Vaughan, CEO