



**FUNDED CONSUMER REPRESENTATIVE
CONFLICT OF INTEREST STATEMENT
OCTOBER 16, 2008**

Consumer representatives designated by the NAIC are expected to effectively represent the interests and viewpoints of consumers. Consumer representatives may not purport to represent the views of the NAIC.

Effective consumer representation may be compromised if the consumer representative received compensation from a regulated entity. For the purposes of this document, "a regulated entity" means, "a regulated entity of state insurance regulators, its trade group, or other entities or individuals acting as agents or representatives of a regulated entity."

All applicants for the NAIC Consumer Participation program are expected to complete the application fully and accurately, including the question about industry compensation. The Consumer Board of Trustees will evaluate the amount and purpose of the industry expense reimbursement and compensation, if any, and determine whether it represents a conflict of interest.

If, at any time during an individual's term as an NAIC designated consumer representative, a regulated entity provides or agrees to provide compensation to the consumer representative's organization; the consumer representative or an immediate family member of the consumer representative, including spouse, domestic partner, parents, siblings and children; the consumer representative must notify the Chair of the Consumer Board of Trustees and the NAIC staff person providing support to the Consumer Board of Trustees. Such notification must occur by email within seven days of the receipt of compensation or the offer of a compensation agreement, whichever is earlier. The Consumer Board of Trustees will determine whether the compensation constitutes a conflict of interest based on discussion and established guidelines.

Members of the Consumer Board of Trustees must keep all financial information submitted confidential. Consumer Board of Trustee discussions regarding potential conflicts will remain confidential as long as a decision is pending.

Guidelines the Board will use in its evaluation include, but are not limited to, the following:

- Expense reimbursement from a regulated entity for actual travel expenses, including transportation, lodging and meals, generally does not represent a conflict if the travel is related to representation of insurance consumer interests. Disclosure of such expense reimbursements is not required.
- Employment income, fees for services provided to regulated entities or other compensation received from a regulated entity may be a conflict unless it is an expense reimbursement for actual travel expenses for the consumer representative and must be disclosed.
- Receipt of gifts from a regulated entity valued at greater than \$50.00 per appointment year or a total of more than \$250.00 from all regulated entities in the appointment year are considered a conflict of interest and must be disclosed.
- Honoraria received from a regulated entity may be a conflict of interest and must be disclosed.

I certify that I have received and read the NAIC Consumer Representative's Conflict of Interest Policy. I understand the purpose of this Policy is to protect the integrity of the mission of the NAIC's Consumer

Participation Plan. Upon becoming a funded consumer representative and signing this form, I indicate that I understand and agree to the Policy.

Signature of NAIC Funded Representative

Date

Printed Name

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