

FEDERAL ADVISORY COMMITTEE ON INSURANCE

MEETING MINUTES

WEDNESDAY, MARCH 13, 2013

The meeting convened in Media Room A/B at the U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW, Washington, D.C., at 9:00 a.m., Brian Duperreault, Chair, presiding.

MEMBERS PRESENT:

BRIAN DUPERRAULT, Chair

MICHAEL McRAITH, Committee Decision Maker and Director of the Federal Insurance Office

DAVID BIRNBAUM, Member

MICHAEL CONSEDINE, Member

*JACQUELINE CUNNINGHAM, Member

JOHN DEGNAN, Member

ROBERT EASTON, (Representing

BENJAMIN LAWSKY, Member)

LORETTA FULLER, Member

SCOTT E. HARRINGTON, Member

*SCOTT KIPPER, Member

THOMAS LEONARDI, Member

MONICA LINDEEN, Member

CHRISTOPHER MANSFIELD, Member

SEAN McGOVERN, Member

MICHAEL E. SPROULE, Member

WILLIAM WHITE, Member

ALSO PRESENT:

JAMES P. BROWN, Designated Federal Officer

EDWARD CONNOR, Deputy Associate Administrator for Federal Insurance, Department of Homeland Security

DUNCAN ELLIS, Marsh & McLennan Companies

LINDY GUSTAFSON, Federal Insurance Office

ROBERT W. O'BRIEN, Marsh & McLennan Companies

ELIZABETH SAMMIS, Federal Insurance Office

*Participated via teleconference

At 9:08 am, Chairman Duperreault called the meeting to order. He asked for approval of the Minutes from the November 14, 2012, Meeting. The Minutes were approved by a show of hands. The Chairman recognized Commissioners Cunningham and Kipper who called in to participate in the meeting. He noted that Member Mansfield has retired from Liberty Mutual but is staying on the Committee.

After outlining the diversity of insurance experience represented by members of the Committee, the Chairman opened discussion of the first item on the agenda which was Super Storm Sandy. He called on Ed Connor to update the Committee on the efforts of the National Flood Insurance Program (NFIP) to respond to the aftermath of the storm.

Mr. Connor stated that his organization spent a substantial amount of time dealing with complaints from insureds on topics such as claims payments not being what they should be and adjusters not responding quickly enough.

He stated that NFIP's highest priority is to make sure that claimants are paid and that they're paid expeditiously. Back in January, Congress approved the increase in the borrowing authority by \$9.7 billion for the fund that went into the National Flood Insurance Fund. Those funds were allocated for paying claims and expenses. At that point, the projections were somewhere from \$6 to \$7 billion in losses for Sandy, Write-Your-Own companies can draw on those funds to pay claims and they should be doing so.

With respect to the adjusters, they are incentivized to close the claims as opposed to delay them because they don't get paid until the claims are completed. The NFIP is making an effort to

get a better understanding of where there are hold-ups in the very processes, document these problems and learn from them.

Chairman Duperreault thanked Mr. Connor for his comments and then opened the floor to questions from the committee.

Director McRaith asked about the licensing of adjusters and any problems associated with multiple companies using the same adjuster.

Mr. Connor stated that adjusters have to be licensed and certified as understanding the flood program's rules.

Director McRaith noted the large number of claims and asked Mr. Easton about New York's experience in attaining a sufficient number of adjusters.

Mr. Easton said after his state had the flooding and hurricanes upstate in 2011, regulators reached out to FEMA to do additional flood adjusting certification in New York. That happened in July. There were insufficient numbers of certified flood adjusters to handle the volume of complaints that were coming out of the upstate claims prior to Sandy. Even with that additional training, the numbers of adjusters was still inadequate. By using a New York statute which allowed for temporary licensing of adjusters, 20,000 emergency adjusters were added to the permanent contingent of 12,000.

There were complaints about a lack of coordination between adjusters. Some people would have their homeowners adjuster come out but would be waiting for the flood adjuster, so there were problems; but in terms of the numbers of boots on the ground in New York, it appears to have been sufficient.

Director McRaith asked commissioners from other affected states to comment on their experience regarding Sandy in general, and adjusters in particular.

Commissioner Leonardi commented on Connecticut's efforts which included the extension of licensing of a substantial number of temporary adjusters who were already in the state.

Member Fuller brought up the issue of independent adjusters.

Mr. Connor suggested that some of the delay in settling claims can be attributed to differences between what an independent adjuster sets the damage at and what the company adjuster recommends.

Chairman Duperreault recognized Member Birnbaum for comments.

Member Birnbaum offered his opinion that it is helpful to think about how many of the problems cited flow out of the fact that flood is a separate policy and not an included peril in the homeowner's policy.

Mr. Connor agreed with Mr. Birnbaum's comment. He outlined past efforts to return the flood program to the private sector which have yet to be successful. Resolving a claims issue is a lot more seamless if it's done through the private sector. They've got the mechanisms to do it.

Member Degnan noted that Congress appropriated \$9 billion. FEMA has paid \$5.8 billion and is estimating maybe \$7 to \$8 billion in payments. If you extrapolated that amount into premiums that would have to be charged privately for flood insurance it's an uneconomic proposition. There is a role for the government here as a matter of public policy. Flood insurance would be unaffordable to most people if it were priced properly on a private basis.

Member Birnbaum acknowledged that Mr. Degnan had made a good point but offered a couple of responses. The first was why you would want the government to be involved in a subsidy that isn't explicit. If you're going to have a subsidy, say that people can't afford the insurance to maintain their property, then why don't you have that as an explicit subsidy as

opposed to a hidden subsidy through subsidized insurance rates? The other part of it is it seems to me that there are a lot of efficiencies that would come from having a multi-peril policy. The most important thing for consumers is having a product that actually provides the essential financial security tool that consumers are looking for. Paying money for a product that doesn't really provide that security is a real drawback.

Director McRaith asked Mr. Connor to comment on the study that was authorized by the Biggert-Waters law.

Mr. Connor stated that the law calls for the NFIP to do 16 separate studies. The major one concerns affordability in an environment where subsidies are to be eliminated by terms of the Biggert-Waters legislation.

Director McRaith added that the law calls for the FIO to perform a study on the natural catastrophe insurance market and related issues. That report is due in July.

In response to a question of Chairman Duperreault, Mr. Connor stated that Sandy had caused a delay in the start of the studies but that they were a high priority. He also indicated that the new rate schedule was implemented in January which eliminated subsidies for non-primary residences. Severe repetitive loss properties are going to be subject to a 25 percent rate increase annually until you get to the full rate. So it's not happening all in one chunk. It's going to be done in stages. The first starts January 1.

Member Fuller asked how this information regarding rate increases will be disseminated.

Mr. Connor enumerated a number of distribution channels including the Write Your Own companies.

Chairman Duperreault thanked Mr. Connor. He then introduced Bob O'Brien and Duncan Ellis from Marsh & McLennan to discuss the private sector's perspective on Sandy.

Mr. O'Brien stated that Sandy presented some unique factors including that it hit one of the most densely populated parts of the country. And also, a lot of the people who are responding on the commercial insurance side were personally affected by it. He went on to say that there's no such thing as a local catastrophe anymore. Every catastrophe has a global impact.

In a storm like Sandy, coverage questions have to be addressed on a policy by policy basis. Also, it's important with businesses to get the cash back to these companies as quickly as possible. So setting up a process very early on with the insurance markets for prompt cash advances is critical.

Mr. O'Brien asked Mr. Ellis to comment on market impact.

Mr. Ellis indicated that there had been a fairly positive rate environment from a consumer standpoint prior to Superstorm Sandy. Rates were starting to move downward after about 18 months of a steady upward trend. Unfortunately, Superstorm Sandy put an end to that. But what Superstorm Sandy really did was tighten up the wording. There's a tremendous amount of attention right now on the wording in the contracts themselves that the underwriters have been issuing. Precisely defining terms such as storm surge and named storms is undergoing a major push by insurers.

An additional factor affecting the market is the NFIP flood zone maps since location in a flood zone is a critical rating factor. The calculation of deductibles is also being rethought. There are also issues regarding supply chain interruption that have been highlighted by Superstorm Sandy.

Director McRaith asked about insureds' interest in mitigation efforts.

Mr. O'Brien suggested that there always is a focus after these events on whether a company's business recovery plan or loss control or loss prevention plan have flaws.

Mr. Ellis indicated that there is a renewed interest in business continuity planning as well as a concerted effort to get valuation of property right.

Mr. O'Brien opined that the business interruption component can also be very challenging.

Director McRaith asked that Mr. Ellis elaborate on the problem of supply chain interruption.

Mr. Ellis indicated that the peril which is causing the damage to a non-owned supplier or a non-owner receiver of your product has to be a peril covered by the insured's policy itself. What we're finding now is the underwriters are saying we will cover your direct suppliers and that's it.

Many of these contingent time element coverages traditionally were throw-ins and certainly weren't underwritten to the same degree that traditional fire coverage is *e.g.* ingress, egress, civil and military authority. These additional coverages are starting to add massive costs to the settlement. So what we see around the contingent time element and some additional coverage is that the underwriters are now starting to pay a lot more attention to them and also price accordingly which they hadn't in the past.

Mr. Easton offered that both in the personal and commercial line space the role of the broker-agent is vital, not only after the peril has occurred but up front and particularly educating consumers about what they're buying beforehand.

Member Fuller inquired about the differences between personal and commercial policies regarding coverage below ground level.

Mr. Ellis responded by saying that they're categorically different. Commercial flood insurance under a traditional commercial insurance policy will not have the limitation about

property being stored below grade. It is a replacement cost policy so it will give you like-kind and like-quality to replace that product or that property which is damaged.

Commissioner White then posed the question as to who should take the lead on reconciling differences like replacement cost versus actual cost value. There are a whole set of policy provisions that are based on underwriting criteria that obviously are going to change as a result of some of the experiences we've had recently, especially the frequency of more severe types of losses. And obviously for the consumer it becomes a concern in terms of well, what am I actually buying.

Chairman Duperreault thanked Messer's O'Brien and Ellis for their presentation and urged them to work with the NFIP on their studies. He then asked if there were any additional comments regarding Superstorm Sandy.

Member Degnan raised the question of regulator arbitrage. Stating that it had not happened in Sandy, he warned of the dangers of regulators imposing unrealistic timeframes on adjusters in the aftermath of a catastrophe.

Commissioner Leonardi responded by describing the work done by the NAIC's Northeast Zone membership to better coordinate post storm efforts and so avoid the problem cited by Mr. Degnan. The Commissioner went on to talk about his state's outreach program designed to educate insureds on hurricane deductibles, coverage issues and the like.

Mr. Easton acknowledged Member Degnan's point but expressed his view that companies needed to respond to claims within reasonable time periods.

Director McRaith asked members about the damage caused to automobiles by the storm and whether any particular issues had surfaced in regard to auto insurance.

Member Mansfield commented that the number of cars receiving damage from Sandy was stunning.

Mr. Easton said there were about 100,000 auto claims. Almost all of them have been resolved. Insurers have paid more than \$1.3 billion. And almost all of them were total losses because once salt water goes through a car, its game over.

Member McGovern reacted to the discussion of Superstorm Sandy by suggesting that this committee should consider taking a role in trying to signal or give some view on how we can deliver a better service to the consumer in events like this.

Director McRaith expressed his support for that type of an effort.

Member Degan suggested that we shouldn't lose sight of the fact that this is a competitive industry. Every large claim scenario is an opportunity for every company that cares about its relationship with its customers to demonstrate that it will deliver exemplary.

Chairman Duperreault brought this discussion to a close by citing Member Birnbaum's point that we have a federal program and a private approach that leads to gaps in understanding which can become issues after events such as these. He suggested that the NFIP studies look into how to better coordinate programs if the federal flood program stays in existence. He then introduced the next topic which was the Federal Insurance Office's mandate to look at affordability and accessibility of non-health insurance products to the traditionally underserved communities. He then called on Beth Sammis and Lindy Gustafson of the FIO to lead the discussion.

Ms. Sammis started by quoting the statutory language regarding the FIO's mandate. She then stated that there had been meetings with about 27 groups that include industry representatives, trade organizations, academics, consumer advocacy groups and other groups

within the federal government concerning the topic. In addition, staff has reviewed the literature on the topic. It is clear from those meetings and that review that the consumer groups and industry have very different views about how best to promote access to affordable insurance products. Consumers obviously believe that the solutions rest in regulation and the industry in market competition. She added that all of the groups that were consulted identified the same 5 issues: data, transparency, the type of state regulation, risk clarification and demographic changes in the country.

The most glaring thing resulting from the review and discussions is really how little seems to be known either at an academic level or really in a concrete way what consumers are actually experiencing day to day as they try to buy insurance or to understand their policies except when they have a claim during a catastrophic event.

Ms. Sammis asked the Committee to assist the FIO efforts by considering the following 5 basic questions:

1. Should we define underserved communities and if so how?
2. Should we define access and affordability and if so how?
3. What insurance products should be monitored?
4. What issues should FIO consider to help move beyond the past debates?
5. What activities should FIO engage in to monitor access to affordable insurance?

With that Ms. Sammis concluded her remarks.

Chairman Duperreault asked if the Committee had any questions or comments.

Member Birnbaum stated that for consumer organizations the top priority is for either state insurance regulators or in the absence of state insurance regulators doing it, FIO collecting meaningful data to do a meaningful analysis of availability and affordability. He stated that

there's a really stark contrast in the type of data that's available for home lending and other types of lending through the Home Mortgage Disclosure Act than what is available in insurance matters. Basically the academics, fair housing advocates can get information on pretty much every mortgage application and the characteristics of the applicant and the resolution of that. And the types of research that have been done with that have informed a lot of public policy. He stated that there's simply no similar data available for personal lines insurance. He continued by saying, collecting data is really the key because unless you have some objective information then everything else is just subjective ideas about what availability and affordability is. He suggested that in his experience, state regulators have little interest in collecting such data and that it seems to be not just an opportunity but a requirement for FIO in the absence of state insurance regulators looking at this to start collecting data.

Member Birnbaum also outlined his thoughts on the Department of Housing and Urban Development's rule on disparate impact.

Chairman Duperreault asked for comments.

Director McRaith said that the FIO approaches its mandate informed but not predisposed to any particular course of action. The one clear objective is to not repeat the discussions and arguments that have been almost passed down through the ages. Our goal is to shed light on these important questions in a way that is meaningful and responsible.

Member Harrington noted that something that's not on the list of five items would be providing more information about the underlying cost drivers and other economic factors that give rise to affordability and access issues.

Ms. Sammis agreed that it would be useful to look into those factors.

Chairman Duperreault asked if any of the regulators had comments on Mr. Birnbaum's statements regarding data collection efforts by the states.

Commissioner Lindeen commented that state regulators do want to be informed on these matters as much as possible within the limitation of available resources.

Commissioner White stated his belief that the data is available from what the states already collect and that the problem is agreeing on what to extract rather than whether the information is available.

Ms. Sammis cited the Missouri Department of Insurance as an example of what can be done. She indicated that the work of the staff statistician had produced valuable information on any number of insurance topics.

Chairman Duperreault thanked Ms. Sammis and Ms. Gustafson for their report and indicated that the subcommittee on Affordability and Accessibility of Insurance would take up the questions in their next session. He then introduced the next question for discussion which was captives and special purpose vehicles looking at reinsurance, particularly on the life side. He called on Member White to lead the discussion.

Member White started by noting that over the past 10 to 15 years, the issues around the use of captives has become much more focused in terms of concerns about how to count or how to look at the reserving as it affects solvency especially on the life side. He added that the most recent statistics show that nearly 25 to 35 percent of the entire commercial market utilizes captives making it the largest part of the Alternative Risk Transfer (ART) market. The NAIC has been focusing on the use of captives as special purpose vehicles for managing excess reserves or what are considered to be excess reserves for losses with life insurance companies. The concern is whether these reserves that have either been transferred and/or financed using captives are

properly disclosed and accounted for in their parent company's financial statements. This has important ramifications as work continues on developing solvency criteria at the NAIC as well as in the on-going international initiatives. Commissioner White stated that the NAIC had established a special committee to study the reserve redundancy matter.

Member Sproule thanked Commissioner White for his report and efforts on the issue. He added that he supported Commissioner White's recommendations for the inclusion of captives as part of the NAIC accreditation program and the requirement for unconditional evergreen letters of credit to support reserves. This recognizes that conditional letters of credit or parental guarantees are really not consistent with securing NAIC credit for reinsurance. He also recognized his recommendation for a requirement for quarterly statutory accounting filings for captive insurance companies. Enhanced disclosure and transparency in this area is particularly I think critical.

Mr. Sproule continued by saying that Commissioner White also noted the international aspects of this issue in that the IAIS has clearly indicated that captives really need to be regulated as life insurance companies. He added captive structures are one of the many steps that a number of companies have taken in an effort to artificially boost these risk-based capital ratios that they publish. Strong solvency requirements are fundamental to the long-term viability of the life insurance industry.

Member Harrington asked to what extent are the rating agencies paying close attention to these aggregates and considering the security or lack thereof in these aggregates when assigning ratings to the underlying insurance companies?

Member Sproule responded by saying sometimes the conclusions that come out of the rating agencies are a mystery. He added that this is a bigger problem than it might seem because

as the Federal Reserve starts to get into the area through SIFIs or potentially extensions beyond that of starting to regulate and look at the financial strength of life insurance companies through bank standards rather than insurance concepts is worrying to the life insurance industry.

Member White responded to Member Harrington's question by saying that the rating agencies are in a bit of a quandary. So the reviews seem to be on a company by company basis and he quoted an old saying that when you've seen one captive you've seen one. So you are going to see differences in how these are handled from a rating agency standpoint based on the individual company and the individual deal.

Chairman Duperreault referenced the fact that New York, Connecticut and Pennsylvania have substantial numbers of life insurance companies domiciled in their states. He asked for comments from representatives of those areas.

Mr. Easton commented that the structures alluded to by Member White raised real questions about the genuineness of risk transfer within the holding company systems that are involved. He said that the disclosure around those kinds of guarantees, for instance, is very spotty. Sometimes it's in annual statements, sometimes it's not. He pointed out that the second related issue is because these are being framed as reinsurance transactions, they raise all sorts of questions as to what really constitutes reinsurance and because you don't have a uniformity of approach among the several states -- it creates a system where the ability to oversee what's going on in a holistic way is compromised.

Mr. Easton's final comment referenced the problem of redundant reserves and how they would be accounted for in a principle based reserve (PBR) system. He added that there are indications that even under a PBR approach, companies want to continue the use of captives and ART mechanisms.

Member Leonardi pointed out that Joe Torti, the superintendent from Rhode Island, is the chair of the NAIC (E) Committee, Financial Regulation Committee. Under Torti's leadership, the Captives and Special Purpose Vehicles Working Group has produced a white paper that has been out for comment. He continued that the revised version basically taking all of those comments as being re-published and posted and will be open for comments for 45 days more.

Commissioner Consedine stated that from a leadership perspective this is something that the NAIC is very focused on because it goes right to the heart of our responsibility as financial regulators. The two areas of significance are transparency and on the risk transfer accounting side whether there are any legitimate uses of these SPVs.

Member Degan re-raised the question of rating agencies and their role in the industry. He suggested that this could be an area of interest for the Committee to look into.

Chairman Duperreault commented that Mr. Degan's suggestion had merit. He then asked Member White if the NAIC task force is looking at just this issue of SPVs only in life, or are they looking at captives in general? He opined that one of the risks is always there others get swept up in regulations that are inappropriate for the level of activity that other captives are doing.

Commissioner White responded that the task force was looking at captives in general, not just in the life area. Although the primary focus has been on the life side, there are areas in the property and casualty use of captives that need to be looked into as well.

Member Mansfield asked what the expected end result of this activity was and how are the FIO and state regulation involved?

Member Leonardi pointed out that the discussion at the Committee had been robust but members were not operating as regulators in the context of the meeting. Rather the role of the

members had been to present information and opinions. He stated that the bottom line is that there is recognition that transparency, uniformity and the credibility of the solvency structure are what are most important.

Member White added that he always regarded his role as a regulator as making sure that the companies that he regulates is solvent. They must be able to meet the obligations and keep the promises that they've made to their policyholders.

Member Sproule added that none of the conversation is to suggest that all captives are bad, it's a case of looking to make sure that there is a legitimate risk transfer that's taken place and there are admissible assets that are there to back up those reserves.

Chairman Duperreault raised the question of whether the Committee ought to have a task force to look into the area.

Member Leonardi disagreed with the idea of creating a new subcommittee within the FOCI to study the issue.

Director McRaith indicated that he believed a FOCI task force would be appropriate for this matter. He asked member White to head up the effort and to serve as a conduit between the Committee and Superintendent Torti's group.

The Director pointed out that in this matter there were the usual perspectives of industry and states. In this case, however, there are differences of opinion between the states. He added that the issues discussed are important. The Committee's involvement is not in the interest of duplicating effort but in the interest of the Treasury Department of the United States being fully informed about this important risk transfer or not risk transfer mechanism employed by the life industry in particular.

Member Sproule supported the idea of going forward with the task force and endorsed Commissioner White to head it.

Mr. Sproule went on to say that industry is very competitive and the whole process of securing permitted practices that give companies some variance from what are the standards affecting their solvency needs to be scrutinized, the captives are a piece of that.

Director McRaith recognized the valuable work being done by the NAIC and expressed his view that getting some focused information from a Committee task force was worthwhile.

Member Birnbaum asked whether there were international implications to the issues.

Director McRaith confirmed that there are. He indicated that the initial focus of the group should be foundational research with discussion of international implications to come later.

Chairman Duperreault asked Member White to lead the task force. He agreed to. The Chairman then asked Member Birnbaum to assume chairmanship of the Affordability and Accessibility of Insurance subcommittee. Mr. Birnbaum agreed to do so.

The meeting then turned to a report from Director McRaith on international work streams. He indicated that he would be commenting on 3 separate items.

The first was the IAIS efforts on the designation of globally systemically important insurers. That process is moving forward in a way that's reflective of the collective will of the working group which is to arrive at reasonable appropriate conclusions with respect to the designations. The contributions of the state regulators have been important in these discussions. He stated his belief that there will be a reasonable conclusion this year at an appropriate time for the international process. And that conclusion, whatever it is, is something that we will build on and improve in coming months and years.

The Director continued by citing that the IAIS is developing a common framework for the supervision of internationally active insurance groups. That work is ongoing. He stated his belief that it's of increasing importance for the United States to be engaged in and leading this discussion as the emerging economies are looking for international standards that they can apply to or implement in their domestic regimes. ComFrame provides an opportunity for international standards that are consistent with the views in the United States.

Member Degan asked the Director to comment on the capital standard versus capital requirement issue that is on the minds of both companies and probably regulators.

Director McRaith responded by saying that there will be some formal communication on the objectives of ComFrame released in the near future and that will be an explicit statement from the IAIS about the objectives of ComFrame. And it'll clarify a lot of the tremendous amount of misinformation and mythology that's developed around ComFrame. Specifically, ComFrame is not intended to develop a global capital standard for the international firms.

Member Birnbaum inquired about market conduct activities of the IAIS committee.

Director McRaith responded that to date that committee has not been a focus of energy but that U.S. regulators and he have pressed for more action from the group.

The Director then reported on Solvency II. The six members of the steering committee agreed on a consensus document that announced the way forward for the EU and the U.S. insurance supervisors. And the stated objectives and the steps that will be taken to meet those objectives are in the direction of improved compatibility between the regimes, improved convergence if and where appropriate. And most importantly, it's a commitment in both jurisdictions to work together. He did not speculate on Solvency II as a political matter in the European Parliament or with the European Commission.

Member McGovern commented that progress was slow and the earliest it would be implemented would be January 2016. Citing his own company's investment in the adoption of Solvency II, he indicated that the U.K. regulator has allowed Lloyds and other groups which are ready to implement it to proceed. He stated that to some degree the permission of divergent standards is contrary to the harmonized approach it was supposed to bring. He concluded by saying that the timetable is somewhat uncertain but progress is still being made. And Lloyd's sense particularly on the property casualty side of the industry is still a very significant commitment to the project. The challenges on the life side are substantial and the main reason for the delays.

Member Consedine commented that in his view the U.S.-EU dialogue is now going in a much more favorable direction since we're working together much more collaboratively to understand each other's systems.

The Chairman asked for and received the dates for the next meetings which will be June 12, September 18 and December 11.

As part of new business, Director McRaith noted the hiring by the NAIC of former U.S. Senator Ben Nelson as CEO. The Director cited Senator Nelson's experience as Nebraska Insurance Commissioner, Nebraska Governor and his 2-terms in the U.S. Senate.

Chairman Duperreault suggested possible topics for the next meeting including the Terrorism Risk Insurance Program and rating agencies. He asked for additional suggestions.

Member Birnbaum brought up the matter of credit-related insurance. He suggested that the topic has become timelier because of recent rules by the Consumer Financial Protection Bureau that impact lender-placed insurance.

Chairman then adjourned the meeting.