

Center for Insurance Research

2298 Massachusetts Ave. • Cambridge, MA 02140

June 25, 2014

Superintendent Joseph Torti, Co-Chair
Commissioner Julie M. McPeak, Co-Chair
Principle-Based Reserving Implementation Task Force
NAIC Central Office
1100 Walnut Street, Suite 1500
Kansas City, MO 64106-2197

RE: Comment on the Rector & Associates, Inc. Exposure Draft

Dear Co-Chairs Torti and McPeak:

I am writing to note my support of the Framework recommended in the Rector & Associates, Inc. Exposure Draft dated June 4th (the "Draft"). I am one of the members of the NAIC consumer funded liaison program and the Director of the Center for Insurance Research. The Center for Insurance Research (CIR) is a nonprofit, public policy and advocacy organization founded in 1991 that represents consumers on insurance matters nationally.

In particular, I strongly support the recommendation to require disclosure of XXX/AXXX Reinsurance transactions in a format similar to that provided in Exhibit 5 of the Draft. As stated in my last comment letter (dated March 21, 2014), I remain concerned about the lack of disclosure regarding captive reinsurance transactions and captives in general. As a consumer advocate, I do not believe that captive entities and should be accorded "top-secret" status and recommend the Task Force should further whether it is appropriate to allow captive insurers to avoid public financial disclosure requirements.¹

Thank you for the consideration of my comments on this important matter.

Sincerely,

/s/

Brendan Bridgeland
Director

¹ As noted in my prior comment, CIR believes that disclosure requirements should apply to all parties and that obstacles concerns due to confidentiality laws in some captive jurisdictions are less important than assuring consumers that their insurance benefits are secure.