



**INTERNATIONAL ASSOCIATION
OF INSURANCE RECEIVERS**
PROMOTING PROFESSIONALISM AND ETHICS

May 10, 2017

James Kennedy (TX)
Chair, Receivership Model Law (E) Working Group (“RMLWG”)

RE: Request for Comments on *Receivership Provisions in Management, Service and Cost-sharing Agreements*

On behalf of the International Association of Insurance Receivers (“IAIR”), this letter responds to your request for input and perspective on the Working Group’s proposal on Receivership Provisions in Management, Service and Cost-sharing Agreements. IAIR appreciates the opportunity to provide comments.

As you are aware, IAIR was founded in 1991 as an association of professionals involved with insurance receiverships and financially stressed or troubled insurers. IAIR’s mission includes facilitating the exchange of information concerning the administration and restructuring of such insurers. IAIR’s members include experienced insurance receivers (including liquidators and rehabilitators), insurance regulators, life and health and property and casualty guaranty associations, and other professionals (attorneys, accountants, actuaries, information technology experts, etc.) that provide consulting services in rehabilitation and liquidation proceedings.

Receivership Provisions in Management, Service and Cost-sharing Agreements

IAIR supports the Working Group’s efforts to resolve the challenges that arise when an insurance company that is a part of a holding company scheme goes into receivership. Model #450 and the proposed Form D Procedures will help ameliorate some of the more common issues that arise in these holding company scenarios. We would suggest, however, the following edit to proposed paragraph 13 of Attachment A and paragraph 6 of Attachment B:

Define books and records of the insurer to include all books and records of the insurer or any affiliate developed or maintained under or related to the agreement;

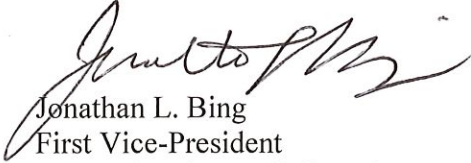
We believe unfettered access to the relevant books and records of an affiliate is necessary to preclude the situation where the affiliate attempts to shield vital documents from the receiver by claiming privilege or some other “right” despite provisions in the law to the contrary.



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We thank you for the opportunity to present our comments. IAIR would be pleased to respond to any questions on the foregoing and welcomes the opportunity to assist and participate in further discussions.

Respectfully submitted,



Jonathan L. Bing
First Vice-President
International Association of Insurance Receivers