



**VIA ELECTRONIC MAIL**

March 19, 2015

John M. Huff  
Director, Missouri Insurance Department  
Chairman, F Committee  
National Association of Insurance Commissioners  
1100 Walnut St., Suite 1500  
Kansas City, MO 64106-2197

**RE: Request for Assistance with NAIC Staff Proposal to Change the Definition of a Multi-State Reinsurer**

Dear Director Huff:

I am writing today, on behalf of the board of directors and members of the South Carolina Captive Insurance Association, to request a clarification to the new proposed preamble to the Part A: Laws and Regulations accreditation standards to make clear that the “Captive Life/Health Reinsurers” section is the only section of the preamble applicable to captive insurers. We understand from your March 17, 2015 memorandum to All Commissioners, Directors and Superintendents, that this reflects the NAIC’s intent. However, the language in the “Life/Health and Property/Casualty Insurers” section of the preamble does not exclude captive insurers, and the language in the “Captive Life/Health Reinsurers” section does not provide that the captive insurers described in that section are the only captives to which accreditation standards apply. Many captive insurers write property/casualty coverage, and as a result, we are concerned that in the absence of clarifying language the “Life/Health and Property/Casualty Insurers” section of the preamble could be interpreted to apply to captive insurers. Such an interpretation would be disastrous for the captive insurance industry.



We respectfully request that you add suitable language to the preamble clarifying that captives are not subject to the Part A Accreditation Standards. The following, or similar language, in the “Life/Health and Property/Casualty Insurers” section of the preamble could be utilized: “For avoidance of doubt, in no event shall Part A standards apply to any captive insurers other than those captive insurers described under the “Captive Life/Health Reinsurers” heading set forth below.”

Thank you, in advance, for your attention to this matter.

Michael J. Coulter  
President  
On Behalf of the Board of Directors