

INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION

NOTICE OF PROPOSED RULE

Date Issued: October 5, 2007

Proposed New Rule: Operating Procedure Regarding Dissolution of the Compact, Termination of Participation in the Compact, and the Winding Up of the Commission's Operations

- (1) **Purpose of Proposed New Rule:** The Operating Procedure Regarding Dissolution of the Compact, Termination of Participation in the Compact, and the Winding Up of the Commission's Operations establishes procedures for winding up of operations of the Commission, including the cessation of operations prior to dissolution of the Compact and the equitable disposition of any surplus funds that may exist upon the termination of the Compact. Additionally, procedures for the termination of a compacting state's participation in the Compact either through voluntary withdrawal or default are discussed, as well as the effect of dissolution on the Commission's actions.
- (2) **Legal Authority:** The IIPRC is authorized to establish appropriate procedures for dissolution pursuant to Article XIV §3 of the of the Interstate Insurance Product Regulation Compact ("Compact"), as enacted into law by each Compacting State and Article XII of the Bylaws; termination of participation pursuant to Article XIV §§ 1 and 2 of the Compact and Article X of the Bylaws; and winding up of the Commission's operations pursuant to Article XIV of the Compact and Article XII of the Bylaws.
- (3) **Text of Proposed New Rule:** The proposed rule is available on the IIPRC's web site (www.insurancecompact.org) and included with this notice as a separate document.
- (4) **Where, When and How Persons May Present Their Views:** The Management Committee of the IIPRC will accept written comments on this proposed new rule until **DECEMBER 3, 2007**. Written comments may be delivered via electronic mail to comments@insurancecompact.org, or via mail to the Management Committee c/o Frances Arricale, 701 Hall of the States, 444 North Capitol Street NW, Washington, DC 20001-1509.
- (5) **Where, When and How Persons May Request a Public Hearing:** Written requests for a public hearing must be received no later than **OCTOBER 23, 2007**. Persons who may request a public hearing are Commission members, the Management Committee, the Legislative Committee, the Consumer Advisory Committee, the Industry Advisory Committee, or a person or organization representing at least 25 persons affected by the proposed rule. Written requests for a public hearing may be delivered via electronic mail to comments@insurancecompact.org, or via mail to the Management Committee c/o Frances Arricale, Executive Director, 444 North Capitol Street, NW, Suite 701 Hall of States, Washington DC 20001-1509.