

**SERFF (SYSTEM FOR ELECTRONIC RATE AND FORM FILING) ADVISORY BOARD
OPERATING PROCEDURES
Adopted by the NAIC Executive Committee 08/25/2013**

The intent of these Operating Procedures is to ensure continued regulator, industry and consumer representative input related to the operation of SERFF. This proposal identifies the purpose of the SERFF Advisory Board, defines the relationship between the NAIC and the SERFF Advisory Board and outlines the process by which industry and consumer representative input regarding SERFF may occur.

- I. **SERFF** – SERFF is the System for Electronic Rate and Form Filing, an electronic filing system owned and operated by the NAIC.
- II. **SERFF OPERATING PROCEDURES.** – These Operating Procedures replace all versions of SERFF Bylaws. These Operating Procedures describe the roles and responsibilities of the SERFF Advisory Board.
- III. **SERFF ADVISORY BOARD** – The SERFF Advisory Board is a voluntary advisory group, established by the NAIC Executive (EX) Committee, comprised of regulator, insurance industry, and consumer representatives.
- IV. **SERFF ADVISORY BOARD MEMBERS** – The SERFF Advisory Board shall have 11 members, consisting of six state insurance regulator positions, three insurance industry positions, one consumer representative position and one representative from the Interstate Insurance Product Regulation Commission (IIPRC). The six regulator positions shall consist of the state insurance commissioner (chief insurance official in the state) or that person’s senior level staff designee. The three insurance industry positions shall consist of one property casualty representative, one life representative and one health representative. The industry representatives shall be employees of an insurance company and shall be involved with the SERFF filing operations within their companies. The consumer representative position shall be filled by an individual that does not have either a regulatory or industry affiliated employment relationship. The IIPRC representative shall be filled by the Executive Director or his/her designee. All positions shall be for one year, beginning on March 1 and ending on February 28 of the following calendar year.

Commissioner, industry and consumer members shall be appointed by the NAIC Executive (EX) Committee annually, or as needed in the event of a vacancy.

- V. **SERFF ADVISORY BOARD CHAIR AND VICE CHAIR** – The SERFF Advisory Board shall have a chair filled by a regulator member of the SERFF Advisory Board, and a vice-chair filled by an industry member of the SERFF Advisory Board, both appointed by the NAIC Executive (EX) Committee.
- VI. **ADVANCE NOTICE TO SERFF ADVISORY BOARD.** The SERFF Advisory Board shall be given advance notice prior to consideration or finalization of any proposed modification or any proposed prioritization of modifications to the SERFF software. The SERFF Advisory Board also shall be given advance notice of

that portion of the NAIC's proposed annual budget relating to SERFF, including proposed transaction fees. Accordingly, the SERFF Advisory Board shall be provided with this portion of the NAIC's proposed budget prior to the public exposure of the NAIC's budget and prior to consideration by the Speed to Market (EX) Task Force and consideration of or final approval of the NAIC's budget by the NAIC Executive (EX) Committee. No less than three times a year, the SERFF Advisory Board shall be provided with periodic reports that illustrate SERFF-related revenues and expenses.

The SERFF Advisory Board also shall be provided advance notice of, and agendas and attachments for, any meetings of the SERFF Advisory Board, the Speed to Market (EX) Task Force, or other committee/task force, including any open meetings of the NAIC Executive (EX) Committee, during which SERFF Advisory Board activity or recommendations or any other matters related to SERFF are to be discussed.

VII. OVERSIGHT OF THE SERFF ADVISORY BOARD – The SERFF Advisory Board will operate under the oversight of the NAIC Executive (EX) Committee, but shall report directly to the Speed to Market (EX) Task Force – or other committee / task force designated by the NAIC Executive (EX) Committee. All SERFF Advisory Board activity and/or recommendations shall be reported to and reviewed by the Speed to Market (EX) Task Force. The Task Force shall provide the SERFF Advisory Board the opportunity for comment and input during consideration of and prior to making any final decisions with respect to any SERFF Advisory Board activity or recommendations or any other matters relating to SERFF. All SERFF-related recommendations and proposals of the Task Force are ultimately subject to NAIC Executive (EX) Committee approval.

Members of the SERFF Advisory Board shall receive complimentary registration to SERFF events.

VIII. FUNCTIONS OF THE SERFF ADVISORY BOARD – General functions of the SERFF Advisory Board are as follows:

1. Provide input on the management of the SERFF system specifically related to product filing (rate, rule, form, advertising, etc.) functionality.
2. Continue to oversee the Product Steering Committee (PSC), comprised of an equal number of regulators and industry representatives, as well as two representatives from the IIPRC. The PSC shall report to the SERFF Advisory Board. The purpose of the PSC is to provide a forum for regulator and industry users of SERFF, and NAIC SERFF support staff, to discuss enhancement or modification requests to facilitate the continuous improvement of the SERFF system in support of rate and form filings, including recommending priorities and timelines for implementation. Proposed changes to the SERFF system generally are initiated with the PSC which shall provide an opportunity for comment.
3. Provide input regarding prioritization of all SERFF modifications, including modifications recommended by the PSC and NAIC SERFF support staff.
4. Provide input on that portion of the NAIC's proposed annual budget relating to SERFF, including the proposed transaction fees charged. The SERFF Advisory Board will be provided with the proposed SERFF project revenues and expenses prior to the public exposure of the NAIC's budget. The NAIC Executive (EX) Committee will continue to maintain ultimate approval authority for the NAIC's budget, and shall give due consideration to the recommendations of the SERFF Advisory Board.

- IX. SERFF TRANSACTION FEES.** SERFF transaction fees shall be reasonable and shall take into consideration the costs of the continued development, deployment, enhancement, marketing and operations of SERFF.

- X. MEETINGS** – The SERFF Advisory Board shall meet three times annually, or more often as determined by the SERFF Advisory Board chair or the majority of Board members.