



INSIGHT

AUGUST/SEPTEMBER/OCTOBER 2021

Volume 50 • Issue 3



The **PRESIDENT'S** Corner

As we begin another year, I'm excited by the prospects of what this year will offer to our membership. I am truly honored to be elected President of SOFE and it's my honor and privilege to serve you as the 2021-2022 President of this dynamic organization.

For the ones who don't know me, I'm the Assistant Chief Financial Examiner of the Washington State Office of the Insurance Commissioner and have been actively involved in the insurance regulation for nearly 20 years. I have also been the State Chair for Washington State since the mid-2000s.

As I take on this new role, I would especially like to thank our outgoing President, **Joanne Campanelli**, for her significant contributions and tireless work on behalf of SOFE and at the same time dealing and navigating Covid 19 impact on SOFE and membership. I also want to thank our Executive Committee, Board of Governors, and staff of the management company for their many contributions and achievements on behalf of SOFE and its members

As a member of SOFE, I have been actively involved with SOFE well before joining the Board of Governors in 2011. Since that time, I served as Vice President of the Membership Committee, Examination Committee, Financial Committee, and the Management Committee.

As a President, I would like to focus on our new members and colleagues in their quest in this professional industry. As never before, they need guidance and help navigating this dynamic industry, plus the necessary knowledge to become more effective regulators. Currently, the Examinations Committee is in communication with a few US-based colleges to collaborate with SOFE on updating and refreshing our tests. Also, the Education Committee will be providing some training opportunities using the same platform that we used for the last CDS. SOFE will share more information and details about the two initiatives in the near future. Stay tuned for more details.

Interested in getting more involved?

Currently, we're forming the Committees for 2021-2022 year. I hope you will consider this opportunity to volunteer and assist SOFE in providing first class service to our membership. (See detailed info on page 4)

As usual, we want to hear your ideas, and invite you to participate in shaping SOFE's future and become even more active members of this society. If you would like to directly communicate with me via email, my address is TarikS@OIC.WA.GOV. Thank you all again for the opportunity to serve as your President and I'm looking forward to seeing you all in person during 2022 CDS in Pittsburgh.

Tarik Subbagh, CFE
SOFE President

SOFE

Society of Financial Examiners

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2021 CDS RECAP

The 2021 Career Development Seminar (“CDS”)— “Regulating 2021: Cactus Makes Perfect”— was held July 19-22. While the challenges of the pandemic required SOFE to host the conference virtually rather than as originally planned at the Westin Kierland Resort & Spa in Scottsdale, AZ, the CDS was a SUCCESS nonetheless. The seminar was attended by a record number of registrants and included a number of add-ons for

participants despite the virtual format including two virtual social events, a gift box filled with goodies and a leaderboard to add a little competition to the virtual platform. Additionally, all registrants had access to view and earn additional SOFE credit throughout the month of August.

Many thanks for the success of this event go to our speakers, the majority of whom volunteer their time, the CDS Sponsors and the CDS Committee co-chaired by Ryan Havick and Lindsay Crawford. Additionally, a special thank you is extended to the MSI team for all their assistance in successfully planning and hosting the virtual event—none of this would be possible without them!

We are hopeful to return to an in-person CDS next year and look forward to seeing everyone at the Omni William Penn in Pittsburgh, PA in 2022!

CDS Committee

Ryan Havick, CFE | Co-chair

Lindsay Crawford, CFE | Co-chair

TJ Addison, CFE

Lori Brock, CFE

Jerry Cihota, CFE

Vivien Fan, CFE

Shannon Hopkins, CFE

Josh Johnson, CFE

Fred Karlinsky

Glenn LeGault, CFE

Brian Menard, CFE

Craig Moore, CFE

James Morris, CFE

Liz Nielson, CFE

Robin Roberts, CFE

Kristen Sharrow, CFE

Recap

- Approximately 550 participants, both members and non-members of SOFE
- 20 scholarships were awarded to state employees to attend the virtual CDS. Thank you to the Financial Examiners Education Foundation (FEEF) for partnering with SOFE to provide these scholarships!
- 81 Speakers shared their industry knowledge and expertise.
- 56 Sessions were available for members to attend.
- 23 Continuing education credits were available to each attendee during the CDS.
- 51 Additional SOFE continuing education credits were available for each registrant to view throughout the month of August.
- Virtual Sponsor Booths were available for viewing by the members on the virtual platform and received over 7,600 views.
- Two Virtual Socials
 - Michael Winslow, Comedian
 - Virtual Game Night
- Leaderboard winners:
 - Natalie Cunningham | Noble Consulting
 - Rebecca Davis | DC Department of Insurance
 - Jackson Goodwin | Alabama Department of Insurance

SOFE continues to receive positive feedback on the virtual conference and we look forward to hosting the CDS again in 2022!

2021 CDS Sponsors

PLATINUM

Baker Tilly Virchow Krause, LLP

Eide Bailly LLP

Examination Resources, LLC

Johnson Lambert LLP

Noble Consulting Services, Inc.

Risk & Regulatory Consulting, LLC

The INS Companies

GOLD

Carr, Riggs & Ingram, LLC

SILVER

Merlinos & Associates, Inc.

SOFE 2021 CDS Awards Recipients



Editor’s Choice Award

CRAIG MOORE, CFE

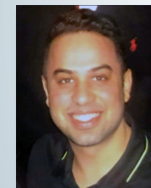
Contributions to the Publications of the Society



Don Fritz Award

JEFF GAITHER

Outstanding service as State Chair



William McCune Award

MAANIK GUPTA

Highest achievement in the CFE Test Series - 2020



Founders Award

**PHILLIP TALERICO
CFE, CPA, MCM**

Dedication and service to the society



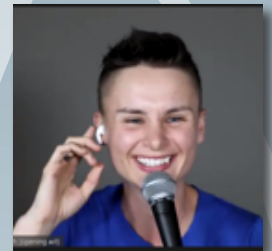
Game Night Social Photos



On Tuesday night of the virtual CDS, attendees enjoyed a virtual game night for a social hour and fun networking opportunities in small breakout groups.



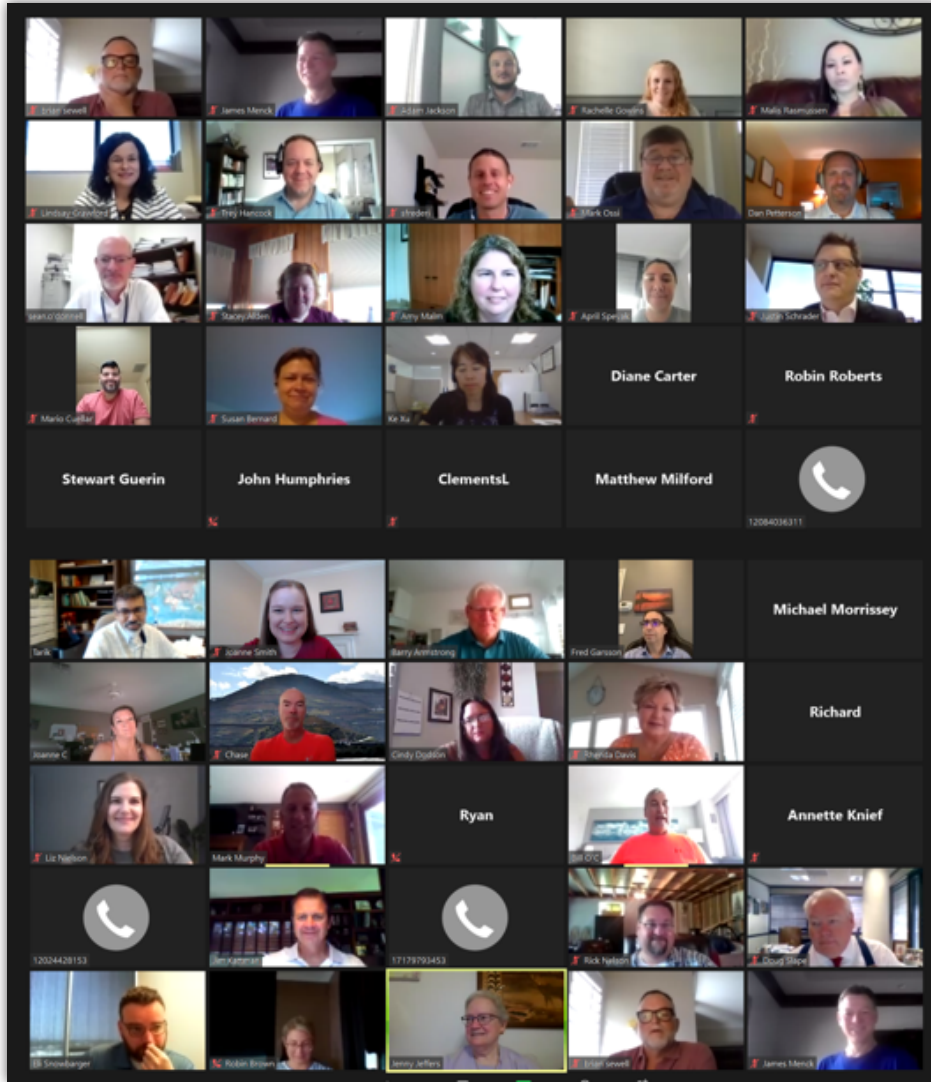
On Monday night of the virtual CDS, attendees enjoyed the sound stylings of comedian Michael Winslow from Police Academy with opening act Ashley Gutermuth.





Newly Elected Board of Governors and Executive Committee

Board of Governors (BOG) Meeting on July 23, 2021



Executive Committee (EC) Meeting on July 23, 2021



SOFE 2021-22 Election Results

The Board of Governors and Executive Committee met by virtual video conference in July both pre-CDS and post-CDS to conduct the business of the society. Although we could not be together in person for a formal photo this year, the moments were captured.

Newly Elected BOG

April Spevak
Jessie Adamson
Mark Ossi
Dan Patterson
Ke Xu

Re-Elected BOG

Lindsay Crawford
Eli Snowbarger
Shawn Frederick
Tarik Subbagh
Bill O'Connell

Retired BOG

Jan Moenck
Leane Rafalko
Tian Xiao

Newly Elected EC

Chase Davis
Malis Rasmussen

Re-Elected EC

Lindsay Crawford
Bryant Cummings
Ryan Havick
Jenny Jeffers
Eli Snowbarger
Tarik Subbagh

Retired EC

Justin Schrader
Jan Moenck

YOU'RE INVITED

to Volunteer for a Committee

The 2021-22 Leadership team invites qualified members to serve on one or more SOFE Committees. This is your opportunity to invest your time and insight to ensure the continued success of SOFE, your professional society. No travel is required to serve on these committees, as most of the work is done via e-mail and teleconference. The SOFE Vice President contact for the committee determines which volunteers will serve on their committee. Please contact the Vice President chairing the committee or Katie Hess (katie@sofe.org) to volunteer for the committee in which you are interested.



Committee Corner: Membership Committee (MC)

What types of Membership are there in SOFE?

- General
- Regulatory
- Associate
- Institution
- Student
- Retired Status
- Inactive Status
- Accredited Member (AFE)
- Certified Member (CFE)
- Automated Examination Specialist (AES)

Who makes the determination of becoming a member in SOFE?

- The MC reviews applications and makes recommendations to the Executive Committee (EC). The EC makes the final determination on membership.

What is the purpose of the SOFE MC?

- To review all membership requests, including supporting documentation, and to provide recommendations to the EC.

How many members make up the MC?

- The number varies: For the 2021 – 2022 year there were 16.

Who is the Chair of the MC?

- The Chair is the VP of Membership. Currently the Chair is Chase Davis.

Does anyone oversee the activities of the Membership Committee?

- The EC oversees the MC. There is also oversight and coordination by Rhenda Davis of SOFE.

How often does the Membership Committee meet?

- The MC meets monthly to review all applications submitted the prior month.

What is the process for applying for membership to SOFE?

- Prospective members should visit the SOFE website and complete the application for the classification of membership desired.
- Pay the associated fee (if applicable)

What is the process for reviewing and approving a membership application?

- Once received, SOFE staff will review application for completeness and verify fee.
- Each application is sent to a team of two members of the MC for review.
- If additional information is needed, SOFE will contact the applicant.
- Once the recommendation of the reviewing team is determined, the MC meets to go over each recommendation for membership.
- The MC submits their recommendations to the EC for final approval.
- SOFE notifies Applicants of the final decision.

Can I submit my application ahead of my “official” experience requirement being met?

- Applications should not be submitted until all basic requirements are met, and the only item remaining is the experience requirement.
- Applications submitted should not more be more than 2-3 months ahead of meeting experience requirement.

What is the process if there is something wrong with my application?

- SOFE will contact the applicant requesting additional documentation or support for the items in question.
- Once the information is received, the review process will continue.

What is the process for appealing the decision on a membership application?

- Once the decision is received, the applicant may submit an appeal to SOFE for further consideration.
- SOFE will forward the appeal to the MC and EC for review and action.
- Final decision will be made by the EC.



State Chairs

SOFE introduces two (2) newly appointed State Chairs: Timothy Defever as Michigan State Chair and Levi Nwasoria as Kansas State Chair. Thank you John Sands for your service as Michigan State Chair.



TIMOTHY DEFEVER (MI), CFE, PIR is a Regional Supervisor for the Michigan Department of Insurance and Financial Services. He has been conducting financial examinations of domestic insurers for more than 20 years. He is looking forward to collaborating with fellow examiners to advance the profession.



LEVI NWASORIA (KS) was employed by the Missouri Department of Insurance from 1998-2020. He spent the last five years as Assistant Chief Examiner.

KELSEY BARLOW (NV) is the Chief Insurance Examiner for Nevada.

State Chair Vacancy | NEW YORK

If you would like to volunteer to be a State Chair, please contact SOFE Headquarters.

SOFE Important Reminders

CRE Opportunities currently available for SOFE Members:

NAIC Handbook Training

Financial Analysis Update

Ethics 1.5 CRE each:

- Truth About Dishonesty: Is it possible to Lie in the Happiest Place on Earth?
- Fraud, Lies & Hermes Ties
- Risk-Focused Surveillance Requires Critical Thinking!

The Examiner Magazine Quizzes

To receive CRE Credit for the webinars above, view by visiting the Member's Area on the SOFE website and passing the corresponding quiz on SOFE's Testing site. Once you pass the quiz, you will receive a certificate that you can use to enter the credits onto your SOFE account.

Availability of additional CRE credits from CDS presentations

2021 CDS Attendees: All CDS Sessions are available for additional SOFE CRE Credit on the CDS Platform. Visit the CDS Website (SOFE2021.vfairs.com) to view the sessions, and take the corresponding quiz on SOFE's testing site for credit.



SOCIETY OF FINANCIAL EXAMINERS

Code of Ethical Conduct

Society of Financial Examiners membership is voluntary. By accepting membership, members assume the obligation of adhering to this Code of Ethical Conduct in accordance with the SOFE Restated Bylaws. SOFE has adopted this Code of Ethical Conduct to provide guidance to all members in the performance of their professional responsibilities. SOFE members must adhere to the following five principles at all times during their membership.

- ✓ **Integrity** - Members, at all times, must demonstrate the qualities of honesty and trustworthiness.
- ✓ **Objectivity** - Members must maintain objectivity and be free of conflicts of interest in discharging their professional responsibilities. Members must not allow bias, conflict of interest, or undue influence of others to override their professional or business judgments.
- ✓ **Professional Competence and Due Care** - Members must maintain professional knowledge and skill based on the current developments in practice, legislation, and techniques. Members are responsible for performing their job duties to the best of their ability using due diligence and in accordance with applicable professional standards.
- ✓ **Confidentiality** - Members must maintain the privacy and confidentiality of information acquired as a result of professional and business relationships, and therefore not disclose any such information unless disclosure is legally permitted, nor use the information for personal advantage of the member or third parties.
- ✓ **Professional Behavior** - Members must comply with relevant laws and regulations and avoid any action that discredits themselves or the Society of Financial Examiners. Members must not use, or attempt to use, their official position to obtain improper privileges or exemption for themselves or others.

Members, at all times, must adhere to the Society of Financial Examiners' Oath regarding tests and examinations, incorporated by reference into this Code.

Actions for disciplinary sanction for violations of this Code of Ethical Conduct may be brought before the Board only by a member of the Professional Standards Committee.



SOCIETY OF FINANCIAL EXAMINERS®

REQUEST FOR PROPOSAL AFE3 – Life & Health Insurance Accounting Exam

Introduction

The Society of Financial Examiners (“SOFE”) is a professional society for examiners of insurance companies. We have a membership of approximately 1,700 representing 50 states and the District of Columbia. SOFE is the one organization where financial examiners of insurance companies come together for training and to share and exchange information on a formal and informal level. SOFE was established in 1973 to establish a strict code of professional standards for members engaged in the examination of financial institutions, to promote uniform ethical standards that will engender employer and public confidence to the degree that those interested can identify professionally qualified practitioners, and to promote and enforce minimum requirements of conduct, training, and expertise for members engaged in financial examination

The members of SOFE have the opportunity to earn three designations: Accredited Financial Examiner (AFE®), Certified Financial Examiner (CFE®) and Automated Examination Specialist (AES®).

The guidelines for the financial examinations of insurance companies performed by SOFE members are set by the National Association of Insurance Commissioners (“NAIC”). The NAIC is responsible for updating the requirements of the risk-focused financial examination process. The purpose of this Request for Proposal (“RFP”) is that SOFE desires to engage services of a firm/consultant to update the test bank of questions for the **AFE3 – Life & Health Insurance Accounting** examination.

Project

The Executive Committee of SOFE, which is the governing body that oversees the detailed operations of the society, has discussed the most efficient way to handle this matter, and it has been decided to outsource this project to a firm/consultant.

Therefore, the Executive Committee has requested that by submitting a proposal in response to this RFP, the independent firm/consultant agrees to devote as much time, attention, and energy as necessary to complete or achieve the update of a test bank of questions and answers for the **AFE3** Examination and draft a study guide to accompany the new materials designated to be covered by the **AFE3** Examination. All work will need to be completed by **March 15, 2022**.

Requirements of Applicants

Applicants may be professional test writers or individuals/firms associated with the insurance industry experience. The qualified applicant must have at least three (3) years of current experience with drafting test questions and preparation of applicable study materials. Preference will be given to those applicants who have a working knowledge of the insurance regulatory environment. The applicant must have excellent communication skills, access to a computer and be available during the times outlined in the enclosed timeline. A resume of work experience must be submitted together with the application.

(Continued on page 8)



Deliverables

Update the **AFE3** test database by drafting/updating approximately 400 questions and answers, which will include 25 questions and answers for a practice test, for the **AFE3** examination in both Word and Excel Format, based on the study materials outlined below.

Draft a study guide to accompany the test bank adequately covering the scope and content of the new study materials for the **AFE3** examination.

Provide periodic questions and answers for the Society’s review and update as required by SOFE.

Study Materials

- *Life and Accident and Health Insurance Accounting, Sixth Edition, 2018, Insurance Accounting & Systems Association, Inc.*

Project Timeline

Event	TIME (Eastern time)	Date
1. SOFE Issues RFP		August 30, 2021
2. Response (Offer) Deadline	5:00 PM	September 10, 2021
3. SOFE Identifies Responses		September 16, 2021
4. SOFE Identifies Best Response		September 23, 2021
5. SOFE Releases Award Notice	5:00 PM	September 27, 2021
6. Contract Signing		
7. Contract Signing Deadline	5:00 PM	October 7, 2021
8. Status update and Submission of 1 st set of 145 Questions and Answers	5:00 PM	November 30, 2021
9. Status update and Submission of 2 nd set of 110 Questions and Answers	5:00 PM	January 13, 2022
10. Status update and Submission of 3 rd set of 120 Questions and Answers and 25 Practice Questions and Answers	5:00 PM	February 23, 2022
11. All work will be completed	5:00 PM	March 15, 2022

SOFE reserves the right, at its sole discretion, to amend or cancel this solicitation at any time.

SOFE reserves the right to interview applicants before a final selection is made.

How to Respond To RFP

If you are interested, please provide a response to the RFP by providing a direct email address, a phone and fax number, mailing address, evidence of qualifications, including a current resume and three (3) professional references, and a cost offer to SOFE Headquarters- sofe@sofe.org

Responses should be submitted in electronic format and must be received no later than 5 p.m. ET on September 10, 2021. SOFE is not responsible for any proposals not arriving by the established deadline.

Questions related to the RFP should be submitted to: SOFE VP of Examinations, Bryant Cummings, Email: Bryant.Cummings@tn.gov and SOFE VP of Examinations, Bill O’ Connell, Email: boconnell@noblecon.net

NOTE - Any individual working on the test questions or who may have reasonable access to the test questions will not be permitted to take the exam to earn credit toward a SOFE designation.



PLATINUM

SPONSORS



Financial Examiners Educational Foundation (FEEF)

FEEF Publication Now Available!

The Financial Examiners Educational Foundation has released a publication titled *“An Overview of Solvency Regulation in the US”*. This is an easy to read overview of the objectives of the system of regulation in the US and was prepared by a group of experts well informed in solvency regulation.

This E-book is available to US Insurance Commissioners and their staff at no charge. To access the e-book, commissioners and staff must use the link and password sent to them by regular mail.

Others wishing to purchase the e-book may do so at the St. John’s University Center for Executive Education website portal: <https://sjureg/mycoursecenter.com>.

Proceeds from the sale of this e-book will be used by the Foundation to further its mission to offer educational opportunities for insurance regulators.

SOFE kindly thanks FEEF for their partnership in sponsoring the CDS scholarships each year.



New Members and Designees

Welcome to the new SOFE members who were approved by the Executive Committee since our last publication of InSIGHT:

Welcome New Members!

GENERAL MEMBERS

AR Melisa Akens
UT Angela Alires
UT Heidi Cary
AL Laura Cook
OK Jessamine Dumanas
AL Jackson Goodwin
AR Hank House
CA Ryann Hubbard
FL Bobby Jackson
AR Kimberly Johnson
GA Carly Kanwisher
IA Deborah Krueger
AL David Martin
GA Elizabeth Nunes
VT Sarah Predient
VA Ashton Reighard
LA Pat Reserva
AK Kevin Richard
NV Steve Ross
WA Natalia Serafimovici
MS Stephen Solomon
MS Sophia Tran
AR Matthew Turner
CA Victor Villegas
AL Andarius Vincent
VT Peter Wernhoff

Congratulations to the following members who were granted SOFE designations by the Executive Committee since our last publication of InSIGHT:

Congratulations to our New Designees!

AFE DESIGNEES

MA Amy Alves
PA Jessica Fulton
PA Jordon Fulton
HI Melanie Fujiwara
NE Yui Yan (Cynthia) Lu
MO Conner Nilges
MD A. Victoria Claros
MO Kim Waller
MD Xuan (Donna) Zhou

CFE DESIGNEES

NE David Geidel
WI Tom Hilger
UT Corey Larsen
NC Grant Myers
IN Victoria Scott
DE Ronald Thomas Smith
OR Keilei Yambau





Mark Your Calendar Upcoming SOFE Career Development Seminars

Details as they are available at: www.sofe.org



2022 July 24–27

Pittsburgh, PA
Omni William Penn



2023 July 16-19

Louisville, KY
Omni Louisville

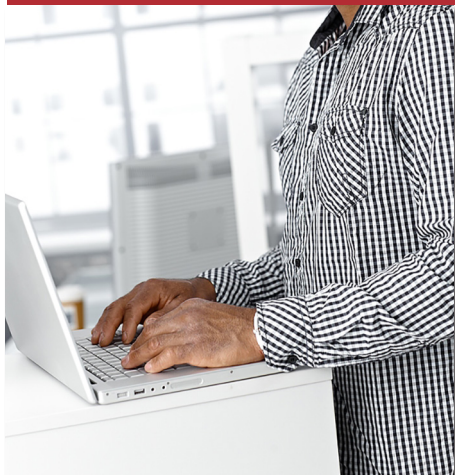


**2024 July 28-
August 1**

Oklahoma City, OK
Omni Oklahoma City Hotel

SOFE Calendar Updates

Please submit notifications of State Chapter Training Programs or other continuing education opportunities that are open to the public to www.sofe.org. These opportunities will be posted on the SOFE Calendar on the website at sofe.org/calendar/.



The Examiner®

Upcoming deadline for article submissions:

2021 Fall Issue: SEPTEMBER 24

Authors Wanted

The Publications Committee is seeking members to write articles for upcoming editions of The Examiner professional magazine. Suggested article topics include: insurance industry developments, ERM, ORSA, statutory accounting, risk-focused financial examinations and financial analysis procedures, IT general control reviews, prospective risks, fraud risks, examiner soft skills best practices, etc. Contributing an article is a fantastic way to showcase your expertise in the insurance regulatory community! In addition, authors will receive six (6) Continuing Regulatory Education (CRE) credits for each technical article selected for publication.

Interested authors should contact the Publications Committee Chair via sofe@sofe.org

SOFE Headquarters

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Our hours of operation are
Monday-Friday 8:30am to 5:00pm EST.

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