**Section 4521.30 Valuation of Investments**

a) The "Purposes and Procedures Manual of the NAIC Investment Analysis Office", as of December 31, 2022 (National Association of Insurance Commissioners, One New York Plaza, Ste. 4210, New York NY 10004) (no later editions or amendments), available at https://www.naic.org, shall be used for valuing securities for which valuations are not otherwise defined by statute or rule. The Director shall disallow any procedure prescribed by that manual if the Director deems it necessary to ascertain the condition and affairs of the company. In making this determination, the Director shall consider such factors as:

1) the nature of the investment (stocks or bonds);

2) the financial condition of the issuing company;

3) the applicability of other standardized accounting procedures; and

4) other factors affecting the accuracy of the valuation.

b) The following procedure shall be required for the listed investment:

1) Real Estate

Written appraisals for real estate investments shall be submitted to the Department for review 15 days following the end of the month in which the real estate was acquired. Real estate investments requiring approval under Section 3-1(h)(16)(iii) of the Act shall have an appraisal. The appraisal shall be reviewed to ensure that the appraisal was performed by a member of the Appraisal Institute in the customary manner and that the appraisal supports the valuation amount expressed by the company in its annual statement.

2) Valuation of Investments Otherwise Defined

A company that has an investment that cannot be valued in accordance with the procedures outlined in subsection (b)(1) must file a request for valuation with the Department within 15 days following the end of the month in which the investment is acquired. This request shall include, at a minimum, the following information:

A) A description of the investment;

B) Date of acquisition;

C) Name of vendor;

D) Cost of investment to company;

E) Par value, if relevant;

F) Rate and/or amount of interest, dividend or other compensation earned or accrued; and

G) Any other significant terms of the investment.

(Source: Amended at 48 Ill. Reg. 7266, effective April 30, 2024)