

Draft date: 2/8/24

*Virtual Meeting*

**BLANKS (E) WORKING GROUP**

Wednesday, February 21, 2024

12:00 – 1:00 p.m. ET / 11:00 a.m. – 12:00 p.m. CT / 10:00 – 11:00 a.m. MT / 9:00 – 10:00 a.m. PT

**ROLL CALL**

Pat Gosselin, Chair	New Hampshire	Lindsay Crawford	Nebraska
Steve Drutz, Vice Chair	Washington	John Sirovetz/Amal Mechaiel	New Jersey
Kevin Richard	Alaska	Tracy Snow	Ohio
Kim Hudson	California	Diane Carter	Oklahoma
Michael Shanahan	Connecticut	Ryan Keeling	Oregon
Nicole Brittingham	Delaware	Diana Sherman	Pennsylvania
N. Kevin Brown	District of Columbia	Shawn Frederick	Texas
Nicole Crockett/Carly Wagoner	Florida	Jake Garn	Utah
Roy Eft	Indiana	Mary Jo Lewis	West Virginia
Daniel Mathis	Iowa	Adrian Jaramillo	Wisconsin
Kristin Hynes/Jason Tippet	Michigan		
Debbie Doggett/Danielle Smith	Missouri		

**AGENDA**

1. Consider Adoption of its Nov. 7, 2023, Minutes—*Pat Gosselin (NH)* Attachment 1
  
2. Discuss Items Previously Exposed/Deferred—*Pat Gosselin (NH)*
  - A. **2023-05BWG Modified** – Changes to the cybersecurity supplement to remove the reference to identity theft Insurance from the General Instructions, remove the interrogatory questions from Part 1 that pertain to identity theft insurance, and remove the column for identity theft insurance from Parts 2 and 3. Remove claims-made and occurrence breakdowns, first-party and third-party breakdowns from data collection, and the question in the interrogatories regarding tail policies. Attachment 2
  
  - B. **2023-12BWG Modified** – Categorize debt securities on Schedule BA that do not qualify as bonds under *SSAP No. 26R—Bonds* or *SSAP No. 43R—Loan-Backed and Structured Securities* and are captured in the scope of *SSAP No. 21R—Other Admitted Assets*. Attachment 3
  
  - C. **2023-13BWG Modified** – Add new instruction and illustration under Note 5 – Investments for Net Negative (Disallowed) Interest Maintenance Reserve (IMR) and a new general interrogatory for a company attestation. Attachment 4

- D. **2023-14BWG Modified** – Revise the health test language and general interrogatories. Attachment 5
  - E. **2023-15BWG Modified** – Add a new general interrogatory to the Life General Interrogatories Part 2 to provide needed information for completing the C-2 mortality risk in the life risk-based capital (RBC). Attachment 6
  - F. **2023-16BWG Modified** – Change Schedule P in the property/casualty (P/C) blank to show 10 years of data and a “prior” row for all lines of business beginning in 2024. This modifies requirements for seven lines of business that currently only show two years of data and a “prior” row. Attachment 7
3. Consider Exposure of New Items—*Pat Gosselin (NH)*
- A. **2024-01BWG** – Update the Investment Schedules General Instructions to identify that common and preferred stock residual interests should be reported on Schedule BA. (SAPWG Item 2023-23). Attachment 8
  - B. **2024-02BWG** – Remove categories from Schedule DA, Part 1, and Schedule E, Part 2 that should be reported on Schedule BA. Add clarifying instructions on what should be included in Other Short-Term and Other Cash Equivalent categories. Attachment 9
  - C. **2024-03BWG** – Update General Interrogatory 35 for private letter rating security reporting to clarify what should be included. Attachment 10
  - D. **2024-04BWG** – Add clarifying language to the VM-20, Requirements for Principle-Based Reserves for Life Products, supplement in the life blank to include separate accounts where applicable. Attachment 11
  - E. **2024-05BWG** – Add clarifying language to Annual General Interrogatory 29.05 (Quarterly General Interrogatory 17.5) to clarify that all investment advisors with discretion to make investment decisions, including sub-advisors, should be disclosed through the interrogatory. Attachment 12
  - F. **2024-06BWG** – P/C changes: Limit the requirement to send qualification documentation to the board of directors only at the initial appointment and not annually thereafter. Title changes: Update the title instructions so they are more similar to the P/C instructions. Attachment 13
4. Consider Adoption of the Editorial Listing—*Pat Gosselin (NH)* Attachment 14
5. Discuss Any Other Matters Brought Before the Working Group  
—*Pat Gosselin (NH)*

6. Adjournment

*The following documents are being provided as reference materials:*

*Summary of Comment Letters*

*Comment Letters*

Attachment 15

Attachment 16

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Draft: 11/27/23

Blanks (E) Working Group  
Virtual Meeting  
November 7, 2023

The Blanks (E) Working Group of the Accounting Practices and Procedures (E) Task Force met Nov. 7, 2023. The following Working Group members participated: Pat Gosselin, Chair (NH); Kim Hudson, Vice Chair (CA); David Phifer (AK); Michael Shanahan (CT); N. Kevin Brown (DC); Adrienne Lupo (DE); Jane Nelson and Jason Reynolds (FL); Daniel Mathis (IA); Kristin Hynes and Jason Tippet (MI); Danielle Smith (MO); Lindsay Crawford (NE); David Wolf (NJ); Dale Bruggeman and Tracy Snow (OH); Diane Carter (OK); Shawn Frederick (TX); Jake Garn (UT); Steve Drutz (WA); Adrian Jaramillo (WI); and Mary Jo Lewis (WV).

1. Adopted its July 27 Minutes

Gosselin referenced the Working Group's July 27 minutes. During this meeting, the Working Group took the following action: 1) adopted its May 31 minutes; 2) deferred three proposals for an additional comment period; 3) re-exposed a proposal for a 75-day public comment period that ended Oct. 12; and 4) adopted its editorial listing.

Hudson made a motion, seconded by Shanahan, to adopt the Working Group's July 27 minutes (Attachment Two-A). The motion passed unanimously.

2. Re-Exposed Items

A. Agenda Item 2023-05BWG

Sara Robben (NAIC) stated that there have been several group discussions between state insurance regulators, interested parties, and NAIC staff regarding changes to the cybersecurity supplement. This blanks proposal was intended to remove the references to identity theft from the data collection, which did not provide meaningful information to state insurance regulators. The proposal removes the references to claims-made and occurrence, as most cybersecurity policies have both in one policy. Originally, it was planned to eliminate the first-party and third-party breakdown, but after the state insurance regulators, interested parties, and NAIC staff discussed the issue, it was decided that the breakout should remain. Robben stated that there were interrogatories regarding tail policies that were deleted. The definitions and instructions were strengthened to be consistent with the definitions in other blanks.

Robben stated that during these group discussions, it was identified that the terminology might not be consistent with that of interested parties regarding stand-alone, packaged, excess, and endorsement. It was decided that using the term "primary" was more appropriate to reference stand-alone and packaged policies. Definitions were added for the three types: primary, excess, and endorsement. For Part 5, state insurance regulators indicated they want to see the breakout of stand-alone and packaged and not combined into "primary" as in the other parts of the supplement.

Drutz made a motion, seconded by Phifer, to re-expose the proposal for a 75-day public comment period ending Jan. 22, 2024, to receive additional comments on the modifications. The motion passed unanimously.

B. Agenda Item 2023-12BWG

Bruggeman stated that this blank proposal proposes revisions to incorporate new reporting lines for the debt securities that do not qualify as bonds that correspond to the categories of such securities in line with the guidance proposed in *Statement of Statutory Accounting Principles (SSAP) No. 21R—Other Admitted Assets*.

Bruggeman stated that in addition to the proposed new reporting lines, this proposal also proposes other revisions to the Schedule BA reporting schedule to streamline and clarify the reporting components. These revisions included edits to combine the “non-registered private equity” section with the “joint venture, partnership, LLC” reporting lines, as both categories should be within *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies*. Comments received from the initial exposure have mostly been incorporated within the proposal. However, interested parties have recommended keeping the “non-registered private equity” section separate from the “joint venture, partnership, LLC” reporting lines. Interested parties have met with NAIC staff to discuss these comments. For this exposure, it is proposed to continue with the combining of the sections, but it is noted that further assessment of interested parties’ comments and a review of a particular investment will occur during the exposure period.

Bruggeman made a motion, seconded by Hudson, to re-expose the proposal with the suggested modifications for a 75-day public comment period ending Jan. 22, 2024. The motion passed unanimously.

3. Adopted Proposals

A. Agenda Item 2023-06BWG

Bruggeman stated that this blank proposal pertains to the bond project and incorporates several revisions to expand the bond reporting schedule into two schedules: one for issuer credit obligations and one for asset-backed securities (ABS). Although the combined total from both schedules will be reflected as “bonds” on the balance sheet, several other corresponding revisions are proposed to ensure that the new schedules and terminology are reflected properly in the various financial statement schedules, exhibits, and notes. In addition to expanding the bond schedules, more granular reporting lines are proposed to identify the type of bond investment held. These additional reporting lines also impact other schedules and are reflected in the revisions.

Bruggeman stated that this is the second time these revisions have been exposed. NAIC staff have worked closely with interested parties to consider and incorporate changes. The majority of clarification edits proposed by interested parties have been captured within the proposal. Bruggeman stated that the collaboration with interested parties on this project is much appreciated. Bruggeman stated that adoption is preferred at this time to allow for preparation of the changes in advance of the Jan. 1, 2025, effective date.

Bruggeman made a motion, seconded by Wolf, to adopt the modifications to the proposal. The motion passed unanimously. Bruggeman made a motion, seconded by Hudson, to adopt the modified proposal (Attachment Two-B). The motion passed unanimously.

B. Agenda Item 2023-07BWG

Bruggeman stated that this blank proposal proposes revisions to the investment schedules identified as part of the review completed under the bond project but does not reflect revisions driven specifically from the bond project. A key item is the removal of the legal entity identifier (LEI) reporting column for all investment schedules

except for the derivatives schedule (Schedule DB). A recent revision also incorporates information on cumulative dividends for the preferred stock schedule.

Bruggeman stated that this is the second time this proposal has been exposed. NAIC staff have worked closely with interested parties to consider and incorporate changes. Bruggeman stated that adoption is preferred to allow preparation of the changes in advance of the Jan. 1, 2025, effective date.

Bruggeman made a motion, seconded by Wolf, to adopt the modifications to the proposal. The motion passed unanimously. Bruggeman made a motion, seconded by Wolf, to adopt the modified proposal (Attachment Two-C). The motion passed unanimously.

#### 4. Withdrew Proposal

##### A. Agenda Item 2023-09BWG

Bruggeman stated that this blanks proposal was intended to provide an annual statement note data link to feed into the updated life risk-based capital (RBC) C-2 mortality factors. The Statutory Accounting Principles (E) Working Group previously put the related Form A on hold to allow time to address interested parties' comments that the initial exposure had duplications and the recommendation that the information would be better placed somewhere other than a note. At this time, the Statutory Accounting Principles (E) Working Group would like to withdraw this proposal. It will be replaced by 2023-15BWG, which was developed with input from interested parties and the NAIC life risk-based capital staff to include the information in a general interrogatory.

Bruggeman withdrew this proposal.

#### 5. Exposed New Items

##### A. Agenda Item 2023-13BWG

Bruggeman stated that this blanks proposal proposes data-captured notes as well as a general interrogatory to capture the interest maintenance reserve (IMR) disclosures and the reporting entity attestation as required with the adopted *Interpretation (INT) 23-01: Net Negative (Disallowed) Interest Maintenance Reserve* that permits admittance of 10% of net negative IMR. He stated that the disclosures and attestation detailed in INT 23-01 are currently required for any netting of admitted net negative IMR and would be completed in narrative notes. This blanks proposal only proposes to data-capture the disclosures and incorporate a specific general interrogatory for the company attestation.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 75-day public comment period ending Jan. 22, 2024.

##### B. Agenda Item 2023-14BWG

Drutz stated that this proposal changes the health test language and the references in the related general interrogatories for clarification. The intent is to pull data elements uniformly into the health test calculation where possible.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 75-day public comment period ending Jan. 22, 2024.

C. Agenda Item 2023-15BWG

Bruggeman stated that proposal 2023-15BWG replaces 2023-09BWG, which was previously withdrawn. Proposal 2023-15BWG was developed with input from interested parties and NAIC staff supporting the Life Risk-Based Capital (E) Working Group, Blanks (E) Working Group, and Statutory Accounting Principles (E) Working Group. The intent is to have the information in a general interrogatory that will provide an annual statement link for data used in the updated life RBC C-2 mortality factors.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 75-day public comment period ending Jan. 22, 2024.

6. Received Memorandums from the Statutory Accounting Principles (E) Working Group

A. Statutory Accounting Principles (E) Working Group INT 23-01: Net Negative (Disallowed) Interest Maintenance Reserve (IMR)

Bruggeman stated that this memorandum corresponds to the adopted INT on net negative IMR to be explicit that the disclosures and company attestation required in the INT are required beginning with third-quarter financials if companies admit IMR under the INT. As noted in the 2023-13BWG discussion, a blanks proposal has been exposed to incorporate data-captured disclosures for these requirements.

Bruggeman made a motion, seconded by Wolf, to receive the memorandum (Attachment Two-D). The motion passed unanimously.

B. Statutory Accounting Principles (E) Working Group Year-End Updates

Bruggeman stated that the purpose of this memorandum is for the Statutory Accounting Principles (E) Working Group to notify the Blanks (E) Working Group of adopted revisions to the financial statement notes and annual statement instructions, as they do not require approval from the Blanks (E) Working Group.

Bruggeman recommended that this memorandum detailing changes to existing reporting instructions and 2023 disclosure requirements be posted to the NAIC website. This is consistent with the *Accounting Practices and Procedures Manual's* (AP&P Manual's) *NAIC Policy Statement on Coordination of the Accounting Practices and Procedures Manual and the Annual Statement Blank*. Excerpts are included on the pages attached to the memorandum; however, the interpretations and agenda items in their entirety can be found on the Statutory Accounting Principles (E) Working Group web page under the documents tab. The adoptions include: 1) Ref #2023-13: PIK Interest Disclosure Clarification; 2) *INT 23-02: Third Quarter 2023 Inflation Reduction Act – Corporate Alternative Minimum Tax* (effective third quarter 2023 only); 3) Ref #2023-04: *INT 23-03: Inflation Reduction Act – Corporate Alternative Minimum Tax* (effective year-end 2023 reporting and thereafter); 4) Ref #2023-12: Residuals in SSAP No. 48 Investments; and 5) Ref #2023-21: Removal of Transition Guidance from SSAP No. 92 and SSAP No. 102.

Bruggeman made a motion, seconded by Hynes, to receive the memorandum (Attachment Two-E). The motion passed unanimously.

7. Adopted the Editorial Listing

Hudson made a motion, seconded by Snow, to adopt the editorial listing (Attachment Two-F). The motion passed unanimously.



8. Reviewed the Blanks (E) Working Group Charges

Gosselin stated that as part of the year-end process, the Working Group should review its 2024 charges, which have not changed from the previous year. No questions or concerns were raised by Working Group members, state insurance regulators, or interested parties; therefore, Gosselin stated that no action was needed by the Working Group as these are assigned by the Financial Condition (E) Committee.

9. Reviewed the State Filing Checklists

Gosselin indicated that the state filing checklists are included in the meeting materials. One of the Blanks (E) Working Group charges is to monitor the state filing checklists to maintain current filing requirements. Working Group members, state insurance regulators, or interested parties raised no questions or concerns.

Hudson made a motion, seconded by Shanahan, to approve the state filing checklists (Attachment Two-G). The motion passed unanimously.

Having no further business, the Blanks (E) Working Group adjourned.

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>02/01/2023</u></p> <p>CONTACT PERSON: <u>Sara Robben</u></p> <p>TELEPHONE: <u>816-783-8230</u></p> <p>EMAIL ADDRESS: <u>srobben@naic.org</u></p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Alan McClain</u></p> <p>TITLE: <u>Chair P/C Insurance (C) Committee</u></p> <p>AFFILIATION: <u>Arkansas Insurance Department</u></p> <p>ADDRESS: <u>1 Commerce Way</u> <u>Little Rock, AR 72202</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2023-05BWG MOD</u> Year <u>2024</u></p> <p>Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ] New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input checked="" type="checkbox"/> [ X ] Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ] <i>***If Yes, complete question below***</i></p> <hr/> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment <input type="checkbox"/> [ ] Referred To Another NAIC Group <input type="checkbox"/> [ ] Received For Public Comment <input type="checkbox"/> [ ] Adopted Date _____ <input type="checkbox"/> [ ] Rejected Date _____ <input type="checkbox"/> [ ] Deferred Date _____ <input checked="" type="checkbox"/> [ X ] Other (Specify) <u>Re-exposed 11/7</u></p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT     | <input type="checkbox"/> [ ] INSTRUCTIONS             | <input type="checkbox"/> [ ] CROSSCHECKS |
| <input type="checkbox"/> [ ] QUARTERLY STATEMENT               | <input checked="" type="checkbox"/> [ X ] BLANK       |  |
| <input type="checkbox"/> [ ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts        | <input type="checkbox"/> [ ] Title       |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty    | <input type="checkbox"/> [ ] Protected Cell           | <input type="checkbox"/> [ ] Other _____ |
| <input type="checkbox"/> [ ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement) |  |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

See Next Page

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

See Next Page

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

## IDENTIFICATION OF ITEM(S) TO CHANGE

Remove the reference to Identity Theft Insurance from the General Instructions. Remove the interrogatory questions from Part 1 that pertain to Identity Theft Insurance. Remove the column for Identity Theft Insurance from Parts 2 and 3.

Remove claims-made and occurrence breakdown, ~~as well as first party and third party breakdown~~ from data collection. A cybersecurity insurance policy is generally written on a claims-made basis for the liability sections of the policy; therefore the breakdown is unnecessary. ~~Additionally, most cybersecurity policies include both first party and third party coverage, so the breakdown does not provide significant data, as it is not an either/or situation.~~

Remove the question in the interrogatories regarding tail policies. This has provided no meaningful information, due to the way cybersecurity insurance policies are written.

Create state level transparency.

## REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE

Changes to this blank are being proposed to aid in the collection of better data. ~~Cyber insurance, as it is currently written, generally covers first and third party claims in one policy. This means there is either double-counting from reporting claims in both categories, or not truly reflecting whether the claims are first or third party, and therefore not providing a correct claim count number.~~

Currently we collect claims information for standalone and package policies. Package policies are meant to be where policies with endorsements are reported, so there is business reported as packaged that should be reported as stand-alone. There has been some confusion regarding which category the information should be reported. Currently cyber insurance policies are written as primary, excess, or an endorsement. Changing the supplement to reflect this information will provide more accurate information.

State regulators have a need to identify how entities are selling cybersecurity insurance coverage.

Currently we collect data for Identity Theft Insurance. Many entities in the Identity Theft market are not insurers. This portion of the supplement does not provide meaningful data, so it is recommended that we eliminate this reporting requirement.

## ANNUAL STATEMENT INSTRUCTIONS - PROPERTY

**CYBERSECURITY AND IDENTITY THEFT INSURANCE COVERAGE SUPPLEMENT**  
**GENERAL INSTRUCTIONS**

This supplement should be completed by those reporting entities including surplus line insurers and Risk Retention Groups that provide cybersecurity insurance ~~in a stand-alone primary policy, an excess policy, or an endorsement on a policy, and identity theft insurance in a stand-alone policy or as part of a package policy in a primary policy, an endorsement on a policy, or an excess policy.~~ If the reporting entity's answer to Questions 1, 2, 4 and 5-3 of Part 1 would be "no," the reporting entity should not complete the supplement. If the reporting entity answers "yes" to any of those questions, the supplement should be completed. The supplement should be reported on a direct basis (before assumed and ceded reinsurance).

This supplement should be completed on a calendar year basis.

**Cybersecurity Insurance**

For the purposes of this reporting form, cybersecurity insurance applies to commercial insurance through a single policy or multi-peril coverage part solely intended to assist in helping manage risks associated with exposures arising out of network intrusions and improper handling of electronic data, including data such as personally identifiable information and other sensitive information in electronic form. The risks covered may include one or more of the following:

- ~~• Identity theft as a result of privacy violations and security breaches where sensitive information is stolen by an unauthorized person or inadvertently disclosed and includes identity restoration costs.~~
- Business interruption and extra expense from an unauthorized person preventing access to the Internet, the policyholder's website or other parts of the policyholder's network.
- Costs associated with restoring data from electronic or paper records that have been damaged by an unauthorized person.
- Costs related to a data breach such as data restoration, forensic investigations, legal ~~advice~~ expenses, public relations, breach notification and regulatory expenses.
- Exposure arising out of theft or loss of client's or customer's digital assets.
- Introduction of malware, ~~worms~~ and other malicious computer code to third parties.
- Cyber extortion against the policyholder.
- Liability and damages resulting from network failures.

The following descriptions are to be used to complete the Cybersecurity Insurance Coverage Supplement:

**Stand-Alone Primary Policy/Coverage Form:**

Cybersecurity insurance with its own premium and limits that responds first to an insured loss, either on a first-dollar basis, or after allowing for a deductible. This can be sold on either a stand-alone monoline policy or as part of a package policy with other types of coverages (e.g., E&O, D&O, EPL, etc.). These Cyber coverage forms typically contain a combination of first and third-party insuring agreements.

If a rider, endorsement, or floater acts like a separate policy with separate premium, deductible, and limit, then it is to be recorded as if it were a stand-alone primary or excess policy regardless of whether it is referred to as a rider, endorsement, or floater.

**Excess Policy/Coverage Form:**

Cybersecurity insurance that provides additional financial limits above those covered by an underlying insurance policy(ies). This can be sold on either an stand-alone excess policy or as part of an excess package excess policy with other types of coverages (e.g., E&O, D&O, EPL, etc.). These Cyber coverage forms typically contain a combination of first and third-party insuring agreements.

**Endorsement:**

Cybersecurity insurance sold as an endorsement to or embedded in a broader coverage policy (e.g., Property/GL or Professional E&O policy). If there is no additional premium and separate deductible or limit, the rider, endorsement, or floater should be reported in this endorsement section.

**Endorsement:**—Cybersecurity insurance sold as an endorsement to another policy. If a rider, endorsement, or floater acts like a separate policy with separate premium, deductible, and limit, then it is to be recorded on the same annual statement line as if it were a primary policy regardless of whether it is referred to as a rider, endorsement, or floater. If there is no additional premium, separate deductible or limit, the rider, endorsement, or floater should be reported on the same annual statement line as the base policy.

**Primary policy:** Cybersecurity insurance that responds first to an insured loss, either on a first dollar basis, or after allowing for a deductible.

**Excess policy:** Cybersecurity insurance that provides additional financial limits above those covered by the primary insurance policy.

**Identity Theft Insurance**

For the purposes of this reporting form, identity theft insurance applies to personal lines insurance through a single policy or as part of another personal lines coverage that covers only identity theft and identity theft restoration

**CYBERSECURITY AND IDENTITY THEFT INSURANCE COVERAGE SUPPLEMENT**  
**PART 2 – STAND-ALONE PRIMARY CYBERSECURITY POLICIES/POLICY/COVERAGE FORM**  
**POLICY AND CLAIMS DATA**

If the reporting entity answers “yes” to either Question 1 or Question 4 of Part 1, then Part 2 should be completed. Part 2 should be reported on a direct basis (before assumed and ceded reinsurance).

Column 1 – Cybersecurity Insurance

This column only applies to commercial lines.

~~Column 2 – Identity Theft Insurance~~

~~This column only applies to personal lines.~~

Line 7 – Number of Policies in Force – ~~Claims Made~~

~~For Column 1, Cybersecurity Insurance, provide the number of claims made all policies in force as of December 31.~~  
Provide the number of claims made all policies in force as of December 31.

Line 8 – Number of Policies in Force – ~~Occurrence~~ Claims Reported – First-Party

~~For Column 1, Cybersecurity Insurance, provide the number of occurrence policies in force first-party claims reported by incident.~~  
Provide the number of occurrence policies in force first-party claims reported by incident.

Line 9 – Number of Claims Reported – Third-Party

Provide the number of third-party claims reported by incident.

Line 10 – Number of Claims Reported – Total

Line 10 should equal Line 8 plus Line 9.

Line ~~9~~11 – Number of Policies in Force – ~~Total~~ Claims Open – First-Party

~~Line 9 should equal Line 7 plus Line 8 for Column 1, Cybersecurity Insurance.~~

~~Provide the total number of policies in force for Column 2, Identity Theft Insurance, number of first-party claims open by incident. These claims should have reserves or payouts greater than zero.~~  
Provide the total number of policies in force for Column 2, Identity Theft Insurance, number of first-party claims open by incident. These claims should have reserves or payouts greater than zero.

Line 12 – Number of Claims Open – Third-Party

Provide the number of third-party claims open by incident.

Line 13 – Number of Claims Open – Total

Line 13 should equal Line 11 plus Line 12.

Line ~~14~~0 – Number of Claims Reported – ~~First-Party~~ Closed With Payment – First-Party

~~For Column 1, Cybersecurity Insurance, provide the number of first party claims reported by incident. Provide the number of first-party claims closed with payment greater than zero by incident.~~  
Provide the number of first-party claims closed with payment greater than zero by incident.

Line 15 – Number of Claims Closed With Payment – Third-Party

Provide the number of third-party claims closed with payment by incident.

~~Line 16 – Number of Claims Closed With Payment – Total~~

~~Line 16 should equal Line 14 plus Line 15.~~

~~Line 17 – Number of Claims Reported – Third-Party Closed Without Payment – First-Party~~

~~For Column 1, Cybersecurity Insurance, provide the number of third party claims reported by incident. first-party claims closed without payment by incident.~~

~~Line 18 – Number of Claims Closed Without Payment – Third-Party~~

~~Provide the number of third-party claims closed without payment by incident.~~

~~Line 19 – Number of Claims Closed Without Payment – Total~~

~~Line 19 should equal Line 17 plus Line 18.~~

~~Line 12 – Number of Claims Reported – Total~~

~~Line 12 should equal Line 10 plus Line 11 for Column 1, Cybersecurity Insurance.~~

~~Provide the total number of claims reported for Column 2, Identity Theft Insurance.~~

~~Line 13 – Number of Claims Open – First Party~~

~~For Column 1, Cybersecurity Insurance, provide the number of first party claims open by incident.~~

~~Line 14 – Number of Claims Open – Third Party~~

~~For Column 1, Cybersecurity Insurance, provide the number of third party claims open by incident.~~

~~Line 15 – Number of Claims Open – Total~~

~~Line 15 should equal Line 13 plus Line 14 for Column 1, Cybersecurity Insurance.~~

~~Provide the total number of claims open for Column 2, Identity Theft Insurance.~~

~~Line 16 – Number of Claims Closed with Payment – First-Party~~

~~For Column 1, Cybersecurity Insurance, provide the number of first party claims closed with payment by incident.~~

~~Line 17 – Number of Claims Closed with Payment – Third-Party~~

~~For Column 1, Cybersecurity Insurance, provide the number of third party claims closed with payment by incident.~~

~~Line 18 – Number of Claims Closed with Payment – Total~~

~~Line 18 should equal Line 16 plus Line 17 for Column 1, Cybersecurity Insurance.~~

~~Provide the total number of claims closed with payment for Column 2, Identity Theft Insurance.~~

~~Line 19 – Number of Claims Closed Without Payment – First Party~~

~~For Column 1, Cybersecurity Insurance, provide the number of first party claims closed without payment by incident.~~

~~Line 20 – Number of Claims Closed Without Payment – Third Party~~



~~For Column 1, Cybersecurity Insurance, provide the number of third-party claims closed without payment by incident.~~

~~Line 21 Number of Claims Closed Without Payment Total~~

~~Line 21 should equal Line 19 plus Line 20 for Column 1, Cybersecurity Insurance.~~

~~Provide the total number of claims closed without payment for Column 2, Identity Theft Insurance.~~

**CYBERSECURITY AND IDENTITY THEFT INSURANCE COVERAGE SUPPLEMENT**  
**PART 3 – EXCESS CYBERSECURITY POLICY/COVERAGE FORM PART OF A PACKAGE**  
**POLICY CYBERSECURITY COVERAGE AS AN ENDORSEMENT**  
**POLICY AND CLAIMS DATA**

If the reporting entity answers “yes” to either Question 2 or Question 5 of Part 1, then Part 3 should be completed. Part 3 should be reported on a direct basis (before assumed and ceded reinsurance), including quantified and estimated premiums. ~~If premium is part of the policy and a separate premium is not charged for cybersecurity, estimate the premium for cyber security coverage and report in the estimated lines.~~

Column 1 – Cybersecurity Insurance

This column only applies to commercial lines.

~~Column 2 – Identity Theft Insurance~~

~~This column only applies to personal lines.~~

Line ~~97~~ – Number of Policies in Force ~~Claims Made~~

~~For Column 1, Cybersecurity Insurance, provide Provide the number of claims made policies in force as of December 31.~~

Line ~~108~~ – Number of Policies in Force ~~Occurrence~~ Claims Reported – First-Party

~~For Column 1, Cybersecurity Insurance, provide Provide the number occurrence policies in force of first-party claims reported by incident.~~

~~Line 9 – Number of Claims Reported – Third-Party~~

~~Provide the number of third-party claims reported by incident.~~

~~Line 10 – Number of Claims Reported – Total~~

~~Line 10 should equal Line 8 plus Line 9.~~

Line 11 – Number of Policies in Force ~~Total~~ Claims Open – First-Party

Line 11 should equal Line 9 plus Line 10 for Column 1, Cybersecurity Insurance.

Provide the total number of policies in force for Column 2, Identity Theft Insurance. number of first-party claims open by incident.

~~Line 12 – Number of Claims Open – Third-Party~~

~~Provide the number of third-party claims open by incident.~~

~~Line 13 – Number of Claims Open – Total~~

~~Line 13 should equal Line 11 plus Line 12.~~

Line ~~1214~~ – Number of Claims Reported ~~First Party~~ Closed With Payment – First-Party

~~For Column 1, Cybersecurity Insurance, provide Provide the number of first-party claims reported by incident.~~ first-party claims closed with payment by incident.

- Line 15 – Number of Claims Closed With Payment – Third-Party  
Provide the number of third-party claims closed with payment by incident.
- Line 16 – Number of Claims Closed With Payment – Total  
Line 16 should equal Line 14 plus Line 15.
- Line 13~~17~~ – Number of Claims Reported – Third Party~~Closed Without Payment – First-Party~~  
~~For Column 1, Cybersecurity Insurance, provide the number of third-party claims reported by incident.~~  
Provide the number of first-party claims closed without payment by incident.
- Line 18 – Number of Claims Closed Without Payment – Third-Party  
Provide the number of third-party claims closed without payment by incident.
- Line 19 – Number of Claims Closed Without Payment – Total  
Line 19 should equal 17 plus line 18.
- Line 14 – Number of Claims Reported – Total  
~~Line 14 should equal Line 12 plus Line 13 for Column 1, Cybersecurity Insurance.~~  
Provide the total number of claims reported for Column 2, Identity Theft Insurance.
- Line 15 – Number of Claims Open – First Party  
~~For Column 1, Cybersecurity Insurance, provide the number of first party claims open by incident.~~
- Line 16 – Number of Claims Open – Third Party  
~~For Column 1, Cybersecurity Insurance, provide the number of third party claims open by incident.~~
- Line 17 – Number of Claims Open – Total  
~~Line 17 should equal Line 15 plus Line 16 for Column 1, Cybersecurity Insurance.~~  
Provide the total number of claims open for Column 2, Identity Theft Insurance.
- Line 18 – Number of Claims Closed with Payment – First Party  
~~For Column 1, Cybersecurity Insurance, provide the number of first party claims closed with payment by incident.~~
- Line 19 – Number of Claims Closed with Payment – Third Party  
~~For Column 1, Cybersecurity Insurance, provide the number of third party claims closed with payment by incident.~~
- Line 20 – Number of Claims Closed with Payment – Total  
~~Line 20 should equal Line 18 plus Line 19 for Column 1, Cybersecurity Insurance.~~  
Provide the total number of claims closed with payment for Column 2, Identity Theft Insurance.
- Line 21 – Number of Claims Closed Without Payment – First Party

~~For Column 1, Cybersecurity Insurance, provide the number of first party claims closed without payment by incident.~~

~~Line 22 — Number of Claims Closed Without Payment — Third Party~~

~~For Column 1, Cybersecurity Insurance, provide the number of third party claims closed without payment by incident.~~

~~Line 23 — Number of Claims Closed Without Payment — Total~~

~~Line 23 should equal Line 21 plus Line 22 for Column 1, Cybersecurity Insurance.~~

~~Provide the total number of claims closed without payment for Column 2, Identity Theft Insurance.~~

**CYBERSECURITY INSURANCE COVERAGE SUPPLEMENT**  
**PART 4 – CYBERSECURITY COVERAGE AS AN ENDORSEMENT EXCESS CYBERSECURITY POLICIES**  
**POLICY AND CLAIMS DATA**

If the reporting entity answers “yes” to Question 43 of Part 1, then Part 4 should be completed. Part 4 should be reported on a direct basis (before assumed and ceded reinsurance), including estimated premiums. If premium is part of the policy and a separate premium is not charged for cybersecurity, estimate the premium for cyber security coverage and report in the estimated lines.

Column 1 – Cybersecurity Insurance

This column only applies to commercial lines.

Line 7 – Number of Policies in Force

Provide the number of all policies in force as of December 31.

Line 8 – Number of Claims Reported – First-Party

Provide the number of first-party claims reported per incident.

Line 9 – Number of Claims Reported – Third-Party

Provide the number of third-party claims reported per incident.

Line 10 – Number of Claims Reported – Total

Line 10 should equal Line 8 plus Line 9.

Line 11 – Number of Claims Open – First-Party

Provide the number of first-party claims open by incident. ~~These claims should have reserves or payouts greater than zero.~~

Line 12 – Number of Claims Open – Third-Party

Provide the number of third-party claims open by incident.

Line 13 – Number of Claims Open – Total

Line 13 should equal Line 11 plus Line 12.

Line 14 – Number of Claims Closed With Payment – First-Party

Provide the number of first-party claims closed with payment ~~greater than zero~~ by incident.

Line 15 – Number of Claims Closed With Payment – Third-Party

Provide the number of third-party claims closed with payment by incident.

Line 16 – Number of Claims Closed With Payment – Total

Line 16 should equal Line 14 plus Line 15.

Line 17 – Number of Claims Closed Without Payment – First-Party

Provide the number of first-party claims closed without payment by incident.

Line 18 – Number of Claims Closed Without Payment – Third-Party

Provide the number of third-party claims closed without payment by incident.

Line 19 – Number of Claims Closed Without Payment – Total

Line 19 should equal Line 17 plus Line 18.

**CYBERSECURITY INSURANCE COVERAGE SUPPLEMENT**  
**PART 5 – CYBERSECURITY COVERAGE BY STATE**

If the reporting entity answers “yes” to Question 4, then Part 5 should be completed. Part 5 should report which state(s) cybersecurity coverage have direct written premium as reported in Parts 2, 3, and 4. No field should be left blank in the table. (Note: Column 1 – Stand-alone and Column 2 – Packaged are considered Primary but on Part 5 they are listed separately to see what type of policies are being written.)

**Column 1 – Stand-alone**

If Part 2 is completed, indicate “Yes” in each state’s row that has direct written premium reported in Part 2 from cybersecurity coverage issued as a stand-alone policy without additional coverage types (e.g., monoline, non-packed). Otherwise, indicate “No” for each state. Or, if all Part 2 direct written premiums are Packaged (column 2 below), indicate “NA” for each state.

**Column 2 – Packaged**

If Part 2 is completed, indicate “Yes” in each state’s row that has direct written premium reported in Part 2 from cybersecurity coverage issued as a packaged policy issued with additional coverage (e.g., multi-peril or modular packaging). Otherwise, indicate “No” for each state. Or, if all Part 2 direct written premiums are Stand-alone (column 1 above), indicate “NA” for each state.

**Column 3 – Excess**

If Part 3 is completed, indicate “Yes” in each state’s row that has direct written premium reported in Part 3. Otherwise, indicate “No” for each state.

If Part 3 is not completed, indicate “NA” for each state.

**Column 4 – Endorsement**

If Part 4 is completed, indicate “Yes” in each state’s row that has direct written premium reported in Part 4. Otherwise, indicate “No” for each state.

If Part 4 is not completed, indicate “NA” for each state.

**ANNUAL STATEMENT BLANK - PROPERTY**

**CYBERSECURITY AND IDENTITY THEFT INSURANCE COVERAGE SUPPLEMENT**

For The Year Ended December 31, 20\_\_  
(To Be Filed by April 1)

NAIC Group Code .....

NAIC Company Code .....

Company Name .....

**PART 1 – INTERROGATORIES**

**Cybersecurity Insurance Coverage:**

1. Does the reporting entity write any ~~stand alone~~ primary cybersecurity insurance coverage? Yes [ ] No [ ]  
If yes, complete Column 1 for Part 2.
2. Does the reporting entity write any cybersecurity insurance coverage provided as ~~part of a package policy~~ an excess policy endorsement? Yes [ ] No [ ]  
If yes, complete Column 1 for Part 3.
3. ~~If the liability portion of a cybersecurity insurance policy is a claims made policy, is an extended reporting endorsement (tail coverage) offered?~~ Does the reporting entity write any cybersecurity insurance coverage provided as an endorsement excess policy? Yes [ ] No [ ] N/A [ ]  
If yes, complete Part 4.
4. Does the reporting entity answer “yes” to questions 1, 2, or 3? Yes [ ] No [ ]  
If yes, complete Part 5.

**Identity Theft Insurance Coverage:**

4. Does the reporting entity write any stand alone identity theft insurance coverage? Yes [ ] No [ ]  
If yes, complete Column 2 for Part 2.
5. Does the reporting entity write any identity theft insurance coverage provided as part of a package policy? Yes [ ] No [ ]  
If yes, complete Column 2 for Part 3.



**CYBERSECURITY AND IDENTITY THEFT INSURANCE COVERAGE SUPPLEMENT**

**PART 2 – STAND-ALONE PRIMARY CYBERSECURITY POLICY/POLICY/COVERAGE FORM  
POLICY AND CLAIMS DATA**

	1 Cybersecurity Insurance	2 Identity Theft Insurance
Direct Premiums		
1. Written .....	.....	.....
2. Earned .....	.....	.....
Direct Losses		
3. Paid .....	.....	.....
4. Incurred.....	.....	.....
Direct Defense and Cost Containment		
5. Paid .....	.....	.....
6. Incurred.....	.....	.....
Number of Policies in Force		
7. <del>Claims Made</del> Number of Policies in Force.....	.....	XXX
<del>Number of Claims Reported</del> Claims		
<del>408. First-Party</del> Number of Claims Reported .....	.....	XXX
<del>449. Third-Party</del> Number of Claims Open .....	.....	XXX
<del>4210. Total (8 + 9)</del> Number of Claims Closed with Payment .....	.....	.....
<del>44. Number of Claims Closed without Payment</del> .....	.....	.....
Number of Claims Open		
<del>4311. First Party</del> .....	.....	XXX
<del>4412. Third Party</del> .....	.....	XXX
<del>4513. Total (43-11 + 4412)</del> .....	.....	.....
Number of Claims Closed with Payment		
<del>4614. First Party</del> .....	.....	XXX
<del>4715. Third Party</del> .....	.....	XXX
<del>4816. Total (46-14 + 4715)</del> .....	.....	.....
Number of Claims Closed without Payment		
<del>4917. First Party</del> .....	.....	XXX
<del>2018. Third Party</del> .....	.....	XXX
<del>2419. Total (49-17 + 2018)</del> .....	.....	.....

**CYBERSECURITY AND IDENTITY THEFT INSURANCE COVERAGE SUPPLEMENT**

**PART 3 – EXCESS CYBERSECURITY POLICY/COVERAGE FORM PART OF A PACKAGE  
POLICY CYBERSECURITY COVERAGE AS AN ENDORSEMENT  
POLICY AND CLAIMS DATA**

	1 Cybersecurity Insurance	2 Identity Theft Insurance
Direct Premiums <del>Quantified</del>		
1. Written .....		
2. Earned .....		
Direct Premiums Estimated Using Reasonable Assumptions		
3. Written .....		
4. Earned .....		
Direct Losses		
53. Paid .....		
64. Case Reserves Incurred .....		
Direct Defense and Cost Containment		
75. Paid .....		
86. Case Reserves Incurred .....		
Number of Policies in Force		
97. Claims Made Number of Policies in Force .....		XXX
10. Occurrence .....		XXX
11. Total (9 + 10) .....		
Number of Claims Reported		
128. First-Party Number of Claims Reported .....		XXX
139. Third-Party Number of Claims Open .....		XXX
1410. Total (8 + 9) Number of Claims Closed with Payment .....		
13. Number of Claims Closed without Payment .....		
Number of Claims Open		
1511. First Party .....		XXX
1612. Third Party .....		XXX
1713. Total (15-11 + 1612) .....		
Number of Claims Closed with Payment		
1814. First Party .....		XXX
1915. Third Party .....		XXX
2016. Total (18-14 + 1915) .....		
Number of Claims Closed without Payment		
2117. First Party .....		XXX
2218. Third Party .....		XXX
2319. Total (21-17 + 2218) .....		

**CYBERSECURITY INSURANCE COVERAGE SUPPLEMENT**

**PART 4 – CYBERSECURITY COVERAGE AS AN ENDORSEMENT EXCESS CYBERSECURITY POLICIES**  
**POLICY AND CLAIMS DATA**

	<u>1</u> Cybersecurity Insurance
<u>Direct Premiums Estimated Using Reasonable Assumptions</u>	
1. Written.....	.....
2. Earned.....	.....
<u>Direct Losses</u>	
3. Paid.....	.....
4. Incurred.....	.....
<u>Direct Defense and Cost Containment</u>	
5. Paid.....	.....
6. Incurred.....	.....
<u>Number of Policies in Force</u>	
7. Number of Policies in Force.....	.....
<u>Number of Claims Reported</u>	
8. First-Party <del>Number of Claims Reported</del> .....	.....
9. Third-Party <del>Number of Claims Open</del> .....	.....
10. Total (8 + 9) <del>Number of Claims Closed with Payment</del> .....	.....
11. <del>Number of Claims Closed without Payment</del> .....	.....
<u>Number of Claims Open</u>	
11. First-Party.....	.....
12. Third-Party.....	.....
13. Total (11 + 12).....	.....
<u>Number of Claims Closed with Payment</u>	
14. First-Party.....	.....
15. Third-Party.....	.....
16. Total (14 + 15).....	.....
<u>Number of Claims Closed without Payment</u>	
17. First-Party.....	.....
18. Third-Party.....	.....
19. Total (17 + 18).....	.....

**CYBERSECURITY INSURANCE COVERAGE SUPPLEMENT**

**PART 5 – CYBERSECURITY COVERAGE BY STATE**

<u>STATE</u>	<u>1 STAND-ALONE</u>	<u>2 PACKAGED</u>	<u>3 EXCESS</u>	<u>4 ENDORSEMENT</u>
Alabama				
Alaska				
Arizona				
Arkansas				
California				
Colorado				
Connecticut				
Delaware				
District of Columbia				
Florida				
Georgia				
Hawaii				
Idaho				
Illinois				
Indiana				
Iowa				
Kansas				
Kentucky				
Louisiana				
Maine				
Maryland				
Massachusetts				
Michigan				
Minnesota				
Mississippi				
Missouri				
Montana				
Nebraska				
Nevada				
New Hampshire				
New Jersey				
New Mexico				
New York				
North Carolina				
North Dakota				
Ohio				
Oklahoma				
Oregon				
Pennsylvania				
Rhode Island				
South Carolina				
South Dakota				
Tennessee				
Texas				
Utah				
Vermont				
Virginia				
Washington				
West Virginia				
Wisconsin				
Wyoming				
American Samoa				
Guam				
Puerto Rico				
U.S. Virgin Islands				
Northern Mariana Islands				
Canada				
Aggregate Other Alien				

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>09/07/2023</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> FL., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2023-12BWG MOD</u></p> <p>Year <u>2025</u></p> <p>Changes to Existing Reporting <input type="checkbox"/> [ X ]</p> <p>New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input type="checkbox"/> [ ]</p> <p>Modifies Required Disclosure <input checked="" type="checkbox"/> [ X ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ]</p> <p><i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment</p> <p><input type="checkbox"/> [ ] Referred To Another NAIC Group</p> <p><input type="checkbox"/> [ ] Received For Public Comment</p> <p><input type="checkbox"/> [ ] Adopted Date _____</p> <p><input type="checkbox"/> [ ] Rejected Date _____</p> <p><input type="checkbox"/> [ ] Deferred Date _____</p> <p><input checked="" type="checkbox"/> [ X ] Other (Specify) <u>Re-exposed 11/7</u></p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT     | <input type="checkbox"/> [ ] INSTRUCTIONS                | <input type="checkbox"/> [ ] CROSSCHECKS              |
| <input checked="" type="checkbox"/> [ X ] QUARTERLY STATEMENT  | <input checked="" type="checkbox"/> [ X ] BLANK          |   |
| <input type="checkbox"/> [ ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts           | <input checked="" type="checkbox"/> [ X ] Title       |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty    | <input checked="" type="checkbox"/> [ X ] Protected Cell | <input type="checkbox"/> [ ] Other _____              |
| <input checked="" type="checkbox"/> [ X ] Health               | <input type="checkbox"/> [ ] Health (Life Supplement)    | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: 1<sup>st</sup> Quarter 2025

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Categorize debt securities on Schedule BA that do not qualify as bonds under SSAP No. 26 – Bonds or SSAP No. 43R – Asset-Backed Securities and are captured in scope of SSAP No. 21R – Other Invested Assets.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

This proposal updates the Schedule BA categories per the Statutory Accounting Principles Working Group’s bond project and clarify/streamline reporting on Schedule BA.

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****SCHEDULE BA – PARTS 1, 2 AND 3****OTHER LONG-TERM INVESTED ASSETS – GENERAL INSTRUCTIONS**

Include only those classes of invested assets not clearly or normally includable in any other invested asset schedule, or that have been specifically identified for reporting on Schedule BA: Other Invested Assets. Investments shall be reported in the designated reporting category and reporting line that represents the investment. Investments that do not fit within any specific reporting line shall be captured as an “Any Other Class of Asset”. Such assets should include any assets previously written off for book purposes, but which still have a market or investment value. Give a detailed description of each investment and the underlying security. If an asset is to be recorded in Schedule BA that is normally reported in one of the other invested asset schedules, make full disclosure in the Name or Description column of the reason for recording such an asset in Schedule BA.

For accounting guidance related to foreign currency transactions and translations, refer to *SSAP No. 23—Foreign Currency Transactions and Translations*.

If a reporting entity has any detail lines reported for any of the following required groups, categories, or subcategories, it shall report the subtotal amount of the corresponding group, category, or subcategory, with the specified subtotal line number appearing in the same manner and location as the pre-printed total or grand total line and number:

<u>Group or Category</u>	<u>Line Number</u>
<u>Debt Securities That Do Not Qualify as Bonds</u>	
<u>Debt Securities That Do Not Reflect a Creditor Relationship in Substance</u>	
<u>NAIC Designation Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated.....	0199999
Affiliated.....	0299999
<u>NAIC Designation Not Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated.....	0399999
Affiliated.....	0499999
<u>Debt Securities That Lack Substantive Credit Enhancement</u>	
<u>NAIC Designation Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated.....	0599999
Affiliated.....	0699999
<u>NAIC Designation Not Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated.....	0799999
Affiliated.....	0899999
<u>Debt Securities That Do Not Qualify as Bonds Solely to a Lack of Meaningful Cash Flows</u>	
<u>NAIC Designation Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated.....	0999999
Affiliated.....	1099999
<u>NAIC Designation Not Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated.....	1199999
Affiliated.....	1299999
<u>Oil and Gas Production</u>	
Unaffiliated.....	0199999
Affiliated.....	0299999
<u>Transportation Equipment</u>	
Unaffiliated.....	0399999
Affiliated.....	0499999
<u>Mineral Rights</u>	

Unaffiliated.....	0599999
Affiliated.....	0699999

Non-Registered Private Funds with Underlying Assets Having Characteristics of:

Bonds

NAIC Designation Assigned by the Securities Valuation Office (SVO)

Unaffiliated.....	0799999
Affiliated.....	0899999

NAIC Designation Not Assigned by the Securities Valuation Office (SVO)

Unaffiliated.....	0999999
Affiliated.....	1099999

Mortgage Loans

Unaffiliated.....	1199999
Affiliated.....	1299999

Other Fixed Income Instruments

Unaffiliated.....	1399999
Affiliated.....	1499999

Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds)  
Interests with Underlying Assets Having the Characteristics of:

Fixed Income InstrumentsBonds

NAIC Designation Assigned by the Securities Valuation Office (SVO)

Unaffiliated.....	1599999	1399999
Affiliated.....	1699999	1499999

NAIC Designation Not Assigned by the Securities Valuation Office (SVO)

Unaffiliated.....	1799999	1599999
Affiliated.....	1899999	1699999

Preferred Stocks

Unaffiliated.....	1799999
Affiliated.....	1899999

Common Stocks

Unaffiliated.....	1999999
Affiliated.....	2099999

Real Estate

Unaffiliated.....	2199999
Affiliated.....	2299999

Mortgage Loans

Unaffiliated.....	2399999
Affiliated.....	2499999

Other

Unaffiliated.....	2599999
Affiliated.....	2699999

Surplus ~~Debentures, etc.~~ Notes

Unaffiliated.....	2799999
Affiliated.....	2899999

Capital Notes

Unaffiliated.....	2999999
Affiliated.....	3099999

Collateral Loans

Unaffiliated.....	2999999	3199999
Affiliated.....	3099999	3299999

Non-collateral Loans		
Unaffiliated.....		<u>3199999</u> <u>3399999</u>
Affiliated .....		<u>3299999</u> <u>3499999</u>
Capital Notes		
Unaffiliated.....		<u>3399999</u>
Affiliated .....		<u>3499999</u>
Guaranteed Federal Low Income Housing Tax Credit		
Unaffiliated.....		3599999
Affiliated .....		3699999
Non-Guaranteed Federal Low Income Housing Tax Credit		
Unaffiliated.....		3799999
Affiliated .....		3899999
Guaranteed State Low Income Housing Tax Credit		
Unaffiliated.....		3999999
Affiliated .....		4099999
Non-Guaranteed State Low Income Housing Tax Credit		
Unaffiliated.....		4199999
Affiliated .....		4299999
All Other Low Income Housing Tax Credit		
Unaffiliated.....		4399999
Affiliated .....		4499999
Working Capital Finance Investment		
Unaffiliated.....		4599999
Residual Tranches or Interests with Underlying Assets Having Characteristics of:		
Fixed Income Instruments		
Unaffiliated .....		4699999
Affiliated.....		4799999
Common Stock		
Unaffiliated .....		4899999
Affiliated.....		4999999
Preferred Stock		
Unaffiliated .....		5099999
Affiliated.....		5199999
Real Estate		
Unaffiliated .....		5299999
Affiliated.....		5399999
Mortgage Loans		
Unaffiliated .....		5499999
Affiliated.....		5599999
Other		
Unaffiliated .....		5699999
Affiliated.....		5799999
Any Other Class of Assets		
Unaffiliated.....		5899999
Affiliated .....		5999999
Subtotals		
Unaffiliated.....		<u>6099999</u> <u>6899999</u>
Affiliated .....		<u>6199999</u> <u>6999999</u>
TOTALS.....		<u>6299999</u> <u>7099999</u>



The following listing is intended to give examples of investments to be included in each category; however, the list should not be considered all-inclusive, and it should not be implied that any invested asset currently being reported in Schedules A, B or D is to be reclassified to Schedule BA:

### Oil and Gas Production

Include: ~~Offshore oil and gas leases.~~

### Transportation Equipment

Include: ~~Aircraft owned under leveraged lease agreements.  
Motor Vehicle Trust Certificates.~~

### Mineral Rights

Include: ~~Investments in extractive materials.~~

~~Timber Deeds.~~

### Debt Securities That Do Not Qualify as Bonds

Include: ~~Debt securities captured in SSAP No. 21 – Other Admitted Assets. This is specific to securities, as that term is defined in SSAP No. 26 – Bonds, whereby there is a fixed schedule for one or more future payments (referred to as debt securities), but for which the security does not qualify for bond reporting under SSAP No. 26 as an issuer credit obligation or an asset-backed security.~~

~~Investments that have been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* shall be reported on Lines 0199999, 0299999, 0599999, 0699999, 0999999, and 1099999.~~

~~Investments that have not been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for this category. Designations received from an SEC NRSRO are permitted to be reported but are not required. Report these investments on Lines 0399999, 0499999, 0799999, 0899999, 1199999 and 1299999.~~

Exclude: ~~Any investment that does not qualify as a security. This term is defined in SSAP No. 26R.~~

~~Any investment that is not captured as a debt security that does not qualify as a bond pursuant to SSAP No. 21R—Other Admitted Assets.~~

### ~~Non-Registered Private Funds with Underlying Assets Having Characteristics of a Bond, Mortgage Loan or Other Fixed Income Instrument~~

Include: ~~Fixed income instruments that are not corporate or governmental unit obligations (Schedule D) or secured by real property (Schedule B).~~

~~Any investments deemed by the reporting entity to possess the underlying characteristics of a bond or other fixed income instrument that has been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for this category. Report these investments on Lines 0799999 and 0899999.~~

~~Any investments deemed by the reporting entity to possess the underlying characteristics of a bond or other fixed income investment that has not been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC*~~

~~Investment Analysis Office for this category. Report these investments on Lines 0999999, 1099999, 1199999, 1299999, 1399999 and 1499999.~~

**Interests in Joint Ventures, Partnerships or Limited Liability Company-Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics:**

Include: Items in scope of SSAP No. 48 – Joint Ventures, Partnerships or Limited Liability Companies, which includes non-registered private funds. Investments shall be reported based on their underlying characteristics as described below. Investments shall be assigned fully to a subcategory. There should not be any bifurcation of the SSAP No. 48 investment among the subcategories.

Structured Security payment rights in scope of SSAP No. 21 that have an SVO-Assigned designation. Structured security payments rights that do not have an SVO-Assigned designation shall be reported as an Any Other Class of Asset.

Exclude: Any investment that is not captured in scope of SSAP No. 48.

**Fixed Income InstrumentsBonds**

Include: Investments in scope of SSAP No. 48 with underlying collateral that has contractual principal and/or interest payments, excluding mortgage loans.

Structured Settlement payment rights in scop of SSAP no. 21R that have an SVO-Assigned designation.

~~Leveraged Buy out Fund, Joint ventures, partnerships or limited liability companies (Including Non Registered Private Funds) investments that are engaged in bond strategies.~~

A fund investing in the “Z” strip of Collateralized Mortgage Obligations.

~~Any investments deemed by the reporting entity to possess the underlying characteristics of fixed income instruments~~Investments on the NAIC List of Schedule BA Non-Registered Private Funds with Underlying Assets Having Characteristics of Bonds or Preferred Stock and structured settlement payment rights in scope of SSAP No. 21R that has been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* ~~for this category.~~ Report these investments on Lines ~~1599999-1399999 and 1699999~~1499999.

Any investments deemed by the reporting entity to possess the underlying characteristics of ~~fixed income instruments~~bonds that ~~has~~ have not been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* ~~for this category.~~ Designations received from an SEC NRSRO are permitted to be reported but are not required. Report these investments on Lines ~~1799999-1599999 and 1899999~~1699999.

**Preferred Stocks**

Include: ~~Preferred Stock Interests~~Investments in scope of SSAP No. 48 with underlying characteristics of securities that represents ownership of a corporation and gives the holder a claim prior to the claims of common stockholders on earnings and also generally on assets in the event of liquidation.

**Common Stocks**

Include: Investments in scope of SSAP No. 48 with underlying characteristics of Venture Capital Funds or other underlying equity investments.

**Real Estate**

Include: Investments in scope of SSAP No. 48 with underlying collateral that reflects Real estate development interest. Reporting should be consistent with the detailed property analysis appropriate for the corresponding risk-based capital factor for this investment category. If the requisite details are not available for reporting, report under “Other” subcategory.

**Mortgage Loans**

Include: Items in scope of SSAP No. 48 that reflect Mortgage obligations. Reporting should be consistent with the detailed property analysis appropriate for the corresponding risk-based capital factor for this investment category. If the requisite details are not available for reporting, report under “Other” subcategory.

**Other**

Include: Items in scope of SSAP No. 48 that do not fit within the specific categories.

Limited partnership interests in oil and gas production.

Forest product partnerships.

Other Investments within the Joint Venture, and Partnership or Limited Liability Companies Interests category that do not qualify for inclusion in the “Fixed Income Instruments,” “Common Stocks,” “Real Estate” or “Mortgage Loans” subcategories.

~~Reporting should be consistent with the corresponding risk-based capital factor for this investment category (i.e., Other Long Term Assets).~~

**Surplus Debentures, etc. Notes**

Include: That portion of any subordinated indebtedness, surplus debenture, surplus note, debenture note, premium income note, bond, or other contingent evidence of indebtedness that is reported in the surplus of the issuer.

**Capital Notes**

Include: The portion of any capital note that is reported on the line for capital notes of the issuing insurance reporting entity.

**Collateral Loans**

Include: Refer to *SSAP No. 21R—Other Admitted Assets* for a definition of collateral loans. Loans that are backed by any form of collateral, regardless of if the collateral is sufficient to fully cover the loan, shall be captured in this category. Guidance in SSAP No. 21R shall be followed to determine nonadmittance.

In the description column, the name of the actual borrower and state if the borrower is a parent, subsidiary, affiliate, officer or director. Also include the type of collateral held.

**Non-collateral Loans**

Include: ~~For purposes of this section, n~~Non-collateral loans are considered the unpaid portion of loans previously made to another organization or individual in which the reporting entity has a right to receive money for the loan, but for which the reporting entity has not obtained collateral to secure the loan.

Non-collateral loans shall not include investments captured in scope of SSAP No. 26 – Bonds, SSAP No. 37 – Mortgage Loans, SSAP No. 43 – Asset-Backed Securities, or SSAP No. 49 – Policy Loans. ~~those instruments that meet the definition of a bond, per SSAP No. 26R – Bonds, a mortgage loan per SSAP No. 37 – Mortgage Loans, loan backed or structured asset backed securities per SSAP No. 43R – Loan Backed and Structured Securities, or a policy or contract loan per SSAP No. 49 – Policy Loans.~~

In the description column, provide the name of the actual borrower. For affiliated entities, state if the borrower is a parent, subsidiary, affiliate, officer or director. Refer to *SSAP No. 20—Nonadmitted Assets* and *SSAP No. 25—Affiliates and Other Related Parties* for accounting guidance.

### Capital Notes

~~Include: The portion of any capital note that is reported on the line for capital notes of the issuing insurance reporting entity.~~

### Low Income Housing Tax Credit

Include: All Low Income Housing Tax Credit Investments (LIHTC or affordable housing) that are in the form of a Limited Partnership or a Limited Liability Company including those investments that have the following risk mitigation factors:

- A. Guaranteed Low Income Housing Tax Credit Investments. There must be an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment.
- B. Non-guaranteed Low Income Housing Tax Credit Investments.
  - I. A level of leverage below 50%. For a LIHTC Fund, the level of leverage is measured at the fund level.
  - II. There is a Tax Credit Guarantee Agreement from General Partner or managing member. This agreement requires the General Partner or managing member to reimburse investors for any shortfalls in tax credits due to errors of compliance, for the life of the partnership. For a LIHTC Fund, a Tax Credit Guarantee is required from the developers of the lower tier LIHTC properties to the upper tier partnership and all other LIHTC investments.
  - III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable foreclosure risk at the time of the investment.

Non-qualifying LIHTCs should be reported in the “All Other” category

### Working Capital Finance Investment

Include: Investments in an interest in a Confirmed Supplier Receivables (CSR) under a Working Capital Finance Program (WCFP) that is designated by the SVO as meeting the criteria specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for an NAIC “1” or “2.”

#### Working Capital Finance Program (WCFP)

Open account program under which an Investor may purchase interests, or evidence thereof, in commercial non-insurance receivables.

A WFCP is created for the benefit of a commercial investment grade obligor and its suppliers of goods or services and facilitated by a financial intermediary.

### **Confirmed Supplier Receivables (CSR)**

A first priority perfected security interest claim or right to payment of a monetary obligation from the Obligor arising from the sale of goods or services from the Supplier to the Obligor the payment of which the Obligor has confirmed by representing and warranting that it will not protest, delay, or deny, nor offer nor assert any defenses against, payment to the supplier or any party taking claim or right to payment from the supplier.

See *SSAP No. 105R—Working Capital Finance Investments* for accounting guidance.

### **Residual Tranches or Interests with Underlying Assets Having Characteristics of:**

Investment in Residual Tranches or Interests should be assigned to the subcategory with the highest underlying asset concentration. There ~~shouldn't~~ should not be any bifurcation of the underlying assets among the subcategories.

Include: Residual tranches or interests captured in scope of SSAP No. 21R – Other Admitted Assets. The scope of SSAP No. 21R includes all in-substance residuals regardless of the investment form. Therefore, this category shall include investments that reflect in-substance residuals in the form of 1) an investment in a securitization tranche or beneficial interest, 2) an investment in a joint venture, partnership or limited liability company, 3) an investment in preferred stock 4) an investment in common stock, or 5) any other investment structure, captures from securitization tranches and beneficial interests as well as other structures captured in scope of SSAP No. 43R—Loan Backed and Structured Asset Backed Securities, that reflect loss layers without any contractual payments, whether interest or principal, or both. Payments to holders of these investments occur after contractual interest and principal payments have been made to other tranches or interests and are based on the remaining available funds. See SSAP No. 43R for accounting guidance.

~~Investments in joint ventures, partnerships and limited liability companies captured in scope of SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies that represent residual interests, or that predominantly hold residual interests.~~

~~This category shall also include residual interests or residual security tranches within investment structures that are not captured in scope of SSAP No. 43R or SSAP No. 48 but that reflect, in substance, residual interests or residual security tranches.~~

### **Fixed Income Instruments**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule D – Part 1 – Long-Term Bonds*

### **Common Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule D – Part 2 – Section 2 – Common Stocks*

### **Preferred Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule D – Part 2 – Section 1 – Preferred Stocks*

**Real Estate**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule A – Real Estate Owned*

**Mortgage Loans**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule B – Mortgage Loans*

**Other**

Include: Items that do not qualify for inclusion in the above subcategories.

**Any Other Class of Assets**

Include: Investments that do not fit into one of the other categories. An example of items that may be included are reverse mortgages.

All structured settlement income streams acquired as investments where the reporting entity acquires the legal right to receive payments. (Valuation and admittance provisions are detailed in *SSAP No. 21R—Other Admitted Assets*.)

This category shall also include oil and gas leases, aircraft owned under leveraged lease arrangements, investments in extractive materials and timber deeds that are not owned within a partnership, LLC or joint venture structure.

**SCHEDULE BA – PART 1****OTHER LONG-TERM INVESTED ASSETS OWNED DECEMBER 31 OF CURRENT YEAR**

Refer to *SSAP No. 23—Foreign Currency Transactions and Translations* for accounting guidance.

Column 1 – CUSIP Identification

~~This column must be completed for those investments included on Lines 0799999 and 1599999.~~

CUSIP numbers for all purchased publicly issued securities are available from the broker's confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by the Standard & Poor's CUSIP Bureau. For foreign securities, use a CINS that is assigned by the Standard & Poor's CUSIP Bureau: [www.cusip.com/cusip/index.htm](http://www.cusip.com/cusip/index.htm).

~~For those investments not included on Lines 0799999 and 1599999, a CUSIP should be provided if one has been assigned.~~

If no CUSIP number exists, the CUSIP field should be zero-filled.

Column 2 – Name or Description

Show name of the asset, such as the name of a limited partnership. If not applicable, show description of the asset.

Column 3 – Restricted Asset Code

~~Enter “^” in this column for all assets that are bifurcated between the insulated separate account filing and the non-insulated separate account filing.~~

If long-term invested assets are not under the exclusive control of the company as shown in the General Interrogatories, it is to be identified by placing one of the **symbols identified in the Investment Schedules General Instructions** in this column.

**Separate Account Filing Only:**

~~If the asset is a bifurcated asset between the insulated separate account filing and the non-insulated separate account filing, the “^” should appear first, immediately followed by the appropriate code (identified in the Investment Schedules General Instructions).~~



**Detail Eliminated To Conserve Space**



Column 7 – NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol

This column must be completed for those investments included on Lines ~~0799999~~0199999, 0899999, 0299999, 1599999, 0599999, 1699999, 0699999, 0999999, 1099999, 1399999, 1499999, and 4599999. For all other lines the column may be completed if the investment has an NAIC Designation received from the SVO or from an NAIC CRP.

For investments noted above, insert the appropriate combination of the NAIC Designation (1 through 6), NAIC Designation Modifier (A through G) and SVO Administrative Symbol. ~~The list of valid SVO Administrative Symbols is shown below.~~

The listing of valid NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol combinations can be found on the NAIC's website for the Securities Valuation Office ([www.naic.org/svo.htm](http://www.naic.org/svo.htm)).

The NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol will be shown as one column on the printed schedule but will be three sub-columns in the data table.

- NAIC Designation ————— Column 7A
- NAIC Designation Modifier ————— Column 7B
- SVO Administrative Symbol ————— Column 7C

On the printed page the sub-columns should be displayed with a “.” between the NAIC Designation and the NAIC Designation Modifier with a space between the NAIC Designation Modifier and the SVO Administrative Symbol (e.g., “1.A YE”).

NAIC Designation Modifier:

As defined in the P&P Manual, there is not an NAIC Designation Modifier for investments reporting an NAIC Designation 6, therefore, the NAIC Designation Modifier field should be left blank.

Refer to the P&P Manual for the application of these modifiers.



**\*\* Columns 21 through 27 will be electronic only. \*\***

Column 21 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.



Column ~~21~~22 – Fair Value Hierarchy Level and Method Used to Obtain Fair Value Code

Report the fair value level that represents the inputs used to determine fair value. Whenever possible, the reported fair value shall reflect level 1, followed by level 2, and then level 3. In all situations fair value shall be determined in accordance with SSAP No. 100R—Fair Value. ~~Whenever possible, fair value should represent the price at which the security could be sold, based on market information. Fair value should only be determined analytically when the market based value cannot be obtained.~~

The following is a listing of valid fair value level indicators to show the fair value hierarchy level.

“1” for Level 1

“2” for Level 2

“3” for Level 3

The following is a listing of the valid method indicators to show the method used by the reporting entity to determine the Rate Used to Obtain Fair Value.

“a” for securities where the rate is determined by a pricing service.

“b” for securities where the rate is determined by a stock exchange.

“c” for securities where the rate is determined by a broker or custodian. The reporting entity should obtain and maintain the pricing policy for any broker or custodian used as a pricing source. In addition, the broker must either be approved by the reporting entity as a counterparty for buying and selling securities or be an underwriter of the security being valued. (Reporting entities shall utilize source “c” to capture any other method used by the reporting entity to obtain observable inputs resulting in a hierarchy Level 1 or Level 2. Documentation of this source shall then be included in Column 22.)

“d” for securities where the rate is determined by the reporting entity or a third party contracted by the reporting entity. The reporting entity is required to maintain a record of the pricing methodology used.

“e” for securities where the rate is determined by the unit price published in the NAIC *Valuation of Securities*.

Enter a combination of hierarchy and method indicator. The fair value hierarchy level indicator would be listed first and the method used to determine fair value indicator would be listed next. For example, use “1b” to report Level 1 for the fair value hierarchy level and stock exchange for the method used to determine fair value.

The guidance in *SSAP No. 100R—Fair Value* allows the use of net asset value per share (NAV) instead of fair value for certain investments. If NAV) is used instead of fair value leave blank.

Column ~~22~~23 – Source Used to Obtain Fair Value

For Method Code “a,” identify the specific pricing service used.

For Method Code “b,” identify the specific stock exchange used.

The listing of most **stock exchange codes can be found in the Investment Schedules General Instructions.**

For Method Code “c,” identify the specific broker or custodian used.

For Method Code “d,” leave blank.

For Method Code “e,” leave blank.

If net asset value (NAV) is used instead of fair value, the reporting entity should use “NAV” to indicate net asset value used instead of fair value.

Column 23 – ~~Legal Entity Identifier (LEI)~~

~~Provide the 20-character Legal Entity Identifier (LEI) for any issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.~~

Column 24 – Postal Code

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~

~~Mortgage Loans~~

~~Unaffiliated..... 2399999~~

~~Affiliated..... 2499999~~

The postal code(s) reported in this column should reflect the location of the underlying property. For U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. Outside the U.S. states, territories and possessions, use that country’s equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD).

Column 25 – Property Type

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

<del>Unaffiliated.....</del>	<del>1199999</del>
<del>Affiliated.....</del>	<del>1299999</del>

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

<del>Unaffiliated.....</del>	<del>2199999</del>
<del>Affiliated.....</del>	<del>2299999</del>

~~Mortgage Loans~~

<del>Unaffiliated.....</del>	<del>2399999</del>
<del>Affiliated.....</del>	<del>2499999</del>

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 26 – Maturity Date

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

<del>Unaffiliated.....</del>	<del>1199999</del>
<del>Affiliated.....</del>	<del>1299999</del>

State the date the mortgage loan matures.

~~Column 27 Investments Involving Related Parties~~

~~Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.~~

~~Enter one of the following codes to identify the role of the related party in the investment.~~

- ~~1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.~~
- ~~2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.~~
- ~~5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.~~
- ~~6. The investment does not involve a related party.~~

NAIC Designation Category Footnote:

Provide the total book/adjusted carrying value amount by NAIC Designation Category that represents the amount in reported in Column 12.

**SCHEDULE BA – PART 2****OTHER LONG-TERM INVESTED ASSETS ACQUIRED AND ADDITIONS MADE DURING THE YEAR**

This schedule should reflect not only those newly acquired long-term invested assets, but also any increases or additions to long-term invested assets acquired in the current and prior periods, including, for example, capital calls from existing limited partnerships.

Column 1 – CUSIP Identification

~~This column must be completed for those investments included on Lines 0799999 and 1599999.~~

CUSIP numbers for all purchased publicly issued securities are available from the broker's confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by the Standard & Poor's CUSIP Bureau. For foreign securities, use a CINS that is assigned by the Standard & Poor's CUSIP Bureau: [www.cusip.com/cusip/index.htm](http://www.cusip.com/cusip/index.htm).

~~For those investments not included on Lines 0799999 and 1599999, a CUSIP should be provided if one has been assigned.~~

If no CUSIP number exists, the CUSIP field should be zero-filled.



**Detail Eliminated To Conserve Space**

**\*\* Columns 12 through 16 will be electronic only. \*\***

Column 12 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

~~Column 12 – Legal Entity Identifier (LEI)~~

~~Provide the 20 character Legal Entity Identifier (LEI) for any issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.~~

Column 13 – Postal Code

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~

~~Mortgage Loans~~

~~Unaffiliated..... 2399999~~

~~Affiliated..... 2499999~~

The postal code(s) reported in this column should reflect the location of the underlying property. For U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. Outside the U.S. states, territories and possessions, use that country’s equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD).

Column 14 – Property Type

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~

~~Mortgage Loans~~

~~Unaffiliated..... 2399999~~

~~Affiliated..... 2499999~~

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 15 – Maturity Date

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

<del>Unaffiliated</del> .....	<del>1199999</del>
<del>Affiliated</del> .....	<del>1299999</del>

State the date the mortgage loan matures.

Column 16 — ~~Investments Involving Related Parties~~

~~Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.~~

~~Enter one of the following codes to identify the role of the related party in the investment.~~

- ~~1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.~~
- ~~2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.~~
- ~~5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.~~
- ~~6. The investment does not involve a related party.~~

**SCHEDULE BA – PART 3****OTHER LONG-TERM INVESTED ASSETS DISPOSED, TRANSFERRED OR REPAID DURING THE YEAR**

This schedule should reflect not only disposals of an entire “other invested asset” but should also include partial disposals and amounts received during the year on investments still held, including, for example, return of capital distributions from limited partnerships.

Column 1 – CUSIP Identification

~~This column must be completed for those investments included on Lines 0799999 and 1599999.~~

CUSIP numbers for all purchased publicly issued securities are available from the broker’s confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by the Standard & Poor’s CUSIP Bureau. For foreign securities, use a CINS that is assigned by the Standard & Poor’s CUSIP Bureau: [www.cusip.com/cusip/index.htm](http://www.cusip.com/cusip/index.htm).

~~For those investments not included on Lines 0799999 and 1599999, a CUSIP should be provided if one has been assigned.~~

If no CUSIP number exists, the CUSIP field should be zero-filled.



**\*\* Columns 21 through 25 will be electronic only. \*\***

Column 21 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.



Column 21 — Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for any issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

Column 22 — Postal Code

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~

~~Mortgage Loans~~

~~Unaffiliated..... 2399999~~

~~Affiliated..... 2499999~~

The postal code(s) reported in this column should reflect the location of the underlying property. For U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. Outside the U.S. states, territories and possessions, use that country's equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD).

Column 23 — Property Type

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~

~~Mortgage Loans~~

~~Unaffiliated..... 2399999~~

~~Affiliated..... 2499999~~

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 24 – Maturity Date

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

<del>Unaffiliated</del> .....	<del>1199999</del>
<del>Affiliated</del> .....	<del>1299999</del>

State the date the mortgage loan matures.

Column 25 — ~~Investments Involving Related Parties~~

~~Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.~~

~~Enter one of the following codes to identify the role of the related party in the investment.~~

- ~~1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.~~
- ~~2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.~~
- ~~5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.~~
- ~~6. The investment does not involve a related party.~~

**ASSET VALUATION RESERVE**  
**EQUITY AND OTHER INVESTED ASSET COMPONENT –**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**

This supporting form is used to calculate the basic contribution, reserve objective and maximum reserve targets for the common stock, real estate and other invested assets sub-components of the equity component of the AVR. Instructions apply to the general account and to the separate accounts, if applicable.


=
=
**Detail Eliminated To Conserve Space**
=
=


Lines 22  
through 28

- Other Invested Assets with Underlying Characteristics of Bonds

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to bonds (Lines ~~0799999 and 0899999 and the portion of Lines 1399999, 1499999, 1599999 and 1699999 that applies to fixed income instruments similar to bonds~~ 0199999, 0299999, 0599999, 0699999, 0999999, 1099999, 1399999, and 1499999) that have been valued according to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* in Columns 1 and 4. Follow the SVO guidelines and categorize these assets into NAIC designations one through six as directed by the NAIC Securities Valuation Office instructions, except those exempt obligations (as listed in the AVR instructions for Line 2) which should be reported separately. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7 and 9 and report the products by designation in Columns 6, 8 and 10, respectively.

Lines 30  
through 35

- Other Invested Assets with Underlying Characteristics of Preferred Stocks

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to preferred stocks (~~the portion of Lines 1399999, 1499999, 1599999 and 1699999 that applies to fixed income instruments similar to preferred stocks~~ 1799999 and 1899999), that have been valued according to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* and certain surplus debentures (included in Lines 2799999 and 2899999) and capital notes (included in Lines 3399999 and 3499999) in Columns 1 and 4. Follow the SVO guidelines and categorize these assets into classes P1 through P6 or RP1 through RP6 as directed by the NAIC Securities Valuation Office instructions. For surplus debentures and capital notes, use the Credit Rating Provider (CRP) rating to categorize these assets as if the SVO had assigned an NAIC designation of 1 through 6. ONLY those surplus debentures and capital notes with a CRP rating equivalent to an NAIC 1 or NAIC 2 designation may be included in this section (in Lines 30 and 31). Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7 and 9, and report the products by designation in Columns 6, 8 and 10, respectively.

Include: ~~Surplus debentures and capital notes that possess a CRP rating equivalent to an NAIC 1 or NAIC 2 designation.~~

Exclude: ~~All surplus debentures and capital notes that do NOT possess an CRP rating equivalent to an NAIC 1 or NAIC 2 designation. These surplus debentures are to be reported in Line 83 (Other Invested Assets – Schedule BA) of this schedule.~~

Lines 38  
through 63

– Other Invested Assets with Underlying Characteristics of Mortgage Loans

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to mortgage loans (Lines ~~1199999, 1299999, 2399999~~ and 2499999), excluding any mortgage-backed/asset-backed securities included in Lines 22 through 28 above, in Columns 1 and 4. Categorize the mortgage loans as indicated in Lines 38 through 55.

For Lines 38 through 63, the classification methodology for mortgages is outlined in the Life Risk-Based Capital instructions. Multiply the amount in Column 4 for each category by the reserve factors in Columns 5, 7 and 9, Lines 38 through 63. Report the products by category in Columns 6, 8 and 10, respectively. For 2015 reporting, unaffiliated, overdue and in process of foreclosure mortgages that are insured or guaranteed should be included in Lines 47, 49, 52 or 54.



**Detail Eliminated To Conserve Space**



Lines 94  
through 100

– Other Invested Assets with Underlying Characteristics of Surplus Notes and Capital Notes

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to surplus notes and capital notes in Columns 1 and 4. Use the Credit Rating Provider (CRP) rating to categorize these assets as if the SVO had assigned an NAIC designation of 1 through 6. If no CRP rating, then report based on the reporting entity's assumption of credit risk. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7 and 9, and report the products by designation in Columns 6, 8 and 10, respectively.

Line ~~94-101 & 102-95~~ – Working Capital Finance Investments

Report the book/adjusted carrying value of all working capital finance investments owned (Schedule BA, Part 1, Line 4599999) in Columns 1 and 4. Categorize the working capital finance investments into NAIC designations 1 or 2 as directed by the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7 and 9, and report the products by designation in Columns 6, 8 and 10, respectively.

Line ~~96-103~~ – Other Invested Assets – Schedule BA

Report the book/adjusted carrying value of all other Schedule BA investments owned that cannot be classified into one of the above categories (~~Lines 0199999, 0299999, 0399999, 0499999, 0599999, 0699999, 0999999, 1099999, 1799999, 1899999, 2599999, 2699999, 2799999, 2899999, 3399999, 3499999, 5899999 and 5999999~~) in Column 1 and any encumbrances on these assets in Column 3. Schedule DL, Part 1 investments reported on Line 9409999999 would be included in this total if not classified in one of the above categories. Collateral loans (~~Lines 2999999-3199999 and 3099999-3299999~~) have been intentionally excluded from this total. ~~For surplus debentures and capital notes, the amount to report in Column 1 is to be calculated based upon the accounting prescribed in SSAP No. 41 – Surplus Notes. Report the sum of Columns 1 and 3 in Column 4. Column 4 may not be less than zero. Note that ALL surplus debentures and capital notes should be included here in Line 96, EXCEPT those with a CRP rating equivalent to an NAIC 1 or NAIC 2 designation (which are reported in Lines 30 and 31 of this schedule).~~ Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7 and 9, and report the products in Columns 6, 8 and 10, respectively.

~~Exclude: All surplus debentures and capital notes that possess a CRP rating equivalent to an NAIC 1 or NAIC 2 designation. These surplus debentures are to be reported in Line 30 and 31 (Other Invested Assets with Underlying Characteristics of Preferred Stocks) of this schedule.~~

| Line 97101 – Other Short-Term Invested Assets – Schedule DA

Report the book/adjusted carrying value of all other Schedule DA (Lines 7029999999 and 7509999999) and Schedule DL, Part 1 (Line 9509999999) assets owned that cannot be classified into one of the above categories in Column 1 and any encumbrances on these assets in Column 3. Report the sum of Columns 1 and 3 in Column 4. Multiply the amount on Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.

| Line 98105 – Total Other Invested Assets – Schedules BA & DA

The Columns 6, 8 and 10 amounts must be combined with Columns 6, 8 and 10, Line 21 amounts and reported on the Asset Valuation Reserve Page, Column 5, Lines 7, 10 and 9, respectively.

NOTE: Other invested asset reserves will be calculated based on the nature of the underlying investments related to the Schedule BA and Schedule DA assets. Assets should be categorized as if the company owned the underlying investment. For example:

- Mortgage participation certificates and similar holdings should be classified as fixed income assets.
- Gas and oil production and mineral rights have potential variability of return and should be categorized as equity investments.
- Partnership investments should be classified as fixed or equity investments or as equity real estate, depending on the purpose of the partnership. The maximum AVR factor would be that appropriate for the asset classification.
- A “look through” approach should be taken for any Schedule BA and Schedule DA assets not specifically listed, so as to reflect in the AVR calculation the essential nature of the investments.

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****SCHEDULE BA – PARTS 2 AND 3****OTHER LONG-TERM INVESTED ASSETS ACQUIRED AND DISPOSED OF**

Report the other long-term assets acquired during the current quarter. Investments acquired and sold during the same quarter should be reported in both Part 2 and Part 3. Include only those classes of invested assets not clearly or normally includable in any other invested asset schedule, or that have been specifically identified for reporting on Schedule BA: Other Invested Assets. Investments shall be reported in the designated reporting category and reporting line that represents the investment. Investments that do not fit within any specific reporting line shall be captured as an “Any other Class of Asset”. Such assets should include any assets previously written off for book purposes, but that still have a market or investment value. Give a detailed description of each investment and the underlying security. If an asset is to be recorded in Schedule BA that is normally reported in one of the other invested asset schedules, make full disclosure in a footnote of the reason for recording such an asset in Schedule BA.

For accounting guidance related to foreign currency transactions and translations, refer to *SSAP No. 23—Foreign Currency Transactions and Translations*.

If a reporting entity has any detail lines reported for any of the following required groups, categories or subcategories, it shall report the subtotal amount of the corresponding group, category or subcategory, with the specified subtotal line number appearing in the same manner and location as the pre-printed total or grand total line and number:

<u>Group or Category</u>	<u>Line Number</u>
<u>Debt Securities That Do Not Qualify as Bonds</u>	
<u>Debt Securities That Do Not Reflect a Creditor Relationship in Substance</u>	
<u>NAIC Designation Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated .....	0199999
Affiliated .....	0299999
<u>NAIC Designation Not Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated .....	0399999
Affiliated .....	0499999
<u>Debt Securities That Lack Substantive Credit Enhancement</u>	
<u>NAIC Designation Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated .....	0599999
Affiliated .....	0699999
<u>NAIC Designation Not Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated .....	0799999
Affiliated .....	0899999
<u>Debt Securities That Do Not Qualify as Bonds Solely to a Lack of Meaningful Cash Flows</u>	
<u>NAIC Designation Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated .....	0999999
Affiliated .....	1099999
<u>NAIC Designation Not Assigned by the Securities Valuation Office (SVO)</u>	
Unaffiliated .....	1199999
Affiliated .....	1299999
<u>Oil and Gas Production</u>	
Unaffiliated .....	0199999
Affiliated .....	0299999
<u>Transportation Equipment</u>	
Unaffiliated .....	0399999
Affiliated .....	0499999
<u>Mineral Rights</u>	
Unaffiliated .....	0599999

Affiliated .....	0699999
<b>Non-Registered Private Funds with Underlying Assets Having Characteristics of:</b>	
<b>Bonds</b>	
NAIC Designation Assigned by the Securities Valuation Office (SVO)	
Unaffiliated .....	0799999
Affiliated .....	0899999
NAIC Designation Not Assigned by the Securities Valuation Office (SVO)	
Unaffiliated .....	0999999
Affiliated .....	1099999
<b>Mortgage Loans</b>	
Unaffiliated .....	1199999
Affiliated .....	1299999
<b>Other Fixed Income Instruments</b>	
Unaffiliated .....	1399999
Affiliated .....	1499999
<b>Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including non-Registered Private Funds)</b>	
<b>Interests with Underlying Assets Having the Characteristics of:</b>	
<b>Fixed Income Instruments</b>	
<b>Bonds</b>	
NAIC Designation Assigned by the Securities Valuation Office (SVO)	
Unaffiliated .....	1599999
Affiliated .....	1699999
NAIC Designation Not Assigned by the Securities Valuation Office (SVO)	
Unaffiliated .....	1799999
Affiliated .....	1899999
<b>Preferred Stocks</b>	
Unaffiliated .....	1799999
Affiliated .....	1899999
<b>Common Stocks</b>	
Unaffiliated .....	1999999
Affiliated .....	2099999
<b>Real Estate</b>	
Unaffiliated .....	2199999
Affiliated .....	2299999
<b>Mortgage Loans</b>	
Unaffiliated .....	2399999
Affiliated .....	2499999
<b>Other</b>	
Unaffiliated .....	2599999
Affiliated .....	2699999
<b>Surplus Debentures, etc. Notes</b>	
Unaffiliated .....	2799999
Affiliated .....	2899999
<b>Capital Notes</b>	
Unaffiliated .....	2999999
Affiliated .....	3099999
<b>Collateral Loans</b>	
Unaffiliated .....	3099999
Affiliated .....	3199999
<b>Non-collateral Loans</b>	
Unaffiliated .....	3199999
	3399999

Affiliated .....	3299999	3499999
Capital Notes		
Unaffiliated.....	3399999	
Affiliated .....		3499999
Guaranteed Federal Low Income Housing Tax Credit		
Unaffiliated.....	3599999	
Affiliated .....		3699999
Non-Guaranteed Federal Low Income Housing Tax Credit		
Unaffiliated.....	3799999	
Affiliated .....		3899999
Guaranteed State Low Income Housing Tax Credit		
Unaffiliated.....	3999999	
Affiliated .....		4099999
Non-Guaranteed State Low Income Housing Tax Credit		
Unaffiliated.....	4199999	
Affiliated .....		4299999
All Other Low Income Housing Tax Credit		
Unaffiliated.....	4399999	
Affiliated .....		4499999
Working Capital Finance Investment		
Unaffiliated.....	4599999	
Residual Tranches or Interests with Underlying Assets Having Characteristics of:		
Fixed Income Instruments		
Unaffiliated .....	4699999	
Affiliated.....		4799999
Common Stock		
Unaffiliated .....	4899999	
Affiliated.....		4999999
Preferred Stock		
Unaffiliated .....	5099999	
Affiliated.....		5199999
Real Estate		
Unaffiliated .....	5299999	
Affiliated.....		5399999
Mortgage Loans		
Unaffiliated .....	5499999	
Affiliated.....		5599999
Other		
Unaffiliated .....	5699999	
Affiliated.....		5799999
Any Other Class of Assets		
Unaffiliated.....	5899999	
Affiliated .....		5999999
Subtotals		
Unaffiliated.....	6099999	6899999
Affiliated .....	6199999	6999999
TOTALS.....	6299999	7099999



The following listing is intended to give examples of investments to be included in each category; however, the list should not be considered all-inclusive, and it should not be implied that any invested asset currently being reported in Schedules A, B or D is to be reclassified to Schedule BA.

### **Oil and Gas Production**

Include: ~~Offshore oil and gas leases.~~

### **Transportation Equipment**

Include: ~~Aircraft owned under leveraged lease agreements.  
Motor Vehicle Trust Certificates.~~

### **Mineral Rights**

Include: ~~Investments in extractive materials.  
  
Timber Deeds.~~

### **Debt Securities That Do Not Qualify as Bonds**

Include: ~~Debt securities captured in SSAP No. 21 – Other Admitted Assets. This is specific to securities, as that term is defined in SSAP No. 26 – Bonds, whereby there is a fixed schedule for one or more future payments (referred to as debt securities), but for which the security does not qualify for bond reporting under SSAP No. 26 as an issuer credit obligation or an asset-backed security.~~

~~Investments that have been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* shall be reported on Lines 0199999, 0299999, 0599999, 0699999, 0999999, and 1099999.~~

~~Investments that have not been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for this category. Designations received from an SEC NRSRO are permitted to be reported but are not required. Report these investments on Lines 0399999, 0499999, 0799999, 0899999, 1199999 and 1299999.~~

Exclude: ~~Any investment that does not qualify as a security. This term is defined in SSAP No. 26R.~~

~~Any investment that is not captured as a debt security that does not qualify as a bond pursuant to SSAP No. 21R—Other Admitted Assets.~~

### **Non-Registered Private Funds with Underlying Assets Having Characteristics of a Bond, Mortgage Loan or Other Fixed Income Instrument**

Include: ~~Fixed income instruments that are not corporate or governmental unit obligations (Schedule D) or secured by real property (Schedule B).~~

~~Any investments deemed by the reporting entity to possess the underlying characteristics of a bond or other fixed income instrument that has been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for this category. Report these investments on Lines 0799999 and 0899999.~~

~~Any investments deemed by the reporting entity to possess the underlying characteristics of a bond or other fixed income investment that has not been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for this category. Report these investments on Lines 0999999, 1099999, 1199999, 1299999, 1399999 and 1499999.~~

**Interests in Joint Ventures, Partnerships or Limited Liability Company-Companies (Including Non-Registered Private Funds) ~~Interests with Underlying Assets Having the Characteristics:~~**

Include: Items in scope of SSAP No. 48 – *Joint Ventures, Partnerships or Limited Liability Companies*, which includes non-registered private funds. Investments shall be reported based on their underlying characteristics as described below. Investments shall be assigned fully to a subcategory. There should not be any bifurcation of the SSAP No. 48 investment among the subcategories.

Structured Security payment rights in scope of SSAP No. 21 that have an SVO-Assigned designation. Structured security payments rights that do not have an SVO-Assigned designation shall be reported as an Any Other Class of Asset.

Exclude: Any investment that is not captured in scope of SSAP No. 48.

**Fixed Income InstrumentsBonds**

Include: Investments in scope of SSAP No. 48 with underlying collateral that has contractual principal and/or interest payments, excluding mortgage loans.

Structured Settlement payment rights in scope of SSAP No. 21R that have an SVO-Assigned designation.

~~Joint ventures, partnerships or limited liability companies (including non-registered private funds) investments that are engaged in bond strategies.Leveraged Buy-out Fund.~~

A fund investing in the “Z” strip of Collateralized Mortgage Obligations.

~~Any investments deemed by the reporting entity to possess the underlying characteristics of fixed income instruments~~Investments on the NAIC List of Schedule BA Non-Registered Private Funds with Underlying Assets Having Characteristics of Bonds or Preferred Stock and structured settlement payment rights in scope of SSAP No. 21R that has been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for this category. Report these investments on Lines ~~1599999-1399999 and 1699999~~1499999.

~~Any investments deemed by the reporting entity to possess the underlying characteristics of fixed income instrumentsbonds that has~~have not been assigned an NAIC designation by the Securities Valuation Office (SVO) pursuant to the policies in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for this category. Designations received from an SEC NRSRO are permitted to be reported but are not required. Report these investments on Lines ~~1799999-1599999 and 1899999~~1699999.

**Preferred Stocks**

Include: ~~Preferred Stock Interests~~Investments in scope of SSAP No. 48 with underlying characteristics of securities that represents ownership of a corporation and gives the holder a claim prior to the claims of common stockholders on earnings and also generally on assets in the event of liquidation.

**Common Stocks**

Include: Investments in scope of SSAP No. 48 with underlying characteristics of Venture Capital Funds or other underlying equity investments.

**Real Estate**

Include: Investments in scope of SSAP No. 48 with underlying collateral that reflects Real estate development interest. Reporting should be consistent with the detailed property analysis appropriate for the corresponding risk-based capital factor for this investment category. If the requisite details are not available for reporting, report under “Other” subcategory.

**Mortgage Loans**

Include: Items in scope of SSAP No. 48 that reflect Mortgage obligations. Reporting should be consistent with the detailed property analysis appropriate for the corresponding risk-based capital factor for this investment category. If the requisite details are not available for reporting, report under “Other” subcategory.

**Other**

Include: Items in scope of SSAP No. 48 that do not fit within the specific categories.

Limited partnership interests in oil and gas production.

Forest product partnerships.

Investments within the Joint Venture and Partnership Interests category that do not qualify for inclusion in the “~~Fixed Income Instruments~~Bonds,” “Common Stocks,” “Real Estate” or “Mortgage Loans” subcategories.

~~Reporting should be consistent with the corresponding risk-based capital factor for this investment category (i.e., Other Long-Term Assets).~~

**Surplus ~~Debentures, etc.~~ Notes**

Include: That portion of any subordinated indebtedness, surplus debenture, surplus note, debenture note, premium income note, bond, or other contingent evidence of indebtedness that is reported on the surplus.

**Capital Notes**

Include: The portion of any capital note that is reported on the line for capital notes of the issuing insurance reporting entity.

**Collateral Loans**

Include: Refer to *SSAP No. 21R—Other Admitted Assets*, for a definition of collateral loans. Loans that are backed by any form of collateral, regardless of if the collateral is sufficient to fully cover the loan, shall be captured in this category. Guidance in SSAP No. 21R shall be followed to determine nonadmittance.

In the description column, the name of the actual borrower and state if the borrower is a parent, subsidiary, affiliate, officer or director. Also include the type of collateral held.

**Non-collateral Loans**

Include: ~~For purposes of this section, n~~Non-collateral loans are considered the unpaid portion of loans previously made to another organization or individual in which the reporting entity has a right to receive money for the loan, but for which the reporting entity has not obtained collateral to secure the loan.

Non-collateral loans shall not include investments captured in scope of SSAP No. 26 – Bonds, SSAP No. 37 – Mortgage Loans, SSAP No. 43R – Asset-Backed Securities, or SSAP No. 49 – Policy Loans. ~~those instruments that meet the definition of a bond, per SSAP No. 26R – Bonds, a mortgage loan per SSAP No. 37 – Mortgage Loans, loan-backed or structured asset-backed securities per SSAP No. 43R – Loan Backed and Structured Securities, or a policy or contract loan per SSAP No. 49 – Policy Loans.~~

In the description column, provide the name of the actual borrower. For affiliated entities, state if the borrower is a parent, subsidiary, affiliate, officer or director. Refer to *SSAP No. 20—Nonadmitted Assets* and *SSAP No. 25—Affiliates and Other Related Parties*, for accounting guidance.

### Capital Notes

~~Include: \_\_\_\_\_ The portion of any capital note that is reported on the line for capital notes of the issuing insurance reporting entity.~~

### Low Income Housing Tax Credit

Include: All Low Income Housing Tax Credit Investments (LIHTC or affordable housing) that are in the form of a Limited Partnership or a Limited Liability Company, including those investments that have the following risk mitigation factors:

- A. Guaranteed Low Income Housing Tax Credit Investments. There must be an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment.
- B. Non-guaranteed Low Income Housing Tax Credit Investments.
  - I. A level of leverage below 50%. For a LIHTC Fund, the level of leverage is measured at the fund level.
  - II. There is a Tax Credit Guarantee Agreement from General Partner or managing member. This agreement requires the General Partner or managing member to reimburse investors for any shortfalls in tax credits due to errors of compliance, for the life of the partnership. For a LIHTC Fund, a Tax Credit Guarantee is required from the developers of the lower tier LIHTC properties to the upper tier partnership and all other LIHTC investments.
  - III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable foreclosure risk at the time of the investment.

Non-qualifying LIHTCs should be reported in the “All Other” category

**Working Capital Finance Investment**

Include: Investments in an interest in a Confirmed Supplier Receivables (CSR) under a Working Capital Finance Program (WCFP) that is designated by the SVO as meeting the criteria specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for an NAIC “1” or “2.”

**Working Capital Finance Program (WCFP)**

Open account program under which an Investor may purchase interests, or evidence thereof, in commercial non-insurance receivables. A WCFP is created for the benefit of a commercial investment grade obligor and its suppliers of goods or services and facilitated by a financial intermediary.

**Confirmed Supplier Receivables (CSR)**

A first priority perfected security interest claim or right to payment of a monetary obligation from the Obligor arising from the sale of goods or services from the Supplier to the Obligor, the payment of which the Obligor has confirmed by representing and warranting that it will not protest, delay, or deny, nor offer nor assert any defenses against payment to the supplier or any party taking claim or right to payment from the supplier.

See SSAP No. 105R—*Working Capital Finance Investments*, for accounting guidance

**Residual Tranches or Interests with Underlying Assets Having Characteristics of:**

Investment in Residual Tranches or Interests should be assigned to the subcategory with the highest underlying asset concentration. There should not be any bifurcation of the underlying assets among the subcategories.

Include: Residual tranches or interests captured in scope of SSAP No. 21R – Other Admitted Assets. The scope of SSAP No. 21R includes all in-substance residuals regardless of the investment form. Therefore, this category shall include investments that reflect in-substance residuals in the form of 1) an investment in a securitization tranche or beneficial interest, 2) an investment in a joint venture, partnership or limited liability company, 3) an investment in preferred stock, 4) an investment in common stock, or 5) any other investment structure. ~~captures securitization tranches and beneficial interests as well as other structures captured in scope of SSAP No. 43R – Loan Backed and Structured Asset Backed Securities, that reflect loss layers without any contractual payments, whether interest or principal, or both. Payments to holders of these investments occur after contractual interest and principal payments have been made to other tranches or interests and are based on the remaining available funds. See SSAP No. 43R for accounting guidance.~~

~~Investments in joint ventures, partnerships and limited liability companies captured in scope of SSAP No. 48 – Joint Ventures, Partnerships and Limited Liability Companies that represent residual interests, or that predominantly hold residual interests.~~

~~This category shall also include residual interests or residual security tranches within investment structures that are not captured in scope of SSAP No. 43R or SSAP No. 48 but that reflect, in substance, residual interests or residual security tranches.~~

**Fixed Income Instruments**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule D – Part 1 – Long-Term Bonds*

**Common Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule D – Part 2 – Section 2 – Common Stocks*

**Preferred Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule D – Part 2 – Section 1 – Preferred Stocks*

**Real Estate**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule A – Real Estate Owned*

**Mortgage Loans**

Include: Investments with underlying collateral which, if held individually, would be reported on *Schedule B – Mortgage Loans*

**Other**

Include: Items that do not qualify for inclusion in the above subcategories.

**Any Other Class of Assets**

Include: Investments that do not fit into one of the other categories. An example of items that may be included are reverse mortgages.

All structured settlement income streams acquired as investments where the reporting entity acquires the legal right to receive payments. (Valuation and admittance provisions are detailed in *SSAP No. 21R—Other Admitted Assets*.)

This category shall also include oil and gas leases, aircraft owned under leveraged lease arrangements, investments in extractive materials and timber deeds that are not owned within a partnership, LLC or joint venture structure.

**SCHEDULE BA – PART 2****OTHER LONG-TERM INVESTED ASSETS ACQUIRED  
AND ADDITIONS MADE DURING THE CURRENT QUARTER**

This schedule should reflect not only those newly acquired long-term invested assets, but also any increases or additions to long-term invested assets acquired in the current and prior periods, including, for example, capital calls from existing limited partnerships.

Column 1 – CUSIP Identification

~~This column must be completed for those investments included on Lines 0799999, 0899999, 1599999 and 1699999.~~

CUSIP numbers for all purchased publicly issued securities are available from the broker's confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by the Standard & Poor's CUSIP Bureau. For foreign securities, use a CINS that is assigned by the Standard & Poor's CUSIP Bureau: [www.cusip.com/cusip/index.htm](http://www.cusip.com/cusip/index.htm).

~~For those investments not included on Lines 0799999, 0899999, 1599999 and 1699999, a CUSIP should be provided if one has been assigned.~~

If no CUSIP number exists, the CUSIP field should be zero-filled.


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**Detail Eliminated To Conserve Space**
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Column 6 – NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol

This column must be completed for those investments included on Lines ~~0799999~~0199999, 08999990299999, 15999990599999, ~~1699999~~0699999, 0999999, 1099999, 1399999, 1499999, and 4599999. For all other lines, the column may be completed if the investment has an NAIC Designation received from the SVO or from an NAIC CRP.

For the investments noted above, insert the appropriate combination of the NAIC Designation (1 through 6), NAIC Designation Modifier (A through G) and SVO Administrative Symbol. ~~The list of valid SVO Administrative Symbols is shown below.~~

The listing of valid NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol combinations can be found on the NAIC's website for the Securities Valuation Office ([www.naic.org/svo.htm](http://www.naic.org/svo.htm)).

The NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol will be shown as one column on the printed schedule but will be three sub-columns in the data table.

- ~~NAIC Designation~~ ————— Column 6A
- ~~NAIC Designation Modifier~~ ————— Column 6B
- ~~SVO Administrative Symbol~~ ————— Column 6C

On the printed page the sub-columns should be displayed with a “.” between the NAIC Designation and the NAIC Designation Modifier with a space between the NAIC Designation Modifier and the SVO Administrative Symbol (e.g., “1.A YE”).


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**Detail Eliminated To Conserve Space**
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**\*\* Columns 14 through 18 will be electronic only. \*\***

Column 14 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

Column 14 – Legal Entity Identifier (LEI)

~~Provide the 20 character Legal Entity Identifier (LEI) for issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.~~

Column 15 – Postal Code

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~



Mortgage Loans

Unaffiliated.....	2399999
Affiliated.....	2499999

The postal code(s) reported in this column should reflect the location of the underlying property. For U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. Outside the U.S. states, territories and possessions, use that country’s equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD)

Column 16 – Property Type

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

<del>Unaffiliated.....</del>	<del>1199999</del>
<del>Affiliated.....</del>	<del>1299999</del>

Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:

Real Estate

Unaffiliated.....	2199999
Affiliated.....	2299999

Mortgage Loans

Unaffiliated.....	2399999
Affiliated.....	2499999

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 17 – Maturity Date

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

<del>Unaffiliated.....</del>	<del>1199999</del>
------------------------------	--------------------

~~Affiliated.....1299999~~

State the date the mortgage loan matures.

~~Column 18 Investments Involving Related Parties~~

~~Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.~~

~~Enter one of the following codes to identify the role of the related party in the investment.~~

- ~~1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.~~
- ~~2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.~~
- ~~5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.~~
- ~~6. The investment does not involve a related party.~~

**SCHEDULE BA – PART 3****OTHER LONG-TERM INVESTED ASSETS DISPOSED, TRANSFERRED OR REPAID  
DURING THE CURRENT QUARTER**

This schedule should reflect not only disposals of an entire “other invested asset” but should also include partial disposals and amounts received during the year on investments still held, including, for example, return of capital distributions from limited partnerships.

Column 1 – CUSIP Identification

~~This column must be completed for those investments included on Lines 0799999, 0899999, 1599999 and 1699999.~~

CUSIP numbers for all purchased publicly issued securities are available from the broker’s confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by the Standard & Poor’s CUSIP Bureau. For foreign securities, use a CINS that is assigned by the Standard & Poor’s CUSIP Bureau: [www.cusip.com/cusip/index.htm](http://www.cusip.com/cusip/index.htm).

~~For those investments not included on Lines 0799999, 0899999, 1599999 and 1699999, a CUSIP should be provided if one has been assigned.~~

If no CUSIP number exists, the CUSIP field should be zero-filled.



**Detail Eliminated To Conserve Space**

**\*\* Columns 21 through 25 will be electronic only. \*\***

Column 21 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.

Column 21 ~~6. The investment does not involve a related party.~~  
~~Legal Entity Identifier (LEI)~~

~~Provide the 20-character Legal Entity Identifier (LEI) for issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.~~

Column 22 – Postal Code

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~

~~Mortgage Loans~~

~~Unaffiliated..... 2399999~~

~~Affiliated..... 2499999~~

The postal code(s) reported in this column should reflect the location of the underlying property. For U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. Outside the U.S. states, territories and possessions, use that country’s equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD)

Column 23 – Property Type

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

~~Unaffiliated..... 1199999~~

~~Affiliated..... 1299999~~

~~Interests in Joint Ventures, Partnerships or Limited Liability Company Companies (Including Non-Registered Private Funds) Interests with Underlying Assets Having the Characteristics of:~~

~~Real Estate~~

~~Unaffiliated..... 2199999~~

~~Affiliated..... 2299999~~

Mortgage Loans

Unaffiliated.....	2399999
Affiliated.....	2499999

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 24 – Maturity Date

Use only for securities included in the following subtotal lines.

~~Non-Registered Private Funds with Underlying Assets Having Characteristics of:~~

~~Mortgage Loans~~

<del>Unaffiliated.....</del>	<del>1199999</del>
<del>Affiliated.....</del>	<del>1299999</del>

State the date the mortgage loan matures.

Column 25 — ~~Investments Involving Related Parties~~

~~Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.~~

~~Enter one of the following codes to identify the role of the related party in the investment.~~

- ~~1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.~~
- ~~2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.~~
- ~~4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.~~

5. ~~The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.~~
6. ~~The investment does not involve a related party.~~



**ASSET VALUATION RESERVE  
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS  
EQUITY AND OTHER INVESTED ASSET COMPONENT**

Line Number	NAIC Designation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4x5)	7 Factor	8 Amount (Cols. 4x7)	9 Factor	10 Amount (Cols. 4x9)
<b>COMMON STOCK</b>												
1		Unaffiliated Public .....		XXX	XXX		0.0000		0.1580 (a)		0.1580 (a)	
2		Unaffiliated Private .....		XXX	XXX		0.0000		0.1945		0.1945	
3		Federal Home Loan Bank .....		XXX	XXX		0.0000		0.0061		0.0097	
4		Affiliated Life with AVR .....		XXX	XXX		0.0000		0.0000		0.0000	
Affiliated Investment Subsidiary:												
5		Fixed Income Exempt Obligations .....					XXX		XXX		XXX	
6		Fixed Income Highest Quality .....					XXX		XXX		XXX	
7		Fixed Income High Quality .....					XXX		XXX		XXX	
8		Fixed Income Medium Quality .....					XXX		XXX		XXX	
9		Fixed Income Low Quality .....					XXX		XXX		XXX	
10		Fixed Income Lower Quality .....					XXX		XXX		XXX	
11		Fixed Income In or Near Default .....					XXX		XXX		XXX	
12		Unaffiliated Common Stock Public .....					0.0000		0.1580 (a)		0.1580 (a)	
13		Unaffiliated Common Stock Private .....					0.0000		0.1945		0.1945	
14		Real Estate .....					(b)		(b)		(b)	
15		Affiliated-Certain Other (See SVO Purposes & Procedures Manual) .....		XXX	XXX		0.0000		0.1580		0.1580	
16		Affiliated - All Other .....		XXX	XXX		0.0000		0.1945		0.1945	
17		Total Common Stock (Sum of Lines 1 through 16)					XXX		XXX		XXX	
<b>REAL ESTATE</b>												
18		Home Office Property (General Account only) .....					0.0000		0.0912		0.0912	
19		Investment Properties .....					0.0000		0.0912		0.0912	
20		Properties Acquired in Satisfaction of Debt .....					0.0000		0.1337		0.1337	
21		Total Real Estate (Sum of Lines 18 through 20)					XXX		XXX		XXX	
<b>OTHER INVESTED ASSETS INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS</b>												
22		Exempt Obligations .....		XXX	XXX		0.0000		0.0000		0.0000	
23	1	Highest Quality .....		XXX	XXX		0.0005		0.0016		0.0033	
24	2	High Quality .....		XXX	XXX		0.0021		0.0064		0.0106	
25	3	Medium Quality .....		XXX	XXX		0.0099		0.0263		0.0376	
26	4	Low Quality .....		XXX	XXX		0.0245		0.0572		0.0817	
27	5	Lower Quality .....		XXX	XXX		0.0630		0.1128		0.1880	
28	6	In or Near Default .....		XXX	XXX		0.0000		0.2370		0.2370	
29		Total with Bond Characteristics (Sum of Lines 22 through 28)		XXX	XXX		XXX		XXX		XXX	



**ASSET VALUATION RESERVE (Continued)**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**EQUITY AND OTHER INVESTED ASSET COMPONENT**

Line Number	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/ Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1+2+3)	5 Factor	6 Amount (Cols.4x5)	7 Factor	8 Amount (Cols. 4x7)	9 Factor	10 Amount (Cols.4x9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
30	1	Highest Quality .....		XXX	XXX		0.0005		0.0016		0.0033	
31	2	High Quality.....		XXX	XXX		0.0021		0.0064		0.0106	
32	3	Medium Quality .....		XXX	XXX		0.0099		0.0263		0.0376	
33	4	Low Quality .....		XXX	XXX		0.0245		0.0572		0.0817	
34	5	Lower Quality .....		XXX	XXX		0.0630		0.1128		0.1880	
35	6	In or Near Default .....		XXX	XXX		0.0000		0.2370		0.2370	
36		Affiliated Life with AVR.....		XXX	XXX		0.0000		0.0000		0.0000	
37		Total with Preferred Stock Characteristics (Sum of Lines 30 through 36)		XXX	XXX		XXX		XXX		XXX	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
In Good Standing Affiliated:												
38		Mortgages – CM1 – Highest Quality .....			XXX		0.0011		0.0057		0.0074	
39		Mortgages – CM2 – High Quality .....			XXX		0.0040		0.0114		0.0149	
40		Mortgages – CM3 – Medium Quality.....			XXX		0.0069		0.0200		0.0257	
41		Mortgages – CM4 – Low Medium Quality .....			XXX		0.0120		0.0343		0.0428	
42		Mortgages – CM5 – Low Quality .....			XXX		0.0183		0.0486		0.0628	
43		Residential Mortgages – Insured or Guaranteed.....			XXX		0.0003		0.0007		0.0011	
44		Residential Mortgages – All Other .....		XXX	XXX		0.0015		0.0034		0.0046	
45		Commercial Mortgages – Insured or Guaranteed.....			XXX		0.0003		0.0007		0.0011	
Overdue, Not in Process Affiliated:												
46		Farm Mortgages .....			XXX		0.0480		0.0868		0.1371	
47		Residential Mortgages – Insured or Guaranteed.....			XXX		0.0006		0.0014		0.0023	
48		Residential Mortgages – All Other .....			XXX		0.0029		0.0066		0.0103	
49		Commercial Mortgages – Insured or Guaranteed.....			XXX		0.0006		0.0014		0.0023	
50		Commercial Mortgages – All Other .....			XXX		0.0480		0.0868		0.1371	
In Process of Foreclosure Affiliated:												
51		Farm Mortgages .....			XXX		0.0000		0.1942		0.1942	
52		Residential Mortgages – Insured or Guaranteed.....			XXX		0.0000		0.0046		0.0046	
53		Residential Mortgages – All Other .....			XXX		0.0000		0.0149		0.0149	
54		Commercial Mortgages – Insured or Guaranteed.....			XXX		0.0000		0.0046		0.0046	
55		Commercial Mortgages – All Other.....			XXX		0.0000		0.1942		0.1942	
56		Total Affiliated (Sum of Lines 38 through 55).....			XXX		XXX		XXX		XXX	
57		Unaffiliated – In Good Standing With Covenants.....			XXX		(c)		(c)		(c)	
58		Unaffiliated – In Good Standing Defeased With Government Securities .....			XXX		0.0011		0.0057		0.0074	
59		Unaffiliated – In Good Standing Primarily Senior .....			XXX		0.0040		0.0114		0.0149	
60		Unaffiliated – In Good Standing All Other.....			XXX		0.0069		0.0200		0.0257	
61		Unaffiliated – Overdue, Not in Process .....			XXX		0.0480		0.0868		0.1371	
62		Unaffiliated – In Process of Foreclosure.....			XXX		0.0000		0.1942		0.1942	
63		Total Unaffiliated (Sum of Lines 57 through 62).....			XXX		XXX		XXX		XXX	
64		Total with Mortgage Loan Characteristics (Lines 56 + 63)			XXX		XXX		XXX		XXX	

**ASSET VALUATION RESERVE (Continued)**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**EQUITY AND OTHER INVESTED ASSET COMPONENT**

Line Number	NAIC Designation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4x5)	7 Factor	8 Amount (Cols. 4x7)	9 Factor	10 Amount (Cols. 4x9)
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK</b>												
65		Unaffiliated Public.....		XXX	XXX		0.0000		0.1580(a)		0.1580(a)	
66		Unaffiliated Private.....		XXX	XXX		0.0000		0.1945		0.1945	
67		Affiliated Life with AVR.....		XXX	XXX		0.0000		0.0000		0.0000	
68		Affiliated Certain Other (See SVO Purposes & Procedures Manual).....		XXX	XXX		0.0000		0.1580		0.1580	
69		Affiliated Other - All Other.....		XXX	XXX		0.0000		0.1945		0.1945	
70		Total with Common Stock Characteristics (Sum of Lines 65 through 69)		XXX	XXX		XXX		XXX		XXX	
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE</b>												
71		Home Office Property (General Account only).....					0.0000		0.0912		0.0912	
72		Investment Properties.....					0.0000		0.0912		0.0912	
73		Properties Acquired in Satisfaction of Debt.....					0.0000		0.1337		0.1337	
74		Total with Real Estate Characteristics (Sum of Lines 71 through 73)					XXX		XXX		XXX	
<b>LOW INCOME HOUSING TAX CREDIT INVESTMENTS</b>												
75		Guaranteed Federal Low-Income Housing Tax Credit.....					0.0003		0.0006		0.0010	
76		Non-guaranteed Federal Low-Income Housing Tax Credit.....					0.0063		0.0120		0.0190	
77		Guaranteed State Low Income Housing Tax Credit.....					0.0003		0.0006		0.0010	
78		Non-guaranteed State Low Income Housing Tax Credit.....					0.0063		0.0120		0.0190	
79		All Other Low-Income Housing Tax Credit.....					0.0273		0.0600		0.0975	
80		Total LIHTC (Sum of Lines 75 through 79)					XXX		XXX		XXX	
<b>RESIDUAL TRANCHES OR INTERESTS</b>												
81		Fixed Income Instruments – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
82		Fixed Income Instruments – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
83		Common Stock – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
84		Common Stock – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
85		Preferred Stock – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
86		Preferred Stock – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
87		Real Estate – Unaffiliated.....					0.0000		0.1580		0.1580	
88		Real Estate – Affiliated.....					0.0000		0.1580		0.1580	
89		Mortgage Loans – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
90		Mortgage Loans – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
91		Other – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
92		Other – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
93		Total Residual Tranches or Interests (Sum of Lines 81 through 92)					XXX		XXX		XXX	
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF SURPLUS NOTES &amp; CAPITAL NOTES</b>												
94	1	Highest Quality.....		XXX	XXX		0.0005		0.0016		0.0033	
95	2	High Quality.....		XXX	XXX		0.0021		0.0064		0.0106	
96	3	Medium Quality.....		XXX	XXX		0.0099		0.0263		0.0376	
97	4	Low Quality.....		XXX	XXX		0.0245		0.0572		0.0817	
98	5	Lower Quality.....		XXX	XXX		0.0630		0.1128		0.1880	
99	6	In or Near Default.....		XXX	XXX		0.0000		0.2370		0.2370	
100		Total with Bond Characteristics (Sum of Lines 94 through 100)		XXX	XXX		XXX		XXX		XXX	
<b>ALL OTHER INVESTMENTS</b>												
10194		NAIC 1 Working Capital Finance Investments.....		XXX			0.0000		0.0042		0.0042	
10295		NAIC 2 Working Capital Finance Investments.....		XXX			0.0000		0.0137		0.0137	
10396		Other Invested Assets - Schedule BA.....		XXX			0.0000		0.1580		0.1580	
10497		Other Short-Term Invested Assets - Schedule DA.....		XXX			0.0000		0.1580		0.1580	
10598		Total All Other (Sum of Lines 94, 95, 96 and 97).....		XXX			XXX		XXX		XXX	
10699		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 93, 100 and 98105)					XXX		XXX		XXX	

- (a) Times the company's weighted average portfolio beta (Minimum .1215, Maximum .2431).
- (b) Determined using same factors and breakdowns used for directly owned real estate.
- (c) This will be the factor associated with the risk category determined in the company generated worksheet.

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>09/26/2023</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2023-13BWG MOD</u> Year <u>2024</u></p> <p>Changes to Existing Reporting [ ] New Reporting Requirement [ X ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact [ X ] Modifies Required Disclosure [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? [ No ] <i>***If Yes, complete question below***</i></p> <hr/> <p style="text-align: center;"><b>DISPOSITION</b></p> <p>[ ] Rejected For Public Comment [ ] Referred To Another NAIC Group [ X ] Received For Public Comment [ ] Adopted Date _____ [ ] Rejected Date _____ [ ] Deferred Date _____ [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input type="checkbox"/> CROSSCHECKS              |
| <input checked="" type="checkbox"/> QUARTERLY STATEMENT               | <input type="checkbox"/> BLANK                    |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input checked="" type="checkbox"/> Title         |
| <input checked="" type="checkbox"/> Property/Casualty                 | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____              |
| <input checked="" type="checkbox"/> Health                            | <input type="checkbox"/> Health (Life Supplement) | <input type="checkbox"/> Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Add new instruction and illustration under Note 5 – Investments for Net Negative (Disallowed) Interest Maintenance Reserve (IMR) and a new general interrogatory for a company attestation.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

This proposal updates Notes to Financial Statement and General Interrogatories for the Statutory Accounting Principles Working Group’s disclosure on Net Negative (Disallowed) Interest Maintenance Reserve (INT 23-01)

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**

**NOTES TO FINANCIAL STATEMENTS**

**5. Investments**

Instruction:



**Detail Eliminated To Conserve Space**

R. The financial statements shall disclose the reporting entity’s share of the cash pool by asset type (cash, cash equivalents, or short-term investments).

This note shall only be completed in the event the reporting entity has a reported balance in a qualified cash pool (Line 8409999999 in Schedule E, Part 2). As an example, if a reporting entity has a \$1M cash balance in a qualified cash pool, and the cash pool report indicated their \$1M position represented \$700K in cash, \$200k in cash equivalents and \$100k in short-term investments, the disclosure would indicate cash at 70%, cash equivalents at 20% and short-term investments at 10%. The summation of investment makeup percentages must equal 100%.

S. Reporting entities admitting net negative (disallowed) IMR are required to complete the following disclosures in the quarterly and annual financial statements. (Note 5S only applies to Life/Fraternal companies).

- (1) Net negative (disallowed) IMR in aggregate and allocated between the general account, insulated separate account and non-insulated account.
- (2) Amounts of negative IMR admitted in the general account and reported as an asset in the insulated separate account and non-insulated blank. (Note: If a company completes this Note, consideration should be given to updating Note 13I (Reasons for Changes in Balance of Special Surplus Funds from Prior Period).)
- (3) The calculated adjusted capital and surplus.
- (4) Percentage of adjusted capital and surplus for which the admitted net negative (disallowed) IMR represents (including what is admitted in the general account and what is recognized as an asset in the separate account).
- (5) Reporting entities that have allocated gains/losses to IMR from derivatives that were reported at fair value prior to the termination of the derivative shall disclose the unamortized balances in IMR from these allocations separately between gains and losses.



**Detail Eliminated To Conserve Space**

**THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.**

S. Reporting Net Negative (Disallowed) Interest Maintenance Reserve (IMR)

(1) <u>Net negative (disallowed) IMR</u>				
	<u>Total</u>	<u>General Account</u>	<u>Insulated Separate Account</u>	<u>Non-Insulated Separate Account</u>

\$ ..... \$ ..... \$ ..... \$ .....

(2) Negative (disallowed) IMR admitted

<u>Total</u>	<u>General Account</u>	<u>Insulated Separate Account</u>	<u>Non-Insulated Separate Account</u>
\$ .....	\$ .....	\$ .....	\$ .....

(3) Calculated adjusted capital and surplus

	<u>Total</u>
<u>Prior Period General Account Capital &amp; Surplus</u>	\$ .....
<u>From Prior Period SAP Financials</u>	
<u>Net Positive Goodwill (admitted)</u>	\$ .....
<u>EDP Equipment &amp; Operating System Software (admitted)</u>	\$ .....
<u>Net DTAs (admitted)</u>	\$ .....
<u>Net Negative (disallowed) IMR (admitted)</u>	\$ .....
<u>Adjusted Capital &amp; Surplus</u>	\$ .....

(4) Percentage of adjusted capital and surplus

	<u>Total</u>
<u>Percentage of Total Net Negative (disallowed) IMR</u>	
<u>admitted in General Account or recognized in Separate</u>	
<u>Account to adjusted capital and surplus</u>	_____ %

(5) Allocated gains/losses to IMR from derivatives

	<u>Gains</u>	<u>Losses</u>
<u>Unamortized Fair Value Derivative Gains &amp;</u>		
<u>Losses Realized to IMR – Prior Period</u>	\$ .....	\$ .....
<u>Fair Value Derivative Gains &amp; Losses Realized</u>		
<u>to IMR – Added in Current Period</u>	\$ .....	\$ .....
<u>Fair Value Derivative Gains &amp; Losses</u>		
<u>Amortized Over Current Period</u>	\$ .....	\$ .....
<u>Unamortized Fair Value Derivative Gains &amp;</u>		
<u>Losses Realized to IMR – Current Period Total</u>	\$ .....	\$ .....

**\*\*\*Drafting Note – The new interrogatory is moving to Life/Fraternal Part 2 Interrogatories\*\*\***

**GENERAL INTERROGATORIES**

**PART 1 – COMMON INTERROGATORIES**

**INVESTMENT**

**Detail Eliminated To Conserve Space**

~~38 Answer “YES” if the company is admitting net negative (disallowed) interest maintenance reserve (IMR). Life/Fraternal companies should answer “YES” or “NO”. Property/Casualty, Health, and Title companies should answer “N/A”~~

3839.1 Answer “YES” if the company directly owns cryptocurrencies. Answer “NO” if the company does not directly own cryptocurrencies or only holds cryptocurrencies indirectly through funds (ETFs, Mutual Funds, etc.) *INT 21-01: Accounting for Cryptocurrencies* established that directly held cryptocurrencies do not meet the definition of cash or an admitted asset and are therefore considered to be a nonadmitted asset for statutory accounting.

3839.2 If the answer to 38.1 is “YES”, specify on which schedule they are reported. (e.g., Schedule BA, etc.)

3940.2 If the answer to 39.1 is “YES”, indicate if it is the policy of the reporting entity to directly hold cryptocurrency accepted as payment for premiums or immediately convert to U.S. dollars. Select “YES” for both questions if some cryptocurrencies are held directly and others are immediately converted to U.S. dollars.

3940.21 Answer “YES” if it is the policy of the reporting entity to directly hold cryptocurrency that was accepted as payment for premiums.

3940.22 Answer “YES” if it is the policy of the reporting entity to immediately convert cryptocurrency accepted as payment for premiums to U.S. dollars.

3940.3 If the answer to 38.1 or 39.1 is “YES”, complete Columns 1 through 3 for each cryptocurrency accepted for payments of premiums or held directly.

Name of Cryptocurrency:

Provide the name of each cryptocurrency accepted for payments of premiums or held directly.

Immediately Converted to USD, Directly Held, or Both:

For each cryptocurrency listed, provide one of the following responses:

- Immediately converted to USD
- Directly held,
- Both.

Accepted for Payment of Premiums:

If the cryptocurrencies are accepted for the payment of premiums provide the response of “YES” in the column otherwise the response in the column should be “NO”.

**OTHER**

| 4041. The purpose of this General Interrogatory is to capture information about payments to any trade association, service organization, and statistical or rating bureau. A “service organization” is defined as every person, partnership, association or corporation that formulates rules, establishes standards, or assists in the making of rates or standards for the information or benefit of insurers or rating organizations.

| 4142. The purpose of this General Interrogatory is to capture information about legal expenses paid during the year. These expenses include all fees or retainers for legal services or expenses, including those in connection with matters before administrative or legislative bodies. It excludes salaries and expenses of company personnel, legal expenses in connection with investigation, litigation and settlement of policy claims, and legal fees associated with real estate transactions, including mortgage loans on real estate. Do not include amounts reported in General Interrogatories No. 40 and No. 42.

| 4243. The purpose of this General Interrogatory is to capture information about expenditures in connection with matters before legislative bodies, officers or departments of government paid during the year. These expenses are related to general legislative lobbying and direct lobbying of pending and proposed statutes or regulations before legislative bodies and/or officers or departments of government. Do not include amounts reported in General Interrogatories No. 40 and No. 41.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL****GENERAL INTERROGATORIES****PART 2 – LIFE ACCIDENT HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES****Life and Accident Health Companies/Fraternal Benefit Societies:****Detail Eliminated To Conserve Space**

8. A “YES” answer indicates the reporting entity is a multistate company based on the information reported in Schedule T – Exhibit of Premiums Written.

If the sum of codes L, R, E and Q provided in Column 1 of Schedule T is greater than 1, the answer to Question 8 should be “YES.”

- 8.1 A “YES” answer indicates that while the reporting entity does not meet the criteria shown on Schedule T to be considered a multistate insurer, the reporting entity’s assumption of business that covers risks in at least two states will qualify the entity as multistate.

9. Answer “YES” if the company is admitting net negative (disallowed) interest maintenance reserve (IMR). Life/Fraternal companies should answer “YES” or “NO”. Property/Casualty, Health, and Title companies should answer “N/A”

**Life Accident and Health Companies Only:**

- ~~910~~1 The response is “YES” if subsidiaries or affiliates use or provide personnel or facilities. Third-party expenditures should be excluded.
- ~~910~~2 Report the amount of expense paid this year by this company for services received in the paid line. Report the amount received by this company for services it provided in the received line.
- ~~1314~~1 Worker’s compensation carve-out business is defined as reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employer’s liability exposures, of business originally written as workers compensation insurance.

**Fraternal Benefit Societies Only:**

- ~~3233~~2 N/A is an acceptable response only if Interrogatory 32.1 was answered NO.
- ~~3334~~2 N/A is an acceptable response only if Interrogatory 33.1 was answered NO.
- ~~3536~~2 If there are multiple liens, they should be listed individually.



**\*\*\*Drafting Note – The new interrogatory is moving to Life/Fraternal Part 2 Interrogatories\*\*\***

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**

**GENERAL INTERROGATORIES**

**PART 1 – COMMON INTERROGATORIES**

**INVESTMENT**

**Detail Eliminated To Conserve Space**

~~38. Reporting entities admitting net negative (disallowed) interest maintenance reserve (IMR) attest to the following:~~

~~a. Fixed income investments generating IMR losses comply with the reporting entity's documented investment or liability management policies;~~

~~b. IMR losses for fixed income-related derivatives are all in accordance with prudent and documented risk management procedures, in accordance with a reporting entity's derivative use plans and reflect symmetry with historical treatment in which unrealized derivative gains were reversed to IMR and amortized in lieu of being recognized as realized gains upon derivative termination;~~

~~c. Any deviation to (a) was either because of a temporary and transitory timing issue or related to a specific event, such as a reinsurance transaction, that mechanically made the cause of IMR losses not reflective of reinvestment activities;~~

~~d. Asset sales that were generating admitted negative IMR were not compelled by liquidity pressures (e.g., to fund significant cash outflows including, but not limited to excess withdrawals and collateral calls);~~

~~Is the reporting entity admitting net negative (disallowed) IMR in accordance with these criteria?~~

~~Yes [ ] No [ ] N/A [ ]~~

3839.1 Does the reporting entity directly hold cryptocurrencies? Yes [ ] No [ ]

3839.2 If the response to 38.1 is yes, on what schedule are they reported? Yes [ ] No [ ]

3940.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [ ] No [ ]

3940.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars? Yes [ ] No [ ]

39.21 Held directly

39.22 Immediately converted to U.S. dollars

Yes [ ] No [ ]

Yes [ ] No [ ]

3940.3 If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

1 Name of Cryptocurrency	2 Immediately Converted to USD, Directly Held, or Both	3 Accepted for Payment of Premiums

**OTHER**

4041.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ \_\_\_\_\_

4041.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations, and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$
	\$

4142.1 Amount of payments for legal expenses, if any? \$ \_\_\_\_\_

4142.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$
	\$

4243.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$ \_\_\_\_\_

4243.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers, or departments of government during the period covered by this statement.

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL**

**GENERAL INTERROGATORIES**

**PART 2 –LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES**



**Detail Eliminated To Conserve Space**

- 8. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [ ] No [ ]
- 8.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [ ] No [ ]

9. Reporting entities admitting net negative (disallowed) interest maintenance reserve (IMR) attest to the following:
- a. Fixed income investments generating IMR losses comply with the reporting entity’s documented investment or liability management policies.
  - b. IMR losses for fixed income related derivatives are all in accordance with prudent and documented risk management procedures, in accordance with a reporting entity’s derivative use plans and reflect symmetry with historical treatment in which unrealized derivative gains were reversed to IMR and amortized in lieu of being recognized as realized gains upon derivative termination.
  - c. Any deviation to (a) was either because of a temporary and transitory timing issue or related to a specific event, such as a reinsurance transaction, that mechanically made the cause of IMR losses not reflective of reinvestment activities.
  - d. Asset sales that were generating admitted negative IMR were not compelled by liquidity pressures (e.g., to fund significant cash outflows including, but not limited to excess withdrawals and collateral calls).
- Is the reporting entity admitting net negative (disallowed) IMR in accordance with these criteria? Yes [ ] No [ ] N/A [ ]

**Life, Accident and Health Companies Only:**

- 910.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [ ] No [ ]

- 910.2 Net reimbursement of such expenses between reporting entities:
  - 910.21 Paid \$ \_\_\_\_\_
  - 910.22 Received \$ \_\_\_\_\_

- 1011.1 Does the reporting entity write any guaranteed interest contracts? Yes [ ] No [ ]

- 1011.2 If yes, what amount pertaining to these items is included in:
  - 1011.21 Page 3, Line 1 \$ \_\_\_\_\_
  - 1011.22 Page 4, Line 1 \$ \_\_\_\_\_

- 112. For stock reporting entities only:
  - 112.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ \_\_\_\_\_

- 1213. Total dividends paid stockholders since organization of the reporting entity:
  - 1213.11 Cash \$ \_\_\_\_\_
  - 1213.12 Stock \$ \_\_\_\_\_

- 1314.1 Does the reporting entity reinsure any Workers’ Compensation Carve-Out business defined as: Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employer’s liability exposures, of business originally written as workers’ compensation insurance. Yes [ ] No [ ]

- 1314.2 If yes, has the reporting entity completed the Workers’ Compensation Carve-Out Supplement to the Annual Statement? Yes [ ] No [ ]

- 1314.3 If 1314.1 is Yes, the amounts of earned premiums and claims incurred in this statement are:

		1	2	3
		Reinsurance Assumed	Reinsurance Ceded	Net Retained
1314.3	Earned premium .....	.....	.....	.....
1				
1314.3	Paid claims.....	.....	.....	.....
2				
1314.3	Claim liability and reserve (beginning of year).....	.....	.....	.....
3				
1314.3	Claim liability and reserve (end of year).....	.....	.....	.....
4				
1314.3	Incurred claims .....	.....	.....	.....
5				

**GENERAL INTERROGATORIES**

**PART 2 –LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES**

1314.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 1314.31 and 1314.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
<u>1314.41</u>	<\$25,000	.....	.....
<u>1314.42</u>	\$25,000 — 99,999	.....	.....
<u>1314.43</u>	\$100,000 — 249,999	.....	.....
<u>1314.44</u>	\$250,000 — 999,999	.....	.....
<u>1314.45</u>	\$1,000,000 or more	.....	.....

1314.5 What portion of earned premium reported in 1314.31, Column 1 was assumed from pools? \$ \_\_\_\_\_

**Fraternal Benefit Societies Only:**

- 1415. Is the reporting entity organized and conducted on the lodge system, with ritualistic form of work and representative form of government? Yes [ ] No [ ]
- 1516. How often are meetings of the subordinate branches required to be held?.....
- 1617. How are the subordinate branches represented in the supreme or governing body? .....
- 1718. What is the basis of representation in the governing body? .....
- 1819.1 How often are regular meetings of the governing body held? .....
- 1819.2 When was the last regular meeting of the governing body held? \_\_\_\_\_
- 1819.3 When and where will the next regular or special meeting of the governing body be held? .....
- 1819.4 How many members of the governing body attended the last regular meeting? \_\_\_\_\_
- 1819.5 How many of the same were delegates of the subordinate branches? \_\_\_\_\_
- 1920. How are the expenses of the governing body defrayed? .....
- 2021. When and by whom are the officers and directors elected?.....
- .....
- 2122. What are the qualifications for membership?.....
- 2223. What are the limiting ages for admission? .....
- 2324. What is the minimum and maximum insurance that may be issued on any one life? .....
- 2425. Is a medical examination required before issuing a benefit certificate to applicants? Yes [ ] No [ ]
- 2526. Are applicants admitted to membership without filing an application with and becoming a member of a local branch by ballot and initiation? Yes [ ] No [ ]
- 2627.1 Are notices of the payments required sent to the members? Yes [ ] No [ ] N/A [ ]
- 2627.2 If yes, do the notices state the purpose for which the money is to be used? Yes [ ] No [ ]
- 2728. What proportion of first and subsequent year’s payments may be used for management expenses?  
2728.11 First Year \_\_\_\_\_ %  
2728.12 Subsequent Years \_\_\_\_\_ %
- 2829.1 Is any part of the mortuary, disability, emergency or reserve fund, or the accretions from or payments for the same, used for expenses? Yes [ ] No [ ]
- 2829.2 If so, what amount and for what purpose? .....
- 2930.1 Does the reporting entity pay an old age disability benefit? Yes [ ] No [ ]
- 2930.2 If yes, at what age does the benefit commence? \_\_\_\_\_
- 3031.1 Has the constitution or have the laws of the reporting entity been amended during the year? Yes [ ] No [ ]
- 3031.2 If yes, when? .....
- 3132. Have you filed with this Department all forms of benefit certificates issued, a copy of the constitution and all of the laws, rules and regulations in force at the present time? Yes [ ] No [ ]
- 3233.1 State whether all or a portion of the regular insurance contributions were waived during the current year under premium-paying certificates on account of meeting attained age or membership requirements. Yes [ ] No [ ]
- 3233.2 If so, was an additional reserve included in Exhibit 5? Yes [ ] No [ ] N/A [ ]
- 3233.3 If yes, explain.....
- 3334.1 Has the reporting entity reinsured, amalgamated with, or absorbed any company, order, society, or association during the year? Yes [ ] No [ ]
- 3334.2 If yes, was there any contract agreement, or understanding, written or oral, expressed or implied, by means of which any officer, director, trustee, or any other person, or firm, corporation, society or association, received or is to receive any fee, commission, emolument, or compensation of any nature whatsoever in connection with, on an account of such reinsurance, amalgamation, absorption, or transfer of membership or funds? Yes [ ] No [ ] N/A [ ]
- 3435. Has any present or former officer, director, trustee, incorporator, or any other persons, or any firm, corporation, society or association, any claims of any nature whatsoever against this reporting entity, which is not included in the liabilities on Page 3 of this statement? Yes [ ] No [ ]
- 3536.1 Does the reporting entity have outstanding assessments in the form of liens against policy benefits that have increased surplus? Yes [ ] No [ ]
- 3536.2 If yes, what is the date of the original lien and the total outstanding balance of liens that remain in surplus?

Date	Outstanding Lien Amount
	\$
	\$
	\$

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>09/25/2023</u></p> <p>CONTACT PERSON: <u>Crystal Brown</u></p> <p>TELEPHONE: <u>816-783-8146</u></p> <p>EMAIL ADDRESS: <u>cbrown@naic.org</u></p> <p>ON BEHALF OF: <u>Health Risk-Based Capital (E) Working Group</u></p> <p>NAME: <u>Steve Drutz</u></p> <p>TITLE: <u>Chair</u></p> <p>AFFILIATION: <u>WA Office of Insurance Commissioner</u></p> <p>ADDRESS: _____</p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2023-14BWG MOD</u></p> <p>Year <u>2024</u></p> <p>Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ]</p> <p>New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input checked="" type="checkbox"/> [ X ]</p> <p>Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ]</p> <p><i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment</p> <p><input type="checkbox"/> [ ] Referred To Another NAIC Group</p> <p><input checked="" type="checkbox"/> [ X ] Received For Public Comment</p> <p><input type="checkbox"/> [ ] Adopted Date _____</p> <p><input type="checkbox"/> [ ] Rejected Date _____</p> <p><input type="checkbox"/> [ ] Deferred Date _____</p> <p><input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS | <input type="checkbox"/> [ ] CROSSCHECKS              |
| <input type="checkbox"/> [ ] QUARTERLY STATEMENT                            | <input type="checkbox"/> [ ] BLANK                     |   |
| <input checked="" type="checkbox"/> [ X ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts         | <input type="checkbox"/> [ ] Title                    |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty                 | <input type="checkbox"/> [ ] Protected Cell            | <input type="checkbox"/> [ ] Other _____              |
| <input checked="" type="checkbox"/> [ X ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement)  | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Revise the Health Test Language and General Interrogatories.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The purpose of this change is to clarify and create better transparency in the calculation of the premium and reserve ratios in the health test.

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL****GENERAL**

The annual statement is to be completed in accordance with the *Annual Statement Instructions and Accounting Practices and Procedures Manual* except to the extent that state law, rules or regulations are in conflict with these publications. In cases of conflict, the life, accident and health annual statement will be filed pursuant to such state's filing requirements. The domiciliary state's insurance regulatory authority shall maintain full discretion in determining which NAIC annual statement blank must be filed. The annual statement blank filed with the domiciliary state shall be the blank submitted to, and maintained by, the NAIC, and barring conflict as described above, should be filed with all jurisdictions in which the reporting entity is licensed.

**1. Health Statement Test:**

If a reporting entity is licensed as a life and health insurer and completes the life, accident and health annual statement for the reporting year, the reporting entity must complete the Health Statement Test. However, a reporting entity that is required to also file the Separate Accounts Statement is not subject to the results of the Health Statement Test, and should continue to complete the life, accident and health/fraternal blank.

The Health Statement Test is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

**Passing the Test:**

A reporting entity is deemed to have passed the Health Statement Test if:

The values for the premium and reserve ratios in the Health Statement Test equal or exceed 95% for both the reporting and prior year.

If a reporting entity is a) licensed as a life and health insurer; b) completes the Life, Accident and Health annual statement for the reporting year; and c) passes the Health Statement Test (as described above), the reporting entity must complete the health statement beginning with the first quarter's statement for the second year following the reporting year in which the reporting entity passes the Health Statement Test and must also file the corresponding risk-based capital report and the life supplements for that year-end. For example, if the reporting entity reports premium and reserve ratios of 95% or greater in 20X1 and again reports premium and reserve ratios of 95% or greater in 20X2, the reporting entity is deemed to have passed the Health Statement Test as of 20X2. Therefore, the reporting entity would begin completing the health statement in the first quarter of 20X4.

	<u>20X1</u>	<u>20X2</u>	<u>20X3</u>	<u>20X4</u>
<u>Premium Ratio</u>	<u>95% or greater</u>	<u>95% or greater</u>	<u>Work with domestic regulator to move effective Quarter 1 20X4</u>	<u>Move to Orange Blank Quarter 1</u>
<u>Reserve Ratio</u>	<u>95% or greater</u>	<u>95% or greater</u>		

As noted above, the domiciliary state regulator maintains full discretion in determining which annual statement blank must be filed and when the reporting entity is to move.

**Variations from following these instructions:**

If a reporting entity's domestic regulator requires the reporting entity to complete an annual statement form and risk-based capital report that differs from these instructions, the domestic regulator shall notify the reporting entity in writing by June 1 of the year following the reporting year in which a Health Statement Test is submitted.

**PART 2 – LIFE ACCIDENT HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES****Life and Accident Health Companies/Fraternal Benefit Societies:****Detail Eliminated To Conserve Space**

2. This General Interrogatory is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers compensation, accidental death and dismemberment policies and long-term care policies.

All reporting entities should file the test; however, a reporting entity that is required to also file the Separate Accounts Statement is not subject to the results of the Health Statement Test, and should continue to complete the life, accident and health/fraternal blank.

Premium and reserve information is obtained from the annual statement sources referenced on the form ~~or from the related risk-based capital report for the corresponding premium descriptions~~ relating to the current and prior reporting periods. The premium and reserve ratios are calculated on the net basis reporting.

Item	Description	Reporting Year Annual Statement Data	Prior Year Annual Statement Data
2.1	Premium Numerator	Health Premium values listed in the Analysis of Operations by Lines of Business – Accident and Health:  <u>The sum of Line 1, Columns 2-9 (Column 9 Medicaid should include Medicaid Pass-Through Payments Reported as Premium) plus</u>  <u>Line 1, Column 13 in part (include only Medicare Part D and Stop Loss and Minimum Premium exclude automobile medical coverage, workers' compensation, accidental death and dismemberment policies) of the reporting year's annual statement.</u>	Health Premium values listed in the Analysis of Operations by Lines of Business – Accident and Health:  <u>The sum of Line 1, Columns 2-9 (Column 9 Medicaid should include Medicaid Pass-Through Payments Reported as Premium) plus</u>  <u>Line 1, Column 13 in part (include only Medicare Part D and Stop Loss and Minimum Premium exclude automobile medical coverage, workers' compensation, accidental death and dismemberment policies) of the prior year's annual statement.</u>
2.2	Premium Denominator	<del>Premium and Annuity Considerations (Page 4, Line 1) of the reporting year's annual statement</del> <u>Analysis of Operations by Lines of Business – Summary, Column 1, Line 1 of the reporting year's annual statement.</u>	<del>Premium and Annuity Considerations (Page 4, Line 1)</del> <u>Analysis of Operations by Lines of Business – Summary, Column 1, Line 1 of the prior year's annual statement</u>
2.3	Premium Ratio	<b>2.1/2.2</b>	<b>2.1/2.2</b>
2.4(a)	Reserve Numerator	<del>Net A&amp;H Policy and Contract Claims without Credit Health (Exhibit 8, Part 1, Line 4.4, Column 6 (excluding Dread Disease, Disability Income and Long-Term Care)) plus Aggregate Reserves for A&amp;H Policies without Credit Health (Exhibit 6, Column 1 less Columns 10, 11, 12 and Dread Disease included in Column 13) for Unearned Premiums Total (Net) (Line 17) and Future Contingent Benefits (Line 4) of the reporting year's annual statement.</del>	<del>Net A&amp;H Policy and Contract Claims without Credit Health (Exhibit 8, Part 1, Line 4.4, Columns 6 (excluding Dread Disease, Disability Income and Long-Term Care)) plus Aggregate Reserves for A&amp;H Policies without Credit Health (Exhibit 6, Column 1 less Columns 10, 11, 12 and Dread Disease included in Column 13) for Unearned Premiums Total (Net) (Line 17) and Future Contingent Benefits (Line 4) of the prior year's annual statement.</del>
2.5	Reserve Denominator	<del>Aggregate Reserve (Page 3, Column 1, Lines 1+2+4.1+4.2</del> <u>Exhibit 5, Column 2,</u>	<del>Aggregate Reserve (Page 3, Column 1, Lines 1+2+4.1+4.2</del> <u>Exhibit 5, Column 2,</u>

		<del>Line 999999 plus Exhibit 6, Column 1, Line 17 plus Exhibit 8, Part 1, Column 1, Line 4.4) minus additional actuarial reserves (Exhibit 6, Column 1, Lines 3+11 plus Exhibit 5, Misc. Reserves Section, Line 0799999) of the reporting year's annual statement.</del>	<del>Line 999999 plus Exhibit 6, Column 1, Line 17 plus Exhibit 8, Part 1, Column 1, Line 4.4 of the prior year's annual statement.) minus additional actuarial reserves (Exhibit 6, Column 1, Lines 3+11 plus Exhibit 5, Misc. Reserves Section, Line 0799999)</del>
<b>2.6</b>	Reserve Ratio	<b>2.4/2.5</b>	<b>2.4/2.5</b>

- (a) Alternative Reserve Numerator – Company records may be used to adjust the reserve numerator to provide consistency between the values reported in the reserve numerator (2.4) and the premium numerator (2.1).



## ANNUAL STATEMENT INSTRUCTIONS – HEALTH

### GENERAL

The annual statement is to be completed in accordance with the *Annual Statement Instructions and Accounting Practices and Procedures Manual* except to the extent that state law, rules or regulations are in conflict with these publications. In cases of conflict, the health annual statement will be filed pursuant to such state's filing requirements. The domiciliary state's insurance regulatory authority shall maintain full discretion in determining which NAIC annual statement blank must be filed. The annual statement blank filed with the domiciliary state shall be the blank submitted to, and maintained by, the NAIC, and barring conflict as described above, should be filed with all jurisdictions in which the reporting entity is licensed.

#### 1. **Health Statement Test:**

If a reporting entity completes the health annual statement for the reporting year, the reporting entity must complete the Health Statement Test.

The Health Statement Test is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

#### **Passing the Test:**

A reporting entity is deemed to have passed the Health Statement Test if the values for the premium and reserve ratios in the Health Statement Test equal or exceed 95% for both the reporting and prior year and will continue to report on the Health Statement

#### **Failing the Test:**

If a reporting entity, licensed as a life, accident and health or property and casualty insurer in its domiciliary state, is required to file the health annual statement for the reporting year and does not pass the Health Statement Test in the reporting year, it will revert to the annual statement form and risk-based capital report associated with the type of license held in its domestic state in the first quarter of the second year following the reporting year. For example, if the reporting entity reports a premium or reserve ratio below 95% in 20X1, the reporting entity is deemed to have not passed the Health Statement Test. Therefore, the reporting entity would revert to the annual statement form and risk-based capital report associated with the type of license held in its domestic state in the first quarter of 20X3. However, if the reporting entity reports premium and reserve ratios of 95% or greater in 20X2, it should work with its domiciliary regulator to determine the appropriate blank to file on to avoid movement back and forth between blanks. (As noted above, the domiciliary state regulator maintains full discretion in determining which annual statement blank must be filed and when the reporting entity is to move.)

If a reporting entity, licensed as a health insurer in its domiciliary state, is required to file the health annual statement for the reporting year and does not pass the Health Statement Test in the reporting year, it should continue to file the health annual statement.

**PART 2 – HEALTH INTERROGATORIES****Detail Eliminated To Conserve Space**

2. This General Interrogatory is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

All reporting entities should file the test.

Premium and reserve information is obtained from the annual statement sources referenced on the form ~~or from the related risk based capital report for the corresponding premium descriptions~~ relating to the current and prior reporting periods. The premium and reserve ratios are calculated on the net basis reporting.

Item	Description	Reporting Year Annual Statement Data	Prior Year Annual Statement Data
2.1	Premium Numerator	Health Premium values listed in the Analysis of Operations by Lines of Business, Line 1 <u>plus Line 2</u> , Column 2 through Column 9 plus Line 1 <u>plus Line 2</u> , Column 13 in part (excluding dread disease coverage) of the reporting year's annual statement.	Health Premium values listed in the Analysis of Operations by Line of Business, Line 1 <u>plus Line 2</u> , Column 2 through Column 9 <u>plus Line 1 plus Line 2</u> , Column 13 (in part <del>for</del> (excluding dread disease coverage) of the prior year's annual statement.
2.2	Premium Denominator	<del>Net Premium Income (Page 4, Line 2, Column 2)</del> <u>Analysis of Operations by Lines of Business Column 1, Line 1 plus Line 2</u> of the reporting year's annual statement.	<del>Net Premium Income (Page 4, Line 2, Column 2)</del> <u>Analysis of Operations by Lines of Business, Column 1, Line 1 plus Line 2</u> of the prior year's annual statement.
2.3	Premium Ratio	2.1/2.2	2.1/2.2
2.4 (a)	Reserve Numerator	Health Reserve – Underwriting and Investment Exhibit, Part 2B ((Column 3 + 4, Line 13) minus <del>Line 11</del> <u>exclude Line 10 health care receivables, dread disease coverage, and credit A&amp;H (Lines 9, 10, 11 and any dread disease coverage reported in Line 12) plus Line 16</u> ) + Part 2D ((Line 8 + 14, Column 1) minus (Columns 9) <u>include stand alone health care related plans only (i.e. stand alone prescription drug plans, etc.); exclude dread disease coverage, credit A&amp;H, LTC, Disability Income, etc.</u> 10, 11, 12 and any dread disease coverage reported in <u>Column 13</u> ) of the reporting year's annual statement.	Health Reserve – Underwriting and Investment Exhibit, Part 2B (Column 3 + 4, Line 13 minus <del>Line 11</del> <u>exclude Line 10 health care receivables, dread disease coverage, and credit A&amp;H (Lines 9, 10, 11 and any dread disease coverage reported in Line 12) plus Line 16</u> ) + Part 2D (Line 8+14, Column 1 minus <del>Columns 9</del> <u>include stand alone health care related plans only (i.e. stand alone prescription drug plans, etc.); exclude dread disease coverage, credit A&amp;H, LTC, Disability Income, etc.</u> 10, 11, 12 and any dread disease coverage reported in <u>Column 13</u> ) of the <del>reporting</del> <u>prior year's</u> annual statement.
2.5	Reserve Denominator	<del>Claims Unpaid and Aggregate Reserves (Page 3, Column 3, Lines 1 + 2 + 4 + 7)</del> <u>Underwriting and Investment Exhibit, Part 2A, Column 1, Line 4.4 plus Underwriting and Investment Exhibit, Part 2, Column 1, Line 5 plus Underwriting and Investment Exhibit Part 2D, Column 1, Lines 8 + 14 plus Page 3, Column 3, Lines 5 + 6</u> of the reporting year's annual statement.	<del>Claims Unpaid and Aggregate Reserves (Page 3, Column 3, Lines 1 + 2 + 4 + 7)</del> <u>Underwriting and Investment Exhibit, Part 2A, Column 1, Line 4.4 plus Underwriting and Investment Exhibit, Part 2, Column 1, Line 5 plus Underwriting and Investment Exhibit, Part 2D, Column 1, Lines 8 + 14 plus Page 3, Column 3, Lines 5 + 6</u> of the prior year's annual statement.
2.6	Reserve Ratio	2.4/2.5	2.4/2.5

- (a) Alternative Reserve Numerator – Alternative Reserve Numerator – Company records may be used to adjust the reserve numerator to provide consistency between the values reported in the reserve numerator (2.4) and the premium numerator (2.1).

## ANNUAL STATEMENT INSTRUCTIONS – PROPERTY &amp; CASUALTY

**GENERAL**

The annual statement is to be completed in accordance with the *Annual Statement Instructions and Accounting Practices and Procedures Manual* except to the extent that state law, rules or regulations are in conflict with these publications. In cases of conflict, the property and casualty annual statement will be filed pursuant to such state's filing requirements. The domiciliary state's insurance regulatory authority shall maintain full discretion in determining which NAIC annual statement blank must be filed. The annual statement blank filed with the domiciliary state shall be the blank submitted to, and maintained by, the NAIC, and barring conflict as described above, should be filed with all jurisdictions in which the reporting entity is licensed.

**1. Health Statement Test:**

If a reporting entity is licensed as a property and casualty insurer and completes the property and casualty annual statement for the reporting year, the reporting entity must complete the Health Statement Test. However, a reporting entity that is required to also file the Protected Cell Statement is not subject to the results of the Health Statement Test and should continue to complete the property blank.

The Health Statement Test is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

**Passing the Test:**

A reporting entity is deemed to have passed the Health Statement Test if:

The values for the premium and reserve ratios in the Health Statement Test equal or exceed 95% for both the reporting and prior year.

If a reporting entity is a) licensed as a property and casualty insurer; b) completes the property and casualty annual statement for the reporting year; and c) passes the Health Statement Test (as described above), the reporting entity must complete the health statement beginning with the first quarter's statement for the second year following the reporting year in which the reporting entity passes the Health Statement Test and must also file the corresponding risk-based capital report. For example, if the reporting entity reports premium and reserve ratios of 95% or greater in 20X1 and again reports premium and reserve ratios of 95% or greater in 20X2, the reporting entity is deemed to have passed the Health Statement Test as of 20X2. Therefore, the reporting entity would begin completing the health statement in the first quarter 20X4.

	<u>20X1</u>	<u>20X2</u>	<u>20X3</u>	<u>20X4</u>
<u>Premium Ratio</u>	<u>95% or greater</u>	<u>95% or greater</u>	<u>Work with domestic regulator to move effective Quarter 1 20X4</u>	<u>Move to Orange Blank Quarter 1</u>
<u>Reserve Ratio</u>	<u>95% or greater</u>	<u>95% or greater</u>		

As noted above, the domiciliary state regulator maintains full discretion in determining which annual statement blank must be filed and when the reporting entity is to move.

**Variances from following these instructions:**

If a reporting entity's domestic regulator requires the reporting entity to complete an annual statement form and risk-based capital report that differs from these instructions, the domestic regulator shall notify the reporting entity in writing by June 1 of the year following the reporting year in which a Health Statement Test is submitted.

**PART 2 – PROPERTY AND CASUALTY INTERROGATORIES**

**Detail Eliminated To Conserve Space**

2. This General Interrogatory is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers compensation, accidental death and dismemberment policies and long-term care policies.

All reporting entities should file the test; however, a reporting entity that is required to also file the Protected Cell Statement is not subject to the results of the Health Statement Test and should continue to complete the property blank.

Premium and reserve information is obtained from the annual statement sources referenced on the form ~~or from the related risk-based capital report for the corresponding premium descriptions~~ relating to the current and prior reporting periods. The premium and reserve ratios are calculated on the net basis reporting.

Item	Description	Reporting Year Annual Statement Data	Prior Year Annual Statement Data
2.1	Premium Numerator	<p><b>Health Premium</b> values listed in the <del>Net</del> Premiums Earned During Year column (Column 4) of the reporting year’s U&amp;I Part 1:</p> <p>Lines 13.1 and 13.2</p> <p>Lines 15.1, 15.2, 15.4, 15.6, and 15.8</p> <p>Line 15.5 (should include Medicare Pass-Through Payments Reported as Premium)</p> <p>Line 15.9 in part (<del>include only Medicare Part D and Stop Loss and Minimum Premium</del><u>exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies</u>)</p>	<p><b>Health Premium</b> values listed in the <del>Net</del> Premiums Earned During Year column (Column <del>64</del>) of the reporting year’s U&amp;I Part 1B:</p> <p>Lines 13.1 and 13.2</p> <p>Lines 15.1, 15.2, 15.4, 15.6, and 15.8</p> <p>Line 15.5 (should include Medicare Pass-Through Payments Reported as Premium)</p> <p>Line 15.9 in part (<del>include only Medicare Part D and Stop Loss and Minimum Premium</del><u>exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies</u>)</p>
2.2	Premium Denominator	<p><del>Premiums Earned (Page 4, Line 1) of the reporting year’s annual statement</del><u>Underwriting and Investment Exhibit, Part 1, Column 4, Line 35</u></p>	<p><del>Premium Earned (Page 4, Line 1) of the prior year’s annual statement</del><u>Underwriting and Investment Exhibit, Part 1, Column 4, Line 35</u></p>
2.3	Premium Ratio	<b>2.1/2.2</b>	<b>2.1/2.2</b>
2.4(a)	Reserve Numerator	<p>Part 2A, Unpaid Losses and Loss Adjustment Expenses (Columns 8+9, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (<del>include only Medicare Part D and Stop Loss and Minimum Premium</del><u>exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies</u>)) plus Part 1A, Recapitulation of all Premiums (Columns 1+2, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (<del>include only Medicare Part D and Stop Loss and Minimum Premium</del><u>exclude</u></p>	<p>Part 2A, Unpaid Losses and Loss Adjustment Expenses (Columns 8+9, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (<del>include only Medicare Part D and Stop Loss and Minimum Premium</del><u>exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies</u>)) plus Part 1A, Recapitulation of all Premiums (Columns 1+2, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (<del>include only Medicare Part D and Stop Loss and Minimum Premium</del><u>exclude</u></p>

		<u>automobile medical coverage, workers' compensation, accidental death and dismemberment policies))</u> of the reporting year's annual statement.	<u>automobile medical coverage, workers' compensation, accidental death and dismemberment policies))</u> of the reporting year's annual statement.
2.5	Reserve Denominator	<del>Unpaid Loss and LAE (Page 3, Column 1, Lines 1+2+3)</del> Part 2A, Unpaid Losses and Loss Adjustment Expenses, (Line 35, Columns 8 + 9) plus Part 1A, Recapitulation of all Premiums (Line 35, Columns 1+2) of the reporting year's annual statement.	<del>Unpaid Loss and LAE (Page 3, Column 1, Lines 1+2+3)</del> Part 2A, Unpaid Losses and Loss Adjustment Expenses, (Line 35, Columns 8 + 9) plus Part 1A, Recapitulation of all Premiums (Line 35, Columns 1+2) of the prior year's annual statement.
2.6	Reserve Ratio	<b>2.4/2.5</b>	<b>2.4/2.5</b>

- (a) Alternative Reserve Numerator – Company records may be used to adjust the reserve numerator to provide consistency between the values reported in the reserve numerator (2.4) and the premium numerator (2.1).

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;"><b>DATE:</b> <u>10/13/2023</u></p> <p><b>CONTACT PERSON:</b> <u>Ryan Fleming (Vice Chair American Academy of Actuaries &amp; Dale Bruggeman (Chair SAPWG))</u></p> <p><b>TELEPHONE:</b> <u>Ryan (414) 665-5020</u></p> <p><b>EMAIL ADDRESS:</b> <u>ryanfleming@northwesternmutual.com</u></p> <p><b>ON BEHALF OF:</b> <u>Joint submission by (i) AAA C-2 Mortality Working Group and (ii) Statutory Accounting Principles Working Group</u></p> <p><b>NAME:</b> <u>Ryan Fleming (Vice Chair American Academy of Actuaries and Dale Bruggeman (Chair SAPWG))</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2023-15BWG MOD</u>                  Year <u>2024</u>                  Changes to Existing Reporting [ ]                  New Reporting Requirement [ X ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact [ X ]                  Modifies Required Disclosure [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? [ No ]                  ***If Yes, complete question below***</p> <hr/> <p style="text-align: center;"><b>DISPOSITION</b></p> <p>[ ] Rejected For Public Comment                  [ ] Referred To Another NAIC Group                  [ X ] Received For Public Comment                  [ ] Adopted Date _____                  [ ] Rejected Date _____                  [ ] Deferred Date _____                  [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

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|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input checked="" type="checkbox"/> CROSSCHECKS |
| <input type="checkbox"/> QUARTERLY STATEMENT                          | <input checked="" type="checkbox"/> BLANK         |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input type="checkbox"/> Title                  |
| <input type="checkbox"/> Property/Casualty                            | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____            |
| <input type="checkbox"/> Health                                       | <input type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Add a new General Interrogatory to provide needed information for completing the C-2 mortality risk in the Life Risk-Based Capital (RBC).

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The new General Interrogatory will provide net amounts at risk in some of the categories used in the Life/Fraternal RBC C-2 mortality risk. The amounts for the reporting categories used are not available elsewhere in the annual statement. The addition will allow for direct pulls of information between the annual statement and the RBC formula. All subsequent interrogatories within General Interrogatories – Part 2 will be renumbered.

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

## ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL

**PART 2 – LIFE ACCIDENT HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES**

## Life and Accident Health Companies/Fraternal Benefit Societies:



8. Disclose information for completing the C-2 mortality risk in the Life Risk-Based Capital (RBC). This disclosure provides information by certain product characteristics not found elsewhere in the Life/Fraternal Annual Statement but used in the Life/Fraternal Risk-Based Capital (RBC). The amounts are used to calculate the net (direct plus assumed minus ceded) amount at risk for life insurance by product characteristics for the RBC C-2 risk.

NOTE: Life/Fraternal entities are not required to complete this general interrogatory if they are not required to generate an RBC because of certain state statutes.

Definitions for the lines of business can be found in the Appendix of the Life, Accident and Health Annual Statement Instructions.

Pricing flexibility is defined as the ability to materially adjust rates on inforce contracts through changing premiums and/or non-guaranteed elements as of the valuation date and withing the next five policy years and reflecting typical business practices.

Modified coinsurance life reserves are the portion of modified coinsurance life reserves which relates to policy reserves that, if written on a direct basis, would be included in Exhibit 5.

In force amounts originate in the Exhibit of Life Insurance but need to be reported by the individual policy characteristic. Life reserves are part of Exhibit 5 reporting in the General Account statement and/or Exhibit 3 in the Separate Accounts statement. Modified coinsurance assumed is included in Schedule S, Part 1, Section 1, Column 12, while modified coinsurance ceded is included in Schedule S, Part 3, Section 1, Column 14.

*\*\*\*Note: This new interrogatory will be inserted as interrogatory #8 as it applies to both Life and Fraternal companies. The remaining interrogatories will need to be renumbered\*\*\**



ANNUAL STATEMENT BLANK – LIFE/FRATERNAL

GENERAL INTERROGATORIES

PART 2 –LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

Life, Accident and Health Companies/Fraternal Benefit Societies:



Detail Eliminated To Conserve Space






8. Provide the current-year amounts at risk for the following categories.

<u>Individual and Industrial Life</u>		<u>Amount at Risk</u>
8.01	Modified Coinsurance Assumed Reserves	\$ _____
8.02	Modified Coinsurance Ceded Reserves	\$ _____
<u>Individual and Industrial Life Policies With Pricing Flexibility</u>		<u>Amount of Risk</u>
8.03	Net Amount (Direct + Assumed – Ceded) in Force	\$ _____
8.04	Exhibit 5 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.05	Separate Account Exhibit 3 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.06	Net Modified Coinsurance Reserves (Assumed – Ceded)	\$ _____
8.07	Life Reserves (8.04 + 8.05 + 8.06)	\$ _____
8.08	Life Net Amount at Risk (8.03 – 8.07)	\$ _____
<u>Individual and Industrial Term Life Policies Without Pricing Flexibility</u>		<u>Amount of Risk</u>
8.09	Net Amount (Direct + Assumed – Ceded) in Force	\$ _____
8.10	Exhibit 5 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.11	Separate Account Exhibit 3 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.12	Net Modified Coinsurance Reserves (Assumed – Ceded)	\$ _____
8.13	Life Reserves (8.10 + 8.11 + 8.12)	\$ _____
8.14	Life Net Amount at Risk (8.09 – 8.13)	\$ _____
<u>Group and Credit Life (Excluding FEGLI/SGLI)</u>		<u>Amount at Risk</u>
8.15	Modified Coinsurance Assumed Reserves	\$ _____
8.16	Modified Coinsurance Ceded Reserves	\$ _____
<u>Group and Credit Term Life (Excluding FEGLI/SGLI) with Remaining Rate Terms 36 Months and Under</u>		<u>Amount of Risk</u>
8.17	Net Amount (Direct + Assumed – Ceded) in Force	\$ _____
8.18	Exhibit 5 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.19	Separate Account Exhibit 3 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.20	Net Modified Coinsurance Reserves (Assumed – Ceded)	\$ _____
8.21	Life Reserves (8.18 + 8.19 + 8.20)	\$ _____
8.22	Life Net Amount at Risk (8.17 – 8.21)	\$ _____
<u>Group and Credit Term Life (Excluding FEGLI/SGLI) with Remaining Rate Terms Over 36 Months</u>		<u>Amount of Risk</u>
8.23	Net Amount (Direct + Assumed – Ceded) in Force	\$ _____
8.24	Exhibit 5 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.25	Separate Account Exhibit 3 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.26	Net Modified Coinsurance Reserves (Assumed – Ceded)	\$ _____
8.27	Life Reserves (8.24 + 8.25 + 8.26)	\$ _____
8.28	Life Net Amount at Risk (8.23 – 8.27)	\$ _____
<u>Group and Credit Permanent Life (Excluding FEGLI/SGLI) with Pricing Flexibility</u>		<u>Amount of Risk</u>
8.29	Net Amount (Direct + Assumed – Ceded) in Force	\$ _____
8.30	Exhibit 5 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.31	Separate Account Exhibit 3 Life Reserves (Direct + Assumed – Ceded)	\$ _____
8.32	Net Modified Coinsurance Reserves (Assumed – Ceded)	\$ _____
8.33	Life Reserves (8.30 + 8.31 + 8.32)	\$ _____
8.34	Life Net Amount at Risk (8.29 – 8.33)	\$ _____

\*\*\*Note: This new interrogatory will be inserted as interrogatory #8 as it applies to both Life and Fraternal companies. The remaining interrogatories will need to be renumbered\*\*\*

**INFORMATIONAL ONLY – Not part of the changes for proposal 2023-15BWG**

**NOTE: The below is NOT part of the BWG proposal but is an FYI page only showing how the annual statement information, including the new general interrogatory, would pull into LRBC Page LR025 for the C-2 mortality risk.**

Legend		
	Items that can be pulled directly from annual statement pages other than the new general interrogatory	
		Calculated fields within the RBC
		
		Items pulled from the new general interrogatory

	<u>Annual Statement Source</u>
<u>Individual &amp; Industrial Life</u>	
(1) Total Individual & Industrial Life Net Amount at Risk	(EOLI, Columns 2 + 4, Line 23 x 1000) – [(Exhibit 5, Columns 3 + 4, Line 0199999) + (Separate Accounts, Exhibit 3, Column 3, Line 0199999) + (Gen Interrogatory Part 2, Column 1, Line 8A1) – (Gen Interrogatory Part 2, Column 1, Line 8A2)]
(2) Total Individual & Industrial Life Policies with Pricing Flexibility Net Amount at Risk	Gen Interrogatory Part 2, Column 1, Line 8B6
(3) Total Individual & Industrial Term Life Policies without Pricing Flexibility Net Amount at Risk	Gen Interrogatory Part 2, Column 1, Line 8C6
(4) Total Individual & Industrial Permanent Life Policies without Pricing Flexibility Net Amount at Risk	Lines (1) – (2) – (3)
(5) Total Individual & Life Insurance	Lines (2) + (3) + (4)
<u>Group &amp; Credit Life</u>	
(6) Total Group & Credit Life (Excluding FEGLI/SGLI) Net Amount At Risk	(EOLI, Columns 6 + 9, Line 23 x 1000) – (EOLI, Columns 2 + 4, Line 43 x 1000) – (EOLI, Columns 2 + 4, Line 44 x 1000) – [(Exhibit 5, Columns 5 + 6, Line 0199999) + (Separate Accounts, Exhibit 3, Column 4, Line 0199999) + (Gen Interrogatory Part 2, Column 1, Line 8D1) – (Gen Interrogatory Part 2, Column 1, Line 8D2)]
(7) Group & Credit Term Life with Remaining Rate Terms 36 Months and Under Net Amount At Risk	(Gen Interrogatory Part 2, Column 1, Line 8E6)
(8) Group & Credit Term Life with Remaining Rate Terms Over 36 Months Net Amount At Risk	(Gen Interrogatory Part 2, Column 1, Line 8F6)
(9) Group & Credit Permanent Life with Pricing Flexibility Net Amount At Risk	(Gen Interrogatory Part 2, Column 1, Line 8G6)
(10) Group & Credit Permanent Life without Pricing Flexibility Net Amount At Risk	Lines (6) – (7) – (8) – (9)
(11) FEGLI/SGLI Life Insurance in Force	EOLI, Columns 2 + 4, Lines 43 + 44 x 1000
(12) Total Group & Credit Life	Lines (7) + (8) + (9) + (10) + (11)
(13) Total Life	Lines (5) + (12)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>11/15/2023</u></p> <p>CONTACT PERSON: <u>Kris DeFrain</u></p> <p>TELEPHONE: <u>816-783-8229</u></p> <p>EMAIL ADDRESS: <u>kdefrain@naic.org</u></p> <p>ON BEHALF OF: <u>Casualty Actuarial and Statistical (C) Task Force</u></p> <p>NAME: <u>Christian Citarella</u></p> <p>TITLE: <u>Chair of CASTF</u></p> <p>AFFILIATION: <u>New Hampshire Insurance Department</u></p> <p>ADDRESS: _____</p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2023-16BWG MOD</u></p> <p>Year <u>2024</u></p> <p>Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ]</p> <p>New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input checked="" type="checkbox"/> [ X ]</p> <p>Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ]</p> <p><i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment</p> <p><input type="checkbox"/> [ ] Referred To Another NAIC Group</p> <p><input type="checkbox"/> [ ] Received For Public Comment</p> <p><input type="checkbox"/> [ ] Adopted Date _____</p> <p><input type="checkbox"/> [ ] Rejected Date _____</p> <p><input type="checkbox"/> [ ] Deferred Date _____</p> <p><input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT     | <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS | <input checked="" type="checkbox"/> [ X ] CROSSCHECKS |
| <input type="checkbox"/> [ ] QUARTERLY STATEMENT               | <input checked="" type="checkbox"/> [ X ] BLANK        |   |
| <input type="checkbox"/> [ ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts         | <input type="checkbox"/> [ ] Title                    |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty    | <input type="checkbox"/> [ ] Protected Cell            | <input type="checkbox"/> [ ] Other _____              |
| <input type="checkbox"/> [ ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement)  | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Change Schedule P to show 10 years of data and a “prior” row for all lines of business beginning in 2024. This modifies requirements for seven lines of business that currently only show 2 years of data and a “prior” row.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

See Next Page

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

Not available elsewhere

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

While all 10 years of accident-year data are required for every line of business to produce summary data and comply with risk-based capital (RBC) requirements, only 2 years of accident-year data is required to be shown in the Schedule P exhibits for seven lines of business: the property lines of business, pet insurance plans, and financial guaranty/mortgage guaranty business. Some of the current 2-year lines of business are experiencing significant loss development after 2 years. A review of industry aggregate Schedule P—Part 2 results across these 2-year lines shows the prior line regularly has 25% or more of the reported one-year loss development. The information for more accident years will aid regulatory review of reserves for these lines.

P/C companies currently maintain 10 years of data for the current “short-tailed” lines to prepare the Schedule P Summaries and report for Risk-Based Capital (RBC). There are multiple reasons for the proposed change: 1) The 2-year reporting requires unneeded calculations that can easily result in errors on the “prior row.” 2) With all lines having 10 years of data, Schedule P will be easier to understand because one would be able to reconcile the summary data and line of business data. 3) Given current technology, there seems to be no material time, printing or cost savings derived by only showing two years of data for six lines of business.

We recommend this change from two to ten years of data be completed in one step, because the data for ten years has been collected and stepwise progression would be prone to issues akin to those in the 2-year lines.

## ANNUAL STATEMENT INSTRUCTIONS – PROPERTY/CASUALTY

**SCHEDULE P**

There are seven parts and the interrogatories within Schedule P. Part 1 provides detailed information on losses and loss expenses. Part 2 provides a history of incurred losses and defense & cost containment expenses. Part 3 provides a history of loss and defense & cost containment payments. Part 4 provides a history of bulk and incurred but not reported (IBNR) reserves. Part 5 provides a history of claims. Part 6 provides a history of premiums earned. Part 7 provides a history of loss sensitive contracts. Schedule P Interrogatories provides for additional calculation and explanation of various amounts.

Schedule P is intended to display a summary containing ten years of historical data for all lines of business. The casualty lines of business will display ten years of historical data in their respective sections of Schedule P. Within each part, the property lines of business, and financial guaranty/mortgage guaranty business, will display two year development (Sections I through L, S and T). Since the Summary of each part contains ten years of historical data, the information from the “Prior” line in the Property Lines, Sections I through L, S and T, must be supplemented for the eight accident years preceding the two most recent years.



**Detail Eliminated To Conserve Space**

**Preparation Tips for Schedule P – Parts 1 and 2**

In order to ensure the proper alignment of Schedule P data for all parts, the following simple concepts should be helpful.

The data for each Summary are gathered uniquely, like any other part of Schedule P. The crosschecks should be referenced and all errors corrected or properly explained prior to submission to the NAIC or state regulators.

The required data for all lines are calculated in the same manner. In gathering the data, there should be no procedural difference between the long-tailed and short-tailed lines. The vendor software financial reporting package used by the Company will configure the Schedule P data identically for all lines and line groupings.

In creating the data for Schedule P, Part 1, all lines and data elements should be considered to be long tailed. Under this methodology, the sum of all lines will equal the Summary. After converting the data to the published format, the short tailed lines have a unique data configuration required to populate the “Prior” Accident Year. This configuration of “Prior” reflects the current year activity for the eight oldest years. Each company’s software vendor provides for this “Prior” data configuration on the individual page specifications. It is important to remember that in the background of all this data, that all lines and years are treated as long tailed and feed into the Summary.

In calculating the One Year and Two Year developments (columns 11 and 12) for Schedule P, Part 2, the same theory holds true. All lines must be treated as long tailed and the Summary as just another line. If this is done properly, the individual parts will add to the Summary as intended. From this point, either the short-tailed One Year and Two Year “Prior” data can be calculated, or the software vendor package will automatically calculate the data.

While in theory this approach sounds like more work, as you are treating all lines as long tailed and the Summary as a unique and completely separate part; in reality, it provides two benefits:

Ensures the integrity of the published data, and  
Saves time in the data verification and crosscheck reconciliation process.

The accompanying exhibit displays proper completion of the One Year and Two Year developments for Schedule P, Part 2 for a fictitious company. All software vendors provide the user with the capability to populate all lines of business as long tailed lines, including the short tailed “Prior” data bucket. If these fields are correctly populated for each accident year, the dilemma of the parts “adding through” is eliminated.

<b>ABC Insurance Company</b>										
<b>Schedule P—Part 2</b>										
<b>One Year development treating all lines as long tailed</b>										
<b>Part</b>	<b>2A</b>	<b>2B</b>	<b>2C</b>	<b>2D</b>	<b>2E</b>	<b>2F</b>	<b>2G</b>	<b>2H1</b>	<b>2H2</b>	<b>2I</b>
PRIOR	4,237	75,079	320	10,044	6,139	(9,459)	419	9,475		4,012
2014	(770)	2,465	(304)	(2,210)	260		28	(1,585)		(14,266)
2015	(1,018)	(11,985)	(591)	(816)	(1,586)		99	(433)		525
2016	7,432	(39,345)	(906)	(4,303)	576		719	(2,366)		45
2017	1,691	(65,543)	(534)	(97)	(7)		667	(3,893)		22,247
2018	(1,728)	(98,433)	(995)	(715)	(499)		1,064	(3,824)		(485)
2019	(6,570)	(64,722)	(4,382)	(789)	(10,180)		104	783		(498)
2020	(26,472)	(37,855)	(1,335)	(3,555)	(1,136)		(10)	(1,124)	4	20
2021	(6,835)	(36,610)	5,440	(6,432)	(1,381)		(23)	(6,318)		226
Short Tailed Lines "Prior" to 2021										*11,826
2022	(57,706)	97,108	8,941	(11,336)	(9,928)		(291)	(4,773)	56	*(5,402)
2023										*
	(87,739)	(179,841)	5,654	(20,209)	(17,742)	(9,459)	2,776	(14,058)	60	6,424
<b>Part</b>	<b>2J</b>	<b>2K</b>	<b>2L</b>	<b>2N</b>	<b>2O</b>	<b>2P</b>	<b>2R</b>	<b>2S</b>	<b>Calculated</b>	<b>Published On Summary</b>
PRIOR	(879)	951	(4)	(508)	410	(188)	(1,357)	550	99,241	99,241
2014	(37)	(24)	-	(21)	641	(46)	3		(15,866)	(15,866)
2015	482	106	-	(3)	19	(792)	(219)		(16,212)	(16,212)
2016	3,933	155	-	(40)	2,061	2,694	(289)		(29,634)	(29,634)
2017	81	134	-	(178)	740	1,195	304		(43,193)	(43,193)
2018	(483)	475	-	(198)	1,257	(102)	53		(104,613)	(104,613)
2019	(3,825)	1,990	-	(184)	2,880	(1,506)	(210)		(87,109)	(87,109)
2020	(10,397)		-		(3,270)	75	(734)		(85,789)	(85,789)
2021	(11,850)	(3)	-		(89)		459	0	(63,416)	(63,416)
	*(22,975)	*3,784	*(4)					*550	(6,819)	
	*(47,592)	*(301)	*(1,410)	(133)			267	*	(32,500)	(32,500)
2022	*	*	*					*		
2023	(70,567)	3,483	(1,414)	(1,265)	4,649	1,330	(1,723)	550	(379,091)	(379,091)

\*"Short Tailed" Lines data as published in the Annual Statement

<b>Two-year development treating all lines as long-tailed</b>										
<b>PART</b>	<b>2A</b>	<b>2B</b>	<b>2C</b>	<b>2D</b>	<b>2E</b>	<b>2F</b>	<b>2G</b>	<b>2H1</b>	<b>2H2</b>	<b>2I</b>
PRIOR	(2,741)	55,142	246	(336)	3,451	(10,477)	(2,014)	(51,123)		3,605
2014	(4,255)	(11,532)	(1,719)	(3,278)	(1,046)		(977)	(705)		38
2015	(605)	(15,319)	(2,030)	(618)	(3,040)		(1,078)	2,361		62
2016	245	(55,250)	(5,311)	(2,325)	1,038		(1,967)	(1,467)		1,213
2017	(10,508)	(131,635)	(4,864)	(400)	(4,017)		(5,532)	(1,702)		22,090
		)								
2018	(10,642)	(220,598)	(7,900)	(27)	(2,645)		(2,432)	(3,937)		(1,557)
		)								
2019	(22,885)	(187,676)	(2,481)	(861)	(50,205)		(277)	16,911	22	(5,193)
		)								
2020	(79,471)	(113,694)	3,918	(3,745)	(978)		(106)	784		517
		)								
2021	(5,901)	(9,675)	4,163	(6,737)	3,452		(130)	(4,142)		4,965
Two Year Short Tailed Lines "Prior" to 2022										25,740
2022										
2023										
	(136,763)	(690,237)	(15,978)	(18,327)	(53,990)	(10,477)	(14,513)	(43,020)	22	25,740
	)	)								

<b>PART</b>	<b>2J</b>	<b>2K</b>	<b>2L</b>	<b>2N</b>	<b>2O</b>	<b>2P</b>	<b>2R</b>	<b>2S</b>	<b>CALC'D</b>	<b>Published On Summary</b>
PRIOR	(2,484)	(1,177)	29						(897)	(897)
2014	63	(35)	(2)	1,773	(9,406)	(40)	281,605	603	251,087	251,087
2015	358	280		(18)	(497)	(107)	(336)		(20,587)	(20,587)
2016	3,707	645		270	(322)	(2,405)	1		(61,928)	(61,928)
2017	(702)	684		(14)	426	4,554	(151)		(128,367)	(128,367)
2018	(1,345)	2,900		38	(514)	1,476	531		(246,652)	(246,652)
2019	(7,127)	5,214		(31)	(785)	72	372		(254,930)	(254,930)
2020	(47,435)			28	1,682	(2,204)	83		(240,621)	(240,621)
2021	(181,609)	8,307	(2,380)	(1)	(3,552)	175	754		(145,884)	(145,884)
	)									
Two Year Short Tailed Lines "Prior" to 2022									603	(149,339)
2022										
2023									-	
	(181,609)	8,307	(2,380)	2,045	(12,968)	1,521	282,859	603	(848,761)	(848,761)
	)									

2023 TWO-YEAR DEVELOPMENT FOR SHORT TAILED LINES

CALENDAR YEAR 2023					CALENDAR YEAR 2021					CAL YR 2023 2-YEAR DEVELOPMENT
PART I					PART I					
	Col 28	Col 21 & 22	Col 8 & 9	Net Inc		Col 28	Col 21 & 22	Col 8 & 9	Net Inc	
PRIOR				3,605	PRIOR					3,605
2014	262,784	3	16,571	246,210	2014	262,722	34	16,516	246,172	38
2015	424,677	24	18,417	406,236	2015	424,607	49	18,384	406,174	62
2016	267,960	1	20,508	247,451	2016	266,767	69	20,460	246,238	1,213
2017	2,087,411	11,084	155,378	1,920,949	2017	2,021,162	11,255	111,048	1,898,859	22,090
2018	303,062	41	25,257	277,764	2018	304,811	308	25,182	279,321	(1,557)
2019	258,586	39	26,577	231,970	2019	263,995	572	26,260	237,163	(5,193)
2020	170,688	87	25,161	145,440	2020	170,401	675	24,803	144,923	517
2021	175,590	117	25,243	150,230	2021	170,077	2,483	22,329	145,265	4,965
2022	187,953	357	22,460	165,136	2022				-	
2023	192,529	2,530	23,229	166,770	2023				-	
	4,331,240	14,283	358,801	3,961,761		3,884,542	15,445	264,982	3,604,115	25,740
PART J					PART J					
	Col 28	Col 21 & 22	Col 8 & 9	Net Inc		Col 28	Col 21 & 22	Col 8 & 9	Net Inc	
PRIOR				(2,484)	PRIOR					(2,484)
2014	2,560,120	15	226,625	2,333,480	2014	2,559,975	45	226,520	2,333,410	70
2015	2,778,945	30	263,524	2,515,391	2015	2,778,616	93	263,492	2,515,031	360
2016	2,750,99	163	262,104	2,488,732	2016	2,747,108	276	261,811	2,485,021	3,711
2017	2,942,931	22	296,979	2,645,930	2017	2,943,639	263	296,745	2,646,631	(701)
2018	3,348,506	13	321,499	3,026,994	2018	3,350,284	683	321,256	3,028,345	(1,351)
2019	3,717,939	140	386,290	3,331,509	2019	3,725,637	1,944	385,071	3,338,622	(7,113)
2020	3,664,910	352	452,529	3,212,029	2020	3,717,893	7,567	450,842	3,259,484	(47,455)
2021	3,775,988	1,122	486,502	3,288,364	2021	3,914,546	50,000	449,536	3,415,010	(126,646)
2022	3,950,875	3,020	442,878	3,504,977	2022				-	
2023	4,551,594	42,756	411,617	4,097,221	2023				-	
	34,042,807	47,633	3,550,547	30,442,143		25,737,698	60,871	2,655,273	23,021,554	(181,609)
PART K					PART K					
	Col 28	Col 21 & 22	Col 8 & 9	Net Inc		Col 28	Col 21 & 22	Col 8 & 9	Net Inc	
PRIOR				(1,177)	PRIOR					(1,177)
2014	11,493		134	11,359	2014	11,528		134	11,394	(35)
2015	11,393		210	11,183	2015	11,113		210	10,903	280
2016	10,416		204	10,212	2016	9,771		204	9,567	645
2017	16,357		221	16,136	2017	15,673		221	15,452	684
2018	21,018		317	20,701	2018	18,119	1	317	17,801	2,900
2019	9,271		294	8,977	2019	4,057		294	3,763	5,214
2020	145		118	27	2020	145		118	27	
2021	587		460	127	2021	798	7	460	331	(204)
2022	54		17	37	2022				-	
2023	378	8	7	363	2023				-	
	81,112	8	1,982	77,945		71,204	8	1,958	69,238	8,307



PART I				PART I				2023 2-YEAR DEVELOPMENT		
Col 28	Col 21 & 22	Col 8 & 9	Net Inc	Col 28	Col 21 & 22	Col 8 & 9	Net Inc			
PRIOR			9	PRIOR			9	29		
2014	3,038		981	2,057	2014	3,040	981	2,059	(2)	
2015	5,769		1,046	4,723	2015	5,769	1,046	4,723	-	
2016	9,844		962	8,882	2016	9,844	962	8,882	-	
2017	5,334		63	5,271	2017	5,334	63	5,271	-	
2018	6,221		91	6,130	2018	6,221	91	6,130	-	
2019	6,989		37	6,952	2019	6,989	37	6,952	-	
2020	6,014		2	6,012	2020	6,014	2	6,012	-	
2021	5,390			5,390	2021	7,837	40	7,797	(2,407)	
2022	3,925		5	3,920	2022			-		
2023	4,316	40		4,276	2023			-		
	56,840	40	3,187	53,613		51,048	40	3,182	47,826	(2,380)
PART S				PART S						
Col 28	Col 21 & 22	Col 8 & 9	Net Inc	Col 28	Col 21 & 22	Col 8 & 9	Net Inc			
PRIOR			603	PRIOR			603	603		
2014	+		+	2014	+		+	-		
2015	122		4	118	2015	122	4	118	-	
2016	(17)		+	(18)	2016	(17)	+	(18)	-	
2017				-	2017			-	-	
2018				-	2018			-	-	
2019				-	2019			-	-	
2020				-	2020			-	-	
2021				-	2021			-	-	
2022	4		4	-	2022			-	-	
2023	8		8	-	2023			-	-	
	118	-	17	704		106	5	101	603	

\* The Current year "Prior" Incurred is the sum of the Current Year "Prior" Paid and the Current Year "Prior" Change in Reserves

**SCHEDULE P – PART 1**

Part 1 – Summary is the total of the Schedule P lines. ~~For the property lines, it is necessary to supplement the data in the individual sections of Schedule P in order to complete the Part 1 – Summary for all lines for all years.~~ Non-proportional assumed reinsurance – Property, Liability and Financial Lines can be summed together as reported.

  **Detail Eliminated To Conserve Space**  

Line 1, “Prior,” Columns 4 through 11, ~~(summary and appropriate parts),~~ should only reflect amounts paid or received in the current calendar year.

**SCHEDULE P – PART 7**

**Detail Eliminated To Conserve Space**

**EXHIBIT B**

**Spread of Two Year Lines (I, J, K, L, S, T)**

**Paid Loss History – Part 1J Auto Physical Damage and Part 1 Summary**

	<b>Paid thru 2022</b>		<b>Paid in 2023</b>		<b>Paid thru 2023 Included in Part 1 Summary</b>		<b>Prior includes payments made in 2023 only</b>															
	<b>Direct + Assumed</b>	<b>Ceded</b>	<b>Direct + Assumed</b>	<b>Ceded</b>	<b>Direct + Assumed</b>	<b>Ceded</b>																
Prior to 2014	0	0	300	30	300	30																
2014	1,000	100	150	15	1,150	115																
2015	950	95	143	14	1,093	109																
2016	900	90	135	14	1,035	104																
2017	850	85	128	13	978	98																
2018	800	80	120	12	920	92																
2019	750	75	113	11	863	86																
2020	700	70	105	11	805	81																
2021	650	65	98	10	748	75																
2022	600	60	90	9	690	69																
2023	0	0	83	8	83	8																
<b>Total</b>	<b>7,200</b>	<b>720</b>	<b>1,463</b>	<b>146</b>	<b>8,663</b>	<b>866</b>																
<b>Prior to 2022</b>	<b>6,600</b>	<b>660</b>	<b>1,290</b>	<b>129</b>																		
					<b>Paid thru 2023 Included in Part 1J (Auto Physical Damage)</b>																	
					<table border="1"> <thead> <tr> <th></th> <th><b>Direct + Assumed</b></th> <th><b>Ceded</b></th> </tr> </thead> <tbody> <tr> <td>Prior to 2022 paid in</td> <td>1,290</td> <td>129</td> </tr> <tr> <td>2022</td> <td>690</td> <td>69</td> </tr> <tr> <td>2023</td> <td>83</td> <td>8</td> </tr> <tr> <td><b>Total</b></td> <td><b>2,063</b></td> <td><b>206</b></td> </tr> </tbody> </table>			<b>Direct + Assumed</b>	<b>Ceded</b>	Prior to 2022 paid in	1,290	129	2022	690	69	2023	83	8	<b>Total</b>	<b>2,063</b>	<b>206</b>	
	<b>Direct + Assumed</b>	<b>Ceded</b>																				
Prior to 2022 paid in	1,290	129																				
2022	690	69																				
2023	83	8																				
<b>Total</b>	<b>2,063</b>	<b>206</b>																				
					<table border="1"> <tbody> <tr> <td><b>Diff= History</b></td> <td><b>6,600</b></td> <td><b>660</b></td> </tr> </tbody> </table>		<b>Diff= History</b>	<b>6,600</b>	<b>660</b>													
<b>Diff= History</b>	<b>6,600</b>	<b>660</b>																				

**Detail Eliminated To Conserve Space**

Contents of "SUMMARY" includes breakout of prior from two-year lines I, J, K, L S & T

Summary	10 Year Lines *	"Spread" Two Year Lines	2 Year Lines	Reinsurance A, B, C	
<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Prior</div> <div style="border: 1px solid black; padding: 2px;">                     2014 2015 2016 2017 2018 2019 2020 2021 2022 2023                 </div>	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Prior</div> <div style="border: 1px solid black; padding: 2px;">                     2014 2015 2016 2017 2018 2019 2020 2021 2022 2023                 </div>	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Prior</div> <div style="border: 1px solid black; padding: 2px;">                     2014 2015 2016 2017 2018 2019 2020 2021 2022 2023                 </div>	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Prior to 2022</div> <div style="border: 1px solid black; padding: 2px;">                     2022 2023                 </div>	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Prior</div> <div style="border: 1px solid black; padding: 2px;">                     2014 2015 2016 2017 2018 2019 2020 2021 2022 2023                 </div>	
<u>Equals</u>		<u>Plus</u>		<u>Plus</u>	
	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">                     A HO/FO B PRIV. AUTO C COMM. AUTO D W. COMP E CMP F MED MALP G SPEC. LIAB. H OTHER LIAB.                 </div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">                     M INTL                 </div> <div style="border: 1px solid black; padding: 2px;">                     R PROD. LIAB                 </div>	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">                     I SPEC. PROP. J AUTO PHYS. DAM. K FID. SURETY L CREDIT, A&amp;H S FIN/MORT GUAR T WARRANTY                 </div> <div style="border: 1px solid black; padding: 5px; background-color: #f0f0f0; margin-top: 10px;"> <p style="text-align: center;"><b>"Prior to 2022" figures do not include cumulative data for individual accident years 2020 and before. This info will be captured and maintained elsewhere.</b></p> </div>	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">                     N Reins A O Reins B P Reins C                 </div>		

**Spread of Two Year Lines (I, J, K, L, S, T)**

**Paid Loss History—Part 3J Auto Physical Damage and Part 3 Summary**

	Paid thru 2022		Paid in 2023		Paid thru 2023 Included in Part 3 Summary		Cumulative Prior to 2014 needed for Parts 2 and 3
	Direct + Assumed	Ceded	Direct + Assumed	Ceded	Direct + Assumed	Ceded	
Prior to 2014*	4,000	400	300	30	4,300	430	
2014	1,000	100	150	15	1,150	115	
2015	950	95	143	14	1,093	109	
2016	900	90	135	14	1,035	104	
2017	850	85	128	13	978	98	
2018	800	80	120	12	920	92	
2019	750	75	113	11	863	86	
2020	700	70	105	11	805	81	
2021	650	65	98	10	748	75	
2022	600	60	90	9	690	69	
2023	0	0	83	8	83	8	
<b>Total</b>	<b>11,200</b>	<b>1,120</b>	<b>1,463</b>	<b>146</b>	<b>12,663</b>	<b>1,266</b>	
Prior to 2022 Paid thru 2022	10,600	1,060	1,290	129			
Less							
Prior to 2022 paid in 2022	1,500	150					
<b>Equals</b>							
Prior to 2022 paid thru 2021	9,100	910					
					Paid thru 2023 Included in Part 3J (Auto Physical Damage)		
					Direct + Assumed	Ceded	
				Prior to 2022 paid thru 2023	2,790	279	
				2022	690	69	
				2023	83	8	
				<b>Total</b>	<b>3,563</b>	<b>356</b>	
<b>* Prior to 2004 Paid since 1/1/2014</b>				Diff=2021 & prior history	9,100	910	

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**Detail Eliminated To Conserve Space**
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ANNUAL STATEMENT BLANK – PROPERTY/CASUALTY

SCHEDULE P – ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P – PART 11 – SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY AND THEFT)  
(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						12 Number of Claims Reported Direct and Assumed		
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 – 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments			10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX									XXX
2. 2023/2015.....												XXX
3. 2022/2016.....												XXX
4. 2017.....												XXX
5. 2018.....												XXX
6. 2019.....												XXX
7. 2020.....												XXX
8. 2021.....												XXX
9. 2022.....												XXX
10. 2023.....												XXX
11. 2024.....												XXX
124. Totals	XXX	XXX	XXX									XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....													
2. ....													
3. ....													
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7. ....													
8. ....													
9. ....													
10. ....													
11. ....													
124. ....													

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
10. ....											
11. ....											
123. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

**SCHEDULE P – PART 1J – AUTO PHYSICAL DAMAGE**  
**(\$000 OMITTED)**

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 – 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX									XXX
2. 2023/2015.....												XXX
3. 2023/2016.....												XXX
4. 2017.....												XXX
5. 2018.....												XXX
6. 2019.....												XXX
7. 2020.....												XXX
8. 2021.....												XXX
9. 2022.....												XXX
10. 2023.....												XXX
11. 2024.....												XXX
124. Totals	XXX	XXX	XXX									XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....													
2. ....													
3. ....													
4. ....													
5. ....													
6. ....													
7. ....													
8. ....													
9. ....													
10. ....													
11. ....													
124.													

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
10. ....											
11. ....											
123.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

**SCHEDULE P – PART 1K – FIDELITY/SURETY  
(S000 OMITTED)**

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 – 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX									XXX
2. 2023/2015.....												XXX
3. 2023/2016.....												XXX
4. 2017.....												XXX
5. 2018.....												XXX
6. 2019.....												XXX
7. 2020.....												XXX
8. 2021.....												XXX
9. 2022.....												XXX
10. 2023.....												XXX
11. 2024.....												XXX
124. Totals	XXX	XXX	XXX									XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....													
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7. ....													
8. ....													
9. ....													
10. ....													
11. ....													
124.													

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
10. ....											
11. ....											
123.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		



**SCHEDULE P – PART 1L – OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)  
(\$000 OMITTED)**

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 – 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX									XXX
2. 2023/2015.....												XXX
3. 2023/2016.....												XXX
4. 2017.....												XXX
5. 2018.....												XXX
6. 2019.....												XXX
7. 2020.....												XXX
8. 2021.....												XXX
9. 2022.....												XXX
10. 2023.....												XXX
11. 2024.....												XXX
124. Totals	XXX	XXX	XXX									XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....													
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8. ....													
9. ....													
10. ....													
11. ....													
124.													

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
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123.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		


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**Detail Eliminated To Conserve Space**

**SCHEDULE P – PART 1S – FINANCIAL GUARANTY/MORTGAGE GUARANTY  
(\$000 OMITTED)**

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 – 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX									XXX
2. 2023/2015.....												XXX
3. 2023/2016.....												XXX
4. 2017.....												XXX
5. 2018.....												XXX
6. 2019.....												XXX
7. 2020.....												XXX
8. 2021.....												XXX
9. 2022.....												XXX
10. 2023.....												XXX
11. 2024.....												XXX
124. Totals	XXX	XXX	XXX									XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....													
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124.													

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
10. ....											
11. ....											
123.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

**SCHEDULE P – PART 1T - WARRANTY**  
**(\$000 OMITTED)**

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 – 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX									XXX
2. 2023/2015.....												XXX
3. 2023/2016.....												XXX
4. 2017.....												XXX
5. 2018.....												XXX
6. 2019.....												XXX
7. 2020.....												XXX
8. 2021.....												XXX
9. 2022.....												XXX
10. 2023.....												XXX
11. 2024.....												XXX
124. Totals	XXX	XXX	XXX									XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....													
2. ....													
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6. ....													
7. ....													
8. ....													
9. ....													
10. ....													
11. ....													
124. ....													

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
10. ....											
11. ....											
123. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

**SCHEDULE P – PART 1U – PET INSURANCE PLANS  
(S000 OMITTED)**

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 – 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX									XXX
2. 2023/2015.....												XXX
3. 2023/2016.....												XXX
4. 2017.....												XXX
5. 2018.....												XXX
6. 2019.....												XXX
7. 2020.....												XXX
8. 2021.....												XXX
9. 2022.....												XXX
10. 2023.....												XXX
11. 2024.....												XXX
124. Totals	XXX	XXX	XXX									XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....													
2. ....													
3. ....													
4. ....													
5. ....													
6. ....													
7. ....													
8. ....													
9. ....													
10. ....													
11. ....													
124.													

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
10. ....											
11. ....											
123.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		


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**Detail Eliminated To Conserve Space**

**SCHEDULE P – PART 2I – SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY, AND THEFT)**

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										DEVELOPMENT	
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024	11 One Year	12 Two Year
1. Prior												
2. 2015												
3. 2016	XXX											
4. 2017	XXX	XXX										
5. 2018	XXX	XXX	XXX									
6. 2019	XXX	XXX	XXX	XXX								
7. 2020	XXX	XXX	XXX	XXX	XXX							
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	12. Totals											

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										DEVELOPMENT	
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024	11 One Year	12 Two Year
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	4-Totals											

**SCHEDULE P – PART 2J – AUTO PHYSICAL DAMAGE**

1. Prior												
2. 2015												
3. 2016	XXX											
4. 2017	XXX	XXX										
5. 2018	XXX	XXX	XXX									
6. 2019	XXX	XXX	XXX	XXX								
7. 2020	XXX	XXX	XXX	XXX	XXX							
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	12. Totals											

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	4-Totals											

**SCHEDULE P – PART 2K – FIDELITY, SURETY**

1. Prior												
2. 2015												
3. 2016	XXX											
4. 2017	XXX	XXX										
5. 2018	XXX	XXX	XXX									
6. 2019	XXX	XXX	XXX	XXX								
7. 2020	XXX	XXX	XXX	XXX	XXX							
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	12. Totals											

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	4-Totals											

**SCHEDULE P – PART 2L – OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)**

1. Prior												
2. 2015												
3. 2016	XXX											
4. 2017	XXX	XXX										
5. 2018	XXX	XXX	XXX									
6. 2019	XXX	XXX	XXX	XXX								
7. 2020	XXX	XXX	XXX	XXX	XXX							
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	12. Totals											

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
	4-Totals											

Detail Eliminated To Conserve Space

**SCHEDULE P – PART 2S – FINANCIAL GUARANTY/MORTGAGE GUARANTY**

1. Prior														
2. 2015														
3. 2016	XXX													
4. 2017	XXX	XXX												
5. 2018	XXX	XXX	XXX											
6. 2019	XXX	XXX	XXX	XXX										
7. 2020	XXX	XXX	XXX	XXX	XXX									
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX								
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
12. Totals														
- 1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
- 2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
- 3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
4. Totals														

**SCHEDULE P – PART 2T – WARRANTY**

1. Prior														
2. 2015														
3. 2016	XXX													
4. 2017	XXX	XXX												
5. 2018	XXX	XXX	XXX											
6. 2019	XXX	XXX	XXX	XXX										
7. 2020	XXX	XXX	XXX	XXX	XXX									
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX								
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
12. Totals														
- 1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
- 2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
- 3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
4. Totals														

**SCHEDULE P – PART 2U – PET INSURANCE PLANS**

1. Prior														
2. 2015														
3. 2016	XXX													
4. 2017	XXX	XXX												
5. 2018	XXX	XXX	XXX											
6. 2019	XXX	XXX	XXX	XXX										
7. 2020	XXX	XXX	XXX	XXX	XXX									
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX								
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
12. Totals														
- 1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
- 2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
- 3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
4. Totals														

Detail Eliminated To Conserve Space

**SCHEDULE P – PART 3I – SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY, AND THEFT)**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024		
1. Prior	000										XXX	XXX
2. 2015											XXX	XXX
3. 2016	XXX										XXX	XXX
4. 2017	XXX	XXX									XXX	XXX
5. 2018	XXX	XXX	XXX								XXX	XXX
6. 2019	XXX	XXX	XXX	XXX							XXX	XXX
7. 2020	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024		
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000			XXX	XXX
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

**SCHEDULE P – PART 3J – AUTO PHYSICAL DAMAGE**

1. Prior	000										XXX	XXX
2. 2015											XXX	XXX
3. 2016	XXX										XXX	XXX
4. 2017	XXX	XXX									XXX	XXX
5. 2018	XXX	XXX	XXX								XXX	XXX
6. 2019	XXX	XXX	XXX	XXX							XXX	XXX
7. 2020	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000			XXX	XXX
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

**SCHEDULE P – PART 3K – FIDELITY/SURETY**

1. Prior	000										XXX	XXX
2. 2015											XXX	XXX
3. 2016	XXX										XXX	XXX
4. 2017	XXX	XXX									XXX	XXX
5. 2018	XXX	XXX	XXX								XXX	XXX
6. 2019	XXX	XXX	XXX	XXX							XXX	XXX
7. 2020	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000			XXX	XXX
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

**SCHEDULE P – PART 3L – OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)**

1. Prior	000										XXX	XXX
2. 2015											XXX	XXX
3. 2016	XXX										XXX	XXX
4. 2017	XXX	XXX									XXX	XXX
5. 2018	XXX	XXX	XXX								XXX	XXX
6. 2019	XXX	XXX	XXX	XXX							XXX	XXX
7. 2020	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000			XXX	XXX
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

Detail Eliminated To Conserve Space

**SCHEDULE P – PART 3S – FINANCIAL GUARANTY/MORTGAGE GUARANTY**

1. Prior .....	000	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	XXX	XXX
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	XXX	XXX
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	XXX	XXX
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	XXX	XXX
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	XXX	XXX
-1- Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000	.....	.....	XXX	XXX
-2- 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	XXX	XXX
-3- 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	XXX	XXX

**SCHEDULE P – PART 3T - WARRANTY**

1. Prior .....	000	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	XXX	XXX
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	XXX	XXX
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	XXX	XXX
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	XXX	XXX
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	XXX	XXX
-1- Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000	.....	.....	XXX	XXX
-2- 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	XXX	XXX
-3- 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	XXX	XXX

**SCHEDULE P – PART 3U – PET INSURANCE PLANS**

1. Prior .....	000	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	XXX	XXX
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	XXX	XXX
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	XXX	XXX
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	XXX	XXX
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	XXX	XXX
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	XXX	XXX
-1- Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000	.....	.....	XXX	XXX
-2- 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	XXX	XXX
-3- 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	XXX	XXX



**Detail Eliminated To Conserve Space**





**SCHEDULE P – PART 4I – SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY AND THEFT)**

BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										
Years in Which Losses Were Incurred	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....
BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										
Years in Which Losses Were Incurred	4 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
3. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....

**SCHEDULE P – PART 4J – AUTO PHYSICAL DAMAGE**

1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....
1. Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
2. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
3. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....

**SCHEDULE P – PART 4K – FIDELITY/SURETY**

1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....
1. Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
2. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
3. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....

**SCHEDULE P – PART 4L – OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)**

1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....
1. Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
2. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
3. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....

||
**Detail Eliminated To Conserve Space**
||

**SCHEDULE P – PART 4S – FINANCIAL GUARANTY/MORTGAGE GUARANTY**

1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....
-1- Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
-2- 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
-3- 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....

**SCHEDULE P – PART 4T - WARRANTY**

1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....
-1- Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
-2- 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
-3- 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....

**SCHEDULE P – PART 4U – PET INSURANCE PLANS**

1. Prior .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2015 .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2016 .....	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. 2017 .....	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....	.....
5. 2018 .....	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....	.....
6. 2019 .....	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....	.....
7. 2020 .....	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....	.....
8. 2021 .....	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....	.....
9. 2022 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....	.....	.....
10. 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
11. 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....
-1- Prior .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
-2- 2023 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....	.....
-3- 2024 .....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.....



**Detail Eliminated To Conserve Space**



SCHEDULE P – PART 5T – WARRANTY

SECTION 1

Years in Which Premiums Were Earned and Losses Were Incurred	CUMULATIVE NUMBER OF CLAIMS CLOSED WITH LOSS PAYMENT DIRECT AND ASSUMED AT YEAR-END									
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior										
2. 2015										
3. 2016	XXX									
4. 2017	XXX	XXX								
5. 2018	XXX	XXX	XXX							
6. 2019	XXX	XXX	XXX	XXX						
7. 2020	XXX	XXX	XXX	XXX	XXX					
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Years in Which Premiums Were Earned and Losses Were Incurred	CUMULATIVE NUMBER OF CLAIMS CLOSED WITH LOSS PAYMENT DIRECT AND ASSUMED AT YEAR-END									
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SECTION 2

Years in Which Premiums Were Earned and Losses Were Incurred	NUMBER OF CLAIMS OUTSTANDING DIRECT AND ASSUMED AT YEAR-END									
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior										
2. 2015										
3. 2016	XXX									
4. 2017	XXX	XXX								
5. 2018	XXX	XXX	XXX							
6. 2019	XXX	XXX	XXX	XXX						
7. 2020	XXX	XXX	XXX	XXX	XXX					
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Years in Which Premiums Were Earned and Losses Were Incurred	NUMBER OF CLAIMS OUTSTANDING DIRECT AND ASSUMED AT YEAR-END									
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SECTION 3

Years in Which Premiums Were Earned and Losses Were Incurred	CUMULATIVE NUMBER OF CLAIMS REPORTED DIRECT AND ASSUMED AT YEAR-END									
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior										
2. 2015										
3. 2016	XXX									
4. 2017	XXX	XXX								
5. 2018	XXX	XXX	XXX							
6. 2019	XXX	XXX	XXX	XXX						
7. 2020	XXX	XXX	XXX	XXX	XXX					
8. 2021	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2022	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Years in Which Premiums Were Earned and Losses Were Incurred	CUMULATIVE NUMBER OF CLAIMS REPORTED DIRECT AND ASSUMED AT YEAR-END									
	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>01/03/2024</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> FL., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2024-01BWG</u></p> <p>Year <u>2024</u></p> <p>Changes to Existing Reporting [ X ]</p> <p>New Reporting Requirement [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact [ ]</p> <p>Modifies Required Disclosure [ X ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? [ No ]</p> <p><i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p>[ ] Rejected For Public Comment</p> <p>[ ] Referred To Another NAIC Group</p> <p>[ ] Received For Public Comment</p> <p>[ ] Adopted Date _____</p> <p>[ ] Rejected Date _____</p> <p>[ ] Deferred Date _____</p> <p>[ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS      | <input type="checkbox"/> CROSSCHECKS              |
| <input checked="" type="checkbox"/> QUARTERLY STATEMENT               | <input type="checkbox"/> BLANK                        |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input checked="" type="checkbox"/> Separate Accounts | <input checked="" type="checkbox"/> Title         |
| <input checked="" type="checkbox"/> Property/Casualty                 | <input type="checkbox"/> Protected Cell               | <input type="checkbox"/> Other _____              |
| <input checked="" type="checkbox"/> Health                            | <input type="checkbox"/> Health (Life Supplement)     | <input type="checkbox"/> Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Identify where common stock and preferred stock residual interests should be reported on the investment schedules.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

This proposal updates the Investment Schedules General Instructions to identify that common and preferred stock residual interests should be reported on Schedule BA. (SAPWG Item 2023-23)

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****INVESTMENT SCHEDULES GENERAL INSTRUCTIONS****(Applies to all investment schedules)****General Classifications Preferred Stock Only:**

Refer to *SSAP No. 32R—Preferred Stock* and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*.

Investments in the form of preferred stock that are in substance residual interests or a residual security tranche, as defined in *SSAP No. 43R—Loan-Backed and Structured Securities* or *SSAP No. 48—Joint Ventures, Partnerships, and Limited Liability Companies*, shall be reported on Schedule BA – Other Long-Term Assets in the reporting lines for residuals.

**Industrial and Miscellaneous (Unaffiliated):**

All unaffiliated preferred stocks. Include Public Utilities, Banks, Trusts and Insurance Companies. This category includes Exchange Traded Funds included on the “List of Exchange Traded Funds Eligible for Reporting as a Schedule D Preferred Stock” as found on the Securities Valuation Office Web page (<https://www.naic.org/svo.htm>). Include publicly traded stock warrants captured in the scope of *SSAP No. 32R—Preferred Stock*.

**Parent, Subsidiaries and Affiliates:**

Defined by *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*.

**General Classifications Common Stock Only:**

Refer to *SSAP No. 30R—Unaffiliated Common Stock* and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*.

Investments in the form of common stock that are in substance residual interests or a residual security tranche, as defined in *SSAP No. 43R—Loan-Backed and Structured Securities* or *SSAP No. 48—Joint Ventures, Partnerships, and Limited Liability Companies*, shall be reported on Schedule BA – Other Long-Term Assets in the reporting lines for residuals.

**SCHEDULE D – PART 2 – SECTION 1**

**PREFERRED STOCKS OWNED DECEMBER 31 OF CURRENT YEAR**

Stocks are to be grouped as listed below and arranged alphabetically, showing a subtotal for each category.

Investments that are in substance residual interests or a residual security tranche shall not be captured on this schedule. These investments shall be reported on Schedule BA – Other Long-Term Assets.

**SCHEDULE D – PART 2 – SECTION 2**

**COMMON STOCKS OWNED DECEMBER 31 OF CURRENT YEAR**

Stocks are to be grouped as listed below and arranged alphabetically, showing a subtotal for each category.

Investments that are in substance residual interests or a residual security tranche shall not be captured on this schedule. These investments shall be reported on Schedule BA – Other Long-Term Assets.



**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****INVESTMENT SCHEDULES GENERAL INSTRUCTIONS**

(Applies to all investment schedules)

**General Classifications Preferred Stock Only:**

Refer to *SSAP No. 32R—Preferred Stock* and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*.

Investments in the form of preferred stock that are in substance residual interests or a residual security tranche, as defined in *SSAP No. 43R—Loan-Backed and Structured Securities* or *SSAP No. 48—Joint Ventures, Partnerships, and Limited Liability Companies*, shall be reported on Schedule BA – Other Long-Term Assets in the reporting lines for residuals.

**Industrial and Miscellaneous (Unaffiliated):**

All unaffiliated preferred stocks. Include Public Utilities, Banks, Trusts and Insurance Companies. This category includes Exchange Traded Funds included on the “List of Exchange Traded Funds Eligible for Reporting as a Schedule D Preferred Stock” as found on the Securities Valuation Office Web page (<https://www.naic.org/svo.htm>). Include publicly traded stock warrants captured in the scope of *SSAP No. 32R—Preferred Stock*.

**Parent, Subsidiaries and Affiliates:**

Defined by *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*.

**General Classifications Common Stock Only:**

Refer to *SSAP No. 30R—Unaffiliated Common Stock* and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*.

Investments in the form of common stock that are in substance residual interests or a residual security tranche, as defined in *SSAP No. 43R—Loan-Backed and Structured Securities* or *SSAP No. 48—Joint Ventures, Partnerships, and Limited Liability Companies*, shall be reported on Schedule BA – Other Long-Term Assets in the reporting lines for residuals.

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>01/03/2024</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> FL., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2024-02BWG</u></p> <p>Year <u>2024</u></p> <p>Changes to Existing Reporting <input type="checkbox"/> [ X ]</p> <p>New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input type="checkbox"/> [ ]</p> <p>Modifies Required Disclosure <input checked="" type="checkbox"/> [ X ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ]</p> <p><i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment</p> <p><input type="checkbox"/> [ ] Referred To Another NAIC Group</p> <p><input type="checkbox"/> [ ] Received For Public Comment</p> <p><input type="checkbox"/> [ ] Adopted Date _____</p> <p><input type="checkbox"/> [ ] Rejected Date _____</p> <p><input type="checkbox"/> [ ] Deferred Date _____</p> <p><input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS      | <input checked="" type="checkbox"/> [ X ] CROSSCHECKS |
| <input checked="" type="checkbox"/> [ X ] QUARTERLY STATEMENT               | <input type="checkbox"/> [ ] BLANK                          |   |
| <input checked="" type="checkbox"/> [ X ] Life, Accident & Health/Fraternal | <input checked="" type="checkbox"/> [ X ] Separate Accounts | <input checked="" type="checkbox"/> [ X ] Title       |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty                 | <input type="checkbox"/> [ ] Protected Cell                 | <input type="checkbox"/> [ ] Other _____              |
| <input checked="" type="checkbox"/> [ X ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement)       | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: 1<sup>st</sup> Quarter 2025

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Remove categories from Schedule DA, Part 1 and Schedule E, Part 2 that should be reported on Schedule BA. Add clarifying instructions on what should be included in Other Short-Term and Other Cash Equivalent categories.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

This proposal updates the Investment Schedules General Instructions to identify what should be included in the Other Short-Term and Other Cash Equivalent categories and to add clarity of what should be reported on Schedule BA. (SAPWG Item 2023-17).

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****INVESTMENT SCHEDULES GENERAL INSTRUCTIONS****(Applies to all investment schedules)****Detail Eliminated To Conserve Space****General Classifications Short-Term Investments Only:**

Refer to *SSAP No. 2R— Cash, Cash Equivalents, Drafts and Short-Term Investments*. The following investments are not permitted to be reported as short-term investments regardless of maturity date:

- Asset-backed securities captured in scope of *SSAP No. 43R - Asset-backed Securities*
- All investments that are reported on Schedule BA, including but not limited to:
  - All debt securities that do not qualify as bonds in scope of *SSAP No. 21R – Other Admitted Assets*
  - Collateral/Non-Collateral loans captured in scope of *SSAP No. 21R*.
  - Working capital finance investments in scope of *SSAP No. 105R – Working Capital Finance Investments*
  - Surplus notes in scope of *SSAP No. 41R – Surplus Notes*
- Mortgage loans captured in scope of *SSAP No. 37 – Mortgage Loans*
- Derivative instruments in scope of *SSAP No. 86 – Derivatives* or *SSAP No. 108 – Derivatives Hedging Variable Annuity Guarantees*
- Securities with terms that are reset at predefined dates (e.g., an auction-rate security that has a long-term maturity and an interest rate that is regularly reset through a Dutch auction) or have other features an investor may believe results in a different term than the related contractual maturity shall be accounted for based on the contractual maturity at the date of acquisition, except where other specific rules within the statutory accounting framework currently exist.

**Other Short-Term Investments:**

Report investments that qualify as short-term investments pursuant to *SSAP No. 2R - Cash, Cash Equivalents, Drafts and Short-Term Investments* that do not fit within a specific reporting line. (Specific reporting lines shall be utilized when applicable.)

**General Classifications Cash Equivalents Only:**

Refer to *SSAP No. 2R— Cash, Cash Equivalents, Drafts and Short-Term Investments*. The following investments are not permitted to be reported as short-term investments regardless of maturity date:

- Asset-backed securities captured in scope of *SSAP No. 43R - Asset-backed Securities*
- All investments that are reported on Schedule BA, including but not limited to:
  - All debt securities that do not qualify as bonds in scope of *SSAP No. 21R – Other Admitted Assets*
  - Collateral/Non-Collateral loans captured in scope of *SSAP No. 21R*.
  - Working capital finance investments in scope of *SSAP No. 105R – Working Capital Finance Investments*
  - Surplus notes in scope of *SSAP No. 41R – Surplus Notes*
- Mortgage loans captured in scope of *SSAP No. 37 – Mortgage Loans*
- Derivative instruments in scope of *SSAP No. 86 – Derivatives* or *SSAP No. 108 – Derivatives Hedging Variable Annuity Guarantees*
- Securities with terms that are reset at predefined dates (e.g., an auction-rate security that has a long-term maturity and an interest rate that is regularly reset through a Dutch auction) or have other features an investor may believe results in a different term than the related contractual maturity shall be accounted for based on the contractual maturity at the date of acquisition, except where other specific rules within the statutory accounting framework currently exist.

Money Market Mutual Funds:

All investment in shares of funds regulated as money market mutual funds by the U.S. Securities and Exchange Commission.

Other Cash Equivalent:

Report investments that qualify as Cash Equivalents pursuant to SSAP No. 2R - Cash, Cash Equivalents, Drafts and Short-Term Investments that do not fit within a specific reporting line. (Specific reporting lines shall be utilized when applicable.)

**SCHEDULE DA – PART 1**

**SHORT-TERM INVESTMENTS OWNED DECEMBER 31 OF CURRENT YEAR**



**Detail Eliminated To Conserve Space**



<u>Category</u>	<u>Line Number</u>
<b>Issuer Credit Obligations</b>	
U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct and Guaranteed).....	0049999999
Municipal Bonds – Special Revenue.....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated).....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated).....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated).....	0099999999
Mandatory Convertible Bonds (Unaffiliated).....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated).....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
SVO-Identified Bond Exchange Traded Funds – Fair Value .....	0149999999
SVO-Identified Bond Exchange Traded Funds – Systematic Value .....	0159999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated) .....	0169999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated).....	0199999999
Bank Loans – Acquired (Unaffiliated) .....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgages Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated).....	0229999999
Mortgages Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated) .....	0239999999
Other Issuer Credit Obligations (Unaffiliated) .....	0269999999
Other Issuer Credit Obligations (Affiliated).....	0279999999
<b>Total Issuer Credit Obligations</b>	
Subtotals – Issuer Credit Obligations (Unaffiliated) .....	0489999999
(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, and 0269999999)	
Subtotals – Issuer Credit Obligations (Affiliated).....	0499999999
(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, and 0279999999)	
Subtotals – Issuer Credit Obligations.....	0509999999
<b>Parent, Subsidiaries and Affiliates</b>	
Mortgage Loans .....	7019999999
Other Short Term Invested Assets.....	7029999999
Subtotals – Parent, Subsidiaries and Affiliates.....	7109999999

Mortgage Loans.....	7309999999
Other Short-Term Invested Assets (Unaffiliated).....	7499999999
Other Short-Term Invested Assets (Affiliated) .....	7509999999
<u>Total Short-Term Investments (Unaffiliated).....</u>	<u>7689999999</u>
(Sum of Lines: 0489999999 and 7499999999)	
<u>Total Short-Term Investments (Affiliated).....</u>	<u>7699999999</u>
(Sum of Lines: 0499999999 and 7509999999)	
<hr/> Total Short-Term Investments.....	7709999999

**SCHEDULE E – PART 2 – CASH EQUIVALENTS**

List all investments owned whose maturities (or repurchase dates under repurchase agreement) at the time of acquisition were three months or less and defined as cash equivalents in accordance with *SSAP No. 2R—Cash, Cash Equivalents, Drafts, and Short-Term Investments*. Include Money Market Mutual Funds.

↓		<b>Detail Eliminated To Conserve Space</b>		↓
	<u>Category</u>			<u>Line Number</u>

Issuer Credit Obligations:

U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct & Guaranteed) .....	0049999999
Municipal Bonds – Special Revenue.....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated).....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated).....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated).....	0099999999
Mandatory Convertible Bonds (Unaffiliated).....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated).....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
SVO-Identified Bond Exchange Traded Funds – Fair Value .....	0149999999
SVO-Identified Bond Exchange Traded Funds – Systematic Value .....	0159999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated) .....	0169999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated).....	0199999999
Bank Loans – Acquired (Unaffiliated) .....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgages Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated).....	0229999999
Mortgages Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated) .....	0239999999
Certificates of Deposit (Unaffiliated).....	0249999999
Certificates of Deposit (Affiliated).....	0259999999
Other Issuer Credit Obligations (Unaffiliated).....	0269999999
Other Issuer Credit Obligations (Affiliated).....	0279999999
 Total – Issuer Credit Obligations (Unaffiliated).....	 0489999999
(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, 0249999999, and 0269999999)	
Total – Issuer Credit Obligations (Affiliated).....	0499999999
(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and 0279999999)	
Total – Total Issuer Credit Obligations .....	0509999999



Sweep Accounts.....	8109999999
Exempt Money Market Mutual Funds – as Identified by SVO .....	8209999999
All Other Money Market Mutual Funds .....	8309999999
Qualified Cash Pools Under SSAP No. 2R.....	8409999999
<u>Other Cash Equivalents (Unaffiliated).....</u>	<u>8499999999</u>
Other Cash Equivalents (Affiliated) .....	8509999999
<u>Total Cash Equivalents (Unaffiliated) .....</u>	<u>8589999999</u>
<u>(Sum of Lines: 0489999999, 8409999999, and 8499999999)</u>	
<u>Total Cash Equivalents (Affiliated).....</u>	<u>8599999999</u>
<u>(Sum of Lines: 0499999999, 8109999999, 8209999999, 8309999999, and 8509999999)</u>	
Total Cash Equivalents .....	8609999999

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****INVESTMENT SCHEDULES GENERAL INSTRUCTIONS****(Applies to all investment schedules)****Detail Eliminated To Conserve Space****General Classifications Short-Term Investments Only:**

Refer to *SSAP No. 2R— Cash, Cash Equivalents, Drafts and Short-Term Investments*. The following investments are not permitted to be reported as short-term investments regardless of maturity date:

- Asset-backed securities captured in scope of *SSAP No. 43R - Asset-backed Securities*
- All investments that are reported on Schedule BA, including but not limited to:
  - All debt securities that do not qualify as bonds in scope of *SSAP No. 21R – Other Admitted Assets*
  - Collateral/Non-Collateral loans captured in scope of *SSAP No. 21R*.
  - Working capital finance investments in scope of *SSAP No. 105R – Working Capital Finance Investments*
  - Surplus notes in scope of *SSAP No. 41R – Surplus Notes*
- Mortgage loans captured in scope of *SSAP No. 37 – Mortgage Loans*
- Derivative instruments in scope of *SSAP No. 86 – Derivatives* or *SSAP No. 108 – Derivatives Hedging Variable Annuity Guarantees*
- Securities with terms that are reset at predefined dates (e.g., an auction-rate security that has a long-term maturity and an interest rate that is regularly reset through a Dutch auction) or have other features an investor may believe results in a different term than the related contractual maturity shall be accounted for based on the contractual maturity at the date of acquisition, except where other specific rules within the statutory accounting framework currently exist.

**Other Short-Term Investments:**

Report investments that qualify as short-term investments pursuant to *SSAP No. 2R - Cash, Cash Equivalents, Drafts and Short-Term Investments* that do not fit within a specific reporting line. (Specific reporting lines shall be utilized when applicable.)

**General Classifications Cash Equivalents Only:**

Refer to *SSAP No. 2R— Cash, Cash Equivalents, Drafts and Short-Term Investments*. The following investments are not permitted to be reported as short-term investments regardless of maturity date:

- Asset-backed securities captured in scope of *SSAP No. 43R - Asset-backed Securities*
- All investments that are reported on Schedule BA, including but not limited to:
  - All debt securities that do not qualify as bonds in scope of *SSAP No. 21R – Other Admitted Assets*
  - Collateral/Non-Collateral loans captured in scope of *SSAP No. 21R*.
  - Working capital finance investments in scope of *SSAP No. 105R – Working Capital Finance Investments*
  - Surplus notes in scope of *SSAP No. 41R – Surplus Notes*
- Mortgage loans captured in scope of *SSAP No. 37 – Mortgage Loans*
- Derivative instruments in scope of *SSAP No. 86 – Derivatives* or *SSAP No. 108 – Derivatives Hedging Variable Annuity Guarantees*
- Securities with terms that are reset at predefined dates (e.g., an auction-rate security that has a long-term maturity and an interest rate that is regularly reset through a Dutch auction) or have other features an investor may believe results in a different term than the related contractual maturity shall be accounted for based on the contractual maturity at the date of acquisition, except where other specific rules within the statutory accounting framework currently exist.

Money Market Mutual Funds:

All investment in shares of funds regulated as money market mutual funds by the U.S. Securities and Exchange Commission.

Other Cash Equivalent:

Report investments that qualify as Cash Equivalents pursuant to SSAP No. 2R - Cash, Cash Equivalents, Drafts and Short-Term Investments that do not fit within a specific reporting line. (Specific reporting lines shall be utilized when applicable.)

**SCHEDULE E – PART 2 – CASH EQUIVALENTS**

**INVESTMENTS OWNED END OF CURRENT QUARTER**

**Detail Eliminated To Conserve Space**

<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations:	
U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct and Guaranteed).....	0049999999
Municipal Bonds – Special Revenue.....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated) .....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated).....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated).....	0099999999
Mandatory Convertible Bonds (Unaffiliated).....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated).....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
SVO-Identified Bond Exchange Traded Funds – Fair Value .....	0149999999
SVO-Identified Bond Exchange Traded Funds – Systematic Value .....	0159999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated) .....	0169999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated).....	0199999999
Bank Loans – Acquired (Unaffiliated) .....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgage Loans that Quality as SVO-Identified Credit Tenant Loans (Unaffiliated) .....	0229999999
Mortgage Loans that Quality as SVO-Identified Credit Tenant Loans (Affiliated) .....	0229999999
Other Issuer Credit Obligations (Unaffiliated).....	0269999999
Other Issuer Credit Obligations (Affiliated).....	0279999999
Total – Issuer Credit Obligations (Unaffiliated).....	0489999999
(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, 0249999999, and 0269999999)	
Total – Issuer Credit Obligations (Affiliated).....	0499999999
(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and 0279999999)	
Total Issuer Credit Obligations.....	0509999999
Sweep Accounts.....	8109999999
Exempt Money Market Mutual Funds – as Identified by SVO .....	8209999999
All Other Money Market Mutual Funds .....	8309999999
Qualified Cash Pools Under SSAP No. 2R.....	8409999999
<u>Other Cash Equivalents (Unaffiliated).....</u>	<u>8499999999</u>
Other Cash Equivalents (Affiliated) .....	8509999999

<u>Total Cash Equivalents (Unaffiliated)</u> .....	8589999999
<u>(Sum of Lines: 0489999999, 8109999999, 8209999999, 8309999999,</u>	
<u>8409999999, and 8499999999)</u>	
<u>Total Cash Equivalents (Affiliated)</u> .....	8599999999
<u>(Sum of Lines: 0499999999 and 8509999999)</u>	
Total Cash Equivalents .....	8609999999

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

	<b>DATE:</b> <u>01/11/2024</u>	<b>FOR NAIC USE ONLY</b>
<b>CONTACT PERSON:</b> <u>Charles Therriault</u>		Agenda Item # <u>2024-03BWG</u>
<b>TELEPHONE:</b> <u>212-386-1920</u>		Year <u>2024</u>
<b>EMAIL ADDRESS:</b> <u>ctherriault@naic.org</u>		Changes to Existing Reporting <input type="checkbox"/> [ X ]
<b>ON BEHALF OF:</b> _____		New Reporting Requirement <input type="checkbox"/> [ ]
<b>NAME:</b> <u>Carrie Mears</u>		<b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b>
<b>TITLE:</b> <u>Chief Insurance Investment Specialist - IA</u>		No Impact <input checked="" type="checkbox"/> [ X ]
<b>AFFILIATION:</b> <u>Valuation of Securities (E) Task Force</u>		Modifies Required Disclosure <input type="checkbox"/> [ ]
<b>ADDRESS:</b> _____		Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ]
		<i>***If Yes, complete question below***</i>
		<b>DISPOSITION</b>
		<input type="checkbox"/> [ ] Rejected For Public Comment
		<input type="checkbox"/> [ ] Referred To Another NAIC Group
		<input type="checkbox"/> [ ] Received For Public Comment
		<input type="checkbox"/> [ ] Adopted Date _____
		<input type="checkbox"/> [ ] Rejected Date _____
		<input type="checkbox"/> [ ] Deferred Date _____
		<input type="checkbox"/> [ ] Other (Specify) _____

**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT                  | <input type="checkbox"/> [ ] INSTRUCTIONS             | <input type="checkbox"/> [ ] CROSSCHECKS              |
| <input type="checkbox"/> [ ] QUARTERLY STATEMENT                            | <input checked="" type="checkbox"/> [ X ] BLANK       |   |
| <input checked="" type="checkbox"/> [ X ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts        | <input checked="" type="checkbox"/> [ X ] Title       |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty                 | <input type="checkbox"/> [ ] Protected Cell           | <input type="checkbox"/> [ ] Other _____              |
| <input checked="" type="checkbox"/> [ X ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement) | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Update General Interrogatory 35 for private letter rating security reporting to clarify what should be included.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

This proposal adds clarification on what should be reported in interrogatory 35 for private letter rating securities. There was inconsistent reporting for this interrogatory and with the new instructions it should help identify what needs to be reported.

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**

**GENERAL INTERROGATORIES**

**PART 1 – COMMON INTERROGATORIES**

**INVESTMENT**



**Detail Eliminated To Conserve Space**

35. By self-designating PLGI securities, the reporting entity is certifying its compliance with the requirements as specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual)* for private letter rating (PLR) securities and the following elements of each self-designated PLGI security:
- a. The security was either:
    - i. ~~purchased~~ issued prior to January 1, 2018 (which is exempt from PLR filing requirements pursuant to the P&P Manual), or
    - ii. issued from January 1, 2018 to December 31, 2021 and subject to a confidentiality agreement executed prior to January 1, 2022 which confidentiality agreement remains in force, for which an insurance company cannot provide a copy of a private letter rating rationale report to the SVO due to confidentiality or other contractual reasons (“waived submission PLR securities”).
  - b. The reporting entity is holding capital commensurate with the NAIC Designation and NAIC Designation Category reported for the security.
  - c. The NAIC Designation and NAIC Designation Category was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating, dated during the financial statement year, held by the insurer and available for examination by state insurance regulators.
  - d. ~~The Other than for waived submission PLR securities, defined above, on or after January 1, 2024 for any PLR securities issued on or after January 1, 2022, if the reporting entity is not permitted to share this private credit rating or the private rating letter rationale report of the PL security with the SVO, it certifies that it is reporting it as an NAIC 5.B GI and may not assign any other self-designation.~~

Has the reporting entity self-designated PLGI securities to securities, all of which meet the above requirement and as specified in the P&P Manual?

Yes [ ] No [ ]

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

	<b>FOR NAIC USE ONLY</b>
DATE: <u>1/10/24</u>  <b>CONTACT PERSON:</b> <u>Scott O'Neal</u>  <b>TELEPHONE:</b> <u>816 783 8814</u>  <b>EMAIL ADDRESS:</b> <u>soneal@naic.org</u>  <b>ON BEHALF OF:</b> <u>Rachel Hemphill, Chair, LATF</u>  <b>NAME:</b> <u>Scott O'Neal</u>  <b>TITLE:</b> <u>Life Examination Actuary</u>  <b>AFFILIATION:</b> <u>NAIC</u>  <b>ADDRESS:</b> <u>1100 Walnut St, Suite 1500</u>  <u>Kansas City, MO 64106</u>	Agenda Item # <u>2024-04BWG</u> Year <u>2024</u> Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ] New Reporting Requirement <input type="checkbox"/> [ ]  <b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b>  No Impact <input checked="" type="checkbox"/> [ X ] Modifies Required Disclosure <input type="checkbox"/> [ ]  Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ NO ] ***If Yes, complete question below***  <b>DISPOSITION</b>  <input type="checkbox"/> [ ] Rejected For Public Comment <input type="checkbox"/> [ ] Referred To Another NAIC Group <input type="checkbox"/> [ ] Received For Public Comment <input type="checkbox"/> [ ] Adopted Date _____ <input type="checkbox"/> [ ] Rejected Date _____ <input type="checkbox"/> [ ] Deferred Date _____ <input type="checkbox"/> [ ] Other (Specify) _____

**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS      | <input type="checkbox"/> [ ] CROSSCHECKS              |
| <input type="checkbox"/> [ ] QUARTERLY STATEMENT                            | <input type="checkbox"/> [ ] BLANK                          |   |
| <input checked="" type="checkbox"/> [ X ] Life, Accident & Health/Fraternal | <input checked="" type="checkbox"/> [ X ] Separate Accounts | <input type="checkbox"/> [ ] Title                    |
| <input type="checkbox"/> [ ] Property/Casualty                              | <input type="checkbox"/> [ ] Protected Cell                 | <input type="checkbox"/> [ ] Other _____              |
| <input type="checkbox"/> [ ] Health   | <input type="checkbox"/> [ ] Health (Life Supplement)       | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: 2024 Annual

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Add clarifying language to VM-20 supplement to include separate accounts where applicable.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

This proposal is to address the inconsistent reporting by companies not including separate account amounts on the VM-20 supplement.

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: For 2024 Annual Statement Blank Instructions

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL****VM-20 RESERVES SUPPLEMENT****Life Insurance Reserves Valued According to VM-20 by Product Type**

This Supplement provides information on the reserves required to be calculated by Section VM-20 of the *Valuation Manual*. This includes the Net Premium Reserve and, as applicable, the Deterministic Reserve and the Stochastic Reserve. Only business issued on or after Jan. 1, 2017, valued by the requirements of VM-20 should be reported in Part 1A and Part 1B. Part 1A and Part 1B are intended to aid regulators in the analysis of reserves as determined under Section VM-20 of the *Valuation Manual* for both the prior and current year.

This Supplement also provides information regarding business where VM-20 of the *Valuation Manual* is not required to be applied. Companies exempted from the requirements of Section VM-20 are not required to complete Part 1A or Part 1B of this Supplement but must complete Part 2 or Part 3 as applicable.

**VM-20 RESERVES SUPPLEMENT – PART 1A****Life Insurance Reserves Valued According to VM-20 by Product Type**

Part 1A of this Supplement breaks out, by product type, the prior year and current year reported reserves on a Post-Reinsurance-Ceded and Pre-Reinsurance-Ceded basis as defined in Section 8.D of Section VM-20 of the *Valuation Manual*. The Due and Deferred Premium Asset for the current year is also shown.

Section VM-20 of the *Valuation Manual* requires that the Post-Reinsurance-Ceded Reserve be determined by three VM-20 Reserving Categories: Term Insurance, Universal Life with Secondary Guarantees (ULSG) and all other. Term Insurance should be reported on line 1.1. ULSG, including Variable Universal Life with a secondary guarantee, Indexed life insurance with a secondary guarantee, regular Universal Life with a secondary guarantee, and ULSG policies with a non-material secondary guarantee as defined in Section VM-01 of the *Valuation Manual*, should be reported on line 1.2. Each of the other products reported in lines 1.3 – 1.8 should be determined as the sum of the policy reserves using the policy reserves determined following the allocation process of VM-20 Section 2. A similar process should be used for each of the pre-reinsurance-ceded reserves. Both Post-Reinsurance-Ceded Reserves and Pre-Reinsurance-Ceded Reserves, as defined in VM-20, include separate account amounts where applicable to the policies in scope.

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>1/18/24</u></p> <p>CONTACT PERSON: <u>Bruce Jenson (NAIC)</u></p> <p>TELEPHONE: <u>816-783-8348</u></p> <p>EMAIL ADDRESS: <u>bjenson@naic.org</u></p> <p>ON BEHALF OF: <u>Risk-Focused Surveillance (E) Working Group</u></p> <p>NAME: <u>Amy Malm - Chair</u></p> <p>TITLE: <u>Administrator, Division of Financial Reg</u></p> <p>AFFILIATION: <u>Wisconsin Office of the Commissioner</u></p> <p>ADDRESS: <u>125 S Webster St</u> <u>Madison, WI 53703</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2024-05BWG</u> Year <u>2024</u> Changes to Existing Reporting <input type="checkbox"/> [ X ] New Reporting Requirement <input type="checkbox"/> [ ]</p> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input type="checkbox"/> [ X ] Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ NO ] <i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment <input type="checkbox"/> [ ] Referred To Another NAIC Group <input type="checkbox"/> [ ] Received For Public Comment <input type="checkbox"/> [ ] Adopted Date _____ <input type="checkbox"/> [ ] Rejected Date _____ <input type="checkbox"/> [ ] Deferred Date _____ <input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS | <input type="checkbox"/> [ ] CROSSCHECKS              |
| <input checked="" type="checkbox"/> [ X ] QUARTERLY STATEMENT               | <input checked="" type="checkbox"/> [ X ] BLANK        |   |
| <input checked="" type="checkbox"/> [ X ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts         | <input checked="" type="checkbox"/> [ X ] Title       |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty                 | <input type="checkbox"/> [ ] Protected Cell            | <input type="checkbox"/> [ ] Other _____              |
| <input checked="" type="checkbox"/> [ X ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement)  | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Add clarifying language to Annual General Interrogatory 29.05 (Quarterly General Interrogatory 17.5) to clarify that all investment advisors with discretion to make investment decisions, including sub-advisors, should be disclosed through the interrogatory.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

Some insurers are not disclosing sub-advisors with discretion to make investment decisions through the interrogatory.

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****GENERAL INTERROGATORIES****PART 1 – COMMON INTERROGATORIES****INVESTMENT****Detail Eliminated To Conserve Space**

29.05 Identify all investment advisors, investment managers and broker/dealers, including individuals who have the authority to make investment decisions on behalf of the reporting entity. This includes both primary and sub-advisors. For assets that are managed internally by employees of the reporting entity, note as such.

Name of Firm or Individual:

Should be name of firm or individual that is party to the Investment Management Agreement

Affiliation:

Note if firm or individual is affiliated, unaffiliated or an employee by using the following codes:

- A Investment management is handled by firms/individuals affiliated with the reporting entity.
- U Investment management is handled by firms/individuals unaffiliated with the reporting entity.
- I Investment management is handled internally by individuals that are employees of the reporting entity.

29.0597 If the total assets under management of any the firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 29.05 are greater than 10% of the reporting entity’s invested assets (Line 12 of the Asset page), answer “YES” to Question 29.0597.

29.0598 If the total assets under management of all the firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 29.05 are greater than 50% of the reporting entity’s invested assets (Line 12 of the Asset page), answer “YES” to Question 29.0598. When determining the aggregate total of assets under management, include all firms/individuals unaffiliated with the reporting entity not just those who manage more than 10% of the reporting entity’s assets.

29.06 For assets managed by an affiliated or unaffiliated firm or individual, provide for each firm or individual the Central Registration Depository Number, Legal Entity Identifier (LEI), who they are registered with and if an Investment Management Agreement has been filed for each firm or individual.

Central Registration Depository Number

The Central Registration Depository (CRD) number is a number issued by the Financial Industry Regulatory Authority (FINRA) to brokers, dealers or individuals when licensed, and can be verified against their database [www.finra.org](http://www.finra.org). These brokers, dealers or individuals would be those contracted to manage some of the reporting entity’s investments or funds and invest them for the reporting entity. The brokers, dealers or individuals can be affiliated or unaffiliated with the reporting entity. The reporting entity must list all brokers, dealers or individuals who have the authority to make investments on behalf of the reporting entity.

Name of Firm or Individual:

Should be name of firm or individual provided for 29.05.

Central Registration Depository Number

~~The Central Registration Depository (CRD) number is a number issued by the Financial Industry Regulatory Authority (FINRA) to brokers, dealers or individuals when licensed, and can be verified against their database [www.finra.org](http://www.finra.org). These brokers, dealers or individuals would be those contracted to manage some of the reporting entity's investments or funds and invest them for the reporting entity. The brokers, dealers or individuals can be affiliated or unaffiliated with the reporting entity. The reporting entity must list all brokers, dealers or individuals who have the authority to make investments on behalf of the reporting entity.~~

Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

Registered With:

If a Registered Investment Advisor, specify if registered with Securities Exchange Commission or state securities authority. Note if not a Registered Investment Advisor.

Investment Management Agreement (IMA) Filed:

Indicate if a current Investment Management Agreement (IMA) has been filed with the state of domicile or the insurance department in another state(s). Use one of the codes below to indicate if the IMA has been filed and with whom it was filed.

- DS     If the current IMA has been filed with the state of domicile regardless if it was also filed with another state.
- OS     If the current IMA has been filed with a state(s) other than the state of domicile but not the state of domicile.
- NO     If the current IMA has not been filed with any state.

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE****GENERAL INTERROGATORIES****INVESTMENT****Detail Eliminated To Conserve Space**

- 17.5 Identify all investment advisors, investment managers and broker/dealers, including individuals who have the authority to make investment decisions on behalf of the reporting entity. This includes both primary and sub-advisors. For assets that are managed internally by employees of the reporting entity, note as such.

Name of Firm or Individual:

Should be name of firm or individual that is party to the Investment Management Agreement

Affiliation:

Note if firm or individual is affiliated, unaffiliated or an employee by using the following codes:

- A Investment management is handled by firms/individuals affiliated with the reporting entity.
- U Investment management is handled by firms/individuals unaffiliated with the reporting entity.
- I Investment management is handled internally by individuals that are employees of the reporting entity.

- 17.5097 If the total assets under management of any the firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5 are greater than 10% of the reporting entity’s invested assets (Line 12 of the Asset page), answer “YES” to Question 17.5097.

- 17.5098 If the total assets under management of all the firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5 are greater than 50% of the reporting entity’s invested assets (Line 12 of the Asset page), answer “YES” to Question 17.5098. When determining the aggregate total of assets under management, include all firms/individuals unaffiliated with the reporting entity, not just those who manage more than 10% of the reporting entity’s assets.

- 17.6 For assets managed by an affiliated or unaffiliated firm or individual, provide for each firm or individual the Central Registration Depository Number, Legal Entity Identifier (LEI), who they are registered with and if an Investment Management Agreement has been filed for each firm or individual.

Central Registration Depository Number

The Central Registration Depository (CRD) number is a number issued by the Financial Industry Regulatory Authority (FINRA) to brokers, dealers or individuals when licensed, and can be verified against their database [www.finra.org](http://www.finra.org). These brokers, dealers or individuals would be those contracted to manage some of the reporting entity’s investments or funds and invest them for the reporting entity. The brokers, dealers or individuals can be affiliated or unaffiliated with the reporting entity. The reporting entity must list all brokers, dealers or individuals who have the authority to make investments on behalf of the reporting entity.

Name of Firm or Individual:

Should be name of firm or individual provided for 17.5

Central Registration Depository Number

~~The Central Registration Depository (CRD) number is a number issued by the Financial Industry Regulatory Authority (FINRA) to brokers, dealers or individuals when licensed, and can be verified against their database~~

~~www.finra.org. These brokers, dealers or individuals would be those contracted to manage some of the reporting entity's investments or funds and invest them for the reporting entity. The brokers, dealers or individuals can be affiliated or unaffiliated with the reporting entity. The reporting entity must list all brokers, dealers or individuals who have the authority to make investments on behalf of the reporting entity.~~

Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

Registered With:

If a Registered Investment Advisor, specify if registered with the Securities Exchange Commission or state securities authority. Note if not a Registered Investment Advisor.

Investment Management Agreement (IMA) Filed:

Indicate if a current Investment Management Agreement (IMA) has been filed with the state of domicile or the insurance department in another state(s). Use one of the codes below to indicate if the IMA has been filed and with whom it was filed.

- DS If the current IMA has been filed with the state of domicile regardless if it was also filed with another state.
- OS If the current IMA has been filed with a state(s) other than the state of domicile but not the state of domicile.
- NO If the current IMA has not been filed with any state.

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**

**GENERAL INTERROGATORIES**

**PART 1 – COMMON INTERROGATORIES**

**INVESTMENT**



**Detail Eliminated To Conserve Space**

29.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. This includes both primary and sub-advisors. For assets that are managed internally by employees of the reporting entity, note as such. [“...that have access to the investment accounts”; “...handle securities”]

1 Name of Firm or Individual	2 Affiliation

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s invested assets? Yes [ ] No [ ]

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity’s invested assets? Yes [ ] No [ ]

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed



**QUARTERLY STATEMENT BLANK – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**

**GENERAL INTERROGATORIES**

**PART 1 – COMMON INTERROGATORIES**

**INVESTMENT**



**Detail Eliminated To Conserve Space**

17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. This includes both primary and sub-advisors. For assets that are managed internally by employees of the reporting entity, note as such. [“...that have access to the investment accounts”; “...handle securities”]

1 Name of Firm or Individual	2 Affiliation

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s invested assets? Yes [ ] No [ ]
- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity’s invested assets? Yes [ ] No [ ]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>01/24/2024</u></p> <p>CONTACT PERSON: <u>Kris DeFrain</u></p> <p>TELEPHONE: <u>816-783-8229</u></p> <p>EMAIL ADDRESS: <u>kdefrain@naic.org</u></p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Miriam Fisk</u></p> <p>TITLE: <u>Chair</u></p> <p>AFFILIATION: <u>Actuarial Opinion (C) Working Group</u></p> <p>ADDRESS: <u>Miriam.fisk@tdi.texas.gov</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2024-06BWG</u></p> <p>Year <u>2024</u></p> <p>Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ]</p> <p>New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input checked="" type="checkbox"/> [ X ]</p> <p>Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ NO ]</p> <p><i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment</p> <p><input type="checkbox"/> [ ] Referred To Another NAIC Group</p> <p><input type="checkbox"/> [ ] Received For Public Comment</p> <p><input type="checkbox"/> [ ] Adopted Date _____</p> <p><input type="checkbox"/> [ ] Rejected Date _____</p> <p><input type="checkbox"/> [ ] Deferred Date _____</p> <p><input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT     | <input type="checkbox"/> [ ] INSTRUCTIONS             | <input type="checkbox"/> [ ] CROSSCHECKS              |
| <input type="checkbox"/> [ ] QUARTERLY STATEMENT               | <input type="checkbox"/> [ ] BLANK                    |   |
| <input type="checkbox"/> [ ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts        | <input checked="" type="checkbox"/> [ X ] Title       |
| <input checked="" type="checkbox"/> [ X ] Property/Casualty    | <input type="checkbox"/> [ ] Protected Cell           | <input type="checkbox"/> [ ] Other _____              |
| <input type="checkbox"/> [ ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement) | <input type="checkbox"/> [ ] Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Property/Casualty Changes: Limit the requirement to send qualification documentation to the Board of Directors only at the initial appointment and not annually thereafter.

Title Changes: Update the title instructions so they are more similar to Property/Casualty instructions.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The qualification documentation provides useful information to the Board and to regulators. The qualification documentation for a particular Appointed Actuary does not change significantly from year to year, which reduces the need for the Board and regulators to receive the documentation annually. That said, both the Board and regulators can still request updated qualification documentation at any time.

It has been beneficial in years past to maintain consistency between the title and property/casualty instructions. The proposal brings the title instructions up to date with the property/casualty instructions. One exception is the extensive requirements for evaluation of P/C appointed actuary qualification are not proposed for title because title insurance was not included in the NAIC's appointed actuary qualifications project.

**\*\*\*IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL\*\*\***

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments: \_\_\_\_\_

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT BLANK –PROPERTY/CASUALTY****ACTUARIAL OPINION**

1. There is to be included with or attached to Page 1 of the Annual Statement the statement of the Appointed Actuary, entitled “Statement of Actuarial Opinion” (Actuarial Opinion), setting forth his or her opinion relating to reserves specified in the SCOPE paragraph. The Actuarial Opinion, both the narrative and required Exhibits, shall be in the format of and contain the information required by this section of the *Annual Statement Instructions – Property and Casualty*.

Upon initial engagement, the Appointed Actuary must be appointed by the Board of Directors by Dec. 31 of the calendar year for which the opinion is rendered. The Company shall notify the domiciliary commissioner within five business days of the initial appointment with the following information:

- a. Name and title (and, in the case of a consulting actuary, the name of the firm).
- b. Manner of appointment of the Appointed Actuary (e.g., who made the appointment and when).
- c. A statement that the person meets the requirements of a Qualified Actuary (or was approved by the domiciliary commissioner) and that documentation was provided to the Board of Directors.

Once this notification is furnished, no further notice is required with respect to this person unless the Board of Directors takes action to no longer appoint or retain the actuary or the actuary no longer meets the requirements of a Qualified Actuary.

If subject to the *U.S. Qualification Standards*, the Appointed Actuary shall annually attest to having met the continuing education requirements under Section 3 of the *U.S. Qualification Standards* for issuing Actuarial Opinions. As agreed with the actuarial organizations, the Casualty Actuarial Society (CAS) and Society of Actuaries (SOA) will determine the process for receiving the attestations for their respective members and make available the attestations to the public. An Appointed Actuary subject to the *U.S. Qualification Standards* and not a member of the CAS or SOA shall select one of the above organizations to submit their attestation.

The Appointed Actuary shall provide to the Board of Directors qualification documentation on occasion of their appointment, ~~and on an annual basis thereafter~~, directly or through company management. The documentation should include brief biographical information and a description of how the definition of “Qualified Actuary” is met or expected to be met (in the case of continuing education) for that year. The documentation should describe the Appointed Actuary’s responsible experience relevant to the subject of the Actuarial Opinion. The Board of Directors shall document their review of those materials and any other information they may deem relevant, including information that may be requested directly from the Appointed Actuary. It is generally expected that the review of the Appointed Actuary’s qualification documentation should take place at the level within a holding company structure that is responsible for overseeing insurance operations. If a statutory entity is a subsidiary or a non-lead pool member with an Appointed Actuary whose qualifications were reviewed by the pool lead or principal’s Board, the statutory entity’s Board can satisfy the review requirement by acknowledging the parent Board’s review. This can be done by noting in the meeting minutes the name of the principal or lead entity and the date the parent Board reviewed the qualification documentation, or by attaching a copy of the parent Board’s meeting minutes reflecting their review of the qualification documentation. The qualification documentation shall be considered workpapers and be available for inspection upon regulator request or during a financial examination.

If an actuary who was the Appointed Actuary for the immediately preceding filed Actuarial Opinion is replaced by an action of the Board of Directors, the Insurer shall within five (5) business days notify the Insurance Department of the state of domicile of this event. The Insurer shall also furnish the domiciliary commissioner with a separate letter within ten (10) business days of the above notification stating whether in the twenty-four (24) months preceding such event there were any disagreements with the former Appointed Actuary regarding the content of the opinion on matters of the risk of material adverse deviation, required disclosures, scope, procedures, type of opinion issued, substantive wording of the opinion or data quality. The disagreements required to be reported in response to this paragraph include both those resolved to the former Appointed Actuary’s satisfaction and those not resolved to the former Appointed Actuary’s satisfaction. The letter should include a description of ~~the each~~ disagreement and the nature of its resolution (or that it was not resolved). Within this same ten (10) business days, the Insurer shall in writing also request such former Appointed Actuary to furnish a letter addressed to the Insurer stating whether the Appointed Actuary agrees with the statements contained in the Insurer’s letter and, if not, stating the reasons for which he or she does not agree.

The former Appointed Actuary shall provide a written response to the insurer within ten (10) business days of such request, and the Insurer shall furnish such responsive letter from the former Appointed Actuary to the domiciliary commissioner together with its own responses.

The Appointed Actuary must report to the Board of Directors each year on the items within the scope of the Actuarial Opinion. The Actuarial Opinion and the Actuarial Report must be made available to the Board of Directors. The minutes of the Board of Directors should indicate that the Appointed Actuary has presented such information to the Board of Directors and identify the manner of presentation (e.g., webinar, in-person presentation, written). A separate Actuarial Opinion is required for each company filing an Annual Statement. When there is an affiliated company pooling arrangement, one Actuarial Report for the aggregate pool is sufficient, but there must be addendums to the Actuarial Report to cover non-pooled reserves for individual companies.

The Actuarial Opinion and the supporting Actuarial Report and workpapers should be consistent with the appropriate Actuarial Standards of Practice (ASOPs), including, but not limited to, ASOP No. 23, ASOP No. 36, ASOP No. 41 and ASOP No. 43, as promulgated by the Actuarial Standards Board.

**Detail Eliminated To Conserve Space**

1C. Reporting Requirements for Pooled Companies

For each company in the pool, the Appointed Actuary shall include a description of the pool, identification of the lead company and a listing of all companies in the pool, their state of domicile and their respective pooling percentages.

Exhibits A and B for each company in the pool should represent the company's share of the pool and should reconcile to the financial statement for that company.

The following paragraph applies to companies that have a 0% share of the pool (no reported Schedule P data). The company shall submit an Actuarial Opinion that reads similar to that provided for the lead company. For example, the IRIS ratio and risk of material adverse deviation discussions, and other relevant comments shall relate to the risks of the lead company in the pool. The Exhibit B responses to question 5 should be \$0 and to question 6 should be "not applicable." Exhibits A and B of the lead company should be attached as an addendum to the PDF file and/or hard copy being filed (but would not be reported by the 0% companies in their data capture).

2. The Actuarial Opinion must consist of an IDENTIFICATION paragraph identifying the Appointed Actuary; a SCOPE paragraph identifying the subjects on which an opinion is to be expressed and describing the scope of the Appointed Actuary's work; an OPINION paragraph expressing his or her opinion with respect to such subjects; and one or more additional RELEVANT COMMENTS paragraphs. These four sections must be clearly designated.
3. The IDENTIFICATION paragraph should indicate the Appointed Actuary's relationship to the Company, qualifications for acting as Appointed Actuary and date of appointment and specify that the appointment was made by the Board of Directors. ~~Additionally, the IDENTIFICATION paragraph should include a statement asserting that the Appointed Actuary has complied with the requirement to provide qualification documentation to the Board of Directors, either directly or through company management.~~

If the Appointed Actuary was approved by the Academy to be a "Qualified Actuary," with or without limitation, or if the Appointed Actuary is not a Qualified Actuary but was approved by the domiciliary commissioner, the company must attach, each year, the approval letter and reference such in the identification paragraph.

**ANNUAL STATEMENT BLANK –TITLE****ACTUARIAL OPINION**

1. There is to be included with or attached to Page 1 of the Annual Statement, the statement of a Qualified Actuary, entitled “Statement of Actuarial Opinion” (Actuarial Opinion) setting forth his or her opinion relating to reserves specified in the SCOPE paragraph. The Actuarial Opinion, both the narrative and **required** exhibits, shall be in the format of and contain the information required by this section of the *Annual Statement Instructions – Title*.

Upon initial engagement, The Qualified-Appointed Actuary must be appointed by the Board of Directors or its equivalent, or by a committee of the Board, by December-Dec. 31 of the calendar year for which the opinion is rendered. Upon initial appointment (or “retention”), the The Company shall notify the domiciliary commissioner within five business days of the appointment with the following information:

- a. Name and title (and, in the case of a consulting actuary, the name of the firm).
- b. Manner of appointment of the Appointed Actuary (e.g., who made the appointment and when).
- c. A statement that the person meets the requirements of a Qualified Actuary (or was approved by the domiciliary commissioner).

Once this notification is furnished, no further notice is required with respect to this person unless the Board of Directors takes action to no longer appoint or retain the actuary or the actuary no longer meets the actuary ceases to be appointed or retained or ceases to meet the requirements of a Qualified Actuary.

If an actuary who was the Appointed Actuary for the immediately preceding filed Actuarial Opinion is replaced by an action of the Board of Directors, the Insurer shall within five (5) business days notify the Insurance Department of the state of domicile of this event. The Insurer shall also furnish the domiciliary commissioner with a separate letter within ten (10) business days of the above notification stating whether in the twenty-four (24) months preceding such event there were any disagreements with the former Appointed Actuary regarding the content of the opinion on matters of the risk of material adverse deviation, required disclosures, scope, procedures, type of opinion issued, substantive wording of the opinion or data quality. The disagreements required to be reported in response to this paragraph include both those resolved to the former Appointed aActuary’s satisfaction and those not resolved to the former Appointed aActuary’s satisfaction. The letter should include a description of the each disagreements and the nature of its resolution (or that it was not resolved). Within this same ten (10) business days, The Insurer shall in writing also request in writing such former Appointed aActuary to furnish a letter addressed to the Insurer stating whether the Appointed aActuary agrees with the statements contained in Insurer’s letter and, if not, stating the reasons for which he or she does not agree; The former Appointed Actuary shall provide a written response to the insurer within ten (10) business days of such request, and the Insurer shall furnish such responsive letter from the former Appointed aActuary to the domiciliary commissioner together with its own responses.

The Appointed Actuary must report to the Board of Directors or the Audit Committee each year on the items within the scope of the Actuarial Opinion. The Actuarial Opinion and the Actuarial Report must be made available to the Board of Directors. The minutes of the Board of Directors should indicate that the Appointed Actuary has presented such information to the Board of Directors or the Audit Committee and that the Actuarial Opinion and the Actuarial Report were made available identify the manner of presentation (e.g., webinar, in-person presentation, written). A separate Actuarial Opinion is required for each company filing an Annual Statement. When there is an affiliated company pooling arrangement, one Actuarial Report for the aggregate pool is sufficient, but there must be addendums to the Actuarial Report to cover non-pooled reserves for individual companies.

The Actuarial Opinion and the supporting Actuarial Report and workpapers, should be consistent with the appropriate Actuarial Standards of Practice (ASOPs), including but not limited to ASOP No. 23, ASOP No. 36, ASOP No. 41 and ASOP No. 43, as promulgated by the Actuarial Standards Board.

## 1A. Definitions

“Appointed Actuary” is a Qualified Actuary (or individual otherwise approved by the domiciliary commissioner) appointed by the Board of Directors in accordance with Section 1 of these instructions.

“Board of Directors” can include the designated Board of Directors, its equivalent or an appropriate committee directly reporting to the Board of Directors.

“Qualified Actuary” is a person who is either:

- (i) A member in good standing of the Casualty Actuarial Society; or
- (ii) An actuary evaluated by the Casualty Practice Council of the American Academy of Actuaries and determined to be a Qualified Actuary for title insurance.~~A member in good standing of the American Academy of Actuaries who has been approved as qualified for signing casualty loss reserve opinions by the Casualty Practice Council of the American Academy of Actuaries.~~

“Insurer” or “Company” means a reporting entity authorized to write title insurance under the laws of any state and who files on the Title Blank.

“Actuarial Report” means a document or other presentation, prepared as a formal means of conveying to the state regulatory authority and the Board of Directors, ~~or its equivalent,~~ the Appointed aActuary’s professional conclusions and recommendations, of recording and communicating the methods and procedures, of assuring that the parties addressed are aware of the significance of the Appointed aActuary’s opinion or findings and of documenting the analysis underlying the opinion. The ~~expected~~required content of the Actuarial Report is further described in paragraph 7. (Note that the inclusion of the Board of Directors as part of the intended audience for the Actuarial Report does not change the content of the Actuarial Report as described in paragraph 7. The Appointed Actuary should present findings to the Board of Directors in a manner deemed suitable for such audience.)

## 1B. Exemptions

An insurer who intends to file for one of the exemptions under this section must submit a letter of intent to its domiciliary commissioner no later than December 1 of the calendar year for which the exemption is to be claimed. The commissioner may deny the exemption prior to December 31 of the same year if the exemption is deemed inappropriate.

A copy of the approved exemption must be filed with the Annual Statement in all jurisdictions in which the company is authorized.

Exemption for Small Companies

An insurer that has less than \$1,000,000 total direct plus assumed written premiums during a calendar year, and less than \$1,000,000 total direct plus assumed loss and loss adjustment expense reserves at year-end, in lieu of the Actuarial Opinion required for the calendar year, may submit an affidavit under oath of an officer of the insurer that specifies the amounts of direct plus assumed written premiums and direct plus assumed loss and loss adjustment reserves.

Exemption for Insurers under Supervision or Conservatorship

Unless ordered by the domiciliary commissioner, an insurer that is under supervision or conservatorship pursuant to statutory provision is exempt from the filing requirements contained herein.

Exemption for Nature of Business

An insurer otherwise subject to the requirement and not eligible for an exemption as enumerated above may apply to its domiciliary commissioner for an exemption based on the nature of business written.

### Financial Hardship Exemption

An insurer otherwise subject to this requirement and not eligible for an exemption as enumerated above may apply to the commissioner for a financial hardship exemption.

Financial hardship is presumed to exist if the projected reasonable cost of the opinion would exceed the lesser of:

- (i) One percent (1%) of the insurer's capital and surplus reflected in the insurer's latest quarterly statement for the calendar year for which the exemption is sought; or
  - (ii) Three percent (3%) of the insurer's direct plus assumed premiums written during the calendar year for which the exemption is sought as projected from the insurer's latest quarterly statements filed with its domiciliary commissioner.
2. The ~~Statement of~~ Actuarial Opinion must consist of an IDENTIFICATION paragraph identifying the Appointed Actuary; a SCOPE paragraph identifying the subjects on which an opinion is to be expressed and describing the scope of the Appointed ~~a~~ Actuary's work; an OPINION paragraph expressing his or her opinion with respect to such subjects; and one or more additional RELEVANT COMMENTS paragraphs. These four sections must be clearly designated.
  3. The IDENTIFICATION paragraph should indicate the Appointed Actuary's relationship to the Company, qualifications for acting as Appointed Actuary, and date of appointment, and specify that the appointment was made by the Board of Directors ~~(or its equivalent) or by a committee of the Board.~~

~~A member of the American Academy of Actuaries qualifying under paragraph 1A(ii) must attach, each year, a copy of the approval letter from the Academy.~~

~~If the Appointed Actuary was approved by the Academy to be a "Qualified Actuary," with or without limitation, or if the Appointed Actuary is not a Qualified Actuary but was approved by the domiciliary commissioner, the company must attach, each year, the approval letter and reference such in the identification paragraph. These instructions require that a Qualified Actuary prepare the Actuarial Opinion. If a person who does not meet the definition of a Qualified Actuary has been approved by the insurance regulatory official of the domiciliary state, the Company must attach, each year, a letter from that official stating that the individual meets the state's requirements for rendering the Actuarial Opinion.~~

4. The SCOPE paragraph should contain a sentence such as the following:

"I have examined the actuarial assumptions and methods used in determining reserves listed in Exhibit A, as shown in the Annual Statement of the Company as prepared for filing with state regulatory officials, as of December 31, 20\_\_, and reviewed information provided to me through XXX date."

Exhibit A should list those items and amounts with respect to which the Appointed Actuary is expressing an opinion.

The Appointed Actuary should state that the items in the SCOPE paragraph, on which he or she is expressing an opinion, reflect the Disclosure items (8 through ~~14~~13) in Exhibit B.

The SCOPE paragraph should include a paragraph such as the following regarding the data used by the Appointed Actuary in forming the opinion:

"In forming my opinion on the loss and loss adjustment expense reserves, I relied upon data prepared by \_\_\_\_\_ ~~(officer name, affiliation and relation to~~ title at the Company). I evaluated that data for reasonableness and consistency. I also reconciled that data to Schedule P, Parts 1 and 2 of the Company's current Annual Statement. In other respects, my examination included such review of the actuarial assumptions and methods used and such tests of the calculations as I considered necessary."



5. The OPINION paragraph should include a sentence that at least covers the points listed in the following illustration:

“In my opinion, the amounts carried in Exhibit A on account of the items identified:

- A. Meet the requirements of the insurance laws of (state of domicile).
- B. Are computed in accordance with accepted actuarial standards.
- C. Make a reasonable provision for all unpaid loss and loss adjustment expense obligations of the Company under the terms of its contracts and agreements.”

If there is any aggregation or combination of items in Exhibit A, the opinion language should clearly identify the combined items.

Insurance laws and regulations shall at all times take precedence over the actuarial standards.

If the Appointed aActuary has made use of the work of another actuary not within the Appointed Actuary’s control (such as for pools and associations, for a subsidiary or for special lines of business) for a material portion of the reserves, the other actuary must be identified by name, credential and affiliation within the OPINION paragraph. If the Appointed Actuary has made use of the work of a non-actuary (such as for modeling) for a material portion of the reserves, that individual must be identified by name and affiliation and a description of the type of analysis performed must be provided.

A Statement of Actuarial Opinion should be made in accordance with one of the following sections (a through e). The Appointed aActuary must explicitly identify in Exhibit B which type applies.

- a. Determination of Reasonable Provision. When the carried reserve amount is within the Appointed aActuary’s range of reasonable reserve estimates, the Appointed aActuary should issue a Statement of Actuarial Opinion that the carried reserve amount makes a reasonable provision for the liabilities associated with the specified reserves.
- b. Determination of Deficient or Inadequate Provision. When the carried reserve amount is less than the minimum amount that the Appointed aActuary believes is reasonable, the Appointed aActuary should issue a ~~s~~Statement of ~~a~~Actuarial ~~o~~Opinion that the carried reserve amount does not make a reasonable provision for the liabilities associated with the specified reserves. In addition, the Appointed aActuary should disclose the minimum amount that the Appointed aActuary believes is reasonable.
- c. Determination of Redundant or Excessive Provision. When the carried reserve amount is greater than the maximum amount that the Appointed aActuary believes is reasonable, the Appointed aActuary should issue a Statement of Actuarial Opinion that the carried reserve amount does not make a reasonable provision for the liabilities associated with the specified reserves. In addition, the Appointed aActuary should disclose the maximum amount that the Appointed aActuary believes is reasonable.
- d. Qualified Opinion. When, in the Appointed aActuary’s opinion, the reserves for a certain item or items are in question because they cannot be reasonably estimated or the Appointed aActuary is unable to render an opinion on those items, the Appointed aActuary should issue a qualified Statement of Actuarial Opinion. The Appointed aActuary should disclose the item (or items) to which the qualification relates, the reason(s) for the qualification, and the amounts for such item(s), if disclosed by the Company. Such a qualified opinion should state whether the ~~stated-carried~~ reserve amount makes a reasonable provision for the liabilities associated with the specified reserves, *except for* the item (or items) to which the qualification relates. The Appointed aActuary is not required to issue a qualified opinion if the Appointed aActuary reasonably believes that the item (or items) in question are not likely to be material.
- e. No Opinion. The Appointed aActuary’s ability to give an opinion is dependent upon data, analyses, assumptions, and related information that are sufficient to support a conclusion. If the Appointed aActuary cannot reach a conclusion due to deficiencies or limitations in the data, analyses, assumptions, or related information, then the Appointed aActuary may issue a statement of no opinion. A statement of no opinion should include a description of the reasons why no opinion could be given.

6. The Appointed Actuary must provide RELEVANT COMMENT paragraphs to address the following topics of regulatory importance.

A. Company-Specific Risk Factors

The Appointed Actuary should include an explanatory paragraph to describe the major factors, combination of factors or particular conditions underlying the risks and uncertainties the actuary considers relevant. The explanatory paragraph should not include general, broad statements about risks and uncertainties due to economic changes, judicial decisions, regulatory actions, political or social forces, etc., nor is the Appointed Actuary required to include an exhaustive list of all potential sources of risks and uncertainties.

aB. Risk of Material Adverse Deviation.

The Appointed Actuary must provide specific RELEVANT COMMENT paragraphs to address the risk of material adverse deviation. The Appointed Actuary must identify the materiality standard and the basis for establishing this standard ~~with respect to the relevant characteristics of the Company~~. The materiality standard must also be disclosed in U.S. dollars in Exhibit B: Disclosures. ~~The Appointed Actuary should include an explanatory paragraph to describe the major factors, combination of factors or particular conditions underlying the risks and uncertainties the actuary considers relevant. The explanatory paragraph should not include general, broad statements about risks and uncertainties due to economic changes, judicial decisions, regulatory actions, political or social forces, etc., nor is the Appointed Actuary required to include an exhaustive list of all potential sources of risks and uncertainties.~~ The Appointed Actuary should explicitly state whether or not he or she reasonably believes that there are significant risks and uncertainties that could result in material adverse deviation. This determination is also to be disclosed in Exhibit B.

bC. Other Disclosures in Exhibit B

RELEVANT COMMENT paragraphs should describe the significance of each of the remaining Disclosure items (8 through 14) in Exhibit B. The Appointed Actuary should address the items individually and in combination when commenting on a material impact.

~~If the Company's reserves will cause the ratio of One Year or Two Year Known Claims Reserve Development (shown in Schedule P, Part 3) to the respective prior year's Policyholders' Surplus to be greater than 20%, the Appointed Actuary must include RELEVANT COMMENT on the factors that led to the exceptional reserve development.~~

eD. Reinsurance

RELEVANT COMMENT paragraphs should address reinsurance collectability, retroactive reinsurance and financial reinsurance .

The Appointed Actuary's comments on reinsurance collectability should address any uncertainty associated with including potentially-uncollectable amounts in the estimate of ceded reserves. Before commenting on reinsurance collectability, the Appointed Actuary should solicit information from management on any actual collectability problems, review ratings given to reinsurers by a recognized rating service, and examine Schedule F for the current year for indications of regulatory action or reinsurance recoverable on paid losses over ninety (90) days past due. The comment should also reflect any other information the actuary has received from management or that is publicly available about the capability or willingness of reinsurers to pay claims. The Appointed Actuary's comments do not imply an opinion on the financial condition of any reinsurer.

Retroactive reinsurance refers to agreements referenced in *SSAP No. 62R—Property and Casualty Reinsurance of the Accounting Practices and Procedures Manual*.

Financial reinsurance refers to contracts referenced in *SSAP No. 62R—Property and Casualty Reinsurance of the Accounting Practices and Procedures Manual* in which credit is not allowed for the ceding insurer because the arrangements do not include a transfer of both timing and underwriting risk that the reinsurer undertakes in fact to indemnify the ceding insurer against loss or liability by reason of the original insurance.

dE. Reserve Development

If the Company's reserves will cause the ratio of One-Year or Two-Year Known Claims Reserve Development (shown in Schedule P, Part 3) or One-Year or Two-Year Reserve Development (shown in Schedule P, Part 2) to the respective prior year's Policyholders' Surplus to be greater than 20%, the Appointed actuary must include RELEVANT COMMENT on the factors that led to the exceptional reserve development.

eF. Methods and Assumptions

If there has been any significant change in the actuarial assumptions and/or methods from those previously employed, that change should be described in a RELEVANT COMMENT paragraph. If the Appointed Actuary is newly-appointed and does not review the work of the prior Appointed Actuary, then the Appointed Actuary should disclose this.

7. The Actuarial Opinion must include assurance that an Actuarial Report and underlying actuarial workpapers supporting the Actuarial Opinion will be maintained at the Company and available for examination for seven (7) years. The Actuarial Report contains significant proprietary information. It is expected that the Actuarial Report be held confidential and not be intended for public inspection. The Actuarial Report must be available by May 1 of the year following the year-end for which the Actuarial Opinion was rendered or within two (2) weeks after a request from an individual state commissioner.

The Actuarial Report should be consistent with the documentation and disclosure requirements of ASOP No. 41, Actuarial Communications. The Actuarial Report must contain both narrative and technical components. The narrative component should provide sufficient detail to clearly explain to eCompany management, the Board of Directors, the regulator, or other authority the findings, recommendations and conclusions, as well as their significance. The technical component should provide sufficient documentation and disclosure for another actuary practicing in the same field to evaluate the work. This technical component must show the analysis from the basic data (e.g., loss triangles) to the conclusions.

The Actuarial Report must also include:

- A description of the Appointed Actuary's relationship to the Company, with clear presentation of the Appointed Actuary's role in advising the Board of Directors and/or management regarding the carried reserves. The Actuarial Report should identify how and when the Appointed Actuary presents the analysis to the Board and, where applicable, to the officer(s) of the Company responsible for determining the carried reserves.
- An exhibit that ties to the Annual Statement and compares the Appointed Actuary's conclusions to the carried amounts consistent with the segmentation of exposure or liability groupings used in the analysis. The Appointed Actuary's conclusions include the Appointed Actuary's point estimate(s), range(s) of reasonable estimates or both.
- An exhibit that reconciles and maps the data used by the Appointed Actuary, consistent with the segmentation of exposure or liability groupings used in the Appointed Actuary's analysis, to the Annual Statement Schedule P.
- An exhibit or appendix showing the change in the Appointed Actuary's estimates from the prior Actuarial Report, including extended discussion of factors underlying any material changes. The exhibit or appendix should illustrate the changes on a net basis but should also include the changes on a gross basis, if relevant. If the Appointed Actuary is newly-appointed and does not review the work of the prior Appointed Actuary, then the Appointed Actuary should disclose this.

- Extended comments on trends that indicate the presence or absence of risks and uncertainties that could result in material adverse deviation.
  - Extended comments on factors that led to exceptional reserve development, as defined in ~~6C and 6D6E~~, and how these factors were addressed in prior and current analyses.
8. The ~~statement~~ Actuarial Opinion should conclude with the signature of the Appointed Actuary responsible for providing the Actuarial Opinion and the date when the Opinion was rendered. The signature and date should appear in the following format:

---

Signature of Appointed Actuary  
 Printed name of Appointed actuary  
 Employer's name  
 Address of Appointed Actuary  
 Telephone number of Appointed Actuary  
 Email address of Appointed Actuary  
 Date opinion was rendered

The same information should be reproduced within the Actuarial Report, along with the date the Actuarial Report was finalized.

9. The Insurer required to furnish an Actuarial Opinion shall require its Appointed Actuary to notify its Board of Directors or its audit committee in writing within five (5) business days after any determination by the Appointed Actuary that the Actuarial Opinion submitted to the domiciliary commissioner was in error as a result of reliance on data or other information (other than assumptions) that, as of the balance sheet date, was factually incorrect. The Opinion shall be considered to be in error if the Actuarial Opinion would have not been issued or would have been materially altered had the correct data or other information been used. The Actuarial Opinion shall not be considered to be in error if it would have been materially altered or not issued solely because of data or information concerning events subsequent to the balance sheet date or because actual results differ from those projected. Notification is required when discovery is made between the issuance of the Actuarial Opinion and Dec. 31 of that year. Notification should include a summary of such findings.

~~Notification shall be required for any such determination made between the issuance of the Actuarial Opinion and the balance sheet date for which the next Actuarial Opinion will be issued. The notification should include a summary of such findings and an amended Actuarial Opinion.~~

~~An Insurer who is notified pursuant to the preceding paragraphs shall forward a copy of the summary and the amended Actuarial Opinion to the domiciliary commissioner within five (5) business days of receipt of such and shall provide the Appointed Actuary making the notification with a copy of the summary and amended Actuarial Opinion being furnished to the domiciliary commissioner. If the Appointed Actuary fails to receive such copy within the five (5) business day period referred to in the previous sentence, the Appointed Actuary shall notify the domiciliary commissioner within the next five (5) business days that the submitted Actuarial Opinion should no longer be relied upon or such other notification recommended by the actuary's attorney.~~

If the Appointed Actuary learns that the data or other information relied upon was factually incorrect, but cannot immediately determine what, if any, changes are needed in the Actuarial Opinion, the Appointed aActuary and the Company should quickly undertake as quickly as is reasonably practical those procedures necessary for the Appointed Actuary to make the such determination discussed above. If the Insurer does not provide the necessary data corrections and other support (including financial support) within ten (10) business days, the Appointed aActuary should proceed with the notification to the Board of Directors and the domiciliary commissioner discussed above.

An Insurer who is notified pursuant to the preceding paragraphs shall forward a copy of the amended Actuarial Opinion to the domiciliary commissioner within five (5) business days of receipt of such and shall provide the Appointed Actuary making the notification with a copy of the letter and amended Actuarial Opinion being furnished to the domiciliary commissioner. If the Appointed Actuary fails to receive such copy within the five (5) business day period referred to in the previous sentence, the Appointed Actuary shall notify the domiciliary commissioner within the next five (5) business days that an amended Actuarial Opinion has been finalized.

No Appointed Actuary shall be liable in any manner to any person for any statement made in connection with the above paragraphs if such statement is made in a good faith effort to comply with the above paragraphs.

10. Data in Exhibit A and Exhibit B are to be filed in both print and data capture format.

STATEMENT OF ACTUARIAL OPINION

**Exhibit A: SCOPE**

DATA TO BE FILED IN BOTH PRINT AND DATA CAPTURE FORMAT

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES:	<u>Amount</u>
1. Unpaid Losses and Loss Adjustment Expenses (Schedule P, Part 1, Total Column 24 * 1000 or Total Column 34 * 1000 if discounting is allowable under state law)	\$ _____
2. Unpaid Losses and Loss Adjustment Expenses - Direct and Assumed (Should equal Schedule P, Part 1, Summary, Totals from Columns 17, 18, 20, 21, and 23, Line 12 * 1000)	\$ _____
3. Other items on which the Appointed Actuary is expressing an Opinion (list separately, adding additional lines as needed)	\$ _____

**Exhibit B: DISCLOSURES**

DATA TO BE FILED IN BOTH PRINT AND DATA CAPTURE FORMAT

NOTE: Exhibit B should be completed for Net dollar amounts included in the SCOPE. If an answer would be different for Direct and Assumed amounts, identify and discuss the difference within RELEVANT COMMENTS.

	Last	First	Middle
1. Name of the Appointed Actuary	_____	_____	_____
2. The Appointed Actuary's relationship to the Company. Enter E or C based upon the following: E - If an Employee of the Company or Group C - If a Consultant			_____ _____
3. The Appointed Actuary has the following designation (indicated by the letter code): F - If a Fellow of the Casualty Actuarial Society (FCAS) A - If an Associate of the Casualty Actuarial Society (ACAS) M - If not a member of the Casualty Actuarial Society, but a Member of the American Academy of Actuaries (MAAA) approved by the Casualty Practice Council, as documented with the attached approval letter. O - For Other			_____ _____ _____ _____

- 4. Type of Opinion, as identified in the OPINION paragraph.  
Enter R, I, E, Q, or N based upon the following:
  - R - If Reasonable
  - I - If Inadequate or Deficient Provision
  - E - If Excessive or Redundant Provision
  - Q - If Qualified (use Q when part of the OPINION is Qualified) \_\_\_\_\_
  - N - If No Opinion \_\_\_\_\_
- 5. Materiality Standard expressed in U.S. dollars (used to answer question #6) \$ \_\_\_\_\_
- 6. Are there significant risks that could result in Material Adverse Deviation? \_\_\_\_\_
- 7. Statutory Surplus (Liabilities, Surplus, and Other Funds Page, Line 32) \$ \_\_\_\_\_
- 8. Known claims reserve (Liabilities, Surplus, and Other Funds Page, Line 1) \$ \_\_\_\_\_
- 9. Statutory premium reserve (Liabilities, Surplus, and Other Funds Page, Line 2) \$ \_\_\_\_\_
- 10. Aggregate of other reserves required by law (Liabilities, Surplus, and Other Funds Page, Line 3) \$ \_\_\_\_\_
- 11. Supplemental reserve (Liabilities, Surplus, and Other Funds Page, Line 4) \$ \_\_\_\_\_
- 12. Anticipated net salvage and subrogation included as a reduction to loss reserves as reported in Schedule P \$ \_\_\_\_\_
- 13. Discount included as a reduction to loss reserves and loss adjustment expense reserves as reported in Schedule P \$ \_\_\_\_\_
- 14. Other items on which the Appointed Actuary is providing relevant comment (list separately, adding additional lines as needed) \$ \_\_\_\_\_

**Blanks (E) Working Group**  
**Editorial Revisions to the Blanks and Instructions**  
*(presented at the February 21, 2024, Meeting)*

Statement Type:

H = Health; L/F = Life/Fraternal Combined; P/C = Property/Casualty; SA = Separate Accounts; T = Title

Effective	Table Name	Description	Statement Type	Filing Type
2024	Schedule DL, Parts 1 and 2	<p><b>CHANGE TO BLANK</b></p> <p>Update the sub header for the line reference on the Assets page for separate accounts.</p> <p style="text-align: center;"><b>SCHEDULE DL – PART 1</b>  <b>SECURITIES LENDING COLLATERAL ASSETS</b>  Reinvested Collateral Assets Owned December 31 Current Year  (Securities lending collateral assets reported in aggregate on Line 10 of the Assets page <u>(Line 9 for Separate Accounts)</u>  and not included on Schedules A, B, BA, D DB and E)</p> <p style="text-align: center;"><b>SCHEDULE DL – PART 2</b>  <b>SECURITIES LENDING COLLATERAL ASSETS</b>  Reinvested Collateral Assets Owned December 31 Current Year  (Securities lending collateral assets included on Schedules A, B, BA, D, DB and E  and not reported in aggregate on Line 10 of the Assets page <u>(Line 9 for Separate Accounts)</u>)</p>	H, L/F, P/C, T	Annual / Quarterly
2024	Schedule DL, Parts 1 and 2	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the sub header for the line reference on the Assets page for separate accounts.</p> <p style="text-align: center;"><b><u>SCHEDULE DL – PART 1</u></b></p> <p style="text-align: center;"><b><u>SECURITIES LENDING COLLATERAL ASSETS</u></b>  Reinvested Collateral Assets Owned December 31 Current Year  (Securities lending collateral assets reported in aggregate on Line 10 of the asset page  <u>(Line 9 for Separate Accounts)</u> and not included on Schedules A, B, BA, D, DB and E.)</p> <p style="text-align: center;"><b><u>SCHEDULE DL – PART 2</u></b></p> <p style="text-align: center;"><b><u>SECURITIES LENDING COLLATERAL ASSETS</u></b>  Reinvested Collateral Assets Owned December 31 Current Year  (Securities lending collateral assets included on Schedules A, B, BA, D, DB and E  <u>(Line 9 for Separate Accounts)</u> and not reported in aggregate on Line 10 of the asset page.)</p>	H, L/F, P/C, T	Annual / Quarterly

Effective	Table Name	Description	Statement Type	Filing Type
2024	Market Conduct Annual Statement (MCAS) Premium Exhibit for Year	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Clarification on Fraternal companies filing MCAS Supplement.</p> <p><b><u>MARKET CONDUCT ANNUAL STATEMENT (MCAS) PREMIUM EXHIBIT FOR YEAR</u></b></p> <p><b><u>*** For 2023, Fraternal Benefit Societies should update all fields with “No” as they are not required to file an MCAS. Fraternal Benefit Societies are not currently required to file an MCAS and should answer “No” to Interrogatory 36 on the Life/Fraternal Statement’s Supplemental Exhibits and Schedules Interrogatories.***</u></b></p>	H, L/F, P/C	Annual
2024	Combined Annual Statement for Affiliated Property/Casualty Insurers	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the Line reference for Schedule D, Part 2 back to line 5999999999 instead of line 5989999999 because there are eliminating entries of common affiliate stock that has to be done with the combined statement. These entries are noted in the combined instructions. This was updated to line 5989999999 for annual 2022 but was decided it should have stayed as line 5999999999.</p> <p>6. With the exception of Schedule Z, the format to be used is that of the NAIC Annual Statement blank for property/casualty insurers. The specific pages, exhibits, and schedules to be included are as follows:</p> <p style="padding-left: 40px;">Title Page (in part) Assets Liabilities, Surplus and Other Funds Statement of Income Cash Flow Underwriting and Investment Exhibit, Parts 1 through 3 Exhibit of Net Investment Income Exhibit of Capital Gains (Losses) Schedule D, Summary by Country Schedule D, Part 1A, Sections 1 and 2 Schedule D, Parts 1 and 2, Totals (Line 2509999999, 4509999999 or <del>5989999999</del>5999999999) only</p> <p style="padding-left: 40px;">Note: Do not complete the footnote for Schedule D, Parts 1 and 2</p>	P/C	Annual



Effective	Table Name	Description	Statement Type	Filing Type
2024	Supplemental Health Care Exhibit – Parts 1 and 2	<p><b>CHANGE TO INSTRUCTION</b></p> <p>A line in the instructions was inadvertently removed with proposal 2022-16BWG.</p> <p>A schedule must be prepared and submitted for each jurisdiction in which the company has written direct comprehensive major medical health business, or has direct amounts paid, incurred or unpaid for provisions of health care services. In addition, a schedule must be prepared and submitted that contains the grand total (GT) for the company. However, insurers that have no business that would be included in Columns 1 through 9 or 12 of Part 1 for ANY of the states are not required to complete this supplement at all. If an insurer is required to file the supplement, then the insurer must complete Parts 1 and 2 for each state in which the insurer has any health business, even if a particular state will show \$0 earned premiums reported in Columns 1 through 9 or 12 of Part 1. <u>Companies should contact their domiciliary regulator to obtain a waiver of the filing if the only reportable business in Columns 1 through 9 are comprised of closed blocks of small group, large group or individual business that, if totaled across all states, does not equal 1,000 lives in total.</u></p>	H, L/F, P/C	Annual
2024	Schedule D, Part 1 and Part 2, Section 1 and 2	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add guidance language for PLGI SVO Administrative Symbol. (Column 6 for Schedule D, Part 1 and Column 20 for Schedule D, Part 2, Section 1)</p> <p>SVO Administrative Symbol:</p> <p>Following are valid SVO Administrative Symbols for bonds. Refer to the <i>Purposes and Procedures Manual of the NAIC Investment Analysis Office</i> for the application of these symbols.</p> <p>S Additional or other non-payment risk</p> <p>SYE Additional or other non-payment risk - Year-end carry over</p> <p>FE Filing Exempt</p> <p>FM Financially Modeled RMBS/CMBS subject to SSAP 43R</p> <p>YE Year-end carry over</p> <p>IF Initial filing</p> <p>PL Private Letter Rating</p> <p>PLGI Private Letter Rating – reported on General Interrogatory – <u>for guidance on Private Letter Securities refer to Part Three of the <i>Purposes and Procedures Manual of the NAIC Investment Analysis Office</i></u></p>	H, L/F, P/C, T	Annual

Effective	Table Name	Description	Statement Type	Filing Type
2024	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>With the editorial change adopted on 11/7/2023 for Note 12A(1) the illustration now needs to be updated for actuarial gain/loss.</p> <p>12A(1)</p> <p>a. Pension Benefits</p> <ol style="list-style-type: none"> <li>1. Benefit obligation at beginning of year</li> <li>2. Service cost</li> <li>3. Interest cost</li> <li>4. Contribution by plan participants</li> <li>5. Actuarial <del>gain (loss)</del>gain / loss</li> </ol> <p>***Detail Eliminated to Conserve Space***</p> <p>b. Postretirement Benefits</p> <ol style="list-style-type: none"> <li>1. Benefit obligation at beginning of year</li> <li>2. Service cost</li> <li>3. Interest cost</li> <li>4. Contribution by plan participants</li> <li>5. Actuarial <del>gain (loss)</del>gain / loss</li> </ol> <p>***Detail Eliminated to Conserve Space***</p> <p>c. Special or Contractual Benefits Per SSAP No. 11</p> <ol style="list-style-type: none"> <li>1. Benefit obligation at beginning of year</li> <li>2. Service cost</li> <li>3. Interest cost</li> <li>4. Contribution by plan participants</li> <li>5. Actuarial <del>gain (loss)</del>gain / loss</li> </ol> <p>***Detail Eliminated to Conserve Space***</p>	H, L/F, P/C, T	Annual

**Blanks (E) Working Group  
Summary of Comments for February 21, 2024  
National Meeting**

**ITEMS RECEIVED FOR COMMENT**

Reference Number	Description
<b>2023-05BWG Modified</b>	Changes to the Cybersecurity supplement to remove the reference to Identity Theft Insurance from the General Instructions; remove the interrogatory questions from Part 1 that pertain to Identity Theft Insurance; and remove the column for Identity Theft Insurance from Parts 2 and 3. Remove claims-made and occurrence breakdown, as well as first-party and third-party breakdowns from data collection and remove the question in the interrogatories regarding tail policies.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 16 <span style="float: right;">Page 1 of 4</span>
	IPs have no comment.
<b>2023-12BWG Modified</b>	Categorize debt securities on Schedule BA that do not qualify as bonds under SSAP No. 26 – Bonds or SSAP No. 43R – Asset-Backed Securities and are captured in scope of SSAP No. 21R – Other Invested Assets.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 16 <span style="float: right;">Page 2 of 4</span>
	Comment letter suggests editorial revisions to the proposal. See full comment letter for details.
<b>2023-13BWG Modified</b>	Add new instruction and illustration under Note 5 – Investments for Net Negative (Disallowed) Interest Maintenance Reserve (IMR) and a new general interrogatory for a company attestation.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 16 <span style="float: right;">Page 3 of 4</span>
	IPs suggest some clarifying language to Note 5S. See full comment letter for details.
<b>2023-14BWG Modified</b>	Revise the Health Test Language and General Interrogatories.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 16 <span style="float: right;">Page 3 of 4</span>
	IPs suggest some edits to the Property/Casualty Instructions for consistency between lines 2.1 (Premium Numerator) and 2.4(a) (Reserve Numerator). See full comment letter for details.

Reference Number	Description
<b>2023-15BWG</b>	Add a new General Interrogatory to the Life General Interrogatories Part 2 to provide needed information for completing the C-2 mortality risk in the Life Risk-Based Capital (RBC).
<u>Comment #1 – Industry Interested Parties</u>	Attachment 16 Page 4 of 4  IPs suggest a few editorials to the first 3 sections for clarity. See full comment letter for details.
<b>2023-15BWG</b>	Add a new General Interrogatory to the Life General Interrogatories Part 2 to provide needed information for completing the C-2 mortality risk in the Life Risk-Based Capital (RBC).
<u>Comment #1 – Industry Interested Parties</u>	Attachment 16 Page 4 of 4  IPs have no comment.
<u>Comment # 2 – Gain Compliance &amp; AXA XL</u>	Attachment 16 Page 1-2 of 2  A few clarifying instructions are suggested for Parts 2, 3, and 5. See full comment letter for details.

<b>Interested Parties – NAIC Blanks Working Group</b>	
<b>Tip Tipton, CPA</b> Head of Accounting Policy Thrivent Phone: 612.844.7298 Email: tip.tipton@thrivent.com	<b>Sharlea Taft</b> NAIC Liaison Sapiens Phone: 319.677.2338 Email: sharlea.taft@sapiens.com

January 22, 2024

Ms. Pat Gosselin, Chair  
 Blanks Working Group  
 National Association of Insurance Commissioners  
 1100 Walnut St.  
 Kansas City, MO 64106

SUBJECT: Blanks Working Group (“BWG”) proposals with comments due on Monday, January 22, 2024

Dear Ms. Gosselin:

Interested Parties (“IPs”) appreciate the opportunity to review and comment on the 5 proposals that were either exposed or re-exposed during the conference call held by BWG on Tuesday, November 7, 2023 and 1 item that was exposed by email on Thursday, December 21, 2023, with a comment due date of Monday, January 22, 2024.

[2023-05BWG](#) [Exposed changes modify the Cybersecurity Supplement to remove the reference to Identity Theft Insurance from the General Instructions. Remove the data pertaining to Identity Theft Insurance from Parts 1, 2 and 3. Add a new Part 5 for Cybersecurity Coverage by State. Proposed effective date is Annual 2024.]

IPs are appreciative of the opportunity to work with NAIC staff and state insurance regulators on the modifications and have no additional comments.

**2023-12BWG** [Exposed changes to categorize debt securities on Schedule BA that do not qualify as bonds on Schedule D under *SSAP No. 26R—Bonds* or *SSAP No. 43R—Asset-Backed Securities* and are captured in scope of *SSAP No. 21R—Other Invested Assets*. This exposure is sponsored by SAPWG Ref #2023-16 (*Schedule BA Reporting Categories*). Proposed effective date is 1<sup>st</sup> Quarter 2025 / Annual 2025.]

IPs continue to evaluate this exposure in conjunction with the sponsoring item SAPWG Ref #2023-16 – *Schedule BA Reporting Categories*. IPs recommend clarifying language as highlighted in Attachment A, which is a markup version of the exposure. IPs suggest that this item be re-exposed and addressed after the changes in SAPWG Ref #2019-21 – *Residual Interests Measurement Method* and SAPWG Ref #2023-16 – *Schedule BA Reporting Categories* have been adopted by SAPWG.

Based on discussions between IPs and NAIC staff on the ‘Non-Registered Private Funds’ category being eliminated and incorporated into the ‘Joint Venture, Partnership or Limited Liability Company Interests’ category, a new item has been exposed by SAPWG (Ref #2023-28) for Collateral Loan Reporting. IPs look forward to collaborating with the NAIC staff on this new exposure to identify the proper reporting for certain warehousing loans that are currently reported in the “non-registered private funds” category and that are collateralized by specific assets. As discussed with NAIC staff, insurers are reporting other fixed income investments in this section of Schedule BA. Examples of such investments include structured settlement investments addressed in *SSAP No. 21R – Other Admitted Assets* that have obtained an NAIC designation, intercompany loans meeting admissibility requirements under *SSAP No. 25 – Affiliates and Other Related Parties* which have obtained an NAIC designation, and loans that are guaranteed by the full faith and credit of the U.S. government. Currently, the non-registered private funds section seems to be the only section of Schedule BA where insurers can report those types of investments. Accordingly, we believe that more work needs to be done to provide appropriate reporting for these types of investments before the removal of the non-registered private fund section. IPs also believe that any accounting and reporting changes impacting these items should have a consistent effective date of January 1, 2025 to align with the Bond Project.

In addition, SAPWG made referrals (dated August 28, 2023) regarding ‘SAPWG Schedule BA Proposal for Non-Bond Debt Securities’ to the Valuation of Securities Task Force and Capital Adequacy Task Force. IPs have received comments indicating that certain reporting changes, in addition to the Non-Bond Debt Securities categories on Schedule BA, will have RBC risk factor impacts based on the new and revised reporting categories.

IPs believe a coordination of effort in updating the accounting, reporting and RBC impacts is vital for changes to Schedule BA as part of the Bond Project.

**2023-13BWC** [Exposed changes to update Note 5 and the General Interrogatories to disclose data relating to Net Negative (Disallowed) Interest Maintenance Reserve, which is sponsored by SAPWG Ref #INT 23-01. Proposed effective date is 1<sup>st</sup> Quarter 2024 / Annual 2024.]

IPs recommend the following modifications:

- For Note 5S, add a clarifying instruction to link this note with Note 13I when updating the ‘Special Surplus Funds’ line.
  - S. Reporting entities admitting net negative (disallowed) IMR are required to complete the following disclosures in the quarterly and annual financial statements. (*Note 5S only applies to Life/Fraternal companies*).
    - (2) Amounts of negative IMR admitted in the general account and reported as an asset in the insulated separate account and non-insulated blank. [Note: if a company completes this Note, consideration should be given to updating Note 13I (Reasons for Changes in Balance of Special Surplus Funds from Prior Period)]
- Move the proposed General Interrogatory #38 from Part 1 – Common Interrogatories to the end of Part 2 – Life, Accident and Health Companies / Fraternal Benefit Societies Interrogatories since this only applies to Life / Fraternal companies.
  - Answer “YES” if the company is admitting net negative (disallowed) interest maintenance reserve (IMR). ~~Life/Fraternal companies should answer “YES” or “NO”. Property/Casualty, Health, and Title companies should answer “N/A”~~

IPs have received several questions from industry on the disclosures associated with derivatives within this exposure. We are requesting a re-exposure of this item to allow IPs further time to evaluate the inquiries since the exposure period occurred during the year-end process.

**2023-14BWC** [Exposed changes to revise the Health Test Language and General Interrogatories to clarify and create better transparency in the calculation of the premium and reserve ratios in the health test. Proposed effective date is Annual 2024.]

IPs have the following suggestions to provide consistency in the instructions between lines 2.1 (Premium Numerator) and 2.4(a) (Reserve Numerator) in Part 2 – Property and Casualty Interrogatories:

#### **2.4(a) - Reserve Numerator**

##### **Reporting Year Annual Statement Data**

Part 2A, Unpaid Losses and Loss Adjustment Expenses (Columns 8+9, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (~~include only Medicare Part D and Stop Loss and Minimum Premium~~)(exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies)) plus Part 1A, Recapitulation of all Premiums (Columns 1+2, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (~~include only Medicare Part D and Stop Loss and Minimum Premium~~)(exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies)) of the reporting year’s annual statement.

##### **Prior Year Annual Statement Data**

Part 2A, Unpaid Losses and Loss Adjustment Expenses (Columns 8+9, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (~~include only Medicare Part D and Stop Loss and Minimum Premium~~)(exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies)) plus Part 1A, Recapitulation of all Premiums (Columns 1+2, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 in part (~~include only Medicare Part D and Stop Loss and Minimum Premium~~)(exclude automobile medical coverage, workers’ compensation, accidental death and dismemberment policies)) reporting year’s annual statement.

**2023-15BWG** [Exposed changes add a new General Interrogatory to the life and accident and health/fraternal blank to provide needed information for completing the C-2 mortality risk in the Life Risk-Based Capital (RBC). The amounts for the reporting categories used are not available elsewhere in the annual statement. The addition will allow for direct pulls of information between the annual statement and the RBC formula. All subsequent interrogatories within General Interrogatories – Part 2 will be renumbered. This exposure replaces 2023-09BWG. Proposed effective date is Annual 2024.]

IPs are appreciative of the opportunity to work with NAIC staff and state insurance regulators on the modifications and have some additional editorial revisions.

Add ‘Term’ to the header of the first 3 sections for clarity as follows:

- Individual and Industrial Term Life
- Individual and Industrial Term Life Policies With Pricing Flexibility
- Individual and Industrial Term Life Policies Without Pricing Flexibility

**2023-16BWG** [Exposed changes to show 10 years of data and a “prior” row for all lines of business on Schedule P beginning in 2024. This modifies requirements for seven lines of business (i.e., Special Property; Auto Physical Damage; Fidelity / Surety; Other; Financial Guaranty / Mortgage Guaranty; Warranty; Pet Insurance Plans) that currently only show 2 years of data and a “prior” row. Proposed effective date is Annual 2024.]

IPs have no comments.

\* \* \* \*

Tip Tipton, CPA  
Head of Accounting Policy  
Thrivent

Sharlea Taft  
NAIC Liaison  
Sapiens

cc: Kim Hudson, Vice-Chair, California  
Mary Caswell, NAIC  
Jill Youtsey, NAIC  
Keith Bell, Travelers  
Rose Albrizio, Equitable Financial





900 Walnut St, Suite 100  
Des Moines, IA 50309

January 19, 2024

Ms. Pat Gosselin, Chair  
Blanks Working Group  
National Association of Insurance Commissioners  
1100 Walnut St.  
Kansas City, MO 64106

SUBJECT: Blanks Working Group (“BWG”) proposals with comments due on Monday, January 22, 2024

Dear Ms. Gosselin:

Gain Compliance is an NAIC certified Annual Statement vendor, focused on compliance reporting within the insurance industry. AXA XL is a leading provider of P&C global commercial insurance offering insurance and reinsurance to enterprises of every kind and size. Collaboratively, we appreciate the opportunity to review and comment on the proposal that was exposed via email on Thursday, December 21, 2023. Gain Compliance and AXA XL support the proposal and the justification and benefits of the change.

**2023-16BWC** [Change Schedule P to show 10 years of data and a “prior” row for all lines of business beginning in 2024.]

We recommend the following changes to the exposure:

- Add clarification to the instructions for the “prior” line calculations for Parts 2, 3 and 5 and for claim count columns in Part 3. The Schedule P instructions for this information are either vague or not included at all, leaving the preparer or software vendors to interpret the data requested.
  - Part 2 - Line 1, Column 1, should include the loss and expense reserves (case + bulk + IBNR) previously reported at year-end of the last year for all accident years prior to the last year. The subsequent development each year across Line 1 will relate to these reserves and will show the subsequent payments and outstanding reserves. *Because loss and DCC payments accumulate over long periods of time, the prior year annual payments from Part 3 for Line 1, Column 2 and Line 2, Column 2 should be excluded from the reserves.*
    - *For example, Line 1, Column 1 should agree with Prior Year Annual, Part 2, Line 1, Column 2 + Prior Year Annual, Part 2, Line 2, Column 2 - Prior Year Annual Part 3, Line 1, Column 2 - Prior Year Annual Part 3, Line 2, Column 2*
  - Part 3 - There is no specific guidance in the instructions for Line 1 - Prior for Columns 11 and 12 claim payments. We recommend that clarification be added to the instructions for Columns 11 and 12, indicating the prior line should include the cumulative number of claims closed excluding



900 Walnut St, Suite 100  
Des Moines, IA 50309

all claims closed before the last reporting year shown on the schedule (similar to the calculations on Lines 2 through 10, if appropriate).

- Part 5 - For section 1, we recommend clarification be added to the instructions regarding the expectation for Line 1, Column 10. [Would the Task Force and Working Group also be willing to offer guidance as to whether this should be equal to Part 3, Line 1, Column 11? If these values will not match, can the Task Force and Working Group provide examples where they may deviate?](#)

We have the following comments and questions after reviewing the exposure:

- Not all lines of business require claim counts for Column 12 and Column 25 in Part 1 and Column 11 and Column 12 for Part 3. [Would the Task Force and Working Group be willing to enhance the instructions to discuss why some lines require disclosure of claim counts while others do not?](#) This is a commonly asked question from our users.
- The NAIC specification currently does not include columns to capture the tabular discounting for case and IBNR reserves that is needed to calculate the gross incurred net losses in Parts 2 and 4. Non-tabular data is collected in Part 1, Columns 32 and 33 to develop the net reserves in Columns 35 and 36. Since the Schedule P specification is already changing to adjust the short-tail lines to 10 years of data, [would the Task Force and Working Group consider an additional change to the specification to include columns to capture the tabular discount information, even if these are electronic only columns and not included in the PDF?](#)

We appreciate the opportunity to provide feedback to the Blanks (E) Working Group. Please feel free to contact either of us at (319) 310-4087 or (203) 964-3443.

Sincerely,

Tricia Henderson  
Head of Accounting Policy/NAIC Liaison  
Gain Compliance  
(319) 310-4087  
tricia@gaincompliance.com

Rick Decker  
Sr. Manager - Financial Reporting & Accounting  
AXA XL, a division of AXA  
(203) 964-3443  
richard.decker@axaxl.com