



Draft date: 5/15/24

Virtual Meeting

**BLANKS (E) WORKING GROUP**

Thursday, May 23, 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
Wayne Shepherd	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		

NAIC Support Staff: Mary Caswell/Jill Youtsey/Julie Gann

**AGENDA**

1. Consider Adoption of its Feb. 21, 2024, Minutes—*Pat Gosselin (NH)* Attachment 1
2. Discuss Items Previously Exposed/Deferred—*Pat Gosselin (NH)*
  - A. **2023-12BWG Modified** – Categorize debt securities on Schedule BA that do not qualify as bonds under *Statement of Statutory Accounting Principles (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 2
  - B. **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 3
  - C. **2024-02BWG Modified** – 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 the Other Short-Term and Other Cash Equivalent categories. Attachment 4

- |    |   |               |
|----|---|---------------|
| D. | <b>2024-03BWG Modified</b> – Update General Interrogatory 35 for private letter rating security reporting to clarify what should be included.   | Attachment 5  |
| E. | <b>2024-04BWG</b> – Add clarifying language to the Valuation Manual (VM)-20, Requirements for Principle-Based Reserves for Life Products supplement in the life blank to include separate accounts where applicable.  | Attachment 6  |
| F. | <b>2024-05BWG</b> – 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 7  |
| G. | <b>2024-06BWG</b> – Property/casualty (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 8  |
| H. | <b>2024-07BWG</b> – Update the illustration under Note 5S(A) – Investments for Net Negative (Disallowed) Interest Maintenance Reserve (IMR) to add a separate account breakout. Add a new general interrogatory for a company attestation for separate accounts. <i>(This goes with adopted Blanks (E) Working Group proposal 2023-13BWG.)</i>                        | Attachment 9  |
| I. | <b>2024-08BWG</b> – Update the IMR and asset valuation reserve (AVR) instructions for specific allocation guidance for NAIC designation changes for debt securities (excluding loan-backed and structured securities [LBSS]), mortgage loans, and perpetual preferred stocks (SAPWG agenda items 2023-15 and 2023-29).  | Attachment 10 |
| J. | <b>2024-09BWG Modified</b> – Add a note (5T) to the Notes to Financials to be data captured to report the aggregate collateral loans by qualifying investment collateral.   | Attachment 11 |
| K. | <b>2024-10BWG Modified</b> – Remove the federal Affordable Care Act (ACA) SSAP No. 107— <i>Risk-Sharing Provisions of the Affordable Care Act</i> disclosure on the transitional reinsurance program and the risk corridors program from Note 24E in the Notes to Financials (Note 24F for P/C) in the <i>Annual Statement Instructions</i> .                         | Attachment 12 |
| L. | <b>2024-11BWG</b> – Update the annual and quarterly instructions and blanks for the new market tax credit changes. Changes will be made to: Annual – Assets, Notes to Financial Statements 5K, 14A, and 21E, AVR, and Schedule BA, Parts 1 and 3, and Verification Between Years. Quarterly changes – assets and Schedule BA, Part 3, and Verification Between Years. | Attachment 13 |

3. Consider Exposure of New Items—*Pat Gosselin (NH)*
  - A. **2024-12BWG** – Update the quarterly investment schedules for editorial items to the bond project. (Schedule D Verification, Schedule D Part 1B, Schedule D Parts 3 and 4, Schedule DL Parts 1 and 2, and Schedule E Parts 1 and 2). Update the Quarterly Investment Schedule General Instructions with the changes adopted in the Annual Investment Schedule General Instructions. (*Reference adopted proposal 2023-06BWG.*) Attachment 14
4. Consider Adoption of an Editorial Listing—*Pat Gosselin (NH)* Attachment 15
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* Attachment 16

*Comment Letters* Attachment 17

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Draft: 3/4/24

Blanks (E) Working Group  
Virtual Meeting  
February 21, 2024

The Blanks (E) Working Group of the Accounting Practices and Procedures (E) Task Force met Feb. 21, 2024. The following Working Group members participated: Pat Gosselin, Chair (NH); Steve Drutz, Vice-Chair (WA); David Phifer (AK); Kim Hudson (CA); Michael Shanahan (CT); Sam Merlo (DC); Tom Hudson (DE); Carolyn Morgan (FL); Kevin Clark and Carrie Mears (IA); Amanda Denton (IN); Kristin Hynes and Jason Tippet (MI); Debbie Doggett and Danielle Smith (MO); Lindsay Crawford (NE); John Sirovets (NJ); Dale Bruggeman and Tracy Snow (OH); Diane Carter (OK); Diana Sherman (PA); Miriam Fisk and Shawn Frederick (TX); Jake Garn (UT); Adrian Jaramillo and Amy Malm (WI); and Mary Jo Lewis (WV).

1. Adopted its Nov. 7, 2023, Minutes

Gosselin referenced the Working Group's Nov. 7 minutes. During this meeting, the Working Group took the following action: 1) re-exposed two proposals for additional discussion: 2023-05BWG—cybersecurity supplement changes and 2023-12BWG—changes to Schedule BA. These proposals are up for adoption during this meeting; 2) adopted the bond project proposal, 2023-06BWG, and the proposal deleting the legal entity identifier (LEI), 2023-07BWG; and 3) exposed three new proposals for public comment.

Hudson made a motion, seconded by Drutz, to adopt the Working Group's Nov. 7, 2023, minutes (*see NAIC Proceedings – Fall 2023, Accounting Practices and Procedures (E) Task Force, Attachment Two*). The motion passed unanimously.

2. Adopted Proposals

A. Agenda Item 2023-05BWG

Sara Robben (NAIC) stated that this proposal revises the cybersecurity supplement. She said that NAIC staff worked for several weeks with industry, state insurance regulators, and actuaries to come up with the final product. The changes are intended to strengthen the instructions to make it easier for insurers to fill out. She indicated that there were some discrepancies in the way the industry defined certain terms as opposed to the terminology used by actuaries which this proposal addresses. The proposal removes the references to claims made and occurrence, as most cybersecurity policies have both in one policy. For Part 5, state insurance regulators indicated they wanted to see the breakout of stand-alone and packaged and not combined into "primary" as in the other parts of the supplement.

Doggett made a motion, seconded by Crawford, to adopt the modifications to the proposal. The motion passed unanimously. Doggett made a motion, seconded by Shanahan, to adopt the modified proposal (Attachment Two-A). The motion passed unanimously.

B. Agenda Item 2023-13BWG

Bruggeman stated that this item proposes to data-capture the narrative interest maintenance reserve (IMR) disclosures required in *Interpretation (INT) 23-01: Net Negative (Disallowed) Interest Maintenance Reserve*. This interpretation permits admittance of negative IMR up to 10% of adjusted capital and surplus. Companies admitting negative IMR under the statutory INT are required to provide detail on the IMR balances, the calculation

of adjusted capital and surplus, as well as information on the impact to IMR from derivatives. As detailed in the proposal, the comments from interested parties are minor and improve the clarity of the disclosure.

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

C. Agenda Item 2023-14BWG

Drutz stated that this proposal revises the health test language and general interrogatory. He stated that the Health Risk-Based Capital (E) Working Group established the Health Test Ad Hoc Group in 2018, which was tasked to review the language within the annual statement instructions as it pertained to all lines of business. The changes referenced in this proposal are intended to clarify and create greater transparency in the calculation of both the numerator and denominator for premiums and reserves. The amounts used in the calculation for both the numerator and denominator will pull from the same annual statement schedule rather than as in the past pulling from separate schedules. Drutz stated that the proposal adds clarifying language regarding the timing as to when a company would need to move to the health blank after passing the test. Interested parties provided some suggested modifications which were incorporated into the modified proposal.

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

D. Agenda Item 2023-15BWG

Ryan Fleming (Northwestern Mutual) stated that he was representing the American Academy of Actuaries (Academy) Life Mortality Working Group. He stated that the purpose of this proposal is to create an annual statement source within the life blank General Interrogatories Part 2 providing information for completing the C-2 mortality risk in the life risk-based capital (RBC) filing rather than relying on company records for the information. Interested parties referenced a minor word addition for clarity, which has been incorporated into the proposal.

Bruggeman made a motion, seconded by Drutz, to adopt the proposal with the minor word modification (Attachment Two-D). The motion passed unanimously.

E. Agenda Item 2023-16BWG

Mary Caswell (NAIC) stated that this proposal changes 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 the requirements for seven lines of business that currently only show two years of data and a prior row. Caswell stated that NAIC staff support for the Property and Casualty Risk-Based Capital (E) Working Group indicated that the members would not oppose this change and were in favor of the expansion.

Drutz made a motion, seconded by Hudson, to adopt the modifications to the proposal. The motion passed unanimously. Drutz made a motion, seconded by Snow, to adopt the proposal with the minor word modification (Attachment Two-E). The motion passed unanimously.

### 3. Re-Exposed Items

#### A. Agenda Item 2023-12BWG

Bruggeman stated that this item proposes revisions to Schedule BA primarily in response to the bond project. Specifically, it incorporates new reporting lines to capture the non-bond debt securities. These reporting lines intend to capture the debt securities that fail the bond definition because of the lack of a creditor relationship, lack of substantive credit enhancement, or lack of meaningful cashflows.

In addition to the specific reporting lines for the bond project, revisions were also proposed to improve the reporting on Schedule BA. This included the reordering of some reporting lines, as well as the elimination or movement of reporting lines. One of the more notable proposed edits was to eliminate the “non-registered private equity fund” reporting category and encompass those investments within the “joint venture, partnership, or LLC” reporting category. This revision was proposed as non-registered private equity funds and should also be captured in the scope of *Statement of Statutory Accounting Principles (SSAP) No. 48—Joint Ventures, Partnerships and Limited Liability Companies*, and it is not known how a company would classify a fund within that category and not as a joint venture. From the original interested parties’ comments, there was opposition to this deletion as it was identified that investments other than non-registered private equity funds were being captured in that reporting line. From the information obtained, it appears that most of these investments would be more appropriately captured in the collateral loan category. After considering these comments, the blanks proposal continues to eliminate the non-registered private fund category and directs that those investments shall be captured within the joint venture, partnership, and LLC reporting category.

Bruggeman stated that concurrent with the exposure of this blanks proposal, the Statutory Accounting Principle (E) Working Group also had an exposure to incorporate improved descriptions to the underlying reporting lines of the joint venture, partnership, and LLC reporting category. Items captured within that category are reported in lower-level reporting lines based on the underlying characteristics of the investment—as fixed income, common stocks, real estate, mortgage loans, and other. The description revisions were proposed to improve consistency in reporting across companies. Interested parties provided comments on the blanks proposal to the Blanks (E) Working Group and on the description changes to the Statutory Accounting Principles (E) Working Group. In order to have a collective review, the Statutory Accounting Principles (E) Working Group considered all of the comments at its meeting on Feb. 20. Although most of the interested parties’ comments are reflected, additional revisions have been proposed to ensure clarity and consistent reporting. These additional revisions reflect the key points: 1) a statement that all investments shall be reported in the dedicated reporting line category that represents the investment. Investments that do not fit within any specific reporting line shall be captured as an “Any Other Class of Asset”; 2) investments captured within the joint venture, partnership, or LLC reporting category shall be in scope of SSAP No. 48. One exception is permitted for structured settlement payment rights in the scope of *SSAP No. 21R—Other Admitted Assets* that have a Securities Valuation Office (SVO)-assigned designation; 3) the blanks instructions for the residual reporting lines have been updated to refer to SSAP No. 21R for the residual definition. (Under the Statutory Accounting Principles [E] Working Group, consistency revisions are expected to move the residual guidance to SSAP No. 21R with an effective date of Jan. 1, 2025.)

Bruggeman made a motion, seconded by Hudson, to re-expose the modified proposal. The motion passed unanimously.

#### 4. Exposed New Items

##### A. Agenda Item 2024-01BWG

Bruggeman stated that this proposal clarifies that in-substance residual interests, despite in the legal form of common or preferred stock, shall be reported on Schedule BA in the dedicated residual reporting lines. This clarification was adopted by the Statutory Accounting Principles (E) Working Group for year-end 2023 and a memorandum was posted on the Blank (E) Working Group web page. This proposal just solidifies this guidance with explicit instruction changes. With the revisions adopted to residuals, it should be clear that all in-substance residual interests should be reported on the dedicated reporting lines for residuals regardless of legal form.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 60-day public comment period ending April 23.

##### B. Agenda Item 2024-02BWG

Bruggeman stated that this proposal incorporates changes to reflect the adopted Statutory Accounting Principles (E) Working Group guidance that further restricts what is permitted to be reported as a cash equivalent or short-term investment. The annual statement instructions have been expanded to detail what is not permitted to be reported as cash equivalent or short-term and reporting lines have been eliminated or clarified for what is permitted.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 60-day public comment period ending April 23.

##### C. Agenda Item 2024-03BWG

Charles Therriault (NAIC) stated that this proposal updates the General Interrogatory Part 1, No. 35, for private letter rating security reporting to clarify what should be included and that the insurer certifies that they are in compliance with the requirements set out in the SVO's *Purposes and Procedures Manual*. He indicated that there was inconsistent reporting for this interrogatory, and the new instructions should help identify what needs to be reported.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 60-day public comment period ending April 23.

##### D. Agenda Item 2024-04BWG

Jennifer Fraiser (NAIC) stated that this proposal adds clarifying language to VM-20, Requirements for Principle-Based Reserves for Life Products, reserve supplement in the life blank to include separate accounts where applicable. The purpose is to reduce inconsistent reporting and to allow for reconciliation with other filings.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 60-day public comment period ending April 23.



E. Agenda Item 2024-05BWG

Malm stated that this proposal adds clarifying language to Annual General Interrogatories Part 1, No. 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.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 60-day public comment period ending April 23.

F. Agenda Item 2024-06BWG

Fisk stated that this proposal makes changes to the Property/Casualty and Title Actuarial Opinions. The P/C blank changes would limit the requirement to send qualification documentation to the board of directors only at the initial appointment and not annually thereafter. The title blank changes would update the title instructions so they are more similar to P/C instructions.

Hearing no objection, Gosselin stated that the proposal would be considered exposed for a 60-day public comment period ending April 23.

5. Adopted the Editorial Listing

Hudson made a motion, seconded by Snow, to adopt the editorial listing (Attachment Two-F). 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>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> Year <u>2025</u> Changes to Existing Reporting [ X ] New Reporting Requirement [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact [ ] Modifies Required Disclosure [ X ]</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> <p style="text-align: center;"><b>DISPOSITION</b></p> <p>[ ] Rejected For Public Comment [ ] Referred To Another NAIC Group [ ] Received For Public Comment [ ] Adopted Date _____ [ ] Rejected Date _____ [ ] Deferred Date _____ [ X ] Other (Specify) <u>Re-exposed 2/21</u></p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS      | <input checked="" type="checkbox"/> CROSSCHECKS   |
| <input checked="" type="checkbox"/> QUARTERLY STATEMENT               | <input checked="" 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 checked="" 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: 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.

**Note on adopted SAP Item 2023-28 for collateral loan reporting – the effective date for the collateral loan reporting is Annual 2024. Due to this being effective before proposal 2023-12BWG, the changes for collateral loan reporting are not shown in this proposal but will be incorporated into the Annual and Quarterly Statement Instructions once this proposal is adopted and implemented into the statement instructions.**

**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 Instruments~~ Bonds

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.....	31999993399999
Affiliated .....	32999993499999
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:	
<u>Fixed Income Instruments</u> <del>Bonds</del>	
Unaffiliated .....	4699999
Affiliated.....	4799999
<u>Preferred Stock</u>	
Unaffiliated .....	4899999
Affiliated.....	4999999
Common Stock	
Unaffiliated .....	48999995099999
Affiliated.....	49999995199999
<u>Preferred Stock</u>	
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.....	60999996899999
Affiliated .....	61999996999999
TOTALS.....	62999997099999

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 Instruments Bonds**

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/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 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 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 ~~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 Bonds**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule D – Part I – Long Term Bonds as issuer credit obligations on Schedule D – Part I – Section 1, or as asset-backed securities on Schedule D – Part I – Section 2. Residual tranches from collateralized loan obligations (CLOs) shall be captured within this reporting line.

**Preferred Stocks**

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

**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. Examples include, but are not limited to, residual tranches from investments with underlying assets of student loans, aircraft leases or train car leases.

**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~~

~~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 26 – Maturity Date

~~The maturity date shall be reported for all investments on Schedule BA that have a stated maturity date. This is anticipated to include, but not limited to, all investments captured as non-bond debt securities, surplus notes, capital notes, collateral loans, non-collateral loans, and investments in tax credits. However, this list should not be considered all-inclusive for investments captured on other reporting lines with stated maturity dates.~~

~~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~~

~~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

The maturity date shall be reported for all investments on Schedule BA that have a stated maturity date. This is anticipated to include, but not limited to, all investments captured as non-bond debt securities, surplus notes, capital notes, collateral loans, non-collateral loans, and investments in tax credits. However, this list should not be considered all-inclusive for investments captured on other reporting lines with stated maturity dates.

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.

=====**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.
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~~

<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>

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~~

<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 24 – Maturity Date

The maturity date shall be reported for all investments on Schedule BA that have a stated maturity date. This is anticipated to include, but not limited to, all investments captured as non-bond debt securities, surplus notes, capital notes, collateral loans, non-collateral loans, and investments in tax credits. However, this list should not be considered all-inclusive for investments captured on other reporting lines with stated maturity dates.

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.


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**Detail Eliminated To Conserve Space**
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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>	
<del>Fixed Income Instruments</del> <b>Bonds</b>	
NAIC Designation Assigned by the Securities Valuation Office (SVO)	
Unaffiliated .....	15999991399999
Affiliated .....	16999991499999
NAIC Designation Not Assigned by the Securities Valuation Office (SVO)	
Unaffiliated .....	17999991599999
Affiliated .....	18999991699999
<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 .....	29999993199999
Affiliated .....	30999993299999
<b>Non-collateral Loans</b>	
Unaffiliated .....	31999993399999

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



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~~ as issuer credit obligations on *Schedule D – Part 1 – Section 1*, or as asset-backed securities on *Schedule D – Part 1 – Section 2*. Residual tranches from collateralized loan obligations (CLOs) shall be captured within this reporting line.

**Preferred Stocks**

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

**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. Examples include, but are not limited to, residual tranches from investments with underlying assets of student loans, aircraft leases or train car leases.

**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

The maturity date shall be reported for all investments on Schedule BA that have a stated maturity date. This is anticipated to include, but not limited to, all investments captured as non-bond debt securities, surplus notes, capital notes, collateral loans, non-collateral loans, and investments in tax credits. However, this list should not be considered all-inclusive for investments captured on other reporting lines with stated maturity dates.  
~~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

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.



**\*\* 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

~~The maturity date shall be reported for all investments on Schedule BA that have a stated maturity date. This is anticipated to include, but not limited to, all investments captured as non-bond debt securities, surplus notes, capital notes, collateral loans, non-collateral loans, and investments in tax credits. However, this list should not be considered all-inclusive for investments captured on other reporting lines with stated maturity dates.~~

~~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 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)
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.

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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><b>CONTACT PERSON:</b> _____</p> <p><b>TELEPHONE:</b> _____</p> <p><b>EMAIL ADDRESS:</b> _____</p> <p><b>ON BEHALF OF:</b> _____</p> <p><b>NAME:</b> <u>Dale Bruggeman</u></p> <p><b>TITLE:</b> <u>Chair SAPWG</u></p> <p><b>AFFILIATION:</b> <u>Ohio Department of Insurance</u></p> <p><b>ADDRESS:</b> <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> Year <u>2024</u> Changes to Existing Reporting <input 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 type="checkbox"/> [ ] 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 ] <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 checked="" type="checkbox"/> [ X ] 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 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: 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 MOD</u> Year <u>2024</u> Changes to Existing Reporting [ X ] New Reporting Requirement [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact [ ] Modifies Required Disclosure [ X ]</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**

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|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS      | <input checked="" 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: 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. **Make corresponding changes to Schedule DA Verification, 5-year Historical, and Asset Valuation Reserve.**

**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
Total Short-Term Investments (Unaffiliated).....	7689999999
(Sum of Lines: 0489999999 and 7499999999)	
Total Short-Term Investments (Affiliated).....	7699999999
(Sum of Lines: 0499999999 and 7509999999)	
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.


**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 & 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

**SCHEDULE DA – VERIFICATION BETWEEN YEARS****SHORT-TERM INVESTMENTS**

Report the aggregate amounts required by type of short-term investment asset. The categories of assets to be reported are: bonds; ~~mortgage loans;~~ and other short-term investment assets; ~~and investments in parent, subsidiaries and affiliates.~~ A grand total of all activity is also required.



**ANNUAL STATEMENT INSTRUCTIONS – HEALTH**

**FIVE-YEAR HISTORICAL DATA**

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

**Investments in Parent, Subsidiaries and Affiliates**

Line 26 – Affiliated Bonds

All years ..... Schedule D Summary, Line 12, Column 1

Line 27 – Affiliated Preferred Stocks

All years ..... Schedule D Summary, Line 18, Column 1

Line 28 – Affiliated Common Stocks

All years ..... Schedule D Summary, Line 24, Column 1

~~Line 29 – Affiliated Short term Investment~~

~~All years ..... Subtotal included in Schedule DA, Verification Between Years, Column 5,  
Line 10~~

Line 33 – Total Investment in Parent

Report the amount of investments reported in Lines 26 to 31 above that are in an immediate or indirect parent.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**

**FIVE-YEAR HISTORICAL DATA**

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

**Investments in Parent, Subsidiaries and Affiliates**

Line 44 – Affiliated Bonds

All years ..... Schedule D Summary, Line 12, Column 1

Line 45 – Affiliated Preferred Stocks

All years ..... Schedule D Summary, Line 18, Column 1

Line 46 – Affiliated Common Stocks

All years ..... Schedule D Summary, Line 24, Column 1

~~Line 47 – Affiliated Short term Investments~~

~~All years ..... Subtotal included in Schedule DA, Verification Between Years, Column 5, Line 10~~

Line 51 – Total Investment in Parent

Report the amount of investments reported in Lines 44 to 49 above that are in an immediate or indirect parent.

**ASSET VALUATION RESERVE**

**DEFAULT COMPONENT –**

**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**



**Detail Eliminated To Conserve Space**



Line 59 ~~\_\_\_\_\_~~ Total Schedule DA Mortgages

~~Report the book/adjusted carrying value of all Schedule DA mortgage loans (Lines 7019999999 and 7309999999) and any applicable investments from Schedule DL, Part 1, Line 9509999999 owned in Column 1. Any related encumbrances should be deducted in Column 2. Multiply the amount in Column 4 by the reserve factors for the Schedule B mortgages and report the products in Columns 6, 8 and 10.~~

**ANNUAL STATEMENT INSTRUCTIONS – PROPERTY**

**FIVE-YEAR HISTORICAL DATA**

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

**Investments in Parent, Subsidiaries and Affiliates**

Line 42 – **Affiliated Bonds**

All years ..... Schedule D Summary, Line 12, Column 1

Line 43 – **Affiliated Preferred Stocks**

All years ..... Schedule D Summary, Line 18, Column 1

Line 44 – **Affiliated Common Stock**

All years ..... Schedule D Summary, Line 24, Column 1

~~Line 45 – **Affiliated Short term Investments**~~

~~All years ..... Schedule DA Verification Between Years, Column 5, Line 10~~

Line 49 – **Total Investment in Parent**

Report the amount of investments reported in Lines 42 to 47 above that are in an immediate or indirect parent.

Line 50 – **Percentage of Investments in Parents, Subsidiaries and Affiliates to Surplus as Regards Policyholders**

All years ..... Five Year Historical, Line 48 divided by Page 3, Column 1, Line 37 x 100.0

**ANNUAL STATEMENT INSTRUCTIONS – TITLE**

**FIVE-YEAR HISTORICAL DATA**

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

**Investment in Parent, Subsidiaries and Affiliates**

Line 38 – **Affiliated Bonds**

All years ..... Schedule D Summary, Line 12, Column 1

Line 39 – **Affiliated Preferred Stock**

All years ..... Schedule D Summary, Line 18, Column 1

Line 40 – **Affiliated Common Stock**

All years ..... Schedule D Summary, Line 24, Column 1

Line 41 – **Affiliated Short term Investments**

~~All years ..... Subtotal included in Schedule DA, Verification Between Years, Column 5, Line 10~~

Line 45 – **Total Investment in Parent**

Report the amount of investments reported in Lines 38 to 43 above that are in an immediate or indirect parent.

Line 46 – **Percentage of Investments in Parent, Subsidiaries and Affiliates to Surplus as Regards to Policyholders**

All years ..... Line 44 divided by Page 3, Line 32, Column 1 x 100.0

**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>
<u>Other Cash Equivalents (Affiliated) .....</u>	<u>8509999999</u>



<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

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

**SCHEDULE DA – VERIFICATION BETWEEN YEARS**

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year.....	.....	.....	.....	.....	.....
2. Cost of short-term investments acquired .....	.....	.....	.....	.....	.....
3. Accrual of discount .....	.....	.....	.....	.....	.....
4. Unrealized valuation increase/(decrease).....	.....	.....	.....	.....	.....
5. Total gain (loss) on disposals.....	.....	.....	.....	.....	.....
6. Deduct consideration received on disposals .....	.....	.....	.....	.....	.....
7. Deduct amortization of premium .....	.....	.....	.....	.....	.....
8. Total foreign exchange change in book/adjusted carrying value .....	.....	.....	.....	.....	.....
9. Deduct current year's other-than-temporary impairment recognized .....	.....	.....	.....	.....	.....
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	.....	.....	.....	.....	.....
11. Deduct total nonadmitted amounts.....	.....	.....	.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11)	.....	.....	.....	.....	.....

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: \_\_\_\_\_.

**ANNUAL STATEMENT BLANK –HEALTH**

**FIVE-YEAR HISTORICAL DATA**

	1 2024	2 2023	3 2022	4 2021	5 2020
<b>Balance Sheet (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 28) .....	.....	.....	.....	.....	.....
2. Total liabilities (Page 3, Line 24) .....	.....	.....	.....	.....	.....
3. Statutory minimum capital and surplus requirement .....	.....	.....	.....	.....	.....
4. Total capital and surplus (Page 3, Line 33).....	.....	.....	.....	.....	.....
<b>Income Statement (Page 4)</b>					
5. Total revenues (Line 8) .....	.....	.....	.....	.....	.....
6. Total medical and hospital expenses (Line 18).....	.....	.....	.....	.....	.....
7. Claims adjustment expenses (Line 20).....	.....	.....	.....	.....	.....
8. Total administrative expenses (Line 21) .....	.....	.....	.....	.....	.....
9. Net underwriting gain (loss) (Line 24).....	.....	.....	.....	.....	.....
10. Net investment gain (loss) (Line 27).....	.....	.....	.....	.....	.....
11. Total other income (Lines 28 plus 29) .....	.....	.....	.....	.....	.....
12. Net income or (loss) (Line 32) .....	.....	.....	.....	.....	.....
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	.....	.....	.....	.....	.....
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital.....	.....	.....	.....	.....	.....
15. Authorized control level risk-based capital.....	.....	.....	.....	.....	.....
<b>Enrollment (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7).....	.....	.....	.....	.....	.....
17. Total members months (Column 6, Line 7) .....	.....	.....	.....	.....	.....
<b>Operating Percentage (Page 4)</b> (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) ....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19).....	.....	.....	.....	.....	.....
20. Cost containment expenses.....	.....	.....	.....	.....	.....
21. Other claims adjustment expenses .....	.....	.....	.....	.....	.....
22. Total underwriting deductions (Line 23).....	.....	.....	.....	.....	.....
23. Total underwriting gain (loss) (Line 24).....	.....	.....	.....	.....	.....
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5).....	.....	.....	.....	.....	.....
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	.....	.....	.....	.....	.....
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....	.....	.....	.....	.....	.....
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) ....	.....	.....	.....	.....	.....
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1).....	.....	.....	.....	.....	.....
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10).....	.....	.....	.....	.....	.....
30. Affiliated mortgage loans on real estate.....	.....	.....	.....	.....	.....
31. All other affiliated .....	.....	.....	.....	.....	.....
32. Total of above Lines 26 to 31.....	.....	.....	.....	.....	.....
33. Total investment in parent included in Lines 26 to 31 above.	.....	.....	.....	.....	.....

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3—Accounting Changes and Correction of Errors? Yes [ ] No [ ]  
 If no, please explain .....

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL**

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6  
\$000 omitted for amounts of life insurance

	1 2024	2 2023	3 2022	4 2021	5 2020
<b>Life Insurance in Force</b>					
(Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Col. 4) .....					
2. Ordinary-term (Line 21, Col. 4, less Line 34, Col. 4).....					
3. Credit life (Line 21, Col. 6) .....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....					
5. Industrial (Line 21, Col. 2) .....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....					
7. Total (Line 21, Col. 10) .....					
7.1 Total in force for which VM-20 deterministic/stochastic reserves are calculated .....					
<b>New Business Issued</b>					
(Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Col. 2) .....					
9. Ordinary-term (Line 2, Col. 4, less Line 34, Col. 2).....					
10. Credit life (Line 2, Col. 6) .....					
11. Group (Line 2, Col. 9).....					
12. Industrial (Line 2, Col. 2) .....					
13. Total (Line 2, Col. 10) .....					
<b>Premium Income-Lines of Business</b>					
(Exhibit 1 – Part 1)					
14. Individual life (Line 20.4, Col. 2).....					
15. Group life (Line 20.4, Col. 3) .....					
16. Individual annuities (Line 20.4, Col. 4) .....					
17. Group annuities (Line 20.4, Col. 5) .....					
18. Accident & Health (Line 20.4, Col. 6).....					
19. Other lines of business (Line 20.4, Col. 8) .....					
20. Total .....					
<b>Balance Sheet</b>					
(Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3).....					
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26) .....					
23. Aggregate life reserves (Page 3, Line 1).....					
23.1 Excess VM-20 deterministic/stochastic reserve over NPR related to Line 7.1 .....					
24. Aggregate A & H reserves (Page 3, Line 2).....					
25. Deposit-type contract funds (Page 3, Line 3) .....					
26. Asset valuation reserve (Page 3, Line 24.01) .....					
27. Capital (Page 3, Lines 29 & 30).....					
28. Surplus (Page 3, Line 37).....					
<b>Cash Flow (Page 5)</b>					
29. Net cash from operations (Line 11) .....					
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital .....					
31. Authorized control level risk-based capital .....					
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b>					
(Page 2, Col. 3) (Line No./Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....					
33. Stocks (Lines 2.1 and 2.2).....					
34. Mortgage loans on real estate (Lines 3.1 and 3.2) .....					
35. Real estate (Lines 4.1, 4.2 and 4.3).....					
36. Cash, cash equivalents and short-term investments (Line 5).....					
37. Contract loans (Line 6) .....					
38. Derivatives (Page 2, Line 7) .....					
39. Other invested assets (Line 8) .....					
40. Receivables for securities (Line 9) .....					
41. Securities lending reinvested collateral assets (Line 10) .....					
42. Aggregate write-ins for invested assets (Line 11) .....					
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) .....					
45. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) .....					
46. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1).....					
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10).....					
48. Affiliated mortgage loans on real estate .....					
49. All other affiliated.....					
50. Total of above Lines 44 to 49 .....					
51. Total investment in parent included in Lines 44 to 49 above .....					

**ASSET VALUATION RESERVE (Continued)**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**DEFAULT 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)
		<b>MORTGAGE LOANS</b>										
		<b>In Good Standing:</b>										
35		Farm Mortgages – CM1 – Highest Quality .....			XXX		0.0011		0.0057		0.0074	
36		Farm Mortgages – CM2 – High Quality.....			XXX		0.0040		0.0114		0.0149	
37		Farm Mortgages – CM3 – Medium Quality .....			XXX		0.0069		0.0200		0.0257	
38		Farm Mortgages – CM4 – Low Medium Quality.....			XXX		0.0120		0.0343		0.0428	
39		Farm Mortgages – CM5 – Low Quality .....			XXX		0.0183		0.0486		0.0628	
40		Residential Mortgages – Insured or Guaranteed .....			XXX		0.0003		0.0007		0.0011	
41		Residential Mortgages – All Other .....			XXX		0.0015		0.0034		0.0046	
42		Commercial Mortgages – Insured or Guaranteed.....			XXX		0.0003		0.0007		0.0011	
43		Commercial Mortgages – All Other – CM1 – Highest Quality .....			XXX		0.0011		0.0057		0.0074	
44		Commercial Mortgages – All Other – CM2 – High Quality .....			XXX		0.0040		0.0114		0.0149	
45		Commercial Mortgages – All Other – CM3 – Medium Quality .....			XXX		0.0069		0.0200		0.0257	
46		Commercial Mortgages – All Other – CM4 – Low Medium Quality .....			XXX		0.0120		0.0343		0.0428	
47		Commercial Mortgages – All Other – CM5 – Low Quality .....			XXX		0.0183		0.0486		0.0628	
		<b>Overdue, Not in Process:</b>										
48		Farm Mortgages .....			XXX		0.0480		0.0868		0.1371	
49		Residential Mortgages – Insured or Guaranteed .....			XXX		0.0006		0.0014		0.0023	
50		Residential Mortgages - All Other.....			XXX		0.0029		0.0066		0.0103	
51		Commercial Mortgages - Insured or Guaranteed .....			XXX		0.0006		0.0014		0.0023	
52		Commercial Mortgages - All Other .....			XXX		0.0480		0.0868		0.1371	
		<b>In Process of Foreclosure:</b>										
53		Farm Mortgages .....			XXX		0.0000		0.1942		0.1942	
54		Residential Mortgages - Insured or Guaranteed .....			XXX		0.0000		0.0046		0.0046	
55		Residential Mortgages - All Other.....			XXX		0.0000		0.0149		0.0149	
56		Commercial Mortgages - Insured or Guaranteed .....			XXX		0.0000		0.0046		0.0046	
57		Commercial Mortgages - All Other .....			XXX		0.0000		0.1942		0.1942	
58		Total Schedule B Mortgages (Sum of Lines 35 through 57) .....			XXX		XXX		XXX		XXX	
59		Schedule DA Mortgages.....			XXX		0.0034		0.0114		0.0149	
60		Total Mortgage Loans on Real Estate (Lines 58 + 59)			XXX		XXX		XXX		XXX	

**ANNUAL STATEMENT BLANK – PROPERTY**

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

	1 2024	2 2023	3 2022	4 2021	5 2020
<b>Gross Premiums Written</b> (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
6. Total (Line 35) .....					
<b>Net Premiums Written</b> (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3,19.4).....					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35) .....					
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8) .....					
14. Net investment gain (loss) (Line 11) .....					
15. Total other income (Line 15) .....					
16. Dividends to policyholders (Line 17) .....					
17. Federal and foreign income taxes incurred (Line 19).....					
18. Net income (Line 20).....					
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....					
20. Premiums and considerations (Page 2, Col. 3) .....					
20.1 In course of collection (Line 15.1) .....					
20.2 Deferred and not yet due (Line 15.2).....					
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26) .....					
22. Losses (Page 3, Line 1) .....					
23. Loss adjustment expenses (Page 3, Line 3) .....					
24. Unearned premiums (Page 3, Line 9) .....					
25. Capital paid up (Page 3, Lines 30 & 31).....					
26. Surplus as regards policyholders (Page 3, Line 37).....					
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11) .....					
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital .....					
29. Authorized control level risk-based capital .....					
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....					
31. Stocks (Lines 2.1 & 2.2) .....					
32. Mortgage loans on real estate (Lines 3.1 and 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....					
35. Contract loans (Line 6).....					
36. Derivatives (Line 7) .....					
37. Other invested assets (Line 8).....					
38. Receivables for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....					
40. Aggregate write-ins for invested assets (Line 11) .....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. <del>Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10).....</del>					
46. Affiliated mortgage loans on real estate .....					
47. All other affiliated.....					
48. Total of above Lines 42 to 47 .....					
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)					

**ANNUAL STATEMENT BLANK – TITLE**

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2024	2 2023	3 2022	4 2021	5 2020
<b>Source of Direct Title Premiums Written (Part 1A)</b>					
1. Direct operations (Part 1A, Line 1, Col. 1) .....					
2. Non-affiliated agency operations (Part 1A, Line 1, Col. 2) .....					
3. Affiliated agency operations (Part 1A, Line 1, Col. 3) .....					
4. Total					
<b>Operating Income Summary (Page 4 &amp; Part 1)</b>					
5. Premiums earned (Part 1B, Line 3) .....					
6. Escrow and settlement service charges (Part 1A, Line 2) .....					
7. Title examinations (Part 1A, Line 3) .....					
8. Searches and abstracts (Part 1A, Line 4) .....					
9. Surveys (Part 1A, Line 5) .....					
10. Aggregate write-ins for service charges (Part 1A, Line 6) .....					
11. Other operating income (Page 4, Line 2) .....					
12. Total operating income (Page 4, Line 3) .....					
<b>Statement of Income (Page 4)</b>					
13. Net operating gain or (loss) (Line 8) .....					
14. Net investment gain or (loss) (Line 11) .....					
15. Total other income (Line 12) .....					
16. Federal and foreign income taxes incurred (Line 14) .....					
17. Net income (Line 15)					
<b>Balance Sheet (Pages 2 and 3)</b>					
18. Title insurance premiums and fees receivable (Page 2, Line 15, Col. 3) .....					
19. Total admitted assets excluding segregated accounts (Page 2, Line 26, Col. 3) .....					
20. Known claims reserve (Page 3, Line 1) .....					
21. Statutory premium reserve (Page 3, Line 2) .....					
22. Total liabilities (Page 3, Line 23) .....					
23. Capital paid up (Page 3, Lines 25 + 26) .....					
24. Surplus as regards policyholders (Page 3, Line 32) .....					
<b>Cash Flow (Page 5)</b>					
25. Net cash from operations (Line 11) .....					
<b>Percentage Distribution of Cash, Cash-Equivalents and Invested Assets (Page 2, Col. 3)</b> (Item divided by Page 2, Line 12, Col. 3) x 100.0					
26. Bonds (Line 1) .....					
27. Stocks (Lines 2.1 & 2.2) .....					
28. Mortgage loans on real estate (Line 3.1 and 3.2) .....					
29. Real estate (Lines 4.1, 4.2 & 4.3) .....					
30. Cash, cash equivalents and short-term investments (Line 5) .....					
31. Contract loans (Line 6) .....					
32. Derivatives (Line 7) .....					
33. Other invested assets (Line 8) .....					
34. Receivable for securities (Line 9) .....					
35. Securities lending reinvested collateral assets (Line 10) .....					
36. Aggregate write-ins for invested assets (Line 11) .....					
37. Subtotals cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
38. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) .....					
39. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1) .....					
40. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1) .....					
41. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) .....					
42. Affiliated mortgage loans on real estate .....					
43. All other affiliated .....					
44. Total of above Lines 38 to 43 .....					
45. Total investment in parent included in Lines 38 to 43 above .....					
46. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 44 above divided by Page 3, Line 32, Col. 1 x 100.0)					

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>01/11/2024</u></p> <p><b>CONTACT PERSON:</b> <u>Charles Therriault</u></p> <p><b>TELEPHONE:</b> <u>212-386-1920</u></p> <p><b>EMAIL ADDRESS:</b> <u>ctherriault@naic.org</u></p> <p><b>ON BEHALF OF:</b> _____</p> <p><b>NAME:</b> <u>Carrie Mears</u></p> <p><b>TITLE:</b> <u>Chief Insurance Investment Specialist - IA</u></p> <p><b>AFFILIATION:</b> <u>Valuation of Securities (E) Task Force</u></p> <p><b>ADDRESS:</b> _____</p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2024-03BWG 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 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 were~~ 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 [ ]

**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 ] <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 checked="" type="checkbox"/> [ X ] 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**

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|---|---|---|
| <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 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 checked="" type="checkbox"/> [ X ] 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**

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|---|--|---|
| <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><b>CONTACT PERSON:</b> <u>Kris DeFrain</u></p> <p><b>TELEPHONE:</b> <u>816-783-8229</u></p> <p><b>EMAIL ADDRESS:</b> <u>kdefrain@naic.org</u></p> <p><b>ON BEHALF OF:</b> _____</p> <p><b>NAME:</b> <u>Miriam Fisk</u></p> <p><b>TITLE:</b> <u>Chair</u></p> <p><b>AFFILIATION:</b> <u>Actuarial Opinion (C) Working Group</u></p> <p><b>ADDRESS:</b> <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 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 type="checkbox"/> [ X ] 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 INSTRUCTION –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 INSTRUCTIONS – 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.

~~a~~B. 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.

~~b~~C. 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.~~

~~e~~D. 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.

eE. 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) \$ \_\_\_\_\_



**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>03/01/2024</u></p> <p><b>CONTACT PERSON:</b> _____</p> <p><b>TELEPHONE:</b> _____</p> <p><b>EMAIL ADDRESS:</b> _____</p> <p><b>ON BEHALF OF:</b> _____</p> <p><b>NAME:</b> <u>Dale Bruggeman</u></p> <p><b>TITLE:</b> <u>Chair SAPWG</u></p> <p><b>AFFILIATION:</b> <u>Ohio Department of Insurance</u></p> <p><b>ADDRESS:</b> <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>2024-07BWG</u></p> <p>Year <u>2024</u></p> <p>Changes to Existing Reporting [ ]</p> <p>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 ]</p> <p>Modifies Required Disclosure [ ]</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**

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|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input type="checkbox"/> INSTRUCTIONS                 | <input type="checkbox"/> CROSSCHECKS              |
| <input 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**

Update the illustration under Note 5S(A) – Investments for Net Negative (Disallowed) Interest Maintenance Reserve (IMR) to add separate account breakout. Add a new general interrogatory for a company attestation for separate accounts. *(This goes with adopted Blanks Working Group proposal 2023-13BWG)*

**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**

Illustration:



**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) Net negative (disallowed) IMR

Total	General Account	Insulated Separate Account	Non-Insulated Separate Account
\$ .....	\$ .....	\$ .....	\$ .....

(2) Negative (disallowed) IMR admitted

Total	General Account	Insulated Separate Account	Non-Insulated Separate Account
\$ .....	\$ .....	\$ .....	\$ .....

(3) Calculated adjusted capital and surplus

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

(4) Percentage of adjusted capital and surplus

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

(5) Allocated gains/losses to IMR from derivatives

a. General Account

	Gains	Losses
Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Prior Period	\$ .....	\$ .....
Fair Value Derivative Gains & Losses Realized to IMR – Added in Current Period	\$ .....	\$ .....

Fair Value Derivative Gains & Losses Amortized Over Current Period	\$ .....	\$ .....
Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Current Period Total	\$ .....	\$ .....

b. Separate Account - Insulated

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

c. Separate Account – Non-Insulated

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

**ANNUAL STATEMENT BLANK – SEPARATE ACCOUNTS**

**GENERAL INTERROGATORIES**



**Detail Eliminated To Conserve Space**

**Reporting Differences Between GAAP and SAP Financial Statements (This disclosure is applicable to all reporting entities regardless if they file GAAP financial statements)**

- 8.1 Does the reporting entity file GAAP financial statements? Yes [ ] No [ ]
- 8.2 In accordance with the different separate account reporting requirements between GAAP (SOP 03-1) and statutory accounting, does the reporting entity have products that are classified within the separate account that were, or would have been if GAAP financial statements had been completed, required to be reported within the general account under GAAP financials? Pursuant to SOP 03-1, all of the following conditions must be met to receive separate account reporting classification under GAAP: Yes [ ] No [ ] N/A [ ]
  - a. Legal Recognition - The separate account is legally recognized. That is, the separate account is established, approved, and regulated under special rules such as state insurance laws, federal securities laws, or similar foreign laws.
  - b. Legally Insulated - The separate account assets supporting the contract liabilities are legally insulated from the general account liabilities of the insurance enterprise (that is, the contract holder is not subject to insurer default risk to the extent of the assets held in the separate account).
  - c. Investment Directive - The reporting entity must, as a result of contractual, statutory, or regulatory requirements, invest the contract holder's funds within the separate account as directed by the contract holder in designated investment alternatives or in accordance with specific investment objectives or policies.
  - d. Investment Performance - All investment performance, net of contract fees and assessments, must as a result of contractual, statutory, or regulatory requirements be passed through to the individual contract holder. Contracts may specify conditions under which there may be a minimum guarantee, but not a ceiling, as a ceiling would prohibit all investment performance from being passed through to the contract holder
- 8.3 Identify all separate account products and identify whether each product was classified within a separate account for GAAP reporting purposes. (For non-GAAP filers, this disclosure should reflect whether the GAAP classification would have been the same if GAAP financials had been completed.) For products that were (or would have been) reported differently, identify which SOP 03-1 condition prevented separate account GAAP classification for that particular product.

1	2
Product Identifier	Same as GAAP / Condition that Requires GAAP General Account Reporting

**Interest Maintenance Reserve (IMR)**

- 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 derivate 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 [ ]

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>03/01/2024</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>2024-08BWG</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**

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|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input type="checkbox"/> CROSSCHECKS              |
| <input type="checkbox"/> QUARTERLY STATEMENT                          | <input 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) | <input type="checkbox"/> Life (Health Supplement) |

Anticipated Effective Date: Annual 2024

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

Update the Interest Maintenance Reserve and Asset Valuation Reserve instructions for specific allocation guidance for NAIC Designation Changes for Debt Securities (excluding LBSS), Mortgage Loans, and perpetual preferred stocks. *(SAPWG agenda items: 2023-15 & 2023-29)*

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

Update the instructions for the changes made in the SAPWG agenda items 2023-15 and 2023-29.

**\*\*\*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****INTEREST MAINTENANCE RESERVE**

This exhibit is designed to capture the realized capital gains (losses) that result from changes in the overall level of interest rates and amortize them into income over the approximate remaining life of the investment sold.


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=
=
**Detail Eliminated To Conserve Space**
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Line 2            –      Current Year’s Realized Pre-tax Capital Gains (Losses) of \$ \_\_\_\_\_ Transferred into the Reserve Net of Taxes of \$ \_\_\_\_\_

Include interest-rate-related realized capital gains (losses), net of capital gains tax thereon. All realized capital gains (losses) transferred to the IMR are net of capital gains taxes thereon. Exclude non-interest-related (default) realized capital gains and (losses), realized capital gains (losses) on equity investments, and unrealized capital gains (losses).

All realized capital gains (losses), due to interest rate changes on fixed income investments, net of related capital gains tax, should be captured in the IMR and amortized into income (Column 2, Lines 1 through 31) according to Table 1 or the seriatim method. Realized capital gains (losses) must be classified as either interest (IMR) or non-interest (AVR) related, not a combination except as specified in *SSAP No. 43R—Loan-Backed and Structured Securities*. Purchase lots with the same CUSIP are treated as individual assets for IMR and Asset Valuation Reserve (AVR) purposes.

Exclude those capital gains and (losses) that, in accordance with contract terms have been used to directly increase or (decrease) contract benefit payments or reserves during the reporting period. The purpose of this exclusion is to avoid the duplicate utilization of such gains and (losses).

Capital gains tax should be determined using the method developed by the company to allocate taxes used for statutory financial reporting purposes. By capturing the realized capital gains (losses) net of tax, the capital gains tax associated with those capital gains (losses) due to an interest rate change is charged or credited to the IMR and amortized in proportion to the before-tax amortization.

Include realized capital gains (losses) on:

Debt securities (excluding loan-backed and structured securities) and redeemable preferred stocks whose National Association of Insurance Commissioners (NAIC)/Securities Valuation Office (SVO) designation at the end of the holding period is **NOT** different from its NAIC designation at the beginning of the holding period by more than one or less NAIC designation. Exclude any such gains (losses) exempt from the IMR. However, if the security sold also includes the following, it should not be included in IMR:

- Between the purchase and sale date there was an acute credit event (a known event that significantly negatively impacts the price of the security), that was not yet reflected in CRP ratings and/or the SVO feed at the time of the sale, where the resulting gain (loss) from the sale was predominantly credit related.

Exchange Traded Funds (ETFs) as listed on the SVO Identified Bond ETF List (thereafter subject to bond IMR guidelines) and the SVO Identified Preferred Stock ETF List (thereafter subject to preferred stock IMR guidelines). Include any capital gains (losses) realized by the Company, whether from sale of the ETF or capital gains distributions by the ETF. If the ETF is removed from either SVO ETF list, the ETF is reported and treated as common stock, with any capital gains/(losses) excluded from the IMR. (Mandatory convertible preferred stocks (regardless if redeemable or perpetual) and investments on the SVO-Identified Preferred Stock List are captured as perpetual preferred stock and treated as equity investments, with gains and losses excluded from IMR.)

SVO Identified Funds designated for systematic value

Called bonds, tendered bonds, and sinking fund payments.

Mortgage loans where the realized gains (losses) more predominantly reflect interest-related changes. By default, mortgage loans that meet any of the following criteria shall not be considered to reflect interest-related losses. Realized gains (losses) from mortgage loans with these characteristics shall be reported in the AVR:

- Any mortgage loan sold/disposed with an established valuation allowance under SSAP No. 37, or
- Interest is ~~NOT~~ more than 90 days past due, or
- The loan is ~~NOT~~ in process of foreclosure, or
- The loan is ~~NOT~~ in course of voluntary conveyance, or
- The terms of the loan have ~~NOT~~ been restructured during the prior two years.

Additional Provisions for Including/Excluding Gains (Losses) from IMR:

Mortgage loan prepayment penalties are not included in IMR. Treat them as regular investment income.

Interest-related gains (losses) realized on directly held capital and surplus notes reported on Schedule BA should be transferred to the IMR in the same manner as similar gains and (losses) on fixed income assets held on Schedule D. A capital gain (loss) on such a note is classified as an interest rate gain if the note is eligible for amortized-value accounting at both the time of acquisition and the time of disposition.

Determination of IMR gain (loss) on multiple lots of the same securities should follow the underlying accounting treatment in determining the gain (loss). Thus, the designation, on a purchase lot basis, should be compared to the designation at the end of the holding period to determine IMR or AVR gain or (loss).

Realized capital gains (losses) on any debt security (excluding loan-backed and structured securities) that has had an NAIC/SVO designation of 6 at any time during the holding period should be excluded from the IMR and included as a non-interest-related gain (loss) in the AVR.

Realized capital gains (losses) on ~~any redeemable~~ preferred stock that had an NAIC/SVO designation of ~~RP4, RP5 or RP6 or P4, P5 or P6~~ 4-6 at any time during the holding period should be reported as non-interest-related gains (losses) in the AVR.

The holding period for debt securities (excluding loan-backed and structured securities) and redeemable preferred stocks is defined as the period from the date of purchase to the date of sale. For the end of period classification, the most recent available designation should be used. For bonds acquired before Jan. 1, 1991, the holding period is presumed to have begun on Dec. 31, 1990. For redeemable preferred stocks acquired before Jan. 1, 1993, the holding period is presumed to have begun on Dec. 31, 1992. For ~~SVO-SVO-Identified Funds~~ Bond ETFs, the holding period is defined as one calendar year to expected maturity. For ~~SVO-SVO-Identified Funds~~ Bond ETFs designated for systematic value, the holding period is the weighted-average life of the underlying bonds.

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

**ASSET VALUATION RESERVE**

This exhibit and its supporting calculations are designed to address the non-interest-related (default) and equity risks of the company's assets by calculating a basic contribution, a reserve objective and a maximum reserve amount and controlling the flow of the reserve from/into surplus. These instructions cover the Asset Valuation Reserve (AVR) for both the General Account Statement and the Separate Account Statement. If an AVR is required for investments in the Separate Accounts Statement, it is combined with the General Account AVR and accounted for in the General Accounts statement. Worksheets supporting the separate accounts portion of the reserve are included with the Separate Accounts Statement. The criteria for determining when an AVR is required for separate accounts are described in the Separate Accounts AVR Worksheet instructions.

**Detail Eliminated To Conserve Space**

Line 2 – Realized Capital Gains (Losses) Net of Taxes – General Account

Report all realized non-interest-related (default) and equity capital gains (losses) (which includes, but is not limited to, common stock, perpetual preferred stock, mandatory convertible preferred stock (regardless if redeemable or perpetual) and SVO-Identified Preferred Stock ETFs), net of capital gains tax, applicable to the assets in each component and sub-component. All realized capital gains (losses) transferred to the AVR are net of capital gains taxes thereon. Exclude all interest rate-related capital gains (losses) from the AVR.

Capital gains tax should be determined using the method developed by the company to allocate taxes used for statutory financial reporting purposes.

Report all realized capital gains (losses), net of capital gains tax, on each debt security (excluding loan-backed and structured securities) whose NAIC/SVO designation at the end of the holding period is different from its NAIC/SVO designation at the beginning of the holding period by more than on NAIC designation shall be considered to reflect non-interest-related changes. Gains (losses) from those debt instruments shall be reported in the AVR, by more than one NAIC/SVO designation. The holding period is defined as the period from the date of purchase to the date of sale. For end of period classification, the most recent available designation should be used. For bonds acquired before Jan. 1, 1991, the holding period is presumed to have begun on Dec. 31, 1990. However, securities without more than one designation change shall be included in the AVR if it includes the following:

- Between the purchase and sale date there was an acute credit event (a known event that significantly negatively impacts the price of the security), that was not yet reflected in CRP ratings and/or the SVO feed at the time of the sale, where the resulting gain (loss) from the sale was predominantly credit related.

Determination of AVR gain (loss) on multiple lots of the same fixed income securities should follow the underlying accounting treatment in determining gain (loss). Thus, the designation, on a purchase lot basis, should be compared to the designation at the end of the holding period to determine IMR or AVR gain or (loss).

In accordance with *SSAP No. 26R—Bonds*, securities with other-than-temporary impairment losses shall be recorded entirely to either AVR or IMR and not bifurcated between interest and non-interest components.

In accordance with *SSAP No. 43R—Loan-Backed and Structured Securities*, for loan-backed and structured securities only:

- Other-Than-Temporary Impairment – Non-interest-related other-than-temporary impairment losses shall be recorded through the AVR. If the reporting entity wrote the security down to fair value due to the intent to sell or does not have the intent and ability to retain the investment for a period of time sufficient to recover the amortized cost basis, the non-interest-related portion of the other-than-temporary impairment losses shall be recorded through the AVR; the interest related other-than-



temporary impairment losses shall be recorded through the IMR. The analysis for bifurcating impairment losses between AVR and IMR shall be completed as of the date when the other-than-temporary impairment is determined.

- Security Sold at a Loss Without Prior OTTI – An entity shall bifurcate the loss into AVR and IMR portions depending on interest- and non-interest-related declines in accordance with the analysis performed as of the date of sale. As such, an entity shall report the loss in separate AVR and IMR components as appropriate.
- Security Sold at a Loss with Prior OTTI – An entity shall bifurcate the current realized loss into AVR and IMR portions depending on interest- and non-interest-related declines in accordance with the analysis performed as of the date of sale. An entity shall not adjust previous allocations to AVR and IMR that resulted from previous recognition of other-than-temporary impairments.
- Security Sold at a Gain with Prior OTTI – An entity shall bifurcate the gain into AVR and IMR portions depending on interest and non-interest factors in accordance with the analysis performed as of the date of sale. The bifurcation between AVR and IMR that occurs as of the date of sale may be different from the AVR and IMR allocation that occurred at the time of previous other-than-temporary impairments. An entity shall not adjust previous allocations to AVR and IMR that resulted from previous recognition of other-than-temporary impairments.
- Security Sold at a Gain Without Prior OTTI – An entity shall bifurcate the gain into AVR and IMR portions depending on interest and non-interest factors in accordance with the analysis performed as of the date of sale.

In addition, all gains (losses), net of capital gains tax, on mortgage loans where the realized gains (losses) more predominantly reflect non-interest-related changes. By default, mortgage loans that meet any of the following criteria shall be considered to reflect non-interest-related changes and realized gains (losses) from mortgage loans with these characteristics shall be reported in the AVR:

- Any mortgage loan sold/disposed with an established valuation allowance under SSAP No. 37,  
or
- Interest is more than 90 days past due, or
- The loan is in the process of foreclosure, or
- The loan is in course of voluntary conveyance, or
- The terms of the loan have been restructured during the prior two years

~~Would be classified as non interest related gains (losses).~~

The gain (loss), net of capital gains tax, on any debt security (excluding loan-backed and structured securities) that has had an NAIC/SVO designation of “6” at any time during the holding period should be reported as a credit related gain (loss).

All capital gains (losses), net of capital gains tax, from redeemable preferred stock that had an NAIC/SVO designation of ~~RP4, RP5 or RP6 or P4, P5 or P6~~ 4-6 at any time during the holding period should be reported as on-interest-related gains (losses) in the AVR.

However, for a convertible bond or redeemable preferred stock purchased while its conversion value exceeds its par value, any gain (loss) realized from its sale before conversion must be included in the Equity Component of the AVR. Conversion Value is defined to mean the number of shares available currently or at next conversion date multiplied by the stock’s current market price.

Report all realized equity capital gains (losses), net of capital gains tax, in the appropriate sub-components.

The following guidance pertains to instruments in Scope of *SSAP No. 86—Derivatives*:

- For derivative instruments used in hedging transactions, the determination of whether the capital gains (losses) are allocable to the IMR or the AVR is based on how the underlying asset is treated. Realized gains (losses), net of capital gains tax, on portfolio or general hedging instruments should be included with the hedged asset. Gains (losses), net of capital gains tax, on hedges used, as specific hedges should be included only if the specific hedged asset is sold or disposed of.
- For income generation derivative transactions, the determination of whether the capital gains (losses) are allocable to the IMR or the AVR is based on how the underlying interest (for a put) or covering asset (for a call, cap or floor) is treated. Realized gains (losses), net of capital gains tax should be included in the same sub-component where the realized gains (losses) of the underlying interest (for a put) or covering asset (for a call, cap or floor) is reported. Refer to *SSAP No. 86—Derivatives* for accounting guidance.

Realized gains (losses), net of capital gains tax, resulting from the sale of U.S. government securities and the direct or guaranteed securities of agencies which are backed by the full faith and credit of the U.S. government are exempt from the AVR. This category is described in the Investment Schedules General Instructions.

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>03/01/2024</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>2024-09BWG 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 ] <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 [ ] 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 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**

Add a note (5T) to the Notes to Financials to be data captured to report the aggregate collateral loans by qualifying investment collateral. Add crosscheck between Schedule BA, Part 1 Book Adjusted Carrying Value column and Note 5(T) Total Line.

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

This proposal updates Notes to Financial Statement for the Statutory Accounting Principles Working Group’s disclosure on Collateral Loan Reporting (INT 23-28)

**\*\*\*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:

T. Aggregate Collateral Loans by Qualifying Investment Collateral

Pursuant to SSAP No. 21 R – Other Admitted Assets, nonadmittance of a collateral loan is required when the fair value of the collateral is not sufficient to cover the collateral loan or if the collateral securing the loan is not a qualifying investment. This includes situations in which collateral in form of joint ventures, partnerships, limited liability companies (LLCs) or subsidiaries, controlled, and affiliates (SCAs) is not supported by an audit as required by SSAP No. 48 or SSAP No. 97.

Collateral loans shall be reported based on the type of qualifying investment that secures the loan. An aggregate note disclosure shall identify the total amount of collateral loans, and the collateral loans admitted and nonadmitted by qualifying investment type.

The other qualifying investment category shall only be used to capture collateral loans secured by collateral in the form of contract loans, derivatives, other invested assets not separately reported, receivables for securities, securities lending and any investments that would qualify as a write-in for invested assets. All collateral loans secured by collateral that does not qualify as an investment are required to be nonadmitted under SSAP No. 21R.

Note: Collateral Loans with collateral that does not qualify as an investment are not permitted under SSAP No. 21R. Amounts reported as admitted within this category shall be supported by a prescribed or permitted practice disclosure.



Illustration:

T. Aggregate Collateral Loans by Qualifying Investment Collateral

**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.**

<u>Collateral Type</u>	<u>Aggregate Collateral Loan*</u>	<u>Admitted</u>	<u>Nonadmitted</u>
<u>(1) Cash, Cash Equivalent &amp; ST Investments</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(2) Bonds</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(3) Loan-Backed and Structured Securities</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(4) Preferred Stocks</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(5) Common Stocks</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(6) Real Estate</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(7) Mortgage Loans</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(8) Joint Ventures, Partnerships, LLC</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(9) Other Qualifying Investments</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(10) Collateral Does not Qualify as an Investment</u>			
<u>a. Affiliated</u>	.....	.....	.....
<u>b. Unaffiliated</u>	.....	.....	.....
<u>(11) Total</u>	.....	.....	.....

\* Aggregate Collateral Loan Total Line should equal Schedule BA, Part 1, Column 12, Book Adjusted Carrying Value

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>03/01/2024</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>2024-10BWG MOD</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 [ X ]</p> <p>Modifies Required Disclosure [ ]</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**

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| <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 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**

Remove the ACA SSAP No. 107 disclosure on the transitional reinsurance program and the risk corridors program from Note 24E in the Notes to Financials (Note 24F for Property/Casualty) in the Annual Statement Instructions.

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

This proposal updates Notes to Financial Statement for the Statutory Accounting Principles Working Group’s disclosure on updating SSAP No. 107 disclosures. (SAPWG Ref # 2024-13)

**\*\*\*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 AND HEALTH****NOTES TO FINANCIAL STATEMENTS****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**Instruction:


**Detail Eliminated To Conserve Space**

**E. Risk-Sharing Provisions of the Affordable Care Act (ACA)**

- (1) Reporting entities shall also indicate if they wrote any accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions. In the event that the balances are zero, the reporting entity should provide context to explain the reasons for the zero balances, including insufficient data to make an estimate, no balances or premium was excluded from the program, etc.

NOTE: Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the Affordable Care Act risk-sharing provisions **MUST** complete the tables illustrated for the disclosures below, even if all amounts in the illustrated table are zero.

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

The financial statements shall disclose the admitted assets, liabilities and revenue elements ~~by~~ for the permanent risk adjustment program regarding the risk-sharing provisions of the Affordable Care Act for the reporting periods that are impacted by programs. The disclosure should include the following:

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Risk adjustment user fees payable for ACA Risk Adjustment
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
  - Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment
  - Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
  - ~~Ceded reinsurance premiums due to ACA Reinsurance~~
  - ~~Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments~~



- ~~ACA Reinsurance contributions not reported as ceded premium~~
- ~~Temporary ACA Risk Corridors Program~~
  - ~~Accrued retrospective premium due to ACA Risk Corridors~~
  - ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~
  - ~~Effect of ACA Risk Corridors on net premium income (paid/received)~~
  - ~~Effect of ACA Risk Corridors on change in reserves for rate credits~~

(3) Roll-Forward of Prior Year ACA Risk-Sharing Provisions

A roll-forward of prior year ACA risk-sharing provisions for the risk adjustment program for the following asset (gross of any nonadmission) and liability balances shall be disclosed, along with the reasons for adjustments (e.g., federal audits, revised participant counts, information which impacted risk score projections, etc.) to prior year balance.

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
- ~~Temporary ACA Risk Corridors Program~~
  - ~~Accrued retrospective premium due to ACA Risk Corridors~~
  - ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~

~~(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year~~

~~Provide an additional roll forward of the risk corridors asset and liability balances and subsequent adjustments by program benefit year. The beginning receivable or payable in the roll forward will reflect the prior year-end balance for the specified benefit year.~~

~~(5) ACA Risk Corridors Receivable as of Reporting Date~~

~~The following information is required for risk corridors balances by program benefit year:~~

- ~~• Estimated amount to be filed or final amounts filed with federal agency~~
- ~~• Amounts impaired or amounts not accrued for other reasons (not withstanding collectability concerns)~~
- ~~• Amounts received from federal agency~~
- ~~• Asset balance gross of nonadmission~~
- ~~• Nonadmitted amounts~~
- ~~• Net admitted assets~~

Illustration:



E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

**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.**

**NOTE: Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the federal Affordable Care Act risk-sharing provisions MUST complete the tables (24E(2) through 24E(5)) illustrated below, even if all amounts in the table are zero.**

- (1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? \_\_\_\_\_

The company had zero balances for the risk corridors adjustments program due a lack of sufficient data to estimate the recoverable amounts.

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	<u>AMOUNT</u>
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)	\$ _____
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ _____
3. Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)	\$ _____
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ _____
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$ _____

~~b. Transitional ACA Reinsurance Program~~

~~Assets~~

- ~~1. Amounts recoverable for claims paid due to ACA Reinsurance \$ \_\_\_\_\_~~
- ~~2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) \$ \_\_\_\_\_~~
- ~~3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance \$ \_\_\_\_\_~~

~~Liabilities~~

- ~~4. Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium \$ \_\_\_\_\_~~
- ~~5. Ceded reinsurance premiums payable due to ACA Reinsurance \$ \_\_\_\_\_~~
- ~~6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance \$ \_\_\_\_\_~~

~~Operations (Revenue & Expense)~~

- ~~7. Ceded reinsurance premiums due to ACA Reinsurance \$ \_\_\_\_\_~~
- ~~8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments \$ \_\_\_\_\_~~
- ~~9. ACA Reinsurance contributions not reported as ceded premium \$ \_\_\_\_\_~~

~~e. Temporary ACA Risk Corridors Program~~

~~Assets~~

- ~~1. Accrued retrospective premium due to ACA Risk Corridors \$ \_\_\_\_\_~~

~~Liabilities~~

- ~~2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors \$ \_\_\_\_\_~~

~~Operations (Revenue & Expense)~~

- ~~3. Effect of ACA Risk Corridors on net premium income (paid/received) \$ \_\_\_\_\_~~
- ~~4. Effect of ACA Risk Corridors on change in reserves for rate credits \$ \_\_\_\_\_~~

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior Year	Prior Year	To Prior Year	To Prior Year		Cumulative	Cumulative
					Accrued Less Payments (Col 1 - 3)	Accrued Less Payments (Col 2 - 4)					
Receivable	(Payable)	Receivable	(Payable)	5	6	7	8	9	10		
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high-risk pool payments)	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Premium adjustments (payable) (including high-risk pool premium)	\$	\$	\$	\$	\$	\$	\$	\$	B	\$	\$
3. <del>Subtotal ACA Permanent Risk Adjustment Program</del>	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
b. <del>Transitional ACA Reinsurance Programs</del>											
1. <del>Amounts recoverable for claims paid</del>	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. <del>Amounts recoverable for claims unpaid (contra liability)</del>	\$	\$	\$	\$	\$	\$	\$	\$	D	\$	\$
3. <del>Amounts receivable relating to uninsured plans</del>	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
4. <del>Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium</del>	\$	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
5. <del>Ceded reinsurance premiums payable</del>	\$	\$	\$	\$	\$	\$	\$	\$	G	\$	\$
6. <del>Liability for amounts held under uninsured plans</del>	\$	\$	\$	\$	\$	\$	\$	\$	H	\$	\$
7. <del>Subtotal ACA Transitional Reinsurance Program</del>	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
c. Temporary ACA Risk Corridors Program											
1. <del>Accrued retrospective premium</del>	\$	\$	\$	\$	\$	\$	\$	\$	I	\$	\$
2. <del>Reserve for rate credits or policy experience rating refunds</del>	\$	\$	\$	\$	\$	\$	\$	\$	J	\$	\$
3. <del>Subtotal ACA Risk Corridors Program</del>	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
d. Total for ACA Risk-Sharing Provisions	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments

- A .....
- B .....
- C .....
- D .....
- E .....
- F .....
- G .....
- H .....
- I .....
- J .....

(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior-Year	Prior-Year	7	8	Cumulative	Cumulative
					Accrued-Less	Accrued-Less				
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	To-Prior-Year	To-Prior-Year	Balance	Balance	
				5	6	Balances	Balances	Ref	9	10
				Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. 2014										
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	B	\$	\$
b. 2015										
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	D	\$	\$
c. 2016										
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
d. Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments

A	.....
B	.....
C	.....
D	.....
E	.....
F	.....

24E(4)d (Columns 1 through 10) should equal 24E(3)e3 (Column 1 through 10 respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non-admissions) (1-2-3)	5 Non-admitted Amount	6 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2015	\$	\$	\$	\$	\$	\$
c. 2016	\$	\$	\$	\$	\$	\$
d. Total (a+b+c)	\$	\$	\$	\$	\$	\$

24E(5)d (Column 4) should equal 24E(3)e1 (Column 9)

24E(5)d (Column 6) should equal 24E(2)e1

**ANNUAL STATEMENT INSTRUCTIONS – PROPERTY/CASUALTY****NOTES TO FINANCIAL STATEMENTS****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**Instruction:**Detail Eliminated To Conserve Space****F. Risk-Sharing Provisions of the Affordable Care Act (ACA)**

- (1) Reporting entities shall also indicate if they wrote any accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions. In the event that the balances are zero, the reporting entity should provide context to explain the reasons for the zero balances, including insufficient data to make an estimate, no balances or premium was excluded from the program, etc.

NOTE: Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the Affordable Care Act risk-sharing provisions **MUST** complete the tables illustrated for the disclosures below, even if all amounts in the illustrated table are zero.

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

The financial statements shall disclose the admitted assets, liabilities and revenue elements ~~by~~ for the permanent risk adjustment program regarding the risk-sharing provisions of the Affordable Care Act for the reporting periods that are impacted by programs. The disclosure should include the following:

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Risk adjustment user fees payable for ACA Risk Adjustment
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
  - Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment
  - Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
  - ~~Ceded reinsurance premiums due to ACA Reinsurance~~
  - ~~Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments~~

- ~~ACA Reinsurance contributions not reported as ceded premium~~
- ~~Temporary ACA Risk Corridors Program~~
  - ~~Accrued retrospective premium due to ACA Risk Corridors~~
  - ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~
  - ~~Effect of ACA Risk Corridors on net premium income (paid/received)~~
  - ~~Effect of ACA Risk Corridors on change in reserves for rate credits~~

(3) Roll-Forward of Prior Year ACA Risk-Sharing Provisions

A roll-forward of prior year ACA risk-sharing provisions for the risk adjustment program for the following asset (gross of any nonadmission) and liability balances shall be disclosed, along with the reasons for adjustments (e.g., federal audits, revised participant counts, information which impacted risk score projections, etc.) to prior year balance.

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
- ~~Temporary ACA Risk Corridors Program~~
  - ~~Accrued retrospective premium due to ACA Risk Corridors~~
  - ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~

~~(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year~~

~~Provide an additional roll forward of the risk corridors asset and liability balances and subsequent adjustments by program benefit year. The beginning receivable or payable in the roll forward will reflect the prior year end balance for the specified benefit year.~~

~~(5) ACA Risk Corridors Receivable as of Reporting Date~~

~~The following information is required for risk corridors balances by program benefit year:~~

- ~~Estimated amount to be filed or final amounts filed with federal agency;~~
- ~~Amounts impaired or amounts not accrued for other reasons (notwithstanding collectability concerns);~~
- ~~Amounts received from federal agency;~~
- ~~Asset balance gross of nonadmission;~~
- ~~Nonadmitted amounts;~~

~~Net admitted assets.~~

Illustration:



**Detail Eliminated To Conserve Space**

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

**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.**

**NOTE: Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the federal Affordable Care Act risk-sharing provisions MUST complete the tables (24F(2) through 24F(5)) illustrated below, even if all amounts in the table are zero.**

- (1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? \_\_\_\_\_

The company had zero balances for the risk corridors adjustment program due a lack of sufficient data to estimate the recoverable amounts.

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	<u>AMOUNT</u>
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)	\$ _____
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ _____
3. Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)	\$ _____
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ _____
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$ _____
b. <del>Transitional ACA Reinsurance Program</del>	
<del>Assets</del>	
<del>1. Amounts recoverable for claims paid due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)</del>	<del>\$ _____</del>
<del>3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance</del>	<del>\$ _____</del>
<del>Liabilities</del>	
<del>4. Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium</del>	<del>\$ _____</del>
<del>5. Ceded reinsurance premiums payable due to ACA Reinsurance</del>	<del>\$ _____</del>



<del>6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance</del>	<del>\$ _____</del>
<del>Operations (Revenue &amp; Expense)</del>	
<del>7. Ceded reinsurance premiums due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments</del>	<del>\$ _____</del>
<del>9. ACA Reinsurance contributions not reported as ceded premium</del>	<del>\$ _____</del>
<del>e. Temporary ACA Risk Corridors Program</del>	
<del>Assets</del>	
<del>1. Accrued retrospective premium due to ACA Risk Corridors</del>	<del>\$ _____</del>
<del>Liabilities</del>	
<del>2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors</del>	<del>\$ _____</del>
<del>Operations (Revenue &amp; Expense)</del>	
<del>3. Effect of ACA Risk Corridors on net premium income (paid/received)</del>	<del>\$ _____</del>
<del>4. Effect of ACA Risk Corridors on change in reserves for rate credits</del>	<del>\$ _____</del>

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior Year	Prior Year	To Prior Year	To Prior Year		Cumulative	Cumulative
					Accrued Less Payments (Col 1 - 3)	Accrued Less Payments (Col 2 - 4)					
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)	
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high-risk pool payments)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	A	\$ .....	\$ .....
2. Premium adjustments (payable) (including high-risk pool premium)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	B	\$ .....	\$ .....
3. <del>Subtotal ACA Permanent Risk Adjustment Program</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
b. <del>Transitional ACA Reinsurance Programs</del>											
1. <del>Amounts recoverable for claims paid</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	C	\$ .....	\$ .....
2. <del>Amounts recoverable for claims unpaid (contra liability)</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	D	\$ .....	\$ .....
3. <del>Amounts receivable relating to uninsured plans</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	E	\$ .....	\$ .....
4. <del>Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	F	\$ .....	\$ .....
5. <del>Ceded reinsurance premiums payable</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	G	\$ .....	\$ .....
6. <del>Liability for amounts held under uninsured plans</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	H	\$ .....	\$ .....
7. <del>Subtotal ACA Transitional Reinsurance Program</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
c. Temporary ACA Risk Corridors Program											
1. <del>Accrued retrospective premium</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	I	\$ .....	\$ .....
2. <del>Reserve for rate credits or policy experience rating refunds</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	J	\$ .....	\$ .....
3. <del>Subtotal ACA Risk Corridors Program</del>	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
d. Total for ACA Risk-Sharing Provisions	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....

Explanations of Adjustments

- A .....
- B .....
- C .....
- D .....
- E .....
- F .....
- G .....
- H .....
- I .....
- J .....

(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior-Year	Prior-Year	7	8	Cumulative	Cumulative	
					Accrued-Less	Accrued-Less					
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	To-Prior-Year	To-Prior-Year	Balance	Balance		
a. 2014											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	B	\$	\$
b. 2015											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	D	\$	\$
c. 2016											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
d. Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments

A	.....
B	.....
C	.....
D	.....
E	.....
F	.....

24F(4)d (Columns 1 through 10) should equal 24F(3)c3 (Column 1 through 10 respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non-admissions) (1-2-3)	5 Non-admitted Amount	6 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2015	\$	\$	\$	\$	\$	\$
c. 2016	\$	\$	\$	\$	\$	\$
d. Total (a+b+c)	\$	\$	\$	\$	\$	\$

24F(5)d (Column 4) should equal 24F(3)c1 (Column 9)

24F(5)d (Column 6) should equal 24F(2)e1

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL AND HEALTH****NOTES TO FINANCIAL STATEMENTS****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**Instruction:

## E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

- (1) Reporting entities shall also indicate if they wrote any accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions. In the event that the balances are zero, the reporting entity should provide context to explain the reasons for the zero balances, including insufficient data to make an estimate, no balances or premium was excluded from the program, etc.

NOTE: Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the Affordable Care Act risk-sharing provisions **MUST** complete the tables illustrated for the disclosures below, even if all amounts in the illustrated table are zero.

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

The financial statements shall disclose the admitted assets, liabilities and revenue elements ~~by~~ for the permanent risk adjustment program regarding the risk-sharing provisions of the Affordable Care Act for the reporting periods that are impacted by programs. The disclosure should include the following:

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Risk adjustment user fees payable for ACA Risk Adjustment
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
  - Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment
  - Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
  - ~~Ceded reinsurance premiums due to ACA Reinsurance~~
  - ~~Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments~~
  - ~~ACA Reinsurance contributions not reported as ceded premium~~
- ~~Temporary ACA Risk Corridors Program~~

- ~~Accrued retrospective premium due to ACA Risk Corridors~~
- ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~
- ~~Effect of ACA Risk Corridors on net premium income (paid/received)~~
- ~~Effect of ACA Risk Corridors on change in reserves for rate credits~~

(3) Roll-Forward of Prior Year ACA Risk-Sharing Provisions

A roll-forward of prior year ACA risk-sharing provisions for the risk adjustment program for the following asset (gross of any nonadmission) and liability balances shall be disclosed, along with the reasons for adjustments (e.g., federal audits, revised participant counts, information which impacted risk score projections, etc.) to prior year balance.

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
- ~~Temporary ACA Risk Corridors Program~~
  - ~~Accrued retrospective premium due to ACA Risk Corridors~~
  - ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~

~~(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year~~

~~Provide an additional roll forward of the risk corridors asset and liability balances and subsequent adjustments by program benefit year. The beginning receivable or payable in the roll forward will reflect the prior year-end balance for the specified benefit year.~~

~~(5) ACA Risk Corridors Receivable as of Reporting Date~~

~~The following information is required for risk corridors balances by program benefit year:~~

- ~~Estimated amount to be filed or final amounts filed with federal agency~~
- ~~Amounts impaired or amounts not accrued for other reasons (not withstanding collectability concerns)~~
- ~~Amounts received from federal agency~~
- ~~Asset balance gross of nonadmission~~
- ~~Nonadmitted amounts~~
- ~~Net admitted assets~~

Illustration:

E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

**NOTE:** Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the federal Affordable Care Act risk-sharing provisions **MUST** complete the tables illustrated below, even if all amounts in the table are zero.

(1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? \_\_\_\_\_

The company had zero balances for the risk corridors adjustments program due a lack of sufficient data to estimate the recoverable amounts.

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	<u>AMOUNT</u>
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)	\$ _____
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ _____
3. Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)	\$ _____
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ _____
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$ _____
<del>b. Transitional ACA Reinsurance Program</del>	
<del>Assets</del>	
<del>1. Amounts recoverable for claims paid due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)</del>	<del>\$ _____</del>
<del>3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance</del>	<del>\$ _____</del>
<del>Liabilities</del>	
<del>4. Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium</del>	<del>\$ _____</del>
<del>5. Ceded reinsurance premiums payable due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance</del>	<del>\$ _____</del>
<del>Operations (Revenue &amp; Expense)</del>	
<del>7. Ceded reinsurance premiums due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments</del>	<del>\$ _____</del>
<del>9. ACA Reinsurance contributions not reported as ceded premium</del>	<del>\$ _____</del>

~~e. Temporary ACA Risk Corridors Program~~

~~Assets~~

~~1. Accrued retrospective premium due to ACA Risk Corridors Liabilities \$ \_\_\_\_\_~~

~~2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors \$ \_\_\_\_\_~~

~~Operations (Revenue & Expense)~~

~~3. Effect of ACA Risk Corridors on net premium income (paid/received) \$ \_\_\_\_\_~~

~~4. Effect of ACA Risk Corridors on change in reserves for rate credits \$ \_\_\_\_\_~~

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior Year	Prior Year	To Prior Year	To Prior Year	Cumulative	Cumulative	
					Accrued Less Payments (Col 1 - 3)	Accrued Less Payments (Col 2 - 4)					Balances
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)	
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high-risk pool payments)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	A	\$ .....	\$ .....
2. Premium adjustments (payable) (including high-risk pool premium)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	B	\$ .....	\$ .....
3. Subtotal ACA Permanent Risk Adjustment Program	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	C	\$ .....	\$ .....
2. Amounts recoverable for claims unpaid (contra liability)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	D	\$ .....	\$ .....
3. Amounts receivable relating to uninsured plans	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	E	\$ .....	\$ .....
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	F	\$ .....	\$ .....
5. Ceded reinsurance premiums payable	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	G	\$ .....	\$ .....
6. Liability for amounts held under uninsured plans	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	H	\$ .....	\$ .....
7. Subtotal ACA Transitional Reinsurance Program	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
e. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	I	\$ .....	\$ .....
2. Reserve for rate credits or policy experience rating refunds	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	J	\$ .....	\$ .....
3. Subtotal ACA Risk Corridors Program	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
d. Total for ACA Risk-Sharing Provisions	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....

Explanations of Adjustments

- A .....
- B .....
- C .....
- D .....
- E .....
- F .....
- G .....
- H .....
- I .....
- J .....

(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior-Year	Prior-Year	7	8	Cumulative	Cumulative	
					Accrued-Less	Accrued-Less					
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	To-Prior-Year	To-Prior-Year	Balance	Balance		
a. 2014											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	B	\$	\$
b. 2015											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	D	\$	\$
c. 2016											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
d. Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments

A	.....
B	.....
C	.....
D	.....
E	.....
F	.....

24E(4)d (Columns 1 through 10) should equal 24E(3)e3 (Column 1 through 10, respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Nonaccrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Nonadmissions) (1-2-3)	5 Nonadmitted Amount	6 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2015	\$	\$	\$	\$	\$	\$
c. 2016	\$	\$	\$	\$	\$	\$
d. Total (a+b+c)	\$	\$	\$	\$	\$	\$

24E(5)d (Column 4) should equal 24E(3)e1 (Column 9)

24E(5)d (Column 6) should equal 24E(2)e1



**QUARTERLY STATEMENT INSTRUCTIONS – PROPERTY/CASUALTY****NOTES TO FINANCIAL STATEMENTS****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**Instruction:

## F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

- (1) Reporting entities shall also indicate if they wrote any accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions. In the event that the balances are zero, the reporting entity should provide context to explain the reasons for the zero balances, including insufficient data to make an estimate, no balances or premium was excluded from the program, etc.

NOTE: Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the Affordable Care Act risk-sharing provisions **MUST** complete the tables illustrated for the disclosures below, even if all amounts in the illustrated table are zero.

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

The financial statements shall disclose the admitted assets, liabilities and revenue elements ~~by~~ for the permanent risk adjustment program regarding the risk-sharing provisions of the Affordable Care Act for the reporting periods that are impacted by programs. The disclosure should include the following:

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Risk adjustment user fees payable for ACA Risk Adjustment
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
  - Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment
  - Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
  - ~~Ceded reinsurance premiums due to ACA Reinsurance~~
  - ~~Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments~~
  - ~~ACA Reinsurance contributions not reported as ceded premium~~
- ~~Temporary ACA Risk Corridors Program~~

- ~~Accrued retrospective premium due to ACA Risk Corridors~~
- ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~
- ~~Effect of ACA Risk Corridors on net premium income (paid/received)~~
- ~~Effect of ACA Risk Corridors on change in reserves for rate credits~~

(3) Roll-Forward of Prior Year ACA Risk-Sharing Provisions

A roll-forward of prior year ACA risk-sharing provisions for the risk adjustment program for the following asset (gross of any nonadmission) and liability balances shall be disclosed, along with the reasons for adjustments (e.g., federal audits, revised participant counts, information which impacted risk score projections, etc.) to prior year balance.

- Permanent ACA Risk Adjustment Program
  - Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)
  - Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)
- ~~Transitional ACA Reinsurance Program~~
  - ~~Amounts recoverable for claims paid due to ACA Reinsurance~~
  - ~~Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)~~
  - ~~Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance~~
  - ~~Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium~~
  - ~~Ceded reinsurance premiums payable due to ACA Reinsurance~~
  - ~~Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance~~
- ~~Temporary ACA Risk Corridors Program~~
  - ~~Accrued retrospective premium due to ACA Risk Corridors~~
  - ~~Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors~~

~~(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year~~

~~Provide an additional roll forward of the risk corridors asset and liability balances and subsequent adjustments by program benefit year. The beginning receivable or payable in the roll forward will reflect the prior year-end balance for the specified benefit year.~~

~~(5) ACA Risk Corridors Receivable as of Reporting Date~~

~~The following information is required for risk corridors balances by program benefit year:~~

- ~~Estimated amount to be filed or final amounts filed with federal agency~~
- ~~Amounts impaired or amounts not accrued for other reasons (not withstanding collectability concerns)~~
- ~~Amounts received from federal agency~~
- ~~Asset balance gross of nonadmission~~
- ~~Nonadmitted amounts~~
- ~~Net admitted assets~~

Illustration:

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

**NOTE:** Any reporting entity that reports accident and health insurance premium and losses on their statement that is subject to the federal Affordable Care Act risk-sharing provisions **MUST** complete the tables illustrated below, even if all amounts in the table are zero.

(1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? \_\_\_\_\_

The company had zero balances for the risk corridors adjustment program due a lack of sufficient data to estimate the recoverable amounts.

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	<u>AMOUNT</u>
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)	\$ _____
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ _____
3. Premium adjustments payable due to ACA Risk Adjustment (including high risk-pool premium)	\$ _____
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ _____
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$ _____
<del>b. Transitional ACA Reinsurance Program</del>	
<del>Assets</del>	
<del>1. Amounts recoverable for claims paid due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)</del>	<del>\$ _____</del>
<del>3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance</del>	<del>\$ _____</del>
<del>Liabilities</del>	
<del>4. Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium</del>	<del>\$ _____</del>
<del>5. Ceded reinsurance premiums payable due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance</del>	<del>\$ _____</del>
<del>Operations (Revenue &amp; Expense)</del>	
<del>7. Ceded reinsurance premiums due to ACA Reinsurance</del>	<del>\$ _____</del>
<del>8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments</del>	<del>\$ _____</del>
<del>9. ACA Reinsurance contributions not reported as ceded premium</del>	<del>\$ _____</del>

~~e. Temporary ACA Risk Corridors Program~~

~~Assets~~

~~1. Accrued retrospective premium due to ACA Risk Corridors Liabilities \$ \_\_\_\_\_~~

~~2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors \$ \_\_\_\_\_~~

~~Operations (Revenue & Expense)~~

~~3. Effect of ACA Risk Corridors on net premium income (paid/received) \$ \_\_\_\_\_~~

~~4. Effect of ACA Risk Corridors on change in reserves for rate credits \$ \_\_\_\_\_~~

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	5	6	7	8	Ref	Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
										9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high-risk pool payments)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	A	\$ .....	\$ .....
2. Premium adjustments (payable) (including high-risk pool premium)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	B	\$ .....	\$ .....
3. Subtotal ACA Permanent Risk Adjustment Program	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	C	\$ .....	\$ .....
2. Amounts recoverable for claims unpaid (contra liability)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	D	\$ .....	\$ .....
3. Amounts receivable relating to uninsured plans	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	E	\$ .....	\$ .....
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	F	\$ .....	\$ .....
5. Ceded reinsurance premiums payable	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	G	\$ .....	\$ .....
6. Liability for amounts held under uninsured plans	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	H	\$ .....	\$ .....
7. Subtotal ACA Transitional Reinsurance Program	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	I	\$ .....	\$ .....
2. Reserve for rate credits or policy experience rating refunds	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	J	\$ .....	\$ .....
3. Subtotal ACA Risk Corridors Program	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....
d. Total for ACA Risk-Sharing Provisions	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....		\$ .....	\$ .....

Explanations of Adjustments

- A .....
- B .....
- C .....
- D .....
- E .....
- F .....
- G .....
- H .....
- I .....
- J .....

(4) Roll Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior-Year	Prior-Year	7	8	Cumulative	Cumulative	
					Accrued-Less	Accrued-Less					
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	To-Prior-Year	To-Prior-Year	Balance	Balance		
a. 2014											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	B	\$	\$
b. 2015											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	D	\$	\$
c. 2016											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
d. Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments

A	.....
B	.....
C	.....
D	.....
E	.....
F	.....

24F(4)d (Columns 1 through 10) should equal 24F(3)e3 (Column 1 through 10 respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Nonaccrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Nonadmissions) (1-2-3)	5 Nonadmitted Amount	6 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2015	\$	\$	\$	\$	\$	\$
c. 2016	\$	\$	\$	\$	\$	\$
d. Total (a+b+c)	\$	\$	\$	\$	\$	\$

24F(5)d (Column 4) should equal 24F(3)c1 (Column 9)

24F(5)d (Column 6) should equal 24F(2)e1

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>03/21/2024</u></p> <p><b>CONTACT PERSON:</b> _____</p> <p><b>TELEPHONE:</b> _____</p> <p><b>EMAIL ADDRESS:</b> _____</p> <p><b>ON BEHALF OF:</b> _____</p> <p><b>NAME:</b> <u>Dale Bruggeman</u></p> <p><b>TITLE:</b> <u>Chair SAPWG</u></p> <p><b>AFFILIATION:</b> <u>Ohio Department of Insurance</u></p> <p><b>ADDRESS:</b> <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>2024-11BWG</u></p> <p>Year <u>2025</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 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 checked="" type="checkbox"/> [ X ] 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: January 1, 2025

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

Update the Annual and Quarterly Instructions and Blanks for the New Market Tax Credit changes. Changes will be made to: Annual – Assets, Notes to Financial Statements 5K, 14A, and 21E, AVR, and Schedule BA, Part 1, 3, and Verification Between Years. Quarterly changes – Assets and Schedule BA, Part 3 and Verification Between Years.

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

The reason for this proposal is to update the instructions and blanks for the Statutory Accounting Principles Working Group’s changes to New Market Tax Credits. (SAPWG Ref # 2022-14) Note that the guaranteed federal investment line was eliminated as these types of tax credit investment structures were substantially eliminated by the Historic Boardwalk Hall, LLC v. Comm of Internal Revenue court decision in 2012.

**\*\*\*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, PROPERTY, HEALTH & TITLE**

**ASSETS**

The value for real estate, bonds, stocks, and the amount loaned on mortgages must, in all cases, prove with corresponding values and admitted assets supported by the corresponding schedules.



**Detail Eliminated To Conserve Space**

Line 8 – Other Invested Assets (Schedule BA Assets)

Report admitted investments reported on Schedule BA and not included under another classification.

Include: Loans.

Certain affiliated securities, such as joint ventures, partnerships and limited liability companies (*SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies*).

~~Low Income Housing Tax Credit Property Investments~~ All investments in tax credit structures (*SSAP No. 93—Low Income Housing Tax Credit Property Investments in Tax Credit Structures*).



**Detail Eliminated To Conserve Space**



NOTES TO FINANCIAL STATEMENTS

Notes to the Annual Statement are to be filed on March 1.

=====  
↓ ↑  
 Detail Eliminated To Conserve Space

5. Investments

Instruction:

=====  
↓ ↑  
 Detail Eliminated To Conserve Space

K. ~~Low-Income Housing Tax Credits (LIHTC)~~ Investments in Tax Credit Structures (tax credit investments)

For investments in ~~low-income housing tax credits (LIHTC)~~ tax credit structures, disclose the following:

- (1) ~~The number of remaining years of unexpired tax credits and the required holding period for the LIHTC investments. Information that enables users of its financial statements to understand the following information about its investments in projects that generate tax credits and other tax benefits from tax programs:~~
  - a. The nature of its investments in projects that generate tax credits and other tax benefits.
  - b. The effect of the recognition and measurement of its investments in projects that generate tax credits and other tax benefits and the related tax credits on its financial position and results of operations.
- (2) ~~The amount of LIHTC and other tax benefits recognized during the years presented. The amount of tax credits and other tax benefits recognized during the reporting period(s).~~
- (3) ~~The balance of the investment recognized in the statement of financial position for the reporting period(s) presented.~~
- (4) ~~If the LIHTC property is currently subject to any regulatory reviews and the status of such review (e.g., investigations by the housing authority). The amount of investment amortization and non-income tax related activity recognized as a component of net investment income, and other returns allocated that were recognized outside of income tax expense.~~
- (5) ~~An aggregate schedule of tax credits expected to be generated each year for the subsequent five years and thereafter, disaggregated by transferable/certificated and non-transferable.~~
- (6) ~~Any commitment or contingent commitment (e.g., guarantees or commitments to provide additional capital contributions) including the amount of contributions that are contingent commitments related to tax credit investments and the year(s) that contingent commitments are expected to be paid shall be disclosed.~~
- (57) ~~The significance of an investment to the reporting entity's financial position and results of operations shall be considered in evaluating the extent of disclosures of the financial position and results of operations of an investment in an LIHTC. If, in the aggregate, the LIHTC investments exceed 10% of the total admitted assets of the reporting entity, the following disclosures shall be made: The following disclosures shall be included if applicable to tax credit investments:~~
  - a. (1) The name of each partnership or limited liability entity and percentage of ownership; (2) the accounting policies of the reporting entity with respect to investments in partnerships and limited liability entities; (3) the difference, if any, between the amount at which the investment is carried and the amount of underlying equity in net assets (i.e., nonadmitted

~~goodwill or other nonadmitted assets); and (4) the accounting treatment of the difference. If the underlying project is currently subject to any regulatory reviews and the status of such review. (Example: Investigations by the housing authority.)~~

- ~~b. For partnerships and limited liability entities for which a quoted fair value is available, the aggregate value of each partnership, or limited liability entity investment based on the quoted fair value. Significant modifications or events that resulted in a change in the nature of the investment or a change in the relationship with the underlying project for investments in scope.~~
- ~~e. Summarized information as to assets, liabilities, and results of operations for partnerships, and limited liability entities either individually or in groups.~~

(68) A reporting entity that recognizes an impairment loss shall disclose the following in the financial statements that include the period of the impairment write-down:

- a. A description of the impaired assets and the facts and circumstances leading to the impairment; and
- b. The amount of the impairment and how fair value was determined.

(79) ~~The amount and nature of the write-downs or reclassifications made during the year resulting from the forfeiture or ineligibility of tax credits, etc. These write-downs may be based on actual property-level foreclosure, loss of qualification due to occupancy levels, compliance issues with tax code provisions within an LIHTC investment or other issues. Disclose the following regarding tax credits allocated from tax credit investments and are unused as of the reporting period(s). For purposes of this disclosure, total unused tax credits represent the entire tax credits available:~~

- ~~a. Carrying value of tax credits, disaggregated by transferable/certificated and non-transferable, gross of any related tax liabilities by jurisdiction and in total.~~
- ~~b. Total unused tax credits by jurisdiction, disaggregated by transferable/certificated and non-transferable.~~
- ~~c. Method of estimating utilization of remaining tax credits or other projected recovery of the current carrying value; and~~
- ~~d. Impairment amount recognized by the reporting period(s), if any.~~
- ~~e. Identify tax credits by transferable/certificated and non-transferable classifications and identify the admitted and nonadmitted portions of each classification.~~

**Detail Eliminated To Conserve Space**

**14. Liabilities, Contingencies and Assessments**

Instruction:

For disclosures related to *SSAP No. 5R—Liabilities, Contingencies and Impairment of Assets*, *SSAP No. 35R—Guaranty Fund and Other Assessments*, *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities* and *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies*, describe the nature of any material contingencies in accordance with SSAP No. 5R and report total contingent liabilities.

A. Contingent Commitments

- (1) Disclose any commitment or contingent commitment to an SCA entity, joint venture, partnership, or limited liability company (e.g., guarantees or commitments to provide additional capital contributions).

Include any commitment or contingent commitment (e.g., guarantees or commitments to provide additional capital contributions) including the amount of equity contributions that are contingent commitments related to ~~LHHC properties~~ investments in tax credit structures and the year(s) that contingent commitments are expected to be paid. Refer to *SSAP No. 93—Low Income Housing Investments in Tax Credit Property Investments Structures* for accounting guidance.



**21. Other Items**

Instruction:



E. State ~~Transferable and Non-transferable~~ and Federal Tax Credits

Disclose the following regarding state ~~transferable and non-transferable~~ and federal tax credits for the reporting period(s) presented. For purposes of this disclosure, total unused ~~transferable and non-transferable~~ state-tax credits represent the entire ~~transferable and non-transferable~~ state-tax credits available:

- (1) Carrying value of ~~transferable and non-transferable~~ state-tax credits, disaggregated by transferable/certificated and non-transferable, gross of any related state-tax liabilities and total unused transferable and non-transferable state tax credits by state and in total by jurisdiction and in total;
- (2) Total unused tax credits by jurisdiction, disaggregated by transferable/certificated and non-transferable;
- (23) Method of estimating utilization of remaining ~~transferable and non-transferable~~ state-tax credits or other projected recovery of the current carrying value; and
- (34) Impairment amount recognized by the reporting period, if any.
- (4) Identify ~~state~~ tax credits by transferable/certificated and non-transferable classifications and identify the admitted and nonadmitted portions of each classification.
- (5) Any commitment or contingent commitment to purchase tax credits.



Illustration:

E. State ~~Transferable and Non-transferable~~ and Federal Tax Credits

**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.**

- (1) ~~Carrying Value of Transferable and Non-transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-transferable State Tax Credits by State and in Total~~ Carrying Value of State and Federal Tax Credits, Disaggregated by Transferable/Certificated and Non-transferable, Gross of any Related Tax Liabilities by Jurisdiction and in Total

<u>Description of State-Transferable and Non-transferable Tax Credits</u>	<u>State Jurisdiction</u>	<u>Carrying Value</u>	<u>Unused Amount</u>
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total</u>	_____	_____	_____

- (2) Method of Estimating Utilization of Remaining ~~Transferable and Non-transferable~~ State and Federal Tax Credits

The Company estimated the utilization of the remaining ~~transferable and non-transferable~~ state and federal tax credits by projecting future premium taking into account policy growth and rate changes, projecting future tax liability based on projected premium, tax rates and tax credits, and comparing projected future tax liability to the availability of remaining ~~transferable and non-transferable~~ state and federal tax credits.

- (3) Impairment Loss

The Company recognized an impairment loss of \$\_\_\_\_\_ related to the write-down as a result of impairment analysis of the carrying amount for state ~~transferable and non-transferable~~ and federal tax credits.

**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.**

- (4) State and Federal Tax Credits Admitted and Nonadmitted, disaggregated by Transferable/Certificated and Non-transferable.

	<u>Total Admitted</u>	<u>Total Nonadmitted</u>
a. <u>State</u>		
1. Transferable	_____	_____
2. Non-transferable	_____	_____
b. <u>Federal</u>		
1. Transferable	_____	_____
2. Non-transferable	_____	_____


Detail Eliminated To Conserve Space


**SCHEDULE BA – PARTS 1, 2 AND 3**

**OTHER LONG-TERM INVESTED ASSETS – GENERAL INSTRUCTIONS**

**\*\*\*Drafting Note – the line references to Schedule BA may be updated after the BA proposal (2023-12BWG) is adopted. The line reference updates will be made in the instructions and not shown in this proposal.\*\*\***


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Detail Eliminated To Conserve Space
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<del>Guaranteed Federal Low Income Housing Tax Credit</del>		
Unaffiliated.....		3599999
Affiliated.....		3699999
<del>Non-Guaranteed Federal Low Income Housing Tax Credit Investments</del>		
Unaffiliated.....		37999993599999
Affiliated.....		38999993699999
<del>Guaranteed State Low Income Housing Tax Credit Investments</del>		
Unaffiliated.....		39999993799999
Affiliated.....		40999993899999
<del>Non-Guaranteed State Low Income Housing Tax Credit Investments</del>		
Unaffiliated.....		41999993999999
Affiliated.....		42999994099999
<del>All Other Low Income Housing Tax Credit Investments</del>		
Unaffiliated.....		43999994199999
Affiliated.....		44999994299999
Working Capital Finance Investment		
Unaffiliated.....		45999994399999
Residual Tranches or Interests with Underlying Assets Having Characteristics of:		
Fixed Income Instruments		
Unaffiliated.....		46999994499999
Affiliated.....		47999994599999
Common Stock		
Unaffiliated.....		48999994699999
Affiliated.....		49999994799999
Preferred Stock		
Unaffiliated.....		50999994899999
Affiliated.....		51999994999999
Real Estate		
Unaffiliated.....		52999995099999
Affiliated.....		53999995199999
Mortgage Loans		
Unaffiliated.....		54999995299999
Affiliated.....		55999995399999
Other		
Unaffiliated.....		56999995499999
Affiliated.....		57999995599999
Any Other Class of Assets		
Unaffiliated.....		58999995699999
Affiliated.....		59999995799999

Subtotals

Unaffiliated..... 6099999  
 Affiliated ..... 6199999

TOTALS..... 6299999



**Detail Eliminated To Conserve Space**

**Low Income Housing Investments in Tax Credit Structures**

Include: All ~~Low Income Housing~~ Investments in Tax Credit Structures (Tax Credit Investments) (~~LIHTC or affordable housing~~) qualifying under *SSAP No. 93 – Tax Credit Investments*, 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. ~~State Guaranteed Low Income Housing~~ Tax Credit Investments.

I. There must be an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment. This reporting line is only allowed for tax credit investments which issue state tax credits.

a. Tax credit investments which would have previously been reported under the Guaranteed Federal tax credit investment reporting line should now be reported in Other Tax Credit Investments. This reporting line was removed as these types of tax credit investment structure were substantially eliminated by the Historic Boardwalk Hall, LLC v. Commissioner of Internal Revenue court decision in 2012.

B. ~~State and Federal Non-guaranteed Low Income Housing~~ Tax Credit Investments.

I. A level of leverage below 50%. For a ~~LIHTC Fund~~ tax credit investment 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~~ tax credit investment fund, a Tax Credit Guarantee is required from the developers of the lower tier ~~LIHTC properties~~ projects 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 loss risks at the time of the investments as of the current reporting period.

C. Other Tax Credit Investments. Any tax credit investment which cannot be reported as either guaranteed or non-guaranteed.

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



**Detail Eliminated To Conserve Space**

**SCHEDULE BA – PART 1**

**OTHER LONG-TERM INVESTED ASSETS OWNED DECEMBER 31 OF CURRENT YEAR**

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

Column 14 – Current Year’s (Depreciation) or (Amortization)/Accretion

This amount represents depreciation expense for the period (where appropriate), amortization of premium and the accrual of discount, and proportional amortization of tax credit investments. The accrual of discount amounts in this column are to be reported as increases to investment income in the Exhibit of Net Investment Income, while the amortization of premium amounts and tax credit investments are to be reported as decreases to investment income. See Column 13 for discussion of an unrealized valuation increase/(decrease) where the real estate is carried at fair value and (depreciation) and/or (amortization)/accretion has been recorded.

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

**SCHEDULE BA – PART 3**

**OTHER LONG-TERM INVESTED ASSETS DISPOSED, TRANSFERRED OR REPAID DURING THE YEAR**

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

Column 10 – Current Year’s (Depreciation) or (Amortization)/Accretion

This amount represents depreciation expense for the period (where appropriate), amortization of premium and the accrual of discount, and proportional amortization of tax credit investments. The accrual of discount amounts in this column are to be reported as increases to investment income in the Exhibit of Net Investment Income, while the amortization of premium amounts and tax credit investments are to be reported as decreases to investment income. See column 9 for discussion of an unrealized valuation increase/(decrease) where the real estate is carried at fair value and (depreciation) and/or (amortization)/accretion has been recorded.

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



**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**

**\*\*\*Drafting Note – the line references to Schedule BA may be updated after the BA proposal (2023-12BWG) is adopted. The line reference updates will be made in the instructions and not shown in this proposal.\*\*\***

**ASSET VALUATION RESERVE****EQUITY AND OTHER INVESTED ASSET COMPONENT –  
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS****Detail Eliminated To Conserve Space**

Lines 75

through ~~8079~~ – Low Income Housing Tax Credit Investments in Tax Credit Structures

Report Column 1 in accordance with ~~SSAP No. 93 – Low Income Housing Tax Credit Property Investments~~Investments in Tax Credit Structures.

~~For Line 75, report guaranteed low income housing tax credit (LIHTC) investments. There must be an all inclusive guarantee from a CRP rated entity that guarantees the yield on the investment. Line 75 should equal Schedule BA, Part 1, Column 12, Line 3599999 + Line 3699999.~~Investments in tax credit structures (tax credit investments) must meet the requirements of SSAP No. 93 to be reported on Lines 75 through 79.

~~For Line 76, report non-guaranteed LIHTC investments with the following risk mitigation factors~~Only tax credits investments which issue federal tax credits and have the following risk mitigation factors can be reported as non-guaranteed federal investments on Line 75:

- I. ~~A level of leverage below 50%. For LIHTC Funds~~a tax credit investment 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 an LIHTC Funds~~a tax credit investment fund, a Tax Credit Guarantee is required from the developers of the lower tier LIHTC properties~~projects~~to the upper tier partnership.
- III. ~~There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable foreclosure loss risks at the time of as of the investment~~current reporting period.

~~Line 76–75 should equal Schedule BA, Part 1, Column 12, Line 3799999–3599999 + Line 38999993699999.~~

~~Only federal low income housing tax credit investments can be reported on Lines 75 and 76. Only tax credit investments which issue state tax credits and, State low income housing tax credit investments that meet the requirements of SSAP No. 93 and that, at a minimum, have an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment meet the requirements for federal guaranteed programs~~should~~can~~be reported as guaranteed state investments on Line 7776.  
Line ~~77–76~~ should equal Schedule BA, Part 1, Column 12, Line 3999999–3799999 + Line 40999993899999.

~~State low income housing tax credit investments that do not meet the requirements of SSAP No. 93 and that do not~~Tax credit investments which issue state tax credits, at a minimum, meet the same requirements for federal non-guaranteed programs investments (as detailed above) should be reported as non-guaranteed state investments on Line 7877. Line ~~78–77~~ should equal Schedule BA, Part 1, Column 12, Line 4199999–3999999 + Line 42999994099999.

~~Any~~ ~~All~~ other low-income housing tax credit investments that meet the requirements of SSAP No. ~~93~~ and which cannot be reported on Lines 75 through ~~78-77~~ should be reported as other investments on Line ~~79~~78. Line ~~79-78~~ should equal Schedule BA, Part 1, Column 12, Line ~~4399999-4199999~~ + Line ~~4499999-4299999~~.

Multiply the amount in Column 4 for each category by the reserve factors for Page 34, Columns 5, 7 and 9, Lines 75 through ~~79~~78. Report the products by category in Columns 6, 8 and 10, respectively.

- Lines ~~8180~~  
through ~~9190~~ – Residual Tranches or Interests
- Line ~~8180~~ – Fixed Income Instruments – Unaffiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8281~~ – Fixed Income Instruments – Affiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8382~~ – Common Stock – Unaffiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8483~~ – Common Stock – Affiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8584~~ – Preferred Stock – Unaffiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8685~~ – Preferred Stock – Affiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8786~~ – Real Estate – Unaffiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8887~~ – Real Estate – Affiliated (*Detail Eliminated to Conserve Space*)
- Line ~~8988~~ – Mortgage Loans – Unaffiliated (*Detail Eliminated to Conserve Space*)
- Line ~~9089~~ – Mortgage Loans – Affiliated (*Detail Eliminated to Conserve Space*)
- Line ~~9190~~ – Other – Unaffiliated (*Detail Eliminated to Conserve Space*)
- Line ~~9291~~ – Other – Affiliated (*Detail Eliminated to Conserve Space*)
- Line ~~94-93 & 9594~~ – Working Capital Finance Investments (*Detail Eliminated to Conserve Space*)
- Line ~~9695~~ – Other Invested Assets – Schedule BA (*Detail Eliminated to Conserve Space*)
- Line ~~9796~~ – Other Short-Term Invested Assets – Schedule DA (*Detail Eliminated to Conserve Space*)
- Line ~~9897~~ – Total Other Invested Assets – Schedules BA & DA (*Detail Eliminated to Conserve Space*)

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, PROPERTY, HEALTH & TITLE**

**ASSETS**

Information should be reported as of the end of current quarter.



**Detail Eliminated To Conserve Space**

Line 8 – Other Invested Assets (Schedule BA Assets)

Report admitted investments reported on Schedule BA and not included under another classification.

Include: Loans.

Certain affiliated securities, such as joint ventures, partnerships and limited liability companies (*SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies*).

~~Low Income Housing Tax Credit Property Investments~~ All investments in tax credit structures (*SSAP No. 93—Low Income Housing Tax Credit Property Investments in Tax Credit Structures*).



**Detail Eliminated To Conserve Space**

**SCHEDULE BA – PARTS 2 AND 3**

**OTHER LONG-TERM INVESTED ASSETS ACQUIRED AND DISPOSED OF**

*\*\*\*Drafting Note – the line references to Schedule BA may be updated after the BA proposal (2023-12BWG) is adopted. The line reference updates will be made in the instructions and not shown in this proposal.\*\*\**


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Detail Eliminated To Conserve Space
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<del>Guaranteed Federal Low Income Housing Tax Credit</del>		
<del>Unaffiliated</del> .....		<del>3599999</del>
<del>Affiliated</del> .....		<del>3699999</del>
<del>Non-Guaranteed Federal Low Income Housing Tax Credit Investments</del>		
<del>Unaffiliated</del> .....		<del>3799999</del> <del>3599999</del>
<del>Affiliated</del> .....		<del>3899999</del> <del>3699999</del>
<del>Guaranteed State Low Income Housing Tax Credit Investments</del>		
<del>Unaffiliated</del> .....		<del>3999999</del> <del>3799999</del>
<del>Affiliated</del> .....		<del>4099999</del> <del>3899999</del>
<del>Non-Guaranteed State Low Income Housing Tax Credit Investments</del>		
<del>Unaffiliated</del> .....		<del>4199999</del> <del>3999999</del>
<del>Affiliated</del> .....		<del>4299999</del> <del>4099999</del>
<del>All Other Low Income Housing Tax Credit Investments</del>		
<del>Unaffiliated</del> .....		<del>4399999</del> <del>4199999</del>
<del>Affiliated</del> .....		<del>4499999</del> <del>4299999</del>
<del>Working Capital Finance Investment</del>		
<del>Unaffiliated</del> .....		<del>4599999</del> <del>4399999</del>
<del>Residual Tranches or Interests with Underlying Assets Having Characteristics of:</del>		
<del>Fixed Income Instruments</del>		
<del>Unaffiliated</del> .....		<del>4699999</del> <del>4499999</del>
<del>Affiliated</del> .....		<del>4799999</del> <del>4599999</del>
<del>Common Stock</del>		
<del>Unaffiliated</del> .....		<del>4899999</del> <del>4699999</del>
<del>Affiliated</del> .....		<del>4999999</del> <del>4799999</del>
<del>Preferred Stock</del>		
<del>Unaffiliated</del> .....		<del>5099999</del> <del>4899999</del>
<del>Affiliated</del> .....		<del>5199999</del> <del>4999999</del>
<del>Real Estate</del>		
<del>Unaffiliated</del> .....		<del>5299999</del> <del>5099999</del>
<del>Affiliated</del> .....		<del>5399999</del> <del>5199999</del>
<del>Mortgage Loans</del>		
<del>Unaffiliated</del> .....		<del>5499999</del> <del>5299999</del>
<del>Affiliated</del> .....		<del>5599999</del> <del>5399999</del>
<del>Other</del>		
<del>Unaffiliated</del> .....		<del>5699999</del> <del>5499999</del>
<del>Affiliated</del> .....		<del>5799999</del> <del>5599999</del>
<del>Any Other Class of Assets</del>		
<del>Unaffiliated</del> .....		<del>5899999</del> <del>5699999</del>
<del>Affiliated</del> .....		<del>5999999</del> <del>5799999</del>

Subtotals

Unaffiliated.....	6099999
Affiliated .....	6199999
TOTALS.....	6299999

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**Detail Eliminated To Conserve Space**

**Low Income Housing Investments in Tax Credit Structures**

Include: All Low Income Housing Investments in Tax Credit Structures (Tax Credit Investments) (LIHTC or affordable housing) that are in the form of a Limited Partnership or a Limited Liability Company qualifying under SSAP No. 93 – Tax Credit Investments, including those investments that have the following risk mitigation factors:

- A. State Guaranteed Low Income Housing Tax Credit Investments.
  - I. There must be an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment. This reporting line is only allowed for tax credit investments which issue state tax credits.
    - a. Tax credit investments which would have previously been reported in the Guaranteed Federal tax credit investment reporting line should now be reported in the Other Tax Credit Investments reporting line. This reporting line was removed as these types of tax credit investment structure were substantially eliminated by the Historic Boardwalk Hall, LLC v. Commissioner of Internal Revenue court decision in 2012.
- B. State and Federal Non-guaranteed Low Income Housing Tax Credit Investments.
  - I. A level of leverage below 50%. For a LIHTC Fund tax credit investment 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 tax credit investment fund, a Tax Credit Guarantee is required from the developers of the lower tier LIHTC properties/projects 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 loss risks at the time of the investments as of the current reporting period.
- C. Other Tax Credit Investments. Any tax credit investment which cannot be reported as either guaranteed or non-guaranteed.

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

**SCHEDULE BA – PART 3**

**OTHER LONG-TERM INVESTED ASSETS DISPOSED, TRANSFERRED OR REPAID  
DURING THE CURRENT QUARTER**

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=====** **Detail Eliminated To Conserve Space** **=====  
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Column 10 – Current Year’s (Depreciation) or (Amortization)/Accretion

This amount represents depreciation expense for the period (where appropriate), amortization of premium and the accrual of discount, and proportional amortization of tax credit investments. The accrual of discount amounts in this column are to be reported as increases to investment income in the Exhibit of Net Investment Income, while the amortization of premium amounts and tax credit investments are to be reported as decreases to investment income. See column 9 for discussion of an unrealized valuation increase (decrease) where the real estate is carried at fair value and (depreciation) and/or (amortization)/accretion has been recorded.

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=====** **Detail Eliminated To Conserve Space** **=====  
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**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL, PROPERTY, HEALTH & TITLE**

**SCHEDULE BA – VERIFICATION BETWEEN YEARS  
Other Long-Term Invested Assets**

1.	Book/adjusted carrying value, December 31 of prior year .....	_____
2.	Cost of acquired:	_____
2.1	Actual cost at time of acquisition (Part 2, Column 8) .....	_____
2.2	Additional investment made after acquisition (Part 2, Column 9) .....	_____
3.	Capitalized deferred interest and other:	_____
3.1	Totals, Part 1, Column 16 .....	_____
3.2	Totals, Part 3, Column 12 .....	_____
4.	Accrual of discount .....	_____
5.	Unrealized valuation increase/(decrease): .....	_____
5.1	Totals, Part 1, Column 13 .....	_____
5.2	Totals, Part 3, Column 9 .....	_____
6.	Total gain (loss) on disposals, Part 3, Column 19 .....	_____
7.	Deduct amounts received on disposals, Part 3, Column 16 .....	_____
8.	Deduct amortization of premium, <del>and</del> depreciation and proportional amortization .....	_____
9.	Total foreign exchange change in book/adjusted carrying value:	_____
9.1	Totals, Part 1, Column 17 .....	_____
9.2	Totals, Part 3, Column 14 .....	_____
10.	Deduct current year's other-than-temporary impairment recognized:	_____
10.1	Totals, Part 1, Column 15 .....	_____
10.2	Totals, Part 3, Column 11 .....	_____
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	_____
12.	Deduct total nonadmitted amounts .....	_____
13.	Statement value at end of current period (Line 11 minus Line 12) .....	_____


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**Detail Eliminated To Conserve Space**
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ANNUAL STATEMENT BLANK – LIFE/FRATERNAL

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)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
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	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
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	
LOW INCOME HOUSING TAX CREDIT INVESTMENTS IN TAX CREDIT STRUCTURES												
75		Guaranteed Federal Low Income Housing Tax Credit.....					0.0003		0.0006		0.0010	
7675		Non-guaranteed Federal Low Income Housing Tax Credit Investments – Federal Non-guaranteed.....					0.0063		0.0120		0.0190	
7776		Guaranteed State Low Income Housing Tax Credit Investments – State Guaranteed .....					0.0003		0.0006		0.0010	
7877		Non-guaranteed State Low Income Housing Tax Credit Investments – State Non- Guaranteed.....					0.0063		0.0120		0.0190	
7978		All Other Low Income Housing Tax Credit Investments - Other.....					0.0273		0.0600		0.0975	
8079		Total LIHTC Tax Credit Investments (Sum of Lines 75 through 7978)					XXX		XXX		XXX	
RESIDUAL TRanches OR INTERESTS												
8180		Fixed Income Instruments – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8281		Fixed Income Instruments – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8382		Common Stock – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8483		Common Stock – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8584		Preferred Stock – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8685		Preferred Stock – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8786		Real Estate – Unaffiliated.....					0.0000		0.1580		0.1580	
8887		Real Estate – Affiliated.....					0.0000		0.1580		0.1580	
8988		Mortgage Loans – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9089		Mortgage Loans – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9190		Other – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9291		Other – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9392		Total Residual Tranches or Interests (Sum of Lines 81 through 92)					XXX		XXX		XXX	
ALL OTHER INVESTMENTS												
9493		NAIC 1 Working Capital Finance Investments.....		XXX			0.0000		0.0042		0.0042	
9594		NAIC 2 Working Capital Finance Investments.....		XXX			0.0000		0.0137		0.0137	
9695		Other Invested Assets - Schedule BA.....		XXX			0.0000		0.1580		0.1580	
9796		Other Short-Term Invested Assets - Schedule DA.....		XXX			0.0000		0.1580		0.1580	
9897		Total All Other (Sum of Lines 94, 95, 96 and 97).....		XXX			XXX		XXX		XXX	
9998		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 93 and 98)					XXX		XXX		XXX	



ANNUAL STATEMENT BLANK – SEPARATE ACCOUNTS

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)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
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	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
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	
LOW INCOME HOUSING TAX CREDIT INVESTMENTS IN TAX CREDIT STRUCTURES												
75		Guaranteed Federal Low Income Housing Tax Credit.....					0.0003		0.0006		0.0010	
7675		Non-guaranteed Federal Low Income Housing Tax Credit Investments – Federal Non-guaranteed.....					0.0063		0.0120		0.0190	
7776		Guaranteed State Low Income Housing Tax Credit Investments – State Guaranteed.....					0.0003		0.0006		0.0010	
778		Non-guaranteed State Low Income Housing Tax Credit Investments – State Non-guaranteed.....					0.0063		0.0120		0.0190	
789		All Other Low Income Housing Tax Credit Investments - Other.....					0.0273		0.0600		0.0975	
8079		Total LIHTC Tax Credit Investments (Sum of Lines 75 through 7978)					XXX		XXX		XXX	
RESIDUAL TRanches OR INTERESTS												
8180		Fixed Income Instruments – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8281		Fixed Income Instruments – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8382		Common Stock – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8483		Common Stock – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8584		Preferred Stock – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8685		Preferred Stock – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8786		Real Estate – Unaffiliated.....					0.0000		0.1580		0.1580	
8887		Real Estate – Affiliated.....					0.0000		0.1580		0.1580	
8988		Mortgage Loans – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9089		Mortgage Loans – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9190		Other – Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9291		Other – Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9392		Total Residual Tranches or Interests (Sum of Lines 81 through 92)					XXX		XXX		XXX	
ALL OTHER INVESTMENTS												
9493		NAIC 1 Working Capital Finance Investments.....		XXX			0.0000		0.0042		0.0042	
9594		NAIC 2 Working Capital Finance Investments.....		XXX			0.0000		0.0137		0.0137	
9695		Other Invested Assets - Schedule BA.....		XXX			0.0000		0.1580		0.1580	
9796		Other Short-Term Invested Assets - Schedule DA.....		XXX			0.0000		0.1580		0.1580	
9897		Total All Other (Sum of Lines 94, 95, 96 and 97).....		XXX			XXX		XXX		XXX	
9998		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 93 and 98)					XXX		XXX		XXX	

**QUARTERLY STATEMENT BLANK – LIFE/FRATERNAL, PROPERTY, HEALTH & TITLE**

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	.....	.....
2. Cost of acquired .....	.....	.....
2.1 Actual cost at time of acquisition.....	.....	.....
2.2 Additional investment made after acquisition .....	.....	.....
3. Capitalized deferred interest and other .....	.....	.....
4. Accrual of discount .....	.....	.....
5. Unrealized valuation increase/(decrease).....	.....	.....
6. Total gain (loss) on disposals.....	.....	.....
7. Deduct amounts received on disposals .....	.....	.....
8. Deduct amortization of premium, and depreciation and proportional amortization .....	.....	.....
9. Total foreign exchange change in book/adjusted carrying value.....	.....	.....
10. Deduct current year's other-than-temporary impairment recognized.....	.....	.....
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	.....	.....
12. Deduct total nonadmitted amounts .....	.....	.....
13. Statement value at end of current period (Line 11 minus Line 12)	.....	.....

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>04/03/2024</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>2024-12BWG</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"/> [ 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 type="checkbox"/> [ ] ANNUAL STATEMENT                               | <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS      | <input checked="" type="checkbox"/> [ x ] CROSSCHECKS |
| <input checked="" type="checkbox"/> [ X ] QUARTERLY STATEMENT               | <input checked="" type="checkbox"/> [ X ] 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: January 1, 2025

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

Update the quarterly investment schedules for editorial items to the bond project. (Sch. D Verification, Sch. D Part 1B, Sch. D Part 3 & 4, Sch. DL Part 1 & 2, and Sch. E Part 1 & 2)

Also update the Quarterly Investment Schedule General Instructions for the changes that were adopted in the Annual Investment Schedule General Instructions. (*Reference adopted proposal 2023-06BWG*)

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

The purpose of this proposal is to show quarterly editorials for the bond project in one proposal instead of the editorial lists over multiple Blanks Working Group calls. Also, the Quarterly Investment Schedule General Instructions were not included in the original proposal and needed to have the instructions updated to match what was adopted in Blanks proposal 2023-06BWG.

**\*\*\*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.

## Listing of Items to be Updated in the Quarterly Investment Schedule Instructions/Blanks:

1. Investment Schedule General Instructions – the quarterly general instructions were inadvertently left out of the original proposal (2023-06BWG) and needed the bond project updates.
2. Investment Schedule General Instructions – Categories: Financial ABS – Self-Liquidating and Financial ABS – Not Self-Liquidating – clarify that interest is only captured when “applicable” for self-liquidating.
3. Investment Schedule General Instructions – Category: Agency Commercial Mortgage-Backed Securities – Fully Guaranteed (Exempt from RBC) – add clarifying language to capture ABS structures that are other than MBS that are fully guaranteed.
4. Investment Schedule General Instructions – Category: Agency Commercial Mortgage-Backed Securities – Fully Guaranteed (Exempt from RBC) & Agency Commercial Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) – add clarifying language to regarding the appropriate reporting of ABS issued by the Small Business Administration (SBA) and Small Business Investment Companies (SBIC).
5. Schedule D Verification – The line references in the quarterly verification schedule needs to be updated to the updated columns on Schedule D, Part 3 & 4.
6. Schedule D, Part 1B – Update the Schedule D Part 1A line references
7. Schedule D, Part 3
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Add total lines 1889999999 & 1899999999 to be consistent with Schedule D, Part 1, Section 2
  - Add clarifying language for SVO ETFs that there can be shares for this category
  - Update the bond line reference for NAIC Designation
8. Schedule D, Part 4
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Add total lines 1889999999 & 1899999999 to be consistent with Schedule D, Part 1, Section 2
  - Updated column 20 – Cont. Maturity Date for perpetual bonds to match the specs
  - Add clarifying language for SVO ETFs that there can be shares for this category
  - Update the bond line reference for NAIC Designation
9. Schedule DL, Part 1 & 2
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Add total lines 1889999999 & 1899999999 to be consistent with Schedule D, Part 1, Section 2
  - Update Header for ABS lines to Schedule, Part 1, Section 2
  - Update CUSIP line references
10. Schedule E, Part 1 – update the code column
11. Schedule E, Part 2
  - Remove the SVO-Identified Bond ETF categories because they should not be included on this schedule
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Make sure that both Certificates of Deposit lines are not on this schedule
  - Remove “%” code from Restricted Asset Code Column instructions

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, PROPERTY, HEALTH & TITLE****INVESTMENT SCHEDULES GENERAL INSTRUCTIONS**  
**(Applies to all investment schedules)****Detail Eliminated To Conserve Space**

“To Be Announced” securities (commonly referred to as TBAs) are to be reported in Schedule D unless the structure of the security more closely resembles a derivative, as defined within *SSAP No. 86—Derivatives* in which case the security should be reported on Schedule DB. The exact placement of TBAs in the investment schedules depends upon how a company uses TBA. (For example, if a reporting entity was to acquire a TBA with the intent to take possession of a Schedule D, Part 1, Section 2 qualifying mortgage-backed security, the TBA shall be reported on the Schedule D, Part 1, Section 2 at acquisition. If a reporting entity was to acquire a TBA, with the intent to roll the TBA, this acquisition is more characteristic of a forward derivative and shall be captured on Schedule DB.)

**Detail Eliminated To Conserve Space**

The following is the description of the ~~General and Specific Classifications~~ used for reporting the detailed lines for bonds and stocks.

**General Classifications Bonds Categories for Schedule, Part 1 Only:**

To be eligible for reporting on Schedule D, Part 1, investments shall qualify under the bond definition detailed within *SSAP No. 26R – Bonds* and *SSAP No. 43R – Asset-Backed Securities* or are otherwise named in scope within those statements. Exclude residual tranches or interests captured in scope of *SSAP No. 43R – Loan-Backed and Structured Securities*. See *SSAP No. 43R* for accounting guidance. These securities should be reported on Schedule BA.

Refer to *SSAP No. 26R—Bonds*; *SSAP No. 43R—Loan backed and Structured Securities Asset-Backed*; and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities* for additional guidance and defined terms.

**Issuer Credit Obligations – Investments that qualify for reporting on Schedule D, Part 1, Section 1 in scope of *SSAP No. 26R – Bonds*:****U.S. Government Obligations (Exempt from RBC):**

~~U.S. Government shall be defined as~~ U.S. Government Obligations as defined per the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* includes direct claims (including securities, loans and leases) on, and the portions of claims that are directly and unconditionally issued, guaranteed or insured by the U.S. Government or its agencies. U.S. Government obligations captured within this category include obligations issued by U.S. Government agencies that are fully guaranteed or insured as to the timely payment of principal and interest by the full faith and credit of the U.S. Government.

**All Other U.S. Governments Obligations (Not Exempt from RBC):**

Bonds issued by U.S. Government agencies or government-sponsored enterprises that are not backed by the full faith and credit of the U.S. Government.

This category includes bonds issued from agencies that are not backed by the full faith and credit of the U.S. Government but have a filing exemption detailed in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* based on analytical judgment.

Non-U.S. Sovereign Jurisdiction Securities:

This includes bonds ~~investments~~ issued by non-U.S. sovereign governments, including bonds of political subdivisions and special revenue. This also includes bonds issued by utilities owned by non-U.S. governments and bonds fully guaranteed by non-U.S. governments.

U.S. States, Territories and Possessions Municipal Bonds – General Obligation (Direct and Guaranteed):

~~Include bonds issued by states, cities, counties and other governmental entities to fund day-to-day obligations and to finance capital projects that are not secured by specific assets, but are backed by the “full faith and credit” (taxing power) of the issuer. General obligations of these entities (NAIC members), as well as bonds issued by utility companies owned by these entities. NAIC membership is composed of the 50 states, the District of Columbia, American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.~~

Municipal Bonds – Special Revenue:

~~Include bonds issued by states, cities, counties and other governmental entities to finance projects not backed by the taxing power of the issuer, but by revenues from the specific project or source (e.g., highway tolls). Also include other municipal bonds that do not qualify as general obligation (e.g., pre-refunded bonds and insured bonds).~~

Project Finance Bonds Issued by Operating Entities:

~~Include non-municipal bonds issued by an operating entity as defined in *SSAP No. 26R – Bonds*, that finances a single asset or operation (such as a toll road or power generation facility). For these investments, the asset or operation collateralizes the issuance and the cash flows produced satisfy the debt payments. The use of a bankruptcy remote entity (e.g., Special Purpose Vehicle) does not preclude reporting in this category when the entity is determined to represent an operating entity and the primary purpose of the debt issuance is to finance a specific operating project for the operating entity.~~

U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed):

~~General obligations of cities, counties, townships, etc., as well as bonds issued by utility companies owned by these entities.~~

U.S. Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions:

~~Those U.S. government issues not listed as “Securities That Are Considered “Exempt Obligations” For Purposes of Determining The Asset Valuation Reserve And The Risk Based Capital Calculation” in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*, yet included as “Filing Exemptions for Other U.S. Government Obligations” in. This category also includes bonds that are issued by states, territories, possessions and other political subdivisions that are issued for a specific financing project rather than as general obligation bonds. Also include mortgage reference securities that are within the scope of *SSAP No. 43R – Loan-Backed and Structured Securities*.~~

Industrial and Miscellaneous (Unaffiliated) Corporate Bonds:

~~Issuer credit obligation issued by a company to raise capital and support company operations. Include convertible bonds, but not mandatory convertible bonds which are included in a separate category. This category includes all non-governmental issues that do not qualify for some other category in Schedule D, Part 1, including privatized (non-government ownership) utility companies. Include Public Utilities.~~

Mandatory Convertible Bonds:

~~A type of convertible bond that has a required conversion or redemption feature. Either on or before a contractual conversion date, the holder must convert the mandatory convertible into underlying common stock.~~

Single Entity Backed Obligations:

Bonds for which repayment is fully supported by an underlying contractual obligation of a single operating entity. This does not include corporate bonds or project finance structures. Examples of structures that could qualify for reporting within this category, if payment is fully supported by a single operating entity, include but are not limited to, equipment trust certificates, enhanced equipment trust certificates, single-tenant lease-backed securities and funding agreement backed notes. Repayment is considered fully supported by the underlying operating entity if the structure in place at origination provides cash flows to satisfy all interest and at least 95% of the principal of the security. (For example, a 5-year lease-backed security that has all cash flows for interest and principal repayment generated from one existing tenant who is under a matching 5-year lease term on the building qualifies for reporting as a single entity backed obligation.)

SVO Identified Bond Exchange Traded Funds – Fair Value:

~~This category includes all~~Include SVO-Identified Bond Exchange Traded Funds included on the “List of Exchange Traded Funds Eligible for Reporting as a Schedule D Bond (the ETF Bond List)” as found on the Securities Valuation Office Web page (<https://www.naic.org/svo.htm>) that do not qualify for, or for which the reporting entity has elected not to report, at systematic value.

SVO-Identified Bond Exchange Traded Funds – Systematic Value:

Include SVO-Identified Bond Exchange Traded Funds included on the “List of Exchange Traded Funds Eligible for Reporting as a Schedule D Bond (the ETF Bond List)” as found on the Securities Valuation Office Web page (<https://www.naic.org/svo.htm>) that qualify for, and that the reporting entity has elected to report, at systematic value. Use of systematic value is an irrevocable election as long as the qualifying investment is held by the reporting entity and qualifies for systematic value within the parameters of SSAP No. 26R.

Bonds Issued From SEC-Registered Business Development Corps, Closed-End Funds & REITs:

Bonds issued by SEC-registered business development corporates, closed-end funds or similar operating entities registered under the 1940 Act.

Bank Loans – Issued:

Fixed-income instruments, representing indebtedness of a borrower, made by a financial institution. Bank loans in this category shall be obligations of operating entities acquired directly at issuance by a reporting entity. See SSAP No. 26R – Bonds for guidance.

Bank Loans – Acquired:

Fixed-income instruments, representing indebtedness of a borrower, made by a financial institution. Bank loans in this category shall be obligations of operating entities acquired through an assignment, participation or syndication.

Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans:

Mortgage loans, in scope of SSAP No. 37—Mortgage Loans, that have been filed with the SVO and included on the SVO-Identified Credit Tenant Loan listing. Investments in the form of security structures shall not be captured on this reporting line. Security structures supported by a credit tenant lease shall be reported as single entity backed obligations (if qualifying) or captured in the appropriate reporting line for Asset-Backed Securities.

Certificates of Deposit:

Certificates of deposit that have a fixed schedule of payments and a maturity date in excess of one year from the date of acquisition.

Other Issuer Credit Obligations:

Report investment structures that qualify as issuer credit obligations pursuant to SSAP No. 26R – Bonds that do not fit within a specific reporting line. (Specific reporting lines shall be utilized when applicable.) Debt instruments in a certified capital company (CAPCO) permitted under SSAP No. 26R shall also be captured within this category.

Hybrid Securities:

~~Securities whose proceeds are accorded some degree of equity treatment by one or more of the nationally recognized statistical rating organizations and/or which are recognized as regulatory capital by the issuer's primary regulatory authority. Hybrid securities are designed with characteristics of debt and of equity and are intended to provide protection to the issuer's senior note holders. Hybrid securities products are sometimes referred to as capital securities. Examples of hybrid securities include Trust Preferreds, Yankee Tier 1s (with and without coupon step ups) and debt equity hybrids (with and without mandatory triggers).~~

~~This specifically excludes surplus notes, which are reported in Schedule BA; subordinated debt issues, which have no coupon deferral features; and "traditional" preferred stocks, which are reported in Schedule D, Part 2, Section 1. With respect to preferred stock, traditional preferred stocks include, but are not limited to a) for U.S. issuers that do not allow tax deductibility for dividends; and b) those issued as preferred stock of the entity or an operating subsidiary, not through a trust or a special purpose vehicle.~~

Parent, Subsidiaries and Affiliates Affiliated Reporting Lines:

Each reporting category, other than those specific to Government Jurisdictions and SVO-Identified Bond ETFs, shall have affiliated investments separately reported within the affiliate reporting line. The definition of affiliates is pursuant to Defined by SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities

**Asset-Backed Securities – Investments that qualify for Schedule D, Part 1, Section 2 pursuant to SSAP No. 43R:**

**Financial Asset-Backed Securities – Self-Liquidating** – A self-liquidating security is a design where the terms of the underlying collateral has contractual principal (and interest, if applicable) that results with a conversion into cash over a period of time (e.g., receivables or other such assets). (For example, a mortgage loan backing a mortgage-backed security, where the loan balance is reduced as payments are made and is ultimately fully paid off by the borrower, or a collateralized loan obligation (CLO) backed by bank loans that is reduced as the loan is paid off.) A financial asset is defined within SSAP No. 103R – Transfers and Servicing of Financial Assets and Extinguishments of Liabilities as cash, evidence of an ownership interest in an entity, or a contract that conveys to one entity a right (a) to receive cash or another financial instrument from a second entity or (b) to exchange other financial instruments on potentially favorable terms with the second entity. As a point of clarity, for the purposes of the bond definition and reporting on Schedule D, Part 1, financial assets do not include assets for which the realization of the benefits conveyed by the above rights depends on the completion of a performance obligation (e.g., leases, mortgage servicing rights, royalty rights, etc.). These assets represent non-financial assets, or a means through which non-financial assets produce cash flows, until the performance obligation has been satisfied.

Agency Residential Mortgage-Backed Securities – Fully Guaranteed (Exempt from RBC):

Include 'agency' residential mortgage-backed securities where the mortgages or bonds are guaranteed (i.e., they are backed by the full faith and credit of the U.S. Government) as to principal and interest by federal and federally sponsored agencies such as the Government National Mortgage Association (GNMA). Also include loans guaranteed by the U.S. Department of Veteran Affairs or the U.S. Department of Agriculture's Rural Development Housing and Community Facilities Programs. Government Sponsored Mortgage Referenced Securities shall not be captured within this category.



Agency Commercial Mortgage-Backed Securities – Fully Guaranteed (Exempt from RBC):

Include ‘agency’ commercial mortgage-backed securities where the mortgages or bonds are guaranteed (i.e., they are backed by the full faith and credit of the U.S. Government) as to principal and interest by federal and federally sponsored agencies such as the Government National Mortgage Association (GNMA). Also include loans guaranteed by the U.S. Department of Veteran Affairs or the U.S. Department of Agriculture’s Rural Development Housing and Community Facilities Programs. Government Sponsored Mortgage Referenced Securities shall not be captured within this category. This category shall also include ABS securities that are fully and unconditionally guaranteed or insured as to the timely payment of principal and interest by the full faith and credit of the U.S. government that do not qualify for reporting as RMBS. Only fully and unconditionally guaranteed or insured securities shall be captured in this reporting line. Please refer to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for determination of fully guaranteed securities. This category shall also include ABS structures that are fully guaranteed as to the timely payment of principal and interest by the full faith and credit of the U.S. government that do not qualify for reporting as RMBS. Only fully guaranteed structures shall be captured in this reporting line. Please refer to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for determination of fully guaranteed structures.

Agency Residential Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC):

Include residential mortgage-backed securities issued by an agency that is not or partially guaranteed (i.e., they are not backed by the full faith and credit of the U.S. Government) as to principal and interest by federal or federally sponsored agencies such as Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC). This category shall include mortgage-referenced securities issued by a government-sponsored enterprise (e.g., FNMA or FHLMC) in the form of a credit-risk-transfer in which the security is tied to a pool of residential mortgages. These items reflect instruments in which the payments received are linked to the credit and principal payment risk of the underlying mortgage loan borrowers captured in the referenced pool of mortgages. For these instruments, the holder may not receive a return of their full principal as repayment is contingent on repayment by the mortgage loan borrowers in the referenced pool of mortgages.

Agency Commercial Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC):

Include commercial mortgage-backed securities issued by an agency that is not or partially guaranteed (i.e., they are not backed by the full faith and credit of the U.S. Government) as to principal and interest by federal or federally sponsored agencies such as Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC). This category shall include mortgage-referenced securities issued by a government-sponsored enterprise (e.g., FNMA or FHLMC) in the form of a credit-risk-transfer in which the security is tied to a pool of commercial mortgages. These items reflect instruments in which the payments received are linked to the credit and principal payment risk of the underlying mortgage loan borrowers captured in the referenced pool of mortgages. For these instruments, the holder may not receive a return of their full principal as repayment is contingent on repayment by the mortgage loan borrowers in the referenced pool of mortgages. This category shall also include ABS securities that are agency-issued and not fully guaranteed as to the timely payment of principal and interest by the full faith and credit of the U.S. government (excluding RMBS). This category shall also include ABS structures t agency-issued and not fully guaranteed as to the timely payment of principal and interest by the full faith and credit of the U.S. government (excluding RMBS).

Non-Agency Residential Mortgage-Backed Securities:

Include residential mortgage-backed securities not issued by a government agency.

Non-Agency Commercial Mortgage-Backed Securities:

Include commercial mortgage-backed securities not issued by a government agency.

Non-Agency – CLOs/CBOs/CDOs:

Include self-liquidating collateralized loan obligations (CLO), collateralized bond obligations (CBO) and collateralized debt obligations (CDO). In general, this category includes pools of assets whose cash flows are divided into 2 or more tranches. This also includes any other significant leverage inside the deal, for example, in the form of off-market swaps or repo. The underlying collateral in this category consists of corporate or structured

credit, cash or synthetic. This category does not include single name underlying collateral. Lastly, the repayment of the securities issued by CLOs/CBOs/CDOs depend primarily on the default and recovery of the underlying collateral and not on their market value.

Other Financial Asset-Backed Securities – Self-Liquidating:

Include self-liquidating financial asset-backed securities not issued by a government agency that are not backed by commercial or residential mortgage loans and that are not considered CLOs/CBOs/CDOs.

**Financial Asset-Backed Securities – Not Self-Liquidating** – Include all financial asset-backed securities where the structure does not represent a design where the terms of the underlying collateral has contractual principal (and interest, if applicable) that results with a conversion into cash over a period of time (e.g., receivables or other such assets)

Equity-Backed Securities:

Include structures where the financial assets backing the structure reflect equity. These securities must overcome the rebuttable presumption that equity-like structures do not inherently possess the characteristics to be reported on Schedule D, Part 1 and have appropriate reporting entity documentation supporting a conclusion that the underlying equity interests lend themselves to the production of predictable cash flows and the underlying equity risks have been sufficiently redistributed through the capital structure of the issuer. This category should include securitized collateralized fund obligations (CFOs) and other such structures, that qualify within Schedule D, Part 1. (Securitized equity-backed structures, including CFO structures, that do not qualify for Schedule D, Part 1 reporting shall be captured on Schedule BA.)

Other Financial Asset-Backed – Not Self-Liquidating:

Include non-self-liquidating financial asset-backed securities that are not backed by equity.

**Non-Financial Asset-Backed Securities (Practical Expedient)** – A non-financial asset-backed security is defined as a bond backed by assets that are expected to generate a meaningful level of cash flows toward repayment of the bond through use, licensing, leasing, servicing or management fees, or other similar cash flow generation. For the avoidance of doubt, there must be a meaningful level of cash flows to service the debt, other than through the sale or refinancing of the assets. Pursuant to SSAP No. 43R—Asset-Backed Securities, a practical expedient may be utilized, which is defined as if less than 50% of the original principal relies on the sale or refinancing of the underlying assets, the meaningful criteria is considered to be met. In applying this practical expedient, only contractual cash flows of the non-financial asset may be considered.

Lease-Backed Transactions (Practical Expedient):

Include structures where the generation of cash flows to use towards repayment of the asset-backed security are predominantly driven from underlying lease transactions.

Other Non-Financial Asset-Backed Securities (Practical Expedient):

Include structures where the generation of cash flows to use towards repayment of the asset-backed security are predominantly driven from underlying cash flow streams that do not predominantly reflect lease arrangements.

**Non-Financial Asset-Backed Securities (Full Analysis)** – Include non-financial asset-backed securities that qualify for reporting on Schedule D, Part 1 pursuant to SSAP No. 43R—Asset-Backed Securities, but that do not qualify within the practical expedient for meaningful cash flows.

Lease-Backed Transactions (Full Analysis):

Include structures where the generation of cash flows to use towards repayment of the asset-backed security are predominantly driven from underlying lease transactions.

Other Non-Financial Asset-Backed Securities (Full Analysis):

Include structures where the generation of cash flows to use towards repayment of the asset-backed security are predominantly driven from underlying cash flow streams that do not predominantly reflect lease arrangements.

Affiliated Reporting Lines:

Each reporting category, other than those specific to government agency issuances, shall have affiliated investments separately reported within the affiliate reporting line. The definition of affiliates is pursuant to SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities.

**SCHEDULE D – VERIFICATION****BONDS AND STOCKS**


**Detail Eliminated To Conserve Space**

Line 2 – Cost of Bonds and Stocks Acquired

In Column 1, report the actual cost to acquire bonds and stocks on a year-to-date basis, including the cost on bonds and stocks acquired in the current quarter as reported on Schedule D, Part 3, Column ~~7~~6. The cost of acquiring the investment should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.

Line 3 – Accrual of Discount

In Column 1, report the total amount of discount accrued on bonds on a year-to-date basis, including the amount on bonds and stocks still owned as of the reporting date and the amount on bonds and stocks disposed in the current quarter and reported on Schedule D, Part 4, Column ~~11~~1. The accrual of discount should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.

Line 4 – Unrealized Valuation Increase (Decrease)

Report the total unrealized valuation increase (decrease) for the entire year-to-date, including the amount on bonds and stocks owned as of the reporting date and the amount on bonds and stocks disposed in the current quarter and reported on Schedule D, Part 4, Column ~~10~~0.

Line 5 – Total Gain (Loss) on Disposals

In Column 1, report the gain (loss) on sales of bonds and stocks on a year-to-date basis, including the total gain (loss) of bonds and stocks in the current quarter as reported on Schedule D, Part 4, Column ~~18~~8.

Line 6 – Deduct Consideration for Bonds and Stocks Disposed of During the Year

In Column 1, report the total considerations received on bonds and stocks sold on a year-to-date basis, including the amount received on bonds and stock disposed in the current quarter as reported on Schedule D, Part 4, Column ~~6~~6.

Line 7 – Deduct Amortization of Premium

In Column 1, report the total amount of premium amortized on a year-to-date basis, including the amount on bonds and stocks still owned as of the reporting date and the amount on bonds and stocks disposed in the current quarter and reported on Schedule D, Part 4, Column ~~11~~1. The amortization of premium should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.

- Line 8 – Total Foreign Exchange Change in Book/Adjusted Carrying Value
- In Column 1, report the unrealized foreign exchange gain or loss on a year-to-date basis, including the amount on bonds and stocks still owned as of the reporting date and the amount on bonds and stocks disposed and reported on Schedule D, Part 4, Column ~~13~~14.
- Line 9 – Deduct Current Year’s Other-Than-Temporary Impairment Recognized
- Report the other-than-temporary impairments on a year-to-date basis including the amount on bonds and stock still owned and the amount on bonds and stocks disposed and reported on Schedule D, Part 4, Column ~~13~~12.
- Line 10 – Total Investment Income Recognized as a Result of Prepayment Penalties and/or Acceleration Fees
- In Column 1, report only the total investment income recognized on a year-to-date basis, using the information recorded in Schedule D, Part 4, Column ~~20~~19, for bonds and stocks that were sold, disposed or otherwise redeemed during the current quarter, as a result of a prepayment penalty and/or acceleration fee.
- Line 11 – Book/Adjusted Carrying Value at the end of Current Period
- In Column 1, report the book/adjusted carrying value as of the end of the current period. The amount in Line 11 should tie to the Assets Page, Column 1, the sum of the lines for Bonds, Line 1, Preferred Stocks, Line 2.1 and Common Stocks, Line 2.2.
- Line 12 – Deduct Total Nonadmitted Amounts
- In column 1, report the adjustment for nonadmitted amounts related to bonds and stocks as of the end of the current period.
- Include:                    The amount of the portfolio that is in excess of any investment limitation.
- The amount of any goodwill that exceeds the surplus limitation as described in *SSAP No. 68—Business Combinations and Goodwill*.
- The amount to be reported here should tie to the Assets Page, Column 2, the sum of the lines for Bonds, Line 1, Preferred Stocks, Line 2.1, Common Stock, Line 2.2.
- Line 13 – Statement Value at End of Current Period
- In Column 1, report the statement value of bonds and stocks owned as of the end of the current period. This amount should tie to the Assets Page, Column 3, the sum of the lines for Bonds, Line 1, Preferred Stocks, Line 2.1, Common Stock, Line 2.2.

**SCHEDULE D – PART 1B**

**ACQUISITIONS, DISPOSITIONS AND NON-TRADING ACTIVITY DURING THE CURRENT QUARTER  
FOR ALL BONDS AND PREFERRED STOCK BY NAIC DESIGNATION**

Report the summarized amounts of all bonds and preferred stock by NAIC designation. Include short-term and cash equivalent bonds in the category that most closely resembles their credit risk. Show all the acquisitions, dispositions and non-trading activities of bonds (long-term, short-term and cash equivalents) and preferred stock for each quarter. The Schedule is sorted by NAIC designation and includes Book/Adjusted Carrying Values for each quarter of the year.

Column 1 – Book/Adjusted Carrying Value Beginning of Current Quarter

- a. 1st Quarter taken directly from prior year annual statement Schedule D, Part 1A, Section 1, Line ~~5152~~.1 to Line ~~5152~~.6, Column 7 for all bonds.
- b. 2nd Quarter will be taken from prior quarter Column 5.
- c. 3rd Quarter will be taken from prior quarter Column 6.


**Detail Eliminated To Conserve Space**

Column 8 – Book/Adjusted Carrying Value at December 31 Prior Year

Taken directly from prior year annual statement Schedule D, Part 1A, Section 1, Line ~~5152~~.1 to Line ~~5152~~.6, Column 7 for all bonds.


**Detail Eliminated To Conserve Space**

**SCHEDULE D – PART 3**

**LONG-TERM BONDS AND STOCKS ACQUIRED DURING THE 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 Revenues .....	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 Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated) .....	0229999999
Mortgage 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
 Subtotal – Issuer Credit Obligations (Unaffiliated).....	 0489999999
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, 0249999999, and 0269999999)</u>	
Subtotal – Issuer Credit Obligations (Affiliated).....	0499999999
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and 0279999999)</u>	
Subtotals – Issuer Credit Obligations – Part 3 .....	0509999997
Summary item from Part 5 for Issuer Credit Obligations (N/A to Quarterly) .....	0509999998
Subtotals – Issuer Credit Obligations .....	0509999999
Asset-Backed Securities:	
Financial Asset-Backed – Self-Liquidating	
Agency Residential Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1019999999
Agency Commercial Mortgage-Backed Securities – Guaranteed (Exempt from RBC).....	1029999999
Agency Residential Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1039999999

Agency Commercial Mortgage-Backed Securities –	
Not/Partially Guaranteed (Not Exempt from RBC) .....	1049999999
Non-Agency Residential Mortgage-Backed Securities (Unaffiliated) .....	1059999999
Non-Agency Residential Mortgage-Backed Securities (Affiliated) .....	1069999999
Non-Agency Commercial Mortgage-Backed Securities (Unaffiliated) .....	1079999999
Non-Agency Commercial Mortgage-Backed Securities (Affiliated) .....	1089999999
Non-Agency – CLOs/CBOs/CDOs (Unaffiliated) .....	1099999999
Non-Agency – CLOs/CBOs/CDOs (Affiliated) .....	1109999999
Other Financial Asset-Backed Securities – Self-Liquidating (Unaffiliated) .....	1119999999
Other Financial Asset-Backed Securities – Self-Liquidating (Affiliated) .....	1129999999
Financial Asset-Backed – Not Self-Liquidating	
Equity Backed Securities (Unaffiliated) .....	1319999999
Equity Backed Securities (Affiliated) .....	1329999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Unaffiliated) .....	1339999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Affiliated) .....	1349999999
Non-Financial Asset-Backed Securities – Practical Expedient	
Lease-Backed Securities – Practical Expedient (Unaffiliated) .....	1519999999
Lease-Backed Securities – Practical Expedient (Affiliated) .....	1529999999
Other Non-Financial Asset-Backed Securities – Practical Expedient (Unaffiliated) .....	1539999999
Other Non-Financial Asset-Backed Securities – Practical Expedient (Affiliated) .....	1549999999
Non-Financial Asset-Backed Securities – Full Analysis	
Lease-Backed Securities – Full Analysis (Unaffiliated) .....	1719999999
Lease-Backed Securities – Full Analysis (Affiliated) .....	1729999999
Other Non-Financial Asset-Backed Securities – Full Analysis (Unaffiliated) .....	1739999999
Other Non-Financial Asset-Backed Securities – Full Analysis (Affiliated) .....	1749999999
<u>Subtotal – Asset-Backed Securities (Unaffiliated) .....</u>	<u>1889999999</u>
<u>(Sum of Lines: 1019999999, 1029999999, 1039999999, 1049999999, 1059999999,</u>	
<u>1079999999, 1099999999, 1119999999, 1319999999, 1339999999, 1519999999,</u>	
<u>1539999999, 1719999999, and 1739999999)</u>	
<u>Subtotal – Asset-Backed Securities (Affiliated) .....</u>	<u>1899999999</u>
<u>(Sum of Lines: 1069999999, 1089999999, 1109999999, 1129999999, 1329999999,</u>	
<u>1349999999, 1529999999, 1549999999, 1729999999, and 1749999999)</u>	
Subtotals – Asset-Backed Securities – Part 3 .....	1909999997
Summary item from Part 5 for Asset-Backed Securities (N/A to Quarterly) .....	1909999998
Subtotals – Asset-Backed Securities .....	1909999999
Subtotals – Issuer Credit Obligations and Asset-Backed Securities .....	2009999999

**Detail Eliminated To Conserve Space**

Column 9 – NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol

Provide the appropriate combination of NAIC Designation (1 through 6), NAIC Designation Modifier (A through G) and SVO Administrative Symbol (see below) at the end of the quarter for each security shown. 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)).

SVO-Identified Bond Exchange Traded Funds should be reported as perpetual securities.

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.



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:

The NAIC Designation Modifier should only be used for securities reported on the lines below if eligible to receive one, as defined in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual), otherwise, should not be provided.

- Bonds Lines 001999999 through ~~174999999~~190999999
- Preferred Stocks Lines 401999999 and 402999999
- Common Stocks Lines 531999999, 551999999 and 571999999

**SCHEDULE D – PART 4**

**LONG-TERM BONDS AND STOCKS SOLD, REDEEMED OR OTHERWISE  
DISPOSED OF DURING THE 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 Revenues .....	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 Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated) .....	0229999999
Mortgage 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
<b>Total – Issuer Credit Obligations (Unaffiliated).....</b>	<b>0489999999</b>
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, 0249999999, and 0269999999)</u>	
<b>Total – Issuer Credit Obligations (Affiliated).....</b>	<b>0499999999</b>
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and 0279999999)</u>	
Subtotals – Issuer Credit Obligations – Part 3 .....	0509999997
Summary item from Part 5 for Issuer Credit Obligations (N/A to Quarterly).....	0509999998
Subtotals – Issuer Credit Obligations .....	0509999999
Asset-Backed Securities:	
Financial Asset-Backed – Self-Liquidating	
Agency Residential Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1019999999
Agency Commercial Mortgage-Backed Securities – Guaranteed (Exempt from RBC).....	1029999999
Agency Residential Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1039999999

Agency Commercial Mortgage-Backed Securities –	
Not/Partially Guaranteed (Not Exempt from RBC) .....	1049999999
Non-Agency Residential Mortgage-Backed Securities (Unaffiliated) .....	1059999999
Non-Agency Residential Mortgage-Backed Securities (Affiliated) .....	1069999999
Non-Agency Commercial Mortgage-Backed Securities (Unaffiliated) .....	1079999999
Non-Agency Commercial Mortgage-Backed Securities (Affiliated) .....	1089999999
Non-Agency – CLOs/CBOs/CDOs (Unaffiliated) .....	1099999999
Non-Agency – CLOs/CBOs/CDOs (Affiliated) .....	1109999999
Other Financial Asset-Backed Securities – Self-Liquidating (Unaffiliated) .....	1119999999
Other Financial Asset-Backed Securities – Self-Liquidating (Affiliated) .....	1129999999
Financial Asset-Backed – Not Self-Liquidating	
Equity Backed Securities (Unaffiliated) .....	1319999999
Equity Backed Securities (Affiliated) .....	1329999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Unaffiliated) .....	1339999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Affiliated) .....	1349999999
Non-Financial Asset-Backed Securities – Practical Expedient	
Lease-Backed Securities – Practical Expedient (Unaffiliated) .....	1519999999
Lease-Backed Securities – Practical Expedient (Affiliated) .....	1529999999
Other Non-Financial Asset-Backed Securities – Practical Expedient (Unaffiliated) .....	1539999999
Other Non-Financial Asset-Backed Securities – Practical Expedient (Affiliated) .....	1549999999
Non-Financial Asset-Backed Securities – Full Analysis	
Lease-Backed Securities – Full Analysis (Unaffiliated) .....	1719999999
Lease-Backed Securities – Full Analysis (Affiliated) .....	1729999999
Other Non-Financial Asset-Backed Securities – Full Analysis (Unaffiliated) .....	1739999999
Other Non-Financial Asset-Backed Securities – Full Analysis (Affiliated) .....	1749999999
<b>Total – Asset-Backed Securities (Unaffiliated) .....</b>	<b>1889999999</b>
<u>(Sum of Lines: 1019999999, 1029999999, 1039999999, 1049999999, 1059999999,</u>	
<u>1079999999, 1099999999, 1119999999, 1319999999, 1339999999, 1519999999,</u>	
<u>1539999999, 1719999999, and 1739999999)</u>	
<b>Total – Asset-Backed Securities (Affiliated) .....</b>	<b>1899999999</b>
<u>(Sum of Lines: 1069999999, 1089999999, 1109999999, 1129999999, 1329999999,</u>	
<u>1349999999, 1529999999, 1549999999, 1729999999, and 1749999999)</u>	
Subtotals – Asset-Backed Securities – Part 3 .....	1909999997
Summary item from Part 5 for Asset-Backed Securities (N/A to Quarterly) .....	1909999998
Subtotals – Asset-Backed Securities .....	1909999999
Subtotals – Issuer Credit Obligations and Asset-Backed Securities .....	2009999999

**Detail Eliminated To Conserve Space**

- Column 20 – Stated Contractual Maturity Date
  - For SSAP No. 30R and SVO-Identified Bond Exchange Traded Funds, leave blank.
  - For perpetual bonds, enter 01/01/99993000.
  
- Column 21 – NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
  - Provide the appropriate combination of the NAIC Designation (1 through 6), NAIC Designation Modifier (A through G) and SVO Administrative Symbol (see below) at date of disposal for each security shown. The list of valid SVO Administrative Symbols is shown below.
  - Where multiple disposal transactions occurred for the same CUSIP, and those transactions are summarized on one line, enter the appropriate combination of NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol for the last disposal using the last available designation.

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)).

SVO-Identified Bond Exchange Traded Funds should be reported as perpetual securities.

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

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:

The NAIC Designation Modifier should only be used for securities reported on the lines below if eligible to receive one, as defined in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual), otherwise, should not be provided.

- Bonds Lines 001999999 through ~~174999999~~190999999
- Preferred Stocks Lines 401999999 and 402999999
- Common Stocks Lines 531999999, 551999999 and 571999999



**SCHEDULE DL – PART 1**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

(Securities lending collateral assets reported in aggregate on Line 10 of the asset page (Line 9 for Separate Accounts) and not included on Schedules A, B, BA, D, DB and E.)



**Detail Eliminated To Conserve Space**

<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations (Schedule D, Part 1, Section 1 type):	
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 Revenues .....	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 Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated).....	0229999999
Mortgage 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 (Unaffiliated).....	0279999999
<b>Total – Issuer Credit Obligations (Unaffiliated) .....</b>	<b>0489999999</b>
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999,</u> <u>0059999999, 0069999999, 0089999999, 0109999999, 0129999999,</u> <u>0149999999, 0159999999, 0169999999, 0189999999, 0209999999,</u> <u>0229999999, 0249999999, and 0269999999)</u>	
<b>Total – Issuer Credit Obligations (Affiliated) .....</b>	<b>0499999999</b>
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999,</u> <u>0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and</u> <u>0279999999)</u>	
<b>Total Issuer Credit Obligations .....</b>	<b>0509999999</b>

Asset-Backed Securities (Schedule D, Part 1, Section 2 type):

Financial Asset-Backed Securities – Self-Liquidating	
Agency Residential Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1019999999
Agency Commercial Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1029999999
Agency Residential Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1039999999
Agency Commercial Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1049999999
Non-Agency Residential Mortgage-Backed Securities (Unaffiliated) .....	1059999999
Non-Agency Residential Mortgage-Backed Securities (Affiliated) .....	1069999999
Non-Agency Commercial Mortgage-Backed Securities (Unaffiliated) .....	1079999999
Non-Agency Commercial Mortgage-Backed Securities (Affiliated) .....	1089999999
Non-Agency – CLOs/CBOs/CDOs (Unaffiliated) .....	1099999999
Non-Agency – CLOs/CBOs/CDOs (Affiliated) .....	1109999999
Other Financial Asset-Backed Securities – Self-Liquidating (Unaffiliated) .....	1119999999
Other Financial Asset-Backed Securities – Self-Liquidating (Affiliated) .....	1129999999
Financial Asset-Backed Securities – Not Self-Liquidating	
Equity Backed Securities (Unaffiliated) .....	1319999999
Equity Backed Securities (Affiliated) .....	1329999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Unaffiliated) .....	1339999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Affiliated) .....	1349999999
Non-Financial Asset-Backed Securities – Practical Expedient	
Lease-Backed Securities - Practical Expedient (Unaffiliated) .....	1519999999
Lease-Backed Securities - Practical Expedient (Affiliated) .....	1529999999
Other Financial Asset-Backed Securities – Practical Expedient (Unaffiliated) .....	1539999999
Other Financial Asset-Backed Securities – Practical Expedient (Affiliated) .....	1549999999
Non-Financial Asset-Backed Securities – Full Analysis	
Lease-Backed Securities - Full Analysis (Unaffiliated) .....	1719999999
Lease-Backed Securities - Full Analysis (Affiliated) .....	1729999999
Other Financial Asset-Backed Securities – Full Analysis (Unaffiliated) .....	1739999999
Other Financial Asset-Backed Securities – Full Analysis (Affiliated) .....	1749999999
<u>Total – Asset-Backed Securities (Unaffiliated) .....</u>	<u>1889999999</u>
<u>(Sum of Lines: 1019999999, 1029999999, 1039999999, 1049999999,</u>	
<u>1059999999, 1079999999, 1099999999, 1119999999, 1319999999,</u>	
<u>1339999999, 1519999999, 1539999999, 1719999999, and 1739999999)</u>	
<u>Total – Asset-Backed Securities (Affiliated) .....</u>	<u>1899999999</u>
<u>(Sum of Lines: 1069999999, 1089999999, 1109999999, 1129999999,</u>	
<u>1329999999, 1349999999, 1529999999, 1549999999, 1729999999,</u>	
<u>1749999999)</u>	
Total – Asset-Backed Securities .....	1909999999
Total – Issuer Credit Obligations and Asset-Backed Securities .....	2009999999


**Detail Eliminated To Conserve Space**


Column 1 – CUSIP Identification

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 Lines 001999999 through ~~200999999~~190999999, if no valid CUSIP, CINS or PPN number exists, then the CUSIP field should be zero-filled and a valid ISIN security number should be reported in Column 11.

The CUSIP reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

- Lines 001999999 through 050999999 ..... Schedule D, Part 1, Section 1, Column 1
- Lines 101999999 through 190999999 ..... Schedule D, Part 1, Section 2, Column 1
- Lines 401999999 through 450999999 ..... Schedule D, Part 2, Section 1, Column 1
- Lines 501999999 through 598999999 ..... Schedule D, Part 2, Section 2, Column 1
- Line 940999999 ..... Schedule BA, Part 1, Column 1
- Line 970999999 ..... Schedule E, Part 2, Column 1



**Detail Eliminated To Conserve Space**



**SCHEDULE DL – PART 2**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

(Securities lending collateral assets included on Schedules A, B, BA, D, DB and E (Line 9 for Separate Accounts) and not reported in aggregate on Line 10 of the asset page.)



**Detail Eliminated To Conserve Space**

<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations (Schedule D, Part 1, Section 1):	
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 Revenues .....	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 Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated).....	0229999999
Mortgage 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 (Unaffiliated).....	0279999999
<b>Total – Issuer Credit Obligations (Unaffiliated) .....</b>	<b>0489999999</b>
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999,</u> <u>0059999999, 0069999999, 0089999999, 0109999999, 0129999999,</u> <u>0149999999, 0159999999, 0169999999, 0189999999, 0209999999,</u> <u>0229999999, 0249999999, and 0269999999)</u>	
<b>Total – Issuer Credit Obligations (Affiliated) .....</b>	<b>0499999999</b>
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999,</u> <u>0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and</u> <u>0279999999)</u>	
<b>Total Issuer Credit Obligations .....</b>	<b>0509999999</b>



Asset-Backed Securities (Schedule D, Part 1, Section 2):

Financial Asset-Backed Securities – Self-Liquidating	
Agency Residential Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1019999999
Agency Commercial Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1029999999
Agency Residential Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1039999999
Agency Commercial Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1049999999
Non-Agency Residential Mortgage-Backed Securities (Unaffiliated) .....	1059999999
Non-Agency Residential Mortgage-Backed Securities (Affiliated) .....	1069999999
Non-Agency Commercial Mortgage-Backed Securities (Unaffiliated) .....	1079999999
Non-Agency Commercial Mortgage-Backed Securities (Affiliated) .....	1089999999
Non-Agency – CLOs/CBOs/CDOs (Unaffiliated) .....	1099999999
Non-Agency – CLOs/CBOs/CDOs (Affiliated) .....	1109999999
Other Financial Asset-Backed Securities – Self-Liquidating (Unaffiliated) .....	1119999999
Other Financial Asset-Backed Securities – Self-Liquidating (Affiliated) .....	1129999999
Financial Asset-Backed Securities – Not Self-Liquidating	
Equity Backed Securities (Unaffiliated) .....	1319999999
Equity Backed Securities (Affiliated) .....	1329999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Unaffiliated) .....	1339999999
Other Financial Asset-Backed Securities – Not Self-Liquidating (Affiliated) .....	1349999999
Non-Financial Asset-Backed Securities – Practical Expedient	
Lease-Backed Securities - Practical Expedient (Unaffiliated) .....	1519999999
Lease-Backed Securities - Practical Expedient (Affiliated) .....	1529999999
Other Financial Asset-Backed Securities – Practical Expedient (Unaffiliated) .....	1539999999
Other Financial Asset-Backed Securities – Practical Expedient (Affiliated) .....	1549999999
Non-Financial Asset-Backed Securities – Full Analysis	
Lease-Backed Securities - Full Analysis (Unaffiliated) .....	1719999999
Lease-Backed Securities - Full Analysis (Affiliated) .....	1729999999
Other Financial Asset-Backed Securities – Full Analysis (Unaffiliated) .....	1739999999
Other Financial Asset-Backed Securities – Full Analysis (Affiliated) .....	1749999999
<u>Total – Asset-Backed Securities (Unaffiliated) .....</u>	<u>1889999999</u>
<u>(Sum of Lines: 1019999999, 1029999999, 1039999999, 1049999999,</u>	
<u>1059999999, 1079999999, 1099999999, 1119999999, 1319999999,</u>	
<u>1339999999, 1519999999, 1539999999, 1719999999, and 1739999999)</u>	
<u>Total – Asset-Backed Securities (Affiliated) .....</u>	<u>1899999999</u>
<u>(Sum of Lines: 1069999999, 1089999999, 1109999999, 1129999999,</u>	
<u>1329999999, 1349999999, 1529999999, 1549999999, 1729999999,</u>	
<u>1749999999)</u>	
Total – Asset-Backed Securities .....	1909999999
Total – Issuer Credit Obligations and Asset-Backed Securities .....	
2009999999	


**Detail Eliminated To Conserve Space**


Column 1 – CUSIP Identification

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 Lines 0019999999 through ~~2509999999~~1909999999, if no valid CUSIP, CINS or PPN number exists, then the CUSIP field should be zero-filled and a valid ISIN security number should be reported in Column 11.

The CUSIP reported for this column should be same for the security as reported in other schedules for the lines shown below:

- Lines 0019999999 through 0509999999 ..... Schedule D, Part 1, Section 1, Column 1
- Lines 1019999999 through 1909999999 ..... Schedule D, Part 1, Section 2, Column 1
- Lines 4019999999 through 4509999999 ..... Schedule D, Part 2, Section 1, Column 1
- Lines 5019999999 through 5989999999 ..... Schedule D, Part 2, Section 2, Column 1
- Line 9409999999 ..... Schedule BA, Part 1, Column 1
- Line 9709999999 ..... Schedule E, Part 2, Column 1


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**Detail Eliminated To Conserve Space**
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**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
<del>SVO Identified Bond Exchange Traded Funds – Fair Value .....</del>	<del>0149999999</del>
<del>SVO Identified Bond Exchange Traded Funds – Systematic Value .....</del>	<del>0159999999</del>
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 Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated) .....	0229999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated).....	0239999999
Other Issuer Credit Obligations (Unaffiliated).....	0269999999
Other Issuer Credit Obligations (Affiliated).....	0279999999
<u>Total – Issuer Credit Obligations (Unaffiliated).....</u>	<u>0489999999</u>
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999,</u>	
<u>0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999,</u>	
<u>0169999999, 0189999999, 0209999999, 0229999999, and 0269999999)</u>	
<u>Total – Issuer Credit Obligations (Affiliated).....</u>	<u>0499999999</u>
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999,</u>	
<u>0199999999, 0219999999, 0239999999, and 0279999999)</u>	
Total Issuer Credit Obligations.....	0509999999



**Detail Eliminated To Conserve Space**



Column 3 – Restricted Asset Code  
Enter “%” in this column for all investments except qualifying cash pooling structures per SSAP No. 2R and money market mutual funds which have been reported on this schedule for more than one consecutive quarter.

If a cash equivalent is not under the exclusive control of the reporting entity, it is to be identified by placing one of the **codes identified in the Investment Schedules General Instructions** in this column.

If the “%” code is used, the “%” code should appear first, immediately followed by the appropriate code for not being under the exclusive control of the company (**identified in the Investment Schedules General Instructions**).

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, PROPERTY, & HEALTH**

**SCHEDULE E – PART 1 – CASH**

**MONTH END DEPOSITORY BALANCES**

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

| Column 2 – Restricted Asset Code

If cash is not under the exclusive control of the reporting entity, it is to be identified by placing one of the **symbols identified in the Investment Schedules General Instructions** in this column.

***QUARTERLY STATEMENT INSTRUCTIONS – TITLE***

**SCHEDULE E – PART 1 – CASH**

**MONTH END DEPOSITORY BALANCES**

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

| Column 2 – Restricted Asset Code

If cash is not under the exclusive control of the company, it is to be identified by placing one of the **symbols identified in the Investment Schedules General Instructions** in this column.



**QUARTERLY STATEMENT BLANK – TITLE**

**SCHEDULE E – PART 1 – CASH**  
**Month-End Depository Balances**

1 Depository	2 Restricted Asset Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>OPEN DEPOSITORIES</b>								XXX
Section (A)—Segregated Funds Held for Others								XXX
.....								XXX
.....								XXX
.....								XXX
.....								XXX
.....								XXX
0199998 Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX	XXX						XXX
0199999 Total Segregated Funds Held for Others	XXX	XXX						XXX
Section (B)—General Funds								XXX
.....								XXX
.....								XXX
.....								XXX
.....								XXX
0299998 Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX	XXX						XXX
0299999 Total General Funds	XXX	XXX						XXX
Section (C)—Reinsurance Reserve Funds								XXX
.....								XXX
.....								XXX
.....								XXX
.....								XXX
.....								XXX
.....								XXX
0399998 Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX	XXX						XXX
0399999 Total Reinsurance Reserve Funds	XXX	XXX						XXX
0499999 Total Open Depositories	XXX	XXX						XXX
<b>SUSPENDED DEPOSITORIES</b>								
Section (A)—Segregated Funds Held for Others								
.....								
0599998 Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX	XXX						XXX
0599999 Total Segregated Funds Held for Others	XXX	XXX						XXX
Section (B)—General Funds								
.....								
0699998 Deposits in _____ depositories which do not exceed the allowable limit in any one .....depository (see instructions)	XXX	XXX						XXX
0699999 Total General Funds	XXX	XXX						XXX
Section (C)—Reinsurance Reserve Funds								
.....								
0799998 Deposits in _____ depositories which do not exceed the allowable limit in any one depository (see instructions)	XXX	XXX						XXX
0799999 Total Reinsurance Reserve Funds	XXX	XXX						XXX
0899999 Total Suspended Depositories	XXX	XXX						XXX
0999999 Total Cash on Deposit	XXX	XXX						XXX
1099999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
1199999 Total Cash	XXX	XXX						XXX

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**Blanks (E) Working Group**  
**Editorial Revisions to the Blanks and Instructions**  
*(presented at the May 23, 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	General Interrogatories – Part 2	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Interrogatory for net negative (disallowed) IMR was moved to Life/Fraternal interrogatories Part 2 Instructions for each statement type needs to be removed. (2023-13BWG)</p> <p>9. Answer “YES” if the company is admitting net negative (disallowed) interest maintenance reserve (IMR). <del>Life/Fraternal companies should answer “YES” or “NO”.</del> <del>Property/Casualty, Health, and Title companies should answer “N/A”</del></p>	L/F	Annual																																																		
2024	Market Conduct Annual Statement (MCAS) Premium Exhibit for Year	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add clarifying instructions for pages that are all No responses to not be included in the filing.</p> <p>A schedule must be prepared and submitted for each jurisdiction in which the company answered “Yes” to having MCAS Reportable Premiums/Considerations. <u>Supplement pages should not be filed for any state or jurisdiction where the company would file all “No” responses.</u></p>	H, L/F, P/C	Annual																																																		
2024	Schedule P, Part 3J & 3T	<p><b>CHANGE TO BLANK</b></p> <p>Update Columns 11 and 12 on the Annual Statement Blank for Parts 3J and 3T to remove the “XXX”s that were added by accident to adopted Proposal 2023-16BWG.</p> <p style="text-align: center;"><b>SCHEDULE P – PART 3J – AUTO PHYSICAL DAMAGE</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Years in Which Losses Were Incurred</th> <th rowspan="2">Detail Eliminated To Conserve Space</th> <th>11</th> <th>12</th> </tr> <tr> <th>Number of Claims Closed With Loss Payment</th> <th>Number of Claims Closed Without Loss Payment</th> </tr> </thead> <tbody> <tr><td>1. Prior.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>2. 2015.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>3. 2016.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>4. 2017.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>5. 2018.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>6. 2019.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>7. 2020.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>8. 2021.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>9. 2022.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>10. 2023.....</td><td></td><td>XXX</td><td>XXX</td></tr> <tr><td>11. 2024.....</td><td></td><td>XXX</td><td>XXX</td></tr> </tbody> </table>	Years in Which Losses Were Incurred	Detail Eliminated To Conserve Space	11	12	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment	1. Prior.....		XXX	XXX	2. 2015.....		XXX	XXX	3. 2016.....		XXX	XXX	4. 2017.....		XXX	XXX	5. 2018.....		XXX	XXX	6. 2019.....		XXX	XXX	7. 2020.....		XXX	XXX	8. 2021.....		XXX	XXX	9. 2022.....		XXX	XXX	10. 2023.....		XXX	XXX	11. 2024.....		XXX	XXX	P/C	Annual
Years in Which Losses Were Incurred	Detail Eliminated To Conserve Space	11			12																																																	
		Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment																																																			
1. Prior.....		XXX	XXX																																																			
2. 2015.....		XXX	XXX																																																			
3. 2016.....		XXX	XXX																																																			
4. 2017.....		XXX	XXX																																																			
5. 2018.....		XXX	XXX																																																			
6. 2019.....		XXX	XXX																																																			
7. 2020.....		XXX	XXX																																																			
8. 2021.....		XXX	XXX																																																			
9. 2022.....		XXX	XXX																																																			
10. 2023.....		XXX	XXX																																																			
11. 2024.....		XXX	XXX																																																			

Effective	Table Name	Description	Statement Type	Filing Type																																										
<b>SCHEDULE P – PART 3T - WARRANTY</b>																																														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;"></th> <th style="width: 15%;"></th> <th style="width: 25%; text-align: center;">11</th> <th style="width: 25%; text-align: center;">12</th> </tr> <tr> <th style="text-align: center;">Years in Which Losses Were Incurred</th> <th></th> <th style="text-align: center;">Number of Claims Closed With Loss Payment</th> <th style="text-align: center;">Number of Claims Closed Without Loss Payment</th> </tr> </thead> <tbody> <tr> <td>1. Prior.....</td> <td rowspan="11" style="text-align: center; vertical-align: middle;">Detail Eliminated To Conserve Space</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>2. 2015.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>3. 2016.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>4. 2017.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>5. 2018.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>6. 2019.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>7. 2020.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>8. 2021.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>9. 2022.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>10. 2023.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> <tr> <td>11. 2024.....</td> <td style="text-align: center;">XXX</td> <td style="text-align: center;">XXX</td> </tr> </tbody> </table>							11	12	Years in Which Losses Were Incurred		Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment	1. Prior.....	Detail Eliminated To Conserve Space	XXX	XXX	2. 2015.....	XXX	XXX	3. 2016.....	XXX	XXX	4. 2017.....	XXX	XXX	5. 2018.....	XXX	XXX	6. 2019.....	XXX	XXX	7. 2020.....	XXX	XXX	8. 2021.....	XXX	XXX	9. 2022.....	XXX	XXX	10. 2023.....	XXX	XXX	11. 2024.....	XXX	XXX
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2024	Analysis of Operations by Lines of Business – Individual Annuities	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the crosscheck reference between Analysis of Operations by LOB – Individual Annuities and Exhibit 1 Part 2 to account for all commissions reported.</p> <p>Line 21 – Commissions on Annuity Considerations and Deposit-Type Contracts (Direct Business Only)</p> <p><del>Columns 2, 3, 4, 5 and 7</del> <u>Column 1</u> should agree with Exhibit 1 Part 2, Line 31, Column 4.</p>	L/F	Annual																																										
2024	Analysis of Operations by Lines of Business – Group Annuities	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the crosscheck reference between Analysis of Operations by LOB – Group Annuities and Exhibit 1 Part 2 to account for all commissions reported.</p> <p>Line 21 – Commissions on Annuity Considerations and Deposit-Type Contracts (Direct Business Only)</p> <p><del>Columns 2, 3, 4, 5 and 7</del> <u>Column 1</u> should agree with Exhibit 1 Part 2, Line 31, Column 5.</p>	L/F	Annual																																										
2024	Summary of Operations	<p><b>CHANGE TO BLANK</b></p> <p>Update the crosscheck reference between Summary of Operations and Exhibit 1 Part 1 because Summary of Operations includes YRT business and Exhibit 1, Part 1 does not include YRT business.</p> <p>1. Premiums and annuity considerations for life and accident and health contracts (<del>Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 8</del>)</p>	L/F	Annual																																										

Effective	Table Name	Description	Statement Type	Filing Type
2024	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add letters and formulas to the illustration for Notes 5S(3) and 5S(5) to be consistent with the format in the other Notes to Financial Statements. <i>(This note is only for Life/Fraternal companies but is marked for all statement types because it is included in all statement instructions.)</i></p> <p>Illustration for Note 5S:</p> <p>(3) Calculated adjusted capital and surplus</p> <p style="padding-left: 40px;">a. Prior Period General Account Capital &amp; Surplus From Prior Period SAP Financials</p> <p style="padding-left: 40px;">b. Net Positive Goodwill (admitted)</p> <p style="padding-left: 40px;">c. EDP Equipment &amp; Operating System Software (admitted)</p> <p style="padding-left: 40px;">d. Net DTAs (admitted)</p> <p style="padding-left: 40px;">e. Net Negative (disallowed) IMR (admitted)</p> <p style="padding-left: 40px;">f. Adjusted Capital &amp; Surplus <u>(a-(b+c+d+e))</u></p> <p>(5) Allocated gains/losses to IMR from derivatives</p> <p style="padding-left: 40px;">a. Unamortized Fair Value Derivative Gains &amp; Losses Realized to IMR – Prior Period</p> <p style="padding-left: 40px;">b. Fair Value Derivative Gains &amp; Losses Realized to IMR – Added in Current Period</p> <p style="padding-left: 40px;">c. Fair Value Derivative Gains &amp; Losses Amortized Over Current Period</p> <p style="padding-left: 40px;">d. Unamortized Fair Value Derivative Gains &amp; Losses Realized to IMR – Current Period Total</p>	H, L/F, P/C, T	Annual
2024	Life, Health and Annuity Guaranty Association Assessable Premium Exhibit Part 1	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update a misspelled word to provide clarity to the instructions.</p> <p>Line 8 – Enter amounts received during the current year only for supplemental contracts (with and without life contingencies) and contracts associated with retained asset programs BUT ONLY IF such amounts are included in APE Pt. 1 Line 5 AND the prior year amounts for the original contracts were reported as assessable premium.</p>	H, L/F, P/C	Annual
2024	Analysis of Operations By Lines of Business – Accident and Health	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the crosscheck reference for the Analysis of Operations by LOB – Accident and Health to include Line 6 in order to include the ceded portion of commission expenses.</p> <p>Column 1 – Total</p> <p><u>Line 6 plus the sSum of Lines 21 through 24 should equal Health Analysis of Operations by Lines of Business Supplement Line 19 plus 20 (Column 1 minus Column 14).</u></p>	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type					
2024	Health Supplement – Analysis of Operations By Lines of Business	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the crosscheck reference for the Analysis of Operations by LOB – Accident and Health to include Line 6 in order to include the ceded portion of commission expenses.</p> <p>Column 1 – Total</p> <p>Column 1 (Line 19 plus Line 20) minus Column 14 (Line 19 plus Line 20) should equal Analysis of Operations by Lines of Business – Accident and Health Column 1, <u>Line 6 plus the sum of Lines 21 through 24.</u></p>	L/F	Annual					
2024	Schedule P, Part 1, Summary	<p><b>CHANGE TO BLANK</b></p> <p>Update Column 25 on Schedule P, Part 1, Summary to remove the XXX's and allow a sum for all of Part 1, except 1N, 1O and 1P.</p> <p style="text-align: center;"><b>SCHEDULE P – PART 1 – SUMMARY</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th data-bbox="821 735 993 833">Years in Which Premiums Were Earned and Losses Were Incurred</th> <th data-bbox="997 735 1110 1036" rowspan="2">Detail Eliminated To Conserve Space</th> <th data-bbox="1115 735 1461 833">25 Number of Claims Outstanding Direct and Assumed</th> </tr> </thead> <tbody> <tr> <td data-bbox="821 836 993 1036">                     1. Prior .....                      2. 2015 .....                      3. 2016 .....                      4. 2017 .....                      5. 2018 .....                      6. 2019 .....                      7. 2020 .....                      8. 2021 .....                      9. 2022 .....                      10. 2023 .....                      11. 2024 .....                 </td> <td data-bbox="1115 836 1461 1036" style="text-align: center;">                     XXX                      XXX                      XXX                      XXX                      XXX                      XXX                      XXX                      XXX                      XXX                      XXX                      XXX                 </td> </tr> </tbody> </table>	Years in Which Premiums Were Earned and Losses Were Incurred	Detail Eliminated To Conserve Space	25 Number of Claims Outstanding Direct and Assumed	1. Prior ..... 2. 2015 ..... 3. 2016 ..... 4. 2017 ..... 5. 2018 ..... 6. 2019 ..... 7. 2020 ..... 8. 2021 ..... 9. 2022 ..... 10. 2023 ..... 11. 2024 .....	XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX	P/C	Annual
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**Blanks (E) Working Group  
Summary of Comments for May 23, 2024  
National Meeting**

**ITEMS RECEIVED FOR COMMENT**

Reference Number	Description
<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 17 <span style="float: right;">Page 1 of 4</span>
Comment letter suggests editorial revisions to the proposal. See full comment letter for details.	
<b>2024-01BWG</b>	Identify where common stock and preferred stock residual interests should be reported on the investment schedules.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 <span style="float: right;">Page 1 of 4</span>
IPs have no comment.	
<b>2024-02BWG</b>	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.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 <span style="float: right;">Page 2 of 4</span>
Comment letter suggests various editorial revisions and updates to the Schedule DA – Verification Between Years and Five-Year Historical Data. See full comment letter for details.	
<b>2024-03BWG</b>	Update General Interrogatory 35 for private letter rating security reporting to clarify what should be included.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 <span style="float: right;">Page 2 of 4</span>
Comment letter suggests an editorial revision to the proposal. See full comment letter for details.	
<b>2024-04BWG</b>	Add clarifying language to VM-20 supplement to include separate accounts where applicable.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 <span style="float: right;">Page 2 of 4</span>
IPs have no comment.	

Reference Number	Description
<b>2024-05BWG</b>	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.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 Page 2 of 4  IPs have no comment.
<b>2024-06BWG</b>	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.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 Page 2 of 4  IPs have no comment.
<b>2024-07BWG</b>	Update the illustration under Note 5S(A) – Investments for Net Negative (Disallowed) Interest Maintenance Reserve (IMR) to add separate account breakout. Add a new general interrogatory for a company attestation for separate accounts. (This goes with adopted Blanks Working Group proposal 2023-13BWG)
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 Page 2 of 4  IPs have no comment
<b>2024-08BWG</b>	Update the Interest Maintenance Reserve and Asset Valuation Reserve instructions for specific allocation guidance for NAIC Designation Changes for Debt Securities (excluding LBSS), Mortgage Loans, and perpetual preferred stocks. (SAPWG agenda items: 2023-15 & 2023-29)
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 Page 3 of 4  IPs have no comment.
<b>2024-09BWG</b>	Add a note (5T) to the Notes to Financials to be data captured to report the aggregate collateral loans by qualifying investment collateral.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 17 Page 3 of 4  Comment letter suggests edits to the Admitted column and adding a crosscheck. See full comment letter for details.

Reference Number	Description
2024-10BWG	Remove the ACA SSAP No. 107 disclosure on the transitional reinsurance program and the risk corridors program from Note 24E in the Notes to Financials (Note 24F for Property/Casualty) in the Annual Statement Instructions.
<u>Comment #1 – Industry Interested Parties</u>  Comment letter suggests deleting the Risk Corridor paragraphs in Note 24 and to remove the ACA disclosure table from the Supplement Health Care Exhibit. See full comment letter for details.	Attachment 17  Page 3 of 4
2024-11BWG	Update the Annual and Quarterly Instructions and Blanks for the New Market Tax Credit changes. Changes will be made to: Annual – Assets, Notes to Financial Statements 5K, 14A, and 21E, AVR, and Schedule BA, Part 1, 3, and Verification Between Years. Quarterly changes – Assets and Schedule BA, Part 3 and Verification Between Years.
<u>Comment #1 – Industry Interested Parties</u>  Comment letter suggests clarification on disclosures added in the instructions and to re-expose to evaluate the impacts of the exposure. See full comment letter for details.	Attachment 17  Page 4 of 4

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Interested Parties – NAIC Blanks Working Group	
<b>Tip Tipton, CPA</b> Head of Accounting Policy Thrivent Phone: 612.844.7298 Email: <a href="mailto:tip.tipton@thrivent.com">tip.tipton@thrivent.com</a>	<b>Sharlea Taft</b> NAIC Liaison Sapiens Phone: 319.677.2338 Email: <a href="mailto:sharlea.taft@sapiens.com">sharlea.taft@sapiens.com</a>

April 23, 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 Tuesday, April 23, 2024

Dear Ms. Gosselin:

Interested Parties (“IPs”) appreciate the opportunity to review and comment on the 7 items that were exposed / re-exposed on a conference call on Wednesday, February 21, 2024, 4 items exposed via email on Monday, March 4, 2024, and 1 item exposed via its website on Thursday, April 4, 2024 with a comment deadline of Tuesday, April 23, 2024.

**2023-12BWG** [Exposed changes to categorize debt securities on Schedule BA that do not qualify as bonds on Schedule D under *SSAP No. 26—Bonds* or *SSAP No. 43—Asset-Backed Securities* and are captured in scope of *SSAP No. 21—Other Invested Assets*. The 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 suggest the following edits on this exposure:

- For consistency among the categories within Schedule BA, refer to ‘*Bonds*’ instead of ‘*Fixed Income Investments*’ in the sub-categories. The Fixed Income Investments category has been interpreted to include Preferred Stocks and Mortgage Loans
- For columns requesting ‘*Maturity Date*’, the instructions state to ‘Use only for securities included in the following subtotal lines.’ Since the only subtotal line referred to is proposed for deletion, IPs recommend that all the Maturity Date columns be removed.

**2024-01BWG** [Exposed changes update the Investment Schedules General Instructions to identify that common and preferred stock residual interests should be reported on Schedule BA. The exposure is sponsored by SAPWG Ref #2023-23 (*Residuals in Preferred Stock and Common Stock Structures*). Proposed effective date is Annual 2024.]

IPs have no comments on this exposure.

**2024-02BWG** [Exposed changes 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. The exposure is sponsored by SAPWG Ref #2023-17 (*Short-Term Investments*). Proposed effective date is 1<sup>st</sup> Quarter 2025 / Annual 2025.]

IPs suggest the following changes:

- reflect modifications to the various AVR blanks and instructional pages impacted by the proposed changes.
- for the ‘Schedule DA – Verification Between Years’, consider deleting column 3 (Mortgage Loans) and column 5 (Investments in Parents, Subsidiaries and Affiliates)’; also, for column 4 replace ‘Investment’ with ‘Invested’.
- on the Five-Year Historical Data page, remove line 47 (Affiliated Short-term Investments) since column 5 on ‘Schedule DA – Verification Between Years’ is expected to be removed.
- for changes to the Schedule DA – Part 1 and Schedule E – Part 2 blank, incorporate corresponding changes to the instructions.
- Consider changing the label for Schedule BA from ‘Other Long-Term Invested Assets’ to ‘Other Invested Assets’ to better reflect that short-term invested assets may be reported in the schedule.

IPs also request a re-exposure of this item to review the additional changes mentioned above.

**2024-03BWG** [Exposed changes to update General Interrogatory 35 for private letter rating (PLR) securities reporting to clarify what should be included. Proposed effective date is Annual 2024.]

IPs have the following editorial revision:

- replace ‘was derived’ with ‘were derived’.

**2024-04BWG** [Exposed changes 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. Proposed effective date is Annual 2024.]

IPs have no comments on this exposure.

**2024-05BWG** [Exposed changes 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. Proposed effective date is Annual 2024.]

IPs have no comments on this exposure.

**2024-06BWG** [Exposed changes for P/C: Limit the requirement to send qualification documentation to the board of directors only at the initial appointment and not annually thereafter. Exposed changes for Title: Update the title instructions so they are more similar to the P/C instructions. Proposed effective date is Annual 2024.]

IPs have no comments on this exposure.

**2024-07BWG** [Exposed changes update the illustration under Note 5S(A) – Investments for Net Negative (Disallowed) Interest Maintenance Reserve (IMR) to add a separate account breakout. Add a new general interrogatory for a company attestation for separate accounts. This item is associated with adopted 2023-13BWG (*Note 5S – Investments for Net Negative (Disallowed) IMR*). Proposed effective date is Annual 2024.]

IPs have no comments on this exposure.

**2024-08BWG** [Exposed changes update the Interest Maintenance Reserve and Asset Valuation Reserve instructions for specific allocation guidance for NAIC Designation Changes for Debt Securities (excluding LBSS), Mortgage Loans, and perpetual preferred stocks. The exposure is sponsored by SAPWG Ref #2023-15 (*IMR / AVR Specific Allocations*) and Ref #2023-29 (*Annual Statement Instructions – IMR Preferred Stock*). Proposed effective date is Annual 2024.]

IPs have no comments on this exposure.

**2024-09BWG** [Exposed changes add a note (5T) to the Notes to Financials to be data captured to report the aggregate collateral loans by qualifying investment collateral. Proposed effective date is Annual 2024.]

IPs suggest the following changes to assist in clarity in preparing the new note:

- ‘XXX’ be placed in the ‘Admitted’ column for the ‘(10) Collateral Does Not Qualify as an Investment’ row as there shouldn’t be any amounts in this cell.
- Incorporate a crosscheck between the BACV column on Schedule BA for total Collateral Loans to the ‘Aggregate Collateral Loan’ column for the ‘(11) Total’ line.

**2024-10BWG** [Exposed changes remove the ACA SSAP No. 107 disclosure on the transitional reinsurance program and the risk corridors program from Note 24E for Life/Fraternal and Health / Note 24F for Property/Casualty in the Notes to Financials in the Annual Statement Instructions. The exposure is sponsored by SAPWG Ref #2024-13 (*Update SSAP No. 107 Disclosures*). Proposed effective date is Annual 2024.]

IPs generally support the exposed changes to remove the ACA SSAP No. 107 disclosures related to the transitional reinsurance and risk corridors programs.

However, IPs noted that rather than deleting the outdated disclosures specific to the Risk Corridors program in Notes 24E(4) and 24E(5) for Life/Fraternal and Health insurers and Notes 24F(4) and 24F(5) for Property/Casualty insurers, the disclosure table titles were simply modified to replace ‘Risk Corridors’ with ‘Risk Adjustment.’ However, the disclosures required by Notes 24E(4)/(5) and 24F(4)/(5) were specifically developed for the ACA Risk Corridors program for years 2014 through 2016. The data elements in these two tables are not applicable to the Risk Adjustment program and/or would be duplicative with the Risk Adjustment information already disclosed in Notes 24E(2)/(3) and 24F(2)/(3). IPs respectfully request the two Risk Corridors paragraphs be deleted in the annual and quarterly instructions and blanks form as requested in the Form A submission.

Additionally, Part 1 of the Supplemental Health Care Exhibit (SHCE) includes a table requiring disclosure of Affordable Care Act (ACA) receipts, payments, receivables, and payables. IPs respectfully request deletion of the portions of that table related to the expired transitional ACA reinsurance program and the temporary ACA risk corridors program. Specifically, rows 2, 3, 5 and 6 should be deleted in the table. Concurrent with this change being made, line 4.0 would need to be renumbered in the table along with the corresponding instructions.

[2024-11BWG](#) [Exposed changes to update the annual and quarterly instructions and blanks for the New Market Tax Credit changes. Changes will be made to—*Annual Statement*: Assets; Notes to Financial Statements 5K, 14A and 21E; AVR; and Schedule BA – Parts 1, 3 and Verification Between Years. *Quarterly Statement*: Assets and Schedule BA – Part 3 and Verification Between Years. The exposure is sponsored by SAPWG Ref #2022-14 (*New Market Tax Credits*). Proposed effective date is 1<sup>st</sup> Quarter 2025 / Annual 2025.]

IPs disagree with the proposed instructions that only reference guaranteed tax credit investments in state programs only. There are investments for which federal tax credits are earned, which are also guaranteed. For example, most New Market Tax Credit programs are guaranteed by reputable financial institutions. Moving these investments to the “other” category would cause these investments to have their RBC risk factor go up to 15%. Currently, these investments get an NAIC Designation by the SVO, which is usually of high credit quality. Therefore, the federal guaranteed section needs to continue to be included for appropriate reporting.

Also, as stated in our previous comment letter, we are not sure why the reference to leverage below 50% exists as it does not seem to relate at all to the requirements in the newly adopted SSAP No. 93. It appears that if leverage is above 50%, the investment would be reported in “other” with a much more punitive charge.

IPs request a re-exposure of this item to better evaluate the impacts of the exposure.

\* \* \* \*

Tip Tipton, CPA  
Head of Accounting Policy  
Thrivent

Sharlea Taft  
NAIC Liaison  
Sapiens

CC: Steve Drutz, Vice-Chair, Washington  
Mary Caswell, NAIC  
Jill Youtsey, NAIC  
Keith Bell, Travelers  
Rose Albrizio, Equitable Financial  
Interested Parties