

Draft date: 5/22/2025

Virtual Meeting

BLANKS (E) WORKING GROUP

Thursday, May 29, 2025

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

Roy Eft, Chair	Indiana	Danielle Smith/Kelly Hopper	Missouri
Steve Drutz, Vice Chair	Washington	Tadd Wegner	Nebraska
David Phifer	Alaska	Paul Lupo/Amal Mechaiel	New Jersey
Kim Hudson	California	Tracy Snow	Ohio
Wayne Shepherd	Connecticut	Ryan Rowe	Oklahoma
Nicole Brittingham	Delaware	Ryan Keeling	Oregon
N. Kevin Brown	District of Columbia	Diane Sherman	Pennsylvania
Carolina Herrera Wagoner/ Shalice Rivers	Florida	Shawn Frederick	Texas
Daniel Mathis	Iowa	Jake Garn	Utah
Jason Tippet	Michigan	Mary Jo Lewis	West Virginia
		Adrian Jaramillo/Michael Erdman	Wisconsin

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

AGENDA

1. Consider Adoption of its March 6, 2025, Minutes—*Roy Eft (IN)* Attachment 1
2. Consider Adoption of Previously Exposed Items—*Roy Eft (IN)*
 - A. **2024-19BWG Modified** – Update Schedule BA line categories and instructions for the expansion of collateral loans. Add two electronic-only columns on Schedule BA, Part 1, for reporting fair value of collateral backing and the percentage of the collateral. Update the asset valuation reserve (AVR) instructions and blank for the added collateral loan lines. Attachment 2
 - B. **2025-01BWG Modified** – Update the Note to Financial Statements Note 8—Derivatives to include adopted revisions to *Statement of Statutory Accounting Principles (SSAP) No. 86—Derivatives*. Also, update Note 11 – Debt for the adopted revisions to *SSAP No. 15—Debt and Holding Company Obligations*. Attachment 3
 - C. **2025-02BWG** – Update Note to Financial Statements Note 9 – Income Taxes to include adopted revisions to *SSAP No. 101 – Income Taxes*. Attachment 4

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| D. 2025-03BWG Modified – Modify the Life Insurance (State Page) to include accident and health data for direct premium earned and direct losses incurred. | Attachment 5 |
| E. 2025-04BWG Modified – Add a new part to the Note to Financial Statements Note 28 – Health Care Receivables to include Medicare Part D prescription payment plans. | Attachment 6 |
| F. 2025-05BWG Modified – Add a new part to Schedule S to report reinsurance agreements with funds withholding and modified coinsurance. | Attachment 7 |
| G. 2025-06BWG – Update Note 5L – Restricted Assets Instructions and Illustrations to make the changes for clarification on what should be reflected within the restricted asset note. | Attachment 8 |
| H. 2025-07BWG – Update Schedule P with editorial revisions exposed at the Casualty Actuarial and Statistical (C) Task Force. | Attachment 9 |
| I. 2025-08BWG – Remove Life/Fraternal General Interrogatory #14 that reports total dividends paid to stockholders and renumber remaining general interrogatory. | Attachment 10 |
| J. 2025-09BWG – Update Life/Fraternal Note to Financial #35 for separate account transfers. Also add a general interrogatory to Separate Account Blank for transfers and repurchase agreements and reverse repurchase transactions. | Attachment 11 |
| K. 2025-10BWG Modified – Update Note 5L to identify assets held under funds withholding agreements (including modco) that are affiliated with the reinsurer. Also updated the list of required quarterly disclosures to include Note 5L – Restricted Assets. With this change, this disclosure will be required in all interim and annual financial statements. | Attachment 12 |
| L. 2025-11BWG – Remove the capital structure code reporting column on Schedule D, Part 1, Sections 1 and 2. | Attachment 13 |
| M. 2025-12BWG – “Remove” Line 8 – Unrated Multi-Class Securities Acquired by Conversion from AVR: Default Component – Basic Contribution. Relabel the line with “intentionally left blank” to prevent renumbering all lines in the AVR schedule and to be used in the future if there are other AVR updates. | Attachment 14 |

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| N. 2025-13BWG – Update Notes to Financial Statements Note 13K with disclosure updates to <i>SSAP No. 41 – Surplus Notes</i> . | Attachment 15 |
| O. 2025-14BWG – Add instructions to include Medicare Part D Prescription Payment Plan information to the Health Care and other amounts receivable line on the Asset Page, Supplemental Health Care Exhibit, Exhibit 3 – Health Care Receivables, and Exhibit 3A – Analysis of Health Care Receivables. | Attachment 16 |
| P. 2025-15BWG Modified – Update Note 8 – Derivatives in the Notes to Financial Statements and Schedule DB to clarify the terminology used for derivative financing premium. | Attachment 17 |
| 3. Consider Items for Exposure— <i>Roy Eft (IN)</i> | |
| A. 2025-16BWG – Update Health Annual Statement Instructions for the Prescribed Language for Statement of Actuarial Opinion, Section 4 (Identification Section) for consistency in reporting. Also update the Statement of Actuarial Opinion, Section 7 (Opinion Section), Item C, to be consistent with the Life Annual Statement Instructions and VM-30. | Attachment 18 |
| 4. Consider Adoption of its Editorial Listing— <i>Roy Eft (IN)</i> | Attachment 19 |
| 5. Discuss Hard Copy Jurat Signatures for Future System Changes— <i>Roy Eft (IN)</i> | |
| 6. Discuss Any Other Matters Brought Before the Working Group— <i>Roy Eft (IN)</i> | |
| 7. Adjournment | |
| <i>The following documents are being provided as reference materials:</i> | |
| <i>Summary of Comment Letters</i> | Attachment 20 |
| <i>Comment Letters</i> | Attachment 21 |

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Draft: 3/12/25

Blanks (E) Working Group
Virtual Meeting
March 6, 2025

The Blanks (E) Working Group of the Accounting Practices and Procedures (E) Task Force met March 6, 2025. The following Working Group members participated: Roy Eft, Chair (IN); Steve Drutz, Vice Chair (WA); David Phifer (AK); Kim Hudson (CA); Wayne Shepherd (CT); N. Kevin Brown (DC); Tom Hudson (DE); Shalice Rivers (FL); Daniel Mathis (IA); Jason Tippet (MI); Kelly Hopper and Danielle Smith (MO); Tadd Wegner (NE); Paul Lupo (NJ); Dale Bruggeman and Tracy Snow (OH); Diana Sherman (PA); Shawn Frederick (TX); Jake Garn (UT); Adrian Jaramillo (WI); Drema Goolsby and Rhonda Hartwell (WV).

1. Adopted its Nov. 6, 2024, and Dec. 3, 2024, Minutes

Eft stated that during its Nov. 6, 2024, meeting, the Working Group took the following action: 1) adopted its Aug. 7, 2024, minutes; 2) exposed eight proposals up for adoption; 3) adopted the editorial listing; and 4) received the Statutory Accounting Principles (E) Working Group memorandum regarding the reporting of debt securities issued by funds representing operating entities.

During its Dec. 3 e-vote, the Working Group adopted the editorial listing for Note 12A18—Defined Benefit Plans, deleting the instruction for the defined benefit plan disclosure addressed in the Oct. 30, 2023, Statutory Accounting Principles (E) Working Group memorandum to the Blanks (E) Working Group.

Drutz made a motion, seconded by Hudson, to adopt the Working Group’s Nov. 6, 2024, (*see NAIC Proceedings – Fall 2024, Accounting Practices and Procedures (E) Task Force, Attachment Two*) and Dec. 3, 2024, e-vote (Attachment Two-A) minutes. The motion passed unanimously.

2. Adopted Items Previously Exposed

A. Agenda Item 2024-13BWG

Bruggeman stated that this blanks proposal reflects editorial items noted from the adoption of the bond reporting revisions. The intent was to show all editorial changes in a single bond proposal rather than in many editorial lists. The interested party comments were considered and shown with gray shading in the proposal. As the changes are all editorial or clarifications and do not reflect any changes in reporting, it was recommended that the Blanks (E) Working Group proceed with adoption consideration and not re-exposure.

Bruggeman made a motion, seconded by Drutz, to adopt the modifications to the proposal. The motion passed unanimously.

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

B. Agenda Item 2024-14BWG

Bruggeman stated that this blanks proposal reflects a reporting line change to refer to the updated *Statement of Statutory Accounting Principles (SSAP) No. 26—Bond* guidance for “Bonds Issued by Funds Representing Operating Entities.” This revised principle-based reporting concept for SSAP No. 26 classification was adopted by the Statutory Accounting Principles (E) Working Group via e-vote on Sept. 12, 2024, and is detailed in agenda item

2024-01. There were no concerns with the industry's proposed modification, and further exposure is not necessary.

Bruggeman made a motion, seconded by Hudson, to adopt the modifications to the proposal. The motion passed unanimously.

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

C. Agenda Item 2024-15BWG

Drutz stated that this proposal removes the Affordable Care Act (ACA) disclosure on the transitional reinsurance program and the risk corridors program from the Supplemental Health Care Exhibit (SHCE). The Statutory Accounting Principles (E) Working Group removed the ACA transitional reinsurance program and risk corridor program disclosures from Note 24E—Retrospectively Rated Contracts and Contracts Subject to Redetermination with proposal 2024-10BWG since these programs had expired with reference number 2024-13. This is a follow-up to be consistent and remove the disclosure from the SHCE. Staff confirmed with the representatives of the federal Center for Consumer Information and Insurance Oversight (CCIIO), the part of the federal Centers for Medicare & Medicaid Services (CMS) that utilizes the SHCE data, that they no longer use this disclosure from the SHCE. Interested parties had no comments.

Drutz made a motion, seconded by Shepherd, to adopt the proposal (Attachment Two-D). The motion passed unanimously.

D. Agenda Item 2024-16BWG

Bruggeman stated that this blanks proposal reflects a clean-up item from the previously adopted revisions that limit what should be reported as cash equivalents or short-term investments. It was identified that general interrogatory 13 captures information on mortgages and real estate included as short-term investments. As those items are no longer permitted to be reported as cash equivalents or short-term investments, this general interrogatory should be deleted. There were no interested party comments received.

Bruggman made a motion, seconded by Shepherd, to adopt the proposal (Attachment Two-E). The motion passed unanimously.

E. Agenda Item 2024-17BWG

Teresa Cooper (NAIC) stated that this proposal adds a line to the Market Conduct Annual Statement (MCAS) Premium Exhibit for reporting pet insurance to identify premiums that are reportable for MCAS purposes by lines of business.

Phifer made a motion, seconded by Shepherd, to adopt the proposal (Attachment Two-F). The motion passed unanimously.

F. Agenda Item 2024-18BWG

Drutz stated that this proposal adds a footnote to the SHCE Part 2 to help companies with the crosscheck between column 13 of the SHCE Part 2 compared to the Accident and Health Policy Experience Exhibit. There currently is a note in the instructions indicating that the crosscheck would not work for companies that report premium deficiency reserves. There are quite a few companies that have to provide an explanation for the crosscheck

difference. With the addition of the footnote, staff can update the crosscheck in the system to check for premium deficiency reserves and pass the crosscheck, thereby preventing those companies from having to address that failure. There were no interested party comments.

Drutz made a motion, seconded by Hudson, to adopt the proposal (Attachment Two-G). The motion passed unanimously.

G. Agenda Item 2024-19BWG

Bruggman stated that this blanks proposal corresponds to Statutory Accounting Principles (E) Working Group agenda item 2023-28 and proposes to expand the Schedule BA and asset valuation reserve (AVR) reporting lines for the reporting of collateral loans. Consideration of interested parties' comments has been reflected in the revised proposal. This item is still pending adoption at the Statutory Accounting Principles (E) Working Group and is planned for discussion during the upcoming Spring National Meeting. Re-exposure of this modified blanks proposal will allow for the Statutory Accounting Principles (E) Working Group adoption consideration to occur prior to adopting the blanks proposal. As this item will result in new reporting lines, the Jan. 1, 2026, effective date is supported to allow for consistent reporting for both quarterly and annual financial statements.

Bruggeman made a motion, seconded by Garn, to adopt the modifications to the proposal. The motion passed unanimously.

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

H. Agenda Item 2024-20BWG

Jenn Webb (National Organization of Life and Health Insurance Guaranty Associations—NOLHGA) stated that she is representing both NOLHGA and the National Conference of Insurance Guaranty Funds (NCIGF). The purpose of this proposal is to add an assessment contact on the electronic Jurat page to ensure that regulators, NOLHGA, the NCIGF, and each state guaranty association have the most up-to-date contact information to send assessment invoices to the companies when needed. Many companies have staff responsible for processing the assessment invoices but are rotating positions or have more regular turnover. This can result in delayed receipt of invoices and, consequently, delayed receipt of assessment payments that the companies are required to pay. Often members of guaranty associations must reach out to their respective state insurance departments to help track down who to direct the invoice to. The hope is that adding a contact to the electronic Jurat page will alleviate this issue.

During the comment period, it was suggested that a note be added to indicate that this requirement does not apply to fraternal and title companies unless otherwise required by state law. As the proposal sponsor, Webb stated she agrees with the modification.

Drutz made a motion, seconded by Hudson, to adopt the modifications to the proposal. The motion passed unanimously.

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

I. Agenda Item 2024-21BWG

Bruggeman stated that this blanks proposal corresponds to the Statutory Accounting Principles (E) Working Group adopted agenda item 2024-16 and clarifies what shall be reported as a “sold” and “acquired” security for reporting on Schedule D, Part 3 and Part 4. This item originated because it was noted that reporting entities may be selling securities to a special purpose vehicle (SPV) and then reacquiring the security with a derivative component/wrapper but not reporting the sale/reacquisition. The re-acquired security is fundamentally different from the sold security, as it has a different issuer, coupon, and potentially different credit assessment. Under *SSAP No. 103—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, these securities are not substantially similar. This blanks proposal clarifies that if these transactions occur, the reporting entity shall report the sold security as disposition on Schedule D, Part 4, and report the new security acquired as an acquisition on Schedule D, Part 3. No interested party comments were received.

Bruggeman made a motion, seconded by Shepherd, to adopt the proposal (Attachment Two-J). The motion passed unanimously.

J. Agenda Item 2024-22BWG

Bruggeman stated that this blanks proposal corresponds to the Statutory Accounting Principles (E) Working Group adopted agenda item 2024-28 and clarifies what should be included in the surplus notes and capital notes reporting lines on Schedule BA. No interested party comments were received.

Bruggeman made a motion, seconded by Shepherd, to adopt the proposal (Attachment Two-K). The motion passed unanimously.

3. Exposed New Items

A. Agenda Item 2025-01BWG

Bruggeman stated that this proposal recommends revisions to the blanks that correspond with the Statutory Accounting Principles (E) Working Group agenda item 2023-26, which adopted certain disclosures from ASU 2023-06. The first of the two disclosures adopted by 2023-26 require companies to outline their accounting policy on how cash flows and related gains and losses from derivative instruments are presented in the statement of cash flows. The second disclosure requires that companies provide a narrative detailing the terms and conditions of unused short-term and long-term commitments and lines of credit. Companies must also provide a schedule detailing the total amount of unused commitments and lines of credit, disaggregated by short-term and long-term.

Hearing no objection, Eft stated that the proposal would be considered exposed for a 54-day public comment period ending April 29.

B. Agenda Item 2025-02BWG

Bruggeman stated that this proposal corresponds to Statutory Accounting Principles (E) Working Group agenda item number 2024-11, which removed the disclosure detailed in *SSAP No. 101—Income Taxes*, paragraph 23.b., as this disclosure is no longer relevant due to changes in federal tax law.

Hearing no objection, Eft stated that the proposal would be considered exposed for a 54-day public comment period ending April 29.

C. Agenda Item 2025-03BWG

Frederick stated that this proposal modifies the life insurance (state page) to include accident and health data for direct premiums earned and direct losses incurred. The life state page was significantly revised, effective with the annual 2023 filing with the adoption of proposal 2022-19BWG. When that proposal was drafted, some of the accident and health data were not included. Regulators have requested that certain accident and health data, including the direct premiums earned and direct losses incurred be added in.

Hearing no objection, Eft stated that the proposal would be considered exposed for a 54-day public comment period ending April 29.

D. Agenda Item 2025-04BWG

Bruggeman stated that this blanks proposal adds disclosures for the 2025 annual statement on a new program in Medicare Part D called the Medicare Prescription Payment Plan. The Statutory Accounting Principles (E) Working Group has exposed accounting guidance on this program that is planned for consideration of adoption at the Spring National Meeting in *Interpretation (INT) 24-02: Medicare Part D Prescription Payment Plan*. The Statutory Accounting Principles (E) Working Group has a separate agenda item that is being simultaneously exposed with the disclosures. The disclosures are on prescription payment plan recoverables, aging of the recoverables, non-admitted amounts, and amounts that are written off as uncollectible.

Hearing no objection, Eft stated that the proposal would be considered exposed for a 54-day public comment period ending April 29.

E. Agenda Item 2025-05BWG

Bruggeman stated that this blanks proposal corresponds to the Statutory Accounting Principles (E) Working Group item number 2024-07, which proposes to capture more information on the assets that support funds withheld and modified co-insurance (modco) arrangements. This current version is only for Schedule S on the life blank, and the disclosure is not proposed to be included on the health, property/casualty (P/C), or title blanks. Statutory Accounting Principles (E) Working Group agenda item 2024-20 is planned for re-exposure at the Spring National Meeting.

Hearing no objection, Eft stated that the proposal would be considered exposed for a 54-day public comment period ending April 29.

F. Agenda Item 2025-06BWG

Bruggeman stated that this blanks proposal corresponds to Statutory Accounting Principles (E) Working Group agenda item 2024-20, which proposes to capture explicit information on assets held under modco or funds withheld (FWH) agreements within the restricted asset disclosure. Additionally, the disclosure is expanded to capture differences in amounts reported from the restricted asset disclosure and what is captured in the general interrogatory, which flows through to a risk-based capital (RBC) impact.

Hearing no objection, Eft stated that the proposal would be considered exposed for a 54-day public comment period ending April 29.

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

Eft stated that two memorandums were previously sent to the Blanks (E) Working Group from the Statutory Accounting Principles (E) Working Group, one regarding guidance on inactive Lloyd's syndicates and the other regarding the year-end 2024 impacts on the annual statement notes and instructions. Since these had impacts on

the annual 2024 filing, they have already been posted to the Blanks (E) Working Group webpage to make the information available to the industry in a timely manner. This agenda item is a procedural vote to get the memorandums recorded in the NAIC proceedings.

Snow made a motion, seconded by Hudson, to receive the Statutory Accounting Principles (E) Working Group memorandums (Attachment Two-L). The motion passed unanimously.

5. Adopted the Editorial Listing

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

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

SharePoint/NAIC Support Staff Hub/Committees/E Committee/APPTF/2025 Spring NM/Minutes/BWG/03 06 2025 blanks.docx

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>10/10/2024</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2024-19BWG Mod</u>	
TELEPHONE:	_____	Year <u>2025</u>	
EMAIL ADDRESS:	_____	Changes to Existing Reporting ☐ [X]	
ON BEHALF OF:	_____	New Reporting Requirement ☐ []	
NAME:	<u>Dale Bruggeman</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair SAPWG</u>	No Impact ☐ [X]	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Columbus, OH 43215</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☒ [X] CROSSCHECKS |
| ☒ [X] QUARTERLY STATEMENT | ☒ [X] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☒ [X] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025 / Quarterly 2026 / Annual 2026

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Schedule BA line categories and instructions for the expansion of collateral loans. Add two electronic only columns on Schedule BA, Part 1 for reporting fair value of collateral backing and the percentage of the collateral. Update the Asset Valuation Reserve instructions and blank for the added collateral loan lines.

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

The purpose of this proposal is to update the instructions and blank for the SAPWG's expansion of reporting for collateral loans to enable regulators the ability to quickly identify the type of collateral. SAPWG Ref #2023-28

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: *For 2025 quarterly reporting there is a SAPWG Memo on the BWG webpage.*

** This section must be completed on all forms.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, PROPERTY, HEALTH & TITLE**SCHEDULE BA – PARTS 1, 2 AND 3****OTHER LONG-TERM INVESTED ASSETS – GENERAL INSTRUCTIONS****Detail Eliminated To Conserve Space****Collateral Loans – Reported by Collateral that Secures the Loan****Backed by Mortgage Loans**

Unaffiliated 3199999

Affiliated 3299999

Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies

Unaffiliated 3399999

Affiliated 3499999

Backed by Residual Tranches or Interests

Unaffiliated 3599999

Affiliated 3699999

Backed by Debt Securities

Unaffiliated 3799999

Affiliated 3899999

Backed by Real Estate

Unaffiliated 3999999

Affiliated 4099999

Collateral Loans – All Other Backed by Other Collateral Types

Unaffiliated 4199999

Affiliated 4299999

Non-collateral Loans

Unaffiliated Related Party Loans/Affiliated Loans 3399999 4399999

Affiliated All Other Non-Collateral Loans/Other Unaffiliated Loans 3499999 4499999

Affiliated Loans 4599999

Yield Guaranteed State Tax Credit Investments

Unaffiliated 3599999 4699999

Affiliated 3699999 4799999

Qualifying Federal Tax Credit Investments

Unaffiliated 3799999 4899999

Affiliated 3899999 4999999

Qualifying State Tax Credit Investments

Unaffiliated 3999999 5099999

Affiliated 4099999 5199999

All Other Tax Credit Investments

Unaffiliated 4199999 5299999

Affiliated 4299999 5399999

Working Capital Finance Investment

Unaffiliated 4399999 5499999

Residual Tranches or Interests with Underlying Assets Having Characteristics of:

Bonds		
Unaffiliated	4499999	5599999
Affiliated	4599999	5699999
Preferred Stock		
Unaffiliated	4699999	5799999
Affiliated	4799999	5899999
Common Stock		
Unaffiliated	4899999	5999999
Affiliated	4999999	6099999
Real Estate		
Unaffiliated	5099999	6199999
Affiliated	5199999	6299999
Mortgage Loans		
Unaffiliated	5299999	6399999
Affiliated	5399999	6499999
Other		
Unaffiliated	5499999	6599999
Affiliated	5599999	6699999
Any Other Class of Assets		
Unaffiliated	5699999	6799999
Affiliated	5799999	6899999
Subtotals		
Unaffiliated	786899999	
Affiliated	796999999	
TOTALS	807099999	



Detail Eliminated To Conserve Space



Collateral Loans

Include:

Refer to *SSAP No. 21—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. 21 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.

Classify the collateral loan in accordance with the type of collateral held, such that if the loan was to default and the collateral was to be claimed by the reporting entity, where it would be captured (investment type by SSAP) as a directly-held investment. If more than one form of collateral secures the loan, classification should occur based on the primary collateral source. The all other collateral loan 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.

- Backed by Mortgage Loans – collateral loans backed by mortgage loans that would be in scope of SSAP No. 37—*Mortgage Loans and SSAP No. 83—Mezzanine Real Estate Loans* if held directly.
- Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – collateral loans backed by an investment that would be in scope of SSAP No. 48—*Joint Ventures, Partnerships and Limited Liability Companies* if held directly.
- Backed by Residual Tranches or Interests – collateral loans backed by an investment that would be in scope of SSAP No. 21—*Other Admitted Assets* as a residual if held directly.
- Backed by Debt Securities – collateral loans backed by an investment that would be assessed under SSAP No. 26—~~Issuer Credit Obligations~~Bonds for bond reporting if held directly. This classification does not require confirmation that the debt security would qualify as a bond. Debt securities could be reported on either Schedule D if qualifying for reporting as a bond or Schedule BA if the investment is a non-bond debt security.
- Backed by Real Estate – collateral loans backed by an investment that would be captured in scope of SSAP No. 40—*Real Estate Investments* if held directly.
- Collateral Loans – ~~All Other~~Backed by Other Collateral Types – the Backed by Other Collateral Types subcategory shall include collateral loans not captured in any other collateral loan reporting line. All collateral loans secured by collateral that does not qualify under SSAP No. 21 are required to be nonadmitted unless supported by a prescribed or permitted practice disclosure.~~collateral loans not captured in the specific reporting lines.~~



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


**** Columns 21 through ~~26-28~~ will be electronic only. ****

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.

Column 27 – Fair Value of Collateral Backing the Collateral Loan

Report the fair value of the collateral backing the collateral loan. Complete column only for Collateral Loans – Reported by Collateral that Secures the Loan.

Column 28 – Current Overcollateralization Percentage to the Collateral Loan

Report the current collateralization percentage from a comparison of the fair value of the collateral to the book/adjusted carrying value (BACV) of the collateral loan. For example, if the fair value of the collateral and the BACV agree, 100% shall be reported. If the fair value of the collateral is \$120 and the BACV of the collateral loan is \$150, 80% shall be reported. Complete column only for Collateral Loans – Reported by Collateral that Secures the Loan.

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**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 7	– Basic Contribution (includes separate accounts assets, if applicable)	
	Report the basic contribution amount for each asset category as calculated on Pages 30 through 36 (General Account) and Pages 15 through 21 (Separate Accounts).	
	Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page 31, Line 34, Column 6 (General Account) and Page 16, Line 34, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 36, Line 0199999, Column 7 (General Account) and Page 21, Line 0199999, Column 7 (Separate Accounts).	
	Column 2: Report the total mortgage loans from Page 32, Line 58, Column 6 (General Account) and Page 17, Line 58, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 36, Line 0299999, Column 7 (General Account) and Page 21, Line 0299999, Column 7 (Separate Accounts).	
	Column 4: Report the total common stock from Page 33, Line 17, Column 6 (General Account) and Page 17, Line 18, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 36, Line 0399999, Column 7 (General Account) and Page 21, Line 0399999, Column 7 (Separate Accounts).	
	Column 5: Report the total real estate from Page 33, Line 21, Column 6 (General Account) and from Page 18, Line 21, Column 6 (Separate Accounts), if applicable, plus the total other invested assets from Page 35, Line 105118, Column 6 (General Account) and from Page 20, Line 11805, Column 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 36, Line 0499999, Column 7 (General Account) and Page 21, Line 0499999, Column 7 (Separate Accounts).	
Line 9	– Maximum Reserve (includes separate accounts assets, if applicable)	
	Report the maximum reserve for each asset category as calculated on Pages 30 through 36 (General Account) and Pages 15 through 21 (Separate Accounts).	
	Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page 31, Line 34, Column 10 (General Account) and Page 16, Line 34, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36, Line 0199999, Column 9 (General Account) and Page 21, Line 0199999, Column 9 (Separate Accounts).	

Column 2: Report the total mortgage loans from Page 32, Line 58, Column 10 (General Account) and Page 17, Line 58, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36, Line 0299999, Column 9 (General Account) and Page 21, Line 0299999, Column 9 (Separate Accounts).

Column 4: Report the total common stock from Page 33, Line 17, Column 10 (General Account) and Page 18, Line 17, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36, Line 0399999, Column 9 (General Account) and Page 21, Line 0399999, Column 9 (Separate Accounts).

Column 5: Report the total real estate from Page 33, Line 21, Column 10 (General Account) and from Page 18, Line 21, Column 10 (Separate Accounts), if applicable, plus the total other invested assets from Page 35, Line ~~105~~118, Column 10 (General Account) and from Page 20, Line ~~105~~118, Column 10 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 36, Line 0499999, Column 9 (General Account) and Page 21, Line 0499999, Column 9 (Separate Accounts).

Line 10 – Reserve Objective (includes separate accounts assets, if applicable)

Report the reserve objective amount for each asset category as calculated on Pages 30 through 36 (General Account) and Pages 15 through 21 (Separate Accounts).

Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page 31, Line 34, Column 8 (General Account) and Page 16, Line 34, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36, Line 0199999, Column 8 (General Account) and Page 21, Line 0199999, Column 8 (Separate Accounts).

Column 2: Report the total mortgage loans from Page 32, Line 58, Column 8 (General Account) and Page 17, Line 58, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36, Line 0299999, Column 8 (General Account) and Page 21, Line 0299999, Column 8 (Separate Accounts).

Column 4: Report the total common stock from Page 33, Line 17, Column 8 (General Account) and Page 18, Line 17, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36, Line 0399999, Column 8 (General Account) and Page 21, Line 0399999, Column 8 (Separate Accounts).

Column 5: Report the total real estate from Page 33, Line 21, Column 8 (General Account) and from Page 18, Line 21, Column 8 (Separate Accounts), if applicable; plus the total other invested assets from Page 35, Line ~~105~~118, Column 8 (General Account) and from Page 20, Line ~~105~~118, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36, Line 0499999, Column 8 (General Account) and Page 21, Line 0499999, Column 8 (Separate Accounts).

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

Detail Eliminated To Conserve Space

Line 89 – Mortgage Loans – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5599999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

*** Drafting Note – The section for Surplus Notes and Capital Notes was inadvertently left out with drafting this proposal so the lines needed to be renumbered after that section. ***

Lines ~~93~~100
through ~~104~~112 – Collateral Loans

Line ~~93~~100 – Backed by Mortgage Loans – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3199999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~94~~101 – Backed by Mortgage Loans – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3299999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~95~~102 – Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3399999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~96~~103 – Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3499999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~97~~104 – Backed by Residual Tranches or Interests – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3599999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~98~~105 – Backed by Residual Tranches or Interests – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3699999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~99~~106 – Backed by Debt Securities – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3799999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~100~~107 – Backed by Debt Securities – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3899999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~101~~108 – Backed by Real Estate – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3999999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~102~~109 – Backed by Real Estate – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4099999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~103~~110 – Collateral Loans – All Other – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4199999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~104~~111 – Collateral Loans – All Other – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4299999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~94-113 & 95~~114 – Working Capital Finance Investments – *Detail Eliminated to Conserve Space*

Line 96115 – Other Invested Assets – Schedule BA – ~~Detail Eliminated to Conserve Space~~

Report the book/adjusted carrying value of all other Schedule BA investments owned that cannot be classified into one of the above categories 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 31999999 and 32999999) have been intentionally excluded from this total.~~ 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.

Line 97116 – Other Short-Term Invested Assets – Schedule DA – *Detail Eliminated to Conserve Space*

Line 98118 – Total Other Invested Assets – Schedules BA & DA – *Detail Eliminated to Conserve Space*

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

*****Drafting Note***** - updates to the quarterly instructions were inadvertently left out during the initial draft. The quarterly instructions were updated for the March 2026 BWG call.

SCHEDULE BA – PARTS 2 AND 3**OTHER LONG-TERM INVESTED ASSETS ACQUIRED AND DISPOSED OF**

Detail Eliminated To Conserve Space

Collateral Loans – Reported by Collateral that Secures the Loan**Backed by Mortgage Loans**

Unaffiliated	3199999
Affiliated	3299999

Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies

Unaffiliated	3399999
Affiliated	3499999

Backed by Residual Tranches or Interests

Unaffiliated	3599999
Affiliated	3699999

Backed by Debt Securities

Unaffiliated	3799999
Affiliated	3899999

Backed by Real Estate

Unaffiliated	3999999
Affiliated	4099999

Collateral Loans – All Other Backed by Other Collateral Types

Unaffiliated	4199999
Affiliated	4299999

Non-collateral Loans

Unaffiliated Related Party Loans/Affiliated Loans	3399999	4399999
Affiliated All Other Non-Collateral Loans/Other Unaffiliated Loans	3499999	4499999
Affiliated Loans	4599999	

Yield Guaranteed State Tax Credit Investments

Unaffiliated	3599999	4699999
Affiliated	3699999	4799999

Qualifying Federal Tax Credit Investments

Unaffiliated	3799999	4899999
Affiliated	3899999	4999999

Qualifying State Tax Credit Investments

Unaffiliated	3999999	5099999
Affiliated	4099999	5199999

All Other Tax Credit Investments

Unaffiliated	4199999	5299999
Affiliated	4299999	5399999

Working Capital Finance Investment

Unaffiliated	4399999	5499999
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Residual Tranches or Interests with Underlying Assets Having Characteristics of:**Bonds**

Unaffiliated	4499999	5599999
Affiliated	4599999	5699999

Preferred Stock

Unaffiliated	4699999	5799999
Affiliated	4799999	5899999

Common Stock

Unaffiliated	4899999	5999999
Affiliated	4999999	6099999

Real Estate

Unaffiliated	5099999	6199999
Affiliated	5199999	6299999

Mortgage Loans

Unaffiliated	5299999	6399999
Affiliated	5399999	6499999

Other

Unaffiliated	5499999	6599999
Affiliated	5599999	6699999

Any Other Class of Assets

Unaffiliated	5699999	6799999
Affiliated	5799999	6899999

Subtotals

Unaffiliated	786899999	
Affiliated	796999999	

TOTALS	807099999	
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**Collateral Loans**

Include:

Refer to *SSAP No. 21—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. 21 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.

Classify the collateral loan in accordance with the type of collateral held, such that if the loan was to default and the collateral was to be claimed by the

reporting entity, where it would be captured (investment type by SSAP) as a directly-held investment. If more than one form of collateral secures the loan, classification should occur based on the primary collateral source. The all other collateral loan 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.

- Backed by Mortgage Loans – collateral loans backed by mortgage loans that would be in scope of SSAP No. 37—*Mortgage Loans and SSAP No. 83—Mezzanine Real Estate Loans* if held directly.
- Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – collateral loans backed by an investment that would be in scope of SSAP No. 48—*Joint Ventures, Partnerships and Limited Liability Companies* if held directly.
- Backed by Residual Tranches or Interests – collateral loans backed by an investment that would be in scope of SSAP No. 21—*Other Admitted Assets* as a residual if held directly.
- Backed by Debt Securities – collateral loans backed by an investment that would be assessed under SSAP No. 26—~~Issuer Credit Obligations~~Bonds for bond reporting if held directly. This classification does not require confirmation that the debt security would qualify as a bond. Debt securities could be reported on either Schedule D if qualifying for reporting as a bond or Schedule BA if the investment is a non-bond debt security.
- Backed by Real Estate – collateral loans backed by an investment that would be captured in scope of SSAP No. 40—*Real Estate Investments* if held directly.
- Collateral Loans – ~~All Other~~Backed by Other Collateral Types – collateral loans not captured in the specific reporting lines. the Backed by Other Collateral Types subcategory shall include collateral loans not captured in any other collateral loan reporting line. All collateral loans secured by collateral that does not qualify under SSAP No. 21 are required to be nonadmitted unless supported by a prescribed or permitted practice disclosure.



Detail Eliminated To Conserve Space



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	
		INVESTMENTS IN TAX CREDIT STRUCTURES										
75		Yield Guaranteed State Tax Credit Investments					0.0003		0.0006		0.0010	
76		Qualifying Federal Tax Credit Investments					0.0063		0.0120		0.0190	
77		Qualifying State Tax Credit Investments					0.0063		0.0120		0.0190	
78		Other Tax Credit Investments					0.0273		0.0600		0.0975	
79		Total Tax Credit Investments (Sum of Lines 75 through 78)					XXX		XXX		XXX	
		RESIDUAL TRanches OR INTERESTS										
80		Fixed Income Instruments – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
81		Fixed Income Instruments – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
82		Common Stock – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
83		Common Stock – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
84		Preferred Stock – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
85		Preferred Stock – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
86		Real Estate – Unaffiliated					0.0000		0.1580		0.1580	
87		Real Estate – Affiliated					0.0000		0.1580		0.1580	
88		Mortgage Loans – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
89		Mortgage Loans – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
90		Other – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
91		Other – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
92		Total Residual Tranches or Interests (Sum of Lines 80 through 91)					XXX		XXX		XXX	
		ALL OTHER INVESTMENTS										
93		NAIC 1 Working Capital Finance Investments		XXX			0.0000		0.0042		0.0042	
94		NAIC 2 Working Capital Finance Investments		XXX			0.0000		0.0137		0.0137	
95		Other Invested Assets – Schedule BA		XXX			0.0000		0.1580		0.1580	
96		Other Short-Term Invested Assets – Schedule DA		XXX			0.0000		0.1580		0.1580	
97		Total All Other (Sum of Lines 94, 95, 96 and 97)		XXX			XXX		XXX		XXX	
98		Total Other Invested Assets – Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 93 and 98)					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)
SURPLUS NOTES AND CAPITAL NOTES												
93	1	Highest Quality		XXX	XXX	.....	0.0005	.....	0.0016	.....	0.0033	.....
94	2	High Quality		XXX	XXX	.....	0.0021	.....	0.0064	.....	0.0106	.....
95	3	Medium Quality		XXX	XXX	.....	0.0099	.....	0.0263	.....	0.0376	.....
96	4	Low Quality		XXX	XXX	.....	0.0245	.....	0.0572	.....	0.0817	.....
97	5	Lower Quality		XXX	XXX	.....	0.0630	.....	0.1128	.....	0.1880	.....
98	6	In or Near Default		XXX	XXX	.....	0.0000	.....	0.2370	.....	0.2370	.....
99		Total with Bond Characteristics (Sum of Lines 93 through 98)		XXX	XXX	.....	XXX	.....	XXX	.....	XXX	.....
COLLATERAL LOANS												
~~93~~ 100		Backed by Mortgage Loans – Unaffiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
~~94~~ 101		Backed by Mortgage Loans – Affiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
		Backed by Joint Ventures, Partnerships, & Limited Liability Companies – Unaffiliated		XXX	XXX	.....		.....	0.0680	.....	0.0680	.....
~~95~~ 102		Backed by Joint Ventures, Partnerships, & Limited Liability Companies – Affiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
~~96~~ 103		Backed by Residual Tranches or Interests – Unaffiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
~~97~~ 104		Backed by Residual Tranches or Interests – Affiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
~~98~~ 105		Backed by Debt Securities – Unaffiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
~~99~~ 106		Backed by Debt Securities – Affiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
1079		Backed by Real Estate – Unaffiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
1084		Backed by Real Estate – Affiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
1092		Collateral Loans – All Other – Unaffiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
11093		Collateral Loans – All Other – Affiliated		XXX	XXX	.....	0.0000	.....	0.0680	.....	0.0680	.....
11194		Total Collateral Loans (Sum of Lines 100 through 111)				.....	XXX	.....	XXX	.....	XXX	.....
11295						.....		.....		.....		.....
ALL OTHER INVESTMENTS												
~~93~~ 113		NAIC 1 Working Capital Finance Investments		XXX	.....	.....	0.0000	.....	0.0042	.....	0.0042	.....
~~94~~ 114		NAIC 2 Working Capital Finance Investments		XXX	.....	.....	0.0000	.....	0.0137	.....	0.0137	.....
~~95~~ 115		Other Invested Assets - Schedule BA		XXX	.....	.....	0.0000	.....	0.1580	.....	0.1580	.....
~~96~~ 116		Other Short-Term Invested Assets - Schedule DA		XXX	.....	.....	0.0000	.....	0.1580	.....	0.1580	.....
~~97~~ 117		Total All Other (Sum of Lines ~~94~~ 113, ~~95~~ 114, ~~96~~ 115 and ~~97~~ 116)		XXX	.....	.....	XXX	.....	XXX	.....	XXX	.....
~~98~~ 118		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, ~~79~~ 80, ~~92~~ 3, ~~99~~ , 112 and 11798)				.....	XXX	.....	XXX	.....	XXX	.....

*** Drafting Note – The section for Surplus Notes and Capital Notes was inadvertently left out with drafting this proposal. ***

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	
		INVESTMENTS IN TAX CREDIT STRUCTURES										
75		Yield Guaranteed State Tax Credit Investments.....					0.0003		0.0006		0.0010	
76		Qualifying Federal Tax Credit Investments.....					0.0063		0.0120		0.0190	
77		Qualifying State Tax Credit Investments					0.0063		0.0120		0.0190	
78		Other Tax Credit Investments.....					0.0273		0.0600		0.0975	
79		Total Tax Credit Investments (Sum of Lines 75 through 78)					XXX		XXX		XXX	
		RESIDUAL TRANCHES OR INTERESTS										
80		Fixed Income Instruments – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
81		Fixed Income Instruments – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
82		Common Stock – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
83		Common Stock – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
84		Preferred Stock – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
85		Preferred Stock – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
86		Real Estate – Unaffiliated					0.0000		0.1580		0.1580	
87		Real Estate – Affiliated.....					0.0000		0.1580		0.1580	
88		Mortgage Loans – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
89		Mortgage Loans – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
90		Other – Unaffiliated		XXX	XXX		0.0000		0.1580		0.1580	
91		Other – Affiliated		XXX	XXX		0.0000		0.1580		0.1580	
92		Total Residual Tranches or Interests (Sum of Lines 81 through 92)					XXX		XXX		XXX	
		ALL OTHER INVESTMENTS										
93		NAIC 1 Working Capital Finance Investments		XXX			0.0000		0.0042		0.0042	
94		NAIC 2 Working Capital Finance Investments		XXX			0.0000		0.0137		0.0137	
95		Other Invested Assets – Schedule BA		XXX			0.0000		0.1580		0.1580	
96		Other Short-Term Invested Assets – Schedule DA		XXX			0.0000		0.1580		0.1580	
97		Total All Other (Sum of Lines 94, 95, 96 and 97).....		XXX			XXX		XXX		XXX	
98		Total Other Invested Assets – Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 93 and 98)					XXX		XXX		XXX	

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

Line Number	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1+2+3)	5	6	7	8	9	10
							Factor	Amount (Cols. 4x5)	Factor	Amount (Cols. 4x7)	Factor	Amount (Cols. 4x9)
SURPLUS NOTES AND CAPITAL NOTES												
93	1	Highest Quality		XXX	XXX		0.0005		0.0016		0.0033	
94	2	High Quality		XXX	XXX		0.0021		0.0064		0.0106	
95	3	Medium Quality		XXX	XXX		0.0099		0.0263		0.0376	
96	4	Low Quality		XXX	XXX		0.0245		0.0572		0.0817	
97	5	Lower Quality		XXX	XXX		0.0630		0.1128		0.1880	
98	6	In or Near Default		XXX	XXX		0.0000		0.2370		0.2370	
99		Total with Bond Characteristics (Sum of Lines 93 through 98)		XXX	XXX		XXX		XXX		XXX	
COLLATERAL LOANS												
93100		Backed by Mortgage Loans – Unaffiliated		XXX	XXX		0.0000		0.0680		0.0680	
94101		Backed by Mortgage Loans – Affiliated		XXX	XXX		0.0000		0.0680		0.0680	
		Backed by Joint Ventures, Partnerships, & Limited Liability Companies – Unaffiliated		XXX	XXX				0.0680		0.0680	
95102		Backed by Joint Ventures, Partnerships, & Limited Liability Companies – Affiliated		XXX	XXX		0.0000		0.0680		0.0680	
96103		Backed by Residual Tranches or Interests – Unaffiliated		XXX	XXX		0.0000		0.0680		0.0680	
97104		Backed by Residual Tranches or Interests – Affiliated		XXX	XXX		0.0000		0.0680		0.0680	
98105		Backed by Debt Securities – Unaffiliated		XXX	XXX		0.0000		0.0680		0.0680	
99106		Backed by Debt Securities – Affiliated		XXX	XXX		0.0000		0.0680		0.0680	
100107		Backed by Real Estate – Unaffiliated		XXX	XXX		0.0000		0.0680		0.0680	
101108		Backed by Real Estate – Affiliated		XXX	XXX		0.0000		0.0680		0.0680	
102109		Collateral Loans – All Other – Unaffiliated		XXX	XXX		0.0000		0.0680		0.0680	
110110		Collateral Loans – All Other – Affiliated		XXX	XXX		0.0000		0.0680		0.0680	
111111		Total Collateral Loans (Sum of Lines 93100 through 104111)					XXX		XXX		XXX	
ALL OTHER INVESTMENTS												
93113		NAIC 1 Working Capital Finance Investments		XXX			0.0000		0.0042		0.0042	
94114		NAIC 2 Working Capital Finance Investments		XXX			0.0000		0.0137		0.0137	
95115		Other Invested Assets - Schedule BA		XXX			0.0000		0.1580		0.1580	
96116		Other Short-Term Invested Assets - Schedule DA		XXX			0.0000		0.1580		0.1580	
97117		Total All Other (Sum of Lines 94113, 95114, 96115 and 97116)		XXX			XXX		XXX		XXX	
98118		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 7980, 923, 99, 112 and 11798)					XXX		XXX		XXX	

*** Drafting Note – The section for Surplus Notes and Capital Notes was inadvertently left out with drafting this proposal. ***

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>01/24/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Dale Bruggeman</u> TITLE: <u>Chair SAPWG</u> AFFILIATION: <u>Ohio Department of Insurance</u> ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>	Agenda Item # <u>2025-01BWG MOD</u>		
	Year <u>2025</u>		
	Changes to Existing Reporting ☒ [X]		
	New Reporting Requirement ☐ []		
	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT		
	No Impact ☒ [X]		
Modifies Required Disclosure ☐ []			
Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]			
If Yes, complete question below			
DISPOSITION			
☐ [] Rejected For Public Comment			
☐ [] Referred To Another NAIC Group			
☒ [X] Received For Public Comment			
☐ [] Adopted Date _____			
☐ [] Rejected Date _____			
☐ [] Deferred Date _____			
☐ [] Other (Specify) _____			

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|--|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025**IDENTIFICATION OF ITEM(S) TO CHANGE**

Update Note to Financial Statements Note 8 – Derivatives to include adopted revisions to *SSAP No. 86 – Derivatives*. Also update Note 11 – Debt for the adopted revisions to *SSAP No. 15 – Debt and Holding Company Obligations*.

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

This proposal updates Note 8 – Derivatives and Note 11 - Debt for revised disclosure requirements that were adopted at SAPWG. (SAPWG Ref #2023-26)

*****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.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, PROPERTY, HEALTH & TITLE**NOTES TO FINANCIAL STATEMENTS**

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



Detail Eliminated To Conserve Space

**8. Derivative Instruments****Instruction:**

Disclose the following information by category of derivative financial instrument:

A. Derivatives under SSAP No. 86—Derivatives

Disclose the following information by category of derivative financial instrument:

- (1) A discussion of the market risk, credit risk and cash requirements of the derivative.
- (2) A description of the reporting entity's objectives for using derivatives, i.e., hedging, income generation or replication, as well as a description of the context needed to understand those objectives and its strategies for achieving those objectives, including the identification of the category, e.g. fair value hedges, cash flow hedges, or foreign currency hedges, and for all objectives, the type of instrument(s) used.
- (3) A description of the accounting policies for recognizing (or reasons for not recognizing) and measuring the derivatives used, and when recognized and where those instruments and related gains and losses are reported.
- (4) Identification of whether the reporting entity has derivative contracts with financing premiums. (For purposes of this term, this includes scenarios in which the premium cost is paid at the end of the derivative contract or throughout the derivative contract.)
- (5) The net gain or loss recognized in unrealized gains or losses during the reporting period representing the component of the derivative instruments' gain or loss, if any, excluded from the assessment of hedge effectiveness.
- (6) The net gain or loss recognized in unrealized gains or losses during the reporting period resulting from derivatives that no longer qualify for hedge accounting.
- (7) The reporting entity shall disclose its accounting policy for where cash flows associated with derivative instruments and their related gains and losses are presented in the statement of cash flow.
- (78) For derivatives accounted for as cash flow hedges of a forecasted transaction, disclose:
 - a. The maximum length of time over which the entity is hedging its exposure to the variability in future cash flows for forecasted transactions excluding those forecasted transactions related to the payment of variable interest on existing financial instruments; and

- b. The amount of gains and losses classified in unrealized gains/losses related to cash flow hedges that have been discontinued because it was no longer probable that the original forecasted transactions would occur by the end of the originally specified time period or within 2 months of that date.

(89) Disclose the aggregate, non-discounted total premium cost for these contracts and the premium cost due in each of the following four years, and thereafter. Also disclose the aggregate fair value of derivative instruments with financing premiums, excluding the impact of the deferred or financing premiums.

(910) Disclose information on the aggregate excluded components by category: Time Value, Volatility Value, Cross Currency Basis Spread and Forward Points. The aggregate amounts reported should include the following (as applicable): current fair value, recognized unrealized gain/loss, the fair value reflected in Book/Adjusted Carry Value, the aggregate amount owed at maturity, current year amortization, and remaining amortization.

- Current Fair Value – The fair value of the excluded component at the reporting date regardless how the excluded component is reported.
- Recognized Unrealized Gain (Loss) – This represents the change in fair value reported as an unrealized gain (loss). Where the reporting entity does not have a specific excluded component or the excluded component is not required to be held at fair value, an amount of \$0 may be input.
- Fair Value Reflected in BACV – The fair value of the excluded component that is reflected in the reported book/adjusted carry value. Not applicable for foreign currency forwards and currency swaps where the forward points or cross-currency basis, respectively, are the excluded component.
- Aggregate Amount Owed at Maturity – The total value of forward points (premium) at trade inception.
- Current Year Amortization – The forward point (premium) amortization year to date.
- Remaining Amortization – The forward point (premium) for outstanding trades as of reporting date.



Detail Eliminated To Conserve Space



Illustration:

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

A. Derivatives under SSAP No. 86—*Derivatives*

(89)

a.

	<u>Fiscal Year</u>	<u>Derivative Premium Payments Due</u>
1.	2026	\$
2.	2027	.....
3.	2028	.....
4.	2029	.....
5.	Thereafter	.....
6.	Total Future Settled Premiums (Sum of 1 through 5)	<u>\$</u>

b.

	<u>Undiscounted Future Premium Commitments</u>	<u>Derivative Fair Value with Premium Commitments (Reported on DB)</u>	<u>Derivative Fair Value Excluding Impact of Future Settled Premiums</u>
1. Prior Year	\$	\$	\$
2. Current Year	\$	\$	\$

(910)

<u>Type of Excluded Component</u>	<u>Current Fair Value</u>	<u>Recognized Unrealized Gain (Loss)</u>	<u>Fair Value Reflected in BACV</u>	<u>Aggregate Amount Owed at Maturity</u>	<u>Current Year Amortization</u>	<u>Remaining Amortization</u>
a. Time Value	\$	\$	\$	XXX ...	XXX ...	XXX ...
b. Volatility Value	\$	\$	\$	XXX ...	XXX ...	XXX ...
c. Cross Current Basis Spread	\$	\$	XXX ...	XXX ...	XXX ...	XXX ...
d. Forward Points	\$	\$	XXX ...	\$	\$	\$

Detail Eliminated To Conserve Space

11. DebtInstruction:

C. ~~For unused commitments and lines of credit,~~ The reporting entity shall separately disclose the following disaggregated by short-term and long-term, in the notes to financial statements:

(1) The amount and terms of unused commitments for financing arrangements (including commitment fees and the conditions under which commitments may be withdrawn);

(2) The amount and terms of unused lines of credit for financing arrangements (including commitment fees and the conditions under which lines may be withdrawn) and the amount of those lines of credit that support commercial paper borrowing arrangements or similar arrangements.

For purposes of this disclosure, unused commitments and lines of credit would be inclusive of undrawn amounts from partially utilized financing arrangements and financing arrangements which are entirely undrawn. Additionally, whether the financing arrangement is disclosed as short-term or long-term shall be based on the contract termination date (the point at which the contract either expires or is renewed). The intent of this disclosure is to provide a comprehensive picture of the undrawn borrowing capacity of the reporting entity and is intended to be inclusive of undrawn FHLB commitments and lines of credit. In addition to the tabular disclosure shown in the illustration section, the reporting entity must also disclose the terms and conditions of unused commitments and lines of credit for financing arrangements in a narrative format as per the disclosure requirements in *SSAP No. 15—Debt and Holding Company Obligations*.

Detail Eliminated To Conserve Space

Illustration:

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

C. ~~For~~ Unused commitments and lines of credit for financing arrangements:

	20x2		20x1	
	Unused Commitments	Unused Lines Of Credit	Unused Commitments	Unused Lines Of Credit
Short-Term (maturing contracts terminating in 12 months or less)	\$	\$	\$	\$
Long-Term (maturing contracts terminating in more than 12 months)	\$	\$	\$	\$
Total	\$	\$	\$	\$

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NAIC BLANKS (E) WORKING GROUP

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DATE: <u>1/31/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Dale Bruggeman</u> TITLE: <u>Chair SAPWG</u> AFFILIATION: <u>Ohio Department of Insurance</u> ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>	Agenda Item # <u>2025-02BWG</u>		
	Year <u>2025</u>		
	Changes to Existing Reporting ☒ [X]		
	New Reporting Requirement ☐ []		
	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT		
	No Impact ☒ [X]		
Modifies Required Disclosure ☐ []			
Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]			
If Yes, complete question below			
DISPOSITION			
☐ [] Rejected For Public Comment			
☐ [] Referred To Another NAIC Group			
☒ [X] Received For Public Comment			
☐ [] Adopted Date _____			
☐ [] Rejected Date _____			
☐ [] Deferred Date _____			
☐ [] Other (Specify) _____			

BLANK(S) TO WHICH PROPOSAL APPLIES

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|---|--|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025**IDENTIFICATION OF ITEM(S) TO CHANGE**

Update Note to Financial Statements Note 9 – Income Taxes to include adopted revisions to SSAP No. 101 – Income Taxes.

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

This proposal updates Note 9 – Income Taxes for revised disclosure requirements that were adopted at SAPWG. (SAPWG Ref #2024-11)

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:

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, PROPERTY, HEALTH & TITLE**NOTES TO FINANCIAL STATEMENTS**

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

**9. Income Taxes**Instruction:

B. To the extent that DTLs are not recognized for amounts described in paragraph 31 of FAS 109, disclose the following:

(1) A description of the types of temporary differences for which a DTL has not been recognized and the types of events that would cause those temporary differences to become taxable;

~~(2) The cumulative amount of each type of temporary difference;~~

~~(32)~~ The amount of the unrecognized DTL for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration, if determination of that liability is practicable, or a statement that determination is not practicable; and

~~(43)~~ The amount of the DTL for temporary differences other than those in item ~~(32)~~ above that is not recognized.

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>1/31/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Jamie Walker</u> TITLE: <u>Deputy Commissioner</u> AFFILIATION: <u>Texas Department of Insurance</u> ADDRESS: _____ _____ _____		Agenda Item # <u>2025-03BWG MOD</u>	
		Year <u>2025</u>	
		Changes to Existing Reporting ☒ [X]	
		New Reporting Requirement ☐ []	
		REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
		No Impact ☒ [X]	
		Modifies Required Disclosure ☐ []	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|--|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☒ [X] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☒ [X] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☐ [] Title |
| ☐ [] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☐ [] Health | ☒ [X] Health (Life Supplement) | |

Anticipated Effective Date: Annual 2025**IDENTIFICATION OF ITEM(S) TO CHANGE**

Modify the Life Insurance (State Page) to include Accident and Health data for Direct Premium Earned and Direct Losses Incurred.

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

When the Life State page was updated in 2023, some of the Accident and Health data was inadvertently left out of the updated page.

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments:

** This section must be completed on all forms.

Revised 7/18/2022

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL AND HEALTH (LIFE SUPPLEMENT)**Life Insurance (STATE PAGE)**

A schedule should be prepared and submitted to the state of domicile for each jurisdiction in which the company has written direct business, has direct losses paid or direct losses incurred. To other states in which the company is licensed it should submit only a schedule for that state.

**Detail Eliminated to Conserve Space****Death Benefits, Matured Endowments Incurred and, Annuity Benefits and Accident and Health Benefits**

~~This section is only applicable to life and annuity contracts (Lines 1 through 33).~~

Column 13 – Incurred During Current Year

~~Accident and Health Lines of Business (Lines 34 through 45) – Should be prepared consistent with amounts in the Accident and Health Policy Experience Exhibit for Year, Line D02, Column 6 – Direct Incurred Claims Amount.~~

Column 14 – Totals Paid – Pols\Certs
 Column 15 – Totals Paid – Amount }

Provide the amount for claims paid and the number of policies\certificates for the claims paid.

Column 16 – Reduction by Compromise – Pols\Certs
 Column 17 – Reduction by Compromise – Amount }

Provide the amount for claims reduced by compromise and the number of policies\certificates for the claims reduced by compromise.

~~These columns are only applicable to life and annuity contracts (Lines 1 through 33)~~

Column 18 – Amount Rejected – Pols\Certs
 Column 19 – Amount Rejected – Amount }

~~Life and Annuity Contracts (Lines 1 through 33) – Provide the amount for claims rejected and the number of policies\certificates for the claims rejected.~~

~~These columns are only applicable to life and annuity contracts (Lines 1 through 33)~~

Column 20 – Total Settled During Current Year - Pols\Certs (Col 14+16+18)

Provide the total number of policies\certificates for claims settled during the current year.

~~This column is only applicable to life and annuity contracts (Lines 1 through 33)~~

~~Life and Annuity Contracts (Lines 1 through 33) should equal Column 14 plus Column 16 plus Column 18.~~

~~Accident and Health (Line 34 through 46) should equal Column 14. plus Column 18.~~

Column 21 – Total Settled During Current Year - Amount (Col 15+17+19)

Total Settled should be for claims that are paid in full.

This column is only applicable to life and annuity contracts (Lines 1 through 33)

Life and Annuity Contracts (Lines 1 through 33) should equal Column 15 plus Column 17 plus Column 19.

Accident and Health (Line 34 through 46) should equal Column 15.

Column 22 – Unpaid December 31, Current Year

Should equal Column 22 (prior year) plus Column 13 minus Column 21.

This column is only applicable to life and annuity contracts (Lines 1 through 33)

Policy Exhibit

Column 24 – Issued During Year – Amount

For Individual Life and Group Life lines of business, use the Amount of Insurance amount.

For Individual Annuities and Group Annuities lines of business, use the Account Balance amount.

For Accident and Health lines of business, use the Premiums in Force amount.

Column 26 – Other Changes to in Force – Amount

For Individual Life and Group Life lines of business, use the Amount of Insurance amount.

For Individual Annuities and Group Annuities lines of business, use the Account Balance amount.

For Accident and Health lines of business, use the Premiums in Force amount.

Column 27 – In Force December 31, Current Year – Number of Pols\Certs

Should equal Column 27 (prior year) plus Column 23 plus Column 25.

Column 28 – In Force December 31, Current Year – Amount

For Individual Life and Group Life lines of business, use the Amount of Insurance amount.

For Individual Annuities and Group Annuities lines of business, use the Account Balance amount.

For Accident and Health lines of business, use the Premiums in Force amount.

Should equal Column 28 (prior year) plus Column 24 plus Column 26.

Footnote c: Total considerations amount should equal Schedule T, Column 7, by State.

For Health Business: Complete the information in Footnote d regarding number of persons covered under PPO managed care products and number of persons covered under indemnity only products. Include in PPO business health insurance products that provide access to a higher level of benefits whenever participating provider networks are used.

Footnote f: Enter the amount of earned premium for health business that applies to the state being reported.

Should be prepared consistent with amounts in the Accident and Health Policy Experience Exhibit for Year, Line D02, Column 2 – Direct Premiums Earned.

ANNUAL STATEMENT BLANK – LIFE/FRATERNAL AND HEALTH (LIFE SUPPLEMENT)

DIRECT BUSINESS IN THE STATE OF

DURING THE YEAR

NAIC Group Code.....

LIFE INSURANCE (STATE PAGE) (b),(f)

NAIC Company Code.....

Line of Business	1 Premiums and Annuities Considerations	2 Other Considerations	Dividends to Policyholders/Refunds to Members					Claims and Benefits Paid				
			3 Paid in Cash or Left on Deposit	4 Applied to Pay Renewal Premiums	5 Applied to Provide Paid-Up Additions or Shorten the Endowment or Premium- Paying Period	6 Other	7 Total (Col. 3+4+5+6)	8 Death and Annuity Benefits	9 Matured Endowments	10 Surrender Values and Withdrawals for Life Contracts	11 All Other Benefits	12 Total (Sum Columns 8 through 11)
Individual Life												
1. Industrial												
2. Whole												
3. Term												
4. Indexed												
5. Universal												
6. Universal with secondary guarantees												
7. Variable												
8. Variable universal												
9. Credit												
10. Other												
11. Total Individual Life												
Group Life												
12. Whole												
13. Term												
14. Universal												
15. Variable												
16. Variable universal												
17. Credit												
18. Other												
19. Total Group Life												
Individual Annuities												
20. Fixed												
21. Indexed												
22. Variable with guarantees												
23. Variable without guarantees												
24. Life contingent payout												
25. Other												
26. Total Individual Annuities												
Group Annuities												
27. Fixed												
28. Indexed												
29. Variable with guarantees												
30. Variable without guarantees												
31. Life contingent payout												
32. Other												
33. Total Group Annuities												
Accident and Health												
34. Comprehensive individual (d)								XXX	XXX	XXX		
35. Comprehensive group (d)								XXX	XXX	XXX		
36. Medicare Supplement (d)								XXX	XXX	XXX		
37. Vision only (d)								XXX	XXX	XXX		
38. Dental only (d)								XXX	XXX	XXX		
39. Federal Employees Health Benefits Plan (d)								XXX	XXX	XXX		
40. Title XVIII Medicare (d)								XXX	XXX	XXX		
41. Title XIX Medicaid (d)								XXX	XXX	XXX		
42. Credit A&H								XXX	XXX	XXX		
43. Disability income (d)								XXX	XXX	XXX		
44. Long-term care (d)								XXX	XXX	XXX		
45. Other health (d)								XXX	XXX	XXX		
46. Total Accident and Health								XXX	XXX	XXX		
47. Total	(c)											

LIFE INSURANCE (STATE PAGE) (Continued) ^(b)

Line of Business	Direct Death Benefits, Matured Endowments Incurred and Annuity Benefits and Accident and Health Benefits										Policy Exhibit					
	13 Incurred During Current Year	Claims Settled During Current Year								22 Unpaid December 31, Current Year	Issued During Year		Other Changes to In Force (Net)		In Force December 31, Current Year (b)	
		Totals Paid		Reduction by Compromise		Amount Rejected		Total Settled During Current Year			23 Number of Pols/Certs	24 Amount	25 Number of Pols/Certs	26 Amount	27 Number of Pols/Certs	28 Amount
		14 Number of Pols/Certs	15 Amount	16 Number of Pols/Certs	17 Amount	18 Number of Pols/Certs	19 Amount	20 Number of Pols/Certs	21 Amount							
Individual Life																
1. Industrial																
2. Whole																
3. Term																
4. Indexed																
5. Universal																
6. Universal with secondary guarantees																
7. Variable																
8. Variable universal																
9. Credit																
10. Other																
11. Total Individual Life																
Group Life																
12. Whole																
13. Term																
14. Universal																
15. Variable																
16. Variable universal																
17. Credit																
18. Other																(a)
19. Total Group Life																
Individual Annuities																
20. Fixed																
21. Indexed																
22. Variable with guarantees																
23. Variable without guarantees																
24. Life contingent payout																
25. Other																
26. Total Individual Annuities																
Group Annuities																
27. Fixed																
28. Indexed																
29. Variable with guarantees																
30. Variable without guarantees																
31. Life contingent payout																
32. Other																
33. Total Group Annuities																
Accident and Health																
34. Comprehensive individual.....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
35. Comprehensive group .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
36. Medicare Supplement .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
37. Vision only .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
38. Dental only .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
39. Federal Employees Health Benefits Plan .....(d)	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX	XXX						
40. Title XVIII Medicare .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
41. Title XIX Medicaid .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
42. Credit A&H .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
43. Disability income .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
44. Long-term care .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
45. Other health .....(d)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
46. Total Accident and Health	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX						
47. Total																

(a) Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$....., current year \$..... Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$....., current year \$.....

(b) Corporate Owned Life Insurance/BOI: 1) Number of policies: 2) covering number of lives: 3) face amount: \$.....

(c) Deposit-Type Contract Considerations NOT included in Total Premiums and Annuities Considerations: Individual: \$..... Group: \$..... Total: \$.....

(d) For health business on indicated lines report: Number of persons insured under PPO managed care products and number of persons insured under indemnity only products

(e) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....

(f) For health business report Direct Premiums Earned: Comprehensive Individual \$.....; Comprehensive Group \$.....; Medicare Supplement \$.....; Vision Only \$.....; Dental Only \$.....; Federal Employees Health Benefits Plan \$.....;
Title XVIII Medicare \$.....; Title XIX Medicaid \$.....; Credit A&H \$.....; Disability Income \$.....; Long-term Care \$.....; Other Health \$.....

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>2/10/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2025-04BWG MOD</u>	
TELEPHONE:	_____	Year <u>2025</u>	
EMAIL ADDRESS:	_____	Changes to Existing Reporting ☒ [X]	
ON BEHALF OF:	_____	New Reporting Requirement ☐ []	
NAME:	<u>Dale Bruggeman</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair SAPWG</u>	No Impact ☒ [X]	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Columbus, OH 43215</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|--|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☐ [] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Add a new part to Note to Financial Statements Note 28 – Health Care Receivables to include Medicare Part D Prescription Payment Plans.

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

This proposal updates Note 28 – Health Care Receivables for disclosure requirements that are a simultaneous exposure at SAPWG. (SAPWG INT 24-02T has accounting guidance but the disclosures are in a separate agenda item SAPWG 2025-XX)

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:

ANNUAL STATEMENT INSTRUCTIONS – HEALTH, LIFE/FRATERNAL, & PROPERTY**NOTES TO FINANCIAL STATEMENTS**

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



Detail Eliminated To Conserve Space

**28. Health Care Receivables**Instruction:

- A. In accordance with *SSAP No. 84—Health Care and Government Insured Plan Receivables*, the financial statement shall disclose the method used by the reporting entity to estimate pharmaceutical rebate receivables. For the most recent three years and for each quarter therein, the reporting entity shall disclose the following:
- Estimated balance of pharmacy rebate receivable as reported on the financial statements;
 - Pharmacy rebates as billed or otherwise confirmed; and
 - Pharmacy rebates received.
- B. The financial statements shall disclose the method used by the reporting entity to estimate its risk sharing receivables. To the extent that receivable and payable with the same provider are netted, the reporting entity shall disclose the gross receivable and payable balances. For the most recent three years, the reporting entity shall disclose the following:
- Estimated balance of risk sharing receivables as reported on the prior year financial statements for evaluation periods ending in the current year;
 - Estimated balance of risk sharing receivables as reported on the financial statements for evaluation periods ending in the current year and the following year;
 - Risk sharing receivables billed as determined after the annual evaluation period;
 - Risk sharing receivables not yet billed; and
 - Amounts received from providers as payments under risk sharing contracts.

C. Disclose Medicare Prescription Payment Plan Receivables

Refer to INT 24-02T: Medicare Part D Prescription Payment Plan for accounting guidance.

Include:

- (1) Amounts of included in other health care receivables which are recoverable from participants in Medicare Part D Prescription Payment Plan for the current reporting period and the prior year

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.

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2025	\$ 150	\$ 147			
9/30/2025	130	133	\$ 62		
6/30/2025	142	143	70	\$ 55	
3/31/2025	157	152	65	42	\$ 20
12/31/2024	125	132	70	27	20
9/30/2024	123	129	62	31	14
6/30/2024	112	120	54	20	16
3/31/2024	110	118	57	39	20
12/31/2023	68	75	34	20	10
9/30/2023	60	59	27	17	10
6/30/2023	57	60	31	15	10
3/31/2023	45	50	25	18	7

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.

B. Risk-Sharing Receivables

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received All Other
2025	2025	\$ 245	\$ 237	\$ 155	\$ 77	\$ 0			
	2024	XXX	\$ 189	XXX	XXX	XXX	XXX		
2024	2024	\$ 223	\$ 225	\$ 232	\$ 0	\$ 0	\$ 140		
	2023	XXX	\$ 245	XXX	XXX	XXX	XXX	XXX	XXX
2023	2023	\$ 190	\$ 178	\$ 174	\$ 0	\$ 0	\$ 125	\$ 50	
	2022	XXX	\$ 223	XXX	XXX	XXX	XXX	XXX	XXX

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.

C. Medicare Prescription Payment Plan Receivables

(1) Amounts ~~of~~ included in other health care receivables which are recoverable from participants in Medicare Part D Prescription Payment Plan for the current reporting period \$ _____ and the prior year \$ _____.

(2) Aging of other health care receivables which are due from participant in Medicare Part D Prescription Payment Plan.

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>
~~Name of Debtor~~ Name of Plan	Current Period Gross*	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted	Prior Year
Medicare Prescription Payment Plan Recoverables								

*represents the Assets Page Column 1, included within Line 24 before nonadmission.

(3) Incurred claims expense includes write-offs of impaired Medicare Prescription Payment Plan receivables of \$ _____ for [current year] and \$ _____ for [prior year].

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>2/13/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Dale Bruggeman</u> TITLE: <u>Chair SAPWG</u> AFFILIATION: <u>Ohio Department of Insurance</u> ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>	Agenda Item # <u>2025-05BWG MOD</u>		
	Year <u>2025</u>		
	Changes to Existing Reporting ☒ [X]		
	New Reporting Requirement ☐ []		
	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT		
	No Impact ☒ [X]		
Modifies Required Disclosure ☐ []			
Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]			
If Yes, complete question below			
DISPOSITION			
☐ [] Rejected For Public Comment			
☐ [] Referred To Another NAIC Group			
☒ [X] Received For Public Comment			
☐ [] Adopted Date _____			
☐ [] Rejected Date _____			
☐ [] Deferred Date _____			
☐ [] Other (Specify) _____			

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☐ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☒ [X] QUARTERLY STATEMENT | ☐ [X] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☐ [] Title |
| ☐ [] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☐ [] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Add a new part to Schedule S to report reinsurance agreements with funds withholding and modified coinsurance.

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

This proposal updates Schedule S for disclosure requirements that were adopted at SAPWG. (SAPWG 24-07)

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.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS –LIFE/FRATERNAL**SCHEDULE S – PART 8****REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE**
AS OF DECEMBER 31, CURRENT YEAR

This schedule reports the assets supporting modified coinsurance (MODCO) and other reinsurance transactions with funds withheld where the entire asset credit or variability in statement value risk associated with the assets supporting the business reinsured is transferred to the assuming company for the entire duration of the reinsurance treaty. Only the portion of the assets used to support the ceded or assumed liabilities should be included, i.e. amounts in excess of the reserve should be excluded.

The ceding company is required to supply the assuming company with sufficient information in order for the assuming company to determine the amount of assets withheld under Modco or other funds withheld. An assuming company that has not received timely information shall follow the procedures in the Life Risk-Based Capital instructions for Modco or Funds Withheld Reinsurance Agreements (LR045, LR046, LR047 and LR048) to apply the Modco liability ratio by asset category. The allocated assets should support the portion of the funds held by or deposited with reinsured companies that represents the investment risk assumed as described above, that is, the estimated investment risk assumed should not be greater than the assets reported on the asset page.

~~This section should include data on all modified coinsurance (MODCO) and other reinsurance transactions with funds withheld as of December 31, current year.~~

If a reporting entity's detail lines report any of the following required categories, it shall report the subtotal amount of the corresponding category, with the specified subtotal line number appearing in the same manner and location as the pre-printed total line and number.

Column 1 & 2 – Ceded General Account Assets

Report the FWH and MODCO ceded amounts for the reporting entity's general account.

Column 3 & 4 – Ceded Guaranteed Separate Account Assets

Report the FWH and MODCO ceded guaranteed amounts for the reporting entity's separate account.

Column 5 & 6 – Total Ceded Assets

Report the Total Ceded Assets for the reporting entity's general and separate account.

Column 5 should equal Column 1 plus Column 3

Column 6 should equal Column 2 plus Column 4

Column 7 & 8 – ~~Ceded~~ Assumed General Account Assets

Report the FWH and MODCO ~~ceded~~ assumed general account amounts ~~for~~ by the reporting entity's general account.

Column 9 & 10 – ~~Ceded~~ Assumed Guaranteed Separate Account Assets

Report the FWH and MODCO ~~ceded~~ assumed guaranteed separate account amounts ~~for~~ by the reporting entity's separate account.

Column 11 & 12 – Total Ceded Assumed Assets

Report the Total Ceded Assumed Assets for by the reporting entity's general and separate account.

Column 511 should equal Column 7 plus Column 9

Column 612 should equal Column 108 plus Column 1210

ANNUAL STATEMENT BLANKS –LIFE/FRATERNAL

SCHEDULE S PART 8

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR **DEFAULT COMPONENT**

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
	LONG-TERM BONDS												
<u>1</u>	Exempt Obligations.....												
<u>2.1</u>	NAIC Designation Category 1.A.....												
<u>2.2</u>	NAIC Designation Category 1.B.....												
<u>2.3</u>	NAIC Designation Category 1.C.....												
<u>2.4</u>	NAIC Designation Category 1.D.....												
<u>2.5</u>	NAIC Designation Category 1.E.....												
<u>2.6</u>	NAIC Designation Category 1.F.....												
<u>2.7</u>	NAIC Designation Category 1.G.....												
<u>2.8</u>	Subtotal NAIC 1 (2.1+2.2+2.3+2.4+2.5+2.6+2.7).....												
<u>3.1</u>	NAIC Designation Category 2.A.....												
<u>3.2</u>	NAIC Designation Category 2.B.....												
<u>3.3</u>	NAIC Designation Category 2.C.....												
<u>3.4</u>	Subtotal NAIC 2 (3.1+3.2+3.3).....												
<u>4.1</u>	NAIC Designation Category 3.A.....												
<u>4.2</u>	NAIC Designation Category 3.B.....												
<u>4.3</u>	NAIC Designation Category 3.C.....												
<u>4.4</u>	Subtotal NAIC 3 (4.1+4.2+4.3).....												
<u>5.1</u>	NAIC Designation Category 4.A.....												
<u>5.2</u>	NAIC Designation Category 4.B.....												
<u>5.3</u>	NAIC Designation Category 4.C.....												
<u>5.4</u>	Subtotal NAIC 4 (5.1+5.2+5.3).....												
<u>6.1</u>	NAIC Designation Category 5.A.....												
<u>6.2</u>	NAIC Designation Category 5.B.....												
<u>6.3</u>	NAIC Designation Category 5.C.....												
<u>6.4</u>	Subtotal NAIC 5 (6.1+6.2+6.3).....												
<u>7</u>	NAIC 6.....												
<u>8</u>	Total Long-Term Bonds (Sum of Lines 1+2.8+3.4+4.4+5.4+6.4 +7)												
	PREFERRED STOCKS												
<u>9</u>	Highest Quality.....												
<u>10</u>	High Quality.....												
<u>11</u>	Medium Quality.....												
<u>12</u>	Low Quality.....												
<u>13</u>	Lower Quality.....												
<u>14</u>	In or Near Default.....												
<u>15</u>	Affiliated Life with AVR.....												
<u>16</u>	Total Preferred Stocks (Sum of Lines 9 through 15)												

SCHEDULE 5 PART 8 (Continued)**REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~DEFAULT COMPONENT~~**

		<u>Ceded General Account Assets</u>		<u>Ceded Guaranteed Separate Account Assets</u>		<u>Total Ceded Assets</u>		<u>Assumed General Account Assets</u>		<u>Assumed Guaranteed Separate Account Assets</u>		<u>Total Assumed Assets</u>	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 1+3</u>	<u>Modco B/ACV Col 2+4</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 7+9</u>	<u>Modco B/ACV Col 8+10</u>
SHORT-TERM BONDS													
<u>17</u>	<u>Exempt Obligations</u>												
<u>18.1</u>	<u>NAIC Designation Category 1.A</u>												
<u>18.2</u>	<u>NAIC Designation Category 1.B</u>												
<u>18.3</u>	<u>NAIC Designation Category 1.C</u>												
<u>18.4</u>	<u>NAIC Designation Category 1.D</u>												
<u>18.5</u>	<u>NAIC Designation Category 1.E</u>												
<u>18.6</u>	<u>NAIC Designation Category 1.F</u>												
<u>18.7</u>	<u>NAIC Designation Category 1.G</u>												
<u>18.8</u>	<u>Subtotal NAIC 1 (18.1+18.2+18.3+18.4+18.5+18.6+18.7)</u>												
<u>19.1</u>	<u>NAIC Designation Category 2.A</u>												
<u>19.2</u>	<u>NAIC Designation Category 2.B</u>												
<u>19.3</u>	<u>NAIC Designation Category 2.C</u>												
<u>19.4</u>	<u>Subtotal NAIC 2 (19.1+19.2+19.3)</u>												
<u>20.1</u>	<u>NAIC Designation Category 3.A</u>												
<u>20.2</u>	<u>NAIC Designation Category 3.B</u>												
<u>20.3</u>	<u>NAIC Designation Category 3.C</u>												
<u>20.4</u>	<u>Subtotal NAIC 3 (20.1+20.2+20.3)</u>												
<u>21.1</u>	<u>NAIC Designation Category 4.A</u>												
<u>21.2</u>	<u>NAIC Designation Category 4.B</u>												
<u>21.3</u>	<u>NAIC Designation Category 4.C</u>												
<u>21.4</u>	<u>Subtotal NAIC 4 (21.1+21.2+21.3)</u>												
<u>22.1</u>	<u>NAIC Designation Category 5.A</u>												
<u>22.2</u>	<u>NAIC Designation Category 5.B</u>												
<u>22.3</u>	<u>NAIC Designation Category 5.C</u>												
<u>22.4</u>	<u>Subtotal NAIC 5 (22.1+22.2+22.3)</u>												
<u>23</u>	<u>NAIC 6</u>												
<u>24</u>	<u>Total Short-Term Bonds (17+18.8+19.4+20.4+21.4+22.4+23)</u>												
DERIVATIVE INSTRUMENTS													
<u>25</u>	<u>Exchange Traded</u>												
<u>26</u>	<u>Highest Quality</u>												
<u>27</u>	<u>High Quality</u>												
<u>28</u>	<u>Medium Quality</u>												
<u>29</u>	<u>Low Quality</u>												
<u>30</u>	<u>Lower Quality</u>												
<u>31</u>	<u>In or Near Default</u>												
<u>32</u>	<u>Total Derivative Instruments</u>												
<u>33</u>	<u>Total (Lines 8+ 16+ 24+ 32)</u>												

SCHEDULE 5 PART 8 (Continued)**REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~DEFAULT COMPONENT~~**

		<u>Ceded General Account Assets</u>		<u>Ceded Guaranteed Separate Account Assets</u>		<u>Total Ceded Assets</u>		<u>Assumed General Account Assets</u>		<u>Assumed Guaranteed Separate Account Assets</u>		<u>Total Assumed Assets</u>	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 1+3</u>	<u>Modco B/ACV Col 2+4</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 7+9</u>	<u>Modco B/ACV Col 8+10</u>
MORTGAGE LOANS													
<u>In Good Standing:</u>													
<u>34</u>	<u>Farm Mortgages – CM1 – Highest Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>35</u>	<u>Farm Mortgages – CM2 – High Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>36</u>	<u>Farm Mortgages – CM3 – Medium Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>37</u>	<u>Farm Mortgages – CM4 – Low Medium Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>38</u>	<u>Farm Mortgages – CM5 – Low Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>39</u>	<u>Residential Mortgages – Insured or Guaranteed.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>40</u>	<u>Residential Mortgages – All Other.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>41</u>	<u>Commercial Mortgages – Insured or Guaranteed.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>42</u>	<u>Commercial Mortgages – All Other – CM1 – Highest Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>43</u>	<u>Commercial Mortgages – All Other – CM2 – High Quality..</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>44</u>	<u>Commercial Mortgages – All Other – CM3 – Medium Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>45</u>	<u>Commercial Mortgages – All Other – CM4 – Low Medium Quality..</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>46</u>	<u>Commercial Mortgages – All Other – CM5 – Low Quality.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>Overdue, Not in Process:</u>													
<u>47</u>	<u>Farm Mortgages.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>48</u>	<u>Residential Mortgages – Insured or Guaranteed.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>49</u>	<u>Residential Mortgages - All Other.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>50</u>	<u>Commercial Mortgages - Insured or Guaranteed.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>51</u>	<u>Commercial Mortgages - All Other.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>In Process of Foreclosure:</u>													
<u>52</u>	<u>Farm Mortgages.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>53</u>	<u>Residential Mortgages - Insured or Guaranteed.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>54</u>	<u>Residential Mortgages - All Other.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>55</u>	<u>Commercial Mortgages - Insured or Guaranteed.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>56</u>	<u>Commercial Mortgages - All Other.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<u>57</u>	<u>Total Schedule B Mortgages (Sum of Lines 34 through 56).....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

SCHEDULE S PART 8

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~EQUITY AND OTHER INVESTED ASSET~~
COMPONENT

		<u>Ceded General Account Assets</u>		<u>Ceded Guaranteed Separate Account Assets</u>		<u>Total Ceded Assets</u>		<u>Assumed General Account Assets</u>		<u>Assumed Guaranteed Separate Account Assets</u>		<u>Total Assumed Assets</u>	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 1+3</u>	<u>Modco B/ACV Col 2+4</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 7+9</u>	<u>Modco B/ACV Col 8+10</u>
COMMON STOCK													
58	Unaffiliated Public												
59	Unaffiliated Private												
60	Federal Home Loan Bank												
61	Affiliated Life with AVR												
	Affiliated Investment Subsidiary:												
62	Fixed Income Exempt Obligations												
64	Fixed Income Highest Quality												
64	Fixed Income High Quality												
65	Fixed Income Medium Quality												
66	Fixed Income Low Quality												
67	Fixed Income Lower Quality												
68	Fixed Income In or Near Default												
69	Unaffiliated Common Stock Public												
70	Unaffiliated Common Stock Private												
71	Real Estate												
72	Affiliated-Certain Other (See SVO Purposes & Procedures Manual)												
73	Affiliated - All Other												
74	Total Common Stock (Sum of Lines 58 through 73)												
REAL ESTATE													
75	Home Office Property (General Account only)												
76	Investment Properties												
77	Properties Acquired in Satisfaction of Debt												
78	Total Real Estate (Sum of Lines 75 through 77)												
OTHER INVESTED ASSETS													
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS													
79	Exempt Obligations												
80	Highest Quality												
81	High Quality												
82	Medium Quality												
83	Low Quality												
84	Lower Quality												
85	In or Near Default												
86	Total with Bond Characteristics (Sum of Lines 79 through 85)												

SCHEDULE 5 PART 8 (Continued)**REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~EQUITY AND OTHER INVESTED ASSET~~**
COMPONENT

		<u>Ceded General Account Assets</u>		<u>Ceded Guaranteed Separate Account Assets</u>		<u>Total Ceded Assets</u>		<u>Assumed General Account Assets</u>		<u>Assumed Guaranteed Separate Account Assets</u>		<u>Total Assumed Assets</u>	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 1+3</u>	<u>Modco B/ACV Col 2+4</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV</u>	<u>Modco B/ACV</u>	<u>FWH B/ACV Col 7+9</u>	<u>Modco B/ACV Col 8+10</u>
	INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
87	High Quality												
88	High Quality												
89	Medium Quality												
90	Low Quality												
91	Lower Quality												
92	In or Near Default												
93	Affiliated Life with AVR												
94	Total with Preferred Stock Characteristics (Sum of Lines 87 through 93)												
	INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
	In Good Standing Affiliated:												
95	Mortgages – CM1 – Highest Quality												
96	Mortgages – CM2 – High Quality												
97	Mortgages – CM3 – Medium Quality												
98	Mortgages – CM4 – Low Medium Quality												
99	Mortgages – CM5 – Low Quality												
100	Residential Mortgages – Insured or Guaranteed												
101	Residential Mortgages – All Other												
102	Commercial Mortgages – Insured or Guaranteed												
	Overdue, Not in Process Affiliated:												
103	Farm Mortgages												
104	Residential Mortgages – Insured or Guaranteed												
105	Residential Mortgages – All Other												
106	Commercial Mortgages – Insured or Guaranteed												
107	Commercial Mortgages – All Other												
	In Process of Foreclosure Affiliated:												
108	Farm Mortgages												
109	Residential Mortgages – Insured or Guaranteed												
110	Residential Mortgages – All Other												
111	Commercial Mortgages – Insured or Guaranteed												
112	Commercial Mortgages – All Other												
113	Total Affiliated (Sum of Lines 95 through 112)												
114	Unaffiliated – In Good Standing With Covenants												
	Unaffiliated – In Good Standing Defeased With Government Securities												
115	Unaffiliated – In Good Standing Primarily Senior												
116	Unaffiliated – In Good Standing All Other												
117	Unaffiliated – Overdue, Not in Process												
118	Unaffiliated – In Process of Foreclosure												
119	Total Unaffiliated (Sum of Lines 114 through 119)												
120	Total with Mortgage Loan Characteristics (Lines 113 + 120)												
121													

SCHEDULE 5 PART 8 (Continued)**REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~EQUITY AND OTHER INVESTED ASSET~~****COMPONENT**

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK													
122	Unaffiliated Public												
123	Unaffiliated Private												
124	Affiliated Life with AVR												
125	Affiliated Certain Other (See SVO Purposes & Procedures Manual)												
126	Affiliated Other - All Other												
127	Total with Common Stock Characteristics (Sum of Lines 122 through 126)												
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE													
128	Home Office Property (General Account only)												
129	Investment Properties												
130	Properties Acquired in Satisfaction of Debt												
131	Total with Real Estate Characteristics (Sum of Lines 128 through 130)												
INVESTMENTS IN TAX CREDIT STRUCTURES													
132	Yield Guaranteed State Tax Credit Investments												
133	Qualifying Federal Tax Credit Investments												
134	Qualifying State Tax Credit Investments												
135	Other Tax Credit Investments												
136	Total Tax Credit Investments (Sum of Lines 132 through 135)												
RESIDUAL TRANCHEs OR INTERESTS													
137	Bonds – Unaffiliated												
138	Bonds – Affiliated												
139	Common Stock – Unaffiliated												
140	Common Stock – Affiliated												
141	Preferred Stock – Unaffiliated												
142	Preferred Stock – Affiliated												
143	Real Estate – Unaffiliated												
144	Real Estate – Affiliated												
145	Mortgage Loans – Unaffiliated												
146	Mortgage Loans – Affiliated												
147	Other – Unaffiliated												
148	Other – Affiliated												
149	Total Residual Tranches or Interests (Sum of Lines 137 through 148)												
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF SURPLUS NOTES AND CAPITAL NOTES													
150	Highest Quality												
151	High Quality												
152	Medium Quality												
153	Low Quality												
154	Lower Quality												
155	In or Near Default												
156	Total with Bond Characteristics (Sum of Lines 150 through 155)												
ALL OTHER INVESTMENTS													
157	NAIC 1 Working Capital Finance Investments												
158	NAIC 2 Working Capital Finance Investments												
159	Other Invested Assets - Schedule BA												
160	Other Short-Term Invested Assets - Schedule DA												
161	Cash and Cash Equivalents												
162	Total All Other (Sum of Lines 157, 158, 159, 160 and 161)												
163	Total Other Invested Assets - Schedules BA & DA & E (Sum of Lines 86, 94, 121, 127, 131, 136, 149, 156 and 162)												

164	Total Non-guaranteed Separate Account Assets	XXX	XXX	XXX	XXX			XXX	XXX	XXX	XXX		
165	Total Assets including Non-guaranteed Separate Account Assets	XXX	XXX	XXX	XXX			XXX	XXX	XXX	XXX		

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>2/21/25</u>		FOR NAIC USE ONLY	
CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Dale Bruggeman</u> TITLE: <u>Chair SAPWG</u> AFFILIATION: <u>Ohio Department of Insurance</u> ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>		Agenda Item # <u>2025-06BWG MOD</u>	
		Year <u>2025</u>	
		Changes to Existing Reporting ☐ [X]	
		New Reporting Requirement ☐ []	
		REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
		No Impact ☐ [X]	
		Modifies Required Disclosure ☐ []	
		Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
		If Yes, complete question below	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|--|---|---|
| ☐ [X] ANNUAL STATEMENT | ☐ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☒ [X] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☐ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☒ [X] Title |
| ☐ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☐ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Note 5L – Restricted Assets instructions and illustrations to make the changes for clarification on what should be reflected within the restricted asset note.

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

The purpose of this proposal is to update Note 5L – Restricted Assets to clarify how assets held under modified coinsurance (Modco) or funds withheld (FWH) agreements shall be reflected within the restricted asset disclosure in paragraph 23 of *SSAP No. 1—Accounting Policies, Risks & Uncertainties, and Other Disclosures*. (SAPWG Ref # 2024-20)

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:

ANNUAL STATEMENT INSTRUCTIONS – HEALTH & TITLE**NOTES TO FINANCIAL STATEMENTS**

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

**Detail Eliminated To Conserve Space****5. Investments**Instruction:**L. Restricted Assets****(1) Restricted Assets (Including Pledged)**

Disclose the total gross (admitted and nonadmitted) book/adjusted carrying value amount of restricted assets by category, with separate identification of the admitted and nonadmitted restricted assets by category and nature of any assets pledged to others as collateral or otherwise restricted (e.g., not under the exclusive control, assets subject to a put option contract, etc.) by the reporting entity. Provide the total gross amount of restricted assets (current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) by the following categories:

- a. Subject to contractual obligation for which liability is not shown
- b. Collateral held under security lending agreements
- c. Subject to repurchase agreements
- d. Subject to reverse repurchase agreements
- e. Subject to dollar repurchase agreements
- f. Subject to dollar reverse repurchase agreements
- g. Placed under option contracts
- h. Letter stock or securities restricted as to sale – excluding FHLB capital stock
- i. FHLB capital stock
- j. On deposit with states
- k. On deposit with other regulatory bodies
- l. Pledged collateral to FHLB (including assets backing funding agreements)
- m. Pledged as collateral not captured in other categories
- n. Other restricted assets

o. Collateral Assets Received and on Balance Sheet

Exclude: Collateral under security lending and repurchase agreements reported on balance sheet.

p. Assets held under Modco Reinsurance Agreements

q. Assets held under Funds Withheld Reinsurance Agreements

r. Total restricted assets

Items captured “pledged as collateral not captured in other categories” shall include, but not be limited to, assets pledged under derivative arrangements.

Detail Eliminated To Conserve Space

(4) Collateral Received and Assets Held under Modco/Funds Withheld Reinsurance Agreements Reflected as Assets Within the Reporting Entity’s Financial Statements

Disclose the following for the general account regarding collateral received and and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:

- Nature of any assets received as collateral reflected as assets within the reporting entity’s financial statements
- Book/adjusted carrying value (BACV) of the collateral assets
- Fair value of the collateral assets
- The recognized liability to return these collateral assets or obligation under the Modco/Funds Withheld Reinsurance Agreements
- The percentage the collateral asset BACV amount (gross and admitted) is of the reporting entity’s total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

(5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(45) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

This illustration includes the presentation of all restricted assets reported on the financial statements for a total comparison to total assets. This includes the items captured in SSAP No. 1, paragraphs 23.b. and 23.c. (Items captured in paragraph 23.c. should have a corresponding liability recognized, therefore there is no capture within the general interrogatories or capture as a noncontrolled asset in the RBC formula.)

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)	8 Amount Reported in General Interrogatories	9 Difference from Note and GI	10 GI Ref
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%	\$	\$	
b. Collateral held under security lending agreements										25.04 + 25.05
c. Subject to repurchase agreements										26.21
d. Subject to reverse repurchase agreements										26.22
e. Subject to dollar repurchase agreements										26.23
f. Subject to dollar reverse repurchase agreements										26.24
g. Placed under option contracts										26.25
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock										26.26
i. FHLB capital stock										26.27
j. On deposit with states										26.28
k. On deposit with other regulatory bodies										26.29
l. Pledged as collateral to FHLB (including assets backing funding agreements)										26.31
m. Pledged as collateral not captured in other categories										26.30
n. Other restricted assets										26.32
o. Collateral Assets Received and on Balance Sheet								XXX	XXX	N/A
p. Assets held under Modco Reinsurance Agreements								XXX	XXX	N/A
q. Assets held under Funds Withheld Reinsurance Agreements								XXX	XXX	N/A
er. Total Restricted Assets (Sum of a through qg)	\$	\$	\$	\$	\$	XXX.....%	XXX.....%	XXX	XXX	XXX

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

Reporting entities shall explain the differences between amounts reported in Note 5L(1) and the general interrogatories. This shall include all instances in which an amount is reported in column 9 above.

GI Reference	Difference between Note and GI (Per Column 8 above)	Explanation
25.04+25.05		
26.21		
26.22		
26.23		
26.24		
26.25		
26.26		
26.27		
26.28		
26.29		
26.31		
26.30		
26.32		

- (2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Nonadmitted) Restricted to Total Asset)	6 Admitted Restricted to Total Admitted Assets
.....	\$	\$	\$	\$	 %	 %
.....						
.....						
Total (a)	\$	\$	\$	\$	 %	 %
Amount of Total pledged under derivative contracts	\$	\$	\$	\$	 %	 %
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)	\$	\$	\$	\$	XXX	XXX

- (a) Total Line for Columns 1 through 3 should equal 5L(1)m Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)m Column 5

Note: The amount of pledged under derivative contracts should agree to Schedule DB and agree to what is subtracted from the life RBC formula.

- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Nonadmitted) Restricted to Total Assets	6 Admitted Restricted to Total Admitted Assets
.....	\$	\$	\$	\$	 %	 %
.....						
.....						
Total (a)	\$	\$	\$	\$	-%XXX	-%XXX

- (a) Total Line for Columns 1 through 3 should equal 5L(1)n Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)n Column 5

(4) Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements
Reflected as Assets Within the Reporting Entity's Financial Statements

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>37</u>	<u>48</u>
Collateral-Assets	<u>BACV</u> <u>Collateral</u> ***	<u>BACV</u> <u>Modco</u> ****	<u>BACV</u> <u>FWH</u> *****	<u>Fair</u> <u>Value</u> <u>Collateral</u>	<u>Fair</u> <u>Value</u> <u>Modco</u>	<u>Fair</u> <u>Value</u> <u>FWH</u>	% of BACV to Total Assets (Admitted and Nonadmitted *	% of BACV to Total Admitted Assets **
a. Cash, Cash Equivalents and Short-Term Investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	 %	 %
b. Schedule D, Part 1, Section 1	_____	_____	_____	_____	_____	_____	 %	 %
c. Schedule D, Part 1, Section 2	_____	_____	_____	_____	_____	_____	 %	 %
d. Schedule D, Part 2, Section 1	_____	_____	_____	_____	_____	_____	 %	 %
e. Schedule D, Part 2, Section 2	_____	_____	_____	_____	_____	_____	 %	 %
f. Schedule B	_____	_____	_____	_____	_____	_____	 %	 %
g. Schedule A	_____	_____	_____	_____	_____	_____	 %	 %
h. Schedule BA, Part 1	_____	_____	_____	_____	_____	_____	 %	 %
i. Schedule DL, Part 1	_____	_____	_____	_____	_____	_____	 %	 %
j. Other	_____	_____	_____	_____	_____	_____	 %	 %
k. Total Collateral-Assets (a+b+c+d+e+f+g+h+i+j)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	 %	 %

* Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)

** Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.

	<u>1</u>	<u>2</u>
	Amount	% of Liability to Total Liabilities *
l. Recognized Obligation to Return Collateral Asset	\$	 %
m. Recognized Obligation for Modco assets	\$	 %
n. Recognized Obligation for FWH (excluding Modco) assets	\$	 %

* l + m + n = Column 1 divided by Liability Page, Line 24 (Column 3)

- (5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

	<u>Collateral Held</u>	<u>Modco</u>	<u>FWH</u>
a. <u>Securities Lending</u>			
b. <u>Repo / repurchase Agreements</u>			
c. <u>Placed under option contracts</u>			
d. <u>On deposit with states</u>			
e. <u>On deposit with other regulatory bodies</u>			
f. <u>Pledged as collateral to FHLB (including assets backing funding agreements)</u>			
g. <u>Pledged as collateral not captured in other categories</u>			
<u>Total</u>			

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**NOTES TO FINANCIAL STATEMENTS**

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

**5. Investments**Instruction:**L. Restricted Assets****(1) Restricted Assets (Including Pledged)**

Disclose the total gross (admitted and nonadmitted) book/adjusted carrying value amount of restricted assets by category, with separate identification of the admitted and nonadmitted restricted assets by category and nature of any assets pledged to others as collateral or otherwise restricted (e.g., not under the exclusive control, assets subject to a put option contract, etc.) by the reporting entity. Provide the gross amount of restricted assets (total general account, general account assets supporting separate account activity, total separate account, separate account assets supporting general account activity and sum of the general account and the separate account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) by the following categories:

- a. Subject to contractual obligation for which liability is not shown
- b. Collateral held under security lending agreements
- c. Subject to repurchase agreements
- d. Subject to reverse repurchase agreements
- e. Subject to dollar repurchase agreements
- f. Subject to dollar reverse repurchase agreements
- g. Placed under option contracts
- h. Letter stock or securities restricted as to sale – excluding FHLB capital stock
- i. FHLB capital stock
- j. On deposit with states
- k. On deposit with other regulatory bodies
- l. Pledged collateral to FHLB (including assets backing funding agreements)
- m. Pledged as collateral not captured in other categories

n. Other restricted assets

o. Collateral Assets Received and on Balance Sheet

Exclude: Collateral under security lending and repurchase agreements reported on balance sheet.

p. Assets held under Modco Reinsurance Agreements

q. Assets held under Funds Withheld Reinsurance Agreements

or. Total restricted assets

Items captured “pledged as collateral not captured in other categories” shall include, but not be limited to, assets pledged under derivative arrangements.

Detail Eliminated To Conserve Space

(4) Collateral Received and Assets Held under Modco/Funds Withheld Reinsurance Agreements
Reflected as Assets Within the Reporting Entity’s Financial Statements

Disclose the following for the general account and separate account regarding collateral received and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:

- Nature of ~~any assets received as collateral~~ reflected as ~~assets~~ within the reporting entity’s financial statements
- Book/adjusted carrying value (BACV) of the ~~collateral~~ assets
- Fair value of the ~~collateral~~ assets
- The recognized liability to return ~~these collateral assets~~ or obligation under the Modco/Funds Withheld Reinsurance Agreements
- The percentage the ~~collateral~~ asset BACV amount (gross and admitted) is of the reporting entity’s total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

Restricted assets in the separate account are not intended to capture amounts “restricted” only because they are insulated from the general account or because they are attributed to specific policyholders. Separate account assets shall be captured in this disclosure only if they are restricted outside of these characteristics.

- (5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(45) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

This illustration includes the presentation of all restricted assets reported on the financial statements for a total comparison to total assets. This includes the items captured in SSAP No. 1, paragraphs 23.b. and 23.c. (Items captured in paragraph 23.c. should have a corresponding liability recognized, therefore there is no capture within the general interrogatories or capture as a noncontrolled asset in the RBC formula.)

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Current Year						
	8	9	Percentage		12	13	14
			10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)			
	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)			Amount Reported in General Interrogatories	Difference from Note and GI	GI Ref
a. Subject to contractual obligation for which liability is not shown	\$	\$	 %	 %	\$	\$	
b. Collateral held under security lending agreements							25.04+25.05
c. Subject to repurchase agreements							26.21
d. Subject to reverse repurchase agreements							26.22
e. Subject to dollar repurchase agreements							26.23
f. Subject to dollar reverse repurchase agreements							26.24
g. Placed under option contracts							26.25
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							26.26
i. FHLB capital stock							26.27
j. On deposit with states							26.28
k. On deposit with other regulatory bodies							26.29
l. Pledged as collateral to FHLB (including assets backing funding agreements)							26.31
m. Pledged as collateral not captured in other categories							26.30
n. Other restricted assets							26.32
o. Collateral Assets Received and on Balance Sheet					XXX	XXX	N/A
p. Assets held under Modco Reinsurance Agreements					XXX	XXX	N/A
q. Assets held under Funds Withheld Reinsurance Agreements					XXX	XXX	N/A
r. Total Restricted Assets (Sum of a through q)	\$	\$	 %	 %	XXX	XXX	XXX

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

Reporting entities shall explain the differences between amounts reported in Note 5L(1) and the general interrogatories. This shall include all instances in which an amount is reported in column 13 above.

GI Reference	Difference between Note and GI (Per Column 12 above)	Explanation
25.04+25.05		
26.21		
26.22		
26.23		
26.24		
26.25		
26.26		
26.27		
26.28		
26.29		
26.31		
26.30		
26.32		

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
										
										
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
Amount of Total pledged under derivative contracts	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)	\$	\$	\$	\$	\$	\$	\$	\$	XXX	XXX

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively

Note: The amount of pledged under derivative contracts should agree to Schedule DB and agree to what is subtracted from the life RBC formula.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
.....	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
.....										
.....										
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	XXX %	XXX %

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)n Columns 9 through 11 respectively

(4) Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements
Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral-Assets	1	2	3	4	5	6	37	48
	BACV Collateral ***	BACV Modco ****	BACV FWH *****	Fair Value Collateral	Fair Value Modco	Fair Value FWH	% of BACV to Total Assets (Admitted and Nonadmitted *	% of BACV to Total Admitted Assets **
General Account:								
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
b. Schedule D, Part 1, Section 1							 %	 %
c. Schedule D, Part 1, Section 2							 %	 %
d. Schedule D, Part 2, Section 1							 %	 %
e. Schedule D, Part 2, Section 2							 %	 %
f. Schedule B							 %	 %
g. Schedule A							 %	 %
h. Schedule BA, Part 1							 %	 %
i. Schedule DL, Part 1							 %	 %
j. Other							 %	 %
k. Total Collateral Assets (a+b+c+d+e+f+g+h+i+j)	\$	\$	\$	\$	\$	\$	 %	 %
Separate Account:								
l. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
m. Schedule D, Part 1, Section 1							 %	 %
n. Schedule D, Part 1, Section 2							 %	 %
o. Schedule D, Part 2, Section 1							 %	 %
p. Schedule D, Part 2, Section 2							 %	 %
q. Schedule B							 %	 %
r. Schedule A							 %	 %
s. Schedule BA, Part 1							 %	 %
t. Schedule DL, Part 1							 %	 %
u. Other							 %	 %
v. Total Collateral Assets (l+m+n+o+p+q+r+s+t+u)	\$	\$	\$	\$	\$	\$	 %	 %

* k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 1)

** k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.
v (Collateral BACV) should equal Note 5L(1) Column 2, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.
v (Modco BACV) should equal Note 5L(1) Column 2, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.
v (FWH BACV) should equal Note 5L(1) Column 2, Line q.

	1 Amount	2 % of Liability to Total Liabilities *
w. Recognized Obligation to Return Collateral Asset (General Account)	\$	%
x. Recognized Obligation to Return Collateral Asset (Separate Account)	\$	%
y. Recognized Obligation for Modco assets (General Account)	\$	%

<u>z. Recognized Obligation for Modco assets (Separate Account)</u>	\$	 %
<u>aa. Recognized Obligation for FWH (excluding Modco) assets (General Account)</u>	\$	 %
<u>bb. Recognized Obligation for FWH (excluding Modco) assets (Separate Account)</u>	\$	 %

- * $w+y+aa$ = Column 1 divided by Liability Page, Line 26 (Column 1)
 $x+z+bb$ = Column 1 divided by Liability Page, Line 27 (Column 1)

(5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

	<u>Collateral Held</u>	<u>Modco</u>	<u>FWH</u>
<u>a. Securities Lending</u>			
<u>b. Repo / repurchase Agreements</u>			
<u>c. Placed under option contracts</u>			
<u>d. On deposit with states</u>			
<u>e. On deposit with other regulatory bodies</u>			
<u>f. Pledged as collateral to FHLB (including assets backing funding agreements)</u>			
<u>g. Pledged as collateral not captured in other categories</u>			
<u>Total</u>			

ANNUAL STATEMENT INSTRUCTIONS – PROPERTY**NOTES TO FINANCIAL STATEMENTS**

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

**Detail Eliminated To Conserve Space****5. Investments**Instruction:**L. Restricted Assets****(1) Restricted Assets (Including Pledged)**

Disclose the total gross (admitted and nonadmitted) book/adjusted carrying value amount of restricted assets by category, with separate identification of the admitted and nonadmitted restricted assets by category and nature of any assets pledged to others as collateral or otherwise restricted (e.g., not under the exclusive control, assets subject to a put option contract, etc.) by the reporting entity. Provide the gross amount of restricted assets (total general account, general account assets supporting protected cell account activity, total protected cell account, protected cell account assets supporting general account activity and sum of the general account and the protected cell account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) by the following categories:

- a. Subject to contractual obligation for which liability is not shown
- b. Collateral held under security lending agreements
- c. Subject to repurchase agreements
- d. Subject to reverse repurchase agreements
- e. Subject to dollar repurchase agreements
- f. Subject to dollar reverse repurchase agreements
- g. Placed under option contracts
- h. Letter stock or securities restricted as to sale – excluding FHLB capital stock
- i. FHLB capital stock
- j. On deposit with states
- k. On deposit with other regulatory bodies
- l. Pledged collateral to FHLB (including assets backing funding agreements)
- m. Pledged as collateral not captured in other categories

n. Other restricted assets

o. Collateral Assets Received and on Balance Sheet

Exclude: Collateral under security lending and repurchase agreements reported on balance sheet.

p. Assets held under Modco Reinsurance Agreements

q. Assets held under Funds Withheld Reinsurance Agreements

or. Total restricted assets

Items captured “pledged as collateral not captured in other categories” shall include, but not be limited to, assets pledged under derivative arrangements.

Detail Eliminated To Conserve Space

(4) Collateral Received and Assets Held under Modco/Funds Withheld Reinsurance Agreements
Reflected as Assets Within the Reporting Entity’s Financial Statements

Disclose the following for the general account and protected cell regarding collateral received and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:

- Nature of ~~any assets received as collateral~~ reflected as ~~assets~~ within the reporting entity’s financial statements
- Book/adjusted carrying value (BACV) of the ~~collateral~~ assets
- Fair value of the ~~collateral~~ assets
- The recognized liability to return ~~these collateral assets~~ or obligation under the Modco/Funds Withheld Reinsurance Agreements
- The percentage the ~~collateral~~ asset BACV amount (gross and admitted) is of the reporting entity’s total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

Restricted assets in the protected cell are not intended to capture amounts “restricted” only because they are insulated from the general account or because they are attributed to specific policyholders. Protected cell assets shall be captured in this disclosure only if they are restricted outside of these characteristics.

(5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(45) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

This illustration includes the presentation of all restricted assets reported on the financial statements for a total comparison to total assets. This includes the items captured in SSAP No. 1, paragraphs 23.b. and 23.c. (Items captured in paragraph 23.c. should have a corresponding liability recognized, therefore there is no capture within the general interrogatories or capture as a noncontrolled asset in the RBC formula.)

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Current Year					
	8	9	Percentage		12	13
	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)	Amount Reported in General Interrogatories	Difference from Note and GI
a. Subject to contractual obligation for which liability is not shown	\$	\$	%	%	\$	\$
b. Collateral held under security lending agreements						
c. Subject to repurchase agreements						
d. Subject to reverse repurchase agreements						
e. Subject to dollar repurchase agreements						
f. Subject to dollar reverse repurchase agreements						
g. Placed under option contracts						
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock						
i. FHLB capital stock						
j. On deposit with states						
k. On deposit with other regulatory bodies						
l. Pledged as collateral to FHLB (including assets backing funding agreements)						
m. Pledged as collateral not captured in other categories						
n. Other restricted assets						
o. Collateral Assets Received and on Balance Sheet					XXX	XXX
p. Assets held under Modco Reinsurance Agreements					XXX	XXX
q. Assets held under Funds Withheld Reinsurance Agreements					XXX	XXX
er. Total Restricted Assets (Sum of a through q)	\$	\$	%	%	XXX	XXX

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

Reporting entities shall explain the differences between amounts reported in Note 5L(1) and the general interrogatories. This shall include all instances in which an amount is reported in column 13 above.

GI Reference	Difference between Note and GI (Per Column 12 above)	Explanation
25.04+25.05		
26.21		
26.22		
26.23		
26.24		
26.25		
26.26		
26.27		
26.28		
26.29		
26.31		
26.30		
26.32		

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8 Total Current Year Admitted Restricted	Percentage	
	Current Year					6	7		9 Gross (Admitted & Nonadmitted) Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)					
.....	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
.....										
.....										
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
Amount of Total pledged under derivative contracts	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)	\$	\$	\$	\$	\$	\$	\$	\$	XXX	XXX

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively

Note: The amount of pledged under derivative contracts should agree to Schedule DB and agree to what is subtracted from the life RBC formula.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8 Total Current Year Admitted Restricted	Percentage	
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)		9 Gross (Admitted & Nonadmitted) Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)					
.....	\$	\$	\$	\$	\$	\$	\$	\$	 %	 %
.....										
.....										
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	XXX %	XXX %

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)n Columns 9 through 11 respectively

(4) Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements
Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral-Assets	<u>1</u> BACV Collateral ***	<u>2</u> BACV Modco ****	<u>3</u> BACV FWH *****	<u>4</u> Fair Value Collateral	<u>5</u> Fair Value Modco	<u>6</u> Fair Value FWH	<u>37</u> % of BACV to Total Assets (Admitted and Nonadmitted *	<u>48</u> % of BACV to Total Admitted Assets **
General Account:								
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
b. Schedule D, Part 1, Section 1							 %	 %
c. Schedule D, Part 1, Section 2							 %	 %
d. Schedule D, Part 2, Section 1							 %	 %
e. Schedule D, Part 2, Section 2							 %	 %
f. Schedule B							 %	 %
g. Schedule A							 %	 %
h. Schedule BA, Part 1							 %	 %
i. Schedule DL, Part 1							 %	 %
j. Other							%	%
k. Total Collateral Assets (a+b+c+d+e+f+g+h+i+j)	\$	\$	\$	\$	\$	\$	%	%
Protected Cell:								
l. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
m. Schedule D, Part 1, Section 1							 %	 %
n. Schedule D, Part 1, Section 2							 %	 %
o. Schedule D, Part 2, Section 1							 %	 %
p. Schedule D, Part 2, Section 2							 %	 %
q. Schedule B							 %	 %
r. Schedule A							 %	 %
s. Schedule BA, Part 1							 %	 %
t. Schedule DL, Part 1							 %	 %
u. Other							%	%
v. Total Collateral Assets (l+m+n+o+p+q+r+s+t+u)	\$	\$	\$	\$	\$	\$	%	%

* k = Column 1 divided by Asset Page, Line 26 (Column 1)
v = Column 1 divided by Asset Page, Line 27 (Column 1)

** k = Column 1 divided by Asset Page, Line 26 (Column 3)
v = Column 1 divided by Asset Page, Line 27 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.
v (Collateral BACV) should equal Note 5L(1) Column 2, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.
v (Modco BACV) should equal Note 5L(1) Column 2, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.
v (FWH BACV) should equal Note 5L(1) Column 2, Line q.

	1	2
	Amount	% of Liability to Total Liabilities *
w. Recognized Obligation to Return Collateral Asset (General Account)	\$	%
x. Recognized Obligation to Return Collateral Asset (Protected Cell)	\$	%
y. <u>Recognized Obligation for Modco assets (General Account)</u>	<u>\$</u>	<u>%</u>
z. <u>Recognized Obligation for Modco assets (Protected Cell)</u>	<u>\$</u>	<u>%</u>
aa. <u>Recognized Obligation for FWH (excluding Modco) assets (General Account)</u>	<u>\$</u>	<u>%</u>
bb. <u>Recognized Obligation for FWH (excluding Modco) assets (Protected Cell)</u>	<u>\$</u>	<u>%</u>

* w+y+aa = Column 1 divided by Liability Page, Line 26 (Column 1)

x+z+bb = Column 1 divided by Liability Page, Line 27 (Column 1)

(5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

	<u>Collateral Held</u>	<u>Modco</u>	<u>FWH</u>
a. <u>Securities Lending</u>			
b. <u>Repo / repurchase Agreements</u>			
c. <u>Placed under option contracts</u>			
d. <u>On deposit with states</u>			
e. <u>On deposit with other regulatory bodies</u>			
f. <u>Pledged as collateral to FHLB (including assets backing funding agreements)</u>			
g. <u>Pledged as collateral not captured in other categories</u>			
<u>Total</u>			

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/12/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	<u>Kris DeFrain</u>	Agenda Item # <u>2025-07BWG</u>	
TELEPHONE:	<u>816-783-8229</u>	Year <u>2025</u>	
EMAIL ADDRESS:	<u>kdefrain@naic.org</u>	Changes to Existing Reporting ☒ [X]	
ON BEHALF OF:	<u>Casualty Actuarial and Statistical (C) Task Force</u>	New Reporting Requirement ☐ []	
NAME:	<u>Christian Citarella</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair of CASTF</u>	No Impact ☒ [X]	
AFFILIATION:	<u>New Hampshire Insurance Department</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u></u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u></u>	***If Yes, complete question below***	
	<u></u>	DISPOSITION	
	<u></u>	☐ [] Rejected For Public Comment	
	<u></u>	☐ [] Referred To Another NAIC Group	
	<u></u>	☒ [X] Received For Public Comment	
	<u></u>	☐ [] Adopted Date <u></u>	
	<u></u>	☐ [] Rejected Date <u></u>	
	<u></u>	☐ [] Deferred Date <u></u>	
	<u></u>	☐ [] Other (Specify) <u></u>	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|--|--|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☐ [] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☐ [] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other <u></u> |
| ☐ [] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Schedule P with editorial revisions exposed at the Casualty Actuarial and Statistical (C) Task Force.

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

See Next page

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

NAIC STAFF COMMENTS

Comment on Effective Reporting Date:

Other Comments:

** This section must be completed on all forms.

Revised 11/17/2022

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

Proposed Schedule P Instruction Changes

- As was done in Part 7, add numbering to paragraphs to aid communication when referring to the instructions.
- Continue to use the word “prior” to describe the row of 10+ accident years; change to use the word “previous” when referring to “one or more years ago.” Use the terminology of “prior row” and only use “line” when referring to line of business.
- Eliminate any instructions that apply to business prior to 2000.
- Use the abbreviation of the loss adjustment expenses (DCC and A&O) instead of spelling out each time.
- While we tend to refer to the tables as “accident year” triangles, the tables are labeled as “incurred year” because the trigger for coverage is not always the accident year. Therefore, “accident year” is changed to “incurred year” throughout the document to avoid the confusion.
- A couple of paragraphs were moved in the first page of instructions for better flow.
- Moved pooling paragraphs to the overall instruction page (and not in Part 1 only). Same with line of business information.
- Eliminate references to Exhibit B, which was deleted when all lines of business began to report 10 years of data (vs. 2 years of data for some lines).
- Created more “The Prior Row” sections.

ANNUAL STATEMENT INSTRUCTIONS –PROPERTY**SCHEDULE P**

1. There are seven parts and the interrogatories within Schedule P. Part 1 provides detailed information on losses and loss expenses. Part 2 provides a history of incurred losses and defense & cost containment (DCC) expenses. Part 3 provides a history of loss and ~~defense & cost DCC containment~~ payments. Part 4 provides a history of bulk and incurred but not reported (IBNR) reserves. Part 5 provides a history of claims. Part 6 provides a history of premiums earned. Part 7 provides a history of loss sensitive contracts. Schedule P Interrogatories provides for additional calculation and explanation of various amounts.
2. Earned premium is on a calendar-year basis. Losses incurred should be assigned to the year in which the event occurred that triggered coverage under the contract. This may be a date of accident (occurrence policies), a date of report (claims-made policies), a policy issue date (tail policies), or a date of discovery (fidelity and surety). Hereafter, this is called the “incurred year.”
3. ~~Schedule P is intended to display~~ ten years of historical data for all lines of business.
4. Report all dollar amounts in Schedule P in thousands of dollars (\$000 omitted), by either rounding or truncating.
5. Except for medical professional liability, other liability and products liability which separately display data for occurrence and claims-made coverages and the reinsurance lines, the lines of business are groupings of the lines of business used on the state page. In some cases, the heading of the line of business has been expanded for clarity. Business reported on the Aggregate write-ins for other lines of business line of the Statement of Income and the State Page should be included in the Other Liability sections of Schedule P.

~~Data for Annual Statement Line 30 – Warranty should be reported prospectively (i.e., prior year amounts need not be restated) starting with the 2008 reporting year.~~

6. Data for Annual Statement Line 17.3 – Excess Workers’ Compensation should be reported as Other Liability – Occurrence as appropriate for the contractual terms of the policy.

~~In those instances where a reporting entity files an amended annual statement as a result of a restatement of prior year earned premium, losses or loss adjustment expenses, Schedule P must be restated and included in the amended annual statement.~~

7. Schedule P includes only the data for the reporting entity identified on the Jurat page of the Annual Statement. Do not include consolidated data for affiliated companies except in a Combined Annual Statement. If the reporting entity participates in a pooling agreement, show only its share of the business, not the total for all participants.

~~When changes to pooling agreements impact prior accident years, historical data values in Schedule P Parts, 1 through 6 should be restated based on the new pooling percentage. This should be done to present meaningful development patterns in Schedule P. When pooling changes only impact future accident years, no restatement of historical values should be made.~~

~~Earned premium is on a calendar-year basis. Losses incurred should be assigned to the year in which the event occurred that triggered coverage under the contract. This may be a date of accident (occurrence policies), a date of report (claims-made policies), a policy issue date (tail policies), or a date of discovery (fidelity and surety).~~

8. Retroactive reinsurance should not be reflected in Schedule P. The transferor in such an agreement must record, without recognition of the retroactive reinsurance, its loss and loss adjustment expense reserves on a gross basis on its balance sheet and in all schedules and exhibits. The transferee in such an agreement must exclude the retroactive reinsurance from its loss and loss expense reserves and from its schedules and exhibits.

9. A discount implicit in tabular reserves may be included in Schedule P, Part 1. Schedule P, Part 2 is to be reported gross of ALL discounts. Otherwise, Schedule P is to be presented on a non-discounted basis. Information in Schedule P is to be reported on an undiscounted basis in order to make effective use of the triangles in Parts 2, 3 and 4. The reserves reported are expected to represent the ultimate amounts to be paid, including anticipated inflation. If discounting of loss or loss expense reserves is reflected on any line of Page 3 of this Annual Statement, reconciliation is provided in Schedule P, Part 1. Also, workpapers relating to any discount amounts must be available for examination upon request. The tabular reserve discount does not need to be shown separately. Discounting is governed by *SSAP No. 65—Property and Casualty Contracts*.
10. The reserves for unpaid losses and loss adjustment expenses should take into account the explicit or implicit impacts of the various factors affecting claim frequency or ultimate claim cost.

For guidelines on completing Schedule P, see Exhibit B immediately following the instructions for Schedule P, Part 7.

The Prior Row:

11. The “prior” row contains data for all incurred years prior to the most recent 10 years. The calculation of the prior row differs by Part and Section.
12. For salvage and subrogation received on the “prior” row, report losses and expenses paid in the current year.

In those instances where a reporting entity files an amended annual statement as a result of a restatement of previous year earned premium, losses or loss adjustment expenses, Schedule P must be restated and included in the amended annual statement.

~~NOTE: Report all dollar amounts in Schedule P in thousands of dollars (\$000 omitted), by either rounding or truncating.~~

Pooling

13. Many insurers have a pooling arrangement with affiliated companies, approved by the domiciliary commissioner, in which the business written is reallocated among the affiliated companies according to a specified percentage. Some affiliated companies may be part of the pool and some may not, and some lines may be included, and some may not. The premiums and losses are to be reported in Schedule P after such pooling arrangements, not before.
14. Pooled business ceded is that which, if retained instead of ceded, would be pooled among the affiliated companies who are party to the pooling agreement. Any such business that is ceded by the pool participants to non-pooled companies before the pooling distribution among the participating companies is considered pooled business ceded. Non-pooled business includes all direct, assumed, and ceded business not subject to pooling, as well as any pooled business that is ceded after the pooling distribution has been made.
15. Direct and Assumed columns include the participation in any pool. In addition, all direct business not pooled plus assumed business from other than the pool is to be included. Ceded columns include the company’s participation in the pool such as any ceding by the company to companies independent of the pool.
16. Claim counts should be reported in accordance with the pooling arrangement and should reflect the company’s proportionate share of the total number of claims. If the company’s losses are 40% of the pool, then 40% of the claim count should be reported.
17. The pooling percentage is to reflect the company’s participation in the pool as of year-end. When changes to pooling agreements impact previous accident years, historical data values in Schedule P Parts, 1 through 6 should be restated based on the new pooling percentage. This should be done to present meaningful development patterns in Schedule P. When pooling changes only impact future accident years, no restatement of historical values should be made. Any significant changes in the pooling arrangements should be reported in the Schedule P Interrogatories. An illustration for reporting pooled business, Exhibit A, follows.

EXHIBIT A**POOLED BUSINESS – SCHEDULE P REPORTING EXAMPLE**

This example has been prepared as a clarification of the NAIC *Annual Statement Instructions* to demonstrate how business subject to pooling among affiliated companies should be incorporated in the “Direct + Assumed” and the “Ceded” columns of Schedule P for each affiliated company.

Company A – The Flagship company, does the pooling and cedes some business before pooling.

Company B – Cedes some pool business before ceding to Company A for pooling.

Company C – Cedes business after pooling.

Company D – Cedes nothing except to the pool.

Sample Situation

	Company A	Company B	Company C	Company D	Total
Pool Business:					
1. Direct & Assumed (a)	90,000	15,000	10,000	5,000	120,000
2. Pool Assembly Assumed (Ceded)	25,000	(10,000)	(10,000)	(5,000)	-
3. (Ceded) Before Pooling Dist. (a)	(15,000)(c)	(5,000)(b)	-	-	(20,000)
4. Net Before Pooling Dist.	100,000	-	-	-	100,000
5. Pooling Dist. Assumed (Ceded)	(25,000)	15,000	7,000	3,000	-
6. Net Retained – Amount	75,000	15,000	7,000	3,000	100,000
– Percent Specified	75%	15%	7%	3%	100%
Non-Pool Business:					
7. Direct & Assumed (e)	5,000	4,000	-	-	9,000
8. (Ceded)	(2,000)(e)	(1,000)(e)	(5,000)(d)	-	(8,000)
9. Net	3,000	3,000	(5,000)	-	1,000
Total Business:					
10. Direct & Assumed Before Pooling	95,000	19,000	10,000	5,000	129,000
11. Pool Assembly Assumed (Ceded)	25,000	(10,000)	(10,000)	(5,000)	-
12. (Ceded) Other Than Pooling	(17,000)	(6,000)	(5,000)	-	(28,000)
13. Pooling Dist. Assumed (Ceded)	(25,000)	15,000	7,000	3,000	-
14. Net	78,000	18,000	2,000	3,000	101,000

(a) - Business which, if retained, would be pooled

(b) - Ceded before pool assembly (Line 2)

(c) - Ceded before pooling distribution (Line 5), before and/or after pool assembly (Line 2)

(d) - Ceded after pooling distribution (Line 5)

(e) - Business which, if retained, would not be pooled

Schedule P Reporting

Reporting Principle for Pool Business – Each company reports its share/percent of the total pooled “Direct + Assumed” and the total pooled “Ceded” business respectively.

<u>Direct + Assumed</u>					
15. Pool % of Line 1, Total Col.	<u>90,000</u>	<u>18,000</u>	<u>8,400</u>	<u>3,600</u>	<u>120,000</u>
16. Non-Pooled (Line 7)	<u>5,000</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>9,000</u>
17. Total	<u>95,000</u>	<u>22,000</u>	<u>8,400</u>	<u>3,600</u>	<u>129,000</u>
<u>(Ceded)</u>					
18. Pool % of Line 3, Total Col.	<u>(15,000)</u>	<u>(3,000)</u>	<u>(1,400)</u>	<u>(600)</u>	<u>(20,000)</u>
19. Non-Pooled (Line 8)	<u>(2,000)</u>	<u>(1,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>(8,000)</u>
20. Total	<u>(17,000)</u>	<u>(4,000)</u>	<u>(6,400)</u>	<u>(600)</u>	<u>(28,000)</u>
21. Total Net	<u>78,000</u>	<u>18,000</u>	<u>2,000</u>	<u>3,000</u>	<u>101,000</u>

SCHEDULE P – PART 1

1. Premiums earned and losses paid, unpaid, and incurred should reconcile with the Statement of Income page. Part 1 – Summary is the total of the Schedule P lines. Non-proportional assumed reinsurance – Property, Liability and Financial Lines can be summed together as reported.

2. The columnar headings provide instructions necessary for completion.

- a. “Assumed” means reinsurance assumed, including from affiliated pooling agreements, but excluding any non proportional reinsurance assumed reported as a separate line and reported accordingly.
- b. “Direct” means as directly written, but not if part of an affiliated pooling agreement.
- c. “Ceded” means reinsurance ceded on business so reported as direct or assumed.

~~Except for medical professional liability, other liability and products liability which separately display data for occurrence and claims made coverages and the reinsurance lines, the lines of business are groupings of the lines of business used on the state page. In some cases, the heading of the line of business has been expanded for clarity. Business reported on the Aggregate write ins for other lines of business line of the Statement of Income and the State Page should be included in the Other Liability sections of Schedule P.~~

3. Number of Claims Reported, Column 12, applies to Auto Liability (commercial and private passenger), Workers’ Compensation, Medical Professional Liability, Homeowners/Farmowners Multiple Peril, Commercial Multiple Peril, Other Liability, Products Liability Auto Physical Damage and Warranty only. This column may be left blank in all other lines, including the Summary. For each year, this Column should include the cumulative number of claims reported through the annual statement date for pooled and non-pooled business. Number of Claims Outstanding, Column 25, must be reported for all lines, except Non-proportional assumed reinsurance – Property, Liability and Financial Lines. For reporting entities reporting on a pooling basis, the pooling percentage should be applied to claim count as well as dollar amounts. Indicate in the Interrogatories whether per claim or per claimant.

4. Cumulative salvage and subrogation received and losses and expenses paid should be reported for each specific specified incurred year. ~~For “prior,” report only salvage and subrogation received and losses and expenses paid in current year.~~

5. In Schedule P, Part 1, salvage and subrogation received should be reported net of reinsurance, if any. Loss payments are to be reported net of salvage and subrogation received in Schedule P.

~~Adjusting & Other Payments, Column 9, should only reflect ceded recoveries made in 1997 and subsequent. Adjusting & Other Payments, Column 8, should reflect net payments in 1996 and prior and direct and assumed payments for 1997 and subsequent.~~

6. ~~Premiums earned and losses paid, unpaid, and incurred should reconcile with the Statement of Income page.~~ The workpapers that show a reconciliation explaining reinsurance, discounting, and salvage and subrogation adjustments should be available for examination on request.

~~“Assumed” means reinsurance assumed, including from affiliated pooling agreements, but excluding any non proportional reinsurance assumed reported as a separate line and reported accordingly.~~

~~“Direct” means as directly written, but not if part of an affiliated pooling agreement.~~

~~“Ceded” means reinsurance ceded on business so reported as direct or assumed.~~

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

7. Report cumulative amounts paid or received for specific years.

8. The loss adjustment expenses from the Underwriting and Investment Exhibit, Part 3, are separated into one of two categories: DCC or A&O. ~~used to be divided in Schedule P into "allocated" and "unallocated," which were terms that were never clearly defined. Effective January 1, 1998, a detailed definition of these expenses was adopted. The distinction is now between "Defense & Cost Containment" and "Adjusting & Other."~~ The loss adjustment expenses are separated with the intent of identifying the "Defense & Cost Containment" DCC expenses as are those that are correlated with the loss amounts, and the "Adjusting & Other" A&O ~~as areas~~ those expenses that are correlated with claim counts or are general loss adjusting adjustment expenses. In projecting the necessary reserves for these expenses, actuaries use a different approach for each of the two types of expenses. It is the character of the expenses that is most important, not whether the expenses were internal or external to the reporting entity.

9. ~~"Defense & Cost Containment"~~ DCC expenses include defense, litigation and cost containment expenses, whether internal or external. "Defense" means defense by the reporting entity in a contentious situation, whether a first party or a third-party claim. The fees charged for reporting entity employees should include overhead, just as an outside firm's charges would include. The expenses exclude expenses incurred in the determination of coverage. These expenses include the following items:

- 1. a. Surveillance expenses;
- 2. b. Fixed amounts for cost containment expenses;
- 3. c. Litigation management expenses;
- 4. d. Loss adjustment expenses for participation in voluntary and involuntary market pools if reported by accident year;
- 5. e. Fees or salaries for appraisers, private investigators, hearing representatives, reinspectors and fraud investigators, if working in defense of a claim, and fees or salaries for rehabilitation nurses, if such cost is not included in losses;
- 6. f. Attorney fees incurred owing to a duty to defend, even when other coverage does not exist; and
- 7. g. The cost of engaging experts.

10. ~~"Adjusting & Other"~~ A&O expenses are the remaining loss adjustment expenses. ~~those expenses other than those above and which have been assigned to the "Loss Adjustment Expense" group in the Underwriting and Investment Exhibit, Part 3, Expenses.~~ These expenses include the following items:

- 1a. Fees of adjusters and settling agents (but not if engaged in a contentious defense);
- 2b. Loss adjustment expenses for participation in voluntary and involuntary market pools if reported by calendar year;
- 3c. Attorney fees incurred in the determination of coverage, including litigation between the reporting entity and the policyholder; and
- 4d. Fees or salaries for appraisers, private investigators, hearing representatives, reinspectors and fraud investigators, if working in the capacity of an adjuster.

11. The foregoing list is not intended to be all-inclusive. We are relying on the reporting entities to use reasonable judgment in particular situations.

12. Reporting entities should assign the ~~"Defense & Cost Containment"~~ DCC expenses to the accident incurred year in which the associated losses were assigned. Reporting entities may assign the ~~"Adjusting & Other"~~ A&O expenses in any justifiable way among the accident incurred years. The preferred way is to apportion these expenses in proportion to the number of claims reported, closed, or outstanding each year.

13. **Please Note:** This instruction is intended solely to give guidance on reporting loss adjustment expenses in Schedule P in the annual statement. It is not intended to provide guidance on the types of expenses to include in loss adjustment expenses. These definitions of ~~Defense & Cost Containment~~ DCC expense and ~~Adjusting & Other~~ A&O expense are not intended to affect insurance or reinsurance agreements or other contractual agreements.

14. Column 24 is equal to Column 13 – Column 14 + Column 15 – Column 16 + Column 17 – Column 18 + Column 19 – Column 20 + Column 21 – Column 22.
15. Column 28, “Net,” equals Column 26 – Column 27, which equals Column 11 + Column 24.
16. Columns 32 and 33 require reporting of the discount, if any, as included on any line in Page 3 on liabilities for unpaid losses and expenses, in regard to non-tabular losses and expenses. (See definition of tabular reserves under Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses in the instructions for the Notes to the Financial Statements.) Columns 35 and 36 are the Column 24 unpaid losses and expenses net of the discount in Columns 32 and 33. Columns 35 and 36 must be completed and should agree with net balance sheet reserves after discount. If the reporting entity reports on a pooling basis, then the percentage of that pool reported herein should be entered in Column 34. If some of the business is pooled and some is not, leave Column 34 blank and explain in Interrogatory 7.2 of the Schedule P Interrogatories.
17. Report in Column 23 the estimated amount of anticipated salvage and subrogation that has been taken as credit (netted) in the reserves for unpaid losses and loss adjustment expenses reported in Column 24. (Note: Column 23 is a memo column only as the amounts contained therein have already been taken into consideration in Columns 13 through 20.)
18. The definitions of the named lines are the same as used in the Statement of Income page or on the State Page, except that the reinsurance lines are defined:

a. Non-proportional assumed reinsurance –Property Reinsurance

Includes all the following lines: Fire, Allied Lines, Ocean Marine, Inland Marine, Pet Insurance Plans, Earthquake, Group Accident and Health, Credit Accident and Health, Other Accident and Health, Auto Physical Damage, Boiler and Machinery, Burglary and Theft and International (of the foregoing).

b. Non-proportional assumed reinsurance – Liability

Includes all the following lines: Farmowners Multiperil, Homeowners Multiperil, Commercial Multiperil, Medical Professional Liability, Workers’ Compensation, Other Liability, Products Liability, Auto Liability, Aircraft (all peril) and International (of the foregoing).

c. Non-proportional assumed reinsurance – Financial

Includes all the following lines: Financial Guaranty, Fidelity, Surety, Credit, and International (of the foregoing).

19. All proportional reinsurance must be allocated to appropriate lines.
20. As used in this instruction “non-proportional reinsurance” means reinsurance in excess of retention by the ceding company, and “proportional reinsurance” means fixed percentage of all losses.
21. For contracts that afford both proportional and non-proportional reinsurance, allocate premiums and losses to their component parts.

The Prior Row

22. Row 1 “Prior” row, Columns 4 through 11, should only reflect amounts paid or received in the current calendar year.

Pooling

~~Many insurers have a pooling arrangement with affiliated companies, approved by the domiciliary commissioner, in which the business written is reallocated among the affiliated companies according to a specified percentage. Some affiliated companies may be part of the pool and some may not, and some lines may be included, and some may not. The premiums and losses are to be reported in Schedule P after such pooling arrangements, not before.~~

~~Pooled business ceded is that which, if retained instead of ceded, would be pooled among the affiliated companies who are party to the pooling agreement. Any such business that is ceded by the pool participants to non-pooled companies prior to the pooling distribution among the participating companies is considered pooled business ceded. Non-pooled business includes all direct, assumed, and ceded business not subject to pooling, as well as any pooled business that is ceded after the pooling distribution has been made.~~

~~Direct and Assumed columns include the participation in any pool. In addition, all direct business not pooled plus assumed business from other than the pool is to be included. Ceded columns include the company's participation in the pool such as any ceding by the company to companies independent of the pool.~~

~~Claim counts should be reported in accordance with the pooling arrangement and should reflect the company's proportionate share of the total number of claims. If the company's losses are 40% of the pool, then 40% of the claim count should be reported.~~

~~The pooling percentage is to reflect the company's participation in the pool as of year end. When changes to pooling agreements impact prior accident years, historical data values in Schedule P Parts, 1 through 6 should be restated based on the new pooling percentage. This should be done to present meaningful development patterns in Schedule P. When pooling changes only impact future accident years, no restatement of historical values should be made. Any significant changes in the pooling arrangements should be reported in the Schedule P Interrogatories. An illustration for reporting pooled business, Exhibit A, follows.~~

EXHIBIT APOOLED BUSINESS — SCHEDULE P REPORTING EXAMPLE

This example has been prepared as a clarification of the NAIC *Annual Statement Instructions* to demonstrate how business subject to pooling among affiliated companies should be incorporated in the “Direct + Assumed” and the “Ceded” columns of Schedule P for each affiliated company.

Company A — The Flagship company, does the pooling and cedes some business before pooling.
 Company B — Cedes some pool business before ceding to Company A for pooling.
 Company C — Cedes business after pooling.
 Company D — Cedes nothing except to the pool.

Sample Situation

	<u>Company A</u>	<u>Company B</u>	<u>Company C</u>	<u>Company D</u>	<u>Total</u>
<u>Pool Business:</u>					
1. Direct & Assumed (a)	90,000	15,000	10,000	5,000	120,000
2. Pool Assembly Assumed (Ceded)	25,000	(10,000)	(10,000)	(5,000)	
3. (Ceded) Before Pooling Dist. (a)	(15,000)(c)	(5,000)(b)			(20,000)
4. Net Before Pooling Dist.	100,000	-	-		100,000
5. Pooling Dist. Assumed (Ceded)	(25,000)	15,000	7,000	3,000	
6. Net Retained Amount	75,000	15,000	7,000	3,000	100,000
Percent Specified	75%	15%	7%	3%	100%
<u>Non-Pool Business:</u>					
7. Direct & Assumed (e)	5,000	4,000			9,000
8. (Ceded)	(2,000)(e)	(1,000)(e)	(5,000)(d)		(8,000)
9. Net	3,000	3,000	(5,000)		1,000
<u>Total Business:</u>					
10. Direct & Assumed Before Pooling	95,000	19,000	10,000	5,000	129,000
11. Pool Assembly Assumed (Ceded)	25,000	(10,000)	(10,000)	(5,000)	
12. (Ceded) Other Than Pooling	(17,000)	(6,000)	(5,000)		(28,000)
13. Pooling Dist. Assumed (Ceded)	(25,000)	15,000	7,000	3,000	
14. Net	78,000	18,000	2,000	3,000	101,000

(a)	Business which, if retained, would be pooled
(b)	Ceded before pool assembly (Line 2)
(c)	Ceded before pooling distribution (Line 5), before and/or after pool assembly (Line 2)
(d)	Ceded after pooling distribution (Line 5)
(e)	Business which, if retained, would not be pooled

Schedule P Reporting

Reporting Principle for Pool Business — Each company reports its share/percent of the total pooled “Direct + Assumed” and the total pooled “Ceded” business respectively.

<u>Direct + Assumed</u>					
15. Pool % of Line 1, Total Col.	90,000	18,000	8,400	3,600	120,000
16. Non Pooled (Line 7)	<u>-5,000</u>	<u>-4,000</u>			<u>-9,000</u>
17. Total	95,000	22,000	-8,400	3,600	129,000
<u>(Ceded)</u>					
18. Pool % of Line 3, Total Col.	(15,000)	(3,000)	(1,400)	(600)	(20,000)
19. Non Pooled (Line 8)	<u>(2,000)</u>	<u>(1,000)</u>	<u>(5,000)</u>		<u>(8,000)</u>
20. Total	<u>(17,000)</u>	<u>(4,000)</u>	<u>(6,400)</u>	<u>(600)</u>	<u>(28,000)</u>
21. Total Net	78,000	18,000	2,000	3,000	101,000

SCHEDULE P – PARTS 1A THROUGH 1U

1. Reporting entities should complete Schedule P in thousands only but must report all claim counts in whole numbers.

~~NOTE: For “prior,” report amounts paid or received in current year only. Report cumulative amounts paid or received for specific years. Report loss payments net of salvage and subrogation received.~~

2. The number of claims reported is to be cumulative by ~~accident~~ incurred year. The number of claims reported in each ~~accident~~ incurred year is equal to the number of open claims at the end of the current year plus cumulative claims closed with or without payment for current and ~~prior~~ previous calendar years.

3. If the Company changes its method of counting claims, the new method should be disclosed in Schedule P Interrogatories, Interrogatory 6.

4. Products Liability must be reported separately from Other Liability throughout the statement. This requires that companies separate and restate amounts previously reported as “Other Liability” into the appropriate parts of Schedule P and fully disclose amounts pertaining to “Products Liability.” ~~For a definition of what is to be included in each of these lines, refer to the Appendix of these instructions.~~

~~For Medical Professional Liability, Other Liability and Products Liability lines, data for occurrence coverages must be reported separately from data for claims-made coverages for accident years 1987 and subsequent. If available, data for occurrence coverages should also be reported separately from data for claims-made coverages for accident years 1986 and prior. If the separate data is not available for accident years 1986 and prior, combined data must be reported in the occurrence parts of Schedule P for those accident years only.~~

5. “Claims-made Earned Premiums” shall include earned premiums arising from any policy where the predominant exposure is claims-made, but “Claims-made Earned Premiums” shall not include “Tail Earned Premiums.”

6. “Occurrence Earned Premiums” are all premiums, which are not claims-made.

7. “Tail Earned Premiums” applicable to a claims-made insurance program are to be included in the occurrence Part for the respective line.

8. The following rules apply to accounting for claims-made losses:

a. The “incurred” date shall be the report date for losses attributable to claims-made (but not “tail” forms).

b. Losses shall be booked to the report year that is consistent with the report year definition contained in the policy.

9. The rule for accounting for losses incurred on tail policies is that such losses must be assigned to the year in which the policy was issued and are to be included in the Occurrence Part for the respective line.

10. Report in Column 23 the estimated amount of anticipated salvage and subrogation that has been taken as credit (netted) in the reserves for unpaid losses and loss adjustment expenses reported in Column 24. (Note: Column 23 is a memo column only as the amounts contained therein have already been taken into consideration in Columns 13 through 20.)

11. In Column 28, “Net,” the amount should equal Column 26 – Column 27, which equals Column 11 + Column 24.

The Prior Row

12. For the “prior” row, report amounts paid or received in current year only. Report cumulative amounts paid or received for specific years. Report loss payments net of salvage and subrogation received.

SCHEDULE P – PARTS 2, 3, AND 4

~~All amounts in Schedule P, Parts 2, 3, and 4 are reported net of reinsurance.~~

1. Schedule P, Part 2 provides a loss and expense development overview to test the adequacy of the reporting entity's reserves. Schedule P, Part 3 shows the payment patterns for cash flow projections, discounting calculations, and actuarial projections. Schedule P, Part 4 is an exhibit showing the historical bulk and IBNR reserves as reported. Part 4 does not show a development of these reserves, and it will not, by itself, provide a test of the adequacy of these reserves.
2. Schedule P, Parts 2, 3 and 4 have parallel formats and are the basic exhibits for actuarial and financial analyses. The same Line Titles that applied to Schedule P, Part 1 also apply to Parts 2, 3 and 4.
 - a. All amounts in Schedule P, Parts 2, 3, and 4 are reported net of reinsurance.
 - b. All amounts are to be reported net of salvage and subrogation paid and anticipated.
 - c. All amounts in Parts 2 and 4 must be reported gross of both tabular and non-tabular discounting.
 - d. In part 2, the "Development" in Column 11 and 12 should be the current year less the first previous year (for 1-year development) or second prior previous year (for 2-year development), showing the (redundant) or adverse development.
 - e. Report all amounts in thousands of dollars (\$000 omitted), by either rounding or truncating.

Loss Adjustment Expenses:

3. The triangles include only the ~~"Defense & Cost Containment"~~ DCC loss adjustment expenses. ~~The old Schedule P, Parts 2, 3 and 4 contained only the previously termed "allocated" loss adjustment expenses. Now the term "Defense & Cost Containment" is used. As before, the reason for this is that "Defense & Cost Containment" DCC adjustment expenses correlate with loss amounts, but the "Adjusting & Other" A&O adjusting expenses do not.~~

Bulk and IBNR Reserves:

4. The Bulk and IBNR reserves for losses and expenses are intended to include reserves for incurred but not reported claims, for reopened claims, for development on case reserves of reported claims, and for aggregate reserves on newly reported claims without specific case reserves. The Bulk and IBNR reserves are the actuarially determined reserves and are included in the losses unpaid and loss expenses unpaid reported in Schedule P, Parts 1 and 2.
5. These reserves include provision for ~~"defense and cost containment"~~ DCC expenses, unlike the reserves reported in the Underwriting and Investment Exhibit, Part 2A.

The Prior LineRow:

6. In Part 2, Line 1, Column 1, include the loss and expense reserves (case + bulk + IBNR) previously reported at year-end of the last year for all accident years ~~prior to~~ before the last year. The subsequent development each year across Line 1 will relate to these reserves and will show the subsequent payments and outstanding reserves.
7. In Part 3, Line 1, Column 1, the amount entered should always be "zero." In Line 1, Column 2, the amount should be the loss and expense payments made in that year on the reserves reported in Part 2, Line 1, Column 1. (These payments should also have been included in Part 2, Line 1, Column 2.) In Line 1, Column 3, the amount should be the loss and expense payments made in that year and the preceding year on the reserves reported in Part 2, Line 1, Column 2. (These payments should also have been included in Part 2, Line 1, Column 3.) Columns 4 through 10 should continue to cumulate the payments in the same way and tie into the Part 2 "prior" ~~line~~ row.

8. In Part 4, ~~Line-Row 1~~, Column 1, the amount entered should be the bulk and IBNR that was included in Part 2, ~~Line-Row 1~~, Column 1, (which should equal the case reserves plus the bulk and IBNR). In fact, the entire ~~Line-Row 1~~ should be the bulk and IBNR included in Part 2, ~~Line-Row 1~~.
9. The “prior” ~~line-row~~ can be reconciled with the immediately preceding year’s Annual Statement by breaking down the accident years in the preceding Annual Statement and properly summing the parts.

SCHEDULE P – PART 5

1. Part 5 is a reporting of claim count information in one location, all of which should have been reported in the current or ~~prior previous~~ Annual Statements. Section 1 shows the number of claims closed with loss payment, as previously reported in Part 3, Column 11. Section 2 shows the number of claims outstanding, as previously reported in Part 1, Column 25, for all years, since this information has always been required in Schedule P. Section 3 shows the number of claims reported, as previously reported in Part 1, Column 12.

~~In Section 1, the Prior Line should show the number of claims closed with loss payment in each respective year for prior years.~~

~~In Section 2, the Prior Line should show the number of claims outstanding in each respective year for prior years.~~

~~In Section 3, the Prior Line should show the number of claims reported in each respective year for prior years. Even though Schedule P, Part 1, Column 12, does not require prior information, reporting entities should have this information available. If not, reasonable estimates should be made.~~

2. All claim count information reported in Schedule P should be on a “direct and assumed” basis and should reconcile. “Direct and assumed” means direct plus the proportion of a pool plus proportional reinsurance assumed. The same percentage used for dollar amounts should also be used for the claim counts.

The Prior Row

3. In Section 1, the Prior Row should show the number of claims closed with loss payment in each respective year for prior years.
4. In Section 2, the Prior Row should show the number of claims outstanding in each respective year for prior years.
5. In Section 3, the Prior Row should show the number of claims reported in each respective year for prior years. Even though Schedule P, Part 1, Column 12, does not require prior row information, reporting entities should have this information available. If not, reasonable estimates should be made.

SCHEDULE P – PART 6

1. For Schedule P, Part 6, the premiums to be reported are exposure or coverage year earned premiums, recalculated each subsequent year to reflect audits, retrospective adjustments based on loss experience, accounting lags, etc. Mechanically, the written premium file would be restated and the earned premium calculation repeated each year. Premium adjustments for policy periods that cover more than one calendar year should be proportionately distributed between the calendar years covered by the policy period.
2. The objective is to develop earned premiums by calendar year of coverage consistent with the loss and ~~Defense & Cost Containment~~ DCC expense by ~~accident~~ incurred year. Only accident years 1993 and subsequent must be reported. The difference between Sections 1 and 2 should equal the ~~proper total~~ net earned premiums.
3. A further objective is to determine a more accurate loss and ~~Defense & Cost Containment~~ DCC expense ratio and to be able to project the earned but unbilled premiums, which may be an asset or liability. The reporting entity may use any method to recalculate the premiums, which will achieve this objective.
4. ~~The example in Exhibit B demonstrates how the sections should look if all years are retroactively determined and reported.~~ Column 11 is for informational purposes and shows the distribution of premiums earned during the current year for the prior years. Premiums as reported in Schedule P, Part 1, Columns 1 or 2, are also shown at the bottom of the exhibit to demonstrate the relationship and to show how Part 6 reconciles with Part 1.

~~The Prior Line should show the earned premium adjustment in each respective year for prior years. For prior experience years (columns), Line 1 for a particular year of experience (x) can be determined from the prior year's Schedule P, Part 6, as the sum of Lines 1 plus 2 for experience year (x) (column) minus Line 2 for the preceding year (x-1).~~

5. The same features are applicable for Section 2 on ceded business.

6. NOTE: Purchased tail coverage policies are issued in the year that the coverage is effective. Free extended tail coverage is issued in the year the coverage is triggered.

The Prior Row:

7. The Prior Row should show the earned premium adjustment in each respective year for prior years. For prior experience years (columns), Row 1 for a particular year of experience (x) can be determined from the prior year's Schedule P, Part 6, as the sum of Rows 1 plus 2 for experience year (x) (column) minus Row 2 for the preceding year (x-1).

SCHEDULE P – PART 7

1. Only the experience on contracts that meet the following definition should be included in ~~Schedule P, Part 7.~~

Loss sensitive contracts shall meet the following criteria:

- a. Contracts where an increase in losses on a policy can cause an increase in net payment (by the insured) for that policy.
 - b. The amount of additional payment (by the insured) must be at least 75% (50% for reinsurance contracts) of the additional losses, before application of aggregate and per accident/claimant limits or caps.
 - c. The net amount paid (by the insured) must also be able to differ by at least 20% (10% for reinsurance contracts), from highest to lowest possible charge in reaction to the loss experience.
 - d. The maximum possible payment by the insured should also be at least 15% (7.5% for reinsurance contracts) above what the insured would pay based on expected loss experience. In other words, the maximum charge should not approximate the expected charge.
 - e. The additional payment shall be in the form of additional premiums or additional commissions.
 - f. The additional losses and corresponding payments must flow through the income and balance sheets and cannot be “off-balance sheet.” For example, a deductible feature does not make a contract “loss sensitive” under this definition, as neither the losses under the deductible nor the reimbursements for these losses flow through the income statement.
2. ~~Schedule P, Part 7~~ is only required of reporting entities who claim a reduction in their Risk-Based Capital for Loss Sensitive Contracts. Such reporting entities must complete the entire schedule in each year that they claim such credit.
 3. ~~Schedule P, Part 7A~~ provides experience on primary contracts. ~~Schedule P, Part 7B~~ provides experience on reinsurance contracts.

Section 1: Current Year Loss and LAE Reserves and Net Written Premium

4. Column (1) ~~of Section 1, Parts 7A and 7B of Schedule P~~ should agree with the net loss and loss adjustment expense reserves (undiscounted) reported in the corresponding Part 1 of Schedule P.
5. Column (2) ~~of Section 1, Parts 7A and 7B of Schedule P~~ should reflect the corresponding values for Loss Sensitive Contracts only. Primary Loss Sensitive should include direct losses and expenses unpaid less reinsurance on those direct losses and expenses. Reinsurance Loss Sensitive should include unpaid assumed losses and expenses less any retrocessions on those losses and expenses.
6. Column (4) x 1000 ~~of Section 1 Parts 7A and 7B of Schedule P~~ should agree with the net written premiums reported in the Statement of Income page.
7. Column (5) ~~of Section 1, Parts 7A and 7B of Schedule P~~ should reflect the corresponding premium for Loss Sensitive Contracts only. Primary Loss Sensitive should include direct premiums written on loss sensitive contracts less reinsurance on those direct premiums. Reinsurance Loss Sensitive should include assumed loss sensitive premiums less any retroceded premiums.
8. Columns (3) and (6) ~~of Section 1, Parts 7A and 7B of Schedule P~~ are ratios of (2) to (1) and (5) to (4), respectively. Express as percentages showing one decimal place (e.g., 24.2%).

Sections 2 and 3: Loss Development

9. In each row of Section 2, ~~Parts 7A and 7B of Schedule P,~~ display the reported estimate of ultimate losses and ~~Defense & Cost Containment DCC~~ expense on all Loss Sensitive Contracts issued (i.e., with inception dates) in that year. Each reported estimate should be the estimate of ultimate loss and ~~Defense and Cost Containment DCC~~ Expense as of each year-end, not the incremental amounts incurred during each calendar year. The resulting data should display the reported estimate of ultimate losses and ~~Defense and Cost Containment DCC~~ Expense on a Policy Year basis. ~~The “Prior” row should display the reported estimate of ultimate losses and Defense and Cost Containment Expense on a Policy Year basis for all policy years ten or more years older than the current policy year.~~

One reasonability benchmark that can be used to verify that the data is presented on a Policy Year basis is to compare the magnitude of an issue year’s ultimate loss and ~~Defense and Cost Containment DCC~~ Expense estimates as of twelve months and as of twenty-four months. The valuation as of twenty-four months should be approximately twice as great as the valuation as of twelve months. (For example, Issue year 2004 estimate of ultimate losses and ~~Defense and Cost Containment DCC~~ Expense at year-end 2005 should be approximately twice as great as the estimate of Issue Year 2004 ultimate losses and ~~Defense and Cost Containment DCC~~ Expense at year-end 2004.) This reasonability benchmark assumes roughly even policy writings throughout the year. If a company’s writings are proportionately greater in the first half of the year than the second half of the year, the valuation as of twelve months can reasonably be expected to be greater than 50% of the twenty-four-month valuation.

10. In each row of Section 3, ~~Parts 7A and 7B of Schedule P,~~ show similarly the bulk and IBNR reserves included in ~~the estimate of ultimate loss and Defense and Cost Containment Expense in Section 2, Defense & Cost Containment Expense.~~

Sections 4 and 5: Premium Development

- ~~11. Loss Sensitive Reinsurance Contracts must be segmented between those on which premium is the adjustable element, and those on which commissions paid to the cedant are adjustable with losses. The premium development schedule (Sections 4 and 5, Part 7B of Schedule P) should only include the experience of contracts with a variable premium.~~

- ~~1211.~~ In Section 4, ~~Parts 7A and 7B of Schedule P~~ for each year of issue, display the net earned premiums reported at the end of each calendar year. Each reported estimate should be the estimate of net earned premium as of each year-end, not the incremental amounts earned during each calendar year. The resulting data should display the reported estimate of net earned premium on a Policy Year basis. ~~The “Prior” row should display the reported estimate of net earned premium on a Policy Year basis for all policy years ten or more years older than the current policy year.~~

One reasonability benchmark that can be used to verify that the data is presented on a Policy Year basis is to compare the magnitude of an issue year’s net earned premium as of twelve months and as of twenty-four months. The valuation as of twenty-four months should be approximately twice as great as the valuation as of twelve months. This reasonability benchmark assumes roughly even policy writings throughout the year. If a company’s writings are proportionately greater in the first half of the year than the second half of the year, the valuation as of twelve months can reasonably be expected to be greater than 50% of the twenty-four-month valuation.

A second reasonability benchmark that can be used to verify the data presentation is to examine the ratio of Section 2 incurred loss and allocated expenses to Section 4 net earned premiums. The ratio of incurred losses to net earned premiums should all be similar at each valuation date. If Section 2 data is not on a policy year basis, but Section 4 is, or vice-versa, the ratios as of twelve months will look very different than the ratios as of twenty-four months.

- ~~1312.~~ In Section 5, ~~Parts 7A and 7B of Schedule P,~~ show separately any bulk assets or liabilities for future additional premiums or return of premiums included in the earned premium in Section 4. An entry denoting the expectation of future additional premiums should be displayed as a positive value. An entry denoting the expectation of future return premiums should be displayed as a negative value.

13. (Part 7B only): Loss Sensitive Reinsurance Contracts must be segmented between those on which premium is the adjustable element, and those on which commissions paid to the cedant are adjustable with losses. The premium development schedule (Sections 4 and 5, Part 7B of Schedule P) should only include the experience of contracts with a variable premium.

Sections 6 and 7 (Part 7B only): Commission Development

14. ~~In Part 7B of Schedule P, for~~ For all reinsurance contracts where the commission paid to the cedant varies with losses, display the development of that commission in Section 6 and display any assets or liabilities accrued in respect of the commission in Section 7. An entry denoting the expectation of future additional commissions to be paid should be displayed as a negative value. An entry denoting the expectation of future return commissions should be displayed as a positive value.

The Prior Row:

15. The “Prior” row in Sections 2 and 3 should display the reported estimate of ultimate losses and DCC Expense on a Policy Year basis for all policy years ten or more years older than the current policy year.

16. The “Prior” row in Sections 4 and 5 should display the reported estimate of net earned premium on a Policy Year basis for all policy years ten or more years older than the current policy year.

Formulas for Schedule P, Parts 2-4**Schedule P – Part 2 – Incurred Net Losses and Defense and Cost Containment Reported at Year-End**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Prior	Case + Bulk + IBNR rsvs on <2016 @ Ye 2016	paid in 2017 rsvs on < 2016 @ ye 2017	paid 2017 thru 2018 + rsvs on < 2016@ ye 2018	paid 2017 thru 2019 + rsvs on < 2016 @ ye 2019	paid 2017 thru 2020 + rsvs on < 2016 @ ye 2020	paid 2017 thru 2021 + rsvs on < 2016 @ ye 2021	paid 2017 thru 2022 + rsvs on < 2016 @ ye 2022	paid 2017 thru 2023 + rsvs on < 2016 @ ye 2023	paid 2017 thru 2024 + rsvs on < 2016 @ ye 2024	paid 2017 thru 2025 + rsvs on < 2016 @ ye 2025
2016	paid in 2016 + rsvs on 2016 @ ye 2016	paid thru 2017 + rsvs on 2016 @ ye 2017	paid thru 2018 + rsvs on 2016 @ ye 2018	paid thru 2019 + rsvs on 2016 @ ye 2019	paid thru 2020 + rsvs on 2016 @ ye 2020	paid thru 2021 + rsvs on 2016 @ ye 2021	paid thru 2022 + rsvs on 2016 @ ye 2022	paid thru 2023 + rsvs on 2016 @ ye 2023	paid thru 2024 + rsvs on 2016 @ ye 2024	paid thru 2025 + rsvs on 2016 @ ye 2025
2017		paid in 2017 + rsvs on 2017 @ ye 2017	paid thru 2018 + rsvs on 2017 @ ye 2018	paid thru 2019 + rsvs on 2017 @ ye 2019	paid thru 2020 + rsvs on 2017 @ ye 2020	paid thru 2021 + rsvs on 2017 @ ye 2021	paid thru 2022 + rsvs on 2017 @ ye 2022	paid thru 2023 + rsvs on 2017 @ ye 2023	paid thru 2024 + rsvs on 2017 @ ye 2024	paid thru 2025 + rsvs on 2017 @ ye 2025
2018			paid in 2018 + rsvs on 2018 @ ye 2018	paid thru 2019 + rsvs on 2018 @ ye 2019	paid thru 2020 + rsvs on 2018 @ ye 2020	paid thru 2021 + rsvs on 2018 @ ye 2021	paid thru 2022 + rsvs on 2018 @ ye 2022	paid thru 2023 + rsvs on 2018 @ ye 2023	paid thru 2024 + rsvs on 2018 @ ye 2024	paid thru 2025 + rsvs on 2018 @ ye 2025
2019				paid in 2019 + rsvs on 2019 @ ye 2019	paid thru 2020 + rsvs on 2019 @ ye 2020	paid thru 2021 + rsvs on 2019 @ ye 2021	paid thru 2022 + rsvs on 2019 @ ye 2022	paid thru 2023 + rsvs on 2019 @ ye 2023	paid thru 2024 + rsvs on 2019 @ ye 2024	paid thru 2025 + rsvs on 2019 @ ye 2025
2020					paid in 2020 + rsvs on 2020 @ ye 2020	paid thru 2021 + rsvs on 2020 @ ye 2021	paid thru 2022 + rsvs on 2020 @ ye 2022	paid thru 2023 + rsvs on 2020 @ ye 2023	paid thru 2024 + rsvs on 2020 @ ye 2024	paid thru 2025 + rsvs on 2020 @ ye 2025
2021						paid in 2021 + rsvs on 2021 @ ye 2021	paid thru 2022 + rsvs on 2021 @ ye 2022	paid thru 2023 + rsvs on 2021 @ ye 2023	paid thru 2024 + rsvs on 2021 @ ye 2024	paid thru 2025 + rsvs on 2021 @ ye 2025
2022							paid in 2022 + rsvs on 2022 @ ye 2022	paid thru 2023 + rsvs on 2022 @ ye 2023	paid thru 2024 + rsvs on 2022 @ ye 2024	paid thru 2025 + rsvs on 2022 @ ye 2025
2023								paid in 2023 + rsvs on 2023 @ ye 2023	paid thru 2024 + rsvs on 2023 @ ye 2024	paid thru 2025 + rsvs on 2023 @ ye 2025
2024									paid in 2024 + rsvs on 2024 @ ye 2024	paid thru 2025 + rsvs on 2024 @ ye 2025
2025										paid in 2025 + rsvs on 2025 @ ye 2025

Notes Figures are net of reinsurance, subrogation, and salvage.

	Reserves Only. Subsequent development relates only to subsequent payments and reserves.
	From Part 1: Column 11 - (Column 8 - Column 9) + Column 24 - (Column 21 - Column 22)

Schedule P— Part 3 – Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year-End

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
Prior	000	paid in 2017 on < 2016	paid 2017 thru 2018 on < 2016	paid 2017 thru 2019 on < 2016	paid 2017 thru 2020 on < 2016	paid 2017 thru 2021 on < 2016	paid 2017 thru 2022 on < 2016	paid 2017 thru 2023 on < 2016	paid 2017 thru 2024 on < 2016	paid 2017 thru 2025 on < 2016		
2016	paid in 2016 on 2016	paid thru 2017 on 2016	paid thru 2018 on 2016	paid thru 2019 on 2016	paid thru 2020 on 2016	paid thru 2021 on 2016	paid thru 2022 on 2016	paid thru 2023 on 2016	paid thru 2024 on 2016	paid thru 2025 on 2016		
2017		paid in 2017 on 2017	paid thru 2018 on 2017	paid thru 2019 on 2017	paid thru 2020 on 2017	paid thru 2021 on 2017	paid thru 2022 on 2017	paid thru 2023 on 2017	paid thru 2024 on 2017	paid thru 2025 on 2017		
2018			paid in 2018 on 2018	paid thru 2019 on 2018	paid thru 2020 on 2018	paid thru 2021 on 2018	paid thru 2022 on 2018	paid thru 2023 on 2018	paid thru 2024 on 2018	paid thru 2025 on 2018		
2019				paid in 2019 on 2019	paid thru 2020 on 2019	paid thru 2021 on 2019	paid thru 2022 on 2019	paid thru 2023 on 2019	paid thru 2024 on 2019	paid thru 2025 on 2019		
2020					paid in 2020 on 2020	paid thru 2021 on 2020	paid thru 2022 on 2020	paid thru 2023 on 2020	paid thru 2024 on 2020	paid thru 2025 on 2020		
2021						paid in 2021 on 2021	paid thru 2022 on 2021	paid thru 2023 on 2021	paid thru 2024 on 2021	paid thru 2025 on 2021		
2022							paid in 2022 on 2022	paid thru 2023 on 2022	paid thru 2024 on 2022	paid thru 2025 on 2022		
2023								paid in 2023 on 2023	paid thru 2024 on 2023	paid thru 2025 on 2023		
2024									paid in 2024 on 2024	paid thru 2025 on 2024		
2025										paid in 2025 on 2025		

Notes: Figures are net of reinsurance.
Figures are net of salvage and subrogation received.

From Part 1: Column 4 - Column 5 + Column 6 - Column 7
(or Column 11 - (Column 8 - Column 9))

Schedule P - Part 4 - Bulk and INBR Reserves on Net Losses and Defense & Cost Containment DCC Expenses
Reported at Year End

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Prior	rsvs ye 2016 on < 2016	rsvs ye 2017 on < 2016	rsvs ye 2018 on < 2016	rsvs ye 2019 on < 2016	rsvs ye 2020 on < 2016	rsvs ye 2021 on < 2016	rsvs ye 2022 on < 2016	rsvs ye 2023 on < 2016	rsvs ye 2024 on < 2016	rsvs ye 2025 on < 2016
2016	rsvs ye 2016 on 2016 ay	rsvs ye 2017 on 2016 ay	rsvs ye 2018 on 2016 ay	rsvs ye 2019 on 2016 ay	rsvs ye 2020 on 2016 ay	rsvs ye 2021 on 2016 ay	rsvs ye 2022 on 2016 ay	rsvs ye 2023 on 2016 ay	rsvs ye 2024 on 2016 ay	rsvs ye 2025 on 2016 ay
2017		rsvs ye 2017 on 2017 ay	rsvs ye 2018 on 2017 ay	rsvs ye 2019 on 2017 ay	rsvs ye 2020 on 2017 ay	rsvs ye 2021 on 2017 ay	rsvs ye 2022 on 2017 ay	rsvs ye 2023 on 2017 ay	rsvs ye 2024 on 2017 ay	rsvs ye 2025 on 2017 ay
2018			rsvs ye 2018 on 2018 ay	rsvs ye 2019 on 2018 ay	rsvs ye 2020 on 2018 ay	rsvs ye 2021 on 2018 ay	rsvs ye 2022 on 2018 ay	rsvs ye 2023 on 2018 ay	rsvs ye 2024 on 2018 ay	rsvs ye 2025 on 2018 ay
2019				rsvs ye 2019 on 2019 ay	rsvs ye 2020 on 2019 ay	rsvs ye 2021 on 2019 ay	rsvs ye 2022 on 2019 ay	rsvs ye 2023 on 2019 ay	rsvs ye 2024 on 2019 ay	rsvs ye 2025 on 2019 ay
2020					rsvs ye 2020 on 2020 ay	rsvs ye 2021 on 2020 ay	rsvs ye 2022 on 2020 ay	rsvs ye 2023 on 2020 ay	rsvs ye 2024 on 2020 ay	rsvs ye 2025 on 2020 ay
2021						rsvs ye 2021 on 2021 ay	rsvs ye 2022 on 2021 ay	rsvs ye 2023 on 2021 ay	rsvs ye 2024 on 2021 ay	rsvs ye 2025 on 2021 ay
2022							rsvs ye 2022 on 2022 ay	rsvs ye 2023 on 2022 ay	rsvs ye 2024 on 2022 ay	rsvs ye 2025 on 2022 ay
2023								rsvs ye 2023 on 2023 ay	rsvs ye 2024 on 2023 ay	rsvs ye 2025 on 2023 ay
2024									rsvs ye 2024 on 2024 ay	rsvs ye 2025 on 2024 ay
2025										rsvs ye 2025 on 2025 ay

Notes: Figures are net of reinsurance.

From Part 1: Column 15 - Column 16 + Column 19 - Column 20

~~Schedule P – Part 6 – Earned Premium Development~~ Earned Premium Development for Schedule P, Part 6

Example

Year in Which Premiums Were Earned and Losses Were Incurred	CUMULATIVE PREMIUMS EARNED DIRECT AND ASSUMED AT YEAR END (\$000 OMITTED)										
	1	2	3	4	5	6	7	8	9	10	11
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Current Year Premiums Earned
1. Prior	10,000	6,000	4,000	3,000	2,200	1,500	1,000	600	300	100	100
2. 2016	350,000	354,000	356,000	357,000	357,800	358,500	359,000	359,400	359,700	359,900	200
3. 2017	XXXX	355,000	359,000	361,000	362,000	362,800	363,500	364,000	364,400	364,700	300
4. 2018		XXXX	360,000	364,000	366,000	367,000	367,800	368,500	369,000	369,400	400
5. 2019			XXXX	365,000	369,000	371,000	372,000	372,800	373,500	374,000	500
6. 2020				XXXX	370,000	374,000	376,000	377,000	377,800	378,500	600
7. 2021					XXXX	375,000	379,000	381,000	382,000	382,800	700
8. 2022						XXXX	380,000	384,000	386,000	387,000	1,000
9. 2023							XXXX	385,000	389,000	391,000	2,000
10. 2024								XXXX	390,000	394,000	4,000
11. 2025									XXXX	395,000	395,000
12. Total										XXXX	405,000
Schedule P Part 1 EP	360,000	365,000	370,000	375,000	380,000	385,000	390,000	395,000	400,000	405,000	XXXX

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON: _____	TELEPHONE: _____	Agenda Item # <u>2025-08BWG</u>	
		Year <u>2025</u>	
EMAIL ADDRESS: _____	ON BEHALF OF: _____	Changes to Existing Reporting ☒ [X]	
		New Reporting Requirement ☐ []	
NAME: <u>Dale Bruggeman</u>	TITLE: <u>Chair SAPWG</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
		No Impact ☒ [X]	
AFFILIATION: <u>Ohio Department of Insurance</u>	ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>	Modifies Required Disclosure ☐ []	
		Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No] ***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☒ [X] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☐ [] Title |
| ☐ [] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☐ [] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025**IDENTIFICATION OF ITEM(S) TO CHANGE**

Remove Life/Fraternal General Interrogatory #14 that reports total dividends paid to stockholders and renumber remaining general interrogatory.

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

This interrogatory is not included across all annual statement blanks and is not clearly included as a required disclosure in SSAP No. 72. (SAPWG Ref # 2025-07)

*****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.**

Revised 11/17/2022

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

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

Fraternal Benefit Societies Only:

- 3433.2 N/A is an acceptable response only if Interrogatory 32.1 was answered NO.
- 3534.2 N/A is an acceptable response only if Interrogatory 33.1 was answered NO.
- 3736.2 If there are multiple liens, they should be listed individually.

ANNUAL STATEMENT BLANK – LIFE/FRATERNAL

GENERAL INTERROGATORIES

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

		Detail Eliminated To Conserve Space		
~~14.~~ ~~Total dividends paid stockholders since organization of the reporting entity:~~ ~~14.11~~ ~~Cash~~ ~~14.12~~ ~~Stock~~ \$ <u> </u> \$ <u> </u>				

Drafting Note: All line numbers after deleted line 14 will need to be renumbered in the Blank.

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2025-09BWG</u>	
	_____	Year <u>2025</u>	
TELEPHONE:	_____	Changes to Existing Reporting ☐ [X]	
EMAIL ADDRESS:	_____	New Reporting Requirement ☐ []	
ON BEHALF OF:	_____	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
NAME:	<u>Dale Bruggeman</u>	No Impact ☐ [X]	
TITLE:	<u>Chair SAPWG</u>	Modifies Required Disclosure ☐ []	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	***If Yes, complete question below***	
	<u>Columbus, OH 43215</u>	DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☐ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [X] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☒ [X] Separate Accounts | ☐ [] Title |
| ☐ [] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☐ [] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Life/Fraternal Note to Financial #35 for separate account transfers. Also add a general interrogatories to Separate Account Blank for transfers and repurchase agreements and reverse repurchase transactions.

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

This blanks proposal reflects changes adopted in SAPWG Ref #2024-10. The revisions include new disclosures for separate account products where the general account provides an inherent or ultimate guarantee, with identification of whether risk charges have been provided to the general account and affirmation of the separate account products in the asset-adequacy testing. The adopted disclosures also incorporate disclosures on repurchase and reverse/repurchase activity in the separate account, as well as discussion of asset transfers that did not reflect sales for cash between the general account and the separate account.

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.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**Notes to Financial Statements****35. Separate Accounts**Instruction:**A. Separate Account Activity**

The general account financial statement shall include detailed information on the reporting entity's separate account activity. These disclosures shall include:

- (1) A narrative of the general nature of the reporting entity's separate account business.
- (2) Identification of the separate account assets that are legally insulated from the general account claims.
- (3) Identification of the separate account products that have guarantees backed by the general account. This shall include:
 - Amount of risk charges paid by the separate account to the general account for the past five years as compensation for the risk taken by the general account; and
 - Amount paid by the general account due to separate account guarantees during the past five years.
 - Separate account contracts where the general account provides an inherent or ultimate guarantee, such as with pension risk transfer (PRT) or registered index-linked annuity (RILA) products. These products often do not have stated yield or death benefit guarantees, but rather the general account serves as a final backstop if the separate account assets are insufficient to support the product obligations. This disclosure shall identify whether risk charges have been provided to the general account and affirm the inclusion of these separate account products within asset-liability testing.
- (4) Discussion of securities lending transactions and repurchase/reverse repurchase agreements within the separate account, ~~separately including~~ This shall include the amount of loaned securities within the separate account and the amount of any sold / acquired securities under repurchase agreements, and if policies and procedures for the separate account differ from the general account.
- (5) Discussion of asset transfers that did not reflect sales in exchange for cash between the general account and the separate account. This shall include, but not be limited to, asset-for-asset swaps, contributions of general account assets to support separate account deficiencies, and dividends of assets from the separate account to the general account.



Detail Eliminated To Conserve Space



Illustration:

A. Separate Account Activity

- (1) XYZ Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions. For the current reporting year, XYZ reported assets and liabilities from the following product lines/transactions into a separate account:

- Variable Life Insurance Products
- Variable Annuities
- Modified Guaranteed Annuities
- Funding Agreements
- Employee Benefit Plans
- Etc.

In accordance with the domiciliary state procedures for approving items within the separate account, the separate account classification of the following items are supported by a specific state statute (cite reference):

- Product Identifier (Variable Life) – State Statute Reference

The following items are supported by direct approval by the commissioner:

- Product Identifier (Funding Agreements) – Commissioner Approval

The following items are not supported by state statute or direct approval, but are permitted for separate account reporting in accordance with the following guidance:

- Product Identifier (Employee Benefit Plans) – Cite Guidance

(Include additional information regarding the general nature of the entity's separate account business as necessary.)

- (2) In accordance with the products/transactions recorded within the separate account, some assets are considered legally insulated whereas others are not legally insulated from the general account. (The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the general account.)

As of December 31, 20__ and 20__ the Company separate account statement included legally insulated assets of \$_____ and \$_____, respectively. The assets legally insulated from the general account as of December 31, 20__ are attributed to the following products/transactions:

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>Product/Transaction</u>	<u>Legally Insulated Assets</u>	<u>Separate Account Assets (Not Legally Insulated)</u>
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
<u>Total</u>	\$ _____	\$ _____

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: THIS DOES NOT INCLUDE THE BEGINNING AND ENDING NARRATIVE.)

- (3) In accordance with the products/transaction recorded within the separate account, some separate account liabilities are guaranteed by the general account. (In accordance with the guarantees provided, if the investment proceeds are insufficient to cover the rate of return guaranteed for the product, the policyholder proceeds will be remitted by the general account.)

To compensate the general account for the risk taken, the separate account has paid risk charges as follows for the past five (5) years:

- a. 2025 \$ _____;
- b. 2024 \$ _____;
- c. 2023 \$ _____;
- d. 2022 \$ _____;
- e. 2021 \$ _____.

As of December 31, 20____, the general account of XYZ Company had paid \$_____ toward separate account guarantees. The total separate account guarantees paid by the general account for the preceding four years ending December 31, 20____, 20____, 20____, and 20____ was \$_____, \$_____, \$_____, and \$_____, respectively.

- (4) XYZ Company engages in securities lending transactions and repurchase/reverse repurchase agreements within the separate account. In accordance with such transactions conducted from the separate account, XYZ Company follows the same policies and procedures from the general account, except as follows:

- Description of deviation from general account policies/procedures

For the year-ended December 31, 20____, XYZ Company loaned securities attributable to the following products/transactions in accordance with securities lending transactions:

- Variable Life Insurance Products (product identifier)
- Variable Annuities (product identifier)

Pursuant to the policies and procedures, XYZ Company is required to obtain approval and/or otherwise notify the contract holders that assets backing their investments may be loaned in securities lending transactions.

- (5) Discussion of asset transfers that did not reflect sales in exchange for cash between the general account and the separate account. This shall include, but not be limited to, asset-for-asset swaps, contributions of general account assets to support separate account deficiencies, and dividends of assets from the separate account to the general account.

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>Transfers from SA to GA</u>	<u>Transfer from GA to SA</u>
<u>Fair Value of Assets Transferred as a Sale for Cash</u>		
<u>Fair Value of Assets Transferred Not Reflected as a Sale for Cash</u>		

ANNUAL STATEMENT BLANK – SEPARATE ACCOUNTS**GENERAL INTERROGATORIES****Detail Eliminated To Conserve Space****Separate Account Products with General Account Guarantees**

- 2.1 Does the reporting entity have products with guarantees provided by the general account? Yes ☐ No ☐
- 2.2 Has the separate account collected amounts from the general account within the past five years related to separate account guarantees? Yes ☐ No ☐
- 2.3 If yes, provide detail on these guarantees paid by the general account:

	1 <u>Year</u>	2 <u>Amount</u>
2.301	As of December 31, 2025	\$ _____
2.302	As of December 31, 2024	\$ _____
2.303	As of December 31, 2023	\$ _____
2.304	As of December 31, 2022	\$ _____
2.305	As of December 31, 2021	\$ _____

- 2.4 To compensate the general account for the risk taken, for any separate account products with general account guarantees, does the separate account remit risk charges to the general account related to separate account guarantees? Yes ☐ No ☐
- 2.5 If yes, identify the separate account products with risk charges that are remitted to the general account and whether the risk charge for that product is reviewed and opined upon:

1 Product Identifier with Risk Charges	2 Risk Charge Reviewed and Opined Upon	3 Name and Title of Individual Who Provided Opinion on Risk Charges
2.5A00001 Pension risk transfer group annuities		
2.5B00001 All other group annuities		
2.5C00001 Registered index linked annuities individual annuities		
2.5D00001 All other individual annuities		
2.5E00001 Life insurance		

- 2.6 Provide detail on the risk charges paid to the general account related to separate account guarantees for the past five years:

	1 <u>Year</u>	2 <u>Amount</u>
2.601	As of December 31, 2025	\$ _____
2.602	As of December 31, 2024	\$ _____
2.603	As of December 31, 2023	\$ _____
2.604	As of December 31, 2022	\$ _____
2.605	As of December 31, 2021	\$ _____

2.7 Does the reporting entity have products where the general account provides an inherent or ultimate guarantee?

Yes ☐ No ☐

These products often do not have stated yield or death benefit guarantees, but rather the general account serves as a final backstop if the separate account assets are insufficient to support the product obligations.

2.71 If 2.7 is yes, identify the products where the general account provides an inherent/ultimate guarantee, the reported book/adjusted carrying value of the assets attributed to that product, risk charges paid to the general account for the risk and affirmation on the products includes within asset-adequacy testing:

Product Identifier	Separate Account Assets	Risk Charges to General Account	Assets Included in Asset-Adequacy Testing?
2.7A00001 Pension risk transfer group annuities			
2.7B00001 All other group annuities			
2.7C00001 Registered index linked annuities individual annuities			
2.7D00001 All other individual annuities			
2.7E00001 Life insurance			

Securities Lending and Repurchase/Reverse Repurchase Transactions Within Separate Accounts

- 6.1 Does the reporting entity engage in securities lending or repurchase/reverse repurchase (repo) transactions with separate account assets? Yes ☐ No ☐
- 6.2 If yes, does the reporting entity have written policies and procedures for such transactions? Yes ☐ No ☐ N/A ☐
- 6.3 Does the reporting entity obtain approval, or otherwise provide notification to contract holders, regarding securities lending or repo transactions that occur with separate account assets? Yes ☐ No ☐ N/A ☐
- 6.4 Are all securities lending transactions reported on balance sheet? Yes ☐ No ☐ N/A ☐
- 6.5 Provide a description of the reporting entity's securities lending and repo transaction program, specifically identifying any variations from the securities lending / repo transaction program administered by the general account.

6.6 Provide detail on the current status of separate account transactions by separate account product:

6.61 Amount of any loaned securities within the separate account and the percentage of separate account assets lent

6.611 Amount \$ _____
 6.612 Percentage _____ %

6.62 Identify whether securities lent are reported at book value or market value

6.621 Book Value \$ _____
 6.622 Market Value \$ _____

6.63 Detail on collateral received:

6.631 Aggregate Amount Collateral Received

6.6311 Open \$ _____
 6.6312 30 Days or Less \$ _____
 6.6313 31 to 60 Days \$ _____
 6.6314 61 to 90 Days \$ _____
 6.6315 Greater Than 90 Days \$ _____
 6.6316 Total Collateral Received \$ _____

6.632 The aggregate fair value of all securities acquired from the sale, trade or use of the accepted collateral (reinvested collateral). \$ _____

6.633 Narrative discussion about sources and uses of collateral:

6.634 Collateral for transactions that extend beyond one year from the reporting date \$ _____

6.7 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

6.71 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 (Sum of Schedule DL, Parts 1 and 2, Column 5) \$ _____

6.72 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 (Sum of Schedule DL, Parts 1 and 2, Column 6) \$ _____

6.73 Total payable for securities lending reported on the liability page (Page 3, Line 14, Column 3) \$ _____

6.8 Provide detail on the current status of repurchase/reverse repurchase transactions:

6.81 Fair value of securities sold in a repurchase transaction within the separate account and percentage of separate account assets sold

6.611 Amount \$ _____

6.612 Percentage _____ %

6.82 Identify whether securities sold are reported at book value or fair value

6.621 Book Value \$ _____

6.622 Fair Value \$ _____

6.83 Detail on collateral received:

6.831 Aggregate Amount of Cash Received

6.832 Aggregate Fair Value of Non-Cash Collateral Received \$ _____

6.833 Total Collateral Received from Sold Securities \$ _____

6.834 Amount of the Total Collateral Used for Working Capital (not retained in the Separate Account) \$ _____

6.633 Narrative discussion about sources and uses of collateral:

6.634 Amount of total collateral for transactions that extend beyond one year from the reporting date \$ _____

6.81 Fair value of securities acquired in a reverse repurchase transaction within the separate account and the percentage of separate account assets acquired

6.611 Amount \$ _____

6.612 Percentage _____ %

6.82 Identify whether securities acquired are reported at book value or market value

6.621 Book Value \$ _____

6.622 Market Value \$ _____

6.83 Detail on collateral provided:

6.831 Aggregate Amount of Cash Provided

6.832 Aggregate Fair Value of Non-Cash Collateral Provided \$ _____

6.833 Total Collateral Provided from Acquired Securities \$ _____

6.634 Total Collateral Provided for transactions that extend beyond one year from the reporting date \$ _____

Detail Eliminated To Conserve Space

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2025-10BWG MOD</u>	
TELEPHONE:	_____	Year <u>2025</u>	
EMAIL ADDRESS:	_____	Changes to Existing Reporting ☐ [X]	
ON BEHALF OF:	_____	New Reporting Requirement ☐ []	
NAME:	<u>Dale Bruggeman</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair SAPWG</u>	No Impact ☐ [X]	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Columbus, OH 43215</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|--|---|---|
| ☐ [X] ANNUAL STATEMENT | ☐ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☒ [X] QUARTERLY STATEMENT | ☒ [X] BLANK | |
| ☐ [X] Life, Accident & Health/Fraternal | ☒ [X] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Note 5L to identify assets held under funds withholding agreements (including modco) that are affiliated with the reinsurer. Also updated the list of required quarterly disclosures to include Note 5L – Restricted Assets. With this change, this disclosure will be required in all interim and annual financial statements.

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

This proposal will provide reporting or identification for modco/FWH assets affiliated to the insurer. (SAPWG Ref # 2025-05)

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.

Revised 11/17/2022

*****DRAFTING NOTE***** Instructions / Illustrations in **BLUE** are modifications in Blanks Proposal 2025-06BWG. Sponsor wanted the modifications from 2025-06BWG to be shown in this proposal.

ANNUAL STATEMENT INSTRUCTIONS – HEALTH & TITLE

NOTES TO FINANCIAL STATEMENTS

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



5. Investments

Instruction:

L. Restricted Assets

- (4) Collateral Received and **Assets Held under Modco/Funds Withheld Reinsurance Agreements** Reflected as Assets Within the Reporting Entity's Financial Statements

Disclose the following for the general account **regarding collateral received and and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:**

- Nature of assets reflected within the reporting entity's financial statements
- Book/adjusted carrying value (BACV) of the **assets**
- Fair value of the **assets**
- The recognized liability to return collateral assets **or obligation under the Modco/Funds Withheld Reinsurance Agreements**
- The percentage the asset BACV amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).
- Identify by the following related party codes, the amount of assets held under funds withheld agreements (including modco) on the basis of whether the investment is related to the modco/FWH reinsurer:
 1. Direct loan or direct investment (excluding securitizations) in the reinsurer, for which the reinsurer 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 the reinsurer 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 the reinsurer.
 3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with the reinsurer 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 the reinsurer.

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 to the reinsurer but does not involve a relationship with the reinsurer as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related to the reinsurer, but the role of the reinsurer represents a different arrangement than the options provided in choices 1-4.
6. The investment is not related / affiliated to the reinsurer.

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(5) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

(4) Collateral Received and **Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements** Reflected as Assets Within the Reporting Entity's Financial Statements

Assets	1	2	3	4	5	6	7	8
	BACV Collateral ***	BACV Modco ****	BACV FWH *****	Fair Value Collateral	Fair Value Modco	Fair Value FWH	% of BACV to Total Assets (Admitted and Nonadmitted *	% of BACV to Total Admitted Assets **
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
b. Schedule D, Part 1, Section 1							 %	 %
c. Schedule D, Part 1, Section 2							 %	 %
d. Schedule D, Part 2, Section 1							 %	 %
e. Schedule D, Part 2, Section 2							 %	 %
f. Schedule B							 %	 %
g. Schedule A							 %	 %
h. Schedule BA, Part 1							 %	 %
i. Schedule DL, Part 1							 %	 %
j. Other							 %	 %
k. Total Assets (a+b+c+d+e+f+g+h+i+j)	\$	\$	\$	\$	\$	\$	%	%

* Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)

** Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.

	1	2
	Amount	% of Liability to Total Liabilities *
l. Recognized Obligation to Return Collateral Asset	\$	 %
m. Recognized Obligation for Modco assets	\$	 %
n. Recognized Obligation for FWH (excluding Modco) assets	\$	 %

* $l + m + n$ = Column 1 divided by Liability Page, Line 24 (Column 3)

<u>Assets</u>	<u>Book/Adjusted Carrying Value (BACV)</u>	<u>Related Party Code</u>					
	<u>FWH Including Modco</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
<u>o. Cash, Cash Equivalents and Short- Term Investments</u>	\$	\$	\$	\$	\$	\$	\$
<u>p. Schedule D, Part 1, Section 1</u>							
<u>q. Schedule D, Part 1, Section 2</u>							
<u>r. Schedule D, Part 2, Section 1</u>							
<u>s. Schedule D, Part 2, Section 2</u>							
<u>t. Schedule B</u>							
<u>u. Schedule A</u>							
<u>v. Schedule BA, Part 1</u>							
<u>w. Schedule DL, Part 1</u>							
<u>x. Other</u>							
<u>y. Total Assets (o+p+q+r+s+t+u+v+w+x)</u>	\$	\$	\$	\$	\$	\$	\$
<u>Percentage to Total FWH Assets (including Modco)</u>							

*****DRAFTING NOTE***** Instructions / Illustrations in **BLUE** are modifications in Blanks Proposal 2025-06BWG. Sponsor wanted the modifications from 2025-06BWG to be shown in this proposal.

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL

NOTES TO FINANCIAL STATEMENTS

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

		Detail Eliminated To Conserve Space	
5. Investments <u>Instruction:</u> L. Restricted Assets (4) Collateral Received and Assets Held under Modco/Funds Withheld Reinsurance Agreements Reflected as Assets Within the Reporting Entity's Financial Statements Disclose the following for the general account regarding collateral received and and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c: • Nature of assets reflected within the reporting entity's financial statements • Book/adjusted carrying value (BACV) of the assets • Fair value of the assets • The recognized liability to return collateral assets or obligation under the Modco/Funds Withheld Reinsurance Agreements • The percentage the asset BACV amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 26 of the asset page (gross and admitted, respectively). • <u>Identify by the following related party codes, the amount of assets held under funds withheld agreements (including modco) on the basis of whether the investment is related to the modco/FWH reinsurer:</u> <u>1. Direct loan or direct investment (excluding securitizations) in the reinsurer, for which the reinsurer represents a direct credit exposure.</u> <u>2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with the reinsurer 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 the reinsurer.</u> <u>3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with the reinsurer 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 the reinsurer.</u>			

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 to the reinsurer but does not involve a relationship with the reinsurer as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related to the reinsurer, but the role of the reinsurer represents a different arrangement than the options provided in choices 1-4.
6. The investment is not related / affiliated to the reinsurer.

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

Restricted assets in the separate account are not intended to capture amounts “restricted” only because they are insulated from the general account or because they are attributed to specific policyholders. Separate account assets shall be captured in this disclosure only if they are restricted outside of these characteristics.

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(5) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

(4) Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements
Reflected as Assets Within the Reporting Entity’s Financial Statements

Assets	1	2	3	4	5	6	7	8
	BACV Collateral ***	BACV Modco ****	BACV FWH *****	Fair Value Collateral	Fair Value Modco	Fair Value FWH	% of BACV to Total Assets (Admitted and Nonadmitted *	% of BACV to Total Admitted Assets **
General Account:								
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
b. Schedule D, Part 1, Section 1							 %	 %
c. Schedule D, Part 1, Section 2							 %	 %
d. Schedule D, Part 2, Section 1							 %	 %
e. Schedule D, Part 2, Section 2							 %	 %
f. Schedule B							 %	 %
g. Schedule A							 %	 %
h. Schedule BA, Part 1							 %	 %
i. Schedule DL, Part 1							 %	 %
j. Other							%	%
k. Total Assets (a+b+c+d+e+f+g+h+i+j)	\$	\$	\$	\$	\$	\$	%	%
Separate Account:								
l. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
m. Schedule D, Part 1, Section 1							 %	 %
n. Schedule D, Part 1, Section 2							 %	 %

o. Schedule D, Part 2, Section 1	.....	.....	.....	.....	.....	.....	.....	.....	.....
p. Schedule D, Part 2, Section 2	.....	.....	.....	.....	.....	.....	.....	.....	.....
q. Schedule B	.....	.....	.....	.....	.....	.....	.....	.....	.....
r. Schedule A	.....	.....	.....	.....	.....	.....	.....	.....	.....
s. Schedule BA, Part 1	.....	.....	.....	.....	.....	.....	.....	.....	.....
t. Schedule DL, Part 1	.....	.....	.....	.....	.....	.....	.....	.....	.....
u. Other								.....	.....
v. Total Assets (l+m+n+o+p+q+r+s+t+u)	\$	\$	\$	\$	\$	\$		.....	.....

* k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 1)

** k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.
v (Collateral BACV) should equal Note 5L(1) Column 2, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.
v (Modco BACV) should equal Note 5L(1) Column 2, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.
v (FWH BACV) should equal Note 5L(1) Column 2, Line q.

	1	2
	Amount	% of Liability to Total Liabilities *
w. Recognized Obligation to Return Collateral Asset (General Account)	\$	%
x. Recognized Obligation to Return Collateral Asset (Separate Account)	\$	%
y. Recognized Obligation for Modco assets (General Account)	\$	%
z. Recognized Obligation for Modco assets (Separate Account)	\$	%
aa. Recognized Obligation for FWH (excluding Modco) assets (General Account)	\$	%
bb. Recognized Obligation for FWH (excluding Modco) assets (Separate Account)	\$	%

* w+y+aa = Column 1 divided by Liability Page, Line 26 (Column 1)
x+z+bb = Column 1 divided by Liability Page, Line 27 (Column 1)

<u>Assets</u>	<u>Book/Adjusted Carrying Value (BACV)</u>	<u>Related Party Code</u>					
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
<u>General Account:</u>							
<u>cc. Cash, Cash Equivalents and Short-Term Investments</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>dd. Schedule D, Part 1, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>ee. Schedule D, Part 1, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>ff. Schedule D, Part 2, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>gg. Schedule D, Part 2, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>hh. Schedule B</u>	_____	_____	_____	_____	_____	_____	_____
<u>ii. Schedule A</u>	_____	_____	_____	_____	_____	_____	_____
<u>jj. Schedule BA, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>kk. Schedule DL, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>ll. Other</u>	_____	_____	_____	_____	_____	_____	_____
<u>mm. Total Assets (cc+dd+ee+ff+gg+hh+ii+jj+kk+ll)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Percentage to Total FWH Assets (including Modco)</u>							
<u>Separate Account:</u>							
<u>nn. Cash, Cash Equivalents and Short-Term Investments</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>oo. Schedule D, Part 1, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>pp. Schedule D, Part 1, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>qq. Schedule D, Part 2, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>rr. Schedule D, Part 2, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>ss. Schedule B</u>	_____	_____	_____	_____	_____	_____	_____
<u>tt. Schedule A</u>	_____	_____	_____	_____	_____	_____	_____
<u>uu. Schedule BA, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>vv. Schedule DL, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>ww. Other</u>	_____	_____	_____	_____	_____	_____	_____
<u>xx. Total Assets (nn+oo+pp+qq+rr+ss+tt+uu+vv+ ww)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Percentage to Total FWH Assets (including Modco)</u>							

*****DRAFTING NOTE***** Instructions / Illustrations in **BLUE** are modifications in Blanks Proposal 2025-06BWG. Sponsor wanted the modifications from 2025-06BWG to be shown in this proposal.

ANNUAL STATEMENT INSTRUCTIONS – PROPERTY

NOTES TO FINANCIAL STATEMENTS

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



Detail Eliminated To Conserve Space

5. Investments

Instruction:

L. Restricted Assets

- (4) Collateral Received and **Assets Held under Modco/Funds Withheld Reinsurance Agreements** Reflected as Assets Within the Reporting Entity's Financial Statements

Disclose the following for the general account **regarding collateral received and and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:**

- Nature of assets reflected within the reporting entity's financial statements
- Book/adjusted carrying value (BACV) of the **assets**
- Fair value of the **assets**
- The recognized liability to return collateral assets **or obligation under the Modco/Funds Withheld Reinsurance Agreements**
- The percentage the asset BACV amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).
- Identify by the following related party codes, the amount of assets held under funds withheld agreements (including modco) on the basis of whether the investment is related to the modco/FWH reinsurer:
 1. Direct loan or direct investment (excluding securitizations) in the reinsurer, for which the reinsurer 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 the reinsurer 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 the reinsurer.
 3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with the reinsurer 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 the reinsurer.

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 to the reinsurer but does not involve a relationship with the reinsurer as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related to the reinsurer, but the role of the reinsurer represents a different arrangement than the options provided in choices 1-4.
6. The investment is not related / affiliated to the reinsurer.

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

Restricted assets in the protected cell are not intended to capture amounts “restricted” only because they are insulated from the general account or because they are attributed to specific policyholders. Protected cell assets shall be captured in this disclosure only if they are restricted outside of these characteristics.

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(5) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

(4) Collateral Received and [Assets Held under Modco/Funds Withheld \(FWH\) Reinsurance Agreements](#)
Reflected as Assets Within the Reporting Entity's Financial Statements

Assets	1 BACV Collateral ***	2 BACV Modco ****	3 BACV FWH *****	4 Fair Value Collateral	5 Fair Value Modco	6 Fair Value FWH	7 % of BACV to Total Assets (Admitted and Nonadmitted *	8 % of BACV to Total Admitted Assets **
General Account:								
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
b. Schedule D, Part 1, Section 1							 %	 %
c. Schedule D, Part 1, Section 2							 %	 %
d. Schedule D, Part 2, Section 1							 %	 %
e. Schedule D, Part 2, Section 2							 %	 %
f. Schedule B							 %	 %
g. Schedule A							 %	 %
h. Schedule BA, Part 1							 %	 %
i. Schedule DL, Part 1							 %	 %
j. Other							%	%
k. Total Assets (a+b+c+d+e+f+g+h+i+j)	\$	\$	\$	\$	\$	\$	%	%
Protected Cell:								
l. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
m. Schedule D, Part 1, Section 1							 %	 %
n. Schedule D, Part 1, Section 2							 %	 %

o. Schedule D, Part 2, Section 1	.....	.....	.....	.....	.....	.....	.....	.....	.....
p. Schedule D, Part 2, Section 2	.....	.....	.....	.....	.....	.....	.....	.....	.....
q. Schedule B	.....	.....	.....	.....	.....	.....	.....	.....	.....
r. Schedule A	.....	.....	.....	.....	.....	.....	.....	.....	.....
s. Schedule BA, Part 1	.....	.....	.....	.....	.....	.....	.....	.....	.....
t. Schedule DL, Part 1	.....	.....	.....	.....	.....	.....	.....	.....	.....
u. Other							.....	.....	.....
v. Total Assets (l+m+n+o+p+q+r+s+t+u)	\$	\$	\$	\$	\$	\$	.....	.....	.....

* k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 1)

** k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.
v (Collateral BACV) should equal Note 5L(1) Column 2, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.
v (Modco BACV) should equal Note 5L(1) Column 2, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.
v (FWH BACV) should equal Note 5L(1) Column 2, Line q.

	1	2
	Amount	% of Liability to Total Liabilities *
w. Recognized Obligation to Return Collateral Asset (General Account)	\$	%
x. Recognized Obligation to Return Collateral Asset (Protected Cell)	\$	%
y. Recognized Obligation for Modco assets (General Account)	\$	%
z. Recognized Obligation for Modco assets (Protected Cell)	\$	%
aa. Recognized Obligation for FWH (excluding Modco) assets (General Account)	\$	%
bb. Recognized Obligation for FWH (excluding Modco) assets (Protected Cell)	\$	%

* w+y+aa = Column 1 divided by Liability Page, Line 26 (Column 1)
x+z+bb = Column 1 divided by Liability Page, Line 27 (Column 1)

<u>Assets</u>	<u>Book/Adjusted Carrying Value (BACV)</u>	<u>Related Party Code</u>					
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
<u>General Account:</u>							
<u>cc. Cash, Cash Equivalents and Short-Term Investments</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>dd. Schedule D, Part 1, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>ee. Schedule D, Part 1, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>ff. Schedule D, Part 2, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>gg. Schedule D, Part 2, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>hh. Schedule B</u>	_____	_____	_____	_____	_____	_____	_____
<u>ii. Schedule A</u>	_____	_____	_____	_____	_____	_____	_____
<u>jj. Schedule BA, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>kk. Schedule DL, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>ll. Other</u>	_____	_____	_____	_____	_____	_____	_____
<u>mm. Total Assets (cc+dd+ee+ff+gg+hh+ii+jj+kk+ll)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Percentage to Total FWH Assets (including Modco)</u>							
<u>Protected Cell:</u>							
<u>nn. Cash, Cash Equivalents and Short-Term Investments</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>oo. Schedule D, Part 1, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>pp. Schedule D, Part 1, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>qq. Schedule D, Part 2, Section 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>rr. Schedule D, Part 2, Section 2</u>	_____	_____	_____	_____	_____	_____	_____
<u>ss. Schedule B</u>	_____	_____	_____	_____	_____	_____	_____
<u>tt. Schedule A</u>	_____	_____	_____	_____	_____	_____	_____
<u>uu. Schedule BA, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>vv. Schedule DL, Part 1</u>	_____	_____	_____	_____	_____	_____	_____
<u>ww. Other</u>	_____	_____	_____	_____	_____	_____	_____
<u>xx. Total Assets (nn+oo+pp+qq+rr+ss+tt+uu+vv+ ww)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Percentage to Total FWH Assets (including Modco)</u>							

QUARTERLY STATEMENT INSTRUCTIONS – HEALTH & TITLE

Drafting Note: Note 5L will now be included in the quarterly instructions. This proposal is showing the annual changes from 2025-06BWG and the annual changes shown above in this proposal.

NOTES TO FINANCIAL STATEMENTS

The interim financial information shall include disclosures sufficient to make the information presented not misleading. It may be presumed that the users of the interim financial information have read or have access to the annual statement for the preceding period and that the adequacy of additional disclosure needed for a fair presentation, except in regard to material contingencies, may be determined in that context. Accordingly, footnote disclosure that would substantially duplicate the disclosure contained in the most recent annual statement or audited financial statements, such as a statement of significant accounting policies and practices, details of accounts that have not changed significantly in amount or composition since the end of the most recently completed fiscal year, may be omitted but the footnote number and annotation such as “no change” should be included. However, provide disclosure for annual Note 1A, 1C(2), 1C(6), 1D, 5D, 5E(3)b, 5F, 5G, 5H, 5I, 5L, 5M(2), 5M(3), 5N, 5R, 8A(8), 8B(2)a, 8B(2)b, 8B(2)c, 11B, 12A(4), 17B(2), 17B(4)a, 17B(4)b, 17C, 20, 24E and 25 in all quarters; and all other Notes where events subsequent to the end of the most recent fiscal year have occurred that have a material impact on the reporting entity. Disclosures shall encompass, for example, significant changes since the end of the period reported on the last annual statement in such items as statutory accounting principles and practices; estimates inherent in the preparation of financial statements; status of long-term contracts; capitalization, including significant new borrowings or modifications of existing financial arrangements; and the reporting entity resulting from business combinations or dispositions. Notwithstanding the above, where material noninsurance contingencies exist, disclosure of such matters shall be provided even though a significant change since year-end may not have occurred. If the reporting entity has changed the accounting policies since the end of its preceding year, the changes shall be disclosed in the quarterly financial statements. Information should be reported for current year-to-date.



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

**5. Investments**Instruction:L. Restricted Assets(1) Restricted Assets (Including Pledged)

Disclose the total gross (admitted and nonadmitted) book/adjusted carrying value amount of restricted assets by category, with separate identification of the admitted and nonadmitted restricted assets by category and nature of any assets pledged to others as collateral or otherwise restricted (e.g., not under the exclusive control, assets subject to a put option contract, etc.) by the reporting entity. Provide the total gross amount of restricted assets (current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) by the following categories:

- a. Subject to contractual obligation for which liability is not shown
- b. Collateral held under security lending agreements
- c. Subject to repurchase agreements
- d. Subject to reverse repurchase agreements
- e. Subject to dollar repurchase agreements

- f. Subject to dollar reverse repurchase agreements
- g. Placed under option contracts
- h. Letter stock or securities restricted as to sale – excluding FHLB capital stock
- i. FHLB capital stock
- j. On deposit with states
- k. On deposit with other regulatory bodies
- l. Pledged collateral to FHLB (including assets backing funding agreements)
- m. Pledged as collateral not captured in other categories
- n. Other restricted assets
- o. Collateral Assets Received and on Balance Sheet
- Exclude: Collateral under security lending and repurchase agreements reported on balance sheet.
- p. Assets held under Modco Reinsurance Agreements
- q. Assets held under Funds Withheld Reinsurance Agreements
- r. Total restricted assets

Items captured “pledged as collateral not captured in other categories” shall include, but not be limited to, assets pledged under derivative arrangements.

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories

For assets pledged as collateral not captured in other categories reported in aggregate in Note 5L(1) above, provide the total gross (admitted and nonadmitted) amount of restricted assets (current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity’s total assets amount reported on Line 28 of the asset page (gross and admitted respectively) with a narrative summary of each collateral agreement included in the aggregate number in Note 5L(1) above. Contracts that share similar characteristics, such as reinsurance and derivatives, are to be reported in the aggregate. (Note: This would be the detail for what was reported as “Pledged as Collateral Not Captured in Other Categories” for 5L(1) above.)

(3) Detail of Other Restricted Assets

For other restricted assets reported in aggregate in Note 5L(1) above, provide the total gross (admitted and nonadmitted) amount of restricted assets (current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity’s total assets amount reported on Line 28 of the asset page (gross and admitted respectively) with a description of each of the other restricted assets included in the aggregate number in Note 5L(1) above. Contracts that share similar characteristics, such as reinsurance and derivatives, are to be reported in the aggregate. (Note: This would be the detail for what was reported as “Other Restricted Assets” for 5L(1) above.)

(4) Collateral Received and Assets Held under Modco/Funds Withheld Reinsurance Agreements Reflected as Assets Within the Reporting Entity's Financial Statements

Disclose the following for the general account regarding collateral received and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:

- Nature of assets reflected within the reporting entity's financial statements
- Book/adjusted carrying value (BACV) of the assets
- Fair value of the assets
- The recognized liability to return collateral assets or obligation under the Modco/Funds Withheld Reinsurance Agreements
- The percentage the asset BACV amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).
- Identify by the following related party codes, the amount of assets held under funds withheld agreements (including modco) on the basis of whether the investment is related to the modco/FWH reinsurer:
 1. Direct loan or direct investment (excluding securitizations) in the reinsurer, for which the reinsurer 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 the reinsurer 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 the reinsurer.
 3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with the reinsurer 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 the reinsurer.
 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 to the reinsurer but does not involve a relationship with the reinsurer as sponsor, originator, manager, servicer or other similar influential role.
 5. The investment is identified as related to the reinsurer, but the role of the reinsurer represents a different arrangement than the options provided in choices 1-4.
 6. The investment is not related / affiliated to the reinsurer.

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

(5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to

the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(5) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

This illustration includes the presentation of all restricted assets reported on the financial statements for a total comparison to total assets. This includes the items captured in SSAP No. 1, paragraphs 23.b. and 23.c. (Items captured in paragraph 23.c. should have a corresponding liability recognized, therefore there is no capture within the general interrogatories or capture as a noncontrolled asset in the RBC formula.)

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)	8 Amount Reported in General Interrogatories	9 Difference from Note and GI	10 GI Ref
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%	\$	\$	
b. Collateral held under security lending agreements										25.04 + 25.05
c. Subject to repurchase agreements										26.21
d. Subject to reverse repurchase agreements										26.22
e. Subject to dollar repurchase agreements										26.23
f. Subject to dollar reverse repurchase agreements										26.24
g. Placed under option contracts										26.25
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock										26.26
i. FHLB capital stock										26.27
j. On deposit with states										26.28
k. On deposit with other regulatory bodies										26.29
l. Pledged as collateral to FHLB (including assets backing funding agreements)										26.31
m. Pledged as collateral not captured in other categories										26.30
n. Other restricted assets										26.32
o. Collateral Assets Received and on Balance Sheet								XXX	XXX	N/A
p. Assets held under Modco Reinsurance Agreements								XXX	XXX	N/A
q. Assets held under Funds Withheld Reinsurance Agreements								XXX	XXX	N/A
r. Total Restricted Assets (Sum of a through q)	\$	\$	\$	\$	\$	XXX	XXX	XXX	XXX	XXX

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

Reporting entities shall explain the differences between amounts reported in Note 5L(1) and the general interrogatories. This shall include all instances in which an amount is reported in column 9 above.

GI Reference	Difference between Note and GI (Per Column 8 above)	Explanation
25.04+25.05		
26.21		
26.22		
26.23		
26.24		
26.25		
26.26		
26.27		
26.28		
26.29		
26.31		
26.30		
26.32		

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Nonadmitted) Restricted to Total Asset	6 Admitted Restricted to Total Admitted Assets
.....	\$	\$	\$	\$	%	%
.....						
.....						
Total (a)	\$	\$	\$	\$	%	%
Amount of Total pledged under derivative contracts	\$	\$	\$	\$	%	%
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)	\$	\$	\$	\$	XXX	XXX

(a) Total Line for Columns 1 through 3 should equal 5L(1)m Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)m Column 5

Note: The amount of pledged under derivative contracts should agree to Schedule DB and agree to what is subtracted from the life RBC formula.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Nonadmitted) Restricted to Total Assets	6 Admitted Restricted to Total Admitted Assets
.....	\$	\$	\$	\$	%	%
.....						
.....						
Total (a)	\$	\$	\$	\$	XXX	XXX

(a) Total Line for Columns 1 through 3 should equal 5L(1)n Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)n Column 5

(4) Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements
Reflected as Assets Within the Reporting Entity's Financial Statements

<u>Assets</u>	<u>1</u> <u>BACV</u> <u>Collateral</u> <u>***</u>	<u>2</u> <u>BACV</u> <u>Modco</u> <u>****</u>	<u>3</u> <u>BACV</u> <u>FWH</u> <u>*****</u>	<u>4</u> <u>Fair</u> <u>Value</u> <u>Collateral</u>	<u>5</u> <u>Fair</u> <u>Value</u> <u>Modco</u>	<u>6</u> <u>Fair</u> <u>Value</u> <u>FWH</u>	<u>7</u> <u>% of BACV to</u> <u>Total Assets</u> <u>(Admitted and</u> <u>Nonadmitted *</u>	<u>8</u> <u>% of BACV to</u> <u>Total Admitted</u> <u>Assets **</u>
a. <u>Cash, Cash Equivalents and</u> <u>Short-Term Investments</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	 %	 %
b. <u>Schedule D, Part 1, Section 1</u>	_____	_____	_____	_____	_____	_____	 %	 %
c. <u>Schedule D, Part 1, Section 2</u>	_____	_____	_____	_____	_____	_____	 %	 %
d. <u>Schedule D, Part 2, Section 1</u>	_____	_____	_____	_____	_____	_____	 %	 %
e. <u>Schedule D, Part 2, Section 2</u>	_____	_____	_____	_____	_____	_____	 %	 %
f. <u>Schedule B</u>	_____	_____	_____	_____	_____	_____	 %	 %
g. <u>Schedule A</u>	_____	_____	_____	_____	_____	_____	 %	 %
h. <u>Schedule BA, Part 1</u>	_____	_____	_____	_____	_____	_____	 %	 %
i. <u>Schedule DL, Part 1</u>	_____	_____	_____	_____	_____	_____	 %	 %
j. <u>Other</u>	_____	_____	_____	_____	_____	_____	 %	 %
k. <u>Total Assets</u> <u>(a+b+c+d+e+f+g+h+i+j)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	 %	 %

* Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)

** Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.

	<u>1</u> <u>Amount</u>	<u>2</u> <u>% of Liability to</u> <u>Total Liabilities *</u>
l. <u>Recognized Obligation to</u> <u>Return Collateral Asset</u>	\$	 %
m. <u>Recognized Obligation for</u> <u>Modco assets</u>	\$	 %
n. <u>Recognized Obligation for</u> <u>FWH (excluding Modco)</u> <u>assets</u>	\$	 %

* l + m + n = Column 1 divided by Liability Page, Line 24 (Column 3)

<u>Assets</u>	<u>Book/Adjusted Carrying Value (BACV)</u>	<u>Related Party Code</u>					
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
<u>o. Cash, Cash Equivalents and Short-Term Investments</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	
<u>p. Schedule D, Part 1, Section 1</u>	_____	_____	_____	_____	_____	_____	
<u>q. Schedule D, Part 1, Section 2</u>	_____	_____	_____	_____	_____	_____	
<u>r. Schedule D, Part 2, Section 1</u>	_____	_____	_____	_____	_____	_____	
<u>s. Schedule D, Part 2, Section 2</u>	_____	_____	_____	_____	_____	_____	
<u>t. Schedule B</u>	_____	_____	_____	_____	_____	_____	
<u>u. Schedule A</u>	_____	_____	_____	_____	_____	_____	
<u>v. Schedule BA, Part 1</u>	_____	_____	_____	_____	_____	_____	
<u>w. Schedule DL, Part 1</u>	_____	_____	_____	_____	_____	_____	
<u>x. Other</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	
<u>y. Total Assets (o+p+q+r+s+t+u+v+w+x)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	
<u>Percentage to Total FWH Assets (including Modco)</u>							

(5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

	<u>Collateral Held</u>	<u>Modco</u>	<u>FWH</u>
<u>a. Securities Lending</u>	_____	_____	_____
<u>b. Repo / repurchase Agreements</u>	_____	_____	_____
<u>c. Placed under option contracts</u>	_____	_____	_____
<u>d. On deposit with states</u>	_____	_____	_____
<u>e. On deposit with other regulatory bodies</u>	_____	_____	_____
<u>f. Pledged as collateral to FHLB (including assets backing funding agreements)</u>	_____	_____	_____
<u>g. Pledged as collateral not captured in other categories</u>	_____	_____	_____
<u>Total</u>			

QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL

Drafting Note: Note 5L will now be included in the quarterly instructions. This proposal is showing the annual changes from 2025-06BWG and the annual changes shown above in this proposal.

NOTES TO FINANCIAL STATEMENTS

The interim financial information shall include disclosures sufficient to make the information presented not misleading. It may be presumed that the users of the interim financial information have read or have access to the annual statement for the preceding period and that the adequacy of additional disclosure needed for a fair presentation, except in regard to material contingencies, may be determined in that context. Accordingly, footnote disclosure that would substantially duplicate the disclosure contained in the most recent annual statement or audited financial statements, such as a statement of significant accounting policies and practices, details of accounts that have not changed significantly in amount or composition since the end of the most recently completed fiscal year, may be omitted but the footnote number and annotation such as “no change” should be included. However, provide disclosure for annual Note 1A, 1C(2), 1C(6), 1D, 5D, 5E(3)b, 5F, 5G, 5H, 5I, 5L, 5M(2), 5M(3), 5N, 5R, 8A(8), 8B(2)a, 8B(2)b, 8B(2)c, 11B, 12A(4), 17B(2), 17B(4)a, 17B(4)b, 17C, 20, 24E and 25 in all quarters; and all other Notes where events subsequent to the end of the most recent fiscal year have occurred that have a material impact on the reporting entity. Disclosures shall encompass, for example, significant changes since the end of the period reported on the last annual statement in such items as statutory accounting principles and practices; estimates inherent in the preparation of financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financial arrangements; and the reporting entity resulting from business combinations or dispositions. Notwithstanding the above, where material noninsurance contingencies exist, disclosure of such matters shall be provided even though a significant change since year-end may not have occurred. If the reporting entity has changed the accounting policies since the end of its preceding year, the changes shall be disclosed in the quarterly financial statements. Information should be reported for current year-to-date.

**Detail Eliminated To Conserve Space****5. Investments**Instruction:L. Restricted Assets(1) Restricted Assets (Including Pledged)

Disclose the total gross (admitted and nonadmitted) book/adjusted carrying value amount of restricted assets by category, with separate identification of the admitted and nonadmitted restricted assets by category and nature of any assets pledged to others as collateral or otherwise restricted (e.g., not under the exclusive control, assets subject to a put option contract, etc.) by the reporting entity. Provide the gross amount of restricted assets (total general account, general account assets supporting separate account activity, total separate account, separate account assets supporting general account activity and sum of the general account and the separate account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) by the following categories:

- a. Subject to contractual obligation for which liability is not shown
- b. Collateral held under security lending agreements
- c. Subject to repurchase agreements

- d. Subject to reverse repurchase agreements
 - e. Subject to dollar repurchase agreements
 - f. Subject to dollar reverse repurchase agreements
 - g. Placed under option contracts
 - h. Letter stock or securities restricted as to sale – excluding FHLB capital stock
 - i. FHLB capital stock
 - j. On deposit with states
 - k. On deposit with other regulatory bodies
 - l. Pledged collateral to FHLB (including assets backing funding agreements)
 - m. Pledged as collateral not captured in other categories
 - n. Other restricted assets
 - o. Collateral Assets Received and on Balance Sheet
- Exclude: Collateral under security lending and repurchase agreements reported on balance sheet.
- p. Assets held under Modco Reinsurance Agreements
 - q. Assets held under Funds Withheld Reinsurance Agreements
 - r. Total restricted assets

Items captured “pledged as collateral not captured in other categories” shall include, but not be limited to, assets pledged under derivative arrangements.

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories

For assets pledged as collateral not captured in other categories reported in aggregate in Note 5L(1) above, provide the gross (admitted and nonadmitted) amount of restricted assets (total general account, general account assets supporting separate account activity, total separate account, separate account assets supporting general account activity and sum of the general account and the separate account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity’s total assets amount reported on Line 28 of the asset page (gross and admitted respectively) with a narrative summary of each collateral agreement included in the aggregate number in Note 5L(1) above. Contracts that share similar characteristics, such as reinsurance and derivatives, are to be reported in the aggregate. (Note: This would be the detail for what was reported as “Pledged as Collateral Not Captured in Other Categories” for 5L(1) above.)

(3) Detail of Other Restricted Assets

For other restricted assets reported in aggregate in Note 5L(1) above, provide the gross (admitted and nonadmitted) amount of restricted assets (total general account, general account assets supporting separate account activity, total separate account, separate account assets supporting general account activity and sum of the general account and the separate account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) with a description of each of the other restricted assets included in the aggregate number in Note 5L(1) above. Contracts that share similar characteristics, such as reinsurance and derivatives, are to be reported in the aggregate. (Note: This would be the detail for what was reported as "Other Restricted Assets" for 5L(1) above.)

(4) Collateral Received and Assets Held under Modco/Funds Withheld Reinsurance Agreements Reflected as Assets Within the Reporting Entity's Financial Statements

Disclose the following for the general account regarding collateral received and and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:

- Nature of assets reflected within the reporting entity's financial statements
- Book/adjusted carrying value (BACV) of the assets
- Fair value of the assets
- The recognized liability to return collateral assets or obligation under the Modco/Funds Withheld Reinsurance Agreements
- The percentage the asset BACV amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).
- Identify by the following related party codes, the amount of assets held under funds withheld agreements (including modco) on the basis of whether the investment is related to the modco/FWH reinsurer:
 1. Direct loan or direct investment (excluding securitizations) in the reinsurer, for which the reinsurer 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 the reinsurer 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 the reinsurer.
 3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with the reinsurer 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 the reinsurer.

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 to the reinsurer but does not involve a relationship with the reinsurer as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related to the reinsurer, but the role of the reinsurer represents a different arrangement than the options provided in choices 1-4.
6. The investment is not related / affiliated to the reinsurer.

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

Restricted assets in the separate account are not intended to capture amounts “restricted” only because they are insulated from the general account or because they are attributed to specific policyholders. Separate account assets shall be captured in this disclosure only if they are restricted outside of these characteristics.

- (5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(5) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

This illustration includes the presentation of all restricted assets reported on the financial statements for a total comparison to total assets. This includes the items captured in SSAP No. 1, paragraphs 23.b. and 23.c. (Items captured in paragraph 23.c. should have a corresponding liability recognized, therefore there is no capture within the general interrogatories or capture as a noncontrolled asset in the RBC formula.)

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)
	1 Total General Account (G/A)	2 G/A Supporting S/A Activity (a)	3 Total Separate Account (S/A) Restricted Assets	4 S/A Assets Supporting G/A Activity (b)	5 Total (1 plus 3)		
a. <u>Subject to contractual obligation for which liability is not shown</u>	\$	\$	\$	\$	\$	\$	\$
b. <u>Collateral held under security lending agreements</u>							
c. <u>Subject to repurchase agreements</u>							
d. <u>Subject to reverse repurchase agreements</u>							
e. <u>Subject to dollar repurchase agreements</u>							

f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states							
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Collateral Assets Received and on Balance Sheet							
p. Assets held under Modco Reinsurance Agreements							
q. Assets held under Funds Withheld Reinsurance Agreements							
r. Total Restricted Assets (Sum of a through n)	\$	\$	\$	\$	\$	\$	\$

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year						
	8	9	Percentage		12	13	14
	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)	Amount Reported in General Interrogatories	Difference from Note and GI	GI Ref
a. Subject to contractual obligation for which liability is not shown	\$	\$	%	%	\$	\$	
b. Collateral held under security lending agreements							25.04+25.05
c. Subject to repurchase agreements							26.21
d. Subject to reverse repurchase agreements							26.22
e. Subject to dollar repurchase agreements							26.23
f. Subject to dollar reverse repurchase agreements							26.24
g. Placed under option contracts							26.25
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							26.26
i. FHLB capital stock							26.27
j. On deposit with states							26.28
k. On deposit with other regulatory bodies							26.29
l. Pledged as collateral to FHLB (including assets backing funding agreements)							26.31
m. Pledged as collateral not captured in other categories							26.30
n. Other restricted assets							26.32
o. Collateral Assets Received and on Balance Sheet					XXX	XXX	N/A
p. Assets held under Modco Reinsurance Agreements					XXX	XXX	N/A
q. Assets held under Funds Withheld Reinsurance Agreements					XXX	XXX	N/A
r. Total Restricted Assets (Sum of a through q)	\$	\$	%	%	XXX	XXX	XXX

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

Reporting entities shall explain the differences between amounts reported in Note 5L(1) and the general interrogatories. This shall include all instances in which an amount is reported in column 13 above.

GI Reference	Difference between Note and GI (Per Column 12 above)	Explanation
25.04+25.05		
26.21		
26.22		
26.23		

26.24		
26.25		
26.26		
26.27		
26.28		
26.29		
26.31		
26.30		
26.32		

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)					
	\$	\$	\$	\$	\$	\$	\$	\$	%	%
										
										
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Amount of Total pledged under derivative contracts	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)	\$	\$	\$	\$	\$	\$	\$	\$	XXX	XXX

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively

Note: The amount of pledged under derivative contracts should agree to Schedule DB and agree to what is subtracted from the life RBC formula.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
	\$	\$	\$	\$	\$	\$	\$	%	%	
Total (c)	\$	\$	\$	\$	\$	\$	\$	XXX	XXX	

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)n Columns 9 through 11 respectively

(4) Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements
Reflected as Assets Within the Reporting Entity's Financial Statements

Assets	<u>1</u> BACV Collateral ***	<u>2</u> BACV Modco ****	<u>3</u> BACV FWH *****	<u>4</u> Fair Value Collateral	<u>5</u> Fair Value Modco	<u>6</u> Fair Value FWH	<u>7</u> % of BACV to Total Assets (Admitted and Nonadmitted *)	<u>8</u> % of BACV to Total Admitted Assets **
<u>General Account:</u>								
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
b. Schedule D, Part 1, Section 1							 %	 %
c. Schedule D, Part 1, Section 2							 %	 %
d. Schedule D, Part 2, Section 1							 %	 %
e. Schedule D, Part 2, Section 2							 %	 %
f. Schedule B							 %	 %
g. Schedule A							 %	 %
h. Schedule BA, Part 1							 %	 %
i. Schedule DL, Part 1							 %	 %
j. Other							 %	 %
k. Total Assets (a+b+c+d+e+f+g+h+i+j)	\$	\$	\$	\$	\$	\$	 %	 %
<u>Separate Account:</u>								
l. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
m. Schedule D, Part 1, Section 1							 %	 %
n. Schedule D, Part 1, Section 2							 %	 %
o. Schedule D, Part 2, Section 1							 %	 %
p. Schedule D, Part 2, Section 2							 %	 %
q. Schedule B							 %	 %
r. Schedule A							 %	 %
s. Schedule BA, Part 1							 %	 %
t. Schedule DL, Part 1							 %	 %
u. Other							 %	 %
v. Total Assets (l+m+n+o+p+q+r+s+t+u)	\$	\$	\$	\$	\$	\$	 %	 %

* k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 1)

** k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.
v (Collateral BACV) should equal Note 5L(1) Column 2, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.
v (Modco BACV) should equal Note 5L(1) Column 2, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.
v (FWH BACV) should equal Note 5L(1) Column 2, Line q.

	<u>1</u> Amount	<u>2</u> % of Liability to Total Liabilities *
w. Recognized Obligation to Return Collateral Asset (General Account)	\$	 %
x. Recognized Obligation to Return Collateral Asset (Separate Account)	\$	 %

y. Recognized Obligation for Modco assets (General Account) \$ %

z. Recognized Obligation for Modco assets (Separate Account) \$ %

aa. Recognized Obligation for FWH (excluding Modco) assets (General Account) \$ %

bb. Recognized Obligation for FWH (excluding Modco) assets (Separate Account) \$ %

* w+y+aa = Column 1 divided by Liability Page, Line 26 (Column 1)

x+z+bb = Column 1 divided by Liability Page, Line 27 (Column 1)

Assets	Book/Adjusted Carrying Value (BACV)	Related Party Code					
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
<u>General Account:</u>							
cc. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	\$
dd. Schedule D, Part 1, Section 1							
ee. Schedule D, Part 1, Section 2							
ff. Schedule D, Part 2, Section 1							
gg. Schedule D, Part 2, Section 2							
hh. Schedule B							
ii. Schedule A							
jj. Schedule BA, Part 1							
kk. Schedule DL, Part 1							
ll. Other	\$	\$	\$	\$	\$	\$	\$
mm. Total Assets (cc+dd+ee+ff+gg+hh+ii+jj+kk+ll)	\$	\$	\$	\$	\$	\$	\$
Percentage to Total FWH Assets (including Modco)							
<u>Separate Account:</u>							
nn. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	\$
oo. Schedule D, Part 1, Section 1							
pp. Schedule D, Part 1, Section 2							
qq. Schedule D, Part 2, Section 1							
rr. Schedule D, Part 2, Section 2							
ss. Schedule B							
tt. Schedule A							
uu. Schedule BA, Part 1							
vv. Schedule DL, Part 1							
ww. Other	\$	\$	\$	\$	\$	\$	\$
xx. Total Assets (nn+oo+pp+qq+rr+ss+tt+uu+vv+ww)	\$	\$	\$	\$	\$	\$	\$
Percentage to Total FWH Assets (including Modco)							

- (5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

	<u>Collateral Held</u>	<u>Modco</u>	<u>FWH</u>
a. <u>Securities Lending</u>			
b. <u>Repo / repurchase Agreements</u>			
c. <u>Placed under option contracts</u>			
d. <u>On deposit with states</u>			
e. <u>On deposit with other regulatory bodies</u>			
f. <u>Pledged as collateral to FHLB (including assets backing funding agreements)</u>			
g. <u>Pledged as collateral not captured in other categories</u>			
<u>Total</u>			

QUARTERLY STATEMENT INSTRUCTIONS – PROPERTY

Drafting Note: Note 5L will now be included in the quarterly instructions. This proposal is showing the annual changes from 2025-06BWG and the annual changes shown above in this proposal.

NOTES TO FINANCIAL STATEMENTS

The interim financial information shall include disclosures sufficient to make the information presented not misleading. It may be presumed that the users of the interim financial information have read or have access to the annual statement for the preceding period and that the adequacy of additional disclosure needed for a fair presentation, except in regard to material contingencies, may be determined in that context. Accordingly, footnote disclosure that would substantially duplicate the disclosure contained in the most recent annual statement or audited financial statements, such as a statement of significant accounting policies and practices, details of accounts that have not changed significantly in amount or composition since the end of the most recently completed fiscal year, may be omitted but the footnote number and annotation such as “no change” should be included. However, provide disclosure for annual Note 1A, 1C(2), 1C(6), 1D, 5D, 5E(3)b, 5F, 5G, 5H, 5I, 5L, 5M(2), 5M(3), 5N, 5R, 8A(8), 8B(2)a, 8B(2)b, 8B(2)c, 11B, 12A(4), 17B(2), 17B(4)a, 17B(4)b, 17C, 20, 24F, 25 and 36B in all quarters; and all other Notes where events subsequent to the end of the most recent fiscal year have occurred that have a material impact on the reporting entity. Disclosures shall encompass, for example, significant changes since the end of the period reported on the last annual statement in such items as statutory accounting principles and practices; estimates inherent in the preparation of financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financial arrangements; and the reporting entity resulting from business combinations or dispositions. Notwithstanding the above, where material noninsurance contingencies exist, disclosure of such matters shall be provided even though a significant change since year-end may not have occurred. If the reporting entity has changed the accounting policies since the end of its preceding year, the changes shall be disclosed in the quarterly financial statements. Information should be reported for current year-to-date.



Detail Eliminated To Conserve Space

**5. Investments**

Instruction:

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Disclose the total gross (admitted and nonadmitted) book/adjusted carrying value amount of restricted assets by category, with separate identification of the admitted and nonadmitted restricted assets by category and nature of any assets pledged to others as collateral or otherwise restricted (e.g., not under the exclusive control, assets subject to a put option contract, etc.) by the reporting entity. Provide the gross amount of restricted assets (total general account, general account assets supporting protected cell account activity, total protected cell account, protected cell account assets supporting general account activity and sum of the general account and the protected cell account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) by the following categories:

- a. Subject to contractual obligation for which liability is not shown
- b. Collateral held under security lending agreements
- c. Subject to repurchase agreements

- d. Subject to reverse repurchase agreements
 - e. Subject to dollar repurchase agreements
 - f. Subject to dollar reverse repurchase agreements
 - g. Placed under option contracts
 - h. Letter stock or securities restricted as to sale – excluding FHLB capital stock
 - i. FHLB capital stock
 - j. On deposit with states
 - k. On deposit with other regulatory bodies
 - l. Pledged collateral to FHLB (including assets backing funding agreements)
 - m. Pledged as collateral not captured in other categories
 - n. Other restricted assets
 - o. Collateral Assets Received and on Balance Sheet
- Exclude: Collateral under security lending and repurchase agreements reported on balance sheet.
- p. Assets held under Modco Reinsurance Agreements
 - q. Assets held under Funds Withheld Reinsurance Agreements
 - r. Total restricted assets

Items captured “pledged as collateral not captured in other categories” shall include, but not be limited to, assets pledged under derivative arrangements.

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories

For assets pledged as collateral not captured in other categories reported in aggregate in Note 5L(1) above, provide the gross (admitted and nonadmitted) amount of restricted assets (total general account, general account assets supporting protected cell account activity, total protected cell account, protected cell account assets supporting general account activity and sum of the general account and the protected cell account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity’s total assets amount reported on Line 28 of the asset page (gross and admitted respectively) with a narrative summary of each collateral agreement included in the aggregate number in Note 5L(1) above. Contracts that share similar characteristics, such as reinsurance and derivatives, are to be reported in the aggregate. (Note: This would be the detail for what was reported as “Pledged as Collateral Not Captured in Other Categories” for 5L(1) above.)

(3) Detail of Other Restricted Assets

For other restricted assets reported in aggregate in Note 5L(1) above, provide the gross (admitted and nonadmitted) amount of restricted assets (total general account, general account assets supporting protected cell account activity, total protected cell account, protected cell account assets supporting general account activity and sum of the general account and the protected cell account for current year, prior year and the change between years), the total admitted of restricted assets and the percentage the restricted asset amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 28 of the asset page (gross and admitted respectively) with a description of each of the other restricted assets included in the aggregate number in Note 5L(1) above. Contracts that share similar characteristics, such as reinsurance and derivatives, are to be reported in the aggregate. (Note: This would be the detail for what was reported as "Other Restricted Assets" for 5L(1) above.)

(4) Collateral Received and Assets Held under Modco/Funds Withheld Reinsurance Agreements Reflected as Assets Within the Reporting Entity's Financial Statements

Disclose the following for the general account regarding collateral received and assets held under modco/funds withheld reinsurance agreements under SSAP No. 1, paragraph 23c:

- Nature of assets reflected within the reporting entity's financial statements
- Book/adjusted carrying value (BACV) of the assets
- Fair value of the assets
- The recognized liability to return collateral assets or obligation under the Modco/Funds Withheld Reinsurance Agreements
- The percentage the asset BACV amount (gross and admitted) is of the reporting entity's total assets amount reported on Line 26 of the asset page (gross and admitted, respectively).
- Identify by the following related party codes, the amount of assets held under funds withheld agreements (including modco) on the basis of whether the investment is related to the modco/FWH reinsurer:
 1. Direct loan or direct investment (excluding securitizations) in the reinsurer, for which the reinsurer 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 the reinsurer 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 the reinsurer.
 3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with the reinsurer 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 the reinsurer.

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 to the reinsurer but does not involve a relationship with the reinsurer as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related to the reinsurer, but the role of the reinsurer represents a different arrangement than the options provided in choices 1-4.
6. The investment is not related / affiliated to the reinsurer.

NOTE: The information captured within this disclosure is intended to aggregate the information reported in the Annual Statement Investment Schedules in accordance with the coding of investments that are not under the exclusive control of the reporting entity, including assets loaned to others, and the information reported in the General Interrogatories.

Restricted assets in the protected cell are not intended to capture amounts “restricted” only because they are insulated from the general account or because they are attributed to specific policyholders. Protected cell assets shall be captured in this disclosure only if they are restricted outside of these characteristics.

- (5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

Illustration:

L. Restricted Assets

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR TABLES 5L(1) THROUGH 5L(5) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

This illustration includes the presentation of all restricted assets reported on the financial statements for a total comparison to total assets. This includes the items captured in SSAP No. 1, paragraphs 23.b. and 23.c. (Items captured in paragraph 23.c. should have a corresponding liability recognized, therefore there is no capture within the general interrogatories or capture as a noncontrolled asset in the RBC formula.)

(1) Restricted Assets (Including Pledged)

	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$
b. Collateral held under security lending agreements							
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							

f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states							
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Collateral Assets Received and on Balance Sheet							
p. Assets held under Modco Reinsurance Agreements							
q. Assets held under Funds Withheld Reinsurance Agreements							
r. Total Restricted Assets (Sum of a through n)	\$	\$	\$	\$	\$	\$	\$

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year						
	8	9	Percentage		12	13	14
	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)	Amount Reported in General Interrogatories	Difference from Note and GI	GI Ref
a. Subject to contractual obligation for which liability is not shown	\$	\$	%	%	\$	\$	
b. Collateral held under security lending agreements							25.04+25.05
c. Subject to repurchase agreements							26.21
d. Subject to reverse repurchase agreements							26.22
e. Subject to dollar repurchase agreements							26.23
f. Subject to dollar reverse repurchase agreements							26.24
g. Placed under option contracts							26.25
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							26.26
i. FHLB capital stock							26.27
j. On deposit with states							26.28
k. On deposit with other regulatory bodies							26.29
l. Pledged as collateral to FHLB (including assets backing funding agreements)							26.31
m. Pledged as collateral not captured in other categories							26.30
n. Other restricted assets							26.32
o. Collateral Assets Received and on Balance Sheet					XXX	XXX	N/A
p. Assets held under Modco Reinsurance Agreements					XXX	XXX	N/A
q. Assets held under Funds Withheld Reinsurance Agreements					XXX	XXX	N/A
r. Total Restricted Assets (Sum of a through q)	\$	\$	%	%	XXX	XXX	XXX

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

Reporting entities shall explain the differences between amounts reported in Note 5L(1) and the general interrogatories. This shall include all instances in which an amount is reported in column 13 above.

GI Reference	Difference between Note and GI (Per Column 12 above)	Explanation
25.04+25.05		
26.21		
26.22		
26.23		

26.24		
26.25		
26.26		
26.27		
26.28		
26.29		
26.31		
26.30		
26.32		

(2) **Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding modco/FWH) and Derivatives, Are Reported in the Aggregate)**

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8 Total Current Year Admitted Restricted	Percentage	
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)		9 Gross (Admitted & Nonadmitted) Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)					
	\$	\$	\$	\$	\$	\$	\$	\$	%	%
									%	%
									%	%
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Amount of Total pledged under derivative contracts	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)	\$	\$	\$	\$	\$	\$	\$	\$	XXX	XXX

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively

Note: The amount of pledged under derivative contracts should agree to Schedule DB and agree to what is subtracted from the life RBC formula.

(3) **Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude modco/FWH) and Derivatives, Are Reported in the Aggregate)**

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8 Total Current Year Admitted Restricted	Percentage	
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)		9 Gross (Admitted & Nonadmitted) Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)					
.....	\$	\$	\$	\$	\$	\$	\$	%	%	
.....										
.....										
Total (c)	\$	\$	\$	\$	\$	\$	\$	XXX	XXX	

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)n Columns 9 through 11 respectively

(4) Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements
Reflected as Assets Within the Reporting Entity's Financial Statements

Assets	<u>1</u> BACV Collateral ***	<u>2</u> BACV Modco ****	<u>3</u> BACV FWH *****	<u>4</u> Fair Value Collateral	<u>5</u> Fair Value Modco	<u>6</u> Fair Value FWH	<u>7</u> % of BACV to Total Assets (Admitted and Nonadmitted *)	<u>8</u> % of BACV to Total Admitted Assets **
<u>General Account:</u>								
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
b. Schedule D, Part 1, Section 1							 %	 %
c. Schedule D, Part 1, Section 2							 %	 %
d. Schedule D, Part 2, Section 1							 %	 %
e. Schedule D, Part 2, Section 2							 %	 %
f. Schedule B							 %	 %
g. Schedule A							 %	 %
h. Schedule BA, Part 1							 %	 %
i. Schedule DL, Part 1							 %	 %
j. Other							 %	 %
k. Total Assets (a+b+c+d+e+f+g+h+i+j)	\$	\$	\$	\$	\$	\$	 %	 %
<u>Protected Cell:</u>								
l. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	 %	 %
m. Schedule D, Part 1, Section 1							 %	 %
n. Schedule D, Part 1, Section 2							 %	 %
o. Schedule D, Part 2, Section 1							 %	 %
p. Schedule D, Part 2, Section 2							 %	 %
q. Schedule B							 %	 %
r. Schedule A							 %	 %
s. Schedule BA, Part 1							 %	 %
t. Schedule DL, Part 1							 %	 %
u. Other							 %	 %
v. Total Assets (l+m+n+o+p+q+r+s+t+u)	\$	\$	\$	\$	\$	\$	 %	 %

* k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 1)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 1)

** k = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 26 (Column 3)
v = Column 1 (Total of Collateral, Modco, FWH) divided by Asset Page, Line 27 (Column 3)

*** k (Collateral BACV) should equal Note 5L(1) Column 1, Line o.
v (Collateral BACV) should equal Note 5L(1) Column 2, Line o.

**** k (Modco BACV) should equal Note 5L(1) Column 1, Line p.
v (Modco BACV) should equal Note 5L(1) Column 2, Line p.

***** k (FWH BACV) should equal Note 5L(1) Column 1, Line q.
v (FWH BACV) should equal Note 5L(1) Column 2, Line q.

	<u>1</u> Amount	<u>2</u> % of Liability to Total Liabilities *
w. Recognized Obligation to Return Collateral Asset (General Account)	\$	 %
x. Recognized Obligation to Return Collateral Asset (Protected Cell)	\$	 %

y. Recognized Obligation for Modco assets (General Account) \$ %

z. Recognized Obligation for Modco assets (Protected Cell) \$ %

aa. Recognized Obligation for FWH (excluding Modco) assets (General Account) \$ %

bb. Recognized Obligation for FWH (excluding Modco) assets (Protected Cell) \$ %

* w+y+aa = Column 1 divided by Liability Page, Line 26 (Column 1)

x+z+bb = Column 1 divided by Liability Page, Line 27 (Column 1)

Assets	Book/Adjusted Carrying Value (BACV)	Related Party Code					
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
General Account:							
cc. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	\$
dd. Schedule D, Part 1, Section 1							
ee. Schedule D, Part 1, Section 2							
ff. Schedule D, Part 2, Section 1							
gg. Schedule D, Part 2, Section 2							
hh. Schedule B							
ii. Schedule A							
jj. Schedule BA, Part 1							
kk. Schedule DL, Part 1							
ll. Other							
mm. Total Assets (cc+dd+ee+ff+gg+hh+ii+jj+kk+ll)	\$	\$	\$	\$	\$	\$	\$
Percentage to Total FWH Assets (including Modco)							
Protected Cell:							
nn. Cash, Cash Equivalents and Short-Term Investments	\$	\$	\$	\$	\$	\$	\$
oo. Schedule D, Part 1, Section 1							
pp. Schedule D, Part 1, Section 2							
qq. Schedule D, Part 2, Section 1							
rr. Schedule D, Part 2, Section 2							
ss. Schedule B							
tt. Schedule A							
uu. Schedule BA, Part 1							
vv. Schedule DL, Part 1							
ww. Other							
xx. Total Assets (nn+oo+pp+qq+rr+ss+tt+uu+vv+ww)	\$	\$	\$	\$	\$	\$	\$
Percentage to Total FWH Assets (including Modco)							

(5) Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo

transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

	<u>Collateral Held</u>	<u>Modco</u>	<u>FWH</u>
a. <u>Securities Lending</u>			
b. <u>Repo / repurchase Agreements</u>			
c. <u>Placed under option contracts</u>			
d. <u>On deposit with states</u>			
e. <u>On deposit with other regulatory bodies</u>			
f. <u>Pledged as collateral to FHLB (including assets backing funding agreements)</u>			
g. <u>Pledged as collateral not captured in other categories</u>			
<u>Total</u>			

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2025-11BWG</u>	
TELEPHONE:	_____	Year <u>2025</u>	
EMAIL ADDRESS:	_____	Changes to Existing Reporting ☒ [X]	
ON BEHALF OF:	_____	New Reporting Requirement ☐ []	
NAME:	<u>Dale Bruggeman</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair SAPWG</u>	No Impact ☒ [X]	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Columbus, OH 43215</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☐ [] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☒ [X] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Remove the capital structure code reporting column on Schedule D, Part 1, Sections 1 and 2.

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

This proposal is removing the capital structure code column because there have been many questions on how to allocate investments to the established codes and inconsistent allocation of codes across companies to similar investments. This code was originally established for SVO use, but this information for investments is not utilized from the Schedule D reporting and obtained from the SVO through other data sources. Due to variations in reporting, data obtained from the Schedule D company-reporting may be misleading. (SAPWG Ref #2025-04)

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:

ANNUAL STATEMENT INSTRUCTIONS – HEALTH, LIFE/FRATERNAL, PROPERTY, TITLE**SCHEDULE D – PART 1- SECTION 1****LONG-TERM BONDS – ISSUER CREDIT OBLIGATIONS OWNED DECEMBER 31 OF CURRENT YEAR****Detail Eliminated To Conserve Space**

Column 36 — Capital Structure Code

Please identify the capital structure of the security using the following codes consistent with the SVO Notching Guidelines in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*:

Capital structure is sometimes referred to as rank or payment priority and can be found in feeds from the sources listed in the Issue and Issuer column.

As a general rule, a security is senior unsecured debt unless legal terms of the security indicate another position in the capital structure. Securities are senior or subordinated and are secured or unsecured. Municipal bonds, Federal National Mortgage Association securities (FNMA) and Federal Home Loan Mortgage Corporation securities (FHLMC) generally are senior debt, though there are examples of subordinated debt issued by FNMA and FHLMC. 1st Lien is a type of security interest and not capital structure but could be used to determine which capital structure designation the security should be reported under. The capital structure of "Other" should rarely be used.

Capital structure includes securities subject to SSAP No. 26 — Bonds.

1. Senior Secured Debt

Senior secured is paid first in the event of a default and also has a priority above other senior debt with respect to pledged assets.

2. Senior Unsecured Debt

Senior unsecured securities have priority ahead of subordinated debt for payment in the event of default.

3. Subordinated Debt

Subordinated is secondary in its rights to receive its principal and interest payments from the borrower to the rights of the holders of senior debt (e.g., for asset-backed securities, this would include mezzanine tranches).

(Subordinated means noting or designating a debt obligation whose holder is placed in precedence below secured and general unsecured creditors e.g., another debtholder could block payments to that holder or prevent that holder of that subordinated debt from taking any action.)

4. Not Applicable

Securities where the capital structure 1 through 3 above do not apply (e.g., Line 0149999999 SVO Identified Bond Exchange Traded Funds — Fair Value and Line 0159999999 SVO Identified Bond Exchange Traded Funds — Systematic Value).

SCHEDULE D – PART 1 – SECTION 2**ASSET-BACKED SECURITIES OWNED DECEMBER 31 OF CURRENT YEAR****Detail Eliminated To Conserve Space**

Column 38 — Capital Structure Code

Please identify the capital structure of the security using the following codes consistent with the SVO Notching Guidelines in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*:

Capital structure is sometimes referred to as rank or payment priority and can be found in feeds from the sources listed in the Issue and Issuer column.

As a general rule, a security is senior unsecured debt unless legal terms of the security indicate another position in the capital structure. Securities are senior or subordinated and are secured or unsecured. Municipal bonds, Federal National Mortgage Association securities (FNMA) and Federal Home Loan Mortgage Corporation securities (FHLMC) generally are senior debt, though there are examples of subordinated debt issued by FNMA and FHLMC. 1st Lien is a type of security interest and not capital structure but could be used to determine which capital structure designation the security should be reported under. The capital structure of "Other" should rarely be used.

Capital structure includes bonds subject to SSAP No. 43—*Asset-Backed Securities*.

1. Senior Secured Debt

Senior secured is paid first in the event of a default and also has a priority above other senior debt with respect to pledged assets.

2. Senior Unsecured Debt

Senior unsecured securities have priority ahead of subordinated debt for payment in the event of default.

3. Subordinated Debt

Subordinated is secondary in its rights to receive its principal and interest payments from the borrower to the rights of the holders of senior debt (e.g., for asset-backed securities, this would include mezzanine tranches).

(Subordinated means noting or designating a debt obligation whose holder is placed in precedence below secured and general unsecured creditors e.g., another debtholder could block payments to that holder or prevent that holder of that subordinated debt from taking any action.)

4. Not Applicable

Securities where the capital structure 1 through 3 above do not apply.

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Dale Bruggeman</u> TITLE: <u>Chair SAPWG</u> AFFILIATION: <u>Ohio Department of Insurance</u> ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>	Agenda Item # <u>2025-12BWG</u>		
	Year <u>2025</u>		
	Changes to Existing Reporting ☐ [X]		
	New Reporting Requirement ☐ []		
	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT		
No Impact ☐ [X]			Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No] ***If Yes, complete question below***
Modifies Required Disclosure ☐ []			
DISPOSITION			
☐ [] Rejected For Public Comment			
☐ [] Referred To Another NAIC Group			
☒ [X] Received For Public Comment			
☐ [] Adopted Date _____			
☐ [] Rejected Date _____			
☐ [] Deferred Date _____			
☐ [] Other (Specify) _____			

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☐ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [X] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [X] Separate Accounts | ☐ [] Title |
| ☐ [] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☐ [] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025**IDENTIFICATION OF ITEM(S) TO CHANGE**

"Remove" Line 8 – Unrated Multi-Class Securities Acquired by Conversion from AVR: Default Component – Basic Contribution. Relabel the line with "intentionally left blank" to prevent renumbering all lines in the AVR schedule and to be used in the future if there are other AVR updates.

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

This proposal relabeling Line 8 – Unrated Multi-Class Securities Acquired by Conversion because after review NAIC staff does not believe this historical line should be retained in the AVR schedule as there should be no securities reported within this line under current statutory accounting concepts. (SAPWG Ref # 2025-06)

*****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.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS –LIFE/FRATERNAL

ASSET VALUTATION RESERVE
DEFAULT COMPONENT –
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS

This supporting form is used to calculate the basic contribution, reserve objective and maximum reserve amount for the bond, preferred stock, derivative instruments and mortgage loan sub-components of the default component of the AVR. Instructions apply to the general account and the separate accounts, if applicable.

Column 5 – Basic Contribution Factor

These factors, on average, will provide an amount that approximates expected annual losses.

Include: The reserve factor calculated for mortgage loans.

Column 7 – Reserve Objective Factor

These factors are set to provide an accumulation level estimated to cover, in the aggregate, about 85% of the distribution of losses for each asset category.

Include: The reserve factor calculated for mortgage loans.

Column 9 – Maximum Reserve Factor

These factors define the largest amount that may be accumulated in the AVR. They operate to limit the level of AVR in periods of unusual capital gains or when voluntary reserves are added to the AVR.

Include: The reserve factor calculated for mortgage loans.

Lines 1 through 7 – Long-Term Bonds

Report the book/adjusted carrying value of all bonds and other fixed income instruments owned in Columns 1 and 4. Categorize the bonds and other fixed income instruments into NAIC designations 1 through 6 as directed by the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*, except that, exempt obligations 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.

Line 8 – ~~Total Unrated Mortgage-Backed/Asset-Backed Securities Acquired by Conversion~~ Intentionally Left Blank

~~“Unrated Mortgage-Backed/Asset-Backed Securities Acquired by Conversion” are securities acquired through the conversion of a portion of the company’s assets, on or after January 1, 1993, into securities for which the company does not obtain a rating from an NAIC recognized rating agency and for which there is no recourse liability.~~

~~For instructions for completing this line, refer to “Basic Contribution, Reserve Objective and Maximum Reserve Calculation for Unrated Mortgage-Backed/Asset-Backed Securities Acquired by Conversion.”~~

BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
FOR UNRATED MULTI-CLASS SECURITIES ACQUIRED BY CONVERSION

~~Assets may be converted into securities backed by the underlying assets. Rated bond classes of these multi-class mortgage-backed/asset-backed securities should be assigned Asset Valuation Reserve (AVR) factors consistent with comparably rated bonds.~~

~~A company may hold an "Unrated Multi-Class Security Acquired by Conversion" defined as a security acquired through the conversion of a portion of the company's assets, on or after January 1, 1993, into securities for which the company does not obtain a rating from an NAIC recognized rating agency and for which there is no recourse liability.~~

~~In such cases, the rating agency that rates a portion of the newly created security would establish the credit quality of the entire asset pool being securitized. The maximum reserve for the unrated security is the lesser of: (a) 100% of the maximum reserve for the entire pool associated with the unrated security as rated by an SVO approved rating agency, or (b) the book/adjusted carrying value of the unrated security. The reserve objective is equal to the maximum reserve. The basic contribution is equal to 33% of the maximum reserve.~~

~~This treatment does not occur when a reporting entity bears continuing actual or contingent liability arising from the securitization of any assets.~~

~~Any company which enters into such a transaction must prepare and include with its filed annual statement a schedule prepared in accordance with the following general guidelines to support the calculation of the reserve amounts to be reported on Page 29, Line 8.~~

ANNUAL STATEMENT BLANK –LIFE/FRATERNAL

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT 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)
		LONG-TERM BONDS										
1		Exempt Obligations		XXX	XXX		0.0000		0.0000		0.0000	
2.1	1	NAIC Designation Category 1.A		XXX	XXX		0.0002		0.0007		0.0013	
2.2	1	NAIC Designation Category 1.B		XXX	XXX		0.0004		0.0011		0.0023	
2.3	1	NAIC Designation Category 1.C		XXX	XXX		0.0006		0.0018		0.0035	
2.4	1	NAIC Designation Category 1.D		XXX	XXX		0.0007		0.0022		0.0044	
2.5	1	NAIC Designation Category 1.E		XXX	XXX		0.0009		0.0027		0.0055	
2.6	1	NAIC Designation Category 1.F		XXX	XXX		0.0011		0.0034		0.0068	
2.7	1	NAIC Designation Category 1.G		XXX	XXX		0.0014		0.0042		0.0085	
2.8		Subtotal NAIC 1 (2.1+2.2+2.3+2.4+2.5+2.6+2.7)		XXX	XXX		XXX		XXX		XXX	
3.1	2	NAIC Designation Category 2.A		XXX	XXX		0.0021		0.0063		0.0105	
3.2	2	NAIC Designation Category 2.B		XXX	XXX		0.0025		0.0076		0.0127	
3.3	2	NAIC Designation Category 2.C		XXX	XXX		0.0036		0.0108		0.0180	
3.4		Subtotal NAIC 2 (3.1+3.2+3.3)		XXX	XXX		XXX		XXX		XXX	
4.1	3	NAIC Designation Category 3.A		XXX	XXX		0.0069		0.0183		0.0262	
4.2	3	NAIC Designation Category 3.B		XXX	XXX		0.0099		0.0264		0.0377	
4.3	3	NAIC Designation Category 3.C		XXX	XXX		0.0131		0.0350		0.0500	
4.4		Subtotal NAIC 3 (4.1+4.2+4.3)		XXX	XXX		XXX		XXX		XXX	
5.1	4	NAIC Designation Category 4.A		XXX	XXX		0.0184		0.0430		0.0615	
5.2	4	NAIC Designation Category 4.B		XXX	XXX		0.0238		0.0555		0.0793	
5.3	4	NAIC Designation Category 4.C		XXX	XXX		0.0310		0.0724		0.1034	
5.4		Subtotal NAIC 4 (5.1+5.2+5.3)		XXX	XXX		XXX		XXX		XXX	
6.1	5	NAIC Designation Category 5.A		XXX	XXX		0.0472		0.0846		0.1410	
6.2	5	NAIC Designation Category 5.B		XXX	XXX		0.0663		0.1188		0.1980	
6.3	5	NAIC Designation Category 5.C		XXX	XXX		0.0836		0.1498		0.2496	
6.4		Subtotal NAIC 5 (6.1+6.2+6.3)		XXX	XXX		XXX		XXX		XXX	
7	6	NAIC 6		XXX	XXX		0.0000		0.2370		0.2370	
8		~~Total Unrated Multi-Class Securities Acquired by Conversion~~ Intentionally Left Blank	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9		Total Long-Term Bonds (Sum of Lines 1+2.8+3.4+4.4+5.4+6.4 +7+8)		XXX	XXX		XXX		XXX		XXX	
		PREFERRED STOCKS										
10	1	Highest Quality		XXX	XXX		0.0005		0.0016		0.0033	
11	2	High Quality		XXX	XXX		0.0021		0.0064		0.0106	
12	3	Medium Quality		XXX	XXX		0.0099		0.0263		0.0376	
13	4	Low Quality		XXX	XXX		0.0245		0.0572		0.0817	
14	5	Lower Quality		XXX	XXX		0.0630		0.1128		0.1880	
15	6	In or Near Default		XXX	XXX		0.0000		0.2370		0.2370	
16		Affiliated Life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
17		Total Preferred Stocks (Sum of Lines 10 through 16)		XXX	XXX		XXX		XXX		XXX	

ANNUAL STATEMENT BLANK –SEPARATE ACCOUNTS

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT 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)
LONG-TERM BONDS												
1		Exempt Obligations		XXX	XXX		0.0000		0.0000		0.0000	
2.1	1	NAIC Designation Category 1.A		XXX	XXX		0.0002		0.0007		0.0013	
2.2	1	NAIC Designation Category 1.B		XXX	XXX		0.0004		0.0011		0.0023	
2.3	1	NAIC Designation Category 1.C		XXX	XXX		0.0006		0.0018		0.0035	
2.4	1	NAIC Designation Category 1.D		XXX	XXX		0.0007		0.0022		0.0044	
2.5	1	NAIC Designation Category 1.E		XXX	XXX		0.0009		0.0027		0.0055	
2.6	1	NAIC Designation Category 1.F		XXX	XXX		0.0011		0.0034		0.0068	
2.7	1	NAIC Designation Category 1.G		XXX	XXX		0.0014		0.0042		0.0085	
2.8		Subtotal NAIC 1 (2.1+2.2+2.3+2.4+2.5+2.6+2.7)		XXX	XXX		XXX		XXX		XXX	
3.1	2	NAIC Designation Category 2.A		XXX	XXX		0.0021		0.0063		0.0105	
3.2	2	NAIC Designation Category 2.B		XXX	XXX		0.0025		0.0076		0.0127	
3.3	2	NAIC Designation Category 2.C		XXX	XXX		0.0036		0.0108		0.0180	
3.4		Subtotal NAIC 2 (3.1+3.2+3.3)		XXX	XXX		XXX		XXX		XXX	
4.1	3	NAIC Designation Category 3.A		XXX	XXX		0.0069		0.0183		0.0262	
4.2	3	NAIC Designation Category 3.B		XXX	XXX		0.0099		0.0264		0.0377	
4.3	3	NAIC Designation Category 3.C		XXX	XXX		0.0131		0.0350		0.0500	
4.4		Subtotal NAIC 3 (4.1+4.2+4.3)		XXX	XXX		XXX		XXX		XXX	
5.1	4	NAIC Designation Category 4.A		XXX	XXX		0.0184		0.0430		0.0615	
5.2	4	NAIC Designation Category 4.B		XXX	XXX		0.0238		0.0555		0.0793	
5.3	4	NAIC Designation Category 4.C		XXX	XXX		0.0310		0.0724		0.1034	
5.4		Subtotal NAIC 4 (5.1+5.2+5.3)		XXX	XXX		XXX		XXX		XXX	
6.1	5	NAIC Designation Category 5.A		XXX	XXX		0.0472		0.0846		0.1410	
6.2	5	NAIC Designation Category 5.B		XXX	XXX		0.0663		0.1188		0.1980	
6.3	5	NAIC Designation Category 5.C		XXX	XXX		0.0836		0.1498		0.2496	
6.4		Subtotal NAIC 5 (6.1+6.2+6.3)		XXX	XXX		XXX		XXX		XXX	
7	6	NAIC 6		XXX	XXX		0.0000		0.2370		0.2370	
8		~~Total Unrated Multi-class Securities Acquired by~~ ~~Conversion/Intentionally Left Blank~~	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9		Total Bonds (1+2.8+3.4+4.4+5.4+6.4+7+8)		XXX	XXX		XXX		XXX		XXX	
PREFERRED STOCKS												
10	1	Highest Quality		XXX	XXX		0.0005		0.0016		0.0033	
11	2	High Quality		XXX	XXX		0.0021		0.0064		0.0106	
12	3	Medium Quality		XXX	XXX		0.0099		0.0263		0.0376	
13	4	Low Quality		XXX	XXX		0.0245		0.0572		0.0817	
14	5	Lower Quality		XXX	XXX		0.0630		0.1128		0.1880	
15	6	In or Near Default		XXX	XXX		0.0000		0.2370		0.2370	
16		Affiliated Life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
17		Total Preferred Stocks (Sum of Lines 10 through 16)		XXX	XXX		XXX		XXX		XXX	

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2025-13BWG MOD</u>	
TELEPHONE:	_____	Year <u>2025</u>	
EMAIL ADDRESS:	_____	Changes to Existing Reporting ☒ [X]	
ON BEHALF OF:	_____	New Reporting Requirement ☐ []	
NAME:	<u>Dale Bruggeman</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair SAPWG</u>	No Impact ☒ [X]	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Columbus, OH 43215</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☒ [X] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☒ [X] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Notes to Financial Statements Note 13K with disclosure updates to *SSAP No. 41 – Surplus Notes*

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

The purpose of this proposal is to add clarity to the guidance for reporting certain debt securities as capital notes in scope of *SSAP No. 41 – Surplus Notes*. (SAPWG Ref # 2024-28)

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.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS – HEALTH, LIFE/FRATERNAL, PROPERTY, & TITLE**13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**Instruction:**Detail Eliminated To Conserve Space****K. Surplus Notes**

For each surplus debenture or similar obligation, except those surplus notes required or those that are a prerequisite for purchasing an insurance policy and are held by the policyholder, furnish the following information:

- Date issued
- Description and fair value of the assets received
- ~~Holder of the note or, if public, the names of the underwriter and trustee with identification on whether the holder of the surplus note is a related party per SSAP No. 25~~
- Original issue amount of note
- Carrying value of note (current year and prior year)
- The rate at which interest accrues
- Maturity dates or repayment schedules, if stated
- Unapproved interest and/or principal
- Approved interest recognized and principal paid current year and life-to-date
- Percentage of interest payments offset through administrative offsetting (not inclusive of amounts paid to a 3rd party liquidity provider). I.E., if \$100 in interest was recognized through the year, \$10 of which was remitted to a 3rd party liquidity provider and the remainder \$90 was offset, the reporting entity shall report 100% as offset.
- Disclosure of whether the surplus note was issued as part of a transaction with any of the following attributes:
 - ❖ Do surplus note/associated asset terms negate or reduce cash flow exchanges, and/or are amounts payable under surplus note and amounts receivable under other agreements contractually linked (For example, the asset provides interest payments only when the surplus note provides interest payments).
 - ❖ Are any amounts due under surplus notes and associated assets netted or offset (partially or in full) thus eliminating or reducing the exchange of cash or assets that would normally occur throughout the duration, or at maturity, of the agreement (This may be referred to as administrative offsetting.)
 - ❖ Were the proceeds from the issuance of a surplus note used to purchase an asset directly or indirectly from the holder of the surplus note.
- Principal amount value of assets received upon Surplus Note issuance, if applicable.
- Subordination terms
- Liquidation preference to the reporting entity's common and preferred shareholders
- The repayment conditions and restrictions

- Information about any guarantees, support agreements, or related party transactions associated with the surplus note issuance, and whether payments have been made under such agreements.

If a reporting entity has ceded business to a surplus note issuer that is a related party as part of a reinsurance transaction in which the surplus note meets any of the criteria above, the ceding entity shall provide a description of the transaction, including whether the criteria above were met with respect to the surplus note issuance, as long as the reinsurance agreement remains in force.

The ceding entity should provide a description of the risks reinsured, the related party reinsurer, any guarantees or support agreements and the amount of notes outstanding.

- If the proceeds from the issuance of a surplus note used to purchase an asset directly or indirectly from the holder of the surplus note, the following information shall be disclosed regarding the assets received:
 - ❖ Identification of asset, including the investment schedule where the asset is reported and reported NAIC designation;
 - ❖ Book/adjusted carrying value of asset as of the current reporting date.
 - ❖ A description of terms under which liquidity would be provided should a triggering event occur.
- In addition to the above, a reporting entity shall identify all related parties and affiliates that hold any portion of a surplus debenture or similar obligation (including an offering registered under the Securities Act of 1933 or distributed pursuant to Rule 144A under the Securities Act of 1933), ~~and any holder of 10% or more of the outstanding amount of any surplus note registered under the Securities Act of 1933 or distributed pursuant to Rule 144A under the Securities Act of 1933.~~

NOTE: For the table illustrated for the disclosures above provide an “Item Number” (4 digits) to identify each surplus note being disclosed and should remain the same between years.

Detail Eliminated To Conserve Space

K. The Company issued the following surplus debentures or similar obligations:

1	2	3	4	5	6	7	8
Item Number	Date Issued	Interest Rate	Original Issue Amount of Note	Is Surplus Note Holder a Related Party (Y/N)	Carrying Value of Note Prior Year	Carrying Value of Note Current Year *	Unapproved Interest And/Or Principal
.....			\$		\$	\$	\$
.....							
.....							
Total	XXX	XXX	\$	XXX	\$	\$	\$

* Total should agree with Page 3, Line 32.

1	9	10	11	12	13	14
Item Number	Current Year Interest Expense Recognized	Life-To-Date Interest Expense Recognized	Current Year Interest Offset Percentage (not including amounts paid to a 3 rd party liquidity provider).	Current Year Principal Paid	Life-To-Date Principal Paid	Date of Maturity
.....	\$	\$		\$	\$	
.....						
.....						
Total	\$	\$	XXX	\$	\$	XXX

1	15	16	17	18	19
Item Number	Are Surplus Note payments contractually linked? (Y/N)	Surplus Note payments subject to administrative offsetting provisions? (Y/N)	Were Surplus Note proceeds used to purchase an asset directly from the holder of the surplus note? (Y/N)	Is Asset Issuer a Related Party (Y/N)	Type of Assets Received Upon Issuance
.....					
.....					
.....					
Total	XXX	XXX	XXX	XXX	XXX

1	20	21	22
Item Number	Principal Amount of Assets Received Upon Issuance	Book/Adjusted Carry Value of Assets	Is Liquidity Source a Related Party to the Surplus Note Issuer? (Y/N)
.....	\$	\$	
.....			
.....			
Total	\$	\$	XXX

The surplus note in the amount of \$_____, listed as item _____ in the above table, was issued to _____ (parent) in exchange for _____.

The surplus note, in the amount of \$_____, listed as item _____ in the above table, was issued pursuant to Rule 144A under the Securities Act of 1933, ~~underwritten by _____, and is administered by _____ as trustee.~~

The surplus note has the following repayment conditions and restrictions: (e.g., Each payment of interest on and principal of the surplus notes may be made only with the prior approval of the Commissioner of Insurance of the State and only to the extent the Company has sufficient surplus earnings to make such payment).

The surplus note has the following subordination terms: (e.g., The Notes will rank *pari passu* with any other future surplus notes of the Parent and with all other similarly subordinated claims).

The liquidation preference to the insurer's common and preferred shareholders are as follows: (e.g., In the event that the Parent is subject to such a proceeding, holders of Indebtedness, Policy Claims and Prior Claims would be afforded a greater priority under the Liquidation Act and the terms of the Notes and, accordingly, would have the right to be paid in full before any payments of interest or principal are made to Note holders).

~~The surplus debenture in the amount of \$_____, listed as item _____ in above table, is held by _____ (an affiliate).~~

~~The surplus debenture in the amount of \$_____, listed as item _____ in above table, was issued pursuant to Rule 144A under the Securities Act of 1933, and is held by _____ in the following ownership percentage _____ (10% or more).~~

The _____ (an affiliate) holds \$ _____ or _____% of the surplus debenture listed as item _____ in the above table.

The Company has outstanding \$_____ of _____% debentures due in 20__ issued on ____/____/20__. The carrying amount of the debt is \$_____ with an effective rate of ____%. The debentures are not redeemable prior to 20__. The Company is required to make annual sinking fund payments of \$_____ that will provide sufficient funds for the retirement of debentures at maturity. Interest paid during 20__ was \$_____.

The Company has an outstanding liability for borrowed money in the amount of \$_____ due to _____ on ____/____/20__. The principal amount is due 20__. At the option of the Company, early repayment may be made. Interest at ____% is required to be paid annually. Interest paid during 20__ was \$_____. The Company is required to maintain a collateral security deposit with the lender. Assets in such security deposit are required to be maintained in a fair value amount at least equal to the outstanding principal. At December 31, 20__, assets having an admitted value of \$_____ and a fair value of \$_____ were on deposit with the lender.

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2025-14BWG</u>	
TELEPHONE:	_____	Year <u>2025</u>	
EMAIL ADDRESS:	_____	Changes to Existing Reporting ☐ [X]	
ON BEHALF OF:	_____	New Reporting Requirement ☐ []	
NAME:	<u>Dale Bruggeman</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair SAPWG</u>	No Impact ☐ [X]	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Columbus, OH 43215</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☐ [] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|--|--|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☒ [X] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☒ [X] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Add instructions to include Medicare Part D Prescription Payment Plan information to the Health Care and other amounts receivable line on the Asset Page, Supplemental Health Care Exhibit, Exhibit 3 – Health Care Receivables, and Exhibit 3A – Analysis of Health Care Receivables. (Title has been added to the proposal because the Assets page is uniform for all statements. The changes in the proposal are only for Life/Fraternal, Property/Casualty, & Health)

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

The purpose of this proposal is to add clarity on where the Medicare Part D Prescription Payment Plan information should be reported on the Annual and Quarterly Statement. (SAPWG INT 24-02: Medicare Prescription Payment Plan)

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:

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

Line 24 – Health Care and Other Amounts Receivable

Include: Bills Receivable – Report any unsecured amounts due from outside sources or receivables secured by assets that do not qualify as investments.

Amounts due resulting from advances to agents or brokers – Refer to *SSAP No. 6—Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers* for accounting guidance.

Health Care Receivables – Include pharmaceutical rebate receivables, claim overpayment receivables, loans and advances to providers, capitation arrangement receivables, risk sharing receivables and other health care receivables from affiliated and non-affiliated entities. Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.

Include receivables from Medicare Part D Prescription Payment Plan participants – Refer to INT 24-02:Medicare Prescription Payment Plan for accounting guidance. Note that amounts that are over 90 days overdue based on Medicare Prescription Payment Plan guidelines are nonadmitted.

Other amounts receivable that originate from the government under government insured plans, including **undisputed** amounts over 90 days due that qualify as accident and health contracts are admitted assets. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables* and *SSAP No. 50—Classifications of Insurance or Managed Care Contracts* for accounting guidance.

Exclude: Pharmaceutical rebates relating to uninsured plans that represent an administrative fee and that are retained by the reporting entity and earned in excess of the amounts to be remitted to the uninsured plan. These amounts should be reported on Line 17.

Premiums receivable for government insured plans reported on Lines 15.1, 15.2 or 15.3.

Detail Eliminated To Conserve Space

Include: Direct Paid Claims during the Year

Change in Unpaid Claims

Change in Incurred but not Reported

Change in Contract & Other Claims Related Reserves (including the Change in Reserve for Rate Credits).

Exclude: MLR rebates paid during the year.

Prescription drugs reported in Line 2.2.

Pharmaceutical rebates received during the year, reported in Line 2.3.

Medical incentive pools and bonuses.

Include: Expenses for prescription drugs and other pharmacy benefits covered by the reporting entity.

Medicare Part D Prescription Payment Plan receivables from participants which have been impaired (and included in claims when written off) – Refer to INT 24-02: Medicare Prescription Payment Plan for accounting guidance.

Exclude: Prescription drug charges that are included in a hospital billing that should be classified as Hospital/Medical Benefits on Line 2.1.

- Line 2.3 – Pharmaceutical Rebates
- Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.
- Line 2.4 – State Stop Loss, Market Stabilization and Claim/Census Based Assessments (Informational Only)
- Any market stabilization payments or receipts by insurers that are directly tied to claims incurred and other claims based on census-based assessments.
- State subsidies based on a stop-loss payment methodology.
- Unsubsidized state programs designed to address distribution of health risks across health insurers via charges to low risk-carriers that are distributed to high-risk carriers.
- Refer to *SSAP No. 35—Guaranty Fund and Other Assessments* for accounting guidance.
- Line 3 – Incurred Medical Incentive Pools and Bonuses
- Arrangements with providers and other risk-sharing arrangements whereby the reporting entity agrees to either share savings or make incentive payments to providers to promote quality improvements as defined in the PHSA (Section 2717).
- Should agree to Supplemental Health Care Exhibit, Part 2, Line 2.11, for each column.
- Health Statement:
- Column 15 should equal Underwriting and Investment Exhibit, Part 2, Line 13, Column 1 minus 14.
- Line 4 – Deductible Fraud and Abuse Detection/Recovery Expenses
- This amount is the fraud and abuse recoveries reported in Part 2, Line 3, Columns 1, 2, 3, 4, 5, 6, 7, 8 and 9.
- Line 5.0 – Total Incurred Claims (Lines 2.1 + 2.2 – 2.3 + 3)
- Should agree with Supplemental Health Care Exhibit, Part 2, Line 2.15.
- Line 5.1 – Net Assumed Less Ceded Reinsurance Claims Incurred
- Assumed reinsurance claims paid plus the change in the assumed reinsurance claims liability and aggregate assumed reinsurance claims reserve less the ceded reinsurance claims paid plus the change in the ceded reinsurance claims liability and aggregate ceded reinsurance claims reserve less the change in claims related reinsurance recoverables.
- Should agree with Supplemental Health Care Exhibit, Part 2, Line 2.16 plus Line 2.17, less Line 2.18, for each column.

Line 5.2 – Other Adjustments Due to MLR Calculation – Claims

Any amounts excluded from claims in Part 2 for MLR calculation purposes.

Deduct: MLR rebated incurred included in Line 5.0

Medicare Part D Prescription Payment Plan receivables from participants which have been impaired (and included in claims when impaired and written off) – Refer to INT 24-02: Medicare Prescription Payment Plan for accounting guidance.

ANNUAL STATEMENT INSTRUCTIONS – HEALTH & LIFE/FRATERNAL (HEALTH SUPPLEMENT)**EXHIBIT 3 – HEALTH CARE RECEIVABLES**

Individually list the greater of any account balances greater than \$10,000 or those that are 10% of gross health care receivables. Use Lines 0100001 through 0699996, as needed. Report gross amounts for insured plans although these amounts may be offset against corresponding liabilities on the balance sheet. Report the aggregate of amounts not individually listed on Lines 0199998 through 0699998. The subtotal and grand total amounts should be reported on the following lines:

<u>Category</u>	<u>Line Number</u>
Pharmaceutical Rebate Receivables	0199999
Claim Overpayment Receivables.....	0299999
Loans and Advances to Providers	0399999
Capitation Arrangement Receivables.....	0499999
Risk sharing Receivables	0599999
Other Health Care Receivables	0699999
Gross Health Care Receivables.....	0799999

Column 7 – Admitted

Total line should equal the inset amount on Line 24 of the Asset Page.

Line 0699999 – Other Health Care Receivables

Include: Receivables from Medicare Part D Prescription Payment Plan participants – Refer to INT 24-02:Medicare Prescription Payment Plan for accounting guidance. Note that amounts that are over 90 days overdue based on Medicare Prescription Payment Plan guidelines are nonadmitted.

EXHIBIT 3A – ANALYSIS OF HEALTH CARE RECEIVABLES

The purpose of this exhibit is to analyze health care receivables collected and accrued for the current year compared to the prior year.

This exhibit is based on the gross health care receivable, not just the admitted portion.

Report the total asset (health care receivable) in this exhibit not just the admitted portion. Amounts are gross of reinsurance.

Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance. (See reporting guidance at https://content.naic.org/cmte_e_app_blanks.htm.)

In this exhibit, the term “accrued” is analogous to the term “incurred” on the U&I Exhibit, Part 2B. Accrued pertains to the health care receivable asset, whereas incurred pertains to the claim liability.

Columns 1 and 2:

Enter separately in Columns 1 and 2, Lines 1 through 6, all amounts collected or offset during the year accrued prior to the current year and accrued during the current year. Record only those amounts actually collected including offsets, that meet the offset conditions of *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

Line 3 includes amounts charged against those gross health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider as the claims have not been paid as of the statement date.

All amounts collected, including offsets, related to prior year receivables accrued should be reported in Column 1. All amounts collected, including offsets, related to current year receivables accrued should be reported in Column 2.

Columns 3 and 4:

Enter separately in Columns 3 and 4 the gross health care receivables accrual amount between those accrued prior to the current year and those accrued during the year. All amounts accrued related to prior year receivables accrued should be reported in Column 3. All amounts accrued related to current year receivables accrued should be reported in Column 4.

For each of Lines 1 through 7, the sum of Columns 3 through 4 should agree to Exhibit 3, Health Care Receivables, sum of Columns 6 and 7, for each type of health care receivable and in total.

Column 5:

Enter the sum of Columns 1 and 3. This is the amount collected or offset during the current year on health care receivables that were accrued prior to the current year, plus amounts still accrued at the end of the current year, related to the health care receivable accrued at the end of the prior year.

Column 6:

Column 6 reports the amounts of prior year-end accounting accrual for gross health care receivables.

The comparison between Columns 5 and 6 is to the total receivables, not just the portion that is an admitted asset.

Line 6 – Other Health Care Receivables

Include: Receivables from Medicare Part D Prescription Payment Plan participants – Refer to INT 24-02: Medicare Prescription Payment Plan for accounting guidance. Note that amounts that are over 90 days overdue based on Medicare Prescription Payment Plan guidelines are nonadmitted.

ANNUAL STATEMENT INSTRUCTIONS – HEALTH**STATEMENT OF REVENUE AND EXPENSES**

Report fully accrued revenue and expenses as defined below, for the period. Report uncovered expenses appropriately for medical, hospital and administration. Lines 9 through 13 should be reported gross of withholds and net of applicable coordination of benefits, deductibles, co-payments, risk share, and provider discounts.

		Detail Eliminated To Conserve Space			
Line 13	–	Prescription Drugs			
	Include:	Expenses for Prescription Drugs and other pharmacy benefits covered by the reporting entity.			
		<u>Medicare Part D Prescription Payment Plan receivables from participants which have been impaired (and included in claims when impaired and written off) – Refer to INT 24-02:Medicare Prescription Payment Plan for accounting guidance.</u>			
	Deduct:	Pharmaceutical rebates relating to insured plans.			
	Exclude:	Prescription drug charges that are included in a hospital billing which should be classified as Hospital/Medical Benefits on Line 9.			

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS – ACCIDENT AND HEALTH**

This exhibit shows Lines 1 through 33 of the Summary of Operations by Line of Business, in part.



Detail Eliminated To Conserve Space



Line 13 – Disability Benefits and Benefits Under Accident and Health Contracts

Should equal

Health Supplement – Analysis of Operations by Lines of Business, Line 17,
Column 1 minus Column 14.

Plus Exhibit 6, Line 16, Column 1 CY.

Minus Exhibit 6, Line 16, Column 1 PY.

Include: Medicare Part D Prescription Payment Plan receivables from participants which have been impaired (and included in claims when written off) – Refer to INT 24-02: Medicare Prescription Payment Plan for accounting guidance.

HEALTH SUPPLEMENT

The Health Supplement shall be completed by those companies reporting accident and health business.

This supplement is required to be filed no later than March 1.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

Complete the supplement if the reporting entity has health lines of business to be reported in Columns 2 through 13. Reporting entities that only have non-health lines of business should not complete the supplement.



Detail Eliminated To Conserve Space



Line 12 – Prescription Drugs

Include: Expenses for Prescription Drugs and other pharmacy benefits covered by the reporting entity.

Medicare Part D Prescription Payment Plan receivables from participants which have been impaired (and included in claims when written off) – Refer to *INT 24-02:Medicare Prescription Payment Plan* for accounting guidance.

Deduct: Pharmaceutical rebates relating to insured plans.

Exclude: Prescription drug charges that are included in a hospital billing which should be classified as Hospital/Medical Benefits on Line 8.

QUARTERLY STATEMENT INSTRUCTIONS – HEALTH, LIFE/FRATERNAL, & PROPERTY**ASSETS****Detail Eliminated To Conserve Space**

Line 24 – Health Care and Other Amounts Receivable

Include: Bills Receivable – Report any unsecured amounts due from outside sources or receivables secured by assets that do not qualify as investments.

Amounts due resulting from advances to agents or brokers – Refer to *SSAP No. 6—Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers* for accounting guidance.

Health Care Receivables – Include pharmaceutical rebate receivables, claim overpayment receivables, loans and advances to providers, capitation arrangement receivables, risk sharing receivables and other health care receivables from affiliated and non-affiliated entities. Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.

Include: Medicare Part D Prescription Payment Plan receivables from participants which have been impaired (and included in claims when written off) – Refer to INT 24-02:Medicare Prescription Payment Plan for accounting guidance.

Other amounts receivable that originate from the government under government insured plans, including **undisputed** amounts over 90 days due that qualify as accident and health contracts are admitted assets. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables* and *SSAP No. 50—Classifications of Insurance or Managed Care Contracts* for accounting guidance.

Exclude: Pharmaceutical rebates relating to uninsured plans that represent an administrative fee and that are retained by the reporting entity and earned in excess of the amounts to be remitted to the uninsured plan. These amounts should be reported on Line 17.

Premiums receivable for government insured plans reported on Lines 15.1, 15.2 or 15.3.

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NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>3/20/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	_____	Agenda Item # <u>2025-15BWG MOD</u>	
TELEPHONE:	_____	Year <u>2025</u>	
EMAIL ADDRESS:	_____	Changes to Existing Reporting ☐ [X]	
ON BEHALF OF:	_____	New Reporting Requirement ☐ []	
NAME:	<u>Dale Bruggeman</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Chair SAPWG</u>	No Impact ☐ [X]	
AFFILIATION:	<u>Ohio Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>50W. Town St., 3rd Fl., Ste. 300</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Columbus, OH 43215</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☒ [X] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|---|---|
| ☒ [X] ANNUAL STATEMENT | ☒ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☒ [X] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☒ [X] Life, Accident & Health/Fraternal | ☒ [X] Separate Accounts | ☒ [X] Title |
| ☒ [X] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Note 8 – Derivatives in the Notes to Financial Statements and Schedule DB to clarify the terminology used for derivative financing premium.

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

The purpose of this proposal clarify the terminology used for derivative financing premium in the Annual and Quarterly Statements due to inconsistency. (SAPWG Ref # 2024-23)

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.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS – HEALTH, LIFE/FRATERNAL, PROPERTY, & TITLE**NOTES TO FINANCIAL STATEMENTS**

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



Detail Eliminated To Conserve Space

8. Derivative Instruments

Instruction:

Disclose the following information by category of derivative financial instrument:

A. Derivatives under SSAP No. 86—*Derivatives*

Disclose the following information by category of derivative financial instrument:

- (1) A discussion of the market risk, credit risk and cash requirements of the derivative.
- (2) A description of the reporting entity's objectives for using derivatives, i.e., hedging, income generation or replication, as well as a description of the context needed to understand those objectives and its strategies for achieving those objectives, including the identification of the category, e.g. fair value hedges, cash flow hedges, or foreign currency hedges, and for all objectives, the type of instrument(s) used.
- (3) A description of the accounting policies for recognizing (or reasons for not recognizing) and measuring the derivatives used, and when recognized and where those instruments and related gains and losses are reported.
- (4) Identification of whether the reporting entity has derivative contracts with financing premiums. (For purposes of this term, this includes scenarios in which the premium cost is paid at the end of the derivative contract or throughout the derivative contract.)
- (5) The net gain or loss recognized in unrealized gains or losses during the reporting period representing the component of the derivative instruments' gain or loss, if any, excluded from the assessment of hedge effectiveness.
- (6) The net gain or loss recognized in unrealized gains or losses during the reporting period resulting from derivatives that no longer qualify for hedge accounting.
- (7) For derivatives accounted for as cash flow hedges of a forecasted transaction, disclose:
 - a. The maximum length of time over which the entity is hedging its exposure to the variability in future cash flows for forecasted transactions excluding those forecasted transactions related to the payment of variable interest on existing financial instruments; and
 - b. The amount of gains and losses classified in unrealized gains/losses related to cash flow hedges that have been discontinued because it was no longer probable that the original forecasted transactions would occur by the end of the originally specified time period or within 2 months of that date.

- (8) Disclose the aggregate, non-discounted total premium cost for these contracts and the premium cost due in each of the following four years, and thereafter. Also disclose the aggregate fair value of derivative instruments with financing premiums, excluding the impact of the deferred or financing premiums.

Illustration:

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

A. Derivatives under SSAP No. 86—*Derivatives*

(8)

a.

	<u>Fiscal Year</u>	<u>Derivative Premium Payments Due</u>
1.	2026	\$
2.	2027	.....
3.	2028	.....
4.	2029	.....
5.	Thereafter	.....
6.	Total ~~Future Settled~~ <u>Financing</u> Premiums (Sum of 1 through 5)	<u>\$</u>

b.

	<u>Undiscounted Future Premium Commitments</u>	<u>Derivative Fair Value with Premium Commitments (Reported on DB)</u>	<u>Derivative Fair Value Excluding Impact of ~~Future Settled~~ <u>Financing</u> Premiums</u>
1.	Prior Year	\$	\$
2.	Current Year	\$	\$

SCHEDULE DB – PART A – SECTION 1**OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS OPEN**
DECEMBER 31 OF CURRENT YEAR**Detail Eliminated To Conserve Space**

Column 31 – Fair Value of Derivative, Excluding Impact of Financing Premiums

Reflect the fair value of the derivative adjusted to exclude the impact of discounted ~~future settled~~ financing premiums. For example, if the fair value of the derivative reported in Column 16 has been reduced due to expected cash outflows representing the reporting entity's future payment of financing premiums, the consideration of those future premium cash outflows shall be removed from the reported fair value of the derivative captured in this column.

(At acquisition, a derivative may be reported with a net zero fair value in Column 16 as the value of the derivative and the net present value of ~~future~~ financing premiums owed from the acquisition of the derivative may offset. The fair value reported in Column ~~30-31~~ shall reflect the fair value of the derivative without an offset for the ~~future~~ financing premiums.)

Column 32 – Unrealized Valuation Increase/(Decrease), Excluding Impact of Financing Premiums

Reflect the unrealized gain or unrealized loss reported for the derivative adjusted to exclude the impact from discounted ~~future settled~~ financing premiums. For example, if the valuation increase/valuation decrease reported in Column 17 includes "losses" to recognize the net present value of the financing ~~cost-premiums~~ owed by the reporting entity, those ~~future~~ "losses" shall be removed from the unrealized valuation increase/decrease reflected in this column.

SCHEDULE DB – PART A – SECTION 2**OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS TERMINATED
DURING CURRENT YEAR****Detail Eliminated To Conserve Space**

Column 30 – Fair Value of Derivative, Excluding Impact of Financing Premiums

Reflect the fair value of the derivative adjusted to exclude the impact of discounted ~~future settled~~ financing premiums. For example, if the fair value of the derivative reported in Column 16 has been reduced due to expected cash outflows representing the reporting entity's future payment of financing premiums, the consideration of those future premium cash outflows shall be removed from the reported fair value of the derivative captured in this column.

(At acquisition, a derivative may be reported with a net zero fair value in Column 16 as the value of the derivative and the net present value of ~~future~~ financing premiums owed from the acquisition of the derivative may offset. The fair value reported in Column ~~29-30~~ shall reflect the fair value of the derivative without an offset for the ~~future~~ financing premiums.)

Column 31 – Unrealized Valuation Increase/(Decrease), Excluding Impact of Financing Premiums

Reflect the unrealized gain or unrealized loss reported for the derivative adjusted to exclude the impact from discounted ~~future settled~~ financing premiums. For example, if the valuation increase/valuation decrease reported in Column 17 includes "losses" to recognize the net present value of the financing ~~cost-premiums~~ owed by the reporting entity, those ~~future~~ "losses" shall be removed from the unrealized valuation increase/decrease reflected in this column.

SCHEDULE DB – PART B – SECTION 1**FUTURES CONTRACTS OPEN**
DECEMBER 31 OF CURRENT YEAR**Detail Eliminated To Conserve Space**

Column 29 – Fair Value of Derivative, Excluding Impact of Financing Premiums

Reflect the fair value of the derivative adjusted to exclude the impact of discounted ~~future settled~~ financing premiums. For example, if the fair value of the derivative reported in Column 16 has been reduced due to expected cash outflows representing the reporting entity's future payment of financing premiums, the consideration of those future premium cash outflows shall be removed from the reported fair value of the derivative captured in this column.

(At acquisition, a derivative may be reported with a net zero fair value in Column 16 as the value of the derivative and the net present value of ~~future~~ financing premiums owed from the acquisition of the derivative may offset. The fair value reported in Column ~~28-29~~ shall reflect the fair value of the derivative without an offset for the ~~future~~ financing premiums.)

Column 30 – Unrealized Valuation Increase/(Decrease), Excluding Impact of Financing Premiums

Reflect the unrealized gain or unrealized loss reported for the derivative adjusted to exclude the impact from discounted ~~future settled~~ financing premiums. For example, if the valuation increase/valuation decrease reported in Column 17 includes "losses" to recognize the net present value of the financing ~~cost~~ premiums owed by the reporting entity, those ~~future~~ "losses" shall be removed from the unrealized valuation increase/decrease reflected in this column.

SCHEDULE DB – PART B – SECTION 2**FUTURES CONTRACTS TERMINATED
DURING CURRENT YEAR****Detail Eliminated To Conserve Space**

Column 25 – Fair Value of Derivative, Excluding Impact of Financing Premiums

Reflect the fair value of the derivative adjusted to exclude the impact of discounted ~~future settled~~ financing premiums. For example, if the fair value of the derivative reported in column 16 has been reduced due to expected cash outflows representing the reporting entity's future payment of financing premiums, the consideration of those future premium cash outflows shall be removed from the reported fair value of the derivative captured in this column.

(At acquisition, a derivative may be reported with a net zero fair value in column 16 as the value of the derivative and the net present value of ~~future~~ financing premiums owed from the acquisition of the derivative may offset. The fair value reported in column ~~30-25~~ shall reflect the fair value of the derivative without an offset for the ~~future~~ financing premiums.)

Column 26 – Unrealized Valuation Increase/(Decrease), Excluding Impact of Financing Premiums

Reflect the unrealized gain or unrealized loss reported for the derivative adjusted to exclude the impact from discounted ~~future settled~~ financing premiums. For example, if the valuation increase/valuation decrease reported in column 17 includes "losses" to recognize the net present value of the financing ~~cost premium~~ owed by the reporting entity, those ~~future~~ "losses" shall be removed from the unrealized valuation increase/decrease reflected in this column.

QUARTERLY STATEMENT INSTRUCTIONS – HEALTH, LIFE/FRATERNAL, PROPERTY, & TITLE**NOTES TO FINANCIAL STATEMENTS**

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

Detail Eliminated To Conserve Space

8. Derivative InstrumentsInstruction:A. Derivatives under SSAP No. 86—*Derivatives*

- (8) Disclose the aggregate, non-discounted total premium cost for these contracts and the premium cost due in each of the following four years, and thereafter. Also disclose the aggregate fair value of derivative instruments with financing premiums excluding the impact of ~~the deferred or~~ financing premiums.

Detail Eliminated To Conserve Space

Illustration:A. Derivatives under SSAP No. 86—*Derivatives*

(8)

a.

	<u>Fiscal Year</u>	<u>Derivative Premium Payments Due</u>
1.	2025	\$
2.	2026	.....
3.	2027	.....
4.	2028	.....
5.	Thereafter	.....
6.	Total ~~Future Settled Financing~~ Premiums (Sum of 1 through 5)	\$

b.

	<u>Undiscounted Future Premium Commitments</u>	<u>Derivative Fair Value with Premium Commitments (Reported on DB)</u>	<u>Derivative Fair Value Excluding Impact of ~~Future Settled Financing~~ Premiums</u>
1.	Prior Year	\$	\$
2.	Current Year	\$	\$

SCHEDULE DB – PART A – SECTION 1**OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS OPEN**

Detail Eliminated To Conserve Space



Column 31 – Fair Value of Derivative, Excluding Impact of Financing Premiums

Reflect the fair value of the derivative adjusted to exclude the impact of discounted ~~future settled~~ financing premiums. For example, if the fair value of the derivative reported in Column 16 has been reduced due to expected cash outflows representing the reporting entity's future payment of financing premiums, the consideration of those future premium cash outflows shall be removed from the reported fair value of the derivative captured in this column.

(At acquisition, a derivative may be reported with a net zero fair value in Column 16 as the value of the derivative and the net present value of ~~future~~ financing premiums owed from the acquisition of the derivative may offset. The fair value reported in Column ~~30-31~~ shall reflect the fair value of the derivative without an offset for the ~~future~~ financing premiums.)

Column 32 – Unrealized Valuation Increase/Decrease, Excluding Impact of Financing Premiums

Reflect the unrealized gain or unrealized loss reported for the derivative adjusted to exclude the impact from discounted ~~future settled~~ financing premiums. For example, if the valuation increase/valuation decrease reported in Column 17 includes "losses" to recognize the net present value of the financing ~~cost-premiums~~ owed by the reporting entity, those ~~future~~ "losses" shall be removed from the unrealized valuation increase/decrease reflected in this column.

SCHEDULE DB – PART B – SECTION 1**FUTURES CONTRACTS OPEN**

Detail Eliminated To Conserve Space

Column 27 – Fair Value of Derivative, Excluding Impact of Financing Premiums

Reflect the fair value of the derivative adjusted to exclude the impact of discounted ~~future settled~~ financing premiums. For example, if the fair value of the derivative reported in Column 16 has been reduced due to expected cash outflows representing the reporting entity's future payment of financing premiums, the consideration of those future premium cash outflows shall be removed from the reported fair value of the derivative captured in this column.

(At acquisition, a derivative may be reported with a net zero fair value in Column 16 as the value of the derivative and the net present value of ~~future~~ financing premiums owed from the acquisition of the derivative may offset. The fair value reported in Column ~~26-27~~ shall reflect the fair value of the derivative without an offset for the ~~future~~ financing premiums.)

Column 28 – Unrealized Valuation Increase/Decrease, Excluding Impact of Financing Premiums

Reflect the unrealized gain or unrealized loss reported for the derivative adjusted to exclude the impact from discounted ~~future settled~~ financing premiums. For example, if the valuation increase/valuation decrease reported in Column 17 includes "losses" to recognize the net present value of the financing ~~cost~~ premiums owed by the reporting entity, those ~~future~~ "losses" shall be removed from the unrealized valuation increase/decrease reflected in this column.

W:\QA\BlanksProposals\2025-15BWG_Modified.docx

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: <u>4/25/2025</u>		FOR NAIC USE ONLY	
CONTACT PERSON:	<u>Matthew W. Richard</u>	Agenda Item # <u>2025-16BWG</u>	
TELEPHONE:	<u>(512) 676-6855</u>	Year <u>2026</u>	
EMAIL ADDRESS:	<u>Matthew.Richard@tdi.texas.gov</u>	Changes to Existing Reporting ☒ [X]	
ON BEHALF OF:		New Reporting Requirement ☐ []	
NAME:	<u>Matthew W. Richard</u>	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT	
TITLE:	<u>Life & Health Actuary</u>	No Impact ☒ [X]	
AFFILIATION:	<u>Texas Department of Insurance</u>	Modifies Required Disclosure ☐ []	
ADDRESS:	<u>PO BOX 12030</u>	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? ☐ [No]	
	<u>Austin, TX 78711</u>	***If Yes, complete question below***	
		DISPOSITION	
		☐ [] Rejected For Public Comment	
		☐ [] Referred To Another NAIC Group	
		☐ [] Received For Public Comment	
		☐ [] Adopted Date _____	
		☐ [] Rejected Date _____	
		☐ [] Deferred Date _____	
		☐ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|--|---|---|
| ☒ [X] ANNUAL STATEMENT | ☐ [X] INSTRUCTIONS | ☐ [] CROSSCHECKS |
| ☐ [] QUARTERLY STATEMENT | ☐ [] BLANK | |
| ☐ [] Life, Accident & Health/Fraternal | ☐ [] Separate Accounts | ☒ [X] Title |
| ☐ [] Property/Casualty | ☐ [] Protected Cell | ☐ [] Other _____ |
| ☒ [X] Health | ☐ [] Health (Life Supplement) | ☐ [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2026

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Health Annual Statement Instructions for the Prescribed Language for Statement of Actuarial Opinion, Section 4 (Identification Section) for consistency in reporting. Also update the Statement of Actuarial Opinion, Section 7 (Opinion Section), Item C, to be consistent with the Life Annual Statement Instructions and VM-30.

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

Upon the sponsor's review of the 2024 Statements of Actuarial Opinion, it was noticed that many actuaries, in very similar circumstances, are selecting the 'revised wording' option and then using very similar language. If the options for prescribed wording are updated to more fully accommodate current practice, then use of revised wording will become a more reliable indicator of a situation requiring further review.

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.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS – HEALTH**ACTUARIAL OPINION**

Detail Eliminated To Conserve Space

4. The IDENTIFICATION section should specifically indicate the appointed actuary's relationship to the company, qualifications for acting as appointed actuary, date of appointment, and should specify that the appointment was made by the Board of Directors, or its equivalent or by a committee of the Board.

A person who is not a Member of the American Academy of Actuaries but is recognized by the Academy as qualified must attach, each year, a copy of the approval letter from the Academy.

This section should contain only one of the following:

For a Member of the American Academy of Actuaries who is an employee of the organization, the opening paragraph of the opinion should contain all the following sentences if the appointed actuary is using the prescribed wording:

"I, (name and title of actuary), am an employee of (named organization; or organization name, a group name company of which insurance company name is an affiliate) and a member of the American Academy of Actuaries. I was appointed on [date of appointment] in accordance with the requirements of the annual statement instructions. I meet the Academy qualification standards for rendering the opinion."

For a consultant who is a Member of the American Academy of Actuaries, the opening paragraph of the opinion should contain all the following sentences if the appointed actuary is using the prescribed wording:

"I, (name and title of consultant), am associated with the firm of (name of firm). I am a member of the American Academy of Actuaries and have been retained by the (name of organization) to render an opinion with regard to loss reserves, actuarial liabilities, actuarial assets and related items. I was appointed on [date of appointment] in accordance with the requirements of the annual statement instructions. I meet the Academy qualification standards for rendering the opinion."

For an employee other than a member of the American Academy of Actuaries, the opening paragraph of the opinion should contain both the following sentences if the appointed actuary is using the prescribed wording:

"I, (name and title), am an employee of (name of organization; or organization name, a group name company of which insurance company name is an affiliate) and am recognized by the American Academy of Actuaries as qualified to perform actuarial valuations for organizations of this kind. I was appointed on [date of appointment] in accordance with the requirements of the annual statement instructions."

For a consultant other than a member of the American Academy of Actuaries, the opening paragraph of the opinion should contain all the following sentences if the appointed actuary is using the prescribed wording:

"I, (name and title of consultant), am associated with the firm of (name of firm). I am recognized by the American Academy of Actuaries as qualified to perform actuarial valuations for organizations of this kind and have been retained by the (name of organization) with regard to such valuation. I was appointed on [date of appointment] in accordance with the requirements of the annual statement instructions."

Detail Eliminated To Conserve Space

7. The OPINION section should include only the following statement if the appointed actuary is using the prescribed wording:

“In my opinion, the amounts carried in the balance sheet on account of the items identified above:

- A. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
- B. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared;
- C. Meet the requirements of the Insurance Laws and regulations of the state of [state of domicile] and:

(Use of one the following phrases, as appropriate, is considered prescribed wording. Replacing “[list states]” with an actual list of states in parentheses is also considered prescribed wording.)

the loss reserves and actuarial liabilities are at least as great as the minimum aggregate amounts required by any state in which this company is licensed,

or

the loss reserves and actuarial liabilities are at least as great as the minimum aggregate amounts required by any state in which this company is licensed with the exception of the following states [list states]. For each listed state a separate statement of actuarial opinion was submitted to that state that complies with the requirements of that state;

- D. Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements;
- E. Make a reasonable provision for all actuarial assets of the organization under the terms of its contracts and agreements;
- F. On a combined basis, make a reasonable provision for all actuarial assets and actuarial liabilities of the organization under moderately adverse conditions;
- G. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end; and
- H. Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit, Part 2B was reviewed for reasonableness and consistency with the applicable Actuarial Standards of Practice.

Actuarial methods, considerations, and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis of this statement of opinion.”

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Blanks (E) Working Group
Editorial Revisions to the Blanks and Instructions
(presented at the May 29, 2025, 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
2025	Notes to Financial Statements	CHANGE TO INSTRUCTION Update Note 5K to update paragraph (9) to a Note to paragraph (8) because these disclosures would be reported in Note 21 so there shouldn't be a 5K(9). K. Investments in Tax Credit Structures (tax credit investments) (8) 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. (9) <u>Note:</u> Disclosure of tax credits allocated from tax credit investments and unused as of the reporting period(s) are to be disclosed within Note 21 (State and Federal Tax Credits).	H, L/F, P/C, T	Annual
2025	Notes to Financial Statements	CHANGE TO INSTRUCTION Update Note 7 to clarify between which parts of the note should be reported for investment income due and accrued or for interest income due and accrued. 7. Investment Income <u>Instruction:</u> The following disclosures shall be made for investment income due and accrued (7A and 7B) or for interest income due and accrued (7C, 7D, and 7E):	H, L/F, P/C, T	Annual

Effective	Table Name	Description	Statement Type	Filing Type						
		A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued, B. The total amount excluded. C. The gross, nonadmitted and admitted amounts for interest income due and accrued. (1) Gross amount for interest income due and accrued. (~~Should equal~~<u>Included in Assets Page, Line 14, Column 1</u>) (2) Nonadmitted amount for interest income due and accrued. (~~Should equal~~<u>Included in Assets Page, Line 14, Column 2</u>) (3) Admitted amount for interest income due and accrued. (~~Should equal~~<u>Included In Assets Page, Line 14, Column 3</u>)								
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Update Note 11 – Debt. Update the illustration for 11B3A and 11B3B to remove the crosschecks for column 1 – Fair Value and column 3 – Aggregate Total Borrowing because the max collateral crosscheck will only work from Carrying Value. 11. Debt (3) Collateral Pledged to FHLB a. Amount Pledged as of Reporting Date <table><tr><td>1</td><td>2</td><td>3</td></tr><tr><td>Fair Value</td><td>Carrying Value</td><td>Aggregate Total Borrowing</td></tr></table> 1. Current Year Total Collateral Pledged 2. Prior Year-end Total Collateral Pledged 11B(3)a1 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b1 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a2 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b2 (Columns ~~1, 2 and 3, respectively~~)	1	2	3	Fair Value	Carrying Value	Aggregate Total Borrowing	H, T	Annual
1	2	3								
Fair Value	Carrying Value	Aggregate Total Borrowing								

Effective	Table Name	Description	Statement Type	Filing Type																								
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Update Note 11 – Debt. Update the illustration for 11B3A and 11B3B to remove the crosschecks for column 1 – Fair Value and column 3 – Aggregate Total Borrowing because the max collateral crosscheck will only work from Carrying Value. 11. Debt (3) Collateral Pledged to FHLB a. Amount Pledged as of Reporting Date <table><tr><td></td><td>1</td><td>2</td><td>3</td></tr><tr><td></td><td>Fair Value</td><td>Carrying Value</td><td>Aggregate Total Borrowing</td></tr><tr><td>1. Current Year Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>2. Current Year General Account Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>3. Current Year Separate Accounts Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>4. Prior Year-end Total General and Separate Accounts Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr></table> 11B(3)a1 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b1 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a2 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b2 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a3 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b3 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a4 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b4 (Columns ~~1, 2 and 3, respectively~~)		1	2	3		Fair Value	Carrying Value	Aggregate Total Borrowing	1. Current Year Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)				2. Current Year General Account Total Collateral Pledged				3. Current Year Separate Accounts Total Collateral Pledged				4. Prior Year-end Total General and Separate Accounts Total Collateral Pledged				L/F	Annual
	1	2	3																									
	Fair Value	Carrying Value	Aggregate Total Borrowing																									
1. Current Year Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)																												
2. Current Year General Account Total Collateral Pledged																												
3. Current Year Separate Accounts Total Collateral Pledged																												
4. Prior Year-end Total General and Separate Accounts Total Collateral Pledged																												

Effective	Table Name	Description	Statement Type	Filing Type																								
2025	Notes to Financial Statements	CHANGE TO INSTRUCTION Update Note 11 – Debt. Update the illustration for 11B3A and 11B3B to remove the crosschecks for column 1 – Fair Value and column 3 – Aggregate Total Borrowing because the max collateral crosscheck will only work from Carrying Value. 11. Debt (3) Collateral Pledged to FHLB a. Amount Pledged as of Reporting Date <table><tr><td></td><td>1</td><td>2</td><td>3</td></tr><tr><td></td><td>Fair Value</td><td>Carrying Value</td><td>Aggregate Total Borrowing</td></tr><tr><td>1. Current Year Total General and Protected Cell Accounts Total Collateral Pledged (Lines 2+3)</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>2. Current Year General Account Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>3. Current Year Protected Cell Accounts Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>4. Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr></table> 11B(3)a1 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b1 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a2 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b2 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a3 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b3 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a4 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b4 (Columns ~~1, 2 and 3, respectively~~)		1	2	3		Fair Value	Carrying Value	Aggregate Total Borrowing	1. Current Year Total General and Protected Cell Accounts Total Collateral Pledged (Lines 2+3)				2. Current Year General Account Total Collateral Pledged				3. Current Year Protected Cell Accounts Total Collateral Pledged				4. Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged				P/C	Annual
	1	2	3																									
	Fair Value	Carrying Value	Aggregate Total Borrowing																									
1. Current Year Total General and Protected Cell Accounts Total Collateral Pledged (Lines 2+3)																												
2. Current Year General Account Total Collateral Pledged																												
3. Current Year Protected Cell Accounts Total Collateral Pledged																												
4. Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged																												

Effective	Table Name	Description	Statement Type	Filing Type																														
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Minor update to the illustration of Note 21E(2) to remove the “a” in front of Total line for states. (2)Total unused tax credits by jurisdiction, disaggregated by transferable/certificated and non-transferable; <table><tr><td></td><td>Jurisdiction*</td><td>Transferable / Certificated</td><td>Nontransferable</td></tr><tr><td>a. State</td><td></td><td></td><td></td></tr><tr><td></td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td></td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>a- Total</td><td>XXX</td><td></td><td></td></tr><tr><td>b. Federal</td><td>XXX</td><td></td><td></td></tr><tr><td>c. Total (a+b)</td><td>XXX</td><td></td><td></td></tr></table>		Jurisdiction*	Transferable / Certificated	Nontransferable	a. State												a- Total	XXX			b. Federal	XXX			c. Total (a+b)	XXX			H, L/F, P/C, T	Annual		
	Jurisdiction*	Transferable / Certificated	Nontransferable																															
a. State																																		
																																		
																																		
a- Total	XXX																																	
b. Federal	XXX																																	
c. Total (a+b)	XXX																																	
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Update Note 21F(3) illustration to be consistent with the instructions for this Note. (3) Direct exposure through other investments. <table><tr><td></td><td>Actual Cost</td><td>Book/Adjusted Carrying Value (excluding interest)</td><td>Fair Value</td><td>Other-Than-Temporary Impairment Losses Recognized</td></tr><tr><td>a. Asset-backed securities</td><td></td><td></td><td></td><td></td></tr><tr><td>b. Collateralized ~~debt~~ loan obligations</td><td></td><td></td><td></td><td></td></tr><tr><td>c. Equity investment in SCAs *</td><td></td><td></td><td></td><td></td></tr><tr><td>d. Other assets</td><td></td><td></td><td></td><td></td></tr><tr><td>e. Total (a+b+c+d)</td><td></td><td></td><td></td><td></td></tr></table>		Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized	a. Asset-backed securities					b. Collateralized ~~debt~~ loan obligations					c. Equity investment in SCAs *					d. Other assets					e. Total (a+b+c+d)					H, L/F, P/C, T	Annual
	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized																														
a. Asset-backed securities																																		
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d. Other assets																																		
e. Total (a+b+c+d)																																		

Effective	Table Name	Description	Statement Type	Filing Type
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Add clarification the instructions for Note 21J(4) on what should be included per INT 23-01. J. Reporting entities admitting net negative (disallowed) IMR are required to complete the following disclosures in the quarterly and annual financial statements. (1) Net negative (disallowed) IMR in aggregate and allocated between the general account, insulated separate account and non-insulated account. (2) Amounts of negative IMR admitted in the general account and reported as an asset in the insulated separate account and non-insulated blank. (Note: If a company completes this Note, consideration should be given to updating Note 13I – Reasons for Changes in Balance of Special Surplus Funds from Prior Period.) (3) The calculated adjusted capital and surplus. (4) Percentage of adjusted capital and surplus for which the admitted net negative (disallowed) IMR represents (including what is admitted in the general account and what is recognized as an asset in the separate account). <u>INT 23-01 only permits admittance of net negative IMR to 10% of adjusted capital and surplus. If reporting entity has a percentage of net negative IMR the overage should be nonadmitted and/or document a permitted practice.</u> (5) Reporting entities that have allocated gains/losses to IMR from derivatives that were reported at fair value prior to the termination of the derivative shall disclose the unamortized balances in IMR from these allocations separately between the gains and losses.	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type																																
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Add crosschecks to Note 21J(1) and 21J(2) to provide clarity on where the amounts reported should tie to. J. Reporting Net Negative (Disallowed) Interest Maintenance Reserve (IMR) (1) Net negative (disallowed) IMR <table><tr><td></td><td>General</td><td>Insulated</td><td>Non-Insulated</td></tr><tr><td>Total</td><td>Account_*</td><td>Separate</td><td>Separate</td></tr><tr><td></td><td>Account**</td><td>Account**</td><td>Account**</td></tr><tr><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr></table> * Line 1 General Account should equal Interest Maintenance Reserve exhibit Line 6. ** Line 1 Insulated and Non-Insulated Separate Accounts should equal the total reported in Interest Maintenance Reserve exhibit Line 6 for each type of separate account (insulated / non-insulated) (2) Negative (disallowed) IMR admitted <table><tr><td></td><td>General</td><td>Insulated</td><td>Non-Insulated</td></tr><tr><td>Total</td><td>Account_*</td><td>Separate</td><td>Separate</td></tr><tr><td></td><td>Account**</td><td>Account**</td><td>Account**</td></tr><tr><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr></table> * Line 2 General Account should equal Assets Page write-in for Line 25 for Admitted Disallowed IMR ** Line 2 Insulated and Non-Insulated Separate Account should equal the total reported in Assets Page write-in for Line 15 for Admitted Disallowed IMR for each type of separate account (insulated / non-insulated)		General	Insulated	Non-Insulated	Total	Account_*	Separate	Separate		Account**	Account**	Account**	\$	\$	\$	\$		General	Insulated	Non-Insulated	Total	Account_*	Separate	Separate		Account**	Account**	Account**	\$	\$	\$	\$	L/F	Annual
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Total	Account_*	Separate	Separate																																	
	Account**	Account**	Account**																																	
\$	\$	\$	\$																																	

Effective	Table Name	Description	Statement Type	Filing Type
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Update Note 21J(5) instructions. All numbers should be reported as positive so the crosscheck formula will work correctly in line 21J(5)a4 and 21J(5)b4. J. Reporting entities admitting net negative (disallowed) IMR are required to complete the following disclosures in the quarterly and annual financial statements. (1) Net negative (disallowed) IMR in aggregate and allocated between the general account, insulated separate account and non-insulated account. (2) Amounts of negative IMR admitted in the general account and reported as an asset in the insulated separate account and non-insulated blank. (Note: If a company completes this Note, consideration should be given to updating Note 13I – Reasons for Changes in Balance of Special Surplus Funds from Prior Period.) (3) The calculated adjusted capital and surplus. (4) Percentage of adjusted capital and surplus for which the admitted net negative (disallowed) IMR represents (including what is admitted in the general account and what is recognized as an asset in the separate account). INT 23-01 only permits admittance of net negative IMR to 10% of adjusted capital and surplus. If reporting entity has a percentage of net negative IMR the overage should be nonadmitted and/or document a permitted practice. (5) Reporting entities that have allocated gains/losses to IMR from derivatives that were reported at fair value prior to the termination of the derivative shall disclose the unamortized balances in IMR from these allocations separately between the gains and losses. <u>Enter all amounts as a positive.</u>	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type																																										
2025	Notes to Financial Statement	CHANGE TO INSTRUCTION Update Note 21J(5) illustration crosscheck formulas. The instructions for 21J(5) have been updated with clarifying instructions to enter all amounts as a positive number to ensure the crosschecks work correctly for lines 21J(5)a4 and 21J(5)b4. Illustration: (5) Allocated gains/losses to IMR from derivatives a. General Account <table><thead><tr><th></th><th>Gains</th><th>Losses</th></tr></thead><tbody><tr><td>1. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Prior Period</td><td>\$</td><td>\$</td></tr><tr><td>2. Fair Value Derivative Gains & Losses Realized to IMR – Added in Current Period</td><td>\$</td><td>\$</td></tr><tr><td>3. Fair Value Derivative Gains & Losses Amortized Over Current Period</td><td>\$</td><td>\$</td></tr><tr><td>4. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Current Period</td><td></td><td></td></tr><tr><td>Total (5a4=5a1+5a2+_5a3)</td><td>\$</td><td>\$</td></tr></tbody></table> b. Separate Account - Insulated <table><thead><tr><th></th><th>Gains</th><th>Losses</th></tr></thead><tbody><tr><td>1. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Prior Period</td><td>\$</td><td>\$</td></tr><tr><td>2. Fair Value Derivative Gains & Losses Realized to IMR – Added in Current Period</td><td>\$</td><td>\$</td></tr><tr><td>3. Fair Value Derivative Gains & Losses Amortized Over Current Period</td><td>\$</td><td>\$</td></tr><tr><td>4. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Current Period</td><td></td><td></td></tr><tr><td>Total (5b4=5b1+5b2+_5b3)</td><td>\$</td><td>\$</td></tr></tbody></table> c. Separate Account – Non-Insulated <table><thead><tr><th></th><th>Gains</th><th>Losses</th></tr></thead><tbody><tr><td>1. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Prior Period</td><td>\$</td><td>\$</td></tr></tbody></table>		Gains	Losses	1. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Prior Period	\$	\$	2. Fair Value Derivative Gains & Losses Realized to IMR – Added in Current Period	\$	\$	3. Fair Value Derivative Gains & Losses Amortized Over Current Period	\$	\$	4. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Current Period			Total (5a4=5a1+5a2+_5a3)	\$	\$		Gains	Losses	1. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Prior Period	\$	\$	2. Fair Value Derivative Gains & Losses Realized to IMR – Added in Current Period	\$	\$	3. Fair Value Derivative Gains & Losses Amortized Over Current Period	\$	\$	4. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Current Period			Total (5b4=5b1+5b2+_5b3)	\$	\$		Gains	Losses	1. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Prior Period	\$	\$	L/F	Annual
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Effective	Table Name	Description	Statement Type	Filing Type
		2. Fair Value Derivative Gains & Losses Realized to IMR – Added in Current Period \$ \$ 3. Fair Value Derivative Gains & Losses Amortized Over Current Period \$ \$ 4. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Current Period Total (5c4=5c1+5c2+_5c3) \$ \$		
2025	Exhibit of Net Investment Income	CHANGE TO INSTRUCTION Add clarifying instructions to Line 8 and 11 to ensure consistency between paragraph 13 of SSAP No. 93 – <i>Investment in Tax Credit Structures</i> and the Ex of Net Inv. Income. Line 8 – Other Invested Assets Include: Earned investment income, for any class of investments includable in Schedule BA. Exclude: <u>Under the proportional amortized cost method for the Investment Tax Credit Structures, the amortization of the investment is to be recognized as an expense component of the Exhibit of Net Investment Income.</u> Line 9 – Aggregate Write-ins for Investment Income Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 9 for Investment Income. <u>Line 11 – Investment Expense</u> Include: <u>Under the proportional amortized cost method for the Investment Tax Credit Structures, the amortization of the investment is to be recognized as an expense component of the Exhibit of Net Investment Income.</u>	H, L/F, P/C, T	Annual

Effective	Table Name	Description	Statement Type	Filing Type																									
2025	General Interrogatories, Part 1 Investment	CHANGE TO BLANK Remove the LEI column in Interrogatory # 26.09 to be consistent with the adoptions in proposal 2023-06BWG. 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 information for the table below. <table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr><tr><td>Central Registration Depository Number</td><td>Name of Firm or Individual</td><td>Legal Entity Identifier (LEI)</td><td>Registered With</td><td>Investment Management Agreement (IMA) Filed</td></tr><tr><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td></tr></table>	1	2	3	4	5	Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed																H, L/F, P/C, T	Annual
1	2	3	4	5																									
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed																									
2025	Accident & Health Policy Experience Exhibit	CHANGE TO INSTRUCTION Add a crosscheck to Column 2 – Direct Premiums Earned for Life/Fraternal to ensure the amount ties with footnote F on the Life State Page (<i>added in proposal 2025-03BWG</i>) Column 2 – Direct Premiums Earned Fractional premium loadings and policy fees must be included in the Earned Premiums. The grand total reported should equal: <u>Life/Fraternal:</u> Life State Page Footnote F, Sum of all fields Health: <table><tr><td>Less</td><td>Underwriting and Investment Exhibit, Part 1, Line 13, Column 1</td></tr><tr><td>Plus</td><td>Underwriting and Investment Exhibit Part 2D, Line 1, Column 1 CY</td></tr><tr><td>Less</td><td>Underwriting and Investment Exhibit Part 2D, Line 1, Column 1 PY</td></tr><tr><td>Plus</td><td>Underwriting and Investment Exhibit Part 2D, Line 4, Column 1 CY</td></tr><tr><td>Less</td><td>Underwriting and Investment Exhibit Part 2D, Line 4, Column 1 PY</td></tr><tr><td>Plus</td><td>Underwriting and Investment Exhibit Part 2D, Line 4, Column 1 PY</td></tr></table> Property: Exhibit of Premiums and Losses, Column 2 sum of Lines 13 through 15.	Less	Underwriting and Investment Exhibit, Part 1, Line 13, Column 1	Plus	Underwriting and Investment Exhibit Part 2D, Line 1, Column 1 CY	Less	Underwriting and Investment Exhibit Part 2D, Line 1, Column 1 PY	Plus	Underwriting and Investment Exhibit Part 2D, Line 4, Column 1 CY	Less	Underwriting and Investment Exhibit Part 2D, Line 4, Column 1 PY	Plus	Underwriting and Investment Exhibit Part 2D, Line 4, Column 1 PY	H, L/F, P/C	Annual													
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Effective	Table Name	Description	Statement Type	Filing Type
2025	Accident & Health Policy Experience Exhibit	CHANGE TO INSTRUCTION Add a crosscheck to Column 6 – Direct Incurred Claims Amount for Life/Fraternal to ensure the amount ties with Column 13 – Incurred During Current Year on Life State Page (<i>updated in proposal 2025-03BWG</i>) Column 6 – Direct Incurred Claims Amount This column does not include the “Increase in Policy Reserves.” The grand total reported should equal: <u>Life/Fraternal:</u> Life State Page, Line 46, Column 13. Health: Underwriting and Investment Exhibit, Part 2, Line 12.1, Column 1 minus Column 14. NOTE: This excludes payments for any administrative costs. Property: Exhibit of Premiums and Losses, Column 6 sum of Lines 13 through 15.	H, L/F, P/C	Annual
2025	Actuarial Opinion	CHANGE TO INSTRUCTION Add a clarification note for the Society of Actuaries exams. Clarification editorial came from the Actuarial Opinion (C) Working Group. “Accepted Actuarial Designation” in item (ii) of the definition of a Qualified Actuary, is an actuarial designation accepted as meeting or exceeding the NAIC’s Minimum Property/Casualty (P/C) Actuarial Educational Standards for a P/C Appointed Actuary (published on the NAIC website). The following actuarial designations, with any noted conditions, are accepted as meeting or exceeding basic education minimum standards: (i) Fellow of the CAS (FCAS) – Condition: basic education must include Exam 6 – Regulation and Financial Reporting (United States); (ii) Associate of the CAS (ACAS) – Conditions: basic education must include Exam 6 – Regulation and Financial Reporting (United States) and Exam 7 – Estimation of Policy Liabilities, Insurance Company Valuation, and Enterprise Risk Management;	P/C	Annual

Effective	Table Name	Description	Statement Type	Filing Type
		(iii) Fellow of the SOA (FSA) – Conditions: basic education must include completion of the general insurance track, including the following optional exams: the United States’ version of the Financial and Regulatory Environment Exam and the Advanced Topics in General Insurance Exam. <u>Note: The Fellow of the SOA (FSA) designation is considered an “Accepted Actuarial Designation” only if it was earned under the requirements in effect through May 2025. Further clarification will be provided to address the upcoming changes to the FSA examination pathway.</u>		
2025	Asset Valuation Reserve	CHANGE TO INSTRUCTION Update the Blank page number references for Line 7 for all the changes in previously adopted proposals that are effective Annual 2025. Line 7 – Basic Contribution (includes separate accounts assets, if applicable) Report the basic contribution amount for each asset category as calculated on Pages 30 through ~~35-36~~ (General Account) and Pages 15 through ~~20-21~~ (Separate Accounts). Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page ~~3031~~, Line 34, Column 6 (General Account) and Page ~~1516~~, Line 34, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0199999, Column 7 (General Account) and Page ~~2021~~, Line 0199999, Column 7 (Separate Accounts). Column 2: Report the total mortgage loans from Page ~~3132~~, Line 58, Column 6 (General Account) and Page ~~1617~~, Line 58, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0299999, Column 7 (General Account) and Page ~~2021~~, Line 0299999, Column 7 (Separate Accounts). Column 4: Report the total common stock from Page ~~3233~~, Line 17, Column 6 (General Account) and Page ~~1718~~, Line 17, Col. 6 (Separate	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type
		Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0399999, Column 7 (General Account) and Page ~~2021~~, Line 0399999, Column 7 (Separate Accounts). Column 5: Report the total real estate from Page ~~3233~~, Line 21, Column 6 (General Account) and from Page ~~1718~~, Line 21, Column 6 (Separate Accounts), if applicable, plus the total other invested assets from Page ~~3435~~, Line ~~99105~~, Column 6 (General Account) and from Page ~~1920~~, Line ~~99105~~, Column 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0499999, Column 7 (General Account) and Page ~~2021~~, Line 0499999, Column 7 (Separate Accounts).		
2025	Asset Valuation Reserve	CHANGE TO INSTRUCTION Update the Blank page number references for Line 9 for all the changes in previously adopted proposals that are effective Annual 2025. Line 9 — Maximum Reserve (includes separate accounts assets, if applicable) Report the maximum reserve for each asset category as calculated on Pages 30 through ~~35-36~~ (General Account) and Pages 15 through ~~20-21~~ (Separate Accounts). Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page ~~3031~~, Line 34, Column 10 (General Account) and Page ~~1516~~, Line 34, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0199999, Column 9 (General Account) and Page ~~2021~~, Line 0199999, Column 9 (Separate Accounts). Column 2: Report the total mortgage loans from Page ~~3432~~, Line 58, Column 10 (General Account) and Page ~~1617~~, Line 58, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type
		0299999, Column 9 (General Account) and Page <u>2021</u>, Line 0299999, Column 9 (Separate Accounts). Column 4: Report the total common stock from Page ~~3233~~, Line 17, Column 10 (General Account) and Page ~~1718~~, Line 17, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0399999, Column 9 (General Account) and Page <u>2021</u>, Line 0399999, Column 9 (Separate Accounts). Column 5: Report the total real estate from Page ~~3233~~, Line 21, Column 10 (General Account) and from Page ~~1718~~, Line 21, Column 10 (Separate Accounts), if applicable, plus the total other invested assets from Page ~~3435~~, Line ~~99105~~, Column 10 (General Account) and from Page ~~1920~~, Line ~~99105~~, Column 10 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0499999, Column 9 (General Account) and Page <u>2021</u>, Line 0499999, Column 9 (Separate Accounts).		
2025	Asset Valuation Reserve	CHANGE TO INSTRUCTION Update the Blank page number references for Line 10 for all the changes in previously adopted proposals that are effective Annual 2025. Line 10 – Reserve Objective (includes separate accounts assets, if applicable) Report the reserve objective amount for each asset category as calculated on Pages 30 through ~~35-36~~ (General Account) and Pages 15 through ~~20-21~~ (Separate Accounts). Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page ~~3031~~, Line 34, Column 8 (General Account) and Page ~~1516~~, Line 34, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0199999, Column 8 (General Account) and Page <u>2021</u>, Line 0199999, Column 8 (Separate Accounts).	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type
		Column 2: Report the total mortgage loans from Page ~~3132~~, Line 58, Column 8 (General Account) and Page ~~1617~~, Line 58, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0299999, Column 8 (General Account) and Page ~~2021~~, Line 0299999, Column 8 (Separate Accounts). Column 4: Report the total common stock from Page ~~3233~~, Line 17, Column 8 (General Account) and Page ~~1718~~, Line 17, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0399999, Column 8 (General Account) and Page ~~2021~~, Line 0399999, Column 8 (Separate Accounts). Column 5: Report the total real estate from Page ~~3233~~, Line 21, Column 8 (General Account) and from Page ~~1718~~, Line 21, Column 8 (Separate Accounts), if applicable; plus the total other invested assets from Page ~~3435~~, Line ~~99105~~, Column 8 (General Account) and from Page ~~1920~~, Line ~~99105~~, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~3536~~, Line 0499999, Column 8 (General Account) and Page ~~2021~~, Line 0499999, Column 8 (Separate Accounts).		
2025	Asset Valuation Reserve - EQUITY AND OTHER INVESTED ASSET COMPONENT	CHANGE TO INSTRUCTION Remove the 2015 reporting instructions for Lines 38 thru 63. 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 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.	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type																																																		
		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.~~																																																				
2025	Asset Valuation Reserve - EQUITY AND OTHER INVESTED ASSET COMPONENT	CHANGE TO INSTRUCTION Update the Blank page number references for Lines 75-79 for all the changes in previously adopted proposals that are effective Annual 2025. Multiply the amount in Column 4 for each category by the reserve factors for Page ~~34~~35, Columns 5, 7 and 9, Lines 75 through 78. Report the products by category in Columns 6, 8 and 10, respectively.	L/F	Annual																																																		
2025	Asset Valuation Reserve – REPLICATION (SYNTHETIC) ASSETS	CHANGE TO INSTRUCTION Update the Line References to match the changes in previously adopted proposals that are effective Annual 2025 <u>Basic Contribution:</u> <table> <tr> <td>G/A Page 29, Line 7, Column 1 =</td><td>G/A</td><td>[P31, L34, C6]</td><td>+</td><td>G/A</td></tr> <tr> <td></td><td></td><td>[P36, L0199999, C7]</td><td></td><td></td></tr> <tr> <td></td><td>+ S/A</td><td>[P16, L34, C6]</td><td>+</td><td>S/A</td></tr> <tr> <td></td><td></td><td>L0199999, C7]</td><td></td><td>[P21,</td></tr> <tr> <td>G/A Page 29, Line 7, Column 2 =</td><td>G/A</td><td>[P32, ~~L60~~L58, C6]</td><td>+</td><td>G/A</td></tr> <tr> <td></td><td></td><td>[P36, L0299999, C7]</td><td></td><td></td></tr> <tr> <td></td><td>+ S/A</td><td>[P17, ~~L60~~L58, C6]</td><td>+</td><td>S/A</td></tr> <tr> <td></td><td></td><td>L0299999, C7]</td><td></td><td>[P21,</td></tr> <tr> <td>G/A Page 29, Line 7, Column 4 =</td><td>G/A</td><td>[P33, L17, C6]</td><td>+</td><td>G/A</td></tr> <tr> <td></td><td></td><td>[P36, L0399999, C7]</td><td></td><td></td></tr> </table>	G/A Page 29, Line 7, Column 1 =	G/A	[P31, L34, C6]	+	G/A			[P36, L0199999, C7]				+ S/A	[P16, L34, C6]	+	S/A			L0199999, C7]		[P21,	G/A Page 29, Line 7, Column 2 =	G/A	[P32, ~~L60~~ L58, C6]	+	G/A			[P36, L0299999, C7]				+ S/A	[P17, ~~L60~~ L58, C6]	+	S/A			L0299999, C7]		[P21,	G/A Page 29, Line 7, Column 4 =	G/A	[P33, L17, C6]	+	G/A			[P36, L0399999, C7]			L/F	Annual
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	+ S/A	[P16, L34, C6]	+	S/A																																																		
		L0199999, C7]		[P21,																																																		
G/A Page 29, Line 7, Column 2 =	G/A	[P32, ~~L60~~ L58, C6]	+	G/A																																																		
		[P36, L0299999, C7]																																																				
	+ S/A	[P17, ~~L60~~ L58, C6]	+	S/A																																																		
		L0299999, C7]		[P21,																																																		
G/A Page 29, Line 7, Column 4 =	G/A	[P33, L17, C6]	+	G/A																																																		
		[P36, L0399999, C7]																																																				

Effective	Table Name	Description			Statement Type	Filing Type
			+ S/A	[P18, L17, C6]	+ S/A [P21, L0399999, C7]	
		G/A Page 29, Line 7, Column 5 =	G/A	[P33, L21, C6 + P35, ~~L99L105~~ , C6] [P36, L0499999, C7]	+ G/A	
			+ S/A	[P18, L21, C6 + P20, ~~L99L105~~ , C6] [P21, L0499999, C7]	+ S/A	
2025	Asset Valuation Reserve – REPLICATION (SYNTHETIC) ASSETS	CHANGE TO INSTRUCTION Update the Line References to match the changes in previously adopted proposals that are effective Annual 2025 <u>Reserve Objective:</u>			L/F	Annual
		G/A Page 29, Line 10, Column 1 =	G/A	[P31, L34, C8] [P36, L0199999, C8]	+ G/A	
			+ S/A	[P16, L34, C8] L0199999, C8]	+ S/A [P21,	
		G/A Page 29, Line 10, Column 2 =	G/A	[P32, ~~L60L58~~ , C8] [P36, L0299999, C8]	+ G/A	
			+ S/A	[P17, ~~L60L58~~ , C8] L0299999, C8]	+ S/A [P21,	
		G/A Page 29, Line 10, Column 4 =	G/A	[P33, L17, C8] [P36, L0399999, C8]	+ G/A	
			+ S/A	[P18, L17, C8] L0399999, C8]	+ S/A [P21,	
		G/A Page 29, Line 10, Column 5 =	G/A	[P33, L21, C8 + P35, ~~L99L105~~ , C8] [P36, L0499999, C8]	+ G/A	

Effective	Table Name	Description	Statement Type	Filing Type
		+ S/A [P18, L21, C8 + P20, ~~L99L105~~ , C8] + S/A [P21, L0499999, C8]		
2025	Asset Valuation Reserve – REPLICATION (SYNTHETIC) ASSETS	CHANGE TO INSTRUCTION Update the Line References to match the changes in previously adopted proposals that are effective Annual 2025 Maximum Reserve: G/A Page 29, Line 9, Column 1 = G/A [P30, L34, C10] + G/A [P36, L0199999, C9] + S/A [P15, L34, C10] + S/A [P21, L0199999, C9] G/A Page 29, Line 9, Column 2 = G/A [P33, ~~L60L58~~, C10] + G/A [P36, L0299999, C9] + S/A [P18, ~~L60L58~~, C10] + S/A [P21, L0299999, C9] G/A Page 29, Line 9, Column 4 = G/A [P33, L17, C10] + G/A [P36, L0399999, C9] + S/A [P18, L17, C10] + S/A [P21, L0399999, C9] G/A Page 29, Line 9, Column 5 = G/A [P33, L21, C10 + P34, ~~L99L105~~, C10] + G/A [P36, L0499999, C9] + S/A [P18, L21, C10 + P19, ~~L99L105~~, C10] + S/A [P21, L0499999, C9]	L/F	Annual

Effective	Table Name	Description	Statement Type	Filing Type
2025	Schedule BA, Verification Between Years	CHANGE TO INSTRUCTION Add instructions for Proportional Amortization to be consistent with other parts of Schedule BA. Line 8 – Deduct Amortization of Premium, Depreciation and Proportional Amortization Report the total amount of premium amortized during the year and amount of depreciation on any assets that are considered real estate on a look-through basis, as included in Schedule BA, Part 1, Column 14 and Schedule BA, Part 3, Column 10. Report the amount of depreciation on any assets that are considered real estate on a look-through basis. <u>Report the proportional amortization recognized for investments in tax credit investments pursuant to SSAP No. 93.</u>	H, L/F, P/C, T, SA	Annual
2025	Schedule D, Part 1, Section 2	CHANGE TO INSTRUCTION Update the instructions for the Current Overcollateralization Percentage column to remove the reference to cash flows. INT 24-01: Principles-Based Bond Definition Implementation Questions and Answers clarified that this shall only be calculated using hard, saleable assets. Column 29 – Current Overcollateralization Percentage Use only for asset-backed securities reported in the following categories: • Financial Asset-Backed Securities – Not Self-Liquidating • Non-Financial Asset-Backed Securities – Full Analysis Report the overcollateralization ratio that reflects the value of the assets backing the debt issuance in comparison to the tranche held and all tranches senior as of the reporting date. The ratio shall reflect the total unimpaired assets backing the debt issuance over the specific tranche held and all the tranches senior to the held tranche. For example, if the assets ~~/expected cash flows~~ supporting the debt issuance has declined to \$88, and there is still \$75 in issued senior debt and \$15 in	H, L/F, P/C, T, SA	Annual

Effective	Table Name	Description	Statement Type	Filing Type
		issued mezzanine debt, a reporting entity holding senior tranche would report 117% (88/75) and a reporting entity holding the mezzanine debt shall report 98% (88/90). The current overcollateralization ratio shall be based on supporting investment documentation and is updated using the most recent information available.		
2025	Schedule D, Part 2, Section 1	CHANGE TO INSTRUCTION Update the instructions for the NAIC Designation Modifier in Schedule D, Part 2, Section 1 to open up for all lines. Verified with Securities Valuation Office that it should be open for all lines to report a modifier. Column 19 – NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol Designation Modifier: The NAIC Designation Modifier should only be used for securities ~~reported on lines below~~ if eligible to receive one, as defined in the <i>Purposes and Procedures Manual of the NAIC Investment Analysis Office</i> (P&P Manual), otherwise, the field should be left blank. <del> • Industrial and Miscellaneous (Unaffiliated) Perpetual Preferred ine 4019999999 </del> <del> • Industrial and Miscellaneous (Unaffiliated) Redeemable Preferred ine 4029999999 </del> ~~The NAIC Designation Modifier should be left blank for securities reported on lines below.~~ <del> • Parent, Subsidiaries and Affiliates ine 4319999999 </del> <del> • Parent, Subsidiaries and Affiliates ine 4329999999 </del>	H, L/F, P/C, T, SA	Annual

Effective	Table Name	Description	Statement Type	Filing Type
		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.		
2025	Schedule D, Part 4	CHANGE TO INSTRUCTION Add clarification for SVO-Identified Bond Exchange Traded Funds on the Realized G/L on Disposal column on Schedule D, Part 4. Column 17 – Realized Gain (Loss) on Disposal This should be the difference between the Consideration column amount and the Book/Adjusted Carrying Value at Disposal Date, excluding any portion that is attributable to foreign exchange differences. <u>This should include bonds reported as SVO-Identified Bond Exchange Traded Funds – Systematic Value.</u> For SVO-Identified Bond Exchange Traded Funds – Fair Value, enter the difference between the consideration, Column 6 and actual cost Column 8 at date of sale. Bonds called or tendered where consideration received exceeds par: For securities sold, redeemed or otherwise disposed of, which generate investment income as a result of a prepayment penalty and/or acceleration fee, the amount of realized gain (loss) reported is equal to the Par value of the investment (Column 7) less the B/ACV at the Disposal Date (Column 15). Bonds called or tendered where consideration received is less than par: For securities sold, redeemed or otherwise disposed of, the amount of investment income and realized gain reported shall be calculated in accordance with <i>SSAP No. 26—Bonds</i>.	H, L/F, P/C, T, SA	Annual

Effective	Table Name	Description	Statement Type	Filing Type
2025	Schedule D, Part 5	CHANGE TO INSTRUCTION Add clarification for SVO-Identified Bond Exchange Traded Funds on the Realized G/L on Disposal column on Schedule D, Part 4. Column 17 – Realized Gain (Loss) on Disposal This should be the difference between the Consideration column amount and the Book/Adjusted Carrying Value at Disposal Date, excluding any portion that is attributable to foreign exchange differences. <u>This should include bonds reported as SVO-Identified Bond Exchange Traded Funds – Systematic Value.</u> <u>For SVO-Identified Bond Exchange Traded Funds – Fair Value, enter the difference between the consideration, Column 6 and actual cost Column 8 at date of sale.</u> Bonds called or tendered where consideration received exceeds par: For securities sold, redeemed or otherwise disposed of, which generate investment income as a result of a prepayment penalty and/or acceleration fee; the amount of realized gain (loss) reported is equal to the Par value of the investment (Column 7) less the B/ACV at the Disposal Date (Column 10). Bonds called or tendered where consideration received is less than par: For securities sold, redeemed or otherwise disposed of, the amount of investment income and realized gain reported shall be calculated in accordance with <i>SSAP No. 26—Bonds</i>.	H, L/F, P/C, T, SA	Annual

Effective	Table Name	Description	Statement Type	Filing Type
2025	Schedule DA, Part 1	CHANGE TO BLANK Update Column 13 on Schedule DA Part 1 to match the bond project editorial in adopted proposal 2024-13BWG. 13 <u>Interest Income Due</u> and Accrued Dec 31 of Current Year ~~on Bond~~ ~~Not in Default~~	H, L/F, P/C, T, SA	Annual
2025	Schedule DB, Part A, Section 2	CHANGE TO INSTRUCTION Update the instructions for Current Year Income on Section 2 to be consistent with the instructions on Section 1. Column 16 – Current Year Income Show the amount of income received (paid)- ~~accrued~~ , <u>on accrual basis</u> , for the current year.	H, L/F, P/C, T, SA	Annual
2025	Property Combined Instructions	CHANGE TO INSTRUCTION Update the Common Stock line reference. It is showing the incorrect line in the instructions. Schedule D, Parts 1 and 2, Totals (Line 2009999999, 4509999999 or ~~5999999999~~ 5989999999) only	P/C	Annual
2025	Insurance Expense Exhibit	CHANGE TO INSTRUCTION Update the reference to Interrogatory #4 throughout the Insurance Expense Exhibit to be Interrogatory #3. In 2022 the interrogatories were updated in the Blank and the updates in the Instructions were inadvertently missed. <u>General</u> 5. There should be submitted in Interrogatory ~~4~~ <u>3</u> a detailed statement or footnote with respect to any item or items requiring special comment or explanation. <u>Part II – Allocation to Lines of Business Net of Reinsurance</u> In instances where the reporting entity cannot allocate amounts to lines of business by direct and accurate allocation, the methods of allocation stated in the Uniform Classification of Expenses found	P/C	Annual

Effective	Table Name	Description	Statement Type	Filing Type
		in the Appendix of the NAIC <i>Annual Statement Instructions</i> must be used. Where the instructions do not define means of allocation, a reasonable method of allocation must be applied and disclosed in Interrogatory 43. <u>Part III – Allocation to Lines of Direct Business Written</u> In instances where allocation of amounts to lines of business cannot be made by direct and accurate allocation, the methods of allocation stated in the Uniform Classification of Expenses found in the Appendix of the <i>Annual Statement Instructions</i> must be used. Where those instructions do not define means of allocation, a reasonable method of allocation must be applied and disclosed in Interrogatory 43. All companies should relate their direct expense items to their direct written premium as reported on the Exhibit of Premiums and Losses, Statutory Page 14. Companies within a group that participate in a pooling agreement must relate direct expense items to the direct written premiums for that company and make any necessary adjustments to the direct expenses reported in Part III. Do not make adjustments to the direct written premiums for pooling. Indicate which expense adjustments the reporting entity has made and disclose the method of adjustment in Interrogatory 43. The sources indicated in these instructions for expense items in Part III are applicable only when there are no adjustments for pooling.		
2026	Jurat Page	CHANGE TO INSTRUCTION Update the Quarterly Jurat Instructions for the Assessment Contact to match the adopted annual changes that were adopted with proposal 2024-20BWG. The quarterly section was inadvertently missed with the update. <u>Guaranty Association</u> Assessment Contact (Not applicable to Title and Fraternal companies, <u>unless otherwise provided by state law</u>)	H, L/F, P/C, T	Quarterly
2026	Notes to Financial Statement	CHANGE TO INSTRUCTION Update Note 11 – Debt. Update the illustration for 11B3A and 11B3B to remove the crosschecks for column 1 – Fair Value and column 3 – Aggregate Total Borrowing because the max collateral crosscheck will only work from Carrying Value. 11. Debt (3) Collateral Pledged to FHLB a. Amount Pledged as of Reporting Date	H, T	Quarterly

Effective	Table Name	Description	Statement Type	Filing Type						
		<table><tr><td>1</td><td>2</td><td>3</td></tr><tr><td>Fair Value</td><td>Carrying Value</td><td>Aggregate Total Borrowing</td></tr></table> 1. Current Year Total Collateral Pledged 2. Prior Year-end Total Collateral Pledged 11B(3)a1 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b1 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a2 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b2 (Columns ~~1, 2 and 3, respectively~~)	1	2	3	Fair Value	Carrying Value	Aggregate Total Borrowing		
1	2	3								
Fair Value	Carrying Value	Aggregate Total Borrowing								
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1	2	3								
Fair Value	Carrying Value	Aggregate Total Borrowing								

Effective	Table Name	Description	Statement Type	Filing Type																								
2026	Notes to Financial Statements	CHANGE TO INSTRUCTION Update Note 11 – Debt. Update the illustration for 11B3A and 11B3B to remove the crosschecks for column 1 – Fair Value and column 3 – Aggregate Total Borrowing because the max collateral crosscheck will only work from Carrying Value. 11. Debt (3) Collateral Pledged to FHLB a. Amount Pledged as of Reporting Date <table><tr><td></td><td>1</td><td>2</td><td>3</td></tr><tr><td></td><td>Fair Value</td><td>Carrying Value</td><td>Aggregate Total Borrowing</td></tr><tr><td>1. Current Year Total General and Protected Cell Accounts Total Collateral Pledged (Lines 2+3)</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>2. Current Year General Account Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>3. Current Year Protected Cell Accounts Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr><tr><td>4. Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged</td><td>.....</td><td>.....</td><td>.....</td></tr></table> 11B(3)a1 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b1 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a2 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b2 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a3 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b3 (Columns ~~1, 2 and 3, respectively~~) 11B(3)a4 (Columns ~~1, 2 and 3~~) should be equal to or less than 11B(3)b4 (Columns ~~1, 2 and 3, respectively~~)		1	2	3		Fair Value	Carrying Value	Aggregate Total Borrowing	1. Current Year Total General and Protected Cell Accounts Total Collateral Pledged (Lines 2+3)				2. Current Year General Account Total Collateral Pledged				3. Current Year Protected Cell Accounts Total Collateral Pledged				4. Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged				P/C	Quarterly
	1	2	3																									
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4. Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged																												

Effective	Table Name	Description	Statement Type	Filing Type
2026	General Interrogatories – Part 1 – Common Interrogatories - Investment	CHANGE TO BLANK Update the quarterly interrogatory #20 to match the adopted annual changes in proposal 2024-03BWG. 20. By self-designating PLGI securities, the reporting entity is certifying its compliance with the requirements as specified in the <i>Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual)</i> for private letter rating (PLR) securities and the following elements of each self-designated PLGI security: - The security was either: ~~purchased~~ issued prior to January 1, 2018 (which is exempt from PLR filing requirements pursuant to the P&P Manual), or - 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"). - The reporting entity is holding capital commensurate with the NAIC Designation and NAIC Designation Category reported for the security. - 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. ~~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?	H, L/F, P/C, T	Quarterly
2026	Schedule D, Part 3 and Part 4	CHANGE TO INSTRUCTION Update the instructions for the NAIC Designation Modifier in Quarterly Schedule D, Part 3 & 4 to open up for all preferred stock lines. Verified with Securities Valuation Office that it should be open for all lines to report a modifier. 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 <i>Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual)</i>, otherwise, should not be provided. - Bonds Lines 0019999999 through 1909999999 - Preferred Stocks Lines 4019999999, ~~and~~ 4029999999, 4319999999 and 4329999999 - Common Stocks Lines 5319999999, 5519999999 and 5719999999	H, L/F, P/C, T, SA	Quarterly

Effective	Table Name	Description	Statement Type	Filing Type
2026	Schedule D, Part 4	CHANGE TO INSTRUCTION Add clarification for SVO-Identified Bond Exchange Traded Funds on the Realized G/L on Disposal column on Schedule D, Part 4. Column 17 – Realized Gain (Loss) on Disposal This should be the difference between the Consideration column amount and the Book/Adjusted Carrying Value at Disposal Date, excluding any portion that is attributable to foreign exchange differences. <u>This should include bonds reported as SVO-Identified Bond Exchange Traded Funds – Systematic Value.</u> For SVO-Identified Bond Exchange Traded Funds – <u>Fair Value</u>, enter the difference between the consideration, Column 6 and actual cost Column 8 at date of sale. Bonds called or tendered where consideration received exceeds par: For securities sold, redeemed or otherwise disposed of, which generate investment income as a result of a prepayment penalty and/or acceleration fee, the amount of realized gain (loss) reported is equal to the Par value of the investment (Column 7) less the B/ACV at the Disposal Date (Column 15). Bonds called or tendered where consideration received is less than par: For securities sold, redeemed or otherwise disposed of, the amount of investment income and realized gain reported shall be calculated in accordance with <i>SSAP No. 26—Bonds</i>.	H, L/F, P/C, T, SA	Quarterly

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**Blanks (E) Working Group
Summary of Comments for May 29, 2025
National Meeting**

ITEMS RECEIVED FOR COMMENT

Reference Number	Description
2024-19BWG Modified	Update Schedule BA line categories and instructions for the expansion of collateral loans. Add two electronic-only columns on Schedule BA, Part 1, for reporting fair value of collateral backing and the percentage of the collateral. Update the asset valuation reserve (AVR) instructions and blank for the added collateral loan lines.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 1-2 of 6
	Comment letter suggests an update to paragraph 2 of SSAP No. 7 and updates to the AVR instructions for Line 115 – Other Invested Assets – Schedule BA. See full comment letter for details.
2025-01BWG Modified	Update the Note to Financial Statements Note 8—Derivatives to include adopted revisions to Statement of Statutory Accounting Principles (SSAP) No. 86—Derivatives. Also, update Note 11 – Debt for the adopted revisions to SSAP No. 15—Debt and Holding Company Obligations.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 2 of 6
	Comment letter suggests an editorial revision to the Illustration header on page 5 of the exposures. See full comment letter for details.
2025-02BWG	Update Note to Financial Statements Note 9 – Income Taxes to include adopted revisions to SSAP No. 101 – Income Taxes.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 2 of 6
	IPs have no comment.
2025-03BWG Modified	Modify the Life Insurance (State Page) to include accident and health data for direct premium earned and direct losses incurred.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 3 of 6
	Comment letter suggests some editorial revisions and requests clarity on some of the updated fields. See full comment letter for details.

Reference Number	Description
2025-04BWG Modified	Add a new part to the Note to Financial Statements Note 28 – Health Care Receivables to include Medicare Part D prescription payment plans.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 4 of 6 Comment letter suggests reviewing the usage and terminology used in the instructions and illustration of the note. See full comment letter for details.
<u>Comment #2 – AHIP</u>	Attachment 21 Page 1-2 of 2 Comment letter supports proposal. See full comment letter for details.
2025-05BWG Modified	Add a new part to Schedule S to report reinsurance agreements with funds withholding and modified coinsurance.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 4 of 6 Comment letter suggests some editorial revisions and providing directions to a company when a ceding company does not provide the details of the assets being ceded to an assuming company. See full comment letter for details.
2025-06BWG Modified	Update Note 5L – Restricted Assets Instructions and Illustrations to make the changes for clarification on what should be reflected within the restricted asset note.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 4 of 6 Comment letter suggests adding instructions for Note 5L(5) and some editorial revisions to Note 5L(4). See full comment letter for details.
2025-07BWG	Update Schedule P with editorial revisions exposed at the Casualty Actuarial and Statistical (C) Task Force.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 4 of 6 IPs have no comment.
<u>Comment #2 – Gain Compliance</u>	Attachment 21 Page 1-2 of 2 Comment letter suggests providing clearer guidance for prior lines, and Part 5. See full comment letter for details.

Reference Number	Description
2025-08BWG	Remove Life/Fraternal General Interrogatory #14 that reports total dividends paid to stockholders and renumber remaining general interrogatory.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21
	Page 4 of 6
	IPs have no comment.
2025-09BWG	Update Life/Fraternal Note to Financial #35 for separate account transfers. Also add a general interrogatory to Separate Account Blank for transfers and repurchase agreements and reverse repurchase transactions.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21
	Page 5 of 6
	IPs have no comment.
2025-10BWG Modified	Update Note 5L to identify assets held under funds withholding agreements (including modco) that are affiliated with the reinsurer. Also updated the list of required quarterly disclosures to include Note 5L – Restricted Assets. With this change, this disclosure will be required in all interim and annual financial statements.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21
	Page 5 of 6
	Comment letter suggests adding quarterly instructions and illustrations to be consistent for 2025-06BWG along with some editorial revisions. See full comment letter for details.
2025-11BWG	Remove the capital structure code reporting column on Schedule D, Part 1, Sections 1 and 2.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21
	Page 5 of 6
	IPs have no comment.
2025-12BWG	“Remove” Line 8 – Unrated Multi-Class Securities Acquired by Conversion from AVR: Default Component – Basic Contribution. Relabel the line with “intentionally left blank” to prevent renumbering all lines in the AVR schedule and to be used in the future if there are other AVR updates.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21
	Page 6 of 6
	Comment letter suggests adding this revision to proposal 2024-19BWG and withdrawing this change for 2025. See full comment letter for details.

Reference Number	Description
2025-13BWG	Update Notes to Financial Statements Note 13K with disclosure updates to SSAP No. 41 – Surplus Notes.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 6 of 6
Comment letter suggests an editorial revision to remove Separate Accounts from the proposal form because it doesn't have a Notes section.	
2025-14BWG	Add instructions to include Medicare Part D Prescription Payment Plan information to the Health Care and other amounts receivable line on the Asset Page, Supplemental Health Care Exhibit, Exhibit 3 – Health Care Receivables, and Exhibit 3A – Analysis of Health Care Receivables.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 6 of 6
Comment letter suggests an editorial revision to add Title to the proposal form because the Assets page is uniform for all statements.	
<u>Comment #2 – AHIP</u>	Attachment 21 Page 1-2 of 2
No comments and support proposal. See full comment letter for details.	
2025-15BWG Modified	Update Note 8 – Derivatives in the Notes to Financial Statements and Schedule DB to clarify the terminology used for derivative financing premium.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 21 Page 6 of 6
Comment letter suggests editorial revisions to update column references in Schedule DB instructions. See full comment letter for details.	

NAIC Blanks Working Group – Interested Parties	
Tip Tipton, CPA Thrivent, Head of Accounting Policy	Phone: 612.844.7298 Email: tip.tipton@thrivent.com

April 29, 2025

Mr. Roy Eft, Chair
Blanks Working Group
National Association of Insurance Commissioners
1100 Walnut St.
Kansas City, MO 64106

SUBJECT: Blanks Working Group (“BWG”) proposals exposed during the conference call on March 6, 2025 and via email on March 24, 2025 – REVISED

Dear Mr. Eft:

Interested Parties (“IPs”) appreciate the opportunity to review and comment on the 7 proposals that were re-exposed or exposed during the conference call held by BWG on Thursday, March 6, 2025 and 9 proposals that were exposed via email on Monday, March 24, 2025.

2024-19BWG [Update Schedule BA line categories and instructions for the expansion of collateral loans. Add two electronic-only columns on Schedule BA – Part 1 for reporting fair value of collateral backing and the percentage of the collateral. Update the Assets Valuation Reserve instructions and blank for the added collateral loan lines. Per SAPWG Ref #2023-28 (*Collateral Loan Reporting*). Anticipated effective date is Quarterly 2026 / Annual 2026.]

IPs suggest the following additional comments on this re-exposure:

We recommend that the current RBC treatment of collateral loans will continue for all insurer types until a permanent solution is adopted by the Capital Adequacy Task Force.

We recommend that the following sentence be modified in paragraph 2 of SSAP No. 7 - *Asset Valuation Reserve and Interest Maintenance Reserve* be modified “The AVR is intended to establish a reserve to offset potential credit-related investment losses on all invested asset categories excluding cash, policy loans, premium notes, ~~collateral~~ **notes** and income receivable.”

For the ‘Non-collateral Loans’ category, IPs are confirming that the Related Party Loans and Affiliated Loans lines will be included in the Affiliated Subtotal line.

For page 29 (Asset Valuation Reserve), which comprise the Basic Contribution, Maximum Reserve and Reserve Objective for both the General Account and Separate Account, the instructions need to reflect the renumbered lines for total Other Invested Assets.

For 'Line ~~96~~ 115— Other Invested Assets – Schedule BA', IPs suggest the following instructional changes [Note: the lines highlighted in yellow are expected to change based on the various changes to AVR from different exposures]:

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~~ 4399999, 4499999, 4599999, ~~5899999 and 5999999~~ 6799999 and 6899999) 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 and 3099999) 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.~~

2025-01BWC [Update the Notes to Financial Statements Note 8 – *Derivatives* to include adopted revisions to SSAP No. 86—Derivatives and Note 11 – *Debt* for the adopted revisions to SSAP No. 15—Debt and Holding Company Obligations. Per SAPWG Ref #2023-26 (*ASU 2023-06, Disclosure Improvements*). Anticipated effective date is Annual 2025.]

IPs suggest the following editorial revision:

- On page 5 of the exposure for Illustration, change the header to “C. Unused commitments...”.

For Note 11, IPs are unclear on how “short-term and long-term” should be reported. Is it assuming that if the Unused Commitment or Line of Credit were used, the funding date would be the basis for determining short-term or long-term? For the amount, is it the maximum amount allowed under the commitment or line of credit?

2025-02BWC [Update Notes to Financial Statements Note 9 – *Income Taxes* to include adopted revisions to SSAP No. 101—Income Taxes. Per SAPWG Ref #2024-11 (*ASU 2023-09, Improvements to Income Tax Disclosures*). Anticipated effective date is Annual 2025.]

IPs have no comments.

2025-03BWG [Modify the Life Insurance (State Page) to include accident and health data for direct premium earned and direct losses incurred. Refer to 2022-19BWG for original changes to the Life Insurance (State Page). Anticipated effective date is Annual 2025.]

IPs suggest the following editorial revisions:

- For Columns 18/19 – Amount Rejected, we suggest the following clarifying language, which is consistent with how Columns 16/17 – Reduction by Compromise instructions are presented:

~~Life and Annuity Contracts (Lines 1 through 33)~~ Provide the amount for claims rejected and the number of policies/certificates for the claims rejected.

These columns are only applicable to life and annuity contracts (Lines 1 through 33).

- For Column 20 – Total Settled During Current Year - Pols\Certs, we suggest the following change: Accident and Health (Line 34 through 46) should equal Column 14 ~~plus Column 18~~.

The proposal is adding back columns that were removed and adding new columns that were not in the original State Page. The previous Accident and Health section of the State Page had 5 columns and did not include columns for *Totals Paid-Number of Pols/Certs* and *Total Settled During Current Year-Number of Pols/Certs* nor did the overall requirement include providing unpaid benefits for the current year.

The proposed changes would require a retroactive implementation as the Accident and Health unpaid amounts for prior year, which were not reported in the 2024 annual statement, would need to be generated. IPs are interested in how the unpaid amounts in Column 22 will be used as we believe they would not tie to another schedule or exhibit.

IPs believe the instructions for ‘Footnote f’ should indicate that the data ties to Column 2 of the Accident & Health Policy Experience Exhibit (AHPEE). We also suggest that the instructions for Column 2 of the AHPEE be updated to indicate that it should tie to ‘Footnote f’ of the State Page.

IPs are requesting clarity for the instructions on ‘Column 13 – Incurred During Current Year’ as to how incurred benefits are defined and if they should tie to Exhibit 8 (Life, Annuities, Accident & Health), Schedule H (Accident and Health) or Accident & Health Policy Experience Exhibit (Accident & Health). IPs also would like to understand how ‘disability premium waiver benefits’ would be included in the various lines of business for incurred benefits.

Further, we have had many questions from members regarding what actually should go in several of the columns on the State Page, and they get very nuanced, and companies have differing views. Often, the answer to one question impacts another question. Please consider defining the crosscheck within the instructions for the various fields on the State Page. To ensure consistency of these disclosures and ensure that regulators are receiving the appropriate disclosures for their needs, we suggest some iterative discussions with the sponsor of this exposure and NAIC staff, to potentially get clarifying language in the instructions. This would help both with consistency of disclosures and reduce the need to have additional exposures in the future to obtain the desired consistency.

2025-04BWG [Add a new part to the Notes to Financial Statements Note 28 – *Health Care Receivables* to include Medicare Part D prescription payment plans. Per SAPWG Ref #2025-08 (*Medicare Part D Prescription Payment Plan Disclosures*) and SAPWG INT 24-02T (*Medicare Part D MPPP*). Anticipated effective date is Annual 2025.]

IPs suggest reviewing the proposed Instruction and Illustration for grammar usage and consistent terminology. Examples include:

- In 28C(1) states ‘Amounts of included in...’. IPs are unsure what is being requested (i.e., Amounts of what?).
- In 28C(1) uses ‘current reporting period’ and ‘prior year’, which seems inconsistent.

2025-05BWG [Add a new Part 8 to Schedule S to report data on all modified coinsurance (Modco) and other reinsurance transactions with funds withheld (FWH). Per SAPWG Ref #2024-07 (*Reporting of Funds Withheld and Modco Assets*). Anticipated effective date is Annual 2025.]

IPs have the following comments:

- Will other lines that are not historically part of an AVR but could be included in an agreement be added? These include, but not limited to, Cash, Cash Equivalents, Collateral loans, etc.
- References to ‘Default Component’ and ‘Equity and Other Invested Asset Component’ should be removed as these are utilized in AVR only.
- The Life/Fraternal RBC instructions (e.g., LR045-LR048 – Modco or Funds Withheld Reinsurance Agreements) provide directions to a company when a ceding company does not provide the details of the assets being ceded to an assuming company. Will there be similar language in the Annual Statement instructions for assumed blocks where an assuming insurer does not receive the asset details from the ceding insurer?
- If 2025-12BWG is adopted, will the ‘*Unrated Multi-Class Securities Acquired by Conversion*’ line in this Schedule also be removed?

IPs have the following editorial revisions:

- Consider renaming the header for clarification on what is included: **REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR**
- The following category header should be modified as follows:
 - ~~INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF~~ SURPLUS NOTES AND CAPITAL NOTES
- The instructions for Column 7 & 8, Column 9 & 10, and Column 11 & 12 should be ‘Assumed’ not ‘Ceded’.

2025-06BWG [Update Note 5L – *Restricted Assets* instructions and illustrations to clarify how assets held under modified coinsurance (Modco) or funds withheld (FWH) agreements shall be reflected within the restricted asset disclosure. Per SAPWG Ref #2024-20 (*Restricted Asset Clarification*). Anticipated effective date is Annual 2025.]

IPs believe there should be instructions for the new table in Note 5L(5) related to assets held as collateral or under modified coinsurance or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity.

IPs suggest the following editorial revisions:

The table in Note 5L(4) should label the columns differently to better assist with calculation and reference to the data (e.g., “Column 1 – BACV” should be ‘Column 1 – BACV Collateral’, ‘Column 2 – BACV Modco’ and ‘Column 3 – BACV FWH’; and “Column 2 – Fair Value” should be ‘Column 4 – Fair Value Collateral’, ‘Column 5 – Fair Value Modco’ and ‘Column 6 – Fair Value FWH’). Columns 3 and 4 should be renumbered accordingly.

2025-07BWG [The proposed changes update Schedule P with editorial revisions. This is sponsored by the Casualty Actuarial and Statistical (C) Task Force. Anticipated effective date is Annual 2025.]

IPs have no comments.

2025-08BWG [Proposed changes include removing Life/Fraternal General Interrogatory #14 in Part 2 of the Gen Int that reports total dividends paid to stockholders and renumber remaining general interrogatories. This interrogatory is not included across all annual statement blanks and is not clearly included as a required disclosure in SSAP No. 72 – *Surplus and Quasi-Reorganizations*. This is sponsored by SAPWG Ref #2025-07 – *Dividend General Interrogatory Update*. Anticipated effective date is Annual 2025.]

IPs have no comments.

2025-09BWG [Proposed changes updates Note #35 for separate account transfers on the Life/Fraternal Blank and General Interrogatories on the Separate Accounts Blank for transfers and repurchase agreements and reverse repurchase transactions. This is sponsored by SAPWG Ref #2024-10 – *SSAP No. 56 – Book Value Separate Accounts*. Anticipated effective date is Annual 2025.]

IPs have no comments.

2025-10BWG [Proposed changes update Note 5L – *Restricted Assets* to identify assets held under funds withheld agreements (including modco) that are affiliated with the reinsurer. Also updated the list of required quarterly disclosures to include Note 5L – *Restricted Assets*. With this change, the disclosure will be required in all interim and annual financial statements. This is sponsored by SAPWG Ref #2025-05 – *Reinsurer Affiliated Assets*. Anticipated effective date is Annual 2025.]

IPs suggest inserting the following lines for all the Quarterly Statement Instructions for Note 5L(1) to be consistent with the Annual Statement Instructions in 2025-06BWG and renumbering the ‘Total restricted assets’ line.

- o. Collateral Assets Received and on Balance Sheet
Exclude: Collateral under security lending and repurchase agreements reported on balance sheet.
- p. Assets held under Modco Reinsurance Agreements
- q. Assets held under Funds Withheld Reinsurance Agreements

IPs want to confirm that Note 5L(5) for ‘assets held as collateral or under modified coinsurance or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity’, should not be included in the Quarterly Statement.

IPs suggest the following editorial revisions:

- There should be an ‘X’ next to the QUARTERLY STATEMENT box as the disclosures are now required quarterly.
- There should not be an ‘X’ next to the ‘Separate Accounts’ box as it doesn’t have a Notes section.
- There should be an ‘X’ next to ‘Property/Casualty’, ‘Health’ and ‘Title as the changes apply to these types of insurers.
- The sponsoring item should be SAPWG Ref #2025-05 not 2025-25.
- In the table with ‘Related Party Code’, Column 6 needs \$ and blank lines; rows x. and ii. need to remove the \$; throughout the table, there appears to be 2 blank lines in certain lines where there should only be 1.
- In the table with ‘Related Party Code’, consider adding ‘(Including Modco)’ after FWH in the line “Percentage to Total FWH Assets”.
- For the instructions in Note 5L(1), the phrase “Book/Adjusted Carrying Value” should be added to the first sentence for consistency with 2025-06BWG.

2025-11BWG [Proposed changes remove the Capital Structure Code column on Schedule D – Part 1 – Sections 1 and 2. This code was originally established for SVO use, but this information for investments is not utilized from the Schedule D reporting and obtained from the SVO through other data sources. Due to variations in reporting, data obtained from the Schedule D company-reporting may be misleading. This is sponsored by SAPWG Ref #2025-04 – *Capital Structure Code*. Anticipated effective date is Annual 2025.]

IPs have no comments.

2025-12BWG [Proposed changes “remove” Line 8 – *Unrated Multi-Class Securities Acquired by Conversion* from AVR: Default Component – Basic Contribution and relabel the line with “intentionally left blank” to prevent renumbering all lines in the AVR schedule and to be used in the future if there are other AVR updates. This is sponsored by SAPWG Ref #2025-06 - *AVR Line: Unrated Multi-Class Securities*. Anticipated effective date is Annual 2025.]

IPs recommend considering adding this editorial revision to 2024-19BWG – *Collateral Loans* as there are updates being made to AVR in this item and withdrawing this change for 2025.

2025-13BWG [Proposed changes to add clarity to the guidance for reporting certain debt securities as capital notes in scope of SSAP No. 41 – *Surplus Notes*. This is sponsored by SAPWG Ref #2024-28 – *Holders of Capital Notes*. Anticipated effective date is Annual 2025.]

IPs suggest the following editorial revisions:

- There should not be an ‘X’ next to the ‘Separate Accounts’ box as it doesn’t have a Notes section.

2025-14BWG [Proposed changes add clarity on where the Medicare Part D Prescription Payment Plan information should be reported on the Annual and Quarterly Statements. This is sponsored by SAPWG Ref #2024-24 – *Medicare Part D Prescription Payment Plan*. Anticipated effective date is Annual 2025.]

IPs suggest the following editorial revisions:

- There should be an ‘X’ next to the ‘Title’ box as the exposure includes changes to the Assets page.

2025-15BWG [Proposed changes update Note 8 – *Derivatives* in the Notes to Financial Statements and Schedule DB to clarify the terminology used for derivative financing premium. This is sponsored by SAPWG Ref #2024-23 – *Derivative Premium Clarifications*. Anticipated effective date is Annual 2025.]

IPs have the following editorial revisions:

- The column reference to ‘fair value reported’ should be changed in the instructions for the following pages:
 - Schedule DB – Part A – Section 1, Column 31 Column 30 → Column 31
 - Schedule DB – Part A – Section 2, Column 30 Column 29 → Column 30
 - Schedule DB – Part B – Section 1, Column 29 Column 28 → Column 29
 - Schedule DB – Part B – Section 2, Column 25 Column 30 → Column 25

* * * *

Thank you for the opportunity to comment on the above items. Please feel free to contact me if you have any questions or would like to discuss further.

Tip Tipton, CPA
Head of Accounting Policy
Thrivent

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

April 23, 2025

Dale Bruggeman, Chair
NAIC Statutory Accounting Principles (E) Working Group (SAPWG)
Roy Eft, Chair
NAIC Blanks (E) Working Group (BWG)
Steve Drutz, Chair
NAIC Health Risk-Based Capital (E) Working Group (HRBCWG)
National Association of Insurance Commissioners
1100 Walnut Street, Suite 1500
Kansas City, MO 64106-2197

By Email to: Julie Gann at JGann@NAIC.org, Mary Caswell at MCaswell@NAIC.org,
and Derek Noe at DNoe@NAIC.org

Re: Pending Exposures Relating to the Medicare Part D Prescription Payment Plan (MPPP)

Dear Gentlemen:

On behalf of AHIP and the Blue Cross and Blue Shield Association (the Trades), we are pleased to respond to four separate exposures which are currently pending before the NAIC working groups that you chair:

- SAPWG: 2025-08, SSAP No. 84, Medicare Part D Prescription Drug Payment Plan Disclosures
- BWG: 2025-04BWG, add a new part to the Notes to Financial Statements Note 28 – Health Care Receivables to include Medicare Part D prescription payment plans.
- BWG: 2025-14BWG, add instructions to include Medicare Part D Prescription Payment Plan information
- HRBCWG: exposure to solicit feedback regarding the potential ramifications of SAPWG's adoption of the INT 24-02, *Medicare Part D Prescription Payment Plan*

We would first like to acknowledge the work of SAPWG members and NAIC staff that culminated in SAPWG's adoption at the NAIC's 2025 Spring National Meeting in Indianapolis of INT 24-02. We appreciate their engagement on the matter. The Trades support SAPWG's action in Indianapolis to adopt the new accounting interpretation.

The four exposures which now remain pending, and which are cited above, all relate to INT 24-02, i.e., they propose to require supplemental disclosures and instructions thereto in the Annual Statement blanks, and to solicit input as to any potential ramifications involving Health RBC that should be considered.

SAPWG's 2025-08 and BWG's 2025-04BWG both address supplemental disclosures in the Annual Statement blanks. They are virtually identical in that regard, save for reference to disclosure "by debtor" in 2025-04BWG, a reference that NAIC staff has indicated to us was unintended. Assuming that reference is deleted, these two exposures would be identical, and ***the Trades support both.***

BWG's 2025-14BWG proposes to add text to the Blanks Instructions relating to the MPPP disclosures that are covered by the prior paragraph. ***The Trades have no comments and support the proposed instructions as drafted.***

HRBCWG's exposure solicits feedback regarding the potential ramifications of SAPWG's adoption of the INT 24-02, *Medicare Part D Prescription Payment Plan*. As described in INT 24-02 as adopted, MPPP went into effect January 1, 2025. While Federal government regulations require Part D Plan Sponsors and pharmacies to make certain disclosures to inform their members about MPPP and its benefits, the extent to which members avail themselves of those benefits will likely evolve over some time. Likewise, the proposed disclosures which have been proposed by SAPWG and BWG include impairment losses charged to incurred health care benefits, and the first of such disclosures will be made in 2025 Annual Statements filed early next year. While the Trades are supportive of HRBCWG's effort to solicit input, ***the Trades suggest that any consideration of changes to Health RBC due to MPPP and INT 24-02 be deferred until sufficient data is available to provide an indication of the existence and materiality of risk.***

The Trades very much appreciate the engagement of your working groups and of NAIC staff on these matters and would be pleased to address any questions you may have at your convenience.

Sincerely,

Miranda Motter
Senior Vice President, State Affairs and Policy
MMotter@AHIP.org
202-923-7346

Clay S. McClure
Executive Director, State Affairs
Clay.McClure@BCBSA.com
202-626-8649

CC: Robin Marcotte
Jake Stultz
Jason Farr
Wil Oden
Jill Youtsey

April 29, 2025

Mr. Roy Eft, 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 April 29, 2025

Dear Mr. Eft:

Gain Compliance, an NAIC-certified Annual Statement vendor specializing in compliance reporting for the insurance industry, appreciates the opportunity to review and comment on the proposals exposed on March 24, 2025. We are grateful for the Blanks (E) Working Group's continued efforts to improve the clarity and consistency of the financial reporting framework.

We are fully supportive of the changes proposed in **2025-07BWG**, particularly the removal of outdated language, improved organization, and the overall enhancement of the instructions' flow. We also appreciate the NAIC's consideration of prior stakeholder feedback, including suggestions made jointly by Gain Compliance and AXA XL in early 2024.

As part of the ongoing refinement of Schedule P, we respectfully urge the Working Group to consider additional clarifications regarding the claim count columns in Parts 3 and 5. Specifically:

- **Part 3:** Clearer guidance would be helpful for Line 1 - Prior, Columns 11 and 12 (claim payments), where instructions are currently limited or absent.
- **Part 5, Section 1:** We recommend clarification for Line 1, Column 10.
- **Part 5, Section 3:** Similarly, clarification for Line 1, Column 10 would improve consistency.

In practice, the absence of clear instructions in these areas has led to varying interpretations across the industry. This not only creates challenges for preparers and vendors but may also impact the consistency and comparability of data used by regulators. By addressing these points now, the Working Group has an opportunity to further strengthen the reliability of filings and streamline analysis for all users of the data.

We sincerely appreciate the opportunity to contribute to this process and thank the Blanks Working Group for its commitment to continuous improvement. Please feel free to contact me at (319) 310-4087 if any further discussion would be helpful.



900 Walnut St, Suite 100
Des Moines, IA 50309

Tricia Henderson
Director of Accounting Policy/NAIC Liaison
Gain Compliance
(319) 310-4087
tricia@gaincompliance.com