

Draft date: 7/18/24

*Virtual Meeting*

**BLANKS (E) WORKING GROUP**

Wednesday, August 7, 2024

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

**ROLL CALL**

Debbie Doggett, Chair	Missouri	Tadd Wegner	Nebraska
Steve Drutz, Vice Chair	Washington	Paul Lupo/Amal Mechaie	New Jersey
Kevin Richard	Alaska	Tracy Snow	Ohio
Kim Hudson	California	Diane Carter	Oklahoma
Wayne Shepherd	Connecticut	Ryan Keeling	Oregon
Nicole Brittingham	Delaware	Diane Sherman	Pennsylvania
N. Kevin Brown	District of Columbia	Shawn Frederick	Texas
Nicole Crockett/Carly Wagoner	Florida	Jake Garn	Utah
Roy Eft	Indiana	Mary Jo Lewis	West Virginia
Daniel Mathis	Iowa	Adrian Jaramillo	Wisconsin
Kristin Hynes/Jason Tippet	Michigan		

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

**AGENDA**

1. Consider Adoption of its May 23 Minutes—*Debbie Doggett (MO)* Attachment 1
  
2. Discuss Items Previously Exposed/Deferred—*Debbie Doggett (MO)*
  - A. **2024-11BWG** – Update the annual and quarterly instructions and blanks for the New Market Tax Credit (NMTC) changes. Annual changes will be made to: Assets, Notes to Financial Statements 5K, 14A, and 21E, Asset Valuation Reserve (AVR), and Schedule BA, Part 1, Part 3, and Verification Between Years. Quarterly changes will be made to: Assets and Schedule BA, Part 3, and Verification Between Years. The public comment period ended July 8, 2024. Attachment 2
  
  - B. **2024-12BWG Modified** – Update the quarterly investment schedules for editorial items to the bond project (Sch. D Verification, Sch. D Part 1B, Sch. D Part 3 & 4, Sch. DL Part 1 & 2, and Sch. E Part 1 & 2). Update the Quarterly Investment Schedule General Instructions for the changes that were adopted in the Annual Investment Schedule General Instructions. (*Reference adopted proposal 2023-06BWG*). Attachment 3

- 3. Receive the Statutory Accounting Principles (E) Working Group Memorandum  
—*Debbie Doggett (MO)* Attachment 4
  - 4. Consider Adoption of its Editorial Listing—*Debbie Doggett (MO)* Attachment 5
  - 5. Discuss Any Other Matters Brought Before the Working Group  
—*Debbie Doggett (MO)*
    - A. Solicit Additional Members to Join the Working Group
  - 6. Adjournment
- The following documents are being provided as reference materials:*
- Summary of Comment Letters* Attachment 6
  - Comment Letters* Attachment 7

Draft: 5/28/24

Blanks (E) Working Group  
Virtual Meeting  
May 23, 2024

The Blanks (E) Working Group of the Accounting Practices and Procedures (E) Task Force met May 23, 2024. The following Working Group members participated: Pat Gosselin, Chair (NH); Steve Drutz, Vice Chair (WA); David Phifer (AK); Laura Clements (CA); Wayne Shepherd (CT); N. Kevin Brown (DC); Tom Hudson (DE); Nicole Crockett (FL); Daniel Mathis (IA); Roy Eft (IN); Kristin Hynes and Jason Tippett (MI); Debbie Doggett (MO); Lindsay Crawford (NE); John Sirovetz (NJ); Dale Bruggeman and Tracy Snow (OH); Diane Carter (OK); Miriam Fisk and Shawn Frederick (TX); Jake Garn (UT); Adrian Jaramillo (WI); and Mary Jo Lewis (WV).

1. Adopted its Feb. 21 Minutes

Gosselin indicated that during its Feb. 21 meeting, the Working Group took the following action: 1) adopted its Nov. 7, 2023, minutes; 2) re-exposed proposal 2023-12BWG related to debt securities on Schedule BA; 3) adopted five proposals; 4) exposed six new items; and 5) adopted its editorial listing.

Drutz made a motion, seconded by Hynes, to adopt the Working Group's Feb. 21 minutes (*see NAIC Proceedings – Spring 2024, Accounting Practices and Procedures (E) Task Force, Attachment Two*). The motion passed unanimously.

2. Adopted Proposals

A. Agenda Item 2023-12BWG

Bruggeman stated that this proposal incorporates revisions to Schedule BA to add reporting lines for non-bond debt securities in accordance with the principle-based bond guidance adopted to *Statement of Statutory Accounting Principle (SSAP) No. 21—Other Admitted Assets*, as well as *SSAP No. 26R—Bonds* and *SSAP No. 43R—Loan-Backed and Structured Securities*. He stated that this blanks proposal would be effective Jan. 1, 2025, which corresponds with the effective date for the adopted bond definition. In addition to the non-bond debt security reporting lines, other clarification revisions to Schedule BA have been included. These include the elimination of the non-registered private fund reporting line so that all investments in the scope of *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies* are captured on a single line. Modifications to the instructions are captured to improve clarity and consistency in reporting. He stated that this proposal does not include revisions to the reporting lines for tax credits or collateral loans related to other Statutory Accounting Principles (E) Working Group projects. Those items will be addressed in different proposals.

Bruggeman stated that the Statutory Accounting Principles (E) Working Group met May 15 to discuss industry comments, and it supports the proposal with a few additional modifications, which are reflected within the document. First, the Statutory Accounting Principles (E) Working Group changed the residual underlying characteristic category of "Fixed Income Instruments" to "Bonds." Revisions were made to clarify that residual tranches of collateralized loan obligations (CLOs) shall be reported in the "underlying characteristics of bonds" reporting line. Revisions have been proposed to provide examples of items that shall be captured in the "underlying characteristics of other" reporting line. These examples include but are not limited to student loans, auto loans, and aircraft or train car leases. Next, it incorporated revisions to specify that the maturity date column shall be completed for all Schedule BA investments with a stated maturity date. This action is different from what industry proposed but is in line with the original intent; 3) corrected an erroneous deletion in the name of the

“Joint Venture, Partnerships or Limited Liability Companies” investment reporting line. This was identified by interested parties in their collateral loan comments.

Bruggeman made a motion, seconded by Eft, to adopt the modifications to the proposal. The motion passed unanimously. Bruggeman made a motion, seconded by Eft, to adopt the modified proposal (Attachment 1). The motion passed unanimously.

B. Agenda Item 2024-01BWG

Bruggeman stated that this proposal updates instructions to explicitly state that investments in the form of preferred or common stock, that are in substance residual interests, shall be reported on Schedule BA in the dedicated reporting lines for residuals.

Bruggeman made a motion, seconded by Sirovetz, to adopt the proposal (Attachment 2). The motion passed unanimously.

C. Agenda Item 2024-02BWG

Bruggeman stated that this blank proposal adjusts the cash equivalent and short-term investment instructions and reporting lines to reflect the changes adopted by the Statutory Accounting Principles (E) Working Group, reducing the types of investments permitted for short-term or cash equivalent reporting. The effective date of this proposal is Jan. 1, 2025, to mirror the bond proposal’s effective date. The elimination of asset-backed securities from short-term and cash equivalent reporting was driven by the principles-based bond project. Interested parties noted that corresponding revisions were needed to the Schedule DA Verification, five-year historical, and the asset valuation reserve (AVR). Those edits have been made. The interested parties’ suggestion to rename Schedule BA to “Other Invested Assets” was not done, as this would impact other areas of the blank besides just Schedule BA. This would need to be done in a separate proposal.

Bruggeman made a motion, seconded by Drutz, to adopt the modifications to the proposal. The motion passed unanimously. Drutz made a motion, seconded by Shepherd, to adopt the proposal with the minor word modification (Attachment 3). The motion passed unanimously.

D. Agenda Item 2024-03BWG

Charles Therriault (NAIC) stated that this proposal updates General Interrogatory 35 to clarify the reporting of private letter (PL)-rated securities. Interested parties identified a minor editorial change, replacing “was derived” with “were derived.”

Drutz made a motion, seconded by Doggett, to adopt the proposal with the minor word modification (Attachment 4). The motion passed unanimously.

E. Agenda Item 2024-04BWG

Scott O’Neal (NAIC) stated that this proposal adds clarifying language to the VM-20, Requirements for Principle-Based Reserves for Life Products Supplement in the life blank to include separate accounts where applicable. This is intended to address inconsistencies found in the current reporting. There were no comments.

Doggett made a motion, seconded by Drutz, to adopt the proposal (Attachment 5). The motion passed unanimously.

F. Agenda Item 2024-05BWG

Bruce Jenson (NAIC) stated that this proposal adds clarifying language to the annual General Interrogatory 29.05 (Quarterly General Interrogatory 17.5) to clarify that all investment advisors with discretion to make investment decisions, including sub-advisors, should be disclosed in the interrogatory. This change is effective for 2024. There were no interested party comments.

Hynes made a motion, seconded by Mathis, to adopt the proposal (Attachment 6). The motion passed unanimously.

G. Agenda Item 2024-06BWG

Fisk stated that this proposal relates to the Property & Casualty (P/C) and Title Actuarial Opinions. It limits the requirement to send qualification documentation to the board of directors only at the initial appointment and not annually thereafter. It was decided by the Actuarial Opinion (C) Working Group that since the information does not change significantly from year to year, it was no longer needed on an annual basis. This proposed change is to be effective for annual 2024.

Drutz made a motion, seconded by Eft, to adopt the proposal (Attachment 7). The motion passed unanimously.

H. Agenda Item 2024-07BWG

Bruggeman stated that this proposal modifies the new interest maintenance reserve (IMR) disclosure to separate derivative information between the general and separate accounts (insulated and non-insulated). It adds a general interrogatory for the required attestation. A review of the narrative disclosure included in the 2023 financials identified that a number of companies that admitted net negative disallowed IMR did not fully report the disclosure information. Please note that any company admitting IMR under the interim interpretation is required to fully complete the disclosure.

Bruggeman made a motion, seconded by Eft, to adopt the proposal (Attachment 8). The motion passed unanimously.

I. Agenda Item 2024-08BWG

Bruggeman stated that this proposal revises the IMR and the AVR instructions to eliminate guidance that directs investments with credit losses to be reported in the IMR. For bonds, the revised guidance stipulates that if a known credit event has occurred, that is not yet reflected in the NAIC Designations at the time of the sale, the gain/loss shall be allocated to AVR if that impact is predominantly credit-related. For preferred stocks, the guidance directs that all mandatory convertible preferred stocks and perpetual preferred stocks follow the treatment of equity investments, with gains/losses excluded from IMR. For mortgage loans, the guidance directs that predominantly interest-related gains/losses go to IMR, and those predominantly credit-related go to AVR, with the clarification of specific situations that result in AVR reporting.

Bruggeman made a motion, seconded by Drutz, to adopt the proposal (Attachment 9). The motion passed unanimously.

### J. Agenda Item 2024-09BWG

Bruggeman stated that this proposal adds a new year-end 2024 data-captured note on the types of collateral, in the aggregate, backing collateral loans. Although some industry comments are reflected, the revision was not incorporated to prevent companies from identifying non-qualifying collateral as an admitted asset. Although such admittance would not be in line with SSAP No. 21, if the note prevented identifying those items as admitted, companies that get permitted practices for such instances would not be able to fully complete the note. As noted above, a cross-check will be added to verify the total in the note and the amount reported on Schedule BA for collateral loans. As a reminder, all collateral loans shall be reported on the collateral loan line.

Bruggeman made a motion, seconded by Drutz, to adopt the modifications to the proposal. The motion passed unanimously. Bruggeman made a motion, seconded by Sirovets, to adopt the modified proposal (Attachment 10). The motion passed unanimously.

### K. Agenda Item 2024-10BWG

Bruggeman stated that this proposal deletes the federal Affordable Care Act (ACA) disclosures related to the transitional reinsurance program and risk corridors programs, which are no longer in effect. Other edits include updating references to the “risk adjustment” program, which is the only risk-sharing program still in effect. On May 15, the Statutory Accounting Principles (E) Working Group adopted agenda item 2024-13, with the edit to *SSAP No. 107—Risk-Sharing Provisions of the Affordable Care Act*, paragraph 62, which corresponds to the edits to Notes 24E(4)/(5) and 24F(4)/(5) in the modification to this blanks proposal.

Bruggeman made a motion, seconded by Hynes, to adopt the modifications to the proposal. The motion passed unanimously. Bruggeman made a motion, seconded by Eft, to adopt the modified proposal (Attachment 11). The motion passed unanimously.

## 3. Deferred Items

### A. Agenda Item 2024-11BWG

Bruggeman stated that this proposal replaces all terminology in the blanks related to low-income tax credit investments with new terminology in accordance with the adoption of agenda item 2022-14. Additionally, the reporting line for federal guaranteed programs is proposed to be deleted because these types of tax credit investment structures were substantially eliminated by the *Historic Boardwalk Hall, LLC v. Commissioner of Internal Revenue* court decision in 2012. While interested parties’ request for deferral is not being opposed, it is preferred that interested parties provide examples of recently issued federal guaranteed New Markets Tax Credit (NMTC) investments and an explanation of why these guarantees do not run afoul of the *Historic Boardwalk* ruling in the interested parties’ comment letter.

Bruggeman made a motion, seconded by Hynes, to defer the proposal to allow time for additional public comments ending July 8. The motion passed unanimously.

## 4. Exposed New Items

### A. Agenda Item 2024-12BWG

Bruggeman stated that this blank proposal updates the quarterly investment schedules for editorial items related to the bond project, proposal 2023-06BWG, that was adopted Nov. 7, 2023. This includes Schedule D Verification, Schedule D, Part 1B, Schedule D, Part 3 and 4, Schedule DL, Part 1 and 2, and Schedule E Part 1 and 2. The proposal

updates the Quarterly Investment Schedule General Instructions for the changes that were adopted in the Annual Investment Schedule General Instructions.

The Working Group agreed to expose agenda item 2024-12BWG for a 45-day public comment period ending July 8.

5. Adopted the Editorial Listing

Snow made a motion, seconded by Eft, to adopt the editorial listing (Attachment 12). The motion passed unanimously.

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

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>03/21/2024</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2024-11BWG MOD</u> Year <u>2025</u> Changes to Existing Reporting <input type="checkbox"/> [ X ] New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input type="checkbox"/> [ X ] Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ] <i>***If Yes, complete question below***</i></p> <hr/> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment <input type="checkbox"/> [ ] Referred To Another NAIC Group <input type="checkbox"/> [ ] Received For Public Comment <input type="checkbox"/> [ ] Adopted Date _____ <input type="checkbox"/> [ ] Rejected Date _____ <input checked="" type="checkbox"/> [ X ] Deferred Date <u>05/23/2024</u> <input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

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

Anticipated Effective Date: January 1, 2025

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

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

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

The reason for this proposal is to update the instructions and blanks for the Statutory Accounting Principles Working Group’s conceptual changes to SSAP No. 93 – Low Income Housing Tax Credit Property Investments and SSAP No. 94R – Transferable and Nontransferable State Tax Credits resulting from the New Market Tax Credits project. (SAPWG Ref # 2022-14) Note that the guaranteed federal investment line was eliminated as these types of tax credit investment structures were substantially eliminated by the Historic Boardwalk Hall, LLC v. Comm of Internal Revenue court decision in 2012.

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

**NAIC STAFF COMMENTS**

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

Other Comments:

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

Revised 11/17/2022

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

**ASSETS**

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



**Detail Eliminated To Conserve Space**

Line 8 – Other Invested Assets (Schedule BA Assets)

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

Include: Loans.

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

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



**Detail Eliminated To Conserve Space**

NOTES TO FINANCIAL STATEMENTS

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

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5. Investments

Instruction:

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

~~For investments in low income housing tax credits (LIHTC) tax credit structures within the scope of SSAP No. 93—Investments in Tax Credit Structures,~~ disclose the following:

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

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

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

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

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

(79) ~~The amount and nature of the write downs or reclassifications made during the year resulting from the forfeiture or ineligibility of tax credits, etc. These write downs may be based on actual property-level foreclosure, loss of qualification due to occupancy levels, compliance issues with tax code provisions within an LIHTC investment or other issues. Disclosure of the following regarding tax credits allocated from tax credit investments and are unused as of the reporting period(s) are to be disclosed within Note 21 (State and Federal Tax Credits). For purposes of this disclosure, total unused tax credits represent the entire tax credits available:~~

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



**Detail Eliminated To Conserve Space**

14. Liabilities, Contingencies and Assessments

Instruction:

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

A. Contingent Commitments

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

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

Include any commitment or contingent commitment to purchase tax credits. Refer to *SSAP No. 94R—State and Federal Tax Credits* for accounting guidance.



**Detail Eliminated To Conserve Space**

21. Other Items

Instruction:



**Detail Eliminated To Conserve Space**

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

Note: As directed in Note 5, Tax credits allocated from tax credit investments and unused as of the reporting period(s) are to be included in the disclosures below.

Disclose the following regarding state ~~transferable and non-transferable~~ and federal tax credits within the scope of *SSAP No. 93—Investments in Tax Credit Structures* and *SSAP No. 94R—State and Federal Tax Credits* for the reporting period(s) presented. For purposes of this disclosure, total unused ~~transferable and non-transferable~~ state tax credits represent the entire ~~transferable and non-transferable~~ state tax credits available:

- (1) Carrying value of ~~transferable and non-transferable~~ state tax credits, disaggregated by transferable/certificated and non-transferable, gross of any related state tax liabilities and ~~total unused transferable and non-transferable~~ state tax credits by state and in total by jurisdiction and in total;
- (2) Total unused tax credits by jurisdiction, disaggregated by transferable/certificated and non-transferable;
- (23) Method of estimating utilization of remaining ~~transferable and non-transferable~~ state tax credits or other projected recovery of the current carrying value; and
- (34) Impairment amount recognized by the reporting period, if any.

(45) Identify ~~state~~ tax credits by transferable/certificated and non-transferable classifications and identify the admitted and nonadmitted portions of each classification.

(6) Any commitment or contingent commitment to purchase tax credits.



Illustration:

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

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

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

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

(2) Total unused tax credits by jurisdiction, disaggregated by transferable/certificated and non-transferable:

	<u>State Abbreviation*</u>	<u>Transferable / Certificated</u>	<u>Nontransferable</u>	<u>Total</u>
a. <u>State</u>	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	<u>Total</u>	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>
b. <u>Federal</u>		_____	_____	_____
c. <u>Total (a+b)</u>		<u>XXX</u>	<u>XXX</u>	<u>XXX</u>

*\* Only applicable to State section of table*

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

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

(34) Impairment Loss

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

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

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

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


**Detail Eliminated To Conserve Space**






Unaffiliated.....	5899999569999
Affiliated .....	5999999579999
Subtotals	
Unaffiliated.....	6099999
Affiliated .....	6199999
TOTALS.....	6299999


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

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

A. ~~State Yield Guaranteed State Low Income Housing~~ Tax Credit Investments.

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

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

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

Investments reported on this line must have all of the following risk mitigation factors:

I. A level of leverage below 50%. For a ~~LIHTC Fund~~ tax credit investment fund, the level of leverage is measured at the fund level.

II. There is a Tax Credit Guarantee Agreement, ~~or equivalent insurance acquired, at arm’s length, by the investor from General Partner or managing member.~~ This agreement requires the General Partner, ~~or managing member, developer, or insurer~~ to reimburse investors for any shortfalls in tax credits due to errors of compliance, for the duration of the regulatory compliance period of the tax credit program. ~~for the life of the partnership.~~ For a ~~LIHTC Fund~~ tax credit investment fund, a Tax Credit Guarantee Agreement is required from the developers of the lower tier ~~LIHTC properties/projects~~ to the upper tier partnership and all other ~~LIHTC~~ investments.

III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable ~~foreclosure loss risks at the time of the investments~~ as of the current reporting period.

C. Other Tax Credit Investments.

I. Any tax credit investment which cannot be reported as either yield guaranteed or non-guaranteed qualifying.

a. Federal tax credit investments with all-inclusive yield guarantees which would have previously been reported under the Guaranteed Federal Tax Credit Investment reporting line and are still within the scope of SSAP No. 93 shall be reported in Other Tax Credit Investments. This Federal Guaranteed reporting line was removed as these types of tax credit investment structure were substantially eliminated by the Historic Boardwalk Hall, LLC v. Commissioner of Internal Revenue court decision in 2012.

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



**Detail Eliminated To Conserve Space**



**SCHEDULE BA – PART 1**

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

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

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

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**SCHEDULE BA – PART 3**

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

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

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

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**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**

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

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

Lines 75

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

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

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

~~For Line 76, report non guaranteed LIHTC investments with the following risk mitigation factors~~Only tax credits investments which issue federal tax credits and have the following risk mitigation factors can be reported as ~~non guaranteed~~qualifying federal tax credit investments on Line ~~576~~:

- I. A level of leverage below 50%. For ~~LIHTC Funda~~tax credit investment fund, the level of leverage is measured at the fund level.
- II. There is a Tax Credit Guarantee Agreement, or equivalent insurance acquired, at arm's length, by the investor from General Partner or managing member. This agreement requires the General Partner, ~~or~~ managing member, developer, or insurer to reimburse investors for any shortfalls in tax credits due to errors of compliance, for the duration of the regulatory compliance period of the tax credit program, for the life of the partnership. For an ~~LIHTC Funda~~tax credit investment fund, a Tax Credit Guarantee Agreement is required from the developers of the lower tier ~~LIHTC properties~~projects to the upper tier partnership.
- III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable ~~foreclosure loss risks at the time of~~as of the investment~~current reporting period.~~

Line ~~76 75~~ should equal Schedule BA, Part 1, Column 12, Line 3799999 ~~3599999~~ + Line ~~3899999~~3699999.

~~Only federal low income housing tax credit investments can be reported on Lines 75 and 76.~~Only tax credit investments which issue state tax credits and, State low income housing tax credit investments that meet the requirements of SSAP No. 93 and that, at a minimum, have an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment ~~meet the requirements for federal guaranteed programs should~~can be reported as yield guaranteed state investments on Line ~~77~~75. Line ~~77 75~~ should equal Schedule BA, Part 1, Column 12, Line ~~3999999~~3599999 + Line ~~4099999~~3699999.

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

Any ~~All~~ other low income housing tax credit investments that meet the requirements of SSAP No. 93 and ~~which~~ cannot be reported on Lines 75 through ~~78-77~~ should be reported as other tax credit investments on Line ~~7978~~. Line ~~79-78~~ should equal Schedule BA, Part 1, Column 12, Line ~~4399999~~ ~~4199999~~ + Line ~~44999994299999~~.

Multiply the amount in Column 4 for each category by the reserve factors for Page 34, Columns 5, 7 and 9, Lines 75 through ~~7978~~. Report the products by category in Columns 6, 8 and 10, respectively.

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

**\*\*\*Drafting Note – the line references from Line 80 and below have been updated with the adopted Schedule BA proposal (2023-12BWG). The line reference updates will be made in the instructions and not shown in this proposal.\*\*\***

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

**ASSETS**

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



**Detail Eliminated To Conserve Space**

Line 8 – Other Invested Assets (Schedule BA Assets)

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

Include: Loans.

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

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



**Detail Eliminated To Conserve Space**

**SCHEDULE BA – PARTS 2 AND 3**

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

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

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<u>Guaranteed Federal Low Income Housing Tax Credit</u>		
Unaffiliated.....	3599999	
Affiliated.....	3699999	
<u>Yield Guaranteed State Low Income Housing Tax Credit Investments</u>		
Unaffiliated.....	3599999	
Affiliated.....	3699999	
<u>Non-Guaranteed Qualifying Federal Low Income Housing Tax Credit Investments</u>		
Unaffiliated.....	3799999	
Affiliated.....	3899999	
<u>Yield Guaranteed State Tax Credit Investments</u>		
Unaffiliated.....	3799999	
Affiliated.....	3899999	
<u>Non-Guaranteed Qualifying State Low Income Housing Tax Credit Investments</u>		
Unaffiliated.....	4199999399999	
Affiliated.....	4299999409999	
<u>All Other Low Income Housing Tax Credit Investments</u>		
Unaffiliated.....	43999994199999	
Affiliated.....	44999994299999	
<u>Working Capital Finance Investment</u>		
Unaffiliated.....	45999994399999	
<u>Residual Tranches or Interests with Underlying Assets Having Characteristics of:</u>		
<u>Fixed Income Instruments</u>		
Unaffiliated.....	46999994499999	
Affiliated.....	47999994599999	
<u>Common Stock</u>		
Unaffiliated.....	48999994699999	
Affiliated.....	49999994799999	
<u>Preferred Stock</u>		
Unaffiliated.....	50999994899999	
Affiliated.....	51999994999999	
<u>Real Estate</u>		
Unaffiliated.....	52999995099999	
Affiliated.....	53999995199999	
<u>Mortgage Loans</u>		
Unaffiliated.....	54999995299999	
Affiliated.....	55999995399999	
<u>Other</u>		
Unaffiliated.....	56999995499999	
Affiliated.....	57999995599999	
<u>Any Other Class of Assets</u>		





III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable ~~foreclosure loss risks at the time of the investments~~ of the current reporting period.

C. Other Tax Credit Investments.

I. Any tax credit investment which cannot be reported as either yield guaranteed or qualifying.

a. Federal tax credit investments with all-inclusive yield guarantees which would have previously been reported in the Guaranteed Federal tax credit investment reporting line and are still within the scope of SSAP No. 93 shall be reported in the Other Tax Credit Investments reporting line. The Federal Guaranteed reporting line was removed as these types of tax credit investment structure were substantially eliminated by the Historic Boardwalk Hall, LLC v. Commissioner of Internal Revenue court decision in 2012.

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

**SCHEDULE BA – PART 3**

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

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

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

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

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


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**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)
		<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK</b>										
65		Unaffiliated Public.....		XXX	XXX		0.0000		0.1580(a)		0.1580(a)	
66		Unaffiliated Private.....		XXX	XXX		0.0000		0.1945		0.1945	
67		Affiliated Life with AVR.....		XXX	XXX		0.0000		0.0000		0.0000	
68		Affiliated Certain Other (See SVO Purposes & Procedures Manual).....		XXX	XXX		0.0000		0.1580		0.1580	
69		Affiliated Other - All Other.....		XXX	XXX		0.0000		0.1945		0.1945	
70		Total with Common Stock Characteristics (Sum of Lines 65 through 69)		XXX	XXX		XXX		XXX		XXX	
		<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE</b>										
71		Home Office Property (General Account only).....					0.0000		0.0912		0.0912	
72		Investment Properties.....					0.0000		0.0912		0.0912	
73		Properties Acquired in Satisfaction of Debt.....					0.0000		0.1337		0.1337	
74		Total with Real Estate Characteristics (Sum of Lines 71 through 73)					XXX		XXX		XXX	
		<b>LOW INCOME HOUSING TAX CREDIT INVESTMENTS IN TAX CREDIT STRUCTURES</b>										
75		Guaranteed Federal Low Income Housing Tax Credit.....					0.0003		0.0006		0.0010	
<del>7775</del>		Guaranteed State Low Income Housing - Yield Guaranteed State Tax Credit Investments - State Guaranteed.....					0.0003		0.0006		0.0010	
<del>7676</del>		Non-guaranteed Federal Low Income Housing Qualifying Federal Tax Credit Investments - Federal Non-guaranteed.....					0.0063		0.0120		0.0190	
<del>77</del>		Guaranteed State Low Income Housing Tax Credit - State Guaranteed.....					0.0003		0.0006		0.0010	
<del>7877</del>		Non-guaranteed State Low Income Housing Qualifying State Tax Credit Investments - State Non-Guaranteed.....					0.0063		0.0120		0.0190	
<del>7978</del>		All Other Low Income Housing - Other Tax Credit Investments - Other.....					0.0273		0.0600		0.0975	
<del>8079</del>		Total LHHC Tax Credit Investments (Sum of Lines 75 through 7978)					XXX		XXX		XXX	
		<b>RESIDUAL TRANCHES OR INTERESTS</b>										
8480		Fixed Income Instruments - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8281		Fixed Income Instruments - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8382		Common Stock - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8483		Common Stock - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8584		Preferred Stock - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8685		Preferred Stock - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8786		Real Estate - Unaffiliated.....					0.0000		0.1580		0.1580	
8887		Real Estate - Affiliated.....					0.0000		0.1580		0.1580	
8988		Mortgage Loans - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9089		Mortgage Loans - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9490		Other - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9291		Other - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9392		Total Residual Tranches or Interests (Sum of Lines 81 through 92)					XXX		XXX		XXX	
		<b>ALL OTHER INVESTMENTS</b>										
9493		NAIC 1 Working Capital Finance Investments.....		XXX			0.0000		0.0042		0.0042	
9594		NAIC 2 Working Capital Finance Investments.....		XXX			0.0000		0.0137		0.0137	
9695		Other Invested Assets - Schedule BA.....		XXX			0.0000		0.1580		0.1580	
9796		Other Short-Term Invested Assets - Schedule DA.....		XXX			0.0000		0.1580		0.1580	
9897		Total All Other (Sum of Lines 94, 95, 96 and 97).....		XXX			XXX		XXX		XXX	
9998		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 93 and 98)					XXX		XXX		XXX	

**\*\*\*Drafting Note – the line references from Line 80 and below have been updated with the adopted Schedule BA proposal (2023-12BWG). The line reference updates will be made in the instructions and not shown in 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	
LOW INCOME HOUSING TAX CREDIT INVESTMENTS IN TAX CREDIT STRUCTURES												
75		Guaranteed Federal Low Income Housing Tax Credit.....					0.0003		0.0006		0.0010	
75		Yield Guaranteed State Tax Credit Investments.....					0.0003		0.0006		0.0010	
76		Non-guaranteed Federal Low Income Housing Qualifying Federal Tax Credit Investments - Federal Non-guaranteed.....					0.0063		0.0120		0.0190	
77		Guaranteed State Low Income Housing Tax Credit - State Guaranteed.....					0.0003		0.0006		0.0010	
778		Non-guaranteed State Low Income Housing Qualifying State Tax Credit Investments - State Non-guaranteed.....					0.0063		0.0120		0.0190	
789		All Other Low Income Housing Other Tax Credit Investments - Other.....					0.0273		0.0600		0.0975	
8079		Total LIHTC Tax Credit Investments (Sum of Lines 75 through 7978)					XXX		XXX		XXX	
RESIDUAL TRanches OR INTERESTS												
8180		Fixed Income Instruments - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8281		Fixed Income Instruments - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8382		Common Stock - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8483		Common Stock - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8584		Preferred Stock - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8685		Preferred Stock - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
8786		Real Estate - Unaffiliated.....					0.0000		0.1580		0.1580	
8887		Real Estate - Affiliated.....					0.0000		0.1580		0.1580	
8988		Mortgage Loans - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9089		Mortgage Loans - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9190		Other - Unaffiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9291		Other - Affiliated.....		XXX	XXX		0.0000		0.1580		0.1580	
9392		Total Residual Tranches or Interests (Sum of Lines 81 through 92)					XXX		XXX		XXX	
ALL OTHER INVESTMENTS												
9493		NAIC 1 Working Capital Finance Investments.....		XXX			0.0000		0.0042		0.0042	
9594		NAIC 2 Working Capital Finance Investments.....		XXX			0.0000		0.0137		0.0137	
9695		Other Invested Assets - Schedule BA.....		XXX			0.0000		0.1580		0.1580	
9796		Other Short-Term Invested Assets - Schedule DA.....		XXX			0.0000		0.1580		0.1580	
9897		Total All Other (Sum of Lines 94, 95, 96 and 97).....		XXX			XXX		XXX		XXX	
9998		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 93 and 98)					XXX		XXX		XXX	

\*\*\*Drafting Note – the line references from Line 80 and below have been updated with the adopted Schedule BA proposal (2023-12BWG). The line reference updates will be made in the instructions and not shown in this proposal.\*\*\*

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

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets

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

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**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>04/03/2024</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2024-12BWG MOD</u></p> <p>Year <u>2025</u></p> <p>Changes to Existing Reporting <input type="checkbox"/> [ X ]</p> <p>New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input type="checkbox"/> [ X ]</p> <p>Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [ No ]</p> <p><i>***If Yes, complete question below***</i></p> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment</p> <p><input type="checkbox"/> [ ] Referred To Another NAIC Group</p> <p><input checked="" type="checkbox"/> [ X ] Received For Public Comment</p> <p><input type="checkbox"/> [ ] Adopted Date _____</p> <p><input type="checkbox"/> [ ] Rejected Date _____</p> <p><input type="checkbox"/> [ ] Deferred Date _____</p> <p><input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

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

Anticipated Effective Date: January 1, 2025

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

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

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

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

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

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

**NAIC STAFF COMMENTS**

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

Other Comments:

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

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

1. Investment Schedule General Instructions – the quarterly general instructions were inadvertently left out of the original proposal (2023-06BWG) and needed the bond project updates.
2. Investment Schedule General Instructions – Categories: Financial ABS – Self-Liquidating and Financial ABS – Not Self-Liquidating – clarify that interest is only captured when “applicable” for self-liquidating.
3. Investment Schedule General Instructions – Category: Agency Commercial Mortgage-Backed Securities – Fully Guaranteed (Exempt from RBC) – add clarifying language to capture ABS structures that are other than MBS that are fully guaranteed.
4. Investment Schedule General Instructions – Category: Agency Commercial Mortgage-Backed Securities – Fully Guaranteed (Exempt from RBC) & Agency Commercial Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) – add clarifying language to regarding the appropriate reporting of ABS issued by the Small Business Administration (SBA) and Small Business Investment Companies (SBIC).
5. Schedule D Verification – The line references in the quarterly verification schedule needs to be updated to the updated columns on Schedule D, Part 3 & 4.
6. Schedule D, Part 1B – Update the Schedule D Part 1A line references
7. Schedule BA, Part 2 & 3
  - Column 1 CUSIP - Update CUSIP Global Services reference
8. Schedule D, Part 3
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Add total lines 1889999999 & 1899999999 to be consistent with Schedule D, Part 1, Section 2
  - Add clarifying language for SVO ETFs that there can be shares for this category
  - Column 1 CUSIP, Column 13 Issuer, & Column 14 Issue - Update CUSIP Global Services reference
  - Update the bond line reference for NAIC Designation
9. Schedule D, Part 4
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Add total lines 1889999999 & 1899999999 to be consistent with Schedule D, Part 1, Section 2
  - Updated column 20 – Cont. Maturity Date for perpetual bonds to match the specs – Changed back to 1/1/9999
  - Add clarifying language for common stocks for column 20 – Cont. Maturity Date
  - Add clarifying language for SVO ETFs that there can be shares for this category
  - Column 1 CUSIP, Column 25 Issuer, & Column 26 Issue - Update CUSIP Global Services reference
  - Update the bond line reference for NAIC Designation
10. Schedule DL, Part 1 & 2
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Add total lines 1889999999 & 1899999999 to be consistent with Schedule D, Part 1, Section 2
  - Update Header for ABS lines to Schedule, Part 1, Section 2
  - Update CUSIP line references and CUSIP Global Services reference
11. Schedule E, Part 1 – update the code column
12. Schedule E, Part 2
  - Remove the SVO-Identified Bond ETF categories because they should not be included on this schedule
  - Add total lines 0489999999 & 0499999999 to be consistent with Schedule D, Part 1, Section 1
  - Remove the SVO-Identified Bond ETF categories from the subtotal line 0489999999 calculation

- Make sure that both Certificates of Deposit lines are not on this schedule

~~Remove “%” code from Restricted Asset Code Column instructions~~

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

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

**Detail Eliminated To Conserve Space**

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

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

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

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

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

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

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

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

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

Non-U.S. Sovereign Jurisdiction Securities:

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

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

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

Municipal Bonds – Special Revenue:

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

Project Finance Bonds Issued by Operating Entities:

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

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

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

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

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

Industrial and Miscellaneous (Unaffiliated) Corporate Bonds:

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

Mandatory Convertible Bonds:

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

Single Entity Backed Obligations:

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

SVO Identified Bond Exchange Traded Funds – Fair Value:

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

SVO-Identified Bond Exchange Traded Funds – Systematic Value:

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

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

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

Bank Loans – Issued:

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

Bank Loans – Acquired:

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

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

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

Certificates of Deposit:

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

Other Issuer Credit Obligations:

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

Hybrid Securities:

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

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

Parent, Subsidiaries and Affiliates Affiliated Reporting Lines:

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

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

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

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

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

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

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

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

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

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

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

Non-Agency Residential Mortgage-Backed Securities:

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

Non-Agency Commercial Mortgage-Backed Securities:

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

Non-Agency – CLOs/CBOs/CDOs:

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



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

Other Financial Asset-Backed Securities – Self-Liquidating:

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

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

Equity-Backed Securities:

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

Other Financial Asset-Backed – Not Self-Liquidating:

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

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

Lease-Backed Transactions (Practical Expedient):

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

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

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

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

Lease-Backed Transactions (Full Analysis):

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

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

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

Affiliated Reporting Lines:

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

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

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



**Detail Eliminated To Conserve Space**



Line 2 – Cost of Bonds and Stocks Acquired

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

Line 3 – Accrual of Discount

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

Line 4 – Unrealized Valuation Increase (Decrease)

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

Line 5 – Total Gain (Loss) on Disposals

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

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

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

Line 7 – Deduct Amortization of Premium

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

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

**SCHEDULE D – PART 1B**

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

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

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

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

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

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

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

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

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

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

Column 1 – CUSIP Identification

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

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

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

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

Column 1 – CUSIP Identification

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

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

**SCHEDULE D – PART 3**

**LONG-TERM BONDS AND STOCKS ACQUIRED DURING THE CURRENT QUARTER**



**Detail Eliminated To Conserve Space**



<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations:	
U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct and Guaranteed).....	0049999999
Municipal Bonds – Special Revenues .....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated).....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated).....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated).....	0099999999
Mandatory Convertible Bonds (Unaffiliated).....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated).....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
SVO-Identified Bond Exchange Traded Funds – Fair Value .....	0149999999
SVO-Identified Bond Exchange Traded Funds – Systematic Value .....	0159999999
Bonds issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated).....	0169999999
Bonds issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated).....	0199999999
Bank Loans – Acquired (Unaffiliated) .....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated) .....	0229999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated) .....	0239999999
Certificates of Deposit (Unaffiliated) .....	0249999999
Certificates of Deposit (Affiliated).....	0259999999
Other Issuer Credit Obligations (Unaffiliated) .....	0269999999
Other Issuer Credit Obligations (Affiliated).....	0279999999
 Subtotal – Issuer Credit Obligations (Unaffiliated).....	 0489999999
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, 0249999999, and 0269999999)</u>	
Subtotal – Issuer Credit Obligations (Affiliated).....	0499999999
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and 0279999999)</u>	
Subtotals – Issuer Credit Obligations – Part 3 .....	0509999997
Summary item from Part 5 for Issuer Credit Obligations (N/A to Quarterly).....	0509999998
Subtotals – Issuer Credit Obligations .....	0509999999
Asset-Backed Securities:	
Financial Asset-Backed – Self-Liquidating	
Agency Residential Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1019999999
Agency Commercial Mortgage-Backed Securities – Guaranteed (Exempt from RBC).....	1029999999
Agency Residential Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1039999999



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

**Detail Eliminated To Conserve Space**

Column 1 – CUSIP Identification

CUSIP numbers for all purchased publicly issued securities are available from the broker’s confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by CUSIP Global Services~~the Standard & Poor’s CUSIP Bureau~~. For foreign securities, use a CINS that is assigned by CUSIP Global Services~~the Standard & Poor’s CUSIP Bureau~~.

[www.cusip.com/cusip/index.htm](http://www.cusip.com/cusip/index.htm)

If no valid CUSIP, CINS or PPN number exists, then the CUSIP field should be zero-filled and a valid ISIN security number should be reported in Column 15.

**Detail Eliminated To Conserve Space**

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

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

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

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

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

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

NAIC Designation Modifier:

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

- Bonds Lines 0019999999 through ~~1749999999~~1909999999
- Preferred Stocks Lines 4019999999 and 4029999999
- Common Stocks Lines 5319999999, 5519999999 and 5719999999



Column 13 – Issuer

Issuer Definition:

The name of the legal entity that develops, registers and sells securities for the purpose of financing its operations and may be domestic or foreign governments, corporations or investment trusts. The issuer is legally responsible for the obligations of the issue and for reporting financial conditions, material developments and any other operational activities as required by the regulations of their jurisdictions

The reporting entity is encouraged to use the following sources:

- Bloomberg
- Interactive Data Corporation (IDC)
- Thomson Reuters
- ~~S&P~~CUSIP
- Name used in either the relevant SEC filing or legal documentation for the transaction. Issuer is the name of the legal entity that can be found on documents such as SEC Form 424B2, Note Agreements, Prospectuses and Indentures, as appropriate. The name used should be as complete and detailed as possible to enable others to differentiate the legal entity issuing the security from another legal entity with a similar name.

Do not report ticker symbols, either internal or otherwise.

## Column 14 – Issue

Issue information provides detailed data as to the type of security being reported (e.g., coupon, description of security, etc.). Below are examples of what could be provided, but additional information should be provided as appropriate for the security.

6% Senior 2018  
7% Subordinated Debenture 03/15/2022  
3% NY Housing Authority Debenture 2035

The reporting entity is encouraged to use the following sources:

- Bloomberg
- Interactive Data Corporation (IDC)
- Thomson Reuters
- ~~S&P~~/CUSIP
- Descriptions used in either the relevant SEC filing or legal documentation for the transaction.

Do not report ticker symbols, either internal or otherwise. Include tranche information.

**SCHEDULE D – PART 4****LONG-TERM BONDS AND STOCKS SOLD, REDEEMED OR OTHERWISE  
DISPOSED OF DURING THE CURRENT QUARTER**

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

<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations:	
U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct and Guaranteed).....	0049999999
Municipal Bonds – Special Revenues .....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated).....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated).....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated).....	0099999999
Mandatory Convertible Bonds (Unaffiliated).....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated).....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
SVO-Identified Bond Exchange Traded Funds – Fair Value .....	0149999999
SVO-Identified Bond Exchange Traded Funds – Systematic Value .....	0159999999
Bonds issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated).....	0169999999
Bonds issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated).....	0199999999
Bank Loans – Acquired (Unaffiliated) .....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated) .....	0229999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated) .....	0239999999
Certificates of Deposit (Unaffiliated) .....	0249999999
Certificates of Deposit (Affiliated).....	0259999999
Other Issuer Credit Obligations (Unaffiliated) .....	0269999999
Other Issuer Credit Obligations (Affiliated).....	0279999999
<b>Total – Issuer Credit Obligations (Unaffiliated).....</b>	<b>0489999999</b>
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, 0249999999, and 0269999999)</u>	
<b>Total – Issuer Credit Obligations (Affiliated).....</b>	<b>0499999999</b>
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and 0279999999)</u>	
Subtotals – Issuer Credit Obligations – Part 3 .....	0509999997
Summary item from Part 5 for Issuer Credit Obligations (N/A to Quarterly).....	0509999998
Subtotals – Issuer Credit Obligations .....	0509999999
Asset-Backed Securities:	
Financial Asset-Backed – Self-Liquidating	
Agency Residential Mortgage-Backed Securities – Guaranteed (Exempt from RBC) .....	1019999999
Agency Commercial Mortgage-Backed Securities – Guaranteed (Exempt from RBC).....	1029999999
Agency Residential Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC) .....	1039999999

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

**Detail Eliminated To Conserve Space**

Column 1 – CUSIP Identification

CUSIP numbers for all purchased publicly issued securities are available from the broker’s confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by ~~the Standard & Poor’s CUSIP Bureau~~ CUSIP Global Services. For foreign securities, use a CINS that is assigned by ~~the Standard & Poor’s CUSIP Bureau~~ CUSIP Global Services.

[www.cusip.com/cusip/index.htm](http://www.cusip.com/cusip/index.htm)

If no valid CUSIP, CINS or PPN number exists, then the CUSIP field should be zero-filled and a valid ISIN security number should be reported in Column 27.

**Detail Eliminated To Conserve Space**



- Interactive Data Corporation (IDC)
- Thomson Reuters
- ~~S&P~~/CUSIP
- Name used in either the relevant SEC filing or legal documentation for the transaction. Issuer is the name of the legal entity that can be found on documents such as SEC Form 424B2, Note Agreements, Prospectuses and Indentures, as appropriate. The name used should be as complete and detailed as possible to enable others to differentiate the legal entity issuing the security from another legal entity with a similar name.

Do not report ticker symbols, either internal or otherwise.

Column 26 – Issue

Issue information provides detailed data as to the type of security being reported (e.g., coupon, description of security, etc.). Below are examples of what could be provided, but additional information should be provided as appropriate for the security.

6% Senior 2018  
 7% Subordinated Debenture 03/15/2022  
 3% NY Housing Authority Debenture 2035

The reporting entity is encouraged to use the following sources:

- Bloomberg
- Interactive Data Corporation (IDC)
- Thomson Reuters
- ~~S&P~~/CUSIP
- Descriptions used in either the relevant SEC filing or legal documentation for the transaction.

Do not report ticker symbols, either internal or otherwise. Include tranche information.

**SCHEDULE DL – PART 1**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

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



**Detail Eliminated To Conserve Space**

<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations (Schedule D, Part 1, Section 1 type):	
U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct and Guaranteed) .....	0049999999
Municipal Bonds – Special Revenues .....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated).....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated) .....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated) .....	0099999999
Mandatory Convertible Bonds (Unaffiliated) .....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated) .....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
SVO-Identified Bond Exchange Traded Funds – Fair Value .....	0149999999
SVO-Identified Bond Exchange Traded Funds – Systematic Value.....	0159999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated) .....	0169999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated) .....	0199999999
Bank Loans – Acquired (Unaffiliated).....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated).....	0229999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated).....	0239999999
Certificates of Deposit (Unaffiliated).....	0249999999
Certificates of Deposit (Affiliated).....	0259999999
Other Issuer Credit Obligations (Unaffiliated).....	0269999999
Other Issuer Credit Obligations (Unaffiliated).....	0279999999
<b>Total – Issuer Credit Obligations (Unaffiliated) .....</b>	<b>0489999999</b>
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999,</u>	
<u>0059999999, 0069999999, 0089999999, 0109999999, 0129999999,</u>	
<u>0149999999, 0159999999, 0169999999, 0189999999, 0209999999,</u>	
<u>0229999999, 0249999999, and 0269999999)</u>	
<b>Total – Issuer Credit Obligations (Affiliated) .....</b>	<b>0499999999</b>
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999,</u>	
<u>0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and</u>	
<u>0279999999)</u>	
<b>Total Issuer Credit Obligations .....</b>	<b>0509999999</b>



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

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


**Detail Eliminated To Conserve Space**


Column 1 – CUSIP Identification

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

For Lines 0019999999 through ~~2009999999~~1909999999, if no valid CUSIP, CINS or PPN number exists, then the CUSIP field should be zero-filled and a valid ISIN security number should be reported in Column 11.

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

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

**Detail Eliminated To Conserve Space**

**SCHEDULE DL – PART 2**

**SECURITIES LENDING COLLATERAL ASSETS**

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



**Detail Eliminated To Conserve Space**

<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations (Schedule D, Part 1, Section 1):	
U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct and Guaranteed) .....	0049999999
Municipal Bonds – Special Revenues .....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated).....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated) .....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated) .....	0099999999
Mandatory Convertible Bonds (Unaffiliated) .....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated) .....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
SVO-Identified Bond Exchange Traded Funds – Fair Value .....	0149999999
SVO-Identified Bond Exchange Traded Funds – Systematic Value.....	0159999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated) .....	0169999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated) .....	0199999999
Bank Loans – Acquired (Unaffiliated).....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated).....	0229999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated).....	0239999999
Certificates of Deposit (Unaffiliated).....	0249999999
Certificates of Deposit (Affiliated).....	0259999999
Other Issuer Credit Obligations (Unaffiliated).....	0269999999
Other Issuer Credit Obligations (Unaffiliated).....	0279999999
<b>Total – Issuer Credit Obligations (Unaffiliated) .....</b>	<b>0489999999</b>
(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999, 0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999, 0169999999, 0189999999, 0209999999, 0229999999, 0249999999, and 0269999999)	
<b>Total – Issuer Credit Obligations (Affiliated) .....</b>	<b>0499999999</b>
(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999, 0199999999, 0219999999, 0239999999, 0259999999, and 0279999999)	
<b>Total Issuer Credit Obligations .....</b>	<b>0509999999</b>

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

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


**Detail Eliminated To Conserve Space**


Column 1 – CUSIP Identification

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

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

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

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

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

**SCHEDULE E – PART 2 – CASH EQUIVALENTS  
INVESTMENTS OWNED END OF CURRENT QUARTER**

**Detail Eliminated To Conserve Space**

<u>Category</u>	<u>Line Number</u>
Issuer Credit Obligations:	
U.S. Government Obligations (Exempt from RBC).....	0019999999
Other U.S. Government Obligations (Not Exempt from RBC).....	0029999999
Non-U.S. Sovereign Jurisdiction Securities .....	0039999999
Municipal Bonds – General Obligations (Direct and Guaranteed).....	0049999999
Municipal Bonds – Special Revenue.....	0059999999
Project Finance Bonds Issued by Operating Entities (Unaffiliated).....	0069999999
Project Finance Bonds Issued by Operating Entities (Affiliated).....	0079999999
Corporate Bonds (Unaffiliated).....	0089999999
Corporate Bonds (Affiliated).....	0099999999
Mandatory Convertible Bonds (Unaffiliated).....	0109999999
Mandatory Convertible Bonds (Affiliated) .....	0119999999
Single Entity Backed Obligations (Unaffiliated).....	0129999999
Single Entity Backed Obligations (Affiliated) .....	0139999999
<del>SVO Identified Bond Exchange Traded Funds – Fair Value .....</del>	<del>0149999999</del>
<del>SVO Identified Bond Exchange Traded Funds – Systematic Value .....</del>	<del>0159999999</del>
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated) .....	0169999999
Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Affiliated) .....	0179999999
Bank Loans – Issued (Unaffiliated).....	0189999999
Bank Loans – Issued (Affiliated).....	0199999999
Bank Loans – Acquired (Unaffiliated) .....	0209999999
Bank Loans – Acquired (Affiliated).....	0219999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated) .....	0229999999
Mortgage Loans that Qualify as SVO-Identified Credit Tenant Loans (Affiliated).....	0239999999
Other Issuer Credit Obligations (Unaffiliated).....	0269999999
Other Issuer Credit Obligations (Affiliated).....	0279999999
<u>Total – Issuer Credit Obligations (Unaffiliated).....</u>	<u>0489999999</u>
<u>(Sum of Lines: 0019999999, 0029999999, 0039999999, 0049999999, 0059999999,</u>	
<u>0069999999, 0089999999, 0109999999, 0129999999, 0149999999, 0159999999,</u>	
<u>0169999999, 0189999999, 0209999999, 0229999999, and 0269999999)</u>	
<u>Total – Issuer Credit Obligations (Affiliated).....</u>	<u>0499999999</u>
<u>(Sum of Lines: 0079999999, 0099999999, 0119999999, 0139999999, 0179999999,</u>	
<u>0199999999, 0219999999, 0239999999, and 0279999999)</u>	
Total Issuer Credit Obligations.....	0509999999

**Detail Eliminated To Conserve Space**

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

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

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

ASSETS



**Detail Eliminated To Conserve Space**



Line 1

– Bonds

Report all bonds with maturity dates greater than one year from the acquisition date. Bonds are valued and reported in accordance with guidance set forth in *SSAP No. 26R—Bonds*; and *SSAP No. 43R—~~Loan Backed and Structured~~ Asset-Backed Securities*. All asset-backed securities are reported as bonds regardless of if the maturity date is less than one year from acquisition.

**CASH FLOW**

The Statement of Cash Flow is prepared using the direct method consistent with the Summary of Operations, excluding the effect of current and prior year accruals. All revenue, expenditures, purchases and sale transactions involving cash should be entered gross. Pursuant to *SSAP No. 69—Statement of Cash Flow*, for purposes of the Cash Flow Statement, cash is defined to include cash, cash equivalents and short-term investments. Refer to SSAP No. 69 for accounting guidance regarding the disclosure of non-cash operating, investing and financing transactions.


**Detail Eliminated To Conserve Space**

**Cash from Investments Worksheet**

The following section provides a reconciliation of investment activity. Although non-cash items are included for reconciliation purposes, the Statement of Cash Flow shall only include transactions involving cash. In addition to excluding the lines that are explicitly non-cash items (e.g., change in admitted assets) from what is reported in the Statement of Cash Flow, adjustments are necessary to remove non-cash acquisitions or disposals. Cash proceeds from investments sold, matured or repaid shall be included in Line 12. Cash remitted for acquired long-term investments is included in Line 13 (exclude cash equivalents and short-term investments).



**NOTES TO FINANCIAL STATEMENTS**

**\*\*\* TO CONSERVE SPACE ON THE PROPOSAL, THE FOLLOWING MODIFICATIONS ARE BEING MADE IN THE NOTES TO FINANCIAL STATEMENTS \*\*\***

Note 1C(6) Instructions and Illustration

- Reference to loan-backed securities is changed to asset-backed securities

Note 5D Instructions and Illustration

- Note name has been changed to Asset-Backed Securities
- Reference to loan-backed securities is changed to asset-backed securities
- SSAP 43R name has been changed to Asset-Backed Securities

Note 5F, 5G, 5H, 5I, & 5O Illustration

- References to LB & SS will be changed to ABS

Note 5L(4) Illustration

- Reference to Schedule D, Part 1 will be changed to Schedule D, Part 1, Section 1
- Add a row for Schedule D, Part 1, Section 2

Note 5P Illustration

- The Bond rows will be split into two. One for Issuer Credit Obligations and the other for Asset-Backed Securities

Note 20A(1) Illustration

- Bond subcategories need to be updated to reflect new reporting lines. See table:

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Perpetual Preferred stock					
Industrial and Misc	\$ (a)	\$	\$	\$	\$
Parent, Subsidiaries and Affiliates					
Total Perpetual Preferred Stocks	\$	\$	\$	\$	\$
Bonds					
U.S. Government Issuer Credit Obligations	\$	\$	\$	\$	\$
Industrial and Misc Asset-Backed Securities					
Hybrid Securities					
Parent, Subsidiaries and Affiliates					
Total Bonds	\$	\$	\$	\$	\$
Common Stock					
Industrial and Misc	\$	\$	\$	\$	\$
Parent, Subsidiaries and Affiliates					
Total Common Stocks	\$	\$	\$	\$	\$
Derivative assets					
Interest rate contracts	\$	\$	\$	\$	\$
Foreign exchange contracts					
Credit contracts					
Commodity futures contracts					
Commodity forward contracts					
Total Derivatives	\$	\$	\$	\$	\$
.....					
.....					
Separate account assets	\$	\$	\$	\$	\$
Total assets at fair value/NAV	\$	\$	\$	\$	\$
b. Liabilities at fair value					
Derivative liabilities	\$	\$	\$	\$	\$
.....					
.....					
Total liabilities at fair value	\$	\$	\$	\$	\$

Note 20A(2) Illustration

- Reference to loan-backed and structured securities is changed to asset-backed securities

Note 20C & 20D Illustration

- The Bond rows will be split into two. One for Issuer Credit Obligations and the other for Asset-Backed Securities

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

**SCHEDULE E – PART 1 – CASH**

**MONTH END DEPOSITORY BALANCES**



**Detail Eliminated To Conserve Space**

| Column 2 – Restricted Asset Code

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

***QUARTERLY STATEMENT INSTRUCTIONS – TITLE***

**SCHEDULE E – PART 1 – CASH**

**MONTH END DEPOSITORY BALANCES**



**Detail Eliminated To Conserve Space**

| Column 2 – Restricted Asset Code

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



**QUARTERLY STATEMENT BLANK – TITLE**

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

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

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To: Debbie Doggett, Chair of the Blanks (E) Working Group  
From: Dale Bruggeman, Chair of the Statutory Accounting Principles (E) Working Group  
Re: Collateral Loans Backed by Mortgage Loans  
Date: June 18, 2024

---

The purpose of this memo is to notify the Blanks (E) Working Group of instructional changes to the Asset Valuation Reserve (AVR) to allow collateral loans backed by mortgage loans to flow through AVR as an “Other Invested Asset with Underlying Characteristics of Mortgage Loans.” (This would include these specific collateral loans in lines 38-64 of the AVR – Equity and Other Invested Asset Component based on the characteristics of the mortgage loans.) This instruction is an interim step while further consideration occurs on the reporting of collateral loans and how collateral loans should flow through AVR.

This provision is provided as some companies have previously captured collateral loans backed by mortgage loans in the “non-registered private fund” category, and that reporting category is being deleted with the bond project revisions. This interim provision allows companies to receive comparable RBC treatment for these items while the discussion on collateral loans, and the extent of look-through to underlying collateral is considered.

The Life Risk-Based Capital (E) Working Group adopted an editorial change on June 18, 2024, to allow a bifurcation of collateral loans in the RBC formula. In accordance with the edit adopted by the Life RBC (E) Working Group, and this interim instruction directed by the Statutory Accounting Principles (E) Working Group on a May 15, 2024 call, reporting entities shall report all collateral loans on the Schedule BA collateral loan reporting line, and then life reporting entities shall bifurcate collateral loans backed by mortgage loans to flow through AVR into the designated reporting lines (lines 38-64 of the AVR – Equity and Other Invested Asset Component). The remaining collateral loan balance shall flow through to the RBC formula on page LR008, line 50, Schedule BA Collateral Loans. A data-captured note disclosure, effective year-end 2024, that details collateral loans by supporting collateral should agree in total to the total amount reported on Schedule BA for collateral loans, and that total, less collateral loans backed by mortgage loans, shall agree to the LR008, line 50, Schedule BA Collateral Loans.

It is recommended that this memo, detailing interim changes to existing reporting instructions for reporting of collateral loans backed by mortgage loans, be posted to the Blanks (E) Working Group website. Further, if timing allows, it is recommended that this interim guidance be incorporated into the annual statement instructions. As noted, this is an interim step for life reporting entities while the reporting and AVR allocation for collateral loans is further discussed. The Statutory Accounting Principles (E) Working Group will advise when this guidance should be replaced with a long-term solution.

Please contact NAIC staff Julie Gann ([jgann@naic.org](mailto:jgann@naic.org)), Jake Stultz ([jstultz@naic.org](mailto:jstultz@naic.org)); Robin Marcotte ([rmarcotte@naic.org](mailto:rmarcotte@naic.org)), Wil Oden ([woden@naic.org](mailto:woden@naic.org)); or Jason Farr ([jfarr@naic.org](mailto:jfarr@naic.org)) if you have any questions.

Cc: Mary Caswell, Jill Youtsey, Julie Gann, Robin Marcotte, Jake Stultz, Wil Oden, Jason Farr

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**Blanks (E) Working Group**  
**Editorial Revisions to the Blanks and Instructions**  
*(presented at the August 7, 2024, Meeting)*

Statement Type:

H = Health; L/F = Life/Fraternal Combined; P/C = Property/Casualty; SA = Separate Accounts; T = Title

Effective	Table Name	Description	Statement Type	Filing Type
2024	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTIONS</b></p> <p><b>23. Reinsurance</b></p> <p><u>Instruction:</u></p> <p>A. Unsecured Reinsurance Recoverables</p> <p>If the company has with any individual reinsurers (authorized, reciprocal jurisdiction, unauthorized or certified), an unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses, and unearned premium that exceeds 3% of the company's policyholder surplus, list each individual reinsurer and the unsecured aggregate recoverable pertaining to that reinsurer. If the individual reinsurer is part of a group, list the individual reinsurers, each of its related group members having reinsurance with the reporting company, and the total unsecured aggregate recoverables for the entire group.</p> <p>Include: The NAIC group code number, where appropriate, and the Federal Employer Identification Number (<u>FEIN</u>) for each individual company. <u>If a FEIN is not available, use Alien Number, CRIN, or RJIN.</u></p>	P/C, T	Annual
2024	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTIONS</b></p> <p><b>23. Reinsurance</b></p> <p><u>Illustration:</u></p> <p>A. Unsecured Reinsurance Recoverables</p> <p><b>NOTE: The tables below will not be data captured</b></p> <p>Individual Reinsurers with Unsecured Reinsurance Recoverables Exceeding 3% of Policyholder Surplus</p>	P/C, T	Annual

Effective	Table Name	Description	Statement Type	Filing Type																																																																													
		<p>Individual Reinsurers Who Are Not Members of a Group</p> <table border="1"> <thead> <tr> <th data-bbox="863 269 1052 293">FEINID Number</th> <th data-bbox="1052 269 1671 293">Reinsurer Name</th> </tr> </thead> <tbody> <tr><td>.....</td><td>.....</td></tr> <tr><td>.....</td><td>.....</td></tr> <tr><td>.....</td><td>.....</td></tr> <tr><td>.....</td><td>.....</td></tr> </tbody> </table> <p>Individual Reinsurers Who Are Members of a Group</p> <table border="1"> <thead> <tr> <th data-bbox="863 505 936 553">Group Code</th> <th data-bbox="936 505 1136 553">FEINID Number</th> <th data-bbox="1136 505 1686 553">Reinsurer Name</th> </tr> </thead> <tbody> <tr><td>.....</td><td>.....</td><td>.....</td></tr> <tr><td>.....</td><td>.....</td><td>.....</td></tr> <tr><td>.....</td><td>.....</td><td>.....</td></tr> <tr><td>.....</td><td>.....</td><td>.....</td></tr> </tbody> </table> <p>All Members of the Groups Shown above with Unsecured Reinsurance Recoverables</p> <table border="1"> <thead> <tr> <th data-bbox="814 797 898 846">Group Code</th> <th data-bbox="898 797 1094 846">FEINID Number</th> <th data-bbox="1094 797 1654 846">Reinsurer Name</th> <th data-bbox="1654 797 1686 846">U</th> </tr> </thead> <tbody> <tr><td>123</td><td>.....</td><td>.....</td><td></td></tr> <tr><td>123</td><td>.....</td><td>.....</td><td></td></tr> <tr><td>123</td><td>.....</td><td>.....</td><td></td></tr> <tr><td colspan="3">Total 123</td><td>\$</td></tr> <tr><td>456</td><td>.....</td><td>.....</td><td></td></tr> <tr><td>456</td><td>.....</td><td>.....</td><td></td></tr> <tr><td colspan="3">Total 456</td><td>\$</td></tr> <tr><td>789</td><td>.....</td><td>.....</td><td></td></tr> <tr><td>789</td><td>.....</td><td>.....</td><td></td></tr> <tr><td>789</td><td>.....</td><td>.....</td><td></td></tr> <tr><td>789</td><td>.....</td><td>.....</td><td></td></tr> <tr><td colspan="3">Total 789</td><td>\$</td></tr> </tbody> </table>	FEINID Number	Reinsurer Name	.....	.....	.....	.....	.....	.....	.....	.....	Group Code	FEINID Number	Reinsurer Name	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Group Code	FEINID Number	Reinsurer Name	U	123	.....	.....		123	.....	.....		123	.....	.....		Total 123			\$	456	.....	.....		456	.....	.....		Total 456			\$	789	.....	.....		789	.....	.....		789	.....	.....		789	.....	.....		Total 789			\$		
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2025	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Note 5 Investments</p> <p style="padding-left: 40px;">T. Aggregate Collateral Loans by Qualifying Investment Collateral</p> <p><b>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></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 60%;">Collateral Type</th> <th style="width: 20%;">Aggregate Collateral Loan*</th> <th style="width: 20%;">Admitted</th> </tr> </thead> <tbody> <tr> <td colspan="3">(1) Cash, Cash Equivalent &amp; ST Investments</td> </tr> <tr> <td style="padding-left: 20px;">a. Affiliated</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> </tr> <tr> <td style="padding-left: 20px;">b. Unaffiliated</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> </tr> <tr> <td colspan="3">(2) <del>Bonds</del> Issuer Credit Obligations</td> </tr> <tr> <td style="padding-left: 20px;">a. Affiliated</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> </tr> <tr> <td style="padding-left: 20px;">b. Unaffiliated</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> </tr> <tr> <td colspan="3">(3) <del>Loan-Backed and Structured Securities</del> Asset-Backed Securities</td> </tr> <tr> <td style="padding-left: 20px;">a. Affiliated</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> </tr> <tr> <td style="padding-left: 20px;">b. Unaffiliated</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> </tr> </tbody> </table>	Collateral Type	Aggregate Collateral Loan*	Admitted	(1) Cash, Cash Equivalent & ST Investments			a. Affiliated	.....	.....	b. Unaffiliated	.....	.....	(2) <del>Bonds</del> Issuer Credit Obligations			a. Affiliated	.....	.....	b. Unaffiliated	.....	.....	(3) <del>Loan-Backed and Structured Securities</del> Asset-Backed Securities			a. Affiliated	.....	.....	b. Unaffiliated	.....	.....	X, L/F, P/C, T	Annual
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2025	Schedule DA, Verification Between Years	<p><b>CHANGE TO BLANK</b></p> <p>Update the column number to column “Other Short-term Investment Assets”. To see other changes to this schedule see adopted Proposal 2024-02BWG.</p> <p style="text-align: center;"><b>SCHEDULE DA – VERIFICATION BETWEEN YEARS</b> Short-Term Investments</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 15%;">1</th> <th style="width: 15%;">2</th> <th style="width: 15%;">43</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td style="text-align: center;">Other Short-term Investment Assets (a)</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">Bonds</td> <td></td> </tr> </tbody> </table>	1	2	43			Other Short-term Investment Assets (a)	Total	Bonds		H, L/F, P/C, T	Annual																					
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2024	Accident and Health Policy Experience Exhibit	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the Life/Fraternal crosscheck for Column 1. The validation was checking for collected premiums instead of written premiums.</p> <p>Column 1 – Direct Premiums Written</p> <p>The grand total reported should equal:</p> <p>Life\Fraternal Exhibit 1, Part 1, Lines (<del>6</del>9.1+10.1+<del>16</del>19.1), Column (6).</p> <p>Health Underwriting and Investment Exhibit, Part 1, Line 13, Column 1.</p> <p>Property Exhibit of Premiums and Losses, Column 1 sum of Lines 13 through 15.</p>	H, L/F, P/C	Annual
2024	Earned But Unbilled	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the line reference to “Pet Insurance Plans” on the examples for Underwriting and Investment Exhibit Part 1 &amp; 1A for Line 9.2 to be consistent with the other parts of the Property/Casualty instructions.</p> <p>1. Fire .....</p> <p>2.1 Allied lines .....</p> <p>2.2 Multiple peril crop .....</p> <p>2.3 Federal flood .....</p> <p>2.4 Private crop .....</p> <p>2.5 Private flood .....</p> <p>3. Farmowners multiple peril .....</p> <p>4. Homeowners multiple peril .....</p> <p>5. Commercial multiple peril (non-liability portion) .....</p> <p>5.2 Commercial multiple peril (liability portion) .....</p> <p>6. Mortgage guaranty .....</p> <p>8. Ocean marine .....</p> <p>9.1 Inland marine .....</p> <p>9.2 Pet insurance <u>plans</u> .....</p>	P/C	Annual

Effective	Table Name	Description	Statement Type	Filing Type
2024	Premiums Attributed to Protected Cells Exhibit	<p><b>CHANGE TO BLANK</b></p> <p>Update the line reference to Line 9.2 “Pet Insurance Plans” to be consistent with the other parts of the Property/Casualty instructions.</p> <p>1. Fire .....</p> <p>2.1 Allied lines .....</p> <p>2.2 Multiple peril crop .....</p> <p>2.3 Federal flood .....</p> <p>2.4 Private crop .....</p> <p>2.5 Private flood .....</p> <p>3. Farmowners multiple peril .....</p> <p>4. Homeowners multiple peril .....</p> <p>5. Commercial multiple peril (non-liability portion) .....</p> <p>5.2 Commercial multiple peril (liability portion) .....</p> <p>6. Mortgage guaranty .....</p> <p>8. Ocean marine .....</p> <p>9.1 Inland marine .....</p> <p>9.2 Pet insurance <u>plans</u> .....</p>	P/C	Annual
2024	Schedule T – Premiums and Other Considerations	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Update the Underwriting and Investment Exhibit, Part 1 line reference. This change to the Schedule T instructions was missed when the Underwriting and Investment Exhibit was updated a few years ago.</p> <p>Line 61 – Total (Direct Business)</p> <p>The sum of Column 2, 3, 4, 5, 6, 7 and 8, Line 61 should equal the Underwriting and Investment Exhibit, Part 1, Column 1, Line <del>16</del>16.</p>	H	Annual
2024	Schedule H	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Remove the references to 2022/2023 reporting.</p> <p>Example:</p> <p>Line 4 – Total Contract Reserves, Prior Year</p> <p>Line 3 from prior year. (<del>For 2022 this only applies to Column 1. For 2023 it applies to all columns.</del>)</p>	L/F, P/C	Annual

Effective	Table Name	Description	Statement Type	Filing Type
2024	Notes to Financial Statement	<p><b>CHANGE TO INSTRUCTION</b></p> <p><b>(Modified)</b> Remove the note for Negative IMR from Note 5 – Investments for Life/Fraternal, Property, Health, &amp; Title instructions because it is only applicable to Life/Fraternal companies. Renumber the note for Aggregate Collateral Loans. <i>See next editorial list item showing that the note is moving to Note 21 – Other Items for the Life/Fraternal Instructions.</i></p> <p><del>S. Reporting entities admitting net negative (disallowed) IMR are required to complete the following disclosures in the quarterly and annual financial statements. (Note 5S only applies to Life/Fraternal companies).</del></p> <p><del>(1) Net negative (disallowed) IMR in aggregate and allocated between the general account, insulated separate account and non-insulated account.</del></p> <p><del>(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.)</del></p> <p><del>(3) The calculated adjusted capital and surplus.</del></p> <p><del>(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).</del></p> <p><del>(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.</del></p> <p><u>FS.</u> Aggregate Collateral Loans by Qualifying Investment Collateral</p>	H, L/F, P/C, T	Annual

Effective	Table Name	Description	Statement Type	Filing Type
2024	Notes to Financial Statement	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Move the note for Negative IMR in the Life/Fraternal statement instructions from Note 5 – Investments to Note 21 – Other Items. After discussions with regulator, software vendors and NAIC staff, it was decided that the Negative IMR note needed to be moved due to potential specification issues. The note has <u>NOT</u> changed, it is just being moved within the Life/Fraternal instructions.</p> <p><b><del>5. Investments</del> 21. Other Items</b></p> <p><u>Instruction:</u>  <u>SJ.</u> Reporting entities admitting net negative (disallowed) IMR are required to complete the following disclosures in the quarterly and annual financial statements. <i>(Note 5S only applies to Life/Fraternal companies).</i></p> <ol style="list-style-type: none"> <li>(1) Net negative (disallowed) IMR in aggregate and allocated between the general account, insulated separate account and non-insulated account.</li> <li>(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.)</li> <li>(3) The calculated adjusted capital and surplus.</li> <li>(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).</li> <li>(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.</li> </ol>	L/F	Annual

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		<p><u>Illustration:</u></p> <p><b>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></p> <p>SJ. Reporting Net Negative (Disallowed) Interest Maintenance Reserve (IMR)</p> <p>(1)Net negative (disallowed) IMR</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 35%;"></td> <td style="width: 15%; text-align: center;">General Account</td> <td style="width: 15%; text-align: center;">Insulated Separate Account</td> <td style="width: 15%; text-align: center;">Non-Insulated Separate Account</td> <td style="width: 20%;"></td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: center;">t</td> <td style="text-align: center;">Account</td> <td style="text-align: center;">Account</td> <td></td> </tr> <tr> <td style="text-align: right;">\$ .....</td> <td style="text-align: center;">\$.....</td> <td style="text-align: center;">\$.....</td> <td style="text-align: center;">\$ .....</td> <td></td> </tr> <tr> <td style="text-align: right;">.....</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> <td></td> </tr> </table> <p>(2)Negative (disallowed) IMR admitted</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 35%;"></td> <td style="width: 15%; text-align: center;">General Account</td> <td style="width: 15%; text-align: center;">Insulated Separate Account</td> <td style="width: 15%; text-align: center;">Non-Insulated Separate Account</td> <td style="width: 20%;"></td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: center;">t</td> <td style="text-align: center;">Account</td> <td style="text-align: center;">Account</td> <td></td> </tr> <tr> <td style="text-align: right;">\$ .....</td> <td style="text-align: center;">\$.....</td> <td style="text-align: center;">\$.....</td> <td style="text-align: center;">\$ .....</td> <td></td> </tr> <tr> <td style="text-align: right;">.....</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> <td style="text-align: center;">.....</td> <td></td> </tr> </table> <p>(3)Calculated adjusted capital and surplus</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right;">Total</td> </tr> <tr> <td style="text-align: right;">a. Prior Period General Account Capital &amp; Surplus From Prior Period SAP Financials</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td style="text-align: right;">b. Net Positive Goodwill (admitted)</td> <td style="text-align: right;">.....</td> </tr> <tr> <td style="text-align: right;">c. EDP Equipment &amp; Operating System Software (admitted)</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td style="text-align: right;">d. Net DTAs (admitted)</td> <td style="text-align: right;">.....</td> </tr> <tr> <td style="text-align: right;">e. Net Negative (disallowed) IMR (admitted)</td> <td style="text-align: right;">\$ .....</td> </tr> <tr> <td style="text-align: right;">f. Adjusted Capital &amp; Surplus (a-(b+c+d+e))</td> <td style="text-align: right;">.....</td> </tr> </table>		General Account	Insulated Separate Account	Non-Insulated Separate Account		Total	t	Account	Account		\$ .....	\$.....	\$.....	\$ .....		.....	.....	.....	.....			General Account	Insulated Separate Account	Non-Insulated Separate Account		Total	t	Account	Account		\$ .....	\$.....	\$.....	\$ .....		.....	.....	.....	.....			Total	a. Prior Period General Account Capital & Surplus From Prior Period SAP Financials	\$ .....	b. Net Positive Goodwill (admitted)	.....	c. EDP Equipment & Operating System Software (admitted)	\$ .....	d. Net DTAs (admitted)	.....	e. Net Negative (disallowed) IMR (admitted)	\$ .....	f. Adjusted Capital & Surplus (a-(b+c+d+e))	.....		
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		(5)Allocated gains/losses to IMR from derivatives		
		a. General Account	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	\$..... .....	\$..... .....
		b. Separate Account - Insulated	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	\$..... .....	\$..... .....
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		4. Unamortized Fair Value Derivative Gains & Losses Realized to IMR – Current Period Total	\$..... .....	\$..... .....

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**Blanks (E) Working Group  
Summary of Comments for August 7, 2024  
National Meeting**

**ITEMS RECEIVED FOR COMMENT**

Reference Number	Description
<b>2024-11BWG Modified</b>	Update the Annual and Quarterly Instructions and Blanks for the New Market Tax Credit changes. Changes will be made to: Annual – Assets, Notes to Financial Statements 5K, 14A, and 21E, AVR, and Schedule BA, Part 1, 3, and Verification Between Years. Quarterly changes – Assets and Schedule BA, Part 3 and Verification Between Years. Public comment period ending July 8, 2024.
<u>Comment #1 – Industry Interested Parties</u>	Attachment 7 <span style="float: right;">Page 1 of 2</span>
Comment letter suggests editorial revisions and updates to the Notes to Financials. See full comment letter for details.	
<b>2024-12BWG Modified</b>	Update the quarterly investment schedules for editorial items to the bond project. (Sch. D Verification, Sch. D Part 1B, Sch. D Part 3 & 4, Sch. DL Part 1 & 2, and Sch. E Part 1 & 2). Update the Quarterly Investment Schedule General Instructions for the changes that were adopted in the Annual Investment Schedule General Instructions. (Reference adopted proposal 2023-06BWG).
<u>Comment #1 – Industry Interested Parties</u>	Attachment 7 <span style="float: right;">Page 2 of 2</span>
Comment letter suggests an editorial revision to the proposal. See full comment letter for details.	

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

July 8, 2024

Ms. Debbie Doggett, Chair  
 Blanks Working Group  
 National Association of Insurance Commissioners  
 1100 Walnut St.  
 Kansas City, MO 64106

SUBJECT: Blanks Working Group (“BWG”) proposals with comments due on Monday, July 8, 2024

Dear Ms. Doggett:

Interested Parties (“IPs”) appreciate the opportunity to review and comment on the 2 items that were deferred / exposed during a conference call on Thursday, May 23, 2024, with a comment deadline of Monday, July 8, 2024.

**2024-11BWG** [Exposed changes update the annual and quarterly blanks and instructions for the new market tax credit changes. Changes will be made to: Annual – Assets, Notes to Financial Statements 5K, 14A, and 21E, AVR, and Schedule BA, Parts 1 and 3, and Verification Between Years. Quarterly changes – Assets and Schedule BA, Part 3, and Verification Between Years. Proposed effective date is 1<sup>st</sup> Quarter 2025 / Annual 2025.]

IPs have the following comments on this exposure:

- Since the proposal removes the ‘Guaranteed Federal Low Income Housing Tax Credit’ category, IPs believe there should be corresponding changes to the AVR and RBC structure and instructions, which would be effective for Annual 2025.
- Suggests providing an “Illustration:” section, which may include certain information being ‘data-captured’ for Note 5K to provide consistent data.
- For the Note 21E instructions, renumber the sub-categories as ‘4’ is used twice.
- For the Note 21E illustration, add a data-captured format for the instructions for “Total unused tax credits by jurisdiction, disaggregated by transferable/certificated and nontransferable” and renumber subsequent items.
- For Note 5K(9), add the following sentence to the end of the initial paragraph: “[[The following is also provided as part of a broader disclosure in Note 21E \(State and Federal Tax Credits\)](#)]”.
- For Note 14A(1), consider the modifications to the example to identify possible redundancies between this Note and Notes 5K and 21E:

Examples include, but not limited to:

Include any commitment or contingent commitment (e.g., guarantees or commitments to provide additional capital contributions) including the amount of equity contributions that are contingent commitments related to LIHTC properties investments in tax credit structures and the year(s) that contingent commitments are expected to be paid. Refer to SSAP No. 93—Low-Income Housing Investments in Tax Credit Property Investments Structures for accounting guidance. [[This information is also provided in Note 5K \(Investments in Tax Credit Structures\)](#)].

[Include any commitment or contingent commitment to purchase tax credits. \[This information is also provided in Note 21E \(State and Federal Tax Credits\)\].](#)

IPs look forward to having ongoing discussions with NAIC Staff in clarifying the instructions to provide consistent data and mitigate redundancy of the data provided.

**2024-12BWG** [Exposed changes update the quarterly investment schedules for editorial items to the bond project. (Schedule D Verification, Schedule D Part 1B, Schedule D Parts 3 and 4, Schedule DL Parts 1 and 2, and Schedule E Parts 1 and 2). Update the Quarterly Investment Schedule General Instructions with the changes adopted in the Annual Investment Schedule General Instructions. (*Reference adopted proposal 2023-06BWG*). Proposed effective date is 1<sup>st</sup> Quarter 2025.]

IPs have the following additional suggested edits for the quarterly statement instructions:

- The “0%” code in the Restricted Asset Code for Schedule E – Part 2 – Cash Equivalents is different between the Quarterly Statement Instructions and the Annual Statement Instructions.

To be consistent in the instructions, the items below would need to be deleted in the Quarterly Statement Instructions.

Column 3 – Restricted Asset Code

~~Enter “0%” in this column for all investments except qualifying cash pooling structures per SSAP No. 2R and money market mutual funds which have been reported on this schedule for more than one consecutive quarter.~~

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

~~If the “0%” code is used, the “0%” code should appear first, immediately followed by the appropriate code under the exclusive control of the company (**identified in the Investment Schedules General Instructions**).~~

- Suggest removing the last sentence (i.e., This category shall also include ABS structures t agency-issued and not fully guaranteed as to the timely payment of principal and interest by the full faith and credit of the U.S. government (excluding RMBS).) in the instructions for the “Agency Commercial Mortgage-Backed Securities – Not/Partially Guaranteed (Not Exempt from RBC)” category on page 7 of the exposure. The last sentence is duplicative of the sentence before it.
- As part of the changes to the Quarterly Statement from 2023-07BWG (Bond Project-LEI), we suggest removing the Legal Entity Identifier (LEI) from Schedule E – Parts 1 and 2.

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Please feel free to contact either one of us if you have any questions or would like to discuss further.

Tip Tipton

Sharlea Taft

CC: Steve Drutz, Vice-Chair, Washington  
Mary Caswell, NAIC  
Jill Youtsey, NAIC

Keith Bell, Travelers  
Rose Albrizio, Equitable Financial  
Interested Parties