AGENDA

1. Consider Adoption of its Dec. 17, 2019, Minutes—Jake Garn (UT) Attachment A

2. Discuss Items Previously Exposed—Jake Garn (UT)

   a) **2019-25BWG Modified** – Modify the instruction for Column 10, (Schedule F, Part 3 – Property and Schedule F, Part 2 – Life/Fraternal Workers’ Compensation Carve-out supplement) to remove instruction to exclude adjusting other reserves from the column and add instruction to include along with the defense and cost containment reserves. Add a new instruction for Column 12 for the same schedules. Add crosschecks to Schedule P, Part 1. Attachment B

   b) **2019-28BWG** – Modify the instruction for Supplemental Investment Risk Interrogatories (SIRI) Lines 13.02 through 13.11 clarifying when to identify the actual equity interests within a fund and aggregate those equity interests for determination of the 10 largest equity interests. Attachment C

   c) **2019-29BWG** – Modify the instruction and blank for Supplemental Investment Risk Interrogatories question 14.01. Attachment D

   d) **2019-30BWG Modified** – Add a category and instruction for Reciprocal Jurisdiction Companies in Schedule S for the life/fraternal and health blanks and to Schedule F for the property and title blanks. Add a list of identification numbers in instruction to Schedule Y, Part 1A; Schedule Y, Part 2; and Schedule D, Part 6, Section 1 for Reciprocal Jurisdiction Companies. Add a reference to Reciprocal Jurisdiction Companies in the Trusteed Surplus Statement instructions for life/fraternal, health and property statements. Attachment E

   e) **2020-01BWG** – Add crosschecks to Lines 13 and 14 of the State Page to Lines 10 and 11 of the Underwriting and Investment Exhibit, Part 1. Also add crosschecks to Lines 9, 10 and 11 of the Underwriting and Investment Exhibit, Part 1 and Schedule T, Line 61. Attachment F
f) **2020-02BWG** – Modify the instruction and illustration for Note 10L to reflect the disclosure changes for *Statement of Statutory Accounting Principle (SSAP) No. 97—Investments in Subsidiary, Controlled, and Affiliated Entities* being adopted by the Statutory Accounting Principles (E) Working Group.

Attachment G

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g) **2020-03BWG** Modified – Modify the instruction and illustration for 13(11) to the Notes to Financial Statement. Change the numbering from 1 through 11 to A through M to reflect the disclosure addition for *SSAP No. 41R—Surplus Notes* being adopted by the Statutory Accounting Principles (E) Working Group and correct the instruction.

Attachment H

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h) **2020-04BWG** – Modify the instruction and illustration for Note 23A – Unsecured Reinsurance Recoverables to reflect the disclosure addition for *SSAP No. 62R—Property and Casualty Reinsurance* being adopted by the Statutory Accounting Principles (E) Working Group.

Attachment I

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i) **2020-05BWG** Modified – Modify the instruction and illustration for Note 2 – Accounting Changes and Correction of Errors to reflect the disclosure addition for *SSAP No. 3—Accounting Changes and Corrections of Errors* and *SSAP No. 51R—Life Contracts* being adopted by the Statutory Accounting Principles (E) Working Group.

Attachment J

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j) **2020-06BWG** Modified – Modify the instruction and illustration for Note 19 on modified guaranteed annuities (MGAs) and third-party administrators (TPAs) to reflect the disclosure addition for *SSAP No. 51R, SSAP No. 53—Property Casualty Contracts—Premiums, SSAP No. 54R—Individual and Group Accident and Health Contracts, and SSAP No. 59—Credit Life and Accident and Health Insurance Contracts* being adopted by the Statutory Accounting Principles (E) Working Group.

Attachment K

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k) **2020-07BWG** – Add new disclosure Note 23 – Reinsurance for reinsurance credit (23H – Life/Fraternal, 23E Health and 23K Property) to reflect the disclosure additions for *SSAP No. 61R—Life, Deposit-Type and Accident and Health Reinsurance* adopted by the Statutory Accounting Principles (E) Working Group.

Attachment L

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l) **2020-08BWG** Modified – Add a disclosure instruction for 10C to the Notes to Financial Statement for related party transactions not captured on Schedule Y to reflect the disclosure addition for *SSAP No. 25—Affiliates and Other Related Parties* being adopted by the Statutory Accounting Principles (E) Working Group. Combine existing 10C into 1B instructions and illustration narrative.

Attachment M

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3. Discuss New Items—*Jake Garn (UT)*

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**a) 2020-09BWG** – Modify the Annual Statement Instructions for Schedule F, Part 3 to reflect the factors for all uncollateralized reinsurance recoverable from unrated reinsurers being the same for authorized, unauthorized, certified and reciprocal reinsurance.

Attachment N

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**b) 2020-10BWG** – Revise the column 10 header in the Variables Annuities Supplement blank to be Contract Level Reserves Less Cash Surrender Value. Revise the line descriptions in lines 1 through 3 in the footer and add a line for the Reserve Credit from Other Reinsurance and for Post-Reinsurance Ceded Aggregate Reserve. Adjust the instructions to correspond with changes made to the blanks as well as changes in the 2020 *Valuation Manual* for the new Variable Annuities Framework.

Attachment O

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**c) 2020-11BWG** – For the VM-20, *(Requirements for Principle-Based Reserves for Life Products, Reserves) Supplement blank,* split Part 1 into Part 1A and Part 1B. For Part 1A: change the description header for column 3 to be “Due and Deferred Premium Asset” to match the instructions. Add “XXX” in the two places needed to indicate that a due and deferred premium asset does not need to be reported in the lines shown for Total Reserves. Change the reporting units for all columns to be in dollars rather than in thousands. Expand all columns to allow room for a number as large as 999,999,999,999. Change the product labels for clarity. For Part 1B: change the reporting units for the reserve columns to be in dollars rather than in thousands. Expand the reserve columns to allow room for a number as large as 999,999,999,999. Expand

Attachment P
the face amount columns to allow room for a number as large as 9,999,999,999. Change the product labels for clarity. Remove Part 2 and re-number the remaining parts. Adjust the instructions according to the changes made to the blanks. Clarify instructions and add examples for Parts 1A and 1B.

d) 2020-12BWG – The proposal will require appointed actuaries to attest to meeting Continuing Education (CE) requirements and participate in the Casualty Actuarial Society (CAS)/Society of Actuaries (SOA) CE review procedures, if requested. These proposed changes were adopted by the Accounting Practices and Procedures (E) Task Force Jan. 28, 2020. Attachment Q

e) 2020-13BWG – Remove Line 24.04 from the General Interrogatories, Part 1 and renumber remaining lines for Interrogatory Question 24. Modify Lines 24.05 and 24.06 to require reporting amounts for conforming and non-conforming collateral programs. Attachment R

f) 2020-14BWG – Modify the columns and rows on the blank pages for the Long-Term Care Experience Reporting Forms 1 through 5 and make appropriate changes to the instructions for those forms. Attachment S

g) 2020-15BWG – A new Private Flood Insurance Supplement collecting residential and commercial private flood insurance data and revisions to the Credit Insurance Experience Exhibit (CIEE) to collect lender-placed flood coverages. Attachment T

h) 2020-16BWG – Modify Questions 3.1 and 3.2 of General Interrogatories Part 2 and provide instructions for the questions. Attachment U

i) 2020-17BWG – Adjust the asset valuation reserve (AVR) presentation to include separate lines for each of the expanded bond designation categories. Attachment V

j) 2020-18BWG – Clarify the instructions to indicate which funds reported on Schedule D, Part 2, Section 2 (annual filing) and Schedules D, Part 3 and 4 (quarterly filing) must have NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol. Modify the reference to the *Posses and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual)* found in the following investment instructions. Attachment W

k) 2020-19BWG – Add a code of “%/” to the code column for all investments which have been reported Schedule DA, Part 1 and Schedule E, Part 2 for more than one consecutive year. Add certification to the General Interrogatories, Part 1 inclusion of these investments on Schedule DA, Part 1 and Schedule E, Part 2. Attachment X

l) 2020-20BWG – For Schedule D, Part 1, add code “9” to Column 23 – Collateral Type for ground lease financing. Renumber “Other” code to 10. Attachment Y

m) 2020-21BWG – Add new Line 4.05 for valuation allowance for mortgage loans to the Summary Investment Schedule and renumber existing Line 4.05 to 4.06. Modify the instructions to include a crosscheck for new Line 4.05 back to Schedule B – Verification Between years. Clarify the instructions for 4.01 through 4.04 to explicitly show crosschecking to Column 8 of Schedule B, Part 1. Attachment Z

n) 2020-22BWG – Modify the instructions and illustration for Note 3A and a new Note 3E with instructions and illustrations to be data captured. Modify the blank and instructions for Schedule D, Part 6, Sections 1 and 2. Attachment AA

o) 2020-23BWG – Add footnote to Exhibit 5 (life/fraternal and health – life supplement) and Exhibit 3 separate accounts to disclose cases when a mortality risk is no longer present or a significant factor; i.e., due to a policyholder electing a payout benefit. Attachment BB

4. Consider Adoption of Editorial Listing—*Jake Garn (UT)*

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5. Discuss Any Other Matters Brought Before the Working Group—Jake Garn (UT)

6. Adjournment

The following documents are being provided as reference materials:

Summary of Comment Letters
Comment Letters

w:qa/blanksproposals/web postings/2020-03/1-before meeting/01 preliminary agenda/bwg 3.26.2020 agenda tpr.docx

Attachment DD
Attachment EE