

The NJ Department of Banking and Insurance (NJ DOBI) supports the direction of the draft templates and guidance document and appreciates the opportunity to comment. The comments below are offered to clarify the basis of some of the newly required figures and strengthen comparability across filers.

1. AG 55 Guidance Section II.a.(3)

Additional information requested: In the AG 55 Report, provide a breakdown of the amount of Guideline Excluded Assets by type – non-admitted assets, letters of credit, credit-linked notes, excess of loss reinsurance and parental guarantees – that support the total amount shown in the AG 55 template. This breakdown provides transparency of which instruments support the transaction and their magnitude.

2. AG 55 Template – Counterparty tab

The template captures the assuming company's reserve on its local basis, which may be different than US local statutory. In addition to counterparty name and governing jurisdiction, add the applicable reserve framework (e.g. SBA, Modified GAAP) and covered business. This allows reviewers to interpret the post-reinsurance reserve consistently across counterparties.

3. AG 55 Template – Counterparty Portfolio tab

The template instructions currently refer to “*Required if cash-flow testing is performed for AG 55 if assets are significantly different than provided in the ceding company's AG 53 filing*” as condition for this tab. We suggest a clarification such as defining a threshold difference in the asset mix between ceding company and assuming company.

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