

Modeling Update 2021

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NATIONAL ASSOCIATION OF
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2021 Year-End Process



- Scenarios:
 - Through the Cycle for RMBS.
 - For CMBS, the base case has adjusted to reflect a much smaller impact from COVID than last year.
- Zero Loss:
 - Will be implemented as “Y”/ “N” for Legacy and assigned NAIC 1.A for non-Legacy.
 - Zero Loss Threshold and BP level – TBD.
- Mid-Year Update: will provide end of October / early November

2022 Year-End Process



- Scenarios:
 - Will introduce a number of TTC (targeting about 8-12) for both RMBS and CMBS.
 - This process will go through VOS (E) TF.
- Threshold / Breakpoints:
 - Will seek VOS (E) TF approval of 19 Thresholds and Breakpoints based on new RBC.
 - Zero Loss will not apply to non-Legacy
- Mid-Year Update: will consider a mid-year file based on demand.

Miscellaneous

- Re-REMICs:
 - We will look through to the underlying for Legacy / non-Legacy
- Format:
 - Two files will be provided – one for Legacy and another for Non-Legacy.

