

# NAIC BLANKS (E) WORKING GROUP

## Blanks Agenda Item Submission Form

<b>DATE:</b> <u>10/20/2020</u>		<b>FOR NAIC USE ONLY</b>	
<b>CONTACT PERSON:</b> <u>Paul Peterson</u>		Agenda Item # <u>2020-31BWG</u> Year <u>2021</u> Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ] New Reporting Requirement <input type="checkbox"/> [ ]	
<b>TELEPHONE:</b> <u>703.787.4119</u>		<b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b>	
<b>EMAIL ADDRESS:</b> <u>ppeterson@nolhga.com</u>		No Impact <input type="checkbox"/> [ ] Modifies Required Disclosure <input type="checkbox"/> [ ]	
<b>ON BEHALF OF:</b> <u>life, health and annuity guaranty associations</u>		<b>DISPOSITION</b>	
<b>NAME:</b> <u>Paul Peterson</u>		<input type="checkbox"/> [ ] Rejected For Public Comment <input type="checkbox"/> [ ] Referred To Another NAIC Group <input checked="" type="checkbox"/> [ X ] Received For Public Comment <input type="checkbox"/> [ ] Adopted Date _____ <input type="checkbox"/> [ ] Rejected Date _____ <input type="checkbox"/> [ ] Deferred Date _____ <input type="checkbox"/> [ ] Other (Specify) _____	
<b>TITLE:</b> <u>Vice President, Accounting &amp; Finance</u>			
<b>AFFILIATION:</b> <u>NOLHGA</u>			
<b>ADDRESS:</b> <u>13873 Park Center Road, Suite 505</u> <u>Herndon, VA 20171</u>			

### BLANK(S) TO WHICH PROPOSAL APPLIES

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT           | <input type="checkbox"/> [ ] QUARTERLY STATEMENT            |  |
| <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS               | <input checked="" type="checkbox"/> [ X ] CROSSCHECKS       | <input checked="" type="checkbox"/> [ X ] BLANK  |
| <input checked="" type="checkbox"/> [ X ] Life and Accident & Health | <input checked="" type="checkbox"/> [ X ] Property/Casualty | <input checked="" type="checkbox"/> [ X ] Health |
| <input type="checkbox"/> [ ] Separate Accounts                       | <input type="checkbox"/> [ ] Fraternal                      | <input type="checkbox"/> [ ] Title               |
| <input type="checkbox"/> [ ] Other Specify                           |   |  |

Anticipated Effective Date: Annual 2021

### IDENTIFICATION OF ITEM(S) TO CHANGE

To replace the Life, Health and Annuity Guaranty Association Model Act Assessment Base Reconciliation and the Adjustments to the Life, Health and Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibits with modernized exhibits as indicated below in order to promote consistent reporting of assessable premiums among industry members and to reflect changes in guaranty association laws adopted over the past two decades.

#### DRAFTING NOTE LIFE, HEALTH and PROPERTY ANNUAL STATEMENT BLANK AND INSTRUCTIONS

For the Life, Health and Annuity Guaranty Association Assessable Premium Exhibits Parts 1 and 2 - edit the blank and instructions as shown below. The Exhibits are to continue to be filed as stand-alone supplemental exhibits in each of the life, health and property blanks due April 1.

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

To have all member companies of the life, health and annuity guaranty associations consistently file the revised referenced exhibits for purposes of collecting guaranty association assessable premium data.

### NAIC STAFF COMMENTS

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

Other Comments:

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

## ANNUAL STATEMENT INSTRUCTIONS – LIFE, HEALTH AND PROPERTY

### LIFE, HEALTH AND ANNUITY GUARANTY ASSOCIATION ASSESSABLE PREMIUM MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT – PARTS 1 & 2

To be filed on or before April 1.

This 2-part exhibit must be completed for any state, District of Columbia, and Puerto Rico in which the company is licensed and should be submitted to the applicable jurisdictions.~~that jurisdiction.~~ In addition, an exhibit should be prepared for any state, District of Columbia, and Puerto Rico in which the company received any direct premiums or deposits. DO NOT SUBMIT exhibits for American Samoa, Guam, U.S. Virgin Islands, Canada, Northern Mariana Islands and other alien jurisdictions. A copy of the exhibit for each jurisdiction and a grand total page for both Parts 1 and 2 must be completed and the exhibits that are submitted should be sent to the state of domicile and the NAIC Support and Services Office.

**Only companies that are members of the life, health and annuity guaranty associations should complete this exhibit.** If a company is unsure if it is a member of a life, health and annuity guaranty association, it should contact the state life, health and annuity guaranty associations in its state of domicile or state(s) where it is licensed to write life, health and annuity business.

For the purpose of these instructions, references to Schedule T apply to the Life and Health blank and references to the Exhibit of Premiums and Losses apply to the Property blank.

Part 1 develops gross premiums that will be subject to further reduction in Part 2 for guaranty association coverage and/or assessment limitations. Attention should be focused on the deduction items in Part 2, in particular those associated with certain accident and health products and the various types of annuity classifications for allocated and unallocated products.

The columnar headings correspond to the annual statement, Schedule T (Life or Health blanks) or Exhibit of Premiums and Losses (Property blank) as follows:

<b><u>Health Blank</u></b> <b><u>Schedule T Column</u></b> <b><u>Reference</u></b>	<u>Col. 6</u> Life & Annuity Premiums & Other Considerations (In part)	<u>Col. 6</u> Life & Annuity Premiums & Other Considerations (In part)	<u>Col. 2-5</u> Accident and Health Insurance Premiums	<u>Col. 9</u> Deposit-type Contract Funds	<u>Col. 6</u> Life & Annuity Premiums & Other Considerations (In part)
<b><u>Base Exhibit</u></b>	<u>Col. 1</u> Life Insurance Premiums	<u>Col. 2</u> Annuity Considerations	<u>Col. 3</u> A & H Premiums	<u>Col. 4</u> Deposit-Type Contract Funds	<u>Col. 4</u> Other Considerations
<b><u>Life Blank</u></b> <b><u>Schedule T Column</u></b> <b><u>Reference</u></b>	<u>Col. 2</u> Life Contracts—Life Insurance Premiums	<u>Col. 3</u> Life Contracts— Annuity Considerations	<u>Col. 4</u> Accident and Health Insurance Premiums	<u>Col. 7</u> Deposit-Type Contract Funds	<u>Col. 5</u> Other Considerations
<b><u>Base Exhibit</u></b>	<u>Col. 1</u> Life Insurance Premiums	<u>Col. 2</u> Annuity Considerations	<u>Col. 3</u> A & H Premiums	<u>Col. 4</u> Deposit-Type Contract Funds	<u>Col. 4</u> Other Considerations
<b><u>Property Blank</u></b> <b><u>Exhibit of</u></b> <b><u>Premiums and</u></b> <b><u>Losses (Statutory</u></b> <b><u>Page 14) Column</u></b> <b><u>and Lines</u></b> <b><u>Reference</u></b>			<u>Col. 1</u> Direct Premiums Written Lines 13-15.8 (Various Accident and Health Insurance Premiums)		

<u>Base Exhibit</u>	<u>Col. 1</u> <u>Life Insurance</u> <u>Premiums</u>	<u>Col. 2</u> <u>Annuity-</u> <u>Considerations</u>	<u>Col. 3</u> <u>A &amp; H Premiums</u>	<u>Col. 4</u> <u>Deposit Type-</u> <u>Contract Funds</u>	<u>Col. 4</u> <u>Other-</u> <u>Considerations</u>
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<u>Assessable Premium</u> <u>Exhibit</u>	<u>Col. 1</u> <u>Life Insurance</u> <u>Premiums</u>	<u>Col. 2</u> <u>Allocated Annuity</u> <u>and Other</u> <u>Allocated Fund</u> <u>Deposits</u>	<u>Col. 3</u> <u>Accident &amp; Health</u> <u>Premiums</u>	<u>Col. 4</u> <u>Unallocated Annuity and Other</u> <u>Unallocated Fund Deposits</u>	
<u>Health Blank</u> <u>Schedule T Column</u> <u>reference</u>	<u>Col. 6</u> <u>Life/Annuity</u> <u>Premiums –</u> <u>Life Insurance</u> <u>Premiums (in</u> <u>part)</u>	<u>Col. 6</u> <u>Life/Annuity</u> <u>Premiums or Col.</u> <u>9 Deposit-type</u> <u>Contract Funds –</u> <u>Allocated Annuity</u> <u>Premiums (in part)</u>	<u>Col. 2-5</u> <u>Accident and Health</u> <u>Insurance, Medicare,</u> <u>Medicaid, FEHBP</u> <u>Premiums</u>	<u>Col. 6</u> <u>Life Contracts</u> <u>– Unallocated</u> <u>Annuity</u> <u>Considerations</u> <u>(in part)</u>	<u>Col. 9</u> <u>Deposit-type</u> <u>Contract Funds</u> <u>– Unallocated</u> <u>Annuities (in</u> <u>part)</u>
<u>Life Blank Schedule</u> <u>T Column reference</u>	<u>Col. 2</u> <u>Life Insurance</u> <u>Premiums</u>	<u>Col. 3</u> <u>Annuity</u> <u>Considerations</u>	<u>Col. 4</u> <u>Accident and Health</u> <u>Insurance Premiums</u>	<u>Col. 5</u> <u>Other</u> <u>Considerations</u>	<u>Col. 7</u> <u>Deposit-type</u> <u>Contract Funds</u>
<u>Property Blank</u> <u>Exhibit of Premiums</u> <u>and Losses (statutory</u> <u>page 14) Column and</u> <u>Lines reference</u>			<u>Col. 1</u> <u>Direct Premiums</u> <u>Written</u> <u>Lines 13-15.8</u> <u>(Various Accident and</u> <u>Health Insurance</u> <u>Premiums)</u>		

In the event that this detailed information is not available in the reporting entity's accounting records, recognized allocation to estimation processes for state allocations may be utilized if consistently applied.

Adjustments to the exhibit may be required by states that have not adopted the *Life and Health Insurance Guaranty Association Model Act* (#520).

**PURPOSE OF THE LIFE, HEALTH AND ANNUITY GUARANTY ASSOCIATION**  
**ASSESSABLE PREMIUM MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT – PARTS 1 and 2**

It is desirable to display on one page the various types of annuity considerations, deposit-type contract funds and other considerations received directly by the reporting entity, separated by state, as is currently reported in the applicable Schedule T or Exhibit of Premiums and Losses; ~~but, However,~~ it is not possible to use such data for state guaranty association assessments without further modification. This is because of: (a) the limits placed on certain considerations for assessment purposes; (b) the variations by states in designation of “funds” for assessments; and (c) other factors that are interpreted differently by the individual states.

As a result, the NAIC and NOLHGA have developed a ~~two-part~~ specific exhibit, the Life, Health & Annuity Guaranty Association ~~Assessable Premium Model Act Assessment Base Reconciliation~~ Exhibit (the “Assessable Premium” ~~Base Reconciliation~~ Exhibit”) that ~~which~~ uses the state figures in Schedule T or Exhibit of Premiums and Losses as the starting point for development of the guaranty association assessment base ~~and then allows for certain adjustments in order to arrive at the applicable assessable premium base for each state.~~ ~~(as defined in the NAIC Life and Health Insurance Guaranty Association Model Act (#520)).~~ States should not use Schedule T or Exhibit of Premiums and Losses as the basis for guaranty association assessments, but instead use the ~~Assessable Premium Base Reconciliation~~ Exhibit ~~for~~as the applicable assessment premium base starting point.

### **Introduction**

These instructions are intended to assist companies in completing the ~~Assessable Premium Life, Health and Annuity Guaranty Association Model Act Assessment Base Reconciliation~~ Exhibit-Parts 1 and 2 (the “APE Pt. 1” ~~Base Reconciliation~~ Exhibit) and “APE Pt. 2”, respectively). Both APE Parts ~~1~~ Adjustments to the Life, Health and Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (Adjustments Exhibit). ~~The and 2 must be prepared~~ Base Reconciliation Exhibit starts with the same care premiums, deposit-type contract funds and accuracy that would be used other considerations as reported in preparing the applicable Schedule T or Exhibit of Premiums and Losses and then makes necessary adjustments (both positive and negative) to establish the Annual Statement, since premium assessment base as defined by the information is being provided to the Guaranty Associations. COMPANIES MUST READ THESE INSTRUCTIONS CAREFULLY AND REFER TO THE RELEVANT GUARANTY ASSOCIATION ACTS, WHERE APPROPRIATE.

APE Pt. 1 and APE Pt. 2 ~~current Model #520. The Base Reconciliation Exhibit~~ must be completed, along with a grand total page for both, for each state (as well as the District of Columbia and Puerto Rico) in which the company is licensed or does business.

The APE Pt. 1 and Pt. 2 each have four columns. Column 1 is for all individual and group life insurance premiums. Column 2 is for all allocated annuity amounts (whether called premiums, deposit-type contract funds, or other considerations) and includes both allocated and unallocated annuity governmental retirement plans established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code (“IRC”). Column 3 is for all individual and group accident and health premiums. Column 4 is for all unallocated annuity amounts (whether called premiums, deposit-type contract funds, or other considerations) other than amounts received in connection with governmental retirement plans established under IRC Sections 401, 403(b) or 457 (which should be in Column 2).

Should you have questions about how to fill out the ~~Assessable Premium Base Reconciliation~~ Exhibit, and the answers are not provided in the instructions below, you may wish to consult the Model #520, particular State Guaranty Association Acts, the *Annual Statement Instructions* manual, your company attorney, particular State Insurance Departments, or particular State Guaranty Association Administrators.

**Assessable Premium** ~~The Base Reconciliation Exhibit – Part~~ has four columns: Column 1 is for all individual and group life insurance premiums; Column 2 is for all individual and group allocated annuity amounts (whether called The APE Pt. 1 starts with premiums, deposit-type contract funds and/or other considerations as reported in the applicable Schedule T or the Exhibit of Premiums and Losses.); Column 3 is for all individual and then makes necessary adjustments (both positive group accident and negative) to establish the initial assessable premium base before certain annuity adjustments as defined by each states' guaranty association act.

### **Base Reconciliation Exhibit**

#### **Premiums, Considerations and Deposits from Schedule T or the Exhibit of Premiums and Losses**

Line 1 – THESE AMOUNTS MUST EXACTLY MATCH THE AMOUNTS REPORTED BY YOUR COMPANY ON SCHEDULE T OR THE EXHIBIT OF PREMIUMS AND LOSSES FOR ALL LINES OF BUSINESS.

Line 1 – These amounts must exactly match the amounts reported by your company on Schedule T or the Exhibit of Premiums and Losses for all lines of business.

#### **Modifications to Premiums, Considerations and Deposits**

Lines 2 through 10 are required to adjust amounts reported on your company's Annual Statement Schedule T or Exhibit of Premiums and Losses and are critical in transforming premium data prepared for Annual Statement purposes into data suitable for Guaranty Association assessment purposes.

Line 2.1-2.99 – ———Enter any life, annuity or health premiums, -deposit-type -contract -funds -and -other considerations, received by your company that were not reported by state on Schedule T or the Exhibit of Premiums and Losses and, therefore, not included in Line 1 above. ~~The total of Line 2 should equal Line 2.1 + Line 2.2.~~ Such amounts should be reported in the appropriate column based on whether such amounts relate to life insurance, annuity, accident and health, or annuity and deposit-type business. Include all amounts received for insurance contracts. ~~Guaranteed investment contract receipts, universal life insurance deposits and any other amounts received by the company for covered contracts that were not reported on the company's Schedule T or the Exhibit of Premiums and Losses (sometimes referred to as FASB 97 deposit reporting) must be reported on Line 2.~~ Annuity amounts entered on Lines 1 and 2 must include, but are not limited to, amounts received for immediate or deferred annuity contracts, structured settlement agreements, lottery contracts, group annuity contracts, guaranteed interest or investment contracts, deposit administration contracts and allocated or unallocated funding obligations. ~~In addition, allocate by state and include on Line 2 amounts reported on the applicable Schedule T as Company Contributions for Employee Benefit Plans (Line 60 (Health blank) or 90 (Life blank) of Schedule T), Dividends Applied to Purchase Paid Up Additions and Annuities, Dividends Applied to Shorten Endowment or Premium Paying Period, Premium or Annuity Considerations Waived Under Disability or Other Contract Provisions, and Aggregate Other Amounts Not Allocable by State.~~

Line 2.1 – ———Enter fees and charges for investment management, administration and contract guarantees from the Separate Account associated with variable contracts, reduced by any contractholder dividends representing a return of such fees and charges. Specifically, in the case of variable annuity products, those portions of fees and charges paid to the general account with respect to living and death benefit guarantees, M&E charges and annual contract charges should be included on Line 2.1. In the case of variable life products with guaranteed death benefits, the portion of fees/charges paid to the general account that should be included on Line 2.1 would include the cost of insurance in addition to M&E charges and annual contract charges. Because the fees and charges are reportable by state, a reporting entity may use either a seriatim, i.e., specific contract identification by state, or an allocation method. An appropriate allocation method would be to calculate a ratio of fee income to total variable premium for the product line and multiply the ratio by the state specific variable premium.

Lines 2.2 - 2.6 – Enter any other life, annuity or health premiums, deposit-type contract funds and other considerations, received by your company that were not reported by state on Schedule T or the Exhibit of Premiums and Losses. Guaranteed investment contract receipts, universal life insurance deposits and any other amounts received by the company for covered contracts that were not reported on the company's Schedule T, Exhibit of Premiums and Losses, or Line 1 above, must be reported on Line 2.6.

Allocate by state and include on Lines 2.2 through 2.6 amounts reported on the corresponding line on Schedule T as Company Contributions for Employee Benefit Plans, Dividends Applied to Purchase Paid-Up Additions and Annuities, Dividends Applied to Shorten Endowment or Premium-Paying Period, Premium or Annuity Considerations Waived under Disability or Other Contract Provisions and Aggregate Other Amounts Not Allocable by State (such as FEGLI/SEGLI).

If by state information is not readily available, reasonable allocation methods may be used to estimate state amounts. "Data not available by state" or similar comments are not valid reasons to exclude these items.

Lines 3.1 - 3.99 – The primary purpose of Lines 3.1 to 3.99 is to add back amounts that, as a result of statutory accounting practices, were deducted from the amounts reported on Line 1 or 2. For the most part, these deductions represent current year benefit payouts, transfers, surrenders or withdrawals.

Enter any amounts deducted prior to determining amounts included in Lines 1 and 2. Companies reporting net amounts on Lines 1 and 2 must complete Lines 3.1 through 3.99 ~~in order to~~ provide gross premiums and deposits. Amounts reported on these lines should include transfers to separate accounts, GIC rollovers to other companies, surrenders, excess interest, and any other amounts deducted from or not included in the company's gross premium figures. Amounts that were reported as "Unallocated Annuity Deposit Type Contract Funds and Other Unallocated Fund Deposits Considerations" (Column 4) in the year of receipt and transferred in the current year to "Allocated Annuity and Other Allocated Fund Deposits Considerations" (Column 2), as individuals are "annuitized," are to be included on Line 3.3 of Column 4 if these amounts were deducted from the amounts reported on Lines 1 or 2. As illustrated below, adding these amounts back to Column 4 may be necessary as amounts over \$5 million may have been deducted in prior years—Lines 1 or 2.

As an example, most pension plan unallocated annuities provide for the purchase of an annuity payout benefit ("annuitization") for an individual. In the year of the receipt of the consideration for the unallocated annuity, that consideration, subject to limitations, is to be included in the total assessable premium~~assessment base~~ reported in Line ~~1044~~, Column 4. In the year of annuitization, the amounts transferred to fund the annuity payout benefits are to be included in the total assessable premium~~assessment base~~ reported in Line ~~1044~~, Column 2. There should be no corresponding reduction to the total assessment base reported in Line ~~1044~~, Column 4 for the amount transferred to fund the annuitization to the extent that such amounts would not have been included in an assessment base. When an annuity payout benefit is, pursuant to that contract, purchased for an individual from monies previously deposited with the Company, it is assumed that there is no new contract, rather, it is an internal rollover of funds, i.e., ~~and no new funds have been received by the Company~~ has received no new funds.

In order to correctly report amounts subject to assessment in Columns 2 and 4, companies should maintain transaction level detail for each deposit type contract. On a cumulative basis, the assessable premium can never be less than \$0 on any given contract. For example, the following will illustrate the correct reporting of deposit-type contracts that partially or fully annuitize in a model act state (i.e., assessable premium up to \$5 million per unallocated annuity contract). The amount reported on APE Pt. 2 Line 17.37.4 is a balancing amount such that the assessable premium for any unallocated contract never exceeds \$5 million nor is less than \$0 over the life of the contract. The same approach applies to any state that covers unallocated annuities, irrespective of the limits. In this example, there is a \$50 million unallocated contract in Year 1 and the company reports \$5 million in Column 4 (\$50 million on Line 1 or 2, APE Pt. 1, and a reduction of \$45 million via Line 17.3 of APE Pt. 2). If the contract is completely annuitized in year 2, the company must report \$50 million in Column 2 as allocated premium (APE Pt. Line 1 or 2) and \$50 million on Line 3.3, Part 1 (as an add-back) in the unallocated premium column. The Company should report a deduction of \$5 million on APE Pt. 2 Line 17.37.4 in Column 4 in the second year, since it has reported the full \$50 million received in Column 2 by the end of the second year. On a cumulative basis, \$0 is reported in Column 4. The Company has not subjected to assessment more premiums~~premium~~ than it has received.

(Millions of Dollars)

Example -Contract	Year 1			YEAR 2		
	Total Yr. 1	Col. 2	Col. 4	Total Yr. 2	Col. 2	Col. 4
Deposit	50	X	X	0	X	X
Annuitize	0	X	X	50	X	X
Amt. Rep. APE Pt. 1 -Lines 1 & 2	X	0	50	X	50	(-50)
Amt. Rep. Line 3.3	X	X	0	X	0	50
Amt. Rep. -Line 5	X	0	50	X	50	0
Amt. Rep. APE Pt. 2 Line 17.37.4	X	X	45	X	0	5
Amt. Rep. APE Pt. 2 -Line 22.4	X	0	5	X	50	(-5)
Cumulative All Years -Line 22.4	X	0	5	X	50	0

Four additional examples will further illustrate the correct reporting of deposit type contracts that partially or fully annuitize in a model act state. In these examples, it can be seen that at any point in time, the Company has never included more in the assessable premium base (Columns 2 and 4 combined) than what was received by the Company over that period of time. Also, the Company never included more than \$5 million of assessable premium in Column 4 at any point in time.

(Millions of Dollars)

Contract #1	Year 1			Year 2			Year 3			Year 4			Year 5			Cumulative		
		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4
Deposit	5	X	X	5	X	X	5	X	X	5	X	X	5	X	X	25	X	X
Annuitize	1	X	X	3	X	X	2	X	X	1	X	X	8	X	X	15	X	X
Amt. Rep. APE Pt. 1 -Lines 1 & 2	X	1	4	X	3	2	X	2	3	X	1	4	X	8	(-3)	X	15	10
Amt. Rep. Line 3.3	X	X	1	X	X	3	X	X	2	X	X	1	X	X	8	X	X	15
Amt. Rep. -Line 5	X	1	5	X	3	5	X	2	5	X	1	5	X	8	5	X	15	25
Amt. Rep. APE Pt. 2 Line 17.37.4	X	X	1	X	X	4	X	X	5	X	X	5	X	X	5	X	X	20
Amt. Rep. APE Pt. 2 -Line 22.4	X	1	4	X	3	1	X	2	0	X	1	0	X	8	0	X	15	5
Cumulative -All Years -Line 22.4	X	1	4	X	4	5	X	6	5	X	7	5	X	15	5	X	X	X

For Contract #1, the Company received \$25 million of deposits and included \$20 million in the assessable premium base (\$15 million as annuity considerations and \$5 million as deposit funds) over the five-year period.

(Millions of Dollars)

Contract #2	Year 1			Year 2			Year 3			Year 4			Year 5			Cumulative		
		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4
Deposit	10	X	X	10	X	X	5	X	X	5	X	X	5	X	X	35	X	X
Annuitize	1	X	X	3	X	X	2	X	X	1	X	X	28	X	X	35	X	X
Amt. Rep. <u>APE Pt. 1</u> -Lines 1 & 2	X	1	9	X	3	7	X	2	3	X	1	4	X	28	(-23)	X	35	0
Amt. Rep. Line 3.3	X	X	1	X	X	3	X	X	2	X	X	1	X	X	28	X	X	35
Amt. Rep. -Line 5	X	1	10	X	3	10	X	2	5	X	1	5	X	28	5	X	35	35
Amt. Rep. <u>APE Pt. 2</u> -Line 17.37.4	X	X	5	X	X	10	X	X	5	X	X	5	X	X	10	X	X	35
Amt. Rep. <u>APE Pt. 2</u> -Line 22.4	X	1	5	X	3	0	X	2	0	X	1	0	X	28	(-5)	X	35	0
Cumulative -All Years Line 22.4	X	1	5	X	4	5	X	6	5	X	7	5	X	35	0	X	X	X

For Contract #2, the Company received \$35 million of deposits and included \$35 million in the assessable premium base (\$35 million as annuity considerations and \$0 as deposit funds) over the five-year period.

(Millions of Dollars)

Contract #3	Year 1			Year 2			Year 3			Year 4			Year 5			Cumulative		
		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4		Col 2	Col 4
Deposit	10	X	X	10	X	X	0	X	X	0	X	X	0	X	X	20	X	X
Annuitize	1	X	X	3	X	X	2	X	X	1	X	X	8	X	X	15	X	X
Amt. Rep. <u>APE Pt. 1</u> -Lines 1 & 2	X	1	9	X	3	7	X	2	(-2)	X	1	(-1)	X	8	(-8)	X	15	5
Amt. Rep. Line 3.3	X	0	1	X	X	3	X	X	2	X	X	1	X	X	8	X	X	15
Amt. Rep. -Line 5	X	1	10	X	3	10	X	2	0	X	1	0	X	8	0	X	15	20
Amt. Rep. <u>APE Pt. 2</u> Line 17.37.4	X	0	5	X	X	10	X	X	0	X	X	0	X	X	0	X	X	15
Amt. Rep. <u>APE Pt. 2</u> -Line 22.4	X	1	5	X	3	0	X	2	0	X	1	0	X	8	0	X	15	5



Cumulative -All Years -Line 2244	X	1	5	X	4	5	X	6	5	X	7	5	X	15	5	X	X	X
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For Contract #3, the Company received \$20 million of deposits and included \$20 million in the assessable premium base (\$15 million as annuity considerations and \$5 million as deposit funds) over the five-year period.

(Millions of Dollars)

Contract #4	Year 1		Year 2		Year 3		Year 4		Year 5		Cumulative	
	Col 2	Col 4	Col 2	Col 4	Col 2	Col 4	Col 2	Col 4	Col 2	Col 4	Col 2	Col 4
Deposit	5	X	X	5	X	X	5	X	X	5	X	X
Annuitize	1	X	X	6	X	X	0	X	X	0	X	X
Amt. Rep. APE Pt. 1 -Lines 1 & 2	X	1	4	X	6	(-1)	X	0	5	X	0	5
Amt. Rep. Line 3.3	X	X	1	X	X	6	X	X	0	X	X	0
Amt. Rep. -Line 5	X	1	5	X	6	5	X	0	5	X	0	5
Amt. Rep. APE Pt. 2 -Line 17.37.4	X	X	1	X	X	6	X	X	3	X	X	5
Amt. Rep. APE Pt. 2 -Line 2244	X	1	4	X	6	(-1)	X	0	2	X	0	0
Cumulative -All Years Line 2244	X	1	4	X	7	3	X	7	5	X	7	5

For Contract #4, the Company received \$25 million of deposits and included \$220 million in the assessable premium base (\$15 million as annuity considerations and \$5 million as deposit funds) over the five-year period. Contract #4 is different than from Contract #1 in that after Year 2, only \$3 million has been included in Column 4 since \$7 million of the \$10 million of deposits received has annuitized. For Year 3, \$2 million is included in Column 4, bringing the cumulative total to \$5 million, since a total of \$15 million has been received, but only \$7 million has annuitized.

You must provide a clear explanation of any -amounts -listed within on Lines 3.501, 3.502, 3.503, etc. Line 3.99 (Total) should represent the difference between gross and net premiums for each column.

Lines 4.1 through 4.4 are intended to transfer allocated and unallocated premiums between Columns 2 and 4 due to reporting differences with how a company may reflect such premiums in Schedule T (and thus Line 1 since Schedule T is the starting point of the APE Pt. 1). **If transfers are properly completed:**

**- Column 2 should contain BOTH allocated and unallocated annuities associated with governmental retirement plans qualified under IRC Sections 401, 403(b) and 457 and all other allocated annuities.**

**- Column 4 should contain unallocated annuities associated with benefit plans protected by the Federal Pension Benefit Guaranty Corporation ("PBGC"), government lotteries, book value accounting guaranty for defined contribution benefit plan participants by reference to a portfolio of assets owned by the trustee (commonly referred to as "synthetic GICS"), and all other unallocated annuities including those that fund employee, union or association of natural persons benefit plans (other than those associated with governmental retirement plans qualified under IRC Sections 401, 403(b) or 457, which should be included in Column 2 as mentioned above).**

~~Line 4.1 — Transfer amounts received to fund annuity contracts qualified under Internal Revenue Code Section 403(b) (sometimes referred to as tax-sheltered annuities) from the Annuity Considerations column (Column 2) to the Deposit Type Contract Funds and Other Considerations column (Column 4). This transfer line should be completed by companies that report 403(b) annuity amounts in the Life Contracts — Annuity Considerations column 3 (Life blank) or Life & Annuity Premiums & Other Considerations Column 6 in part (Health blank) of Schedule T. All 403(b) amounts in that column should be transferred to Column 4 of the Base Reconciliation Exhibit, whether the 403(b) contract was issued to a governmental or non-governmental policyholder. The amount entered as a negative in the Annuity Considerations column must exactly match the amount entered as a positive in the Deposit Type Contract Funds and Other Considerations column.~~

~~NOTE: In 1995, the NAIC adopted changes to Section 6.A(1)(b) and 6.A(1)(c) of the Model #520 which effectively reclassified contracts issued under a governmental retirement plan established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code from the unallocated annuity to the allocated annuity account (Non-governmental 401 and 403(b) contracts funded by an unallocated annuity contract remain in the unallocated annuity account.) Although now inconsistent with the adopted change, Base Exhibit, Line 4.1 must continue to be completed in accordance with the instructions in the preceding paragraph since no state has yet adopted this change. Changes to future annual statement instructions, forms or formula charts will be considered at such future date if and when adopted by individual state(s).~~

~~Line 4.2 — Transfer any allocated annuity amounts included in the Deposit Type Contract Funds and Other Considerations column (Column 4) to the Annuity Considerations column (Column 2), except for amounts received to fund annuity contracts qualified under Internal Revenue Code Section 403(b) contracts. This includes all allocated annuity contracts, regardless of whether the annuity is in deferred or payout status, whether the annuity is group or individual, and whether the annuity is qualified or non-qualified for tax purposes.~~

According to Model #520, an “unallocated annuity contract means any annuity contract or group annuity certificate that is not issued to and owned by an individual, except to the extent of any annuity benefits guaranteed to an individual by an insurera reporting entity under thesuch contract or certificate.” An annuity is considered allocated unless it is unallocated. Examples of unallocated annuity contracts might be guaranteed investment contracts, deposit administration contracts, and unallocated funding agreements where no contract or agreement issued by the reporting entity, nor any certificate issued by the reporting entity there under ~~thereunder~~, guarantees individual benefits to specifically identified individuals.

Annuity contracts issued by the reporting entity that are held or owned in an individual retirement account under IRC Section 408(a) (whether the account is a custodial account or a trust), or which qualify as individual retirement annuities under IRC Section 408(b), should be considered allocated.

Group annuities may be allocated or unallocated. (The term “unallocated” is not synonymous with the term “group”.) A group contract or certificate that guarantees annuity benefits to an individual (this is not the guarantee typically found in a guaranteed investment contract or deposit administration -contract which allows the pension trustee or administrator to purchase an annuity for a plan participant at a guaranteed purchase rate) should be considered allocated. In addition to contracts under which periodic payments are being made to individuals, group annuity contracts should be considered allocated if the reporting entity is obligated under the contract upon the request of an individual (or his or her beneficiary) to make either partial or full cash withdrawal payments, which may be subject to plan or statutory restrictions, to the individual (or his or her beneficiary).

The reporting entity will be considered to be obligated upon the request of an individual to make either partial or full cash withdrawal payments if withdrawals or death benefit payments are made from that participant’s account maintained (by the reporting entity or its designee) under the terms of the group annuity contract and regardless of whether such requests are submitted to the reporting entity directly by the individual (or his or her beneficiary) or indirectly through the plan trustee, administrator, sponsor or contract holder at the direction of the individual. ~~As discussed in Line 4.1, the NAIC adopted a change to Model #520 that reclassifies governmental retirement plans established under Section 401, 403(b) and 457 of the Internal Revenue Code to the allocated annuity account. However, until adopted by a state legislature, 403(b) annuities should remain in the Deposit Type Contract Funds and Other Considerations column (Column 4) to be consistent with existing statutes that require that these contracts be included with unallocated annuities for assessment purposes where applicable. Note that the amount entered as a negative in the Deposit Type Contract Funds and Other Considerations column must exactly match the amount entered as a positive in the Annuity Considerations column.~~

Line 4.1 – 3 ——— Transfer ~~all any unallocated annuity~~ amounts received to fund ALLOCATED contracts qualified under IRC Sections 401, 403(b) or 457 from ~~included in the Unallocated Annuity Column (Column 4) to the Allocated Annuity Column~~ Considerations column (Column 2). Companies that report these amounts in the Annuity Considerations Column 5 or 7 (Life blank) or Life & Annuity Premiums & ) to the Deposit Type Contract Funds and Other Considerations Column 6 in part (Health blank) of Schedule T, should complete this transfer line.

All amounts received for allocated contracts qualified under IRC Sections 401, 403(b) or 457 should be transferred to Column 2 of the APE Pt. 1, whether the contracts were issued to a governmental or non-governmental policyholder. ~~column (Column 4)~~. The amount entered as a negative in the Unallocated Annuity Column (Column 4) ~~Considerations column~~ must exactly match the amount entered as a positive in the Allocated Annuity Column (Column 2).

Line 4.2 – Transfer all amounts received to fund UNALLOCATED contracts for governmental plans (or its trustee) qualified under IRC Sections 401, 403(b) or 457 from the Unallocated Annuity Column (Column 4) to the Allocated Annuity Column (Column 2). Companies that report these amounts in the Annuity Considerations Column 5 or 7 (Life blank) or Life & Annuity Premiums & ~~Deposit Type Contract Funds and Other Considerations Column 6 in part (Health blank) of Schedule T, should complete this transfer line. The amount entered as a negative in the Unallocated Annuity Column (Column 4) must exactly match the amount entered as a positive in the Allocated Annuity Column (Column 2).~~column.

Line 4.3 – Transfer any allocated annuity amounts included in the Unallocated Annuity Column (Column 4) to the Allocated Annuity Column (Column 2), except for amounts received to fund allocated annuity contracts qualified under IRC Sections 401, 403(b) or 457, which are to be transferred on Line 4.1. This includes all allocated annuity contracts, regardless of whether the annuity is in deferred or payout status, whether the annuity is group or individual, whether the annuity is qualified or non-qualified for tax purposes and whether the annuity is held or owned in an individual retirement account under IRC Section 408(a) or an individual retirement annuity under IRC Section 408(b). The amount entered as a negative in the Unallocated Annuity Column (Column 4) must exactly match the amount entered as a positive in the Allocated Annuity Column (Column 2).

Line 4.4 – Transfer any unallocated annuity amounts included in the Allocated Annuity Column (Column 2) to the Unallocated Annuity Column (Column 4) other than amounts that fund unallocated contracts owned by a governmental retirement plan (or its trustee) established under IRC Sections 401, 403(b) or 457. The amount entered as a negative in the Allocated Annuity Column must exactly match the amount entered as a positive in the Unallocated Annuity Column.

Line 4.99 – Total for Lines 4.1 through 4.4 Columns 2 and 4. The sum of Columns 2 and 4 on Lines 4.1 through 4.99 should equal zero (0) for each state.

#### **Development of Amounts Included in Lines 1 through 5 That Should Be Deducted in Determining the Gross Premium Base**

On both APE Part 1 and 2, companies ~~Lines 6 through 9.99 are deductions from assessable premium based on the Life and Health Insurance Guaranty Association Model Act (#520) provisions. Companies must be careful not to deduct the same premium or deposits on more than one line. For example, amounts deducted on Line 6-4 as non-guaranteed separate account deposits should not be deducted a second time on APE Pt. 2. Line 7.3 if those separate account deposits represent unallocated annuity deposits for a pension plan contract in excess of \$5 million. Companies may only deduct amounts on Lines 6 through 9.99 (except for certain dividends allowed in amounts on Line 98) to the extent those amounts have been included on Lines 1 through 5 of APE Pt. 1. Lines 6 through 9 are allowable exclusions prior to deductions on APE Pt. 2.~~the Base Reconciliation Exhibit.

~~Lines 6.01—6.99~~ — Enter amounts received for any portion of a policy or contract not guaranteed by the reporting entity, or under which the investment risk is borne entirely by the policy or contract holder. These amounts are those specified at the time of deposit as intended for deposit in separate accounts. Amounts entered on this line ~~these lines~~ are typically non-guaranteed separate account premiums. DO NOT INCLUDE on these lines amounts transferred to any guaranteed separate accounts. **Two types of annuity contracts that should NOT be reported on Line 6 are: (i) modified guaranteed annuities, market-adjusted annuities, or other contracts where the amounts payable on at least one future date do not (or may not) depend solely on the investment performance of assets in the separate accounts; and (ii) guaranteed investment contracts issued to fund pension plans, even if there are ~~non-~~ mortality guarantees or only incidental mortality guarantees.** Such contracts are not properly includable on Line 6 since the reporting entity retains an investment risk.

Amounts entered on Line 6 should correspond to amounts reported on the Annual Statement of Separate Accounts to the extent amounts are included on Lines 1 through 5 of the APE Pt. 1, Line 6 Base Reconciliation Exhibit. ~~Specify deductions and indicate where such amounts were reported in the Annual Statement. Lines 6.1—6.99 should not include transfers to a separate account except to the extent such transfers represent current year premiums included on Lines 1 through 5 of the APE Pt. 1. Do NOT include such amounts in APE Pt. 2 line items Base Reconciliation Exhibit. Companies must specifically identify deductions on Lines 6.01 through 6.99 and indicate where such amounts are reported in the Annual Statement and where they are reported on Lines 1 through 5 of the Base Reconciliation Exhibit.~~

Line 7 — Enter amounts received during the current year for unallocated annuity contracts associated with the Federal Home Loan Bank Program BUT ONLY IF included in Line 5 above. Do NOT include such amounts in APE Pt. 2 line items.

Line 8 — Enter amounts received during the current year only for supplemental contracts (with and without life contingencies) and contracts associated with retained asset programs BUT ONLY IF such amounts are included in APE Pt. 1 Line 5 AND the prior year amounts for the original contracts were reported as assessable premium. For example, if the original premiums were reported as life premiums but deducted as variable separate account business, then the supplemental contract funds would not be an allowable deduction since the original premiums were not reported as assessable premium in the prior years. Do NOT include such amounts in APE-Pt. 2 line items.

Line 9 — Enter dividends, but only if such amounts were not guaranteed in advance. Examples of items that might be reported on Line 9 include dividends applied to pay renewal premiums, paid in cash or left on deposit. Dividends applied to shorten the endowment or premium paying period or to provide paid-up additions or annuities may also be included BUT ONLY IF such items are also reported on APE Pt. 1 ~~Lines 2.3 or 2.4~~ Lines 7.1 —

7.4 — Enter unallocated amounts that meet the descriptions provided on Lines 7.1, 7.2 and 7.3.

Line 7.1 — Allows a deduction for any Excess interest should not be deducted as dividends.

### Assessable Premium Base – Part 1

Line 10 – Assessable premium base before further adjustments.

Footnote 1 – Costs associated with long-term care business are now to be allocated among all accounts (historically they have been treated solely as health business) such that the costs are allocated between life and health companies as defined in the guaranty association statutes or plan of operations for long-term care cost allocation purposes only. In general, the allocation is designed to achieve a 50/50 split, although variances may occur by state. In order to determine if a member company is a life or health company, assessable health premiums for this purpose only are to exclude premiums associated with disability and long-term care business. Report in Footnote 1 (Parts a and b) the assessable premium for standalone business included on APE Pt. 1 Line 10 for these blocks. Include both short term and long-term disability premiums. Do NOT include disability or long-term care premiums that relate to coverage under a rider attached to a life or annuity product. Premiums for these riders should be reported with the original base policy designation (e.g. life or annuity).

Footnote 2 – Please provide for each state in which business is reported the primary contact information that a guaranty association may use to address assessment inquiries (billing, payment etc.).

<u>Name:</u>	
<u>Department</u>	
<u>Street Address</u>	
<u>City, State, Zip</u>	
<u>Direct Phone Number</u>	
<u>Email address</u>	

## Assessable Premium Exhibit – Part 2

The APE Pt. 2 has the same four columns used for APE Pt. 1. Column 1 is for all individual and group life insurance premiums. Column 2 is for all allocated annuity amounts (whether called premiums, deposits, or considerations), including annuities held or owned in an individual retirement account under IRC Section 408(a) (whether the account is a custodial account or a trust), or which qualify as individual retirement annuities under IRC Section 408(b) and both allocated and unallocated annuity governmental retirement plans established under IRC Sections 401, 403(b) or 457. Column 3 is for all individual and group accident and health premiums. Column 4 is for all unallocated annuity amounts (whether called premiums, deposits, or considerations) other than amounts received ~~contract that is not issued to or in~~ connection with governmental retirement benefit plans qualified under IRC Sections 401, 403(b) or 457 (which should be in Column 2). Companies are required to complete each line of the APE Pt. 2 for all states, District of Columbia and Puerto Rico in which they were licensed or had business during the reporting year along with a grand total page. DO NOT SUBMIT the APE Pt. 2 for American Samoa, Guam, U.S. Virgin Islands, Canada, Northern Mariana Islands and other alien jurisdictions.

APE Pt. 2 requires certain adjustments in all accounts to obtain the correct state level assessable premium with emphasis in both the allocated and unallocated annuity accounts. All lines for all columns must be completed for all states in which your company is licensed or had business during the survey year. Deductions related to unallocated annuity contracts MUST be detailed on Lines 14 through 21, where appropriate.

Certain line items pertain only to specific states (Iowa, Kansas, Louisiana, Minnesota and New Jersey) and must be completed accordingly

Line 11 – Assessable Premium Base – Part 1

The amount from Line 10 of the APE Pt. 1 should be transferred to Line 11 of the APE Pt. 2.

Line 12.1-12.2 – Enter amounts received in excess of \$1 million (Line 12.1) or \$5 million (Line 12.2) for multiple non-group policies of life insurance owned by one owner (commonly referred to as “COLI/BOLI”) whether the policy or contract owner is an individual, firm, corporation or other person, and whether the persons insured are officers, managers, employees or other persons regardless of the number of policies and contracts held by the owner.

Line 13.1-13.99– Enter amounts received for certain accident & health policies. Lines 13.5 (stop loss) and 13.6 (MEWA, ASO etc.) should only apply to the extent the plan or program is self-funded or uninsured.

Line 14 – All amounts related to annuities issued in connection with plans qualified under IRC Section 403(b) (“403(b) premiums”) (both allocated and unallocated) should be included in Column 2 (Allocated Annuity and Other Allocated Fund Deposits) on the APE Pt. 1 presuming your transfers on APE Pt. 1 Line 4.1 are done correctly. These amounts must be transferred to Column 4 (Unallocated Annuity and Other Unallocated Fund Deposits) in order to include the 403(b) premiums for allocated annuities in Column 4 for certain states that have not adopted the most recent account structure. The amount to be transferred from Column 2 to Column 4 represents the amount of 403(b) premiums for allocated annuity contracts ONLY to the extent included in Lines 10 of APE Pt. 1 and 11 of APE Pt. 2. Those companies that originally reported these 403(b) premiums in Column 2 of the APE Pt. 1 must transfer such amounts to Column 4 even though no original transfer was required on APE Pt. 1 Line 4.1. Enter in Column 2 a negative amount and Column 4 a corresponding positive amount (both amounts must be the same).

The total for Line 14 Columns 2 and 4 should equal zero (0) in all states.

Line 15.1-15.6 – Companies that have unallocated funding obligations to provide a book value accounting guaranty for defined contribution benefit plan participants by reference to a portfolio of assets that is owned by the benefit plan or its trustee, which in each case is not an affiliate of the member insurer (commonly referred to as “synthetic GICs”) must report such amounts on the applicable Line 15. Lines 15.1, 15.2 and 15.3 are mutually exclusive.

Lines 15.5 and 15.6 need to be completed (respectively) for Minnesota and New Jersey business only.

Line 15.3 should only include those amounts in excess of \$5 million. For example, for a \$15 million contract providing a book value accounting guaranty, the company should report \$1 million on Line 15.1, \$4 million on Line 15.2 and \$10 million on Line 15.3.

Lines 16.1-16.3 – Companies that have unallocated funding obligations that are not issued to or in connection with a specific employee, union, or association of natural persons benefit plan or a government lottery must report such amounts on the applicable Line 16. An example of an appropriate Line 16.1 deduction would be amounts received to fund a municipal guaranteed investment contract (commonly referred to as “Muni-GICs”). Line 16.3 applies to New Jersey business only.

Lines 17.1-18.2 – Companies that have unallocated funding obligations annuity contract issued to fund government lotteries or in connection with a specific an employee, union, or association of natural persons benefit plans that are NOT: (a) governmental retirement plans established under IRC Sections 401, 403(b) or 457, or (b) plan protected by under the Federal Pension Benefit Guaranty Corporation must report such amounts on the applicable Lines 17 or 18. Lines 17.1, 17.2 and 17.3 are mutually exclusive.

Lines 17.5 to 18.2 need to be completed (respectively) for Minnesota (line 17.5), New Jersey (line 18.1) and Iowa (Line 18.2) business only. Like the example in Line 15, Line 17.3 should only include those amounts in excess of \$5 million. As mentioned on APE Pt. 1 Line 3, for those contracts that have annuitized, the Company should report a deduction of \$5 million on APE Pt. 2 Line 17.3 in Column 4 in the second or subsequent years. For additional details, please refer to the instructions for lines APE Pt. 1 Lines 3.1-3.99.

Lines 19.1-19.8 – Premium, funds or considerations related to unallocated annuities that fund governmental retirement benefit plans qualified under IRC Sections 401, 403(b) and 457 are included in APE Pt. 1 Line 10 and APE Pt. 2 Line 11, Column 2. They must be transferred to Column 4 before certain unallocated deductions can be taken. For all such premiums, funds or considerations enter in Column 2 a negative amount and in Column 4 a corresponding positive amount (both amounts must be the same). Lines 19.1, 19.2 and 19.3 are mutually exclusive. Like the example in Line 15, Line 19.3 should only include those amounts in excess of \$5 million.

Lines 19.5 and 19.6 need to be completed (respectively) for Minnesota and New Jersey business only.

For Louisiana, Line 19.7 should include only amounts related to unallocated annuities issued in connection with governmental retirement benefit plans qualified under IRC Section 403(b). Report all such amounts as a positive in Column 4.

For Kansas, Line 19.8 should include only amounts related to unallocated annuities issued in connection with governmental deferred compensation plans qualified under IRC Section 457. Report all such amounts as a positive in Column 2.

Lines 20.1-20.2 – Companies that have unallocated annuity contracts issued to an employee benefit plan protected by the Federal Pension Benefit Guaranty Corporation must report such amounts on Lines 20.1 and 20.2.(PBGC). Employee benefit plans protected by the PBGC are defined benefit plans only and do not include defined contribution plans.

~~Line 7.3~~ — ~~Allows a deduction for unallocated annuity premiums in excess of \$5 million for unallocated government lotteries and for any unallocated employee, union or association of natural persons benefit plans that is not: (a) governmental retirement plan established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code or (b) protected under the Federal Pension Benefit Guaranty Corporation. Line 7.3 should only include those amounts in excess of \$5 million. For example, for a \$15 million guaranteed investment contract issued to an employee benefit plan, the company should report \$10 million (i.e., amounts in excess of \$5 million) on Line 7.3. Do not include on Lines 7.1, 7.2 or 7.3 amounts that have been reported as transfers or deductions on any other lines (e.g., Lines 4.2, 6, 7.1, 7.2 or 7.3).~~

~~Line 8~~ — ~~Enter dividends and experience rating credits, but only if such amounts were not guaranteed in advance. Examples of items that might be reported on Line 8 include: (i) non-guaranteed amounts that constitute a return of premiums collected in the current year and paid out of divisible surplus; and (ii) non-guaranteed experience rating credits that were not already deducted in determining Lines 1 and 2. Excess interest should not be deducted as dividends.~~

~~Line 21~~ — ~~Lines 9.01-9.99~~ — Enter any other deductible amounts with a clear explanation of the nature of such deduction on Lines ~~219.01, 219.02, 219.03, etc.~~ An example of an appropriate deduction is experience rating refunds (Column 3 but only if reported as premium income) or annuitization activity to avoid double counting premiums (Column 2 or 4~~the premiums received for the Federal Employee Health Benefits Plan contracts in the Accident and Health column (Column 3).~~ Deductions are not permitted for premiums received for the Federal Employee Group Life Insurance. Line ~~219~~ should not be used as a substitute for deductions that are to be reported on any of the above lines. Deductions are not permitted ~~in the first three columns~~ for amounts received in excess of coverage limits specified in the Guaranty Laws (i.e., a reporting entity cannot deduct amounts received or contract values in excess of ~~\$250400,000~~ related to allocated annuity contracts).

~~Line 22~~ — Represents the assessable premium base for all states – see state specific formula.

NOTE: Cross check for APE Pt. 2 Column 4

The aggregate amounts on APE Pt. 2 Lines 15.4, 16.2, 17.4, and 20.2 should equal APE Pt. 2 Line 11, Column 4.

#### **~~Model Act Base~~**

~~Line 11~~ — Line 11 equals Line 5 minus Line 10.



**ADJUSTMENTS TO THE**  
**LIFE, HEALTH AND ANNUITY GUARANTY ASSOCIATION**  
**MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT**

**Introduction**

The purpose of the Adjustments to the Life, Health and Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (Adjustments Exhibit) is to collect premium information needed by State Guaranty Associations to make assessments. The Adjustments Exhibit must be prepared with the same care and accuracy that would be used in preparing the Annual Statement, since the information is being provided to the Guaranty Fund Associations.

These instructions are intended to assist companies in completing the Adjustments Exhibit. ~~22~~ — Represents the assessable premium base. If a company is unsure if it is a member of a life, health and annuity guaranty association, it should contact the state life, health and annuity guaranty associations in its state of domicile or state(s) where it is licensed to write life, health and annuity business.

The Adjustments Exhibit has four columns: Column 1 is for all individual and group life insurance premiums; Column 2 is for all individual and group allocated annuity amounts (whether called premiums, deposits, or considerations); Column 3 is for all individual and group accident and health premiums; and Column 4 is for all unallocated annuity amounts (whether called premiums, deposits or considerations). However, the Adjustments Exhibit requires annuity information only for states — see state that have not adopted the most recent *Life and Health Insurance Guaranty Association Model Act* (#520). Companies are required to complete each line of the Adjustments Exhibit for all states, District of Columbia and Puerto Rico in which they were licensed or had business during the reporting year, except for those states that use the Base Reconciliation Exhibit for their respective assessment premium base (these states may be identified by referring to the respective assessment premium base formulas). DO NOT SUBMIT the Adjustments Exhibit for American Samoa, Guam, U.S. Virgin Islands, Canada, Northern Mariana Islands and other alien jurisdictions. If your company writes only life and/or accident and health insurance, there is no need to submit the Adjustments Exhibit (you may enter any miscellaneous adjustment your company may have to life and accident and health business on Line 9 of the Base Exhibit pursuant to the applicable instructions.)

Should you have questions about how to fill out the Adjustments Exhibit, and the answers are not provided in the instructions below, you may wish to consult the Model #520, particular State Guaranty Acts, the *Annual Statement Instructions*, your company attorney, particular State Insurance Departments, or particular State Guaranty Association Administrators.

**Adjustments to the Base Reconciliation Exhibit**

All Lines (except Lines 5.3, 6.4 and 9) of Column 4 (Unallocated Annuity Considerations and Other Unallocated Fund Deposits) and Line 2 of Column 2 (Allocated Annuity and Other Allocated Fund Deposits) must be completed for all states in which your company is licensed or did business during the survey year, except for those states that use the Base Reconciliation Exhibit for their respective assessment premium base. (These states may be identified by referring to the respective assessment premium base formulas.) DO NOT SUBMIT the Adjustments Exhibit for American Samoa, U.S. Virgin Islands, Canada, Northern Mariana Islands and other alien jurisdictions.

Deductions related to unallocated annuity contracts MUST be detailed on Lines 3 through 9, where appropriate. Deductions on Line 10 related to amounts received on unallocated annuity contracts WILL NOT be allowed.

Line 1 ————— Model Act Base

The amount from Line 11 of the Base Reconciliation Exhibit should be transferred to Line 1 of the Adjustments Exhibit.

- ~~Line 2 — All 403(b) annuities are included in Column 4 (Unallocated Annuity and Other Unallocated Fund Deposits) on the Base Reconciliation Exhibit and must be transferred to Column 2 (Allocated Annuity and Other Allocated Fund Deposits) for certain states that have not adopted the most recent Model #520 in its entirety. The amount to be transferred from Column 4 to Column 2 represents the amount of 403(b) annuity premiums included in Line 1 of the Adjustments Exhibit, regardless of whether it was originally reported in Column 2 or Column 4 of the Base Reconciliation Exhibit. Those companies that originally reported 403(b) premiums in Column 4 of the Base Reconciliation Exhibit must transfer such amounts to Column 2 even though no original transfer was required on Line 4.1 of the Base Reconciliation Exhibit.~~
- ~~Lines 3.1 and 3.2 — Companies that have unallocated funding obligations that are not issued to or in connection with a specific formula employee, union or association of natural persons benefit plan or government lottery (Line 7.1 of the Base Reconciliation Exhibit) must report such amounts on Lines 3.1 and 3.2. Line 3.2 should include any amounts reported on Line 3.1.~~
- ~~Lines 4.1, 4.2 and 4.3 and 4.5 — Companies that have unallocated funding obligations issued to fund government lotteries or employee, union or association of natural persons benefit plans that are NOT: (a) governmental retirement plans established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation must report such amounts on Lines 4.1, 4.2 and 4.3. Line 4.4 equals the sum of Lines 4.1, 4.2 and 4.3. Lines 4.1, 4.2 and 4.3 are mutually exclusive. Line 4.5 needs to be completed for Minnesota business only.~~
- ~~Lines 5.1, 5.2 and 5.3 and 5.4 — Companies that have unallocated funding obligations issued to fund governmental retirement plans established under Sections 401 and 457 of the U.S. Internal Revenue Code must report such amounts on Lines 5.1, 5.2 and 5.3. Line 5.2 should include the amounts reported on Line 5.1. Line 5.3 needs to be completed for New Jersey business only. Line 5.4 needs to be completed for Minnesota business only.~~
- ~~Lines 6.1, 6.2 and 6.4 and 6.5 — Companies that have unallocated funding obligations issued to fund governmental retirement plans established under Section 403(b) of the U.S. Internal Revenue Code must report such amounts on Lines 6.1 and 6.2. Line 6.3 equals the sum of Lines 6.1 and 6.2. Lines 6.1 and 6.2 are mutually exclusive. Line 6.4 needs to be completed for New Jersey business only. Line 6.5 needs to be completed for Minnesota business only.~~
- ~~Lines 7.1, 7.2 and 7.3 — Companies that have unallocated annuity contracts issued to an employee benefit plan protected by the Federal Pension Benefit Guaranty Corporation (Line 7.2 of the Base Reconciliation Exhibit) must report such amounts on Lines 7.1 and 7.2. Line 7.2 should include the amounts reported on Line 7.1. Line 7.3 needs to be completed for New Jersey business only.~~
- ~~Line 8 — Companies that have unallocated funding obligations issued to fund government lotteries must report such amounts up to \$5 million per contract holder. This line should be completed for New Jersey business only. Line 9 — Companies that have unallocated funding obligations that fund employee or association of natural persons benefit plans in New Jersey in excess of \$2 million need to report receipts up to \$5 million per contract. This line should be completed for New Jersey business only.~~

~~Line 10 Aggregate Write ins for Other Deductions~~

~~Enter the total of the write ins listed in schedule “Details of Write ins Aggregated at Line 10 for Other Deductions.”~~

~~Line 11 Represents the preliminary assessment base calculation for those states that have not adopted the most recent Model #520.~~

~~Details of Write ins Aggregated at Line 10 for Other Deductions~~

~~The company must provide a clear explanation of the amounts included on Line 10. Amounts deducted on any other lines on the Base Reconciliation Exhibit or Adjustments Exhibit should not be reported here, since to do so would amount to a duplicate deduction. Line 10 should not be used as a substitute for deductions that are to be reported on any of the above lines. In addition, deductions are not permitted in the first three columns for amounts received in excess of coverage limitations specified in the Guaranty Laws (e.g., a reporting entity cannot deduct amounts received or contract values in excess of \$100,000 related to allocated annuity contracts).~~

~~NOTE: Cross check for Adjustments Exhibit Lines 3.2, 4.3 and 7.2, Column 4~~

~~The aggregate amounts on Adjustments Exhibit Lines 3.2, 4.3 and 7.2 should equal the aggregate of the amounts on Base Exhibit Lines 7.1, 7.2 and 7.3 less the amount reported on Base Exhibit Line 3.3.~~

## ANNUAL STATEMENT BLANK – LIFE, HEALTH AND PROPERTY

**LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION**  
**ASSESSABLE PREMIUM MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT – PART 1**

For The Year Ended December 31, \_\_\_\_\_  
 (To Be Filed by April 1)

OF THE \_\_\_\_\_

NAIC COMPANY CODE \_\_\_\_\_

Direct Business in the State of \_\_\_\_\_

	1	2 <u>Allocated Annuity and Other Allocated Fund Deposits &amp; Considerations</u>	3 <u>Accident and &amp; Health Premiums</u>	4 <u>Unallocated Annuity and Other Unallocated Fund Deposits &amp; Deposit-Type Contract Funds and Other Considerations</u>
<b>DEVELOPMENT OF ASSESSABLE PREMIUMS, CONSIDERATIONS AND DEPOSITS BEFORE ADDITIONAL ADJUSTMENTS PREMIUMS, CONSIDERATIONS AND DEPOSITS</b>	Life Insurance Premiums			
1. Premiums, considerations and deposits from Schedule T or Exhibit of Premiums and Losses.....	.....	.....	.....	.....
2. Premiums, considerations and deposits NOT reported in Schedule T or Exhibit of Premiums and Losses, including investment contract receipts credited to liability account	.....	.....	.....	.....
2.1 Contract fees for variable contracts with guarantees .....	.....	.....	.....	.....
2.2 Reporting entity contributions to employee benefits plans <del>Any other premiums, considerations and deposits not reported in Schedule T or Exhibit of Premiums and Losses</del> .....	.....	.....	.....	.....
2.3 Dividends or refunds applied to purchase paid-up additions and annuities.....	.....	.....	.....	.....
2.4 Dividends or refunds applied to shorten endowment or premium paying period.....	.....	.....	.....	.....
2.5 Premium and annuity considerations waived under disability or other contract provisions .....	.....	.....	.....	.....
2.6 Aggregate write-ins for other considerations, if any.....	.....	.....	.....	.....
2.99 Total (Lines 2.1 through 2.6).....	.....	.....	.....	.....
3. Amounts, if applicable, that were deducted prior to determining amounts included in Lines 1 and 2 which are in the following categories:				
3.1 Transfers to guaranteed Separate Accounts .....	.....	.....	.....	.....
3.2 Roll over of GICs or annuities into other companies.....	.....	.....	.....	.....
3.3 Surrenders or other benefits paid out .....	.....	.....	.....	.....
3.4 Excess interest credited to accounts .....	.....	.....	.....	.....
3.5 Aggregate write-ins for other amounts deducted prior to determining amounts included in Lines 1 or 2.....	.....	.....	.....	.....
3.99 Total (Lines 3.1 through 3.5).....	.....	.....	.....	.....
4. Transfers between Columns 2 and 4 (Note allocated governmental retirement plans established under Sections 401, 403(b) or 457 are to be transferred on Line 4.1. unallocated governmental retirement plans are to be transferred on Lines 4.2-4.4)				
4.1 Enter in Column 2, as a <del>positive</del> negative number, and Column 4, as a <del>negative</del> positive number, the total— of all <u>ALLOCATED</u> contracts issued to fund both governmental and non-governmental retirement plans (or its trustee) <del>amounts received to fund contracts established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code, that are included in Column 4, Lines 1, 2.99 and 3.99</del> .....	XXX	.....	XXX	.....
4.2 Enter in Column 2, as a positive number, and Column 4 as a negative number, <u>the total of all UNALLOCATED contracts issued to fund ONLY governmental retirement plans (or its trustee) established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code</u> <del>any amounts that are included in any amounts reported in Column 4, Lines 1, 2.99 and 3.99 that are allocated. (Note: amounts received to fund contracts established under 403(b) of the U.S. Internal Revenue Code should not be included in Line 4.2</del> .....	XXX	.....	XXX	.....
4.3 Enter in Column 2, as a positive number, and Column 4, as a negative number, <u>the total of all other amounts reported in Column 4, Lines 1, 2.99 and 3.99 that are allocated. (Note: Do NOT include amounts received to fund allocated annuity contracts owned by both non-governmental and governmental retirement plans (or its trustee) established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code as these amounts are to be included on Line 4.1).</u> .....	XXX	.....	XXX	.....
4.4 Enter in Column 4, as a positive number, and Column 2 as a negative number, <u>the total of all amounts any amounts reported in Column 2, Lines 1, 2.99, and 3.99 that are unallocated, other than amounts that fund unallocated contracts owned by a governmental retirement plan (or its trustee) established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code as these amounts should remain in Col. 2</u> .....	XXX	.....	XXX	.....
4.99 Total (Lines 4.1 through 4.4+ 4.2 + 4.3).....	.....	.....	.....	.....
5. Total (Lines 1 + 2.99 + 3.99 + 4.99)	.....	.....	.....	.....
<b>DEVELOPMENT OF AMOUNTS INCLUDED IN LINES 1 THRU 5 THAT SHOULD BE DEDUCTED IN DETERMINING THE BASE THE BASE PRIOR TO ADDITIONAL ADJUSTMENTS IN PART 2. Do not include any amount more than once in Lines 6 through 9.</b>				
6. <del>Non-guaranteed separate account business in which the Aggregate write-ins for amounts where the insurer is not subject to risk. Premiums are for portions of policies or contracts NOT guaranteed or under which the entire investment risk is borne by the policyholder. (Please specify such deductions and indicate where such amounts were reported in the Annual Statement</del> .....	.....	.....	.....	.....
7. Current year amounts received as part of the Federal Home Loan Bank program BUT ONLY IF included in Line 5 .....	.....	.....	.....	.....
8. Current year amounts received for supplemental contracts and retained asset programs BUT ONLY IF included in Line 5 and if any prior years original premiums were reported as assessable premium... ..	.....	.....	.....	.....
<del>7. Amounts NOT allocated to individuals or individual certificate holders or amounts received for such contracts in excess of limits:</del>				
<del>7.1 Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans.....</del>	XXX	XXX	XXX	.....
<del>7.2 Unallocated funding obligations that fund any employee, union or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation</del>	XXX	XXX	XXX	.....

7.3	Unallocated funding obligations that fund governmental lotteries or employee, union, or association of natural persons benefit plans in excess of \$5 million per contract which are NOT: (a) government retirement plans established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation.	XXX	XXX	XXX	.....
7.4	Total (Lines 7.1 + 7.2 + 7.3)	XXX	XXX	XXX	.....
98.	Dividends/Experience rating credits paid or credited, but only if NOT guaranteed in advance (include only amounts NOT already deducted in determining Lines 1 and 2)	.....	.....	.....	.....
9.	Aggregate write-ins for Other Deductions	.....	.....	.....	.....
10.	Total (Lines 6 + 7.4 + 8 + 9)	.....	.....	.....	.....
<b>ASSESSABLE PREMIUM MODEL ACT-BASE BEFORE ADDITIONAL ADJUSTMENTS IN PART 2(LINE 5 - LINE 10)</b>					
104.Current Year before Part 2 additional adjustments – (Line 5 – 6 – 7 - 8 - 9)					
<b>DETAILS OF WRITE-INS</b>					
2.601	.....	.....	.....	.....	.....
2.602	.....	.....	.....	.....	.....
2.603	.....	.....	.....	.....	.....
2.698	Summary of remaining write-ins for Line 3.5 from overflow page	.....	.....	.....	.....
2.699	Total (Lines 2.601 through 2.603 plus 2.698) (Line 3.5 above)	.....	.....	.....	.....
<b>DETAILS OF WRITE-INS</b>					
3.501	.....	.....	.....	.....	.....
3.502	.....	.....	.....	.....	.....
3.503	.....	.....	.....	.....	.....
3.598	Summary of remaining write-ins for Line 3.5 from overflow page	.....	.....	.....	.....
3.599	Total (Lines 3.501 through 3.503 plus 3.598) (Line 3.5 above)	.....	.....	.....	.....
0601	.....	.....	.....	.....	.....
0602	.....	.....	.....	.....	.....
0603	.....	.....	.....	.....	.....
0698	Summary of remaining write-ins for Line 6 from overflow page	.....	.....	.....	.....
0699	Total (Lines 0601 through 0603 plus 0698) (Line 6 above)	.....	.....	.....	.....
0901	.....	.....	.....	.....	.....
0902	.....	.....	.....	.....	.....
0903	.....	.....	.....	.....	.....
0998	Summary of remaining write-ins for Line 9 from overflow page	.....	.....	.....	.....
0999	Total (Lines 0901 through 0903 plus 0998) (Line 9 above)	.....	.....	.....	.....
Footnote 1: For purposes of allocating Long Term Care ("LTC") costs involving an insolvent company, please indicate the premium associated with standalone Disability Income ("DI" - include both short and long term) and Long-Term Care business included in Line 10, Column 3. Note DI and LTC premium associated with a rider that is attached to a life or annuity policy should NOT be included.					
1 a)	Disability Income (include both short and long term)	XXX	XXX		XXX
1 b)	Long-term care	XXX	XXX		XXX
Footnote 2: For purposes of all billed assessment inquiries, please indicate the individual for each state that the guaranty association should contact regarding assessment inquiries (billing, payment, etc.)					
Individual name					
Title					
Department					
Street address					
City, State ZIP					
Direct phone number					
Email address					

**ADJUSTMENTS TO THE  
LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION MODEL ACT  
ASSESSMENT BASE RECONCILIATION  
ASSESSABLE PREMIUM EXHIBIT – PART 2**

For The Year Ended December 31, \_\_\_\_  
(To Be Filed by April 1)

OF THE ..... NAIC COMPANY CODE.....

Direct Business in the State of .....

	1	2	3	4
	Life Insurance Premium	Allocated Annuity and Other Allocated Fund Deposits	Accident & Health Premium	Unallocated Annuity & Other Unallocated Fund Deposits
11. Line 10 of the Assessable Premium Exhibit – Part 1 <del>MODEL ACT BASE (Line 11 of the Reconciliation Exhibit)</del>				
<b>AMOUNTS REQUIRED TO DETERMINE THIS STATE'S ASSESSMENT BASE</b>				
12. Premium received for multiple non-group policies of life insurance owned by one owner:				
12.1 Amounts in excess of \$1 million .....	.....	XXX	XXX	XXX
12.2 Amounts in excess of \$5 million .....	.....	XXX	XXX	XXX
13. Excludable premiums for accident and health contracts:				
13.1 Federal Employees Health Benefit Program .....	XXX	XXX	.....	XXX
13.2 Medicare Title XVIII (note Medicare Part D stand alone plans are to be reported separately on Line 13.3) .....	XXX	XXX	.....	XXX
13.3 Medicare Part D stand alone plans .....	XXX	XXX	.....	XXX
13.4 Medicaid Title XIX .....	XXX	XXX	.....	XXX
13.5 Stop loss contracts .....	XXX	XXX	.....	XXX
13.6 MEWA, ASO, minimum premium group plans to the extent these plan or program are self-funded or uninsured .....	XXX	XXX	.....	XXX
13.7 State Children's Health Insurance Program Title XXI .....	XXX	XXX	.....	XXX
13.99 Total (Lines 13.1 through 13.7) .....	XXX	XXX	.....	XXX
14. Enter in Column 2, as a <del>negative</del> <u>positive</u> number, and Column 4, as a <del>positive</del> <u>negative</u> number, the total of all amounts included in Column 2, Line 11 above that have been received to fund <del>ALLOCATED</del> <u>Allocated</u> contracts established under Section 403(b) of the U.S. Internal Revenue Code, include both governmental and non-governmental plans that are included in Column 4, Line 1 above .....	XXX	.....	XXX	.....
15. Amounts received from obligations to provide a book value accounting guaranty for defined contribution benefit plan participants by reference to a portfolio of assets that is owned by the benefit plan or its trustee, which in each case is not an affiliate of the member insurer:				
15.1 Amounts NOT in excess of \$1 million per contract .....	XXX	XXX	XXX	.....
15.2 Amounts in excess of \$1 million but NOT in excess of \$5 million per contract .....	XXX	XXX	XXX	.....
15.3 Amounts in excess of \$5 million per contract .....	XXX	XXX	XXX	.....
15.4 Total (Lines 15.1 + 15.2 + 15.3) .....	XXX	XXX	XXX	.....
15.5 Amounts NOT in excess of \$10 million per contract (Minnesota only) .....	XXX	XXX	XXX	.....
15.6 Amounts in excess of \$2 million per contract (New Jersey only) .....	XXX	XXX	XXX	.....
16. <del>Unallocated funding obligations that are</del> <u>Unallocated funding obligations that are</u> NOT issued to or in connection with a <del>fund</del> <u>fund</u> government lottery <del>ies</del> <u>ies</u> or a specific employee, union, or association of natural persons benefit plans:				
16.1 Amounts NOT in excess of \$1 million per contract .....	XXX	XXX	XXX	.....
16.2 All amounts (include amounts reported on Line 16.1) .....	XXX	XXX	XXX	.....
16.3 Amounts in excess of \$2 million per contract that are NOT issued to a specific employee, union, or association of natural persons benefit plans (New Jersey only) .....	XXX	XXX	XXX	.....
17. Unallocated funding obligations issued to or in connection with a <del>fund</del> <u>fund</u> government lottery <del>ies</del> <u>ies</u> , based on the resident of the owner, <del>s</del> <u>s</u> or a specific employee, union, or association of natural persons benefit plans, based on the principal place of business of the plan sponsor, which are NOT: (a) governmental retirement plans established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation:				
17.1 Amounts NOT in excess of \$1 million per contract .....	XXX	XXX	XXX	.....
17.2 Amounts in excess of \$1 million but NOT in excess of \$5 million per contract .....	XXX	XXX	XXX	.....
17.3 Amounts in excess of \$5 million per contract .....	XXX	XXX	XXX	.....
17.4 Total (Lines 17.1 + 17.2 + 17.3) .....	XXX	XXX	XXX	.....
17.5 Amounts up to \$10.075 million per contract (Minnesota only) .....	XXX	XXX	XXX	.....
18. Amounts for contracts issued to fund a specific employee, union, or association of natural persons benefit plans, based on the principal place of business of the plan sponsor:				
18.1. Amounts NOT in excess of \$2 million per contract for contracts issued to fund a specific employee, union, or association of natural persons benefit plans, based on the principal place of business of the plan sponsor (New Jersey only) .....	XXX	XXX	XXX	.....
18.2. Amounts NOT in excess of \$5 million per contract for contracts issued to fund a specific employee, union, or association of natural persons benefit plans, based on the principal place of business of the plan sponsor (Iowa only) .....	XXX	XXX	XXX	.....

5. Unallocated funding obligations issued to fund governmental retirement plans established under Sections 401 and 457 of the U.S. Internal Revenue Code:				
5.1	Amounts in excess of \$1 million per contract .....	XXX	XXX	XXX
5.2	All amounts .....	XXX	XXX	XXX
5.3	Amounts in excess of \$2 million per contract (New Jersey Only) .....	XXX	XXX	XXX
5.4	Amounts not in excess of \$7.5 million per contract (Minnesota only) .....	XXX	XXX	XXX
196. Enter in eColumn 2, as a negative number, and Column 4, as a positive number, the total of all amounts included in eColumn 2 Line 11 above that have been received to fund UNALLOCATED contracts owned by a funding obligations issued to fund governmental retirement benefit plans established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code:				
196.1	Amounts NOT in excess of \$1 million per contract .....	XXX	XXX	XXX
19.2	Amounts in excess of \$1 million but NOT in excess of \$5 million per contract .....	XXX	XXX	XXX
19.36.2	Amounts in excess of \$54 million per contract .....	XXX	XXX	XXX
19.46.3	Total (Lines 619.1 + 619.2 + 19.3) .....	XXX	XXX	XXX
19.5	Amounts NOT in excess of \$10 million per contract (Minnesota only) .....	XXX	XXX	XXX
19.66.4	Amounts NOT in excess of \$2 million per contract (New Jersey only) .....	XXX	XXX	XXX
6.5	Amounts not in excess of \$7.5 million per contract (Minnesota only) .....	XXX	XXX	XXX
19.7	Enter in Column 4, as a positive number, all amounts received to fund UNALLOCATED contracts owned by a governmental retirement benefit plan (or its trustee) established under Section 403(b) of the U.S. Internal Revenue Code (Louisiana only) .....	XXX	XXX	XXX
19.8	Enter in Column 2, as a positive number, all amounts received to fund UNALLOCATED contracts owned by a governmental deferred compensation plan (or its trustee) established under Section 457 of the U.S. Internal Revenue Code (Kansas only) .....	XXX	XXX	XXX
207. Unallocated funding obligations issued to or in connection with that fund employee, union, or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation:				
207.1	Amounts NOT in excess of \$1 million per contract .....	XXX	XXX	XXX
207.2	All amounts (include amounts reported on Line 20.1) .....	XXX	XXX	XXX
7.3	Amounts NOT in excess of \$2 million per contract (New Jersey only) .....	XXX	XXX	XXX
8. Unallocated funding obligations issued to fund government lotteries NOT in excess of \$5 million per contract holder (New Jersey Only) .....				
9. Unallocated funding obligations that fund employee or association of natural persons benefit plans in excess of \$2 million but NOT in excess of \$5 million per contract (New Jersey Only) .....				
2140. Aggregate write-ins for other deductions				
BASE				
224. ASSESSABLE PREMIUM BASE after adjustments – see state specific formula Current Year (20 )				
<b>DETAILS OF WRITE-INS</b>				
21.4001.	.....	.....	.....	.....
21.4002.	.....	.....	.....	.....
21.4003.	.....	.....	.....	.....
21.4098.	Summary of remaining write-ins for Line 40-21 from overflow page .....	.....	.....	.....
21.4099.	Totals (Lines 21.4001 through 21.4003 plus 21.4098) (Line 2140 above)	.....	.....	.....

OVERFLOW PAGE FOR WRITE-INS

## ANNUAL STATEMENT BLANK – LIFE

### SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a “NONE” report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

#### Responses

#### MARCH FILING

1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? .....
2. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? .....
3. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? .....
4. Will an actuarial opinion be filed by March 1? .....

#### APRIL FILING

5. Will Management’s Discussion and Analysis be filed by April 1? .....
6. Will the Life, Health & Annuity Guaranty Association ASSESSABLE PREMIUM Model Act Assessment Base Reconciliation Exhibit – Parts 1 and 2 be filed with the state of domicile and the NAIC by April 1? .....
- ~~7. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1? .....~~
- ~~78. Will the Supplemental Investment Risks Interrogatories be filed by April 1? .....~~

#### JUNE FILING

- ~~98. Will an audited financial report be filed by June 1? .....~~
- ~~409. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? .....~~

#### AUGUST FILING

- ~~4410. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? .....~~

The following supplemental reports are required to be filed as part of your annual statement filing **if your company is engaged in the type of business covered by the supplement. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a “NONE” report and a bar code will be printed below.** If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

#### MARCH FILING

- ~~4211. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? (Not applicable to fraternal benefit societies) .....~~
- ~~4312. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? .....~~
- ~~4413. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1? .....~~
- ~~4514. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~4615. Will the actuarial opinion on non-guaranteed elements as required in interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~4716. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~4817. Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~4918. Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~2019. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~2120. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~2221. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~2322. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~2423. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? .....~~
- ~~2524. Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1? .....~~



## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

	<del>26</del> <u>25</u> .	Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1?	.....
	<del>27</del> <u>26</u> .	Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1?	.....
	<del>28</del> <u>27</u> .	Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1?	.....
	<del>29</del> <u>28</u> .	Will the Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities be filed with the state of domicile and electronically with the NAIC by March 1?	.....
	<del>30</del> <u>29</u> .	Will the Workers' Compensation Carve-Out Supplement be filed by March 1? (Not applicable to fraternal benefit societies)	.....
	<del>31</del> <u>30</u> .	Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1?	.....
	<del>32</del> <u>31</u> .	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	.....
	<del>33</del> <u>32</u> .	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	.....
	<del>34</del> <u>33</u> .	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	.....
	<del>35</del> <u>34</u> .	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	.....
	<del>36</del> <u>35</u> .	Will the VM-20 Reserves Supplement be filed with the state of domicile and the NAIC by March 1?	.....

### APRIL FILING

	<del>37</del> <u>36</u> .	Will the confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by the Valuation Manual be filed with the state of domicile by April 1?	.....
	<del>38</del> <u>37</u> .	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	.....
	<del>39</del> <u>38</u> .	Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies)	.....
	<del>40</del> <u>39</u> .	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	.....
	<del>41</del> <u>40</u> .	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	.....
	<del>42</del> <u>41</u> .	Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1?	.....
	<del>43</del> <u>42</u> .	Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30?	.....
	<del>44</del> <u>43</u> .	Will the Supplemental Term and Universal Life Insurance Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1?	.....
	<del>45</del> <u>44</u> .	Will the Variable Annuities Supplement be filed with the state of domicile and the NAIC by April 1?	.....
	<del>46</del> <u>45</u> .	Will the confidential Executive Summary of the PBR Actuarial Report be filed with the state of domicile by April 1?	.....
	<del>47</del> <u>46</u> .	Will the confidential Life Summary of the PBR Actuarial Report be filed with the state of domicile by April 1?	.....
	<del>48</del> <u>47</u> .	Will the confidential Variable Annuities Summary of the PBR Actuarial Report be filed with the state of domicile by April 1?	.....

### AUGUST FILING

	<del>49</del> <u>48</u> .	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	.....
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**Explanation:**

**Bar code:**

ANNUAL STATEMENT BLANK – HEALTH

SUPPLEMENTAL EXHIBITS AND SCHEDULES  
INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a “NONE” report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING

Responses

1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?

.....
2. Will an actuarial opinion be filed by March 1?

.....
3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?

.....
4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required by March 1?

.....

Detail Eliminated To Conserve Space

APRIL FILING

21. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?

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22. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?

.....
23. Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?

.....
24. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?

.....
25. Will the regulator-only (non-public) Supplemental Health Care Exhibit’s Allocation Report be filed with the state of domicile and the NAIC by April 1?

.....
26. Will the Life, Health & Annuity Guaranty Association ~~ASSESSABLE PREMIUM~~Model Act Assessment Base Reconciliation Exhibit – Parts 1 and 2 be filed with the state of domicile and the NAIC by April 1?

.....
- ~~27. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1?~~

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AUGUST FILING

278. Will Management’s Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?

.....

Explanation:

Bar code:

## ANNUAL STATEMENT BLANK – PROPERTY

### SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a “NONE” report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

#### MARCH FILING

#### RESPONSES

1. Will an actuarial opinion be filed by March 1?
2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?
3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?
4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?

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**Detail Eliminated To Conserve Space**

#### APRIL FILING

29. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?
30. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?
31. Will the Accident and Health Policy Experience Exhibit be filed by April 1?
32. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?
33. Will the regulator-only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1?
34. Will the Cybersecurity and Identity Theft Insurance Coverage Supplement be filed with the state of domicile and the NAIC by April 1?
35. Will the Life, Health & Annuity Guaranty Association ASSESSABLE PREMIUM Model Act Assessment Base Reconciliation Exhibit – Parts 1 and 2 be filed with the state of domicile and the NAIC by April 1?
- ~~36. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1?~~
- ~~3736.~~ Will the Private Flood Insurance Supplement be filed with the state of domicile and the NAIC by April 1?

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#### AUGUST FILING

- ~~3837.~~ Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?

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**Explanation:**

**Bar Code:**

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