

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Patricia Gosselin</u> TITLE: _____ AFFILIATION: <u>New Hampshire Insurance Department</u> ADDRESS: <u>215 S. Fruit St., Ste. 14</u> <u>Concord, NH 03301</u>	DATE: <u>02/01/2022</u>	FOR NAIC USE ONLY
	Agenda Item # <u>2022-04BWG</u> Year <u>2023</u> Changes to Existing Reporting [X] New Reporting Requirement []	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT
	No Impact [X] Modifies Required Disclosure []	DISPOSITION
	[] Rejected For Public Comment [] Referred To Another NAIC Group [X] Received For Public Comment [] Adopted Date _____ [] Rejected Date _____ [] Deferred Date _____ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

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

Anticipated Effective Date: Annual 2023

IDENTIFICATION OF ITEM(S) TO CHANGE

Add a new supplement to capture premium and loss data for Annual Statement Lines 17.1, 17.2 & 17.3 of the Exhibit of Premiums and Losses (State Page) – Other Liability by more granular lines of business.

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

The purpose of this proposal is to provide regulators more granular detail of the premium and losses of the diverse lines of business reported on Annual Statement Lines 17.1, 17.2 & 17.3 of the Exhibit of Premiums and Losses (State Page).

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments:

** This section must be completed on all forms.

ANNUAL STATEMENT INSTRUCTIONS – PROPERTY

Exhibit of Other Liabilities by Lines of Business
As Reported on Line 17 of The Exhibit of Premiums and Losses

All reporting entities reporting “Other Liability” on Line 17 of the Exhibit of Premiums and Losses must prepare this exhibit. The exhibit is to be prepared and filed by all reporting entities no later than March 1 of each year.

The purpose of the Exhibit of Other Liabilities by Lines of Business is to provide more information on the diverse lines of business filed on Annual Statement Line 17. The exhibit should be reported on a direct basis (before assumed and ceded reinsurance).

Column 1 – Prior Year Written Premium

Line 12 should equal Exhibit of Premiums and Losses Grand Total Page Column 1, Line 17.1 + Line 17.2 + Line 17.3 from the prior year annual statement.

Column 2 – Current Year Written Premium

Line 12 should equal Exhibit of Premiums and Losses Grand Total Page Column 1, Line 17.1 + Line 17.2 + Line 17.3 from the current year annual statement.

Column 3 – Current Year Losses Paid (Deducting Salvage)

Line 12 should equal Exhibit of Premiums and Losses Grand Total Page Column 5, Line 17.1 + Line 17.2 + Line 17.3 from the current year annual statement.

Column 4 – Current Year Losses Unpaid (Case Base)

Line 12 should equal Underwriting and Investment Exhibit, Part 2A Column 1, Line 17.1 + Line 17.2 + Line 17.3 from the current year annual statement.

Line 1 – Completed Operations

For definitions of lines of business, see the appendix of these instructions.

Line 2 – Errors & Omissions (E&O)

Include: Errors and Omissions Liability Professional Liability Other Than Medical

Professional Errors and Omissions Liability

Fiduciary Liability

For definitions of lines of business, see the appendix of these instructions.

Line 3 – Directors & Officers (D&O)

For definitions of lines of business, see the appendix of these instructions.

Line 4 – Environmental Liability

Include: Environmental Pollution Liability

Nuclear Energy Liability

For definitions of lines of business, see the appendix of these instructions.

Line 5 – Excess Workers' Compensation

For definitions of lines of business, see the appendix of these instructions.

Column 1 should equal Exhibit of Premiums and Losses Grand Total Page Column 1, Line 17. 3 from the prior year annual statement.

Column 2 should equal Exhibit of Premiums and Losses Grand Total Page Column 1, Line 17. 3 from the current year annual statement.

Column 3 should equal Exhibit of Premiums and Losses Grand Total Page Column 5, Line 17. 3 from the current year annual statement.

Column 4 should equal Underwriting and Investment Exhibit, Part 2A Column 1, Line 17. 3 from the current year annual statement.

Line 6 – Commercial Excess & Umbrella

Include: Commercial portion of excess and umbrella liability

Exclude: Personal umbrella liability reported on Line 7

For definitions of lines of business, see the appendix of these instructions.

Line 7 – Personal Umbrella

Include: Personal umbrella liability

Exclude: Commercial portion of excess and umbrella liability reported on Line 6

For definitions of lines of business, see the appendix of these instructions.

Line 8 – Employment Liability

Include: Contingent Liability

Employee Benefit Liability

Employers' Liability

Employment Practices Liability

For definitions of lines of business, see the appendix of these instructions.

Line 9 – Aggregate Write-ins for Facilities & Premises (CGL)

Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 9 for Facilities & Premises (CGL).

Line 10 – Internet & Cyber

Include: Internet Liability
Cyber Liability

For definitions of lines of business, see the appendix of these instructions.

Line 11 – Aggregate Write-ins for Other

Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 11 for Other.

Line 12 – Total

Should equal the sum of Lines 1 through 11.

Details of Write-ins Aggregated at Line 9 for Facilities & Premises (CGL)

List separately each category of Facilities & Premises (CGL).

Include: Construction and Alteration Liability
Contractual Liability
Elevators and Escalators Liability
Liquor Liability
Personal Injury Liability
Premises and Operations Liability
Commercial General Liability (CGL)
Comprehensive Personal Liability
Day Care Centers
Fire Legal Liability
Municipal Liability
Veterinarian

For definitions of lines of business, see the appendix of these instructions.

If the total of Line 9 is less than 10% of the total reported on Line 12 then the aggregate amount can be reported as a lump sum. The description used should be “Aggregate of facilities & premises (CGL) lines of business less than 10% of category”.

If the total of Line 9 is 10% or greater of the total reported on Line 12 then each line of business (shown above) that is 10% or greater of the total reported on Line 9 should be listed separately. The description used should be one of the lines of business shown above.

All lines of business less than 10% of the total reported on Line 9 can be reported as a lump sum. The description used should be “Aggregate of facilities & premises (CGL) lines of business less than 10% of category”.

Example 1:

	Amount	Percent
<u>Current Year Direct Written Premium</u>		
<u>Total Line 12</u>	\$1,000,000	
<u>Total Line 9</u>	\$400,000	40.00%
<u>10% or Line 12</u>	\$100,000	
<u>10% or Line 9</u>	\$40,000	
<u>Lines of Business in Line 9</u>		
<u>Commercial General Liability</u>	\$250,000	62.50%
<u>Personal Injury Liability</u>	\$100,000	25.00%
<u>Municipal Liability</u>	\$25,000	6.25%
<u>Day Care Centers</u>	\$15,000	3.75%
<u>Elevators and Escalators Liability</u>	\$10,000	2.50%
<u>Total</u>	\$400,000	100.0%

In this example the total reported on Line 9 is \$400,000 and is 10% or greater of the total reported on Line 12 passing the initial threshold of reporting detail of the lines of business reported on Line 9.

The detail of the lines of business reported on Line 9 shows five lines of business reported on the line. Two of those lines (Commercial General Liability and Personal Injury Liability) are 10% or greater of the total reported on Line 9 and three of those lines of business (Municipal Liability, Day Care Centers and Elevators and Escalators Liability) are less than 10% of the total reported on Line 9.

Commercial General Liability and Personal Injury Liability pass the threshold for reporting as a separate item in the aggregate write-ins and would be reported individually and not aggregated with any other lines of business.

Municipal Liability, Day Care Centers and Elevators and Escalators Liability do not pass the threshold for reporting as a separate item in the aggregate write-ins and would be aggregated together with the line description "Aggregate of facilities & premises (CGL) lines of business less than 10% of category".

Example 2:

	Amount	Percent
<u>Current Year Direct Written Premium</u>		
<u>Total Line 12</u>	\$5,000,000	
<u>Total Line 9</u>	\$400,000	8.00%
<u>10% or Line 12</u>	\$500,000	
<u>10% or Line 9</u>	\$40,000	
<u>Lines of Business in Line 9</u>		
<u>Commercial General Liability</u>	\$250,000	62.50%
<u>Personal Injury Liability</u>	\$100,000	25.00%
<u>Municipal Liability</u>	\$25,000	6.25%
<u>Day Care Centers</u>	\$15,000	3.75%
<u>Elevators and Escalators Liability</u>	\$10,000	2.50%
<u>Total</u>	\$400,000	100.0%

In this example the total reported on Line 9 is \$400,000 and is less than 10% of the total reported on Line 12 failing the initial threshold of reporting detail of the lines of business reported on Line 9.

All the lines of business reported on Line 9 would aggregated together and reported in the write-ins with the line description “Aggregate of facilities & premises (CGL) lines of business less than 10% of category”.

Details of Write-ins Aggregated at Line 11 for Other

List separately each category of other not included in Lines 1 through 10 for which there is no pre-printed line.

For definitions of lines of business, see the appendix of these instructions.

If the total of Line 11 is less than 10% of the total reported on Line 12 then the aggregate amount can be reported as a lump sum. The description used should be “Aggregate of other lines of business less than 10% of category”.

If the total of Line 11 is 10% or greater of the total reported on Line 12 then each line of business that is 10% or greater of the total reported on Line 11 should be listed separately.

All lines of business less than 10% of the total reported on Line 11 can be reported as a lump sum. The description used should be “Aggregate of other lines of business less than 10% of category”.

Example 1:

	<u>Amount</u>	<u>Percent</u>
<u>Current Year Direct Written Premium</u>		
<u>Total Line 12</u>	<u>\$1,000,000</u>	
<u>Total Line 11</u>	<u>\$100,000</u>	<u>10.00%</u>
<u>10% or Line 12</u>	<u>\$100,000</u>	
<u>10% or Line 11</u>	<u>\$10,000</u>	
<u>Lines of Business in Line 11</u>		
<u>Other LOB #1</u>	<u>\$45,000</u>	<u>45.00%</u>
<u>Other LOB #2</u>	<u>\$30,000</u>	<u>30.00%</u>
<u>Other LOB #3</u>	<u>\$9,000</u>	<u>9.00%</u>
<u>Other LOB #4</u>	<u>\$8,000</u>	<u>8.00%</u>
<u>Other LOB #5</u>	<u>\$8,000</u>	<u>8.00%</u>
<u>Total</u>	<u>\$100,000</u>	<u>100.0%</u>

In this example the total reported on Line 11 is \$100,000 and is 10% or greater of the total reported on Line 12 passing the initial threshold of reporting detail of the lines of business reported on Line 11.

The detail of the lines of business reported on Line 11 shows five lines of business reported on the line. Two of those lines (Other LOB #1 and Other LOB #2) are 10% or greater of the total reported on Line 11 and three of those lines of business (Other LOB #3, Other LOB #4 and Other LOB #5) are less than 10% of the total reported on Line 11.

Other LOB #1 and Other LOB #2 pass the threshold for reporting as a separate item in the aggregate write-ins and would be reported individually and not aggregated with any other lines of business.

Other LOB #3, Other LOB #4 and Other LOB #5 do not pass the threshold for reporting as a separate item in the aggregate write-ins and would be aggregated together with the line description “Aggregate of other lines of business less than 10% of category”.

Example 2:

	<u>Amount</u>	<u>Percent</u>
<u>Current Year Direct Written Premium</u>		
<u>Total Line 12</u>	<u>\$5,000,000</u>	
<u>Total Line 11</u>	<u>\$100,000</u>	<u>2.00%</u>
<u>10% of Line 12</u>	<u>\$500,000</u>	
<u>10% of Line 11</u>	<u>\$10,000</u>	
<u>Lines of Business in Line 11</u>		
<u>Other LOB #1</u>	<u>\$45,000</u>	<u>45.00%</u>
<u>Other LOB #2</u>	<u>\$30,000</u>	<u>30.00%</u>
<u>Other LOB #3</u>	<u>\$9,000</u>	<u>9.00%</u>
<u>Other LOB #4</u>	<u>\$8,000</u>	<u>8.00%</u>
<u>Other LOB #5</u>	<u>\$8,000</u>	<u>8.00%</u>
<u>Total</u>	<u>\$100,000</u>	<u>100.0%</u>

In this example the total reported on Line 11 is \$100,000 and is less than 10% of the total reported on Line 12 failing the initial threshold of reporting detail of the lines of business reported on Line 11.

All the lines of business reported on Line 11 would aggregated together and reported in the write-ins with the line description “Aggregate of other lines of business less than 10% of category”.

ANNUAL STATEMENT BLANK – PROPERTY

SUPPLEMENT FOR THE YEAR OF THE

.....
Affix Bar Code Above

EXHIBIT OF OTHER LIABILITIES BY LINES OF BUSINESS
AS REPORTED ON LINE 17 OF THE EXHIBIT OF PREMIUMS AND LOSSES
 (To Be Filed by March 1)

NAIC Group Code NAIC Company Code

Company Name

	Direct Business Only			
	Prior Year	Current Year		
	<u>1</u> Written Premium	<u>2</u> Written Premium	<u>3</u> Losses Paid (deducting salvage)	<u>4</u> Losses Unpaid (Case Base)
1. Completed Operations.....
2. Errors & Omissions (E&O).....
3. Directors & Officers (D&O).....
4. Environmental Liability.....
5. Excess Workers' Compensation.....
6. Commercial Excess & Umbrella.....
7. Personal Umbrella.....
8. Employment Liability.....
9. Aggregate write-ins for Facilities & Premises (CGL).....
10. Internet & Cyber Liability.....
11. Aggregate write-ins for other.....
12. Total ASL 17 – Other Liability (Sum of Lines 1 through 11)
<u>DETAILS OF WRITE-INS</u>				
0901.....
0902.....
0903.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)
1101.....
1102.....
1103.....
1198. Summary of remaining write-ins for Line 11 from overflow page.....
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

REQUIRED FILINGS

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?



SUPPLEMENTAL FILINGS

The following supplemental reports are required to be filed as part of your 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

- 11. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?
- 12. Will the Financial Guaranty Insurance Exhibit be filed by March 1?
- 13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?
- 14. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed by March 1?
- 15. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?
- 16. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?
- 17. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?
- 18. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?
- 19. Will the confidential Actuarial Opinion Summary be filed with the state of domicile, if required, by March 15 (or the date otherwise specified)?
- 20. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?
- 21. Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1?
- 22. Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1?
- 23. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC by March 1?
- 24. 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?
- 25. 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?
- 26. 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?
- 27. Will the Supplemental Schedule for Reinsurance Counterparty Reporting Exception – Asbestos and Pollution contracts be filed with the state of domicile and the NAIC by March 1?
- 28. Will the Exhibit of Other Liabilities by Lines of Business be filed with the state of domicile and the NAIC by March 1?

APRIL FILING

- ~~2829~~. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?
- ~~2930~~. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?
- ~~3031~~. Will the Accident and Health Policy Experience Exhibit be filed by April 1?
- ~~3132~~. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?
- ~~3233~~. 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?
- ~~3334~~. Will the Cybersecurity and Identity Theft Insurance Coverage Supplement be filed with the state of domicile and the NAIC by April 1?
- ~~3435~~. Will the Life, Health & Annuity Guaranty Association Assessable Premium Exhibit – Parts 1 and 2 be filed with the state of domicile and the NAIC by April 1?
- ~~3536~~. Will the Private Flood Insurance Supplement be filed with the state of domicile and the NAIC by April 1?
- ~~3637~~. Will the Mortgage Guaranty Insurance Exhibit be filed with the state of domicile and the NAIC by April 1?

AUGUST FILING

- ~~3738~~. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?

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