PAGE 132-133: SCHEDULE D, PART 1B
Revision: Modify the line references to Schedule D, Part 1A, Section 1 from line 11 to line 12
Reason: Proposal 2020-35BWG was adopted in March 2021 and modified the lines on the Schedule D, Part 1A, Section 1 and the references had not been made to the quarterly Schedule D, Part 1B references.

EDITOR’S NOTE:
The above changes are highlighted on the revised pages that follow.

Recent Blanks (E) Working Group agenda items (exposure drafts) may be viewed in detail on the BWG web page at https://content.naic.org/cmte_e_app_blanks.htm.
**SCHEDULE D – PART 1B**

**ACQUISITIONS, DISPOSITIONS AND NON-TRADING ACTIVITY DURING THE CURRENT QUARTER FOR ALL BONDS AND PREFERRED STOCK BY NAIC DESIGNATION**

Report the summarized amounts of all bonds and preferred stock by NAIC designation. Include short-term and cash equivalent bonds in the category that most closely resembles their credit risk. Show all the acquisitions, dispositions and non-trading activities of bonds (long-term, short-term and cash equivalents) and preferred stock for each quarter. The Schedule is sorted by NAIC designation and includes Book/Adjusted Carrying Values for each quarter of the year.

**Column 1** – Book/Adjusted Carrying Value Beginning of Current Quarter

- a. 1st Quarter taken directly from prior year annual statement Schedule D, Part 1A, Section 1, Line 12.1 to Line 12.6, Column 7 for all bonds.
- b. 2nd Quarter will be taken from prior quarter Column 5.
- c. 3rd Quarter will be taken from prior quarter Column 6.

**Column 2** – Acquisitions During Current Quarter

Include: Actual cost of all bonds and preferred stock acquired during the quarter, including broker’s commission and incidental expenses of effecting delivery.

Exclude: Accrued interest and dividends.

**Column 3** – Dispositions During Current Quarter

Include: Book/Adjusted Carrying Value of all bonds and preferred stock at time of disposal during the quarter.

Exclude: Accrued interest and dividends.

**Column 4** – Non-Trading Activity During Current Quarter

Include: All changes in Book/Adjusted Carrying Value as follows:

- Increases and decreases in amortized value for bonds and redeemable preferred stock.
- Foreign exchange translations.
- Changes in statement value caused by designation changes.
- Changes in statement value for securities carried at market value.
- Other accounting adjustments.

**Column 5** – Book/Adjusted Carrying Value at End of First Quarter

Column 5 equals Column 1 plus Column 2 minus Column 3 and plus Column 4 (1st Quarter only).

**Column 6** – Book/Adjusted Carrying Value at End of Second Quarter

Column 6 equals Column 1 plus Column 2 minus Column 3 and plus Column 4 (2nd Quarter only).
Column 7 – Book/Adjusted Carrying Value at End of Third Quarter

Column 7 equals Column 1 plus Column 2 minus Column 3 and plus Column 4 (3rd Quarter only).

Column 8 – Book/Adjusted Carrying Value at December 31 Prior Year

Taken directly from prior year annual statement Schedule D, Part 1A, Section 1, Line 12.1 to Line 12.6. Column 7 for all bonds.

Line 1 – NAIC 1 Bonds
Include: Bonds with an NAIC designation of 1, or a CRP equivalent.

Line 2 – NAIC 2 Bonds
Include: Bonds with an NAIC designation of 2, or a CRP equivalent.

Line 3 – NAIC 3 Bonds
Include: Bonds with an NAIC designation of 3, or a CRP equivalent.

Line 4 – NAIC 4 Bonds
Include: Bonds with an NAIC designation of 4, or a CRP equivalent.

Line 5 – NAIC 5 Bonds
Include: Bonds with an NAIC designation of 5, or a CRP equivalent.

Line 6 – NAIC 6 Bonds
Include: Bonds with an NAIC designation of 6, or a CRP equivalent.

Line 7 – Total Bonds
Total of Line 1 to Line 6.

Line 8 – NAIC 1 Preferred Stock
Include: Preferred stock with an NAIC designation of 1 or a CRP equivalent.

Line 9 – NAIC 2 Preferred Stock
Include: Preferred stock with an NAIC designation of 2 or a CRP equivalent.

Line 10 – NAIC 3 Preferred Stock
Include: Preferred stock with an NAIC designation of 3 or a CRP equivalent.

Line 11 – NAIC 4 Preferred Stock
Include: Preferred stock with an NAIC designation of 4 or a CRP equivalent.