

Capital Adequacy (E) Task Force RBC Proposal Form

- | | | |
|---|---|---|
| <input type="checkbox"/> Capital Adequacy (E) Task Force | <input type="checkbox"/> Health RBC (E) Working Group | <input checked="" type="checkbox"/> Life RBC (E) Working Group |
| <input type="checkbox"/> Catastrophe Risk (E) Subgroup | <input type="checkbox"/> Investment RBC (E) Working Group | <input type="checkbox"/> Longevity Risk (A/E) Subgroup |
| <input type="checkbox"/> Variable Annuities Capital. & Reserve (E/A) Subgroup | <input type="checkbox"/> P/C RBC (E) Working Group | <input type="checkbox"/> RBC Investment Risk & Evaluation (E) Working Group |

DATE: 1/29/2024

FOR NAIC USE ONLY

CONTACT PERSON: Bill Cushman

Agenda Item # _____
Year _____

TELEPHONE: _____

DISPOSITION

EMAIL ADDRESS: bcushman@nfg.com

- ADOPTED:**
- TASK FORCE (TF) _____
- WORKING GROUP (WG) _____
- SUBGROUP (SG) _____

ON BEHALF OF: Interested Parties

- EXPOSED:**
- TASK FORCE (TF) _____
- WORKING GROUP (WG) _____
- SUBGROUP (SG) _____

NAME: _____

- REJECTED:**
- TF WG SG

TITLE: _____

AFFILIATION: _____

- OTHER:**
- DEFERRED TO _____
- REFERRED TO OTHER NAIC GROUP _____
- (SPECIFY) _____

ADDRESS: _____

IDENTIFICATION OF SOURCE AND FORM(S)/INSTRUCTIONS TO BE CHANGED

- | | | |
|--|---|---|
| <input type="checkbox"/> Health RBC Blanks | <input type="checkbox"/> Property/Casualty RBC Blanks | <input checked="" type="checkbox"/> Life and Fraternal RBC Blanks |
| <input type="checkbox"/> Health RBC Instructions | <input type="checkbox"/> Property/Casualty RBC Instructions | <input checked="" type="checkbox"/> Life and Fraternal RBC Instructions |
| <input type="checkbox"/> Health RBC Formula | <input type="checkbox"/> Property/Casualty RBC Formula | <input checked="" type="checkbox"/> Life and Fraternal RBC Formula |
| <input type="checkbox"/> OTHER _____ | | |

DESCRIPTION/REASON OR JUSTIFICATION OF CHANGE(S)

Changes to LR008 (Specifically LR008.2) – Other Long-Term Assets to be able to appropriately reflect MODCO Adjustments for Residual Tranches, as well as reorganizing to keep all C-1cs risks together (see Mark-up attached).

Current format does not allow for credit for MODCO Ceded or Assumed for residual tranches. The current format is confusing because lines for assets with C-1cs risks are interspersed with assets with C-1 risk.

Additional Staff Comments:

** This section must be completed on all forms.

Revised 2 2023

Asset Risk - Other Long-Term Assets

			1	2	3	4	5
Schedule BA - Equity - C-1cs Unaffiliated Common Stock							
42	Schedule BA Unaffiliated Common Stock - Public	AVR Equity Component Column 1 Line 65			0	0.4500	0
43	Schedule BA Unaffiliated Common Stock - Private	AVR Equity Component Column 1 Line 66	0		0	0.3000	0
43.1 49.4	BA Affiliated Common Stock - All Other - C-1cs	AVR Equity Component Column 1 Line 69	0		0	0.3000	0
43.2 64	Total Residual Tranches or Interests	AVR Equity Component Column 1 Line 93	0		0	0.4500	0
44	Total Schedule BA Equity C-1cs Unaffiliated Common-Stock (pre-MODCO/Funds Withheld)	Line (42) + (43) + (43.1) + (43.2)	0		0		0
45	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements						0
46	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements						
47	Total Schedule BA Unaffiliated Common Stock (including MODCO/Funds Withheld.)		0				0
48.1	BA Affiliated Common Stock - Life with AVR						
48.2	BA Affiliated Common Stock - Certain Other						
48.3	Total Schedule BA Affiliated Common Stock - C-1o		0		0	0.3000	0
49.1	BA Affiliated Common Stock -- All Other						
49.2	Total Sch. BA Affiliated Common Stock -- C-1cs		0		0	0.3000	0
50	Schedule BA Collateral Loans		0		0	0.0680	0
64	Total Residual Tranches or Interests		0		0	0.3000	0
52.1	NAIC 01 Working Capital Finance Notes				0	0.0050	0
52.2	NAIC 02 Working Capital Finance Notes				0	0.0163	0
52.3	Total Admitted Working Capital Finance Notes		0		0		0
53.1	Other Schedule BA Assets						
53.2	Less NAIC 2 thru 6 Rated/Designated Surplus Notes and Capital Notes		0				
53.3	Net Other Schedule BA Assets		0	0	0	0.3000	0
54	Total Schedule BA Assets C-1o (pre-MODCO/Funds Withheld)		0				0
55	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements						
56	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements						
57	Total Schedule BA Assets C-1o (including MODCO/Funds Withheld.)		0				0
58	Total Schedule BA Assets Excluding Mortgages and Real Estate		0				0

Moving line into C-1cs section allows for appropriate adjustment for MODCO
 Moving line into C-1cs section allows for appropriate adjustment for MODCO
 Moving line into C-1cs section allows for appropriate adjustment for MODCO

To move line to a C-1cs Section
 To Delete sub total line no longer needed

To move line to a C-1cs Section