

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

<p align="right">DATE: <u>2/13/2025</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p align="center">FOR NAIC USE ONLY</p> <p>Agenda Item # <u>2025-05BWG MOD</u></p> <p>Year <u>2025</u></p> <p>Changes to Existing Reporting [X]</p> <p>New Reporting Requirement []</p> <hr/> <p align="center">REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</p> <p>No Impact [X]</p> <p>Modifies Required Disclosure []</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? [No]</p> <p><i>***If Yes, complete question below***</i></p> <p align="center">DISPOSITION</p> <p>[] Rejected For Public Comment</p> <p>[] Referred To Another NAIC Group</p> <p>[] Received For Public Comment</p> <p>[X] Adopted Date <u>5/29/2025</u></p> <p>[] Rejected Date _____</p> <p>[] Deferred Date _____</p> <p>[] Other (Specify) _____</p>
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BLANK(S) TO WHICH PROPOSAL APPLIES

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

Anticipated Effective Date: Annual 2025

IDENTIFICATION OF ITEM(S) TO CHANGE

Add a new part to Schedule S to report reinsurance agreements with funds withholding and modified coinsurance.

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

This proposal updates Schedule S for disclosure requirements that were adopted at SAPWG. (SAPWG 24-07)

*****IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL*****

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments: Verified with sponsor - Should only be completed Annually. Quarterly was marked in error.

** This section must be completed on all forms.

Revised 11/17/2022

ANNUAL STATEMENT INSTRUCTIONS –LIFE/FRATERNAL

SCHEDULE S – PART 8

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE
AS OF DECEMBER 31, CURRENT YEAR

This schedule reports the assets supporting modified coinsurance (MODCO) and other reinsurance transactions with funds withheld where the entire asset credit or variability in statement value risk associated with the assets supporting the business reinsured is transferred to the assuming company for the entire duration of the reinsurance treaty. Only the portion of the assets used to support the ceded or assumed liabilities should be included, i.e. amounts in excess of the reserve should be excluded.

The ceding company is required to supply the assuming company with sufficient information in order for the assuming company to determine the amount of assets withheld under Modco or other funds withheld. An assuming company that has not received timely information shall follow the procedures in the Life Risk-Based Capital instructions for Modco or Funds Withheld Reinsurance Agreements (LR045, LR046, LR047 and LR048) to apply the Modco liability ratio by asset category. The allocated assets should support the portion of the funds held by or deposited with reinsured companies that represents the investment risk assumed as described above, that is, the estimated investment risk assumed should not be greater than the assets reported on the asset page.

~~This section should include data on all modified coinsurance (MODCO) and other reinsurance transactions with funds withheld as of December 31, current year.~~

If a reporting entity's detail lines report any of the following required categories, it shall report the subtotal amount of the corresponding category, with the specified subtotal line number appearing in the same manner and location as the pre-printed total line and number.

Column 1 & 2 – Ceded General Account Assets

Report the FWH and MODCO ceded amounts for the reporting entity's general account.

Column 3 & 4 – Ceded Guaranteed Separate Account Assets

Report the FWH and MODCO ceded guaranteed amounts for the reporting entity's separate account.

Column 5 & 6 – Total Ceded Assets

Report the Total Ceded Assets for the reporting entity's general and separate account.

Column 5 should equal Column 1 plus Column 3

Column 6 should equal Column 2 plus Column 4

Column 7 & 8 – ~~Ceded~~Assumed General Account Assets

Report the FWH and MODCO ~~ceded~~assumed general account amounts ~~for~~by the reporting entity's ~~general account~~.

Column 9 & 10 – ~~Ceded~~Assumed Guaranteed Separate Account Assets

Report the FWH and MODCO ~~ceded~~assumed guaranteed ~~separate account~~ amounts ~~for~~by the reporting entity's ~~separate account~~.

Column 11 & 12 – Total Ceded Assumed Assets

Report the Total Ceded Assumed Assets for by the reporting entity's general and separate account.

Column 511 should equal Column 7 plus Column 9

Column 612 should equal Column 108 plus Column 1210

ANNUAL STATEMENT BLANKS –LIFE/FRATERNAL

SCHEDULE S PART 8

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~DEFAULT COMPONENT~~

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
LONG-TERM BONDS													
<u>1</u>	Exempt Obligations.....												
<u>2.1</u>	NAIC Designation Category 1.A.....												
<u>2.2</u>	NAIC Designation Category 1.B.....												
<u>2.3</u>	NAIC Designation Category 1.C.....												
<u>2.4</u>	NAIC Designation Category 1.D.....												
<u>2.5</u>	NAIC Designation Category 1.E.....												
<u>2.6</u>	NAIC Designation Category 1.F.....												
<u>2.7</u>	NAIC Designation Category 1.G.....												
<u>2.8</u>	Subtotal NAIC 1 (2.1+2.2+2.3+2.4+2.5+2.6+2.7).....												
<u>3.1</u>	NAIC Designation Category 2.A.....												
<u>3.2</u>	NAIC Designation Category 2.B.....												
<u>3.3</u>	NAIC Designation Category 2.C.....												
<u>3.4</u>	Subtotal NAIC 2 (3.1+3.2+3.3).....												
<u>4.1</u>	NAIC Designation Category 3.A.....												
<u>4.2</u>	NAIC Designation Category 3.B.....												
<u>4.3</u>	NAIC Designation Category 3.C.....												
<u>4.4</u>	Subtotal NAIC 3 (4.1+4.2+4.3).....												
<u>5.1</u>	NAIC Designation Category 4.A.....												
<u>5.2</u>	NAIC Designation Category 4.B.....												
<u>5.3</u>	NAIC Designation Category 4.C.....												
<u>5.4</u>	Subtotal NAIC 4 (5.1+5.2+5.3).....												
<u>6.1</u>	NAIC Designation Category 5.A.....												
<u>6.2</u>	NAIC Designation Category 5.B.....												
<u>6.3</u>	NAIC Designation Category 5.C.....												
<u>6.4</u>	Subtotal NAIC 5 (6.1+6.2+6.3).....												
<u>7</u>	NAIC 6.....												
<u>8</u>	Total Long-Term Bonds (Sum of Lines 1+2.8+3.4+4.4+5.4+6.4 +7)												
PREFERRED STOCKS													
<u>9</u>	Highest Quality.....												
<u>10</u>	High Quality.....												
<u>11</u>	Medium Quality.....												
<u>12</u>	Low Quality.....												
<u>13</u>	Lower Quality.....												
<u>14</u>	In or Near Default.....												
<u>15</u>	Affiliated Life with AVR.....												
<u>16</u>	Total Preferred Stocks (Sum of Lines 9 through 15)												

SCHEDULE S PART 8 (Continued)

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~DEFAULT COMPONENT~~

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
SHORT-TERM BONDS													
<u>17</u>	Exempt Obligations												
<u>18.1</u>	NAIC Designation Category 1.A												
<u>18.2</u>	NAIC Designation Category 1.B												
<u>18.3</u>	NAIC Designation Category 1.C												
<u>18.4</u>	NAIC Designation Category 1.D												
<u>18.5</u>	NAIC Designation Category 1.E												
<u>18.6</u>	NAIC Designation Category 1.F												
<u>18.7</u>	NAIC Designation Category 1.G												
<u>18.8</u>	Subtotal NAIC 1 (18.1+18.2+18.3+18.4+18.5+18.6+18.7)												
<u>19.1</u>	NAIC Designation Category 2.A												
<u>19.2</u>	NAIC Designation Category 2.B												
<u>19.3</u>	NAIC Designation Category 2.C												
<u>19.4</u>	Subtotal NAIC 2 (19.1+19.2+19.3)												
<u>20.1</u>	NAIC Designation Category 3.A												
<u>20.2</u>	NAIC Designation Category 3.B												
<u>20.3</u>	NAIC Designation Category 3.C												
<u>20.4</u>	Subtotal NAIC 3 (20.1+20.2+20.3)												
<u>21.1</u>	NAIC Designation Category 4.A												
<u>21.2</u>	NAIC Designation Category 4.B												
<u>21.3</u>	NAIC Designation Category 4.C												
<u>21.4</u>	Subtotal NAIC 4 (21.1+21.2+21.3)												
<u>22.1</u>	NAIC Designation Category 5.A												
<u>22.2</u>	NAIC Designation Category 5.B												
<u>22.3</u>	NAIC Designation Category 5.C												
<u>22.4</u>	Subtotal NAIC 5 (22.1+22.2+22.3)												
<u>23</u>	NAIC 6												
<u>24</u>	Total Short-Term Bonds (17+18.8+19.4+20.4+21.4+22.4+23)												
DERIVATIVE INSTRUMENTS													
<u>25</u>	Exchange Traded												
<u>26</u>	Highest Quality												
<u>27</u>	High Quality												
<u>28</u>	Medium Quality												
<u>29</u>	Low Quality												
<u>30</u>	Lower Quality												
<u>31</u>	In or Near Default												
<u>32</u>	Total Derivative Instruments												
<u>33</u>	Total (Lines 8+ 16+ 24+ 32)												

SCHEDULE 5 PART 8 (Continued)

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR ~~DEFAULT COMPONENT~~

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
	<u>MORTGAGE LOANS</u>												
	<u>In Good Standing:</u>												
<u>34</u>	Farm Mortgages – CM1 – Highest Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>35</u>	Farm Mortgages – CM2 – High Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>36</u>	Farm Mortgages – CM3 – Medium Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>37</u>	Farm Mortgages – CM4 – Low Medium Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>38</u>	Farm Mortgages – CM5 – Low Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>39</u>	Residential Mortgages – Insured or Guaranteed.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>40</u>	Residential Mortgages – All Other.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>41</u>	Commercial Mortgages – Insured or Guaranteed.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>42</u>	Commercial Mortgages – All Other – CM1 – Highest Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>43</u>	Commercial Mortgages – All Other – CM2 – High Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>44</u>	Commercial Mortgages – All Other – CM3 – Medium Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>45</u>	Commercial Mortgages – All Other – CM4 – Low Medium Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>46</u>	Commercial Mortgages – All Other – CM5 – Low Quality.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	<u>Overdue, Not in Process:</u>												
<u>47</u>	Farm Mortgages.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>48</u>	Residential Mortgages – Insured or Guaranteed.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>49</u>	Residential Mortgages - All Other.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>50</u>	Commercial Mortgages - Insured or Guaranteed.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>51</u>	Commercial Mortgages - All Other.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	<u>In Process of Foreclosure:</u>												
<u>52</u>	Farm Mortgages.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>53</u>	Residential Mortgages - Insured or Guaranteed.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>54</u>	Residential Mortgages - All Other.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>55</u>	Commercial Mortgages - Insured or Guaranteed.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>56</u>	Commercial Mortgages - All Other.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<u>57</u>	Total Schedule B Mortgages (Sum of Lines 34 through 56).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

SCHEDULE S PART 8

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR EQUITY AND OTHER INVESTED ASSET COMPONENT

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
COMMON STOCK													
58	Unaffiliated Public												
59	Unaffiliated Private												
60	Federal Home Loan Bank												
61	Affiliated Life with AVR												
	Affiliated Investment Subsidiary:												
62	Fixed Income Exempt Obligations												
64	Fixed Income Highest Quality												
64	Fixed Income High Quality												
65	Fixed Income Medium Quality												
66	Fixed Income Low Quality												
67	Fixed Income Lower Quality												
68	Fixed Income In or Near Default												
69	Unaffiliated Common Stock Public												
70	Unaffiliated Common Stock Private												
71	Real Estate												
72	Affiliated-Certain Other (See SVO Purposes & Procedures Manual)												
73	Affiliated - All Other												
74	Total Common Stock (Sum of Lines 58 through 73)												
REAL ESTATE													
75	Home Office Property (General Account only)												
76	Investment Properties												
77	Properties Acquired in Satisfaction of Debt												
78	Total Real Estate (Sum of Lines 75 through 77)												
OTHER INVESTED ASSETS													
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS													
79	Exempt Obligations												
80	Highest Quality												
81	High Quality												
82	Medium Quality												
83	Low Quality												
84	Lower Quality												
85	In or Near Default												
86	Total with Bond Characteristics (Sum of Lines 79 through 85)												

SCHEDULE 5 PART 8 (Continued)

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR EQUITY AND OTHER INVESTED ASSET COMPONENT

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		1	2	3	4	5	6	7	8	9	10	11	12
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
	INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
87	High Quality												
88	High Quality												
89	Medium Quality												
90	Low Quality												
91	Lower Quality												
92	In or Near Default												
93	Affiliated Life with AVR												
94	Total with Preferred Stock Characteristics (Sum of Lines 87 through 93)												
	INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
	In Good Standing Affiliated:												
95	Mortgages – CM1 – Highest Quality												
96	Mortgages – CM2 – High Quality												
97	Mortgages – CM3 – Medium Quality												
98	Mortgages – CM4 – Low Medium Quality												
99	Mortgages – CM5 – Low Quality												
100	Residential Mortgages – Insured or Guaranteed												
101	Residential Mortgages – All Other												
102	Commercial Mortgages – Insured or Guaranteed												
	Overdue, Not in Process Affiliated:												
103	Farm Mortgages												
104	Residential Mortgages – Insured or Guaranteed												
105	Residential Mortgages – All Other												
106	Commercial Mortgages – Insured or Guaranteed												
107	Commercial Mortgages – All Other												
	In Process of Foreclosure Affiliated:												
108	Farm Mortgages												
109	Residential Mortgages – Insured or Guaranteed												
110	Residential Mortgages – All Other												
111	Commercial Mortgages – Insured or Guaranteed												
112	Commercial Mortgages – All Other												
113	Total Affiliated (Sum of Lines 95 through 112)												
114	Unaffiliated – In Good Standing With Covenants												
	Unaffiliated – In Good Standing Defeased With Government Securities												
115	Unaffiliated – In Good Standing Primarily Senior												
116	Unaffiliated – In Good Standing All Other												
117	Unaffiliated – Overdue, Not in Process												
118	Unaffiliated – In Process of Foreclosure												
119	Unaffiliated – In Process of Foreclosure												
120	Total Unaffiliated (Sum of Lines 114 through 119)												
121	Total with Mortgage Loan Characteristics (Lines 113 + 120)												

SCHEDULE 5 PART 8 (Continued)

REINSURANCE AGREEMENTS WITH FUNDS WITHHELD AND MODIFIED COINSURANCE AS OF DECEMBER 31, CURRENT YEAR EQUITY AND OTHER INVESTED ASSET COMPONENT

		Ceded General Account Assets		Ceded Guaranteed Separate Account Assets		Total Ceded Assets		Assumed General Account Assets		Assumed Guaranteed Separate Account Assets		Total Assumed Assets	
		1	2	3	4	5	6	7	8	9	10	11	12
		FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 1+3	Modco B/ACV Col 2+4	FWH B/ACV	Modco B/ACV	FWH B/ACV	Modco B/ACV	FWH B/ACV Col 7+9	Modco B/ACV Col 8+10
	INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
122	Unaffiliated Public												
123	Unaffiliated Private												
124	Affiliated Life with AVR												
125	Affiliated Certain Other (See SVO Purposes & Procedures Manual)												
126	Affiliated Other - All Other												
127	Total with Common Stock Characteristics (Sum of Lines 122 through 126)												
	INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
128	Home Office Property (General Account only)												
129	Investment Properties												
130	Properties Acquired in Satisfaction of Debt												
131	Total with Real Estate Characteristics (Sum of Lines 128 through 130)												
	INVESTMENTS IN TAX CREDIT STRUCTURES												
132	Yield Guaranteed State Tax Credit Investments												
133	Qualifying Federal Tax Credit Investments												
134	Qualifying State Tax Credit Investments												
135	Other Tax Credit Investments												
136	Total Tax Credit Investments (Sum of Lines 132 through 135)												
	RESIDUAL TRANCHEs OR INTERESTS												
137	Bonds – Unaffiliated												
138	Bonds – Affiliated												
139	Common Stock – Unaffiliated												
140	Common Stock – Affiliated												
141	Preferred Stock – Unaffiliated												
142	Preferred Stock – Affiliated												
143	Real Estate – Unaffiliated												
144	Real Estate – Affiliated												
145	Mortgage Loans – Unaffiliated												
146	Mortgage Loans – Affiliated												
147	Other – Unaffiliated												
148	Other – Affiliated												
149	Total Residual Tranches or Interests (Sum of Lines 137 through 148)												
	INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF SURPLUS NOTES AND CAPITAL NOTES												
150	Highest Quality												
151	High Quality												
152	Medium Quality												
153	Low Quality												
154	Lower Quality												
155	In or Near Default												
156	Total with Bond Characteristics (Sum of Lines 150 through 155)												
	ALL OTHER INVESTMENTS												
157	NAIC 1 Working Capital Finance Investments												
158	NAIC 2 Working Capital Finance Investments												
159	Other Invested Assets - Schedule BA												
160	Other Short-Term Invested Assets - Schedule DA												
161	Cash and Cash Equivalents												
162	Total All Other (Sum of Lines 157, 158, 159, 160 and 161)												
163	Total Other Invested Assets - Schedules BA & DA & E												

	(Sum of Lines 86, 94, 121, 127, 131, 136, 149, 156 and 162)												
164	Total Non-guaranteed Separate Account Assets	XXX	XXX	XXX	XXX			XXX	XXX	XXX	XXX		
165	Total Assets including Non-guaranteed Separate Account Assets	XXX	XXX	XXX	XXX			XXX	XXX	XXX	XXX		

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