

## What Risk-Based Capital Pages Should Be Submitted?

For year-end 2025 life and fraternal risk-based capital (RBC), submit hard copies of pages **LR001 through LR049** to any state that requests a hard copy in addition to the electronic filing. Starting with year-end 2007 RBC, a hard copy was not required to be submitted to the NAIC. However, a PDF representing the hard copy filing is part of the electronic filing.

If any actuarial certifications are required per the RBC instructions, they should be included as part of the hard copy filing. Starting with year-end 2008 RBC, the actuarial certifications were also part of the electronic RBC filing as PDFs, similar to the financial annual statement actuarial opinion.

Other pages, such as the mortgage and real estate worksheets, do not need to be submitted. However, the company still needs to retain them as documentation.



## Tax Credit Investments

The Capital Adequacy (E) Task Force adopted proposal 2024-21-L MOD during its May 15 meeting. This proposal updates the RBC instructions and blanks for the adopted Statutory Accounting Principles (E) Working Group's conceptual changes to *Statement of Statutory Accounting Principles (SSAP) No. 93—Investments in Tax Credit Structures* and *SSAP No. 94—State and Federal Tax Credits* resulting from the New Market Tax Credits project (SAPWG Ref# 2022-14) and the corresponding changes in annual statement blanks and instructions as per 2024-11 BWG MOD adopted by the Blanks (E) Working Group.

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**Principle-Based Bond Definition**

The Capital Adequacy (E) Task Force adopted proposal 2024-24-L MOD during its May 15 meeting. This proposal incorporates changes adopted by the Blanks (E) Working Group, namely #2023-06BWG MOD, #2023-07BWG MOD, and #2023-12BWG MOD. These changes resulted from the adoption of the principle-based bond definition by the Statutory Accounting Principles (E) Working Group. In addition, certain editorial changes are proposed to provide clarifying edits to the Life and Fraternal RBC Instructions and/or Blanks. These clarifying edits are not necessarily related to the principle-based bond definition project.

The proposal impacts the following pages: LR002, LR005, LR008, LR009, LR010, LR011, LR012, LR017, LR029, LR031, LR033, LR038, LR042/43/44, and LR045/46/47/48.

**LR025 Life Insurance Page Annual Statement Source**

The Capital Adequacy (E) Task Force adopted proposal 2025-01-L during its May 15 meeting. This proposal updates the RBC instructions and blanks for LR025 Life insurance page to allow for direct pulls of information between the annual statement, including the newly adopted general interrogatory as per #2023-15BWG MOD and the RBC Blank.

**Underwriting Risk Factors–Investment Income Adjustment**

The Capital Adequacy (E) Task Force adopted proposal 2025-03-CA during its June 30 meeting. This proposal updates the comprehensive medical, Medicare supplement, and dental and vision factors to include a 4.5% investment yield adjustment. The revised factors are:

	Comprehensive Medical	Medicare Supplement	Dental & Vision
\$0-\$3 Million	0.1440	0.0987	0.1153
\$3-\$25 Million	0.1440	0.0609	0.0716
Over \$25 Million	0.0844	0.0609	0.0716

**LR008 Other Long-Term Asset Page Reorganization**

The Capital Adequacy (E) Task Force adopted proposal 2025-04-L MOD during its May 15 meeting. This proposal reorganizes the LR008–Other Long-Term Assets page to ensure BA assets of the same risk components (C-1o versus C1-cs) are grouped to facilitate proper modified coinsurance (modco)/funds withheld (FWH) reinsurance agreement adjustments within LR008.

**LR010 Asset Concentration Factor**

The Capital Adequacy (E) Task Force adopted proposal 2025-05-L during its May 15 meeting. This proposal clarifies the LR010 instruction so that the Securities Valuation Office (SVO)-designated non-bond debt securities can obtain asset concentration factor treatment akin to bonds in LR002 (C-1o risk component). This put the investments’ RBC treatment at the same pre- and post-principle-based bond definition adoption.

## Trend Test

The Capital Adequacy (E) Task Force adopted proposal 2025-07-CA MOD during its May 15 meeting. This proposal expands the instructions for LR034 and LR035 to facilitate consistent labeling of various company action levels across lines of business. In addition, the blanks for LR034 and LR035 are modified to align with the corresponding instructions.

## Modified Coinsurance/Funds Withheld Re-insurance Agreements

The Capital Adequacy (E) Task Force adopted proposal 2025-10-L during its June 30 meeting. The proposal clarifies LR045/046/047/048 instructions to clarify that if any portion of a modco/FWH asset has been concurrently used as a pledged asset for a purpose specific to the ceding insurance reporting entity at any time of the year, the RBC for the ceding company shall not be reduced. Another editorial change was made to the instruction due to the adoption of proposal 2025-04-L MOD.

## Editorial Changes

On LR030, Calculation of Tax Effect for Life and Fraternal Risk-Based Capital, Line (91) reference was corrected to "LR010 Asset Concentration Factor Column (6) Line **(61)** Grand Total Page".

## Risk-Based Capital Forecasting and Instructions

The life and fraternal RBC forecasting spreadsheet calculates RBC using the same formula presented in the *2025 Life and Fraternal Risk-Based Capital Forecasting and Instructions for Companies* (Forecasting and Instructions). This publication is typically published around Nov. 1 each year and is available to download in PDF or CSV format from the NAIC publications web page at <https://content.naic.org/publications>. Please note that the user guide is no longer included in the Forecasting & Instructions.

**WARNING:** The RBC forecasting spreadsheet CAN-NOT be used to meet the year-end RBC electronic filing requirement. RBC filing software from an annual statement software vendor should be used to create the electronic filing. If the forecasting worksheet is sent instead of an electronic filing, it will not be accepted, and the RBC will not be filed.