

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

<p align="right">DATE: <u>2/20/2026</u></p> <p>CONTACT PERSON: <u>Tim Nauheimer</u></p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: <u>tnauheimer@naic.org</u></p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Robert Kasinow</u></p> <p>TITLE: <u>Chair</u></p> <p>AFFILIATION: <u>Macprudential (E) Working Group</u></p> <p>ADDRESS: _____</p>	<p align="center">FOR NAIC USE ONLY</p> <p>Agenda Item # <u>2026-04BWG</u></p> <p>Year <u>2026</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>[X] Received For Public Comment</p> <p>[] Adopted Date _____</p> <p>[] Rejected Date _____</p> <p>[] Deferred Date _____</p> <p>[] Other (Specify) _____</p>
--	--

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

Anticipated Effective Date: Annual 2026

IDENTIFICATION OF ITEM(S) TO CHANGE

Add a section to Notes to Financials Note 11 – Debt to disclose funding agreements backing special purpose vehicles (SPV) issuances (FABN). Also add a footnote to Life statement Exhibit 7 to report the amount of total funding agreements backed by SPV issuances.

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

This proposal was created to provide disclosures to monitor the activity in the FABN market in accordance with its financial stability monitoring objectives. This disclosure will provide the ability to identify transmission channels of potential risk to and from the insurance industry and the interconnectedness to the capital markets.

*****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: The SAPWG plans to present a Form A at the Spring NM and if that does not move forward, then Blanks will remove the exposure.

** This section must be completed on all forms.

Notes to Financial Statements

=====
Detail Eliminated To Conserve Space
=====

Note 11 - Debt

Note 11D – Instruction:

D. Disclose information on funding agreements issued by such reporting entity that support funding agreement backed special purpose vehicle (SPV) issuances. (This disclosure is required for all known instances, even in situations in which the SPV was not sponsored or formed by the reporting entity and when the relevant SPV is bankruptcy remote from the reporting entity.) The balance of funding agreements supporting funding agreement backed SPV issuances shall be reported before reinsurance.

(1) Balance of funding agreements per type of issuance, per type of issuance where the transaction contains a put feature or embedded option¹, per type of issuance where the terms of the SPV issuance differ from the terms of the corresponding funding agreement², and the BACV amount of collateral pledged by the reporting entity by type of transaction:

- a. Funding Agreement Backed Notes (FABN)
- b. Funding Agreement Backed Commercial Paper (FABCP)
- c. Funding Agreement Backed Repurchase Agreements (FABR)
- d. Funding Agreement Backed Loans (FABL)
- e. Funding Agreements Issued into Muni Prepay Structures
- f. Other Funding Agreements Backing SPV Issuances (Other)

(2) Please provide a narrative description for instances in which the SPV is sponsored or formed by the reporting entity and the terms (e.g., principal, interest rate, maturity, rating, or currency) of a funding agreement differ from the terms of the corresponding SPV issuance, identifying the different terms. (For example, if the funding agreement matures in 3 years, but the FABL matures in 3 months, instances of different interest rates, etc.)

- With respect to FABCP, please respond to this question by identifying instances in which the terms of an SPV issuance do not match the terms of a deposit made under an FABCP master funding agreement.
- With respect to funding agreements issued into muni prepay structures, no response is necessary given that the terms of the funding agreement are designed to be different from the SPV issuances.

(3) Disclose the maturity distribution of funding agreements backing SPV issuances, separately identifying the funding agreements issues as fixed or floating interest rate prior to execution of any interest rate swaps.

¹ As used herein, a funding agreement is “Puttable” or contains a “put feature or embedded option” if such funding agreement contains a provision that allows a contract holder to withdraw from their account value at [book value] at any time, without being tied to a specific triggering event; under such provision, the insurer has no contractual alternatives to paying out at [book value].

² Instances in which the terms of the funding agreement are designed to be different from the SPV issuances should be reported as an amount with different terms (even in instances where the SPV is not sponsored or formed by the reporting entity such as funding agreements issued into muni prepay structures).

(4) Identify if the SPV issuances backed by funding agreements are issued in a non-U.S. currency. If so, disclose the currency denominations and whether all foreign currency exposure related to each currency denomination is hedged.

(5) Is all foreign currency exposure related to funding agreements backing SPV issuances hedged via derivatives, asset matching, or otherwise mitigated? If not, please explain.

Note 11B – Illustration:

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE (LINES 1, 3, AND 4) BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

D. Funding agreements issued by such reporting entity that support funding agreement backed special purpose vehicle (SPV) issuances:

(1) Funding agreements Backing SPV Issuances

	1 Total Amount	2 Amount Puttable	3 Amount with Different Terms	4 BACV of Collateral Pledged to SPV by Reporting Entity
a. Funding Agreement Backed Notes (FABN)	\$.....	\$.....	\$.....	\$.....
b. Funding Agreement Backed Commercial Paper (FABCP)	\$.....	\$.....	\$.....	\$.....
c. Funding Agreement Backed Repurchase Agreements (FABR)	\$.....	\$.....	\$.....	\$.....
d. Funding Agreement Backed Loans (FABL)	\$.....	\$.....	\$.....	\$.....
e. Funding Agreements Issued into Muni Prepay Structures	\$.....	\$.....	\$.....	\$.....
f. Other Funding Agreements Backing SPV Issuances (Other)	\$.....	\$.....	\$.....	\$.....
g. Total (a+b+c+d+e+f)	\$.....	\$.....	\$.....	\$.....

Life Filers - 11D(1)g Column 1 should equal Exhibit 7 Footnote (b) Line 1

(3) Maturity Distribution of Funding Agreements Backing SPV Issuances

	1 Fixed Rate	2 Floating Rate	3 Total*
a. 1 year of Less	\$.....	\$.....	\$.....
b. After 1 year through 5 years	\$.....	\$.....	\$.....
c. After 5 years through 10 years	\$.....	\$.....	\$.....
d. After 10 years through 20 years	\$.....	\$.....	\$.....
e. Over 20 years	\$.....	\$.....	\$.....
f. Total (a+b+c+d+e)	\$.....	\$.....	\$.....

11D(3)f Column 3 should equal 11D(1)g Column 1

*** Total should reflect the balance of all funding agreements backing SPV issuances reported as Deposit-Type Contracts. Include zero coupon funding agreements in the fixed rate column.**

(4) Funding Agreements (FA) Backing SPV Issuances in currency denominations.

	Funding Agreements Backing SPV Issuances (in USD)
a. Year-End FA Balance (USD)	\$.....
b. Amount of FA Backing SPV Issuances in Foreign Currency:	
1. AUD	\$.....
2. CAD	\$.....
3. CHF	\$.....
4. EUR	\$.....
5. GBP	\$.....
6. Other	\$.....
7. Total Foreign Currency	
(1+2+3+4+5+6+7)	\$.....
c. Total FA Backing SPV Issuances (a+b7)	\$.....

11D(4)c should equal 11D(1)g Column 1

ANNUAL STATEMENT BLANK – LIFE/FRATERNAL

EXHIBIT 7 – DEPOSIT-TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance						
2. Deposits received during the year						
3. Investment earnings credited to the account						
4. Other net change in reserves.....						
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments						
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8) ^{(a),(b)} ..						
10. Reinsurance balance at the beginning of the year						
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded						
13. Reinsurance balance at the end of the year (Lines 10+11-12)						
14. Net balance at the end of current year after reinsurance (Lines 9+13)						

- (a) FHLB funding agreements:
1. Reported as GICs (captured in column 2) \$
 2. Reported as annuities certain (captured in column 3)..... \$
 3. Reported as supplemental contracts (captured in column 4)
 4. Reported as dividend accumulations or refunds (captured in column 5).... \$
 5. Reported as premium or other deposit funds (captured in column 6)..... \$
 6. Total reported as deposit-type contracts (captured in column 1): (Sum of Lines 1 through 5)..... \$

- (b) Funding agreements that back special purpose vehicle (SPV) issuances:
1. Total across all categories \$
 2. Of the total, funding agreements that support funding agreement backed SPV issuances whereby the funding agreement contains a put feature or embedded option..... \$

W:\QA\BlanksProposals\2026-04BWG.docx

This page intentionally left blank.