

NAIC Accounting Practices and Procedures Manual
Editorial and Maintenance Update
November 17, 2024

Maintenance updates provide revisions to the *Accounting Practices and Procedures Manual* (Manual) such as editorial corrections, reference changes, and formatting.

SSAP/Appendix	Description/Revision
<i>SSAP No. 26—Bonds</i>	Editorial change to reinstate disclosure language and reporting category provision.

SSAP No. 26—Bonds:

Overview: The disclosure in paragraph 39.e. is an existing disclosure (pre-bond-definition revisions) in SSAP No. 26. However, the pre-bond-definition version of the disclosure included direction for disclosure by Schedule D broad reporting categories, with categories listed in the SSAP. These reporting categories were removed from the adopted revised SSAP No. 26 disclosure effective January 1, 2025. Although this disclosure is satisfied by the completion of Schedule D-1-1 and D-1-2 for statutory accounting purposes, comments have been made that the adopted revised language could require a listing of all bonds in the audited financial statements. As such, editorial revisions have been proposed to reinstate the prior language for “receiving bond treatment” (as adopted, revised *SSAP No. 43—Asset-Backed Securities*, paragraph 44.m., points to this SSAP No. 26 disclosure for ABS items), and to include reference to reporting categories. A listing of the reporting categories is not deemed necessary within the SSAP.

Proposed Edits to SSAP No. 26 (effective January 1, 2025):

39.e. For each [annual](#) balance sheet presented, the book/adjusted carrying values, fair values, excess of book/carrying value over fair value or fair value over book/adjusted carrying values for each pertinent bond or assets ~~in scope of this statement~~ [receiving bond treatment, by category and subcategory as reported in annual statement Schedule D, Part 1, Section 1 \(Issuer Credit Obligations\), and Section 2 \(Asset-Backed Securities\)](#).

Staff Recommendation:

NAIC staff recommend that the Statutory Accounting Principles (E) Working Group move this agenda item to the active listing, categorized as a SAP clarification, and expose editorial revisions as illustrated within.

On November 17, 2024, the Statutory Accounting Principles (E) Working Group moved this item to the active listing and exposed the above editorial revisions to *SSAP No. 26—Bonds* for a shortened comment period ending December 9, 2024.

On December 17, 2024, the Statutory Accounting Principles (E) Working Group adopted the above exposed revisions effective January 1, 2025, as part of the revised SSAP No. 26 reflecting the bond definition.

<https://naiconline.sharepoint.com/teams/FRSStatutoryAccounting/NationalMeetings/A.NationalMeetingMaterials/2024/12-17-2024/Adoptions/24-26EPFall2024.docx>