Capital Adequacy (E) Task Force
RBC Proposal Form

☐ Capital Adequacy (E) Task Force   ☐ Health RBC (E) Working Group   ☒ Life RBC (E) Working Group

☐ Catastrophe Risk (E) Subgroup   ☐ P/C RBC (E) Working Group   ☐ Longevity Risk (A/E) Subgroup

☐ Variable Annuities Capital. & Reserve (E/A) Subgroup   ☐ Economic Scenarios (E/A) Subgroup   ☐ RBC Investment Risk & Evaluation (E) Working Group

DATE: 02-04-2026	**FOR NAIC USE ONLY**
CONTACT PERSON: Kazeem Okosun	Agenda Item # 2026-01-L Year 2026
TELEPHONE: 816-783-8981	**DISPOSITION**
EMAIL ADDRESS: kokosun@naic.org	**ADOPTED:** ☐ TASK FORCE (TF) ☐ WORKING GROUP (WG) ☐ SUBGROUP (SG)
ON BEHALF OF: **Life Risk-Based Capital (E) Working Group**	
NAME: Ben Slutsker, Chair	**EXPOSED:** ☐ TASK FORCE (TF) ☐ WORKING GROUP (WG) ☐ SUBGROUP (SG)
TITLE: Director of Life Actuarial Valuation	
AFFILIATION: Minnesota Department of Commerce	**REJECTED:** ☐ TF ☐ WG ☐ SG
ADDRESS: 85 7th Place East, Suite 280	**OTHER:** ☐ DEFERRED TO
Saint Paul, MN 55101	☐ REFERRED TO OTHER NAIC GROUP ☐ (SPECIFY)

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

☐ Health RBC Blanks   ☐ Property/Casualty RBC Blanks   ☒ Life and Fraternal RBC Blanks

☐ Health RBC Instructions   ☐ Property/Casualty RBC Instructions   ☒ Life and Fraternal RBC Instructions

☐ Health RBC Formula   ☐ Property/Casualty RBC Formula   ☐ Life and Fraternal RBC Formula

☐ OTHER _____

DESCRIPTION/REASON OR JUSTIFICATION OF CHANGE(S)

This proposal incorporates the proposed changes to the instructions and blanks of the AVR – Default Component & Equity and Other Invested Asset Component tables NAIC Blanks (E) Working Group as per 2025-27BWG MOD.

Implementation of these changes are contingent on the adoption of 2025-27 BWG MOD.

Additional Staff Comments:

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** **This section must be completed on all forms.**   **Revised 2-2023**

MORTGAGES

	Annual Statement Source	(1) Book / Adjusted Carrying Value	(2) Involuntary Reserve Adjustment†	(3) RBC Subtotal	(4) Cumulative Writedowns‡	(5) Average Factor		(6) RBC Requirement
In Good Standing								
(1) Residential Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line **E6**	$0	$0	$0	XXX	X 0.0014	=	$0
(2) Residential Mortgages-All Other	AVR Default Component Column 1 Line **E7**	$0	$0	$0	XXX	X 0.0068	=	$0
(3) Commercial Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line **E8**	$0	$0	$0	XXX	X 0.0014	=	$0
(4) Commercial Mortgages - All Other - Category CM1	AVR Default Component Column 1 Line **E9**	$0	$0	$0	XXX	X 0.0090	=	$0
(5) Commercial Mortgages - All Other - Category CM2	AVR Default Component Column 1 Line **E10**	$0	$0	$0	XXX	X 0.0175	=	$0
(6) Commercial Mortgages - All Other - Category CM3	AVR Default Component Column 1 Line **E11**	$0	$0	$0	XXX	X 0.0300	=	$0
(7) Commercial Mortgages - All Other - Category CM4	AVR Default Component Column 1 Line **E12**	$0	$0	$0	XXX	X 0.0500	=	$0
(8) Commercial Mortgages - All Other - Category CM5	AVR Default Component Column 1 Line **E13**	$0	$0	$0	XXX	X 0.0750	=	$0
(9) Total Commercial Mortgages-All Other	Lines (4) + (5) + (6) + (7) + (8)	$0	$0	$0				$0
(10) Farm Mortgages - Category CM1	AVR Default Component Column 1 Line **E1**	$0	$0	$0	XXX	X 0.0090	=	$0
(11) Farm Mortgages - Category CM2	AVR Default Component Column 1 Line **E2**	$0	$0	$0	XXX	X 0.0175	=	$0
(12) Farm Mortgages - Category CM3	AVR Default Component Column 1 Line **E3**	$0	$0	$0	XXX	X 0.0300	=	$0
(13) Farm Mortgages - Category CM4	AVR Default Component Column 1 Line **E4**	$0	$0	$0	XXX	X 0.0500	=	$0
(14) Farm Mortgages - Category CM5	AVR Default Component Column 1 Line **E5**	$0	$0	$0	XXX	X 0.0750	=	$0
(15) Total Farm Mortgages	Lines (10) + (11) + (12) + (13) + (14)	$0	$0	$0				$0
90 Days Overdue, Not in Process of Foreclosure								
(16) Farm Mortgages - Category CM6	AVR Default Component Column 1 Line **E14**	$0	$0	$0	XXX	X 0.1100	=	$0
(17) Residential Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line **E15**	$0	$0	$0	XXX	X 0.0027	=	$0
(18) Residential Mortgages-All Other	AVR Default Component Column 1 Line **E16**	$0	$0	$0	XXX	X 0.0140	=	$0
(19) Commercial Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line **E17**	$0	$0	$0	XXX	X 0.0027	=	$0
(20) Commercial Mortgages-All Other - Category CM6	AVR Default Component Column 1 Line **E18**	$0	$0	$0	XXX	X 0.1100	=	$0
In Process of Foreclosure								
(21) Farm Mortgages - Category CM7	AVR Default Component Column 1 Line **E19**	$0	$0	$0	XXX	X 0.1300	=	$0
(22) Residential Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line **E20**	$0	$0	$0	XXX	X 0.0054	=	$0
(23) Residential Mortgages-All Other	AVR Default Component Column 1 Line **E21**	$0	$0	$0	XXX	X 0.0270	=	$0
(24) Commercial Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line **E22**	$0	$0	$0	XXX	X 0.0054	=	$0
(25) Commercial Mortgages-All Other - Category CM7	AVR Default Component Column 1 Line **E23**	$0	$0	$0	XXX	X 0.1300	=	$0
Due and Unpaid Taxes								
(26) Due and Unpaid Taxes on Mortgages Overdue, Not in Process of Foreclosure	Schedule B Part 1 Footnote #3 1st amount	$0				X 1.000	=	$0
(27) Due and Unpaid Taxes on Foreclosed Mortgages	Schedule B Part 1 Footnote #4 1st amount	$0				X 1.000	=	$0
(28) Total Mortgages (including due and unpaid taxes) (Column (1) should equal Page 2 Column 3 Lines 3.1 + 3.2 + Schedule B Part 1 Footnote #3 1st amount + Schedule B Part 1 Footnote #4 1st amount).	Lines (1) + (2) + (3) + (9) + (15) plus the Sum of Lines (16) through (27)	$0	$0	$0				$0
(29) Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)							$0
(30) Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)							$0
(31) Total Mortgages (including MODCO/Funds Withheld.)	Lines (28) - (29) + (30)							$0

† Involuntary reserves are reserves that are held as an offset to a particular asset that is clearly a troubled asset and are included on Page 3 Line 25 of the Annual Statement.

‡ Cumulative writedowns include the total amount of writedowns, non-admissions, and involuntary reserves that have been taken or established with respect to a particular mortgage.

UNAFFILIATED PREFERRED AND COMMON STOCK

			(1)	(2) Less Affiliated Preferred Stock	(3)	(4)	(5)
		Annual Statement Source	Book / Adjusted Carrying Value	Without AVR	RBC Subtotal	Factor	RBC Requirement
	Unaffiliated Preferred Stock						
(1)	Preferred Stock Asset NAIC 1	AVR Default Component Column 1 Line **B1**	$0	$0	$0 X	0.0039 =	$0
(2)	Preferred Stock Asset NAIC 2	AVR Default Component Column 1 Line **B2**	$0	$0	$0 X	0.0126 =	$0
(3)	Preferred Stock Asset NAIC 3	AVR Default Component Column 1 Line **B3**	$0	$0	$0 X	0.0446 =	$0
(4)	Preferred Stock Asset NAIC 4	AVR Default Component Column 1 Line **B4**	$0	$0	$0 X	0.0970 =	$0
(5)	Preferred Stock Asset NAIC 5	AVR Default Component Column 1 Line **B5**	$0	$0	$0 X	0.2231 =	$0
(6)	Preferred Stock Asset NAIC 6	AVR Default Component Column 1 Line **B6**	$0	$0	$0 X	0.300 =	$0
(7)	Total Unaffiliated Preferred Stock	Sum of Lines (1) through (6)	$0	$0	$0		$0

(pre-MODCO/Funds Withheld)

(Column (1) should equal Page 2 Column 3 Line 2.1 less Asset Valuation Reserve Default Component Column 1 Line **B7**.)

(Column (2) should equal Schedule D Summary by Country Column 1 Line 22 less Asset Valuation Reserve Default Component Column 1 Line **B7**.)

(8)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)					$0
(9)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)					$0
(10)	Total Unaffiliated Preferred Stock (including MODCO/Funds Withheld.)	Lines (7) - (8) + (9)					$0

	Unaffiliated Common Stock						
(11)	Total Common Stock	Schedule D Summary Column 1 Line 29	$0				
(12)	Less Affiliated Common Stock	Schedule D Summary Column 1 Line 28	$0				
(13)	Less Non-Admitted Unaffiliated Common Stock included in Line (11)	Company Records	$0				
(14)	Less Federal Home Loan Bank Common Stock	AVR Equity Component Column 1 Line **A3**	$0		$0 X	0.011 =	$0
(15)	Less Unaffiliated Private Common Stock	AVR Equity Component Column 1 Line **A2**	$0		$0 X	0.300 =	$0
(16)	Net Other Unaffiliated Public Common Stock	Lines (11) - (12) - (13) - (14) - (15)	$0		$0 X	0.450 † =	$0
(17)	Total Admitted Unaffiliated Common Stock	Lines (14) + (15) + (16)	$0		$0		$0

(pre-MODCO/Funds Withheld)

(Column (1) should equal Schedule D Summary by Country Column 1 Line 29 less Line 28 less Line (13))

(18)	Credit for Hedging	LR015 Hedged Asset Common Stock Schedule Column (10) Line (0299999)					$0
(19)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)					$0
(20)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)					$0
(21)	Total Admitted Unaffiliated Common Stock (including MODCO/Funds Withheld and Credit for Hedging.)	Lines (17) - (18) - (19) + (20)					$0

† The factor for publicly traded common stock should equal 30 percent adjusted up or down by the weighted average beta for the publicly traded common stock portfolio subject to a minimum of 22.5 percent and a maximum of 45 percent in the same manner that the similar 13 percent factor for publicly traded common stock in the Asset Valuation Reserve (AVR) calculation is adjusted up or down. The rules for calculating the beta adjustment are set forth in the AVR section of the annual statement instructions.

Company Name				Cocode: 00000

REAL ESTATE

		Annual Statement Source	(1) Book / Adjusted Carrying Value	(2) Average Factor	(3) RBC Requirement ‡
	Real Estate				
(1)	Company Occupied Real Estate	AVR Equity Component Column 1 Line **B1**	$0		
(2)	Company Occupied Encumbrances	AVR Equity Component Column 3 Line **B1**	$0		
(3)	Total Company Occupied Real Estate	Line (1) + (2)	$0 X	0.0000 † =	$0
(4)	Foreclosed Real Estate	AVR Equity Component Column 1 Line **B3**	$0		
(5)	Foreclosed Encumbrances	AVR Equity Component Column 3 Line **B3**	$0		
(6)	Total Foreclosed Real Estate	Line (4) + (5)	$0 X	0.0000 † =	$0
(7)	Investment Real Estate	AVR Equity Component Column 1 Line **B2**	$0		
(8)	Investment Encumbrances	AVR Equity Component Column 3 Line **B2**	$0		
(9)	Total Investment Real Estate	Line (7) + (8)	$0 X	0.0000 † =	$0
(10)	Total Real Estate (pre-MODCO/Funds Withheld)	Lines (3) + (6) + (9)	$0		$0
(11)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)			$0
(12)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)			$0
(13)	Total Real Estate (including MODCO/Funds Withheld.)	Lines (10) - (11) + (12)			$0
	Schedule BA Real Estate				
(14)	Schedule BA Real Estate	Schedule BA Part 1 Column 12 Line 2199999 + Line 2299999, in part	$0		
(15)	Schedule BA Real Estate Encumbrances	Schedule BA Part 1 Column 12 Line 2199999 + Line 2299999, in part	$0		
(16)	Total Schedule BA Real Estate Excluding Tax Credit Investments Included Below	Line (14) + (15)	$0 X	0.0000 † =	$0
(17)	Yield Guaranteed State Tax Credit Investments	AVR Equity Component Column 1 Line **H1**	$0 X	0.0014 =	$0
(18)	Qualifying Federal Tax Credit Investments	AVR Equity Component Column 1 Line **H2**	$0 X	0.0260 =	$0
(19)	Qualifying State Tax Credit Investments	AVR Equity Component Column 1 Line **H3**	$0 X	0.0260 =	$0
(20)	Other Tax Credit Investments	AVR Equity Component Column 1 Line **H4**	$0 X	0.1500 =	$0
(21)	Total Tax Credit Investments	Lines (17) + (18) + (19) + (20)	$0		$0
(22)	Total Schedule BA Real Estate (pre-MODCO/Funds Withheld)	Lines (16) + (21)	$0		$0
(23)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)			$0
(24)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)			$0
(25)	Total Schedule BA Real Estate (including MODCO/Funds Withheld)	Lines (22) - (23) + (24)			$0

† Column (2) is calculated as Column (3) divided by Column (1).

‡ The RBC requirement is calculated for each individual property and then summarized on this page. Refer to the worksheet included in the Real Estate portion of the instructions.

Company Name				Cocode: 00000

MISCELLANEOUS ASSETS

			Annual Statement Source	(1) Book / Adjusted Carrying Value	Factor	(2) RBC Requirement
		Miscellaneous				
(1)		Cash	Page 2 Line 5, inside amount 1	$0	X 0.0039 =	$0
(2.1)		Cash Equivalents	Page 2 Line 5, inside amount 2	$0		
(2.2)		Less Cash Equivalent Bonds Already Included with Page LR002 Bonds	Schedule E Part 2 Column 7 Line 0509999999	$0		
(2.3)		Less Exempt Money Market Mutual Funds	Sch E, Part 2, Column 7, L8209999999	$0		
(2.4)		Net Cash Equivalents	Line (2.1) - Line (2.2) - Line (2.3)	$0	X 0.0039 =	$0
(3.1)		Short-Term Investments	Page 2 Line 5, inside amount 3	$0		
(3.2)		Less Short-Term Bonds	Schedule DA Part 1 Column 6 Line 0509999999	$0		
(3.3)		Net Short-Term Investments	Lines (3.1) - (3.2)	$0	X 0.0039 =	$0
(4)		Premium Notes	Page 2 Line 6 first inside amount	$0	X 0.068 =	$0
(5)		Receivable for Securities	Page 2 Column 3 Line 9	$0	X 0.016 =	$0
(6.1)		Aggregate Write-ins for Invested Assets	Page 2 Column 3 Line 11	$0		
(6.2)		Less Derivative Collateral Receivable	Page 2 Column 3 Line 11, Derivatives Collateral Receivable reported as part of total	$0		
(6.3)		Net Write-ins for Invested Assets	Line (6.1) - Line (6.2)	$0	X 0.068 =	$0
(7)		Total Miscellaneous Excluding Derivative Instruments	Lines (1) + (2.4) + (3.3) + (4) + (5) + (6.3)	$0		$0
		Derivative Instruments				
(8)		Collateral – Off Balance Sheet	Schedule DB Part D Section 1 Column 4 Line 0999999999, in part	$0	X 0.0039 =	$0
(9)		Collateral – On Balance Sheet	Schedule DB Part D Section 1 Column 4 Line 0999999999, in part	$0	X 0.000 =	$0
(10)		Exchange Traded and Centrally Cleared	AVR Default Component Column 1 Line D8, in part	$0	X 0.0039 =	$0
(11)		Over the Counter NAIC 1	AVR Default Component Column 1 Line D8, in part	$0	X 0.0039 =	$0
(12)		Over the Counter NAIC 2	AVR Default Component Column 1 Line D8, in part	$0	X 0.0126 =	$0
(13)		Over the Counter NAIC 3	AVR Default Component Column 1 Line D8, in part	$0	X 0.0446 =	$0
(14)		Over the Counter NAIC 4	AVR Default Component Column 1 Line D8, in part	$0	X 0.0970 =	$0
(15)		Over the Counter NAIC 5	AVR Default Component Column 1 Line D8, in part	$0	X 0.2231 =	$0
(16)		Over the Counter NAIC 6	AVR Default Component Column 1 Line D8, in part	$0	X 0.300 =	$0
(17)		Total Derivative Instruments	Sum of Lines (8) through (16)	$0		$0
(18)		Total Miscellaneous Assets (pre-MODCO/Funds Withheld)	Lines (7) + (17)	$0		$0
(19)		Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)			$0
(20)		Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)			$0
(21)		Total Miscellaneous Assets (including MODCO/Funds Withheld.)	Lines (18) - (19) + (20)	$0		$0

LR012

Company Name	Cocode: 00000

ADDITIONAL INFORMATION REQUIRED

		Source	(1) Statement Value
(1.2)	Other Affiliates: Subsidiaries	Subsidiaries' Life and Fraternal Risk-Based Capital LR042 Summary for Affiliated Investments Column (1) Lines (19), (20) and (21); Property and Casualty Risk-Based Capital PR005 Summary For Subsidiary, Controlled and Affiliated Investments for Cross-Checking Statement Values Column (1) Line (8) and Line (17)	$0
(2.2)	Noncontrolled Assets: Subsidiaries	Subsidiaries' Life and Fraternal Risk-Based Capital LR017 Off-Balance Sheet and Other Items Column (1) Line (15); Property and Casualty PR014 Miscellaneous Off-Balance Sheet Items Column (1) Line (15)	$0
(3.2)	Guarantees for Affiliates: Subsidiaries	Subsidiaries' Life Notes to Financial Statements #14A3c1; Property and Casualty Notes to Financial Statements #14A3c1	$0
(4.2)	Contingent Liabilities: Subsidiaries	Subsidiaries' Life Notes to Financial Statements #14A1; Property and Casualty Notes to Financial Statements #14A1	$0
(5.2)	Long Term Leases: Subsidiaries	Subsidiaries' Life Notes to Financial Statements #15A2a1; Property and Casualty Notes to Financial Statements #15A2a1	$0
(7.11)	Total Affiliated Investments: Company	Company's Annual Statement Five-Year Historical Data Column 1 Line 50	$0
(7.12)	Less Affiliated Common Stock: Company	Company's Annual Statement Five-Year Historical Data Column 1 Line 46	$0
(7.13)	Less Affiliated Preferred Stock: Company	Company's Annual Statement Five-Year Historical Data Column 1 Line 45	$0
(7.14)	Net Affiliated Investments: Company	Lines (7.11) - (7.12) - (7.13)	$0
(7.2)	Affiliated Investments: Subsidiaries	Subsidiaries' Life Annual Statement Five-Year Historical Data Column 1 Line 50 Less Lines 45 and 46; Property and Casualty Annual Statement Five-Year Historical Data Column 1 Line 48 Less Lines 43 and 44	$0
(9.1)	Surplus Notes: Company	Company's Annual Statement Page 3 Column 1 Line 32	$0
(9.2)	Surplus Notes: Subsidiaries	Subsidiaries' Life Annual Statement Page 3 Column 1 Line 32; Property and Casualty Annual Statement Page 3 Column 1 Line 33	$0
(10.11)	Capital Paid In: Company	Company's Annual Statement Page 4 Column 1 Line 50.1	$0
(10.12)	Surplus Paid In: Company	Company's Annual Statement Page 4 Column 1 Line 51.1	$0
(10.13)	Total Current Year's Capital Contributions: Company	Line (10.11) + Line (10.12)	$0
(10.2)	Current Year's Capital Contributions: Subsidiaries	Subsidiaries' Life Annual Statement Page 4 Column 1 Lines 50.1 + 51.1; Property and Casualty Annual Statement Page 4 Column 1 Lines 32.1 + 33.1	$0
(11.1)	Total Residual Tranches or Interests	Company's Annual Statement AVR, Equity and Other Invested Asset Component, Column 1, Line **I13**	$0

LR038

UNAFFILIATED PREFERRED AND COMMON STOCK
LR005

Basis of Factors

Unaffiliated Preferred Stock
Starting with year-end 2004 RBC, the preferred stock factors were changed to be the same as for bonds.

Unaffiliated Common Stock
Federal Home Loan Bank Stock has characteristics more like a fixed-income instrument rather than common stock. A 1.1% pre-tax factor was chosen. The factor for other unaffiliated common stock is based on studies conducted at two large life insurance companies. Both of these studies focused on well-diversified portfolios with characteristics similar to the Standard and Poor's 500 and indicate that a 30% pre-tax factor is needed to provide capital to cover approximately 95% of the greatest losses in common stock value over a two-year future period. This factor assumes capital losses are unrealized and not subject to favorable tax treatment at the time loss in fair value occurs.

Two adjustments are made to the 30% pre-tax factor to account for differences between the insurer's portfolio and the Standard and Poor's 500: first, the factor for publicly traded unaffiliated common stock is adjusted up or down by the weighted average beta of the insurer's portfolio subject to a maximum of 45% and a minimum of 22.5%; and second, a common stock concentration component is calculated, adding an additional requirement equal to 50% of the beta adjusted basic requirement for the five largest holdings of common stock in the insurer's portfolio.

Specific Instructions for Application of the Formula

Lines (1) through (6)
Column (1) amounts are from the Asset Valuation Reserve Default Component~~, Page 30, Column 1~~, Lines ~~10~~ B1 through ~~15~~ B6 of the annual statement. Since affiliated amounts are included for affiliated companies without an AVR in the Asset Valuation Reserve Default Component, Lines ~~10~~ B1 through ~~15~~ B6, these affiliated amounts should be deducted in Column (2). Affiliated companies with an AVR are reported on the Asset Valuation Reserve Default Component, Line ~~16~~ B7 and should not be included in Column (2).

Line (7)
Column (1) should equal Annual Statement Assets, Page 2, Column 3, Line 2.1 less Asset Valuation Reserve Default Component, Column 1, Line ~~16~~ B7. Column (2) should equal Schedule D Summary by Country, Column 1, Line 22 less Asset Valuation Reserve Default Component, Column 1, Line ~~16~~ B7.

Line (13)
Amount should reflect any non-admitted unaffiliated common stock that was included in Line (11) of this page.

Line (14)
Federal Home Loan Bank common stock reported on Schedule D, Part 2, Section 2 of the annual statement should be reflected on this line.

Line (16)
The pre-tax factor for other unaffiliated common stock should be equal to 30% adjusted in the case of publicly traded stock by the weighted average beta for the insurer's portfolio of common stock, subject to a minimum factor of 22.5% and a maximum factor of 45%. The calculation of the beta adjustment should follow the procedures laid out for the similar adjustment in the asset valuation reserve calculation. Insurers that choose not to calculate a beta for their portfolio should use the maximum factor of 45%.

Line (17)
Column (1) should equal Annual Statement Schedule D Summary by Country, Column 1, Line 29 less Schedule D Summary by Country, Column 1, Line 28 less line (13).

Lines (19) and (20)

To the extent that a modco or funds withheld transaction is backed by common stock included in Line (17) of the ceding company's RBC calculation, the ceding company's credit and assuming reinsurer's charge should include a beta adjustment that is calculated in a manner consistent with the Line (17) calculation of the ceding insurer.

REAL ESTATE
LR007

Basis of Factors

The base factor for equity real estate of 11% was developed by adding a margin for conservatism to the results of an analysis of real estate performance over the period of 1978 – 2020. The analysis was conducted by a group of life insurance company real estate investment professionals coordinated by the ACLI. The data used was a national database of real property owned by investment fiduciaries and supplemented by data on real estate backing mortgage securities. The analysis is documented in a report to the NAIC dated March 29, 2021. In addition to modifying the factor for company owned and investment real estate, this updated factor will also be used for real estate acquired in satisfaction of debt (Foreclosed real estate). Foreclosed real estate is recognized in the statutory statements as having acquisition cost equal to market value at time of foreclosure. For assets with the characteristics of real held estate (partnership or other structure) reported on Schedule BA, a higher factor of 13% is used to account for the lower transparency involved with these structures. Schedule BA real estate was originally given a higher factor under a presumption that it was more highly levered. Analysis has shown these assets to have experience very similar to directly held and will therefore use a modestly higher factor.

While the experience analysis was done based on analysis of fair value impacts, Real Estate is reported at depreciated cost in the Statutory statements. The difference in values impacts the risk to statutory surplus. Therefore, an adjustment is made to the factor based on the difference between fair value and statutory carrying value on a property-by-property basis. The adjustment is defined as

$$\text{Adj Factor} = RE\ Factor*(1 – [factor] * (MV-BVg)/BVg)\}$$

factor is 0 This zero factor for the fair value adjustment is effective beginning yearend 2021 for RBC filings.

The resulting adjusted RBC factor is subject to a minimum of zero. In the RBC calculation, see Figure 7, fair value is taken from Schedule A Column 10 plus encumbrances, or from Schedule BA column 11 plus encumbrances, respectively, while BVg is the net Book Adjusted Carrying Value plus the encumbrance.

Encumbrances have been included in the real estate base since the value of the property is held net of the encumbrance, but the entire value is subject to loss. Encumbrances receive the base real estate factor of 11% reduced by the average factor for commercial mortgages of 1.75% pre-tax. In the past, this was computed as a base factor applied to the net real estate value plus a separate factor applied to the amount of the encumbrance. Beginning in 2021, the equivalent result will be obtained by applying a base factor to the gross statutory value of the property, and a credit provided for the amount of the encumbrance.

The final RBC amount is subject to a minimum of the Baa bond factor 1.30% applied to the BACV, and a maximum of 45% of the BACV.

Specific Instructions for Application of the Formula

Column (1)
Calculations are done on an individual property or joint venture basis in the worksheets and then the summary amounts are entered in this column for each class of real estate investment. Refer to the real estate calculation worksheet (Figure 7) for how the individual property or joint venture calculations are completed.

Line (1) should equal Page 2, Column 3, Line 4.1.
Line (2) should equal Page 2, inside amount, Line 4.1.
Line (4) should equal AVR Equity Component Column 1 Line 20B3.
Line (5) should equal AVR Equity Component Column 3 Line 20B3.
Line (7) should equal AVR Equity Component Column 1 Line 19B2.
Line (8) should equal AVR Equity Component Column 3 Line 19B2.
Line (14) should equal Schedule BA, Part 1, Column 12, Line 2199999 plus Line 2299999, in part.
Line (15) should equal Schedule BA, Part 1, Column 12, Line 2199999 plus Line 2299999, in part.

Line (17) should equal AVR Equity Component Column 1 Line ~~75~~H1.
Line (18) should equal AVR Equity Component Column 1 Line ~~76~~H2.
Line (19) should equal AVR Equity Component Column 1 Line ~~77~~H3.
Line (20) should equal AVR Equity Component Column 1 Line ~~78~~H4.
Line (21) should equal AVR Equity Component Column 1 Line ~~79~~H5.

All investments in tax credit structures within the scope of *SSAP No. 93—Investments in Tax Credit Structures* are to be reported in Column (1).

Column (2)
The average factor column is calculated as Column (3) divided by Column (1).

Column (3)
Summary amounts are entered for Column (3) based on calculations done on an individual property or joint venture basis. Refer to Column (10) of the real estate calculation worksheet (Figure 7).

Line (17)
Yield Guaranteed State Tax Credit Investments are to be included in Line (17). There must be an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment. This reporting line is only allowed for tax credit investments which issue state tax credits.

Line (18)
Qualifying Federal Tax Credit Investments are to be included in line (18). Refer to the Annual Statement Schedule BA Instructions for risk mitigating factors these investments must possess in order to be qualified for this classification.

Line (19)
Qualifying State Tax Credit Investments are to be included in Line (19). Refer to the Annual Statement Schedule BA Instructions for risk mitigating factors these investments must possess in order to be qualified for this classification.

Line (20)
Other Tax Credit Investments are to be included in line (20). Any tax credit investment which cannot be reported as either yield guaranteed State Tax Credit Investments or qualifying Federal or State Tax Credit Investments are included here.

Federal tax credit investments with all-inclusive yield guarantees which would have previously been reported under the Guaranteed Federal Tax Credit Investment reporting line and are still within the scope of SSAP No. 93 shall be reported in Other Tax Credit Investments. This Federal Guaranteed reporting line was removed as these types of tax credit investment structure were substantially eliminated by the Historic Boardwalk Hall, LLC v. Commissioner of Internal Revenue court decision in 2012.

(Figure 7)

Real Estate Worksheet

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Description	Book/Adjusted Carrying Value	Encumbrances	Fair Value	Base Factor	Encumbrance Credit Factor	Adjusted RBC Factor&	Gross RBC Requirement‡	Encumbrances Credit	RBC Requirement*
Company Occupied Real Estate All Properties Without Encumbrances†		XXX		0.110	XXX			XXX	
(1)									

(2)						
	All Properties With Encumbrances:					
(3)			0.110	0.0175		
(4)			0.110	0.0175		
(199)	Total Company Occupied Real Estate					
	Foreclosed Real Estate All Properties Without Encumbrances†	XXX	0.110	XXX	XXX	
(1)						
(2)						
	All Properties With Encumbrances:					
(3)			0.110	0.0175		
(4)			0.110	0.0175		
(299)	Total Foreclosed Real Estate					
	Investment Real Estate All Properties Without Encumbrances†	XXX	0.110	XXX	XXX	
(1)						
(2)						
	All Properties With Encumbrances:					
(3)			0.110	0.0175		
(4)			0.110	0.0175		
(399)	Total Investment Real Estate					
(499)	Total Real Estate (Line (199) + Line (299) + Line (399))					
	Schedule BA Assets with characteristics of Real Estate All Assets Without Encumbrances†	XXX	0.130	XXX	XXX	
(1)						
(2)						

All Assets With
Encumbrances:

(3)		0.130	0.0175
(4)		0.130	0.0175

(899) Total Schedule
BA Real Estate

Note that column (2) is the book/adjusted carrying value net of any encumbrances, while column (4) is the fair value of the property not reduced for any encumbrances.

† For each category, each property should be listed individually, including those for which there is no encumbrance.

& Column (7) is Column (5) times (1-(*factor*) * (Column (4) – (Column (2) + Column (3))) / (Column (2) + Column (3))), but not less than zero.

‡ Column (8) is calculated as (Column (2) plus Column (3)) multiplied by Column (7).

§ Column (9) is calculated as Column (3) multiplied by Column (6).

* Column (10) is calculated as Column (8) minus Column (9), but not less than 1.3% nor more than 45% of Column (2), and not less than zero.

Asset Concentration Factor
LR010

Basis of Factors

The purpose of the concentration factor is to reflect the additional risk of high concentrations in single exposures (represented by an individual issuer of a security or a holder of a mortgage, etc.) The concentration factor doubles the risk-based capital pre-tax factor (with a maximum of 45% pre-tax) of the 10 largest asset exposures excluding various low-risk categories or categories that already have a maximum factor. Since the risk-based capital of the assets included in the concentration factor has already been counted once in the basic formula, the asset concentration factor only serves to add in the additional risk-based capital required. The calculation is completed on a consolidated basis; however, the concentration factor is reduced by amounts already included in the concentration factors of subsidiaries to avoid double-counting.

Specific Instructions for Application of the Formula

The 10 largest asset exposures should be developed by consolidating the assets of the parent with the assets of the company's insurance and investment subsidiaries. The concentration factor component on any asset already reflected in the subsidiary's RBC for the concentration factor should be deducted from Column (4). This consolidation process affects higher tiered companies only. Companies on the lowest tier of the organizational chart will prepare the asset concentration on a "stand alone" basis.

The 10 largest exposures should exclude the following: affiliated and non-affiliated common stock, affiliated preferred stock, home office properties, policy loans, bonds for which AVR and RBC are zero, NAIC 1 bonds, NAIC 1 unaffiliated preferred stock, CM 1 Commercial and Farm Mortgages and any other asset categories with RBC factors less than 0.8% post-tax (this includes residential mortgages in good standing, insured or guaranteed mortgages, cash, certain cash equivalents and short-term investments).

In determining the assets subject to the concentration factor for both C-1o and C-1cs, the ceding company should exclude any asset whose performance inures primarily (>50%) to one reinsurer under modified coinsurance or funds withheld arrangements. The reinsurer should include 100% of such assets. Any asset where no one reinsurer receives more than 50% of its performance should remain with the ceding company.

Assets should be aggregated by issuer before determining the 10 largest exposures. Aggregations should be done separately for bonds including applicable Other Invested Assets with Underlying Characteristics of Bonds that are reported in Line **C1** through **C7** of Asset Valuation Reserve (AVR) Equity and Other Invested Asset Component table, and preferred stock (the first six digits of the CUSIP number can be used as a starting point) (please note that the same issuer may have more than one unique series of the first six digits of the CUSIP), mortgages and real estate. Securities held within Schedule BA joint ventures partnerships limited liability and other fund structures should be aggregated by issuer as if the securities are held directly. Likewise, where joint venture real estate is mortgaged by the insurer, both the mortgage and the joint venture real estate should be considered as part of a single exposure. Tenant exposure is not included. For bonds and unaffiliated preferred stock, aggregations should be done first for classes 2 through 6. After the 10 largest issuer exposures are chosen, any NAIC 1 bonds or NAIC 1 unaffiliated preferred stock, from any of these issuers should be included before doubling the risk-based capital. For some companies, following the above steps may generate less than 10 "issuer" exposures. These companies should list all available exposures.

Replicated assets other than synthetically created indices should be included in the asset concentration calculation in the same manner as other assets.

The book/adjusted carrying value of each asset is listed in Column (2).

The RBC factor will correspond to the risk-based capital category of the asset reported previously in the formula before application of the size factor for bonds. Consistent with the aggregation noted above, applicable Other Invested Assets with Underlying Characteristics of Bonds receive the same RBC factor as bonds. To get the proper Asset Type for investments within the 'Other Invested Assets with Underlying Characteristics of Bonds' AVR category, use the

NAIC Designation and NAIC Designation Modifier from the 'NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol' column as reported on Schedule BA – Part 1. The RBC filing software automatically allows for an overall 45% RBC cap.

Lines (17) through (22)

The Asset Concentration RBC Requirement for a particular property plus the Real Estate RBC Requirement for a particular property cannot exceed the book/adjusted carrying value of the property. Any properties exceeding the book/adjusted carrying value must be adjusted down to the book/adjusted carrying value in Column (6) of the Asset Concentration.

Line (18), Column (4) is calculated as Line (17), Column (2) multiplied by 0.1100 plus Line (18), Column (2) multiplied by 0.0925, but not greater than Line (17), Column (2).

Line (20), Column (4) is calculated as Line (19), Column (2) multiplied by 0.1100 plus Line (20), Column (2) multiplied by 0.0925, but not greater than Line (19), Column (2).

Line (22), Column (4) is calculated as Line (21), Column (2) multiplied by 0.1300 plus Line (22), Column (2) multiplied by 0.1125, but not greater than Line (21), Column (2).

Lines (23) through (54)

The Asset Concentration RBC Requirement for a particular mortgage plus the LR004 Mortgages RBC Requirement or LR009 Schedule BA Mortgages RBC Requirement for a particular mortgage cannot exceed 45% of the book/adjusted carrying value of the mortgage. Any mortgages exceeding 45% of the book/adjusted carrying value must be adjusted down in Column (6) of the Asset Concentration.

Line (32), Column (4) is calculated as the greater of 0.1800 multiplied by [(Line (31) plus Line (32)] less Line (32) or Line (31) multiplied by the appropriate factor for the CM class to which the loan is assigned.

Line (34), Column (4) is calculated as the greater of 0.0140 multiplied by [(Line (33) plus Line (34)] less Line (34) or Line (33) multiplied by 0.0068.

Line (36), Column (4) is calculated as the greater of 0.1800 multiplied by [(Line (35) plus Line (36)] less Line (36) or Line (35) multiplied by the appropriate factor for the CM class to which the loan is assigned.

Line (38), Column (4) is calculated as the greater of 0.2200 multiplied by [(Line (37) plus Line (38)] less Line (38) or Line (37) multiplied by the appropriate factor for the CM class to which the loan is assigned.

Line (40), Column (4) is calculated as the greater of 0.0270 multiplied by [(Line (39) plus Line (40)] less Line (40) or Line (39) multiplied by 0.0068.

Line (42), Column (4) is calculated as the greater of 0.2200 multiplied by [(Line (41) plus Line (42)] less Line (42) or Line (41) multiplied by the appropriate factor for the CM class to which the loan is assigned.

Line (43), Column (4) is calculated as Line (43) multiplied by the appropriate factor for the CM class to which the loan is assigned.

Line (52), Column (4) is calculated as the greater of 0.1800 multiplied by [(Line (51) plus Line (52)] less Line (52) or Line (51) multiplied by the appropriate factor for the CM class to which the loan is assigned.

Line (54), Column (4) is calculated as the greater of 0.2200 multiplied by [(Line (53) plus Line (54)] less Line (54) or Line (53) multiplied by the appropriate factor for the CM class to which the loan is assigned.

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

	FOR NAIC USE ONLY
DATE: **12/10/2025**	Agenda Item # 2025-27BWG MOD
	Year 2026
CONTACT PERSON:	Changes to Existing Reporting [X]
	New Reporting Requirement [ ]
TELEPHONE:	
	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT
EMAIL ADDRESS:	
	No Impact [X]
ON BEHALF OF:	Modifies Required Disclosure [ ]
NAME: **Philip Barlow**	Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? [No]
TITLE: **Associate Commissioner of Insurance**	***If Yes, complete question below***
AFFILIATION: **District of Columbia**	**DISPOSITION**
ADDRESS:	[ ] Rejected For Public Comment
	[ ] Referred To Another NAIC Group
	[X] Received For Public Comment
	[ ] Adopted Date _____
	[ ] Rejected Date _____
	[ ] Deferred Date _____
	[ ] Other (Specify) _____

BLANK(S) TO WHICH PROPOSAL APPLIES

[X] **ANNUAL STATEMENT**   [X] **INSTRUCTIONS**   [X] **CROSSCHECKS**
[   ] **QUARTERLY STATEMENT**   [X] **BLANK**

[X] Life, Accident & Health/Fraternal   [X] Separate Accounts   [X] Title
[X] Property/Casualty   [X] Protected Cell   [   ] Other _____
[X] Health   [   ] Health (Life Supplement)   [   ] Life (Health Supplement)

Anticipated Effective Date: Annual 2026

IDENTIFICATION OF ITEM(S) TO CHANGE

Add a section to Life/Fraternal Asset Valuation Reserve (AVR) to report Collateralized Loan Obligations (CLOs), Collateralized Bond Obligations (CBOs), and Collateralized Debt Obligations (CDOs). Also, add a footnote to Schedule D, Part 1, Section 2 to report the book adjusted carrying value by NAIC designation for CLOs/CBOs/CDOs.

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

This proposal was prepared to incorporate a more granular reporting of long-term bonds in Asset Valuation Reserve (AVR) – Default Component by bifurcating long-term bonds into i) Long-Term Bonds, excluding collateralized loan obligations (CLOs)CLOs/CBOs/CDOs and ii) CLOs/CBOs/CDOs. The expanded presentation of bonds helps to facilitate the work of Risk-Based Capital Investment Risk and Evaluation (E) Working Group under Working Agenda IR#5: Evaluate the appropriate RBC treatment of Asset-Backed Securities (ABS), including Collateralized Loan Obligations (CLO), collateralized fund obligations (CFOs), or other similar securities carrying similar types of tail risk (Complex Assets).

In addition, the AVR – Default Component & Equity and Other Invested Asset Component tables are re-designed to section-by-section format in order to support future changes in asset categorization.

Finally, the proposed change to Schedule D, Part 1, Section 2 facilities P/C and Health RBC formulas should they consider expanding bond pages (PR006 and XR007) to bifurcate long-term bond into CLOs/CBOs/CDOs and other than CLOs/CBOs/CDOs.

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:_____

**   **This section must be completed on all forms.**   **Revised 11/17/2022**

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL

ASSET VALUATION RESERVE

Detail Eliminated To Conserve Space

Line 7 – Basic Contribution (includes separate accounts assets, if applicable)

Report the basic contribution amount for each asset category as calculated on Pages 30 through ~~36~~ 38 (General Account) and Pages 15 through ~~21~~ 23 (Separate Accounts).

Column 1: Report the total bonds (including collateralized loan obligations), preferred stock, short–term investments, and derivative instruments from Page~~s~~ 31 and 32, Line~~s 34~~A16, B8, C8, and D9, Column 6 (General Account) and Page~~s~~ 16 and 17, Line~~s 34~~A16, B8, C8, and D9, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~36~~38, Line 0199999, Column 7 (General Account) and
Page ~~21~~23, Line 0199999, Column 7 (Separate Accounts).

Column 2: Report the total mortgage loans from Page ~~32~~33, Line ~~58~~E24, Column 6 (General Account) and Page ~~17~~18, Line ~~58~~E24, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~36~~38, Line 0299999, Column 7 (General Account) and Page ~~21~~23, Line 0299999, Column 7 (Separate Accounts).

Column 4: Report the total common stock from Page ~~33~~34, Line A17, Column 6 (General Account) and Page ~~18~~19, Line ~~18~~A17, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~36~~38, Line 0399999, Column 7 (General Account) and Page ~~21~~23, Line 0399999, Column 7 (Separate Accounts).

Column 5: Report the total real estate from Page ~~33~~34, Line ~~21~~B4, Column 6 (General Account) and from Page ~~18~~19, Line ~~21~~B4, Column 6 (Separate Accounts), if applicable, plus the total other invested assets from Page ~~35~~37, Line ~~105~~L6, Column 6 (General Account) and from Page ~~20~~22, Line ~~105~~L6, Column 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page ~~36~~38, Line 0499999, Column 7 (General Account) and Page ~~21~~23, Line 0499999, Column 7 (Separate Accounts).

Line 9 – Maximum Reserve (includes separate accounts assets, if applicable)

Report the maximum reserve for each asset category as calculated on Pages 30 through ~~36~~ 38 (General Account) and Pages 15 through ~~21~~ 23 (Separate Accounts).

Column 1: Report the total bonds (including collateralized loan obligations), preferred stock, short–term investments, and derivative instruments from Page~~s~~ 31 and 32, Line~~s 34~~A16, B8, C8, and D9, Column 10 (General Account) and Page~~s~~ 16 and 17, Line~~s 34~~A16, B8, C8, and D9, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page ~~36~~38, Line 0199999, Column 9 (General Account) and
Page ~~21~~23, Line 0199999, Column 9 (Separate Accounts).

Column 2: Report the total mortgage loans from Page ~~32~~33, Line ~~58~~E24, Column 10 (General Account) and Page ~~17~~18, Line ~~58~~E24, Col. 10 (Separate Accounts), if applicable and the

total for replication (synthetic asset) transactions contained on Page 36̶38, Line 0299999, Column 9 (General Account) and Page 21̶23, Line 0299999, Column 9 (Separate Accounts).

Column 4:   Report the total common stock from Page 33̶34, Line 17̶B4, Column 10 (General Account) and Page 18̶19, Line 17̶B4, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36̶38, Line 0399999, Column 9 (General Account) and Page 21̶23, Line 0399999, Column 9 (Separate Accounts).

Column 5:   Report the total real estate from Page 33̶34, Line 21̶B4, Column 10 (General Account) and from Page 18̶19, Line 21̶B4, Column 10 (Separate Accounts), if applicable, plus the total other invested assets from Page 35̶37, Line 105̶L6, Column 10 (General Account) and from Page 20̶22, Line 105̶L6, Column 10 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 36̶38, Line 0499999, Column 9 (General Account) and Page 21̶23, Line 0499999, Column 9 (Separate Accounts).

Line 10   –   Reserve Objective (includes separate accounts assets, if applicable)

Report the reserve objective amount for each asset category as calculated on Pages 30 through 36̶38 (General Account) and Pages 15 through 21̶ 23 (Separate Accounts).

Column 1:   Report the total bonds (including collateralized loan obligationsCLOs/CBOs/CDOs), preferred stock, short–term investments, and derivative instruments from Pages 31 and 32, Lines 34̶A16, B8, C8, and D9, Column 8 (General Account) and Pages 16 and 17, Lines 34̶A16, B8, C8, and D9, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36̶38, Line 0199999, Column 8 (General Account) and
Page 21̶23, Line 0199999, Column 8 (Separate Accounts).

Column 2:   Report the total mortgage loans from Page 32̶33, Line 58̶E24, Column 8 (General Account) and Page 17̶18, Line 58̶E24, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36̶38, Line 0299999, Column 8 (General Account) and Page 21̶23, Line 0299999, Column 8 (Separate Accounts).

Column 4:   Report the total common stock from Page 33̶34, Line 17̶B4, Column 8 (General Account) and Page 18̶19, Line 17̶B4, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36̶38, Line 0399999, Column 8 (General Account) and Page 21̶23, Line 0399999, Column 8 (Separate Accounts).

Column 5:   Report the total real estate from Page 33̶34, Line 21̶B4, Column 8 (General Account) and from Page 18̶19, Line 21̶B4, Column 8 (Separate Accounts), if applicable; plus the total other invested assets from Page 35̶37, Line 105̶L6, Column 8 (General Account) and from Page 20̶22, Line 105̶L6, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 36̶38, Line 0499999, Column 8 (General Account) and Page 21̶23, Line 0499999, Column 8 (Separate Accounts).

DEFAULT COMPONENT –
BASIC CONTRIBUTION, RESERVE OBJECTIVE, AND MAXIMUM RESERVE CALCULATIONS

Detail Eliminated To Conserve Space

Section A:

Lines 1
through 7   –   Long-Term Bonds, excluding ~~collateralized loan obligations~~CLOs/CBOs/CDOs

Report the book/adjusted carrying value of all bonds and other fixed income instruments owned, excluding unaffiliated and affiliated non-agency CLOs/CBOs/CDOs reported on Schedule D, Part 1, Section 2, Lines 1099999999 and 1109999999 and Schedule DL, Part 1, Lines 1099999999 and 1109999999 in Columns 1 and 4. Categorize the bonds and other fixed income instruments into NAIC designations 1 through 6 as directed by the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*, except that, exempt obligations should be reported separately. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

~~Line 8~~   ~~–~~   ~~Intentionally Left Blank~~

Line ~~9~~8   –   Total Long-Term Bonds

Column 1 should agree with Page 2, Line 1, Column 3 plus Schedule DL Part 1, Column 6, Line 2009999999 minus Schedule D, Part 1, Section 2, Column 8, Lines 1099999999 and 1109999999 minus Schedule DL, Part 1, Column 6, Lines 1099999999 and 1109999999.

Lines 9
through 14   –   Collateralized Loan Obligations (CLOs)/Collateralized Bond Obligations (CBOs)/Collateralized Debt Obligations (CDOs)

Report the book/adjusted carrying value of all collateralized loan obligations, collateralized bond obligations, collateralized debt obligations owned, reported as unaffiliated and affiliated non-agency CLOs/CBOs/CDOs on Schedule D, Part 1, Section 2, Lines 1099999999 and 1109999999 and Schedule DL, Part 1, Lines 1099999999 and 1109999999 in Columns 1 and 4. Categorize the ~~collateralized loan obligations~~ CLOs/CBOs/CDOs into NAIC designations 1 through 6 as directed by the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

Line 15   –   Total ~~Collateralized Loan Obligations~~CLOs/CBOs/CDOs

Column 1 should agree with Schedule D, Part 1, Section 2, Column 8, Lines 1099999999 and 1109999999 plus Schedule DL, Part 1, Lines 1099999999 and 1109999999.

Section B:

Lines 1~~0~~
through ~~15~~8   –   Preferred Stocks

Report the book/adjusted carrying value of all preferred stocks owned in Columns 1 and 4. Categorize the preferred stocks into NAIC designations one through six as directed by the NAIC Securities Valuation Office instructions. Multiply the amount in Column 4 for each designation by the reserve

factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

Line ~~16~~7   –   Affiliated Life Insurer with AVR

Report the book/adjusted carrying value of all preferred stocks owned in a controlled or affiliated company, or a subsidiary that is a life or fraternal insurance company that holds an AVR, in Columns 1 and 4. These companies are required to carry their own asset valuation reserve or an equivalent, and therefore the preferred stocks are not required to be included in the asset valuation reserve of an affiliated company.

Line ~~17~~8   –   Total Preferred Stocks

Column 1 should agree with Page 2, Line 2.1, Column 3 plus Schedule DL, Part 1, Column 6, Line 4509999999.

Section C:

Lines 1~~8~~
through ~~24~~7   –   Short-Term Bonds

Report the book/adjusted carrying value of all short-term bonds and other short-term fixed-income investments (Schedule DA, Part 1 (Line 0509999999) and short-term bonds included on Schedule DL, Part 1, Line 9509999999 owned in Columns 1 and 4. Categorize the short-term bonds and other fixed-income instruments listed in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* into NAIC designations 1 through 6 as directed by the Securities Valuation Office instructions, except that exempt obligations listed in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* should be reported separately. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

Section D:

Lines ~~26~~1
through ~~32~~8   –   Derivative Instruments

Report the book/adjusted carrying value exposure to counterparty credit risk associated with the use of derivative instruments, net of acceptable collateral, for all counterparties by each SVO designation, from Schedule DB, Part D, Section 1, Column 8. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

Line ~~34~~9   –   Total

Column 6 must be reported on Page 29, Line 7, Column 1.

Column 8 must be reported on Page 29, Line 10, Column 1.

Column 10 must be reported on Page 29, Line 9, Column 1.

Section E:

Lines 35<u>1</u>
through 57<u>23</u>   –   Mortgage Loans

The classification methodology for mortgages is outlined in the Life Risk-Based Capital instructions. Report the book/adjusted carrying value of all Schedule B and Schedule DL, Part 1 mortgage loans owned in Column 1. Any related party encumbrances should be deducted in Column 2. Categorize the mortgage loans as indicated on Lines 35 <u>1</u> through 57<u>23</u>. Report the difference of Column 1 less Column 2 in Column 4. Multiply the amount in Column 4 for each category by the reserve factors in Columns 5, 7, and 9, and report the products by category in Columns 6, 8, and 10, respectively.

NOTE: Related party encumbrances are loans from the reporting entity and the amount deducted in Column 2 should be reflected in Column 2 in the corresponding section of the AVR worksheet. If the affiliated entity to which the loan was made is not wholly owned by the reporting entity, the related party encumbrance amount deducted in Column 2 should be based on the reporting entity's ownership percentage.

Line 58<u>24</u>   –   Total Schedule B Mortgage Loans on Real Estate

Column 1 should agree with Page 2, Line 3.1 + 3.2, Column 3 plus Schedule DL, Part 1, Column 6, Line 9309999999.

Column 6 must be reported on the Asset Valuation Reserve Page, Line 7, Column 2.

Column 8 must be reported on the Asset Valuation Reserve Page, Line 10, Column 2.

Column 10 must be reported on the Asset Valuation Reserve Page, Line 9, Column 2.

EQUITY AND OTHER INVESTED ASSET COMPONENT –
BASIC CONTRIBUTION, RESERVE OBJECTIVE, AND MAXIMUM RESERVE CALCULATIONS

Detail Eliminated To Conserve Space

Section A:

Drafting Note: Changes in Blanks Proposal 2025-20BWG for Investment Subs are not shown on this proposal but the Common Stock AVR lines will be under Section A.*

Detail Eliminated To Conserve Space

Section B:

Lines 1~~8~~
through ~~20~~3   –   Real Estate

Categorize the real estate as indicated on Lines B1~~8~~ through ~~20~~B3. Real estate reported in Schedule DL, Part 1, Line 9209999999 would also be included in this section. Report the sum of Columns 1, 2, and 3 in Column 4. Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

NOTE: Related party encumbrances are loans from the reporting entity and the amount reflected in Column 2 should be deducted in Column 2 in the corresponding section of the AVR worksheet. If the real estate entity to which the loan was made is not wholly owned by the reporting entity, the related party encumbrance amount reflected in Column 2 should be based on the reporting entity's ownership percentage. The amount of the third-party encumbrances without recourse to be reflected in Column 3 is limited to the extent that the maximum reserve (Column 6) should not exceed the sum of the book/adjusted carrying value (Column 1) plus related party encumbrances (Column 2) and third-party encumbrances with recourse which are included in Column 3.

Line 2~~1~~4   –   Total Real Estate

The Columns 6, 8, and 10 amounts must be combined with Line 83, Columns 6, 8, and 10 amounts and reported on the Asset Valuation Reserve Page, Lines 7, 10, and 9, Column 5.

Section C:

Lines 2~~2~~1
through 2~~8~~7   –   Other Invested Assets with Underlying Characteristics of Bonds

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to bonds (Lines 0199999, 0299999, 0599999, 0699999, 0999999, 1099999, 1399999, and 1499999) that have been valued according to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* in Columns 1 and 4. Follow the SVO guidelines and categorize these assets into NAIC designations one through six as directed by the NAIC Securities Valuation Office instructions, except those exempt obligations (as listed in the AVR instructions for Line 2) which should be reported separately. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9 and report the products by designation in Columns 6, 8, and 10, respectively.

Section D:

Lines 30~~1~~
through 35~~87~~   –   Other Invested Assets with Underlying Characteristics of Preferred Stocks

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to preferred stocks (Lines 1799999 and 1899999). Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

Section E:

Lines 38~~1~~
through 63~~267~~   –   Other Invested Assets with Underlying Characteristics of Mortgage Loans

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to mortgage loans (Lines 2399999 and 2499999), excluding any mortgage-backed/asset-backed securities included in Lines ~~22~~ C1 through ~~28~~ C7 above, in Columns 1 and 4. Categorize the mortgage loans as indicated in Lines ~~38~~ E1 through ~~55E18~~E27.

For Lines ~~38~~ E1 through ~~63~~E27, the classification methodology for mortgages is outlined in the Life Risk-Based Capital instructions. Multiply the amount in Column 4 for each category by the reserve factors in Columns 5, 7, and 9, Lines ~~38~~ E1 through ~~63~~E27. Report the products by category in Columns 6, 8, and 10, respectively.

Section F:

Lines 65~~1~~
through 69~~5~~   –   Other Invested Assets with Underlying Characteristics of Common Stocks

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investments are similar to common stock (Lines 1999999 and 2099999) in Columns 1 and 4. Line ~~68~~ F4 should show all Schedule BA assets owned where the characteristics of the underlying investments are similar to subsidiary, controlled or affiliated company common stocks owned and these assets should be valued according to the *SSAP No. 48—Joint Ventures, Partnerships or Limited Liability Companies*. Categorize these assets consistent with the directions for Pages ~~32~~ 34 and ~~33~~35, Lines A1 through A4, A15, and A16. For Line 65~~F1~~, the reserve factor must be calculated on an individual company basis. It is equal to 15.8% times the beta factor as discussed in the Pages ~~32~~ 34 and ~~33~~35, Line A1 instructions, and must be at least 12.15% but not more than 24.31%. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively. For Lines 66 through 69, multiply the amounts in Column 4 by the reserve factors provided in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Section G:
Line ~~7~~4   –   Total Other Invested Assets with Underlying Characteristics of Real Estate

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to real estate (Lines 2199999 and 2299999 items that are not reported in AVR category of Other Invested Assets with Underlying Characteristics of Mortgage Loans) in Column 1, any related encumbrances on these assets in Column 2, and any third-party encumbrances on these assets in Column 3. Report the sum of Columns 1, 2, and 3 in Column 4. Column 4 may not be less than zero. Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

NOTE: Related party encumbrances are loans from the reporting entity and the amount reflected in Column 2 should be deducted in Column 2 in the corresponding section of the AVR worksheet. If the real estate entity to which the loan was made is not wholly owned by the reporting entity, the related party encumbrance amount reflected in Column 2 should be based on the reporting entity's ownership percentage. The amount of the third-party encumbrances without recourse to be reflected in Column 3 is limited to the extent that the maximum reserve (Column 10) should not exceed the sum of the book/adjusted carrying value (Column 1) plus related party encumbrances (Column 2) and third party encumbrances with recourse which are included in Column 3.

Section H:

Lines 75̶1
through 79̶5 – Investments in Tax Credit Structures

Report Column 1 in accordance with *SSAP No. 93—Investments in Tax Credit Structures*.

Investments in tax credit structures (tax credit investments) must meet the requirements of SSAP No. 93 to be reported on Lines 75̶-H1 through 79̶H5.

Only tax credits investments which issue federal tax credits and have the following risk mitigation factors can be reported as qualifying federal tax credit investments on Line 76̶H2:

I. A level of leverage below 50%. For a tax credit investment fund, the level of leverage is measured at the fund level.

II. There is a Tax Credit Guarantee Agreement, or equivalent insurance acquired, at arm's length, by the investor. This agreement requires the General Partner, managing member, developer, or insurer to reimburse investors for any shortfalls in tax credits due to errors of compliance, for the duration of the regulatory compliance period of the tax credit program. For a tax credit investment fund, a Tax Credit Guarantee Agreement is required from the developers of the lower tier projects to the upper tier partnership.

III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable loss risks as of the current reporting period.

Line 76̶-H2 should equal Schedule BA, Part 1, Column 12, Line 3799999 + Line 3899999.

Only tax credit investments which issue state tax credits and, at a minimum, have an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment can be reported as yield guaranteed state investments on Line 75̶H1. Line 75̶-H1 should equal Schedule BA, Part 1, Column 12, Line 3599999 + Line 3699999.

Tax credit investments which issue state tax credits and, at a minimum, meet the same requirements for qualifying federal tax credit investments (as detailed above) should be reported as qualifying state tax credit investments on Line 77̶H3. Line 77̶-H3 should equal Schedule BA, Part 1, Column 12, Line 3999999 + Line 4099999.

All other tax credit investments which cannot be reported on Lines 75̶-H1 through 77̶-H3 should be reported as other tax credit investments on Line 78̶H4. Line 78̶-H4 should equal Schedule BA, Part 1, Column 12, Line 4199999 + Line 4299999.

Multiply the amount in Column 4 for each category by the reserve factors for Page 35̶36, Columns 5, 7, and 9, Lines 75̶-H1 through 78̶H4. Report the products by category in Columns 6, 8, and 10, respectively.

Section I:

Lines 801
through 9013 – Residual Tranches or Interests

Line 801 – Bonds – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4499999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively

Line 812 – Bonds – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4599999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line 823 – Common Stock – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4899999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line 834 – Common Stock – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4999999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line 845 – Preferred Stock – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4699999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line 856 – Preferred Stock – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4799999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line 867 – Real Estate – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5099999 in Column 1, any related encumbrances on these assets in Column 2, and any third-party encumbrances on these assets in Column 3. Report the sum of Columns 1, 2, and 3 in Column 4. Column 4 may not be less than zero. Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line 878 – Real Estate – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5199999 in Column 1, any related encumbrances on these assets in Column 2, and any third-party encumbrances on these assets in Column 3. Report the sum of Columns 1, 2, and 3 in Column 4. Column 4 may not be less than zero. Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line 8~~8~~9   –   Mortgage Loans – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5299999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7, and 9. Report the products in Columns 6, 8, and 10, respectively.

Line ~~89~~10   –   Mortgage Loans – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5399999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7, and 9. Report the products in Columns 6, 8, and 10, respectively.

Line ~~90~~11   –   Other – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5499999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7, and 9. Report the products in Columns 6, 8, and 10, respectively.

Line ~~91~~12   –   Other – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5599999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7, and 9. Report the products in Columns 6, 8, and 10, respectively.

Section J:

Lines ~~93~~1
through ~~99~~7   –   Surplus Notes and Capital Notes

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to surplus notes and capital notes in Columns 1 and 4. Use the Credit Rating Provider (CRP) rating to categorize these assets as if the SVO had assigned an NAIC designation of 1 through 6. If no CRP rating, then report based on the reporting entity's assumption of credit risk. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

Section K:

Lines 1~~00~~
through ~~112~~13 –   Collateral Loans

Line ~~100~~1   –   Backed by Mortgage Loans – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3199999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~101~~2   –   Backed by Mortgage Loans – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3299999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~102~~3   –   Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3399999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~103~~4   –   Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3499999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~104~~5   –   Backed by Residual Tranches or Interests – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3599999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~105~~6   –   Backed by Residual Tranches or Interests – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3699999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~106~~7   –   Backed by Debt Securities – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3799999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~107~~8   –   Backed by Debt Securities – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3899999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~108~~9   –   Backed by Real Estate – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 3999999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~109~~10   –   Backed by Real Estate – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4099999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~110~~11   –   Collateral Loans – All Other – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4199999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line 11~~12~~   –   Collateral Loans – All Other – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4299999 in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Section L:

Line ~~100~~1 & ~~101~~2   –   Working Capital Finance Investments

Report the book/adjusted carrying value of all working capital finance investments owned (Schedule BA, Part 1, Line 4399999) in Columns 1 and 4. Categorize the working capital finance investments into NAIC designations 1 or 2 as directed by the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7, and 9, and report the products by designation in Columns 6, 8, and 10, respectively.

Line ~~102~~3   –   Other Invested Assets – Schedule BA

Report the book/adjusted carrying value of all other Schedule BA investments owned that cannot be classified into one of the above categories in Column 1 and any encumbrances on these assets in Column 3. Schedule DL, Part 1 investments reported on Line 9409999999 would be included in this total if not classified in one of the above categories. Collateral loans (Lines 3199999 and 3299999) have been intentionally excluded from this total. Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7, and 9, and report the products in Columns 6, 8, and 10, respectively.

Line ~~103~~4   –   Other Short-Term Invested Assets – Schedule DA

Report the book/adjusted carrying value of all other Schedule DA (Lines 7029999999 and 7509999999) and Schedule DL, Part 1 (Line 9509999999) assets owned that cannot be classified into one of the above categories in Column 1 and any encumbrances on these assets in Column 3. Report the sum of Columns 1 and 3 in Column 4. Multiply the amount on Column 4 by the reserve factors provided in Columns 5, 7, and 9 and report the products in Columns 6, 8, and 10, respectively.

Line ~~105~~6   –   Total Other Invested Assets – Schedules BA & DA

The Columns 6, 8, and 10 amounts must be combined with Columns 6, 8, and 10, Line ~~21~~ B4 amounts and reported on the Asset Valuation Reserve Page, Column 5, Lines 7, 10, and 9, respectively.

NOTE: Other invested asset reserves will be calculated based on the nature of the underlying investments related to the Schedule BA and Schedule DA assets. Assets should be categorized as if the company owned the underlying investment. For example:

- Mortgage participation certificates and similar holdings should be classified as fixed income assets.

- Gas and oil production and mineral rights have potential variability of return and should be categorized as equity investments.

- Partnership investments should be classified as fixed or equity investments or as equity real estate, depending on the purpose of the partnership. The maximum AVR factor would be that appropriate for the asset classification.

- A "look through" approach should be taken for any Schedule BA and Schedule DA assets not specifically listed, so as to reflect in the AVR calculation the essential nature of the investments.

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY, TITLE, SEPARATE ACCOUNTS, AND PROTECTED CELL

SCHEDULE D – PART 1 – SECTION 2

ASSET-BACKED SECURITIES OWNED DECEMBER 31 OF CURRENT YEAR

Detail Eliminated To Conserve Space

NAIC Designation Category Footnote:

Provide the total book/adjusted carrying value amount by NAIC Designation Category that represents the amount reported in Column 8.

The sum of the amounts reported for each NAIC Designation Category in the footnote should equal Line 1909999999.

~~Collateralized Loan Obligation~~CLOs/CBOs/CDOs Footnote:

Report the book/adjusted carrying value amount by NAIC Designation Category of all ~~collateralized loan obligations~~CLOs/CBOs/CDOs owned reported in Lines 1099999999 and 1109999999

ANNUAL STATEMENT BLANK – LIFE/FRATERNAL AND SEPARATE ACCOUNTS

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Desig-nation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	6 Amount (Cols. 4x5)	Reserve Objective 7 Factor	8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	10 Amount (Cols. 4x9)
SECTION A		LONG-TERM BONDS EXCLUDING COLLATERALIZED LOAN OBLIGATIONS CLOs/CBOs/CDOs										
1		Exempt obligations..........		XXX	XXX		0.0000		0.0000		0.0000	
2.1	1	NAIC Designation Category 1.A	....	XXX	XXX	....	0.0002	....	0.0007	....	0.0013	....
2.2	1	NAIC Designation Category 1.B	....	XXX	XXX	....	0.0004	....	0.0011	....	0.0023	....
2.3	1	NAIC Designation Category 1.C	....	XXX	XXX	....	0.0006	....	0.0018	....	0.0035	....
2.4	1	NAIC Designation Category 1.D	....	XXX	XXX	....	0.0007	....	0.0022	....	0.0044	....
2.5	1	NAIC Designation Category 1.E	....	XXX	XXX	....	0.0009	....	0.0027	....	0.0055	....
2.6	1	NAIC Designation Category 1.F	....	XXX	XXX	....	0.0011	....	0.0034	....	0.0068	....
2.7	1	NAIC Designation Category 1.G		XXX	XXX		0.0014		0.0042		0.0085	
2.8		Subtotal NAIC 1 (Sum of Lines A2.1+2.2+2.3+2.4+2.5+2.6+ through A2.7)........		XXX	XXX		XXX		XXX		XXX	
3.1	2	NAIC Designation Category 2.A	....	XXX	XXX	....	0.0021	....	0.0063	....	0.0105	....
3.2	2	NAIC Designation Category 2.B	....	XXX	XXX	....	0.0025	....	0.0076	....	0.0127	....
3.3	2	NAIC Designation Category 2.C		XXX	XXX		0.0036		0.0108		0.0180	
3.4		Subtotal NAIC 2 (Sum of Lines A3.1+3.2+ through A3.3)		XXX	XXX		XXX		XXX		XXX	
4.1	3	NAIC Designation Category 3.A	....	XXX	XXX	....	0.0069	....	0.0183	....	0.0262	....
4.2	3	NAIC Designation Category 3.B	....	XXX	XXX	....	0.0099	....	0.0264	....	0.0377	....
4.3	3	NAIC Designation Category 3.C		XXX	XXX		0.0131		0.0350		0.0500	
4.4		Subtotal NAIC 3 (Sum of Lines A4.1+4.2+ through A4.3)		XXX	XXX		XXX		XXX		XXX	
5.1	4	NAIC Designation Category 4.A	....	XXX	XXX	....	0.0184	....	0.0430	....	0.0615	....
5.2	4	NAIC Designation Category 4.B	....	XXX	XXX	....	0.0238	....	0.0555	....	0.0793	....
5.3	4	NAIC Designation Category 4.C		XXX	XXX		0.0310		0.0724		0.1034	
5.4		Subtotal NAIC 4 (Sum of Lines A5.1+5.2+ through A5.3)		XXX	XXX		XXX		XXX		XXX	
6.1	5	NAIC Designation Category 5.A	....	XXX	XXX	....	0.0472	....	0.0846	....	0.1410	....
6.2	5	NAIC Designation Category 5.B	....	XXX	XXX	....	0.0663	....	0.1188	....	0.1980	....
6.3	5	NAIC Designation Category 5.C		XXX	XXX		0.0836		0.1498		0.2496	
6.4		Subtotal NAIC 5 (Sum of Lines A6.1+6.2+ through A6.3)		XXX	XXX		XXX		XXX		XXX	
7	6	NAIC 6		XXX	XXX		0.0000		0.2370		0.2370	
8		Intentionally left blank.........	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
98		Total long-term bonds excluding CLOs/CBOs/CDOs (Sum of Lines A1+A2.8+A3.4+A4.4+A5.4+A6.4 +A7+8)		XXX	XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Desig-nation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	6 Amount (Cols. 4x5)	Reserve Objective 7 Factor	8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	10 Amount (Cols. 4x9)
SECTION A (Continued)		~~COLLATERAL LOAN OBLIGATIONS~~CLOs/CBOs/CDOs										
9.1	1	NAIC Designation Category 1.A	....	XXX	XXX	....	0.0002	....	0.0007	....	0.0013	....
9.2	1	NAIC Designation Category 1.B	....	XXX	XXX	....	0.0004	....	0.0011	....	0.0023	....
9.3	1	NAIC Designation Category 1.C	....	XXX	XXX	....	0.0006	....	0.0018	....	0.0035	....
9.4	1	NAIC Designation Category 1.D	....	XXX	XXX	....	0.0007	....	0.0022	....	0.0044	....
9.5	1	NAIC Designation Category 1.E	....	XXX	XXX	....	0.0009	....	0.0027	....	0.0055	....
9.6	1	NAIC Designation Category 1.F	....	XXX	XXX	....	0.0011	....	0.0034	....	0.0068	....
9.7	1	NAIC Designation Category 1.G		XXX	XXX		0.0014		0.0042		0.0085	
9.8		Subtotal NAIC 1 (Sum of Lines A9.1 through A9.7)		XXX	XXX		XXX		XXX		XXX	
10.1	2	NAIC Designation Category 2.A	....	XXX	XXX	....	0.0021	....	0.0063	....	0.0105	....
10.2	2	NAIC Designation Category 2.B		XXX	XXX		0.0025		0.0076		0.0127	
10.3	2	NAIC Designation Category 2.C		XXX	XXX		0.0036		0.0108		0.0180	
10.4		Subtotal NAIC 2 (Sum of Lines A10.1 through A10.3)		XXX	XXX		XXX		XXX		XXX	
11.1	3	NAIC Designation Category 3.A		XXX	XXX		0.0069		0.0183		0.0262	
11.2	3	NAIC Designation Category 3.B		XXX	XXX		0.0099		0.0264		0.0377	
11.3	3	NAIC Designation Category 3.C		XXX	XXX		0.0131		0.0350		0.0500	
11.4		Subtotal NAIC 3 (Sum of Lines A11.1 through A11.3)		XXX	XXX		XXX		XXX		XXX	
12.1	4	NAIC Designation Category 4.A	....	XXX	XXX	....	0.0184	....	0.0430		0.0615	....
12.2	4	NAIC Designation Category 4.B		XXX	XXX		0.0238		0.0555		0.0793	
12.3	4	NAIC Designation Category 4.C		XXX	XXX		0.0310		0.0724		0.1034	
12.4		Subtotal NAIC 4 (Sum of Lines A12.1 through A12.3)		XXX	XXX		XXX		XXX		XXX	
13.1	5	NAIC Designation Category 5.A	....	XXX	XXX	....	0.0472	....	0.0846		0.1410	....
13.2	5	NAIC Designation Category 5.B		XXX	XXX		0.0663	....	0.1188		0.1980	
13.3	5	NAIC Designation Category 5.C		XXX	XXX		0.0836		0.1498		0.2496	
13.4		Subtotal NAIC 5 (Sum of Lines A13.1 through A13.3)		XXX	XXX		XXX		XXX		XXX	
14	6	NAIC 6		XXX	XXX		0.0000		0.2370		0.2370	
15		Total ~~collateral loan obligations~~CLOs/CBOs/CDOs (Sum of Lines A9.8+A10.4+A11.4+A12.4+A13.4 +A14)		XXX	XXX		XXX		XXX		XXX	
16		Total long-term bonds ~~and collateral loan obligations~~ including CLOs/CBOs/CDOs (Sum of 8+15)		XXX	XXX		XXX		XXX		XXX	
SECTION B		PREFERRED STOCKS										
1~~0~~	1	Highest quality	....	XXX	XXX	....	0.0005	....	0.0016	....	0.0033	....
~~11~~2	2	High quality	....	XXX	XXX	....	0.0021	....	0.0064	....	0.0106	....
~~12~~3	3	Medium quality	....	XXX	XXX	....	0.0099	....	0.0263	....	0.0376	....
~~13~~4	4	Low quality	....	XXX	XXX	....	0.0245	....	0.0572	....	0.0817	....
~~14~~5	5	Lower quality	....	XXX	XXX	....	0.0630	....	0.1128	....	0.1880	....
~~15~~6	6	In or near default	....	XXX	XXX	....	0.0000	....	0.2370	....	0.2370	....
~~16~~7		Affiliated life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
~~17~~8		Total preferred stocks (Sum of Lines B1~~0~~ through B7~~16~~)		XXX	XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Desig-nation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	6 Amount (Cols. 4x5)	Reserve Objective 7 Factor	8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	10 Amount (Cols. 4x9)
SECTION C		SHORT-TERM BONDS										
1~~8~~		Exempt obligations..		XXX	XXX		0.0000		0.0000		0.0000	
~~19~~2.1	1	NAIC Designation Category 1.A	....	XXX	XXX	....	0.0002	....	0.0007	....	0.0013	....
~~19~~2.2	1	NAIC Designation Category 1.B	....	XXX	XXX	....	0.0004	....	0.0011	....	0.0023	....
~~19~~2.3	1	NAIC Designation Category 1.C	....	XXX	XXX	....	0.0006	....	0.0018	....	0.0035	....
~~19~~2.4	1	NAIC Designation Category 1.D	....	XXX	XXX	....	0.0007	....	0.0022	....	0.0044	....
~~19~~2.5	1	NAIC Designation Category 1.E	....	XXX	XXX	....	0.0009	....	0.0027	....	0.0055	....
~~19~~2.6	1	NAIC Designation Category 1.F	....	XXX	XXX	....	0.0011	....	0.0034	....	0.0068	....
~~19~~2.7	1	NAIC Designation Category 1.G	....	XXX	XXX		0.0014		0.0042		0.0085	
~~19~~2.8		Subtotal NAIC 1 (~~19.1+19.2+19.3+19.4+19.5+19.6+19.7~~Sum of Lines C2.1 through C2.7)		XXX	XXX		XXX		XXX		XXX	
~~20~~3.1	2	NAIC Designation Category 2.A	....	XXX	XXX	....	0.0021	....	0.0063	....	0.0105	....
~~20~~3.2	2	NAIC Designation Category 2.B	....	XXX	XXX	....	0.0025	....	0.0076	....	0.0127	....
~~20~~3.3	2	NAIC Designation Category 2.C	....	XXX	XXX	....	0.0036	....	0.0108	....	0.0180	....
~~20~~3.4		Subtotal NAIC 2 (~~20.1+20.2+20.3~~Sum of Lines C3.1 through C3.3) ...	....	XXX	XXX		XXX		XXX		XXX	
~~21~~4.1	3	NAIC Designation Category 3.A	....	XXX	XXX	....	0.0069	....	0.0183	....	0.0262	....
~~21~~4.2	3	NAIC Designation Category 3.B	....	XXX	XXX	....	0.0099	....	0.0264	....	0.0377	....
~~21~~4.3	3	NAIC Designation Category 3.C	....	XXX	XXX		0.0131		0.0350		0.0500	
~~21~~4.4		Subtotal NAIC 3 (Sum of Lines C4.1 through C4.3~~21.1+21.2+21.3~~) ...		XXX	XXX		XXX		XXX		XXX	
~~22~~5.1	4	NAIC Designation Category 4.A	....	XXX	XXX	....	0.0184	....	0.0430	....	0.0615	....
~~22~~5.2	4	NAIC Designation Category 4.B	....	XXX	XXX	....	0.0238	....	0.0555	....	0.0793	....
~~22~~5.3	4	NAIC Designation Category 4.C	....	XXX	XXX		0.0310		0.0724		0.1034	
~~22~~5.4		Subtotal NAIC 4 (Sum of Lines C5.1 through C5.3~~22.1+22.2+22.3~~) ...		XXX	XXX		XXX		XXX		XXX	
~~23~~6.1	5	NAIC Designation Category 5.A	....	XXX	XXX	....	0.0472	....	0.0846	....	0.1410	....
~~23~~6.2	5	NAIC Designation Category 5.B	....	XXX	XXX	....	0.0663	....	0.1188	....	0.1980	....
~~23~~6.3	5	NAIC Designation Category 5.C	....	XXX	XXX		0.0836		0.1498		0.2496	
~~23~~6.4		Subtotal NAIC 5 (Sum of Lines C6.1 through C6.3~~23.1+23.2+23.3~~) ...		XXX	XXX		XXX		XXX		XXX	
~~24~~7	6	NAIC 6		XXX	XXX		0.0000		0.2370		0.2370	
~~25~~8		Total short-term bonds (Sum of Lines C1, C2.8, C3.4, C4.4, C5.4, C6.4 and C7~~18+19.8+20.4+21.4+22.4+23.4+24~~)		XXX	XXX		XXX		XXX		XXX	
SECTION D		DERIVATIVE INSTRUMENTS										
~~26~~1		Exchange traded	....	XXX	XXX	....	0.0005	....	0.0016	....	0.0033	....
~~27~~2	1	Highest quality	....	XXX	XXX	....	0.0005	....	0.0016	....	0.0033	....
~~28~~3	2	High quality	....	XXX	XXX	....	0.0021	....	0.0064	....	0.0106	....
~~29~~4	3	Medium quality	....	XXX	XXX	....	0.0099	....	0.0263	....	0.0376	....
~~30~~5	4	Low quality................	....	XXX	XXX	....	0.0245	....	0.0572	....	0.0817	....
~~31~~6	5	Lower quality	....	XXX	XXX	....	0.0630	....	0.1128	....	0.1880	....
~~32~~7	6	In or near default		XXX	XXX		0.0000		0.2370		0.2370	
~~33~~8		Total derivative instruments		XXX	XXX		XXX		XXX		XXX	
~~34~~9		Total (Sum of Lines ~~9+ 17+ 25+ 33~~D1 through D8)		XXX	XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	6 Amount (Cols. 4x5)	Reserve Objective 7 Factor	8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	10 Amount (Cols. 4x9)
SECTION E		MORTGAGE LOANS										
		In Good Standing:										
~~35~~1		Farm mortgages – CM1 – highest quality................	....	....	XXX	....	0.0011	....	0.0057	....	0.0074	....
~~36~~2		Farm mortgages – CM2 – high quality	....	....	XXX	....	0.0040	....	0.0114	....	0.0149	....
~~37~~3		Farm mortgages – CM3 – medium quality	....	....	XXX	....	0.0069	....	0.0200	....	0.0257	....
~~38~~4		Farm mortgages – CM4 – low medium quality	....	....	XXX	....	0.0120	....	0.0343	....	0.0428	....
~~39~~5		Farm mortgages – CM5 – low quality	....	....	XXX	....	0.0183	....	0.0486	....	0.0628	....
~~40~~6		Residential mortgages – insured or guaranteed	....	....	XXX	....	0.0003	....	0.0007	....	0.0011	....
~~41~~7		Residential mortgages – all other	....	....	XXX	....	0.0015	....	0.0034	....	0.0046	....
~~42~~8		Commercial mortgages – insured or guaranteed............	....	....	XXX	....	0.0003	....	0.0007	....	0.0011	....
~~43~~9		Commercial mortgages – all other – CM1 – highest quality..............	....	....	XXX	....	0.0011	....	0.0057	....	0.0074	....
~~44~~10		Commercial mortgages – all other – CM2 – high quality..................	....	....	XXX	....	0.0040	....	0.0114	....	0.0149	....
~~45~~11		Commercial mortgages – all other – CM3 – medium quality	....	....	XXX	....	0.0069	....	0.0200	....	0.0257	....
~~46~~12		Commercial mortgages – all other – CM4 – low medium quality......	....	....	XXX	....	0.0120	....	0.0343	....	0.0428	....
~~47~~13		Commercial mortgages – all other – CM5 – low quality...................	....	....	XXX	....	0.0183	....	0.0486	....	0.0628	....
		Overdue, Not in Process:										
~~48~~14		Farm mortgages...	....	....	XXX	....	0.0480	....	0.0868	....	0.1371	....
~~49~~15		Residential mortgages – insured or guaranteed	....	....	XXX	....	0.0006	....	0.0014	....	0.0023	....
~~50~~16		Residential mortgages – all other	....	....	XXX	....	0.0029	....	0.0066	....	0.0103	....
~~51~~17		Commercial mortgages – insured or guaranteed............	....	....	XXX	....	0.0006	....	0.0014	....	0.0023	....
~~52~~18		Commercial mortgages – all other...............................	....	....	XXX	....	0.0480	....	0.0868	....	0.1371	....
		In Process of Foreclosure:										
~~53~~19		Farm mortgages...	....	....	XXX	....	0.0000	....	0.1942	....	0.1942	....
~~54~~20		Residential mortgages – insured or guaranteed	....	....	XXX	....	0.0000	....	0.0046	....	0.0046	....
~~55~~21		Residential mortgages – all other	....	....	XXX	....	0.0000	....	0.0149	....	0.0149	....
~~56~~22		Commercial mortgages – insured or guaranteed............	....	....	XXX	....	0.0000	....	0.0046	....	0.0046	....
~~57~~23		Commercial mortgages – all other...............................			XXX		0.0000		0.1942		0.1942	
~~58~~24		Total Schedule B mortgages (Sum of Lines ~~35~~E1 through ~~57~~E23)			XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	6 Amount (Cols. 4x5)	Reserve Objective 7 Factor	8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	10 Amount (Cols. 4x9)
SECTION A		COMMON STOCK										
1		Unaffiliated public.........	....	XXX	XXX	....	0.0000	....	0.1580 (a)	....	0.1580 (a)	....
2		Unaffiliated private	....	XXX	XXX	....	0.0000	....	0.1945	....	0.1945	....
3		Federal Home Loan Bank	....	XXX	XXX	....	0.0000	....	0.0061	....	0.0097	....
4		Affiliated life with AVR	....	XXX	XXX	....	0.0000	....	0.0000	....	0.0000	....
		Affiliated Investment Subsidiary:										
5		Fixed income exempt obligations.........	....	....	....	....	XXX		XXX	....	XXX	....
6		Fixed income highest quality.........	....	....	....	....	XXX		XXX	....	XXX	....
7		Fixed income high quality	....	....	....	....	XXX		XXX	....	XXX	....
8		Fixed income medium quality	....	....	....	....	XXX		XXX	....	XXX	....
9		Fixed income low quality	....	....	....	....	XXX		XXX	....	XXX	....
10		Fixed income lower quality	....	....	....	....	XXX		XXX	....	XXX	....
11		Fixed income in or near default	....	....	....	....	XXX		XXX	....	XXX	....
12		Unaffiliated common stock public.........	....	....	....	....	0.0000		0.1580 (a)	....	0.1580 (a)	....
13		Unaffiliated common stock private	....	....	....	....	0.0000		0.1945	....	0.1945	....
14		Real estate	....	....	....	....	(b)		(b)	....	(b)	....
15		Affiliated-certain other (See SVO Purposes & Procedures Manual).........	....	XXX	XXX	....	0.0000	....	0.1580	....	0.1580	....
16		Affiliated - all other		XXX	XXX		0.0000		0.1945		0.1945	
17		Total common stock (Sum of Lines A1 through A16)					XXX		XXX		XXX	
SECTION B		REAL ESTATE										
18		Home office property (General Account only).........	....	....	....	....	0.0000	....	0.0912	....	0.0912	....
192		Investment properties.........	....	....	....	....	0.0000	....	0.0912	....	0.0912	....
203		Properties acquired in satisfaction of debt.........	....	....	....	....	0.0000		0.1337		0.1337	
214		Total real estate (Sum of Lines B18 through 20B4)					XXX		XXX		XXX	
SECTION C		OTHER INVESTED ASSETS INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS										
221		Exempt obligations.........	....	XXX	XXX	....	0.0000	....	0.0000	....	0.0000	....
232	1	Highest quality	....	XXX	XXX	....	0.0005	....	0.0016	....	0.0033	....
243	2	High quality	....	XXX	XXX	....	0.0021	....	0.0064	....	0.0106	....
254	3	Medium quality	....	XXX	XXX	....	0.0099	....	0.0263	....	0.0376	....
265	4	Low quality.........	....	XXX	XXX	....	0.0245	....	0.0572	....	0.0817	....
276	5	Lower quality	....	XXX	XXX	....	0.0630	....	0.1128	....	0.1880	....
287	6	In or near default	....	XXX	XXX	....	0.0000		0.2370		0.2370	....
298		Total with bond characteristics (Sum of Lines C122 through C728)		XXX	XXX		XXX		XXX		XXX	

Drafting Note: Changes in Blanks Proposal 2025-20BWG for Investment Subs are not shown on this proposal but the Common Stock AVR lines will be under Section A.

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Desig-nation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	Basic Contribution 6 Amount (Cols.4x5)	Reserve Objective 7 Factor	Reserve Objective 8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	Maximum Reserve 10 Amount (Cols.4x9)
SECTION D		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS										
~~30~~1	1	Highest quality	....	XXX	XXX	....	0.0005	....	0.0016	....	0.0033	....
~~31~~2	2	High quality	....	XXX	XXX	....	0.0021	....	0.0064	....	0.0106	....
~~32~~3	3	Medium quality	....	XXX	XXX	....	0.0099	....	0.0263	....	0.0376	....
~~33~~4	4	Low quality	....	XXX	XXX	....	0.0245	....	0.0572	....	0.0817	....
~~34~~5	5	Lower quality	....	XXX	XXX	....	0.0630	....	0.1128	....	0.1880	....
~~35~~6	6	In or near default	....	XXX	XXX	....	0.0000	....	0.2370	....	0.2370	....
~~36~~7		Affiliated life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
~~37~~8		Total with preferred stock characteristics (Sum of Lines ~~30~~D1 through ~~36~~D7)		XXX	XXX		XXX		XXX		XXX	
SECTION E		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS In Good Standing Affiliated:										
~~38~~1		Mortgages – CM1 – highest quality	....	....	XXX	....	0.0011	....	0.0057	....	0.0074	....
~~39~~2		Mortgages – CM2 – high quality	....	....	XXX	....	0.0040	....	0.0114	....	0.0149	....
~~40~~3		Mortgages – CM3 – medium quality	....	....	XXX	....	0.0069	....	0.0200	....	0.0257	....
~~41~~4		Mortgages – CM4 – low medium quality	....	....	XXX	....	0.0120	....	0.0343	....	0.0428	....
~~42~~5		Mortgages – CM5 – low quality	....	....	XXX	....	0.0183	....	0.0486	....	0.0628	....
~~43~~6		Residential mortgages – insured or guaranteed	....	....	XXX	....	0.0003	....	0.0007	....	0.0011	....
~~44~~7		Residential mortgages – all other	....	XXX	XXX	....	0.0015	....	0.0034	....	0.0046	....
~~45~~8		Commercial mortgages – insured or guaranteed	....	....	XXX	....	0.0003	....	0.0007	....	0.0011	....
		Overdue, Not in Process Affiliated:										
~~46~~9		Farm mortgages................................	....	....	XXX	....	0.0480	....	0.0868	....	0.1371	....
~~47~~10		Residential mortgages – insured or guaranteed	....	....	XXX	....	0.0006	....	0.0014	....	0.0023	....
~~48~~11		Residential mortgages – all other	....	....	XXX	....	0.0029	....	0.0066	....	0.0103	....
~~49~~12		Commercial mortgages – insured or guaranteed	....	....	XXX	....	0.0006	....	0.0014	....	0.0023	....
~~50~~13		Commercial mortgages – all other	....	....	XXX	....	0.0480	....	0.0868	....	0.1371	....
		In Process of Foreclosure Affiliated:										
~~51~~14		Farm mortgages................................	....	....	XXX	....	0.0000	....	0.1942	....	0.1942	....
~~52~~15		Residential mortgages – insured or guaranteed	....	....	XXX	....	0.0000	....	0.0046	....	0.0046	....
~~53~~16		Residential mortgages – all other	....	....	XXX	....	0.0000	....	0.0149	....	0.0149	....
~~54~~17		Commercial mortgages – insured or guaranteed	....	....	XXX	....	0.0000	....	0.0046	....	0.0046	....
~~55~~18		Commercial mortgages – all other	....	....	XXX	....	0.0000	....	0.1942	....	0.1942	....
~~56~~19		Total affiliated (Sum of Lines ~~38~~DE1 through ~~55~~DE18)			XXX		XXX		XXX		XXX	
~~57~~20		Unaffiliated – in good standing with covenants	....	....	XXX	....	(c)	....	(c)	....	(c)	....
~~58~~21		Unaffiliated – in good standing defeased with government securities	....	....	XXX	....	0.0011	....	0.0057	....	0.0074	....
~~59~~22		Unaffiliated – in good standing primarily senior	....	....	XXX	....	0.0040	....	0.0114	....	0.0149	....
~~60~~23		Unaffiliated – in good standing all other	....	....	XXX	....	0.0069	....	0.0200	....	0.0257	....
24		Unaffiliated – in good standing – residential mortgages - all other................................	....	XXX	XXX	....	0.0015	....	0.0034	....	0.0046	....
~~61~~~~24~~45		Unaffiliated – overdue, not in process	....	....	XXX	....	0.0480	....	0.0868	....	0.1371	....
~~62~~~~25~~56		Unaffiliated – in process of foreclosure	....	....	XXX	....	0.0000	....	0.1942	....	0.1942	....
~~63~~~~26~~7		Total unaffiliated (Sum of Lines ~~57~~DE20 through ~~62~~DE256)			XXX		XXX		XXX		XXX	
~~64~~~~27~~8		Total with mortgage loan characteristics (Lines ~~56~~DE19 + ~~63~~DE267)			XXX		XXX		XXX		XXX	

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ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Desig-nation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	6 Amount (Cols. 4x5)	Reserve Objective 7 Factor	8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	10 Amount (Cols. 4x9)
SECTION F		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK										
~~65~~1		Unaffiliated public	......	XXX	XXX	......	0.0000	......	0.1580(a)	......	0.1580(a)	......
~~66~~2		Unaffiliated private	......	XXX	XXX	......	0.0000	......	0.1945	......	0.1945	......
~~67~~3		Affiliated life with AVR	......	XXX	XXX	......	0.0000	......	0.0000	......	0.0000	......
~~68~~4		Affiliated certain other (See SVO Purposes & Procedures Manual)	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~69~~5		Affiliated other - all other		XXX	XXX		0.0000		0.1945		0.1945	
~~70~~6		Total with common stock characteristics (Sum of Lines ~~65~~F1 through F5~~69~~)		XXX	XXX		XXX		XXX		XXX	
SECTION G		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE										
~~7~~1		Home office property (General Account only)	......	......	......	......	0.0000	......	0.0912	......	0.0912	......
~~7~~2		Investment properties	......	......	......	......	0.0000	......	0.0912	......	0.0912	......
~~7~~3		Properties acquired in satisfaction of debt	......	......	......	......	0.0000	......	0.1337	......	0.1337	......
~~7~~4		Total with real estate characteristics (Sum of Lines ~~7~~G1 through ~~7~~G3)					XXX		XXX		XXX	
SECTION H		INVESTMENTS IN TAX CREDIT STRUCTURES										
~~75~~1		Yield guaranteed state tax credit investments	......	......	......	......	0.0003	......	0.0006	......	0.0010	......
~~76~~2		Qualifying federal tax credit investments	......	......	......	......	0.0063	......	0.0120	......	0.0190	......
~~77~~3		Qualifying state tax credit investments	......	......	......	......	0.0063	......	0.0120	......	0.0190	......
~~78~~4		Other tax credit investments	......	......	......	......	0.0273	......	0.0600	......	0.0975	......
~~79~~5		Total tax credit investments (Sum of Lines ~~75~~H1 through ~~78~~H4)					XXX		XXX		XXX	
SECTION I		RESIDUAL TRANCHES OR INTERESTS										
~~80~~1		Bonds – unaffiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~81~~2		Bonds – affiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~82~~3		Common stock – unaffiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~83~~4		Common stock – affiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~84~~5		Preferred stock – unaffiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~85~~6		Preferred stock – affiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~86~~7		Real estate – unaffiliated	......	......	......	......	0.0000	......	0.1580	......	0.1580	......
~~87~~8		Real estate – affiliated	......	......	......	......	0.0000	......	0.1580	......	0.1580	......
~~88~~9		Mortgage loans – unaffiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~89~~10		Mortgage loans – affiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~90~~11		Other – unaffiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~91~~12		Other – affiliated	......	XXX	XXX	......	0.0000	......	0.1580	......	0.1580	......
~~92~~13		Total residual tranches or interests (Sum of Lines ~~80~~I1 through ~~91~~I12)					XXX		XXX		XXX	
SECTION J		SURPLUS NOTES AND CAPITAL NOTES										
~~19~~3	1	Highest quality	......	XXX	XXX	......	0.0005	......	0.0016	......	0.0033	......
~~29~~4	2	High quality	......	XXX	XXX	......	0.0021	......	0.0064	......	0.0106	......
~~39~~5	3	Medium quality	......	XXX	XXX	......	0.0099	......	0.0263	......	0.0376	......
~~49~~6	4	Low quality	......	XXX	XXX	......	0.0245	......	0.0572	......	0.0817	......
~~59~~7	5	Lower quality	......	XXX	XXX	......	0.0630	......	0.1128	......	0.1880	......
~~69~~8	6	In or near default	......	XXX	XXX	......	0.0000	......	0.2370	......	0.2370	......
~~79~~9		Total surplus notes and capital notes (Sum of Lines ~~93~~J1 through ~~98~~J6)		XXX	XXX		XXX		XXX		XXX	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

SECTION K	COLLATERAL LOANS										
1	Backed by mortgage loans – collateral loans – unaffiliated	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
2	Backed by mortgage loans – collateral loans – affiliated	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
3	Backed by joint ventures, partnerships, & limited liability companies – collateral loans – unaffiliated	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
4	Backed by joint ventures, partnerships, & limited liability companies – collateral loans – affiliated	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
5	Backed by residual tranches or interests – collateral loans – unaffiliated...........	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
6	Backed by residual tranches or interests – collateral loans – affiliated................	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
7	Backed by debt securities – collateral loans – unaffiliated	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
8	Backed by debt securities – collateral loans – affiliated	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
9	Backed by real estate – collateral loans – unaffiliated................................	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
10	Backed by real estate – collateral loans – affiliated................................	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
11	Collateral loans – all other – unaffiliated................................	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
12	Collateral loans – all other – affiliated................................	....	XXX	XXX	....	0.0000	....	0.0680	....	0.0680	....
13	Total collateral loans (Sum of Lines K1 through K12)		XXX	XXX		XXX		XXX		XXX	
SECTION L	ALL OTHER INVESTMENTS										
~~1~~100	NAIC 1 working capital finance investments	....	XXX	....	....	0.0000	....	0.0042	....	0.0042	....
~~2~~101	NAIC 2 working capital finance investments	....	XXX	....	....	0.0000	....	0.0137	....	0.0137	....
~~3~~102	Other invested assets - Schedule BA	....	XXX	....	....	0.0000	....	0.1580	....	0.1580	....
~~4~~103	Other short-term invested assets - Schedule DA...	....	XXX	....	....	0.0000	....	0.1580	....	0.1580	....
~~5~~104	Total all other (Sum of Lines L100 through L~~4~~103)		XXX			XXX		XXX		XXX	
~~6~~105	Total other invested assets - Schedules BA & DA (Sum of Lines ~~29, 37, 64, 70, 74, 79, 92, 99 and 104~~C8, D8, ~~E27~~E28, F6, G4, H5, I13, J7, and K13)							XXX		XXX	XXX

(a)   Times the company's weighted average portfolio beta (Minimum .1215, Maximum .2431).

(b)   Determined using same factors and breakdowns used for directly owned real estate.

(c)   This will be the factor associated with the risk category determined in the company generated worksheet.

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ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY, TITLE, SEPARATE ACCOUNTS, AND PROTECTED CELL

SCHEDULE D – PART 1 – SECTION 2
Showing All Long-Term **BONDS – ASSET-BACKED SECURITIES** Owned December 31 of Current Year

1	2	3	4	5	6	7	8	Change in Book/Adjusted Carrying Value				Interest					Dates		20	21
								9	10	11	12	13	14	15	16	17	18	19		
CUSIP Identification	Description	Restricted Asset Code	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol	Actual Cost	Par Value	Fair Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other- Than- Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Stated Rate of	Effective Rate Of	When Paid	Interest Income Due & Accrued	Interest Received During Year	Acquired	Stated Contractual Maturity Date	Payment Due at Maturity	Origination Balloon Payment %
....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
1909999999 Total asset-backed securities												XXX	XXX	XXX			XXX	XXX		XXX
2009999999 Total long term bonds – issuer credit obligations and asset-backed securities												XXX	XXX	XXX			XXX	XXX		

1.

Line Number	Book/Adjusted Carrying Value by NAIC Designation Category Footnote:						
1A	1A $ ------------------------	1B $ ------------------------	1C $ ------------------------	1D $ ------------------------	1E $ ------------------------	1F $ ------------------------	1G $ ------------------------
1B	2A $ ------------------------	2B $ ------------------------	2C $ ------------------------				
1C	3A $ ------------------------	3B $ ------------------------	3C $ ------------------------				
1D	4A $ ------------------------	4B $ ------------------------	4C $ ------------------------				
1E	5A $ ------------------------	5B $ ------------------------	5C $ ------------------------				
1F	6 $ ------------------------						

2.

Line Number	CLO/CBO/CDO Book/Adjusted Carrying Value by NAIC Designation Category Footnote:						
1A	1A $ ------------------------	1B $ ------------------------	1C $ ------------------------	1D $ ------------------------	1E $ ------------------------	1F $ ------------------------	1G $ ------------------------
1B	2A $ ------------------------	2B $ ------------------------	2C $ ------------------------				
1C	3A $ ------------------------	3B $ ------------------------	3C $ ------------------------				
1D	4A $ ------------------------	4B $ ------------------------	4C $ ------------------------				
1E	5A $ ------------------------	5B $ ------------------------	5C $ ------------------------				
1F	6 $ ------------------------						

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