

REPORTING PROPOSAL
Issuer Credit Obligations and Asset Backed Securities
Exposed July 18, 2022

Under this reporting option, there are two separate schedules, with Schedule D-1, Section 1 detailing issuer credit obligation (items captured in scope of SSAP No. 26R) and with Schedule D-1, Section 2 detailing asset-backed securities (items captured in scope of SSAP No. 43R). With this approach, separate columns and instructions can be considered for the different broad investment classifications. A variety of schedule and instruction changes are proposed for each schedule.

For Schedule D-1-1 – Issuer Credit Obligations, proposed reporting lines:

(Note: Lines for which affiliated investments are proposed to be captured are identified as “unaffiliated / affiliated.” Comments are requested on these lines for affiliate reporting.)

Issuer Credit Obligations:

<u>U.S. Government Obligations</u>
<u>Other U.S. Government Securities</u>
<u>Non-U.S. Sovereign Jurisdiction Securities</u>
<u>Municipal Bonds – General Obligations</u>
<u>Municipal Bonds – Special Revenue.....</u>
<u>Project Finance Bonds Issued by Operating Entities (Unaffiliated / Affiliated)</u>
<u>Corporate Bonds (Unaffiliated / Affiliated)</u>
<u>Mandatory Convertible Bonds (Unaffiliated / Affiliated).....</u>
<u>Single Entity Backed Obligations (Unaffiliated / Affiliated)</u>
<u>SVO-Identified Bond Exchange Traded Funds – Fair Value</u>
<u>SVO-Identified Bond Exchange Traded Funds – Systematic Value</u>
<u>Bonds Issued from SEC-Registered Business Development Corps, Closed End Funds & REITS (Unaffiliated / Affiliated).....</u>
<u>Bank Loans – Issued (Unaffiliated / Affiliated).....</u>
<u>Bank Loans – Acquired (Unaffiliated / Affiliated).....</u>
<u>Mortgages Loans that Qualify as SVO-Identified Credit Tenant Loans (Unaffiliated / Affiliated)</u>
<u>Certificates of Deposit.....</u>
<u>Other Issuer Credit Obligations (Unaffiliated / Affiliated)</u>
<u>Total Issuer Credit Obligations (Unaffiliated & Affiliated)</u>
<u>Total Affiliated Issuer Credit Obligations.....</u>

For Schedule D-1-2 – Asset Backed Securities, proposed reporting lines:

Financial Asset-Backed Securities – Self-Liquidating

- Agency Residential Mortgage-Backed Securities - Guaranteed.....
- Agency Commercial Mortgage-Backed Securities - Guaranteed.....
- Agency Residential Mortgage-Backed Securities – Not Guaranteed.....
- Agency Commercial Mortgage-Backed Securities – Not Guaranteed.....
- Non-Agency Residential Mortgage-Backed Securities (Unaffiliated / Affiliated).....
- Non-Agency Commercial Mortgage-Backed Securities (Unaffiliated / Affiliated).....
- Non-Agency – CLOs / CBOs / CDOs (Unaffiliated / Affiliated).....
- Other Financial Asset-Backed Securities - Self-Liquidating (Unaffiliated / Affiliated).....

Total Financial Asset-Backed Securities - Self-Liquidating (Unaffiliated / Affiliated).....

Financial Asset-Backed Securities – Not Self-Liquidating

- Equity Backed Securities (Unaffiliated / Affiliated).....
- Other Financial Asset Backed Securities – Not Self-Liquidating (Unaffiliated / Affiliated).....

Total Financial Asset-Backed Securities – Not Self Liquidating (Unaffiliated / Affiliated).....

Non-Financial Asset Backed Securities - Practical Expedient.....

- Lease-Backed Securities – Practical Expedient (Unaffiliated / Affiliated).....
- Other Non-Financial Asset-Backed Securities – Practical Expedient (Unaffiliated / Affiliated).....

Total Non-Financial Asset-Backed Securities – Practical Expedient (Unaffiliated / Affiliated).....

Non-Financial Asset-Backed – Full Analysis.....

- Lease-Backed Securities – Full Analysis (Unaffiliated / Affiliated).....
- Other Non-Financial Asset-Backed Securities – Full Analysis (Unaffiliated / Affiliated).....

Total Non-Financial Asset-Backed Securities – Full Analysis (Unaffiliated / Affiliated).....

Total Asset-Backed Securities.....

Total Affiliated Asset-Backed Securities.....

Total Long-Term Bonds (Issuer Credit Obligations & Asset Backed Securities).....

Total Affiliated Long-Term Bonds (Issuer Credit Obligations & Asset Backed Securities).....

Schedule D-1 Proposed Columns:

For both proposed schedules, the foreign code and the characteristic code are proposed to move to electronic only. The ‘code’ column is proposed to be ‘restricted asset code.’ The column for ‘rate used to obtain fair value’ is proposed to be deleted. Also, par value and fair value are proposed to switch locations for easier comparisons of fair value and BACV. LEI is proposed to be deleted, but regulator discussion is requested. Lastly, various changes to instructions are suggested. (Call date, call price and effective date of maturity are in blue to identify them limited to issuer credit obligations.)

For ABS, new columns on the pdf reflect payment due at maturity and balloon payment percentage determined at acquisition. New electronic only columns include original & current overcollateralization, current expected payoff date, aggregate deferred interest, PIK interest due and accrued and payoff date determined at acquisition. Information on call dates / prices are proposed to be deleted for ABS.

Issuer Credit Obligations		Asset-Backed Securities	
	<i>PDF Columns</i>		<i>PDF Columns</i>
1	CUSIP Identification	1	CUSIP Identification
2	Description	2	Description
3	Restricted Asset Code	3	Restricted Asset Code
4	NAIC Designation, Modifier and Symbol	4	NAIC Designation, Modifier and Symbol
5	Actual Cost	5	Actual Cost
	Rate Used to Obtain Fair Value		Rate Used to Obtain Fair Value
6	Par Value	6	Par Value
7	Fair Value (Moved after par value)	7	Fair Value (Moved after par value)
8	Book / Adjusted Carrying Value	8	Book / Adjusted Carrying Value
9	Unrealized Valuation Increase / (Decrease)	9	Unrealized Valuation Increase / (Decrease)
10	Current Year’s (Amortization) / Accretion	10	Current Year’s (Amortization) / Accretion
11	Current Year Realized OTTI	11	Current Year Realized OTTI
12	Total Foreign Exchange in BACV	12	Total Foreign Exchange in BACV
13	Stated Rate of Interest	13	Stated Rate of Interest
14	Effective Rate of Interest	14	Effective Rate of Interest
15	When Interest is Paid	15	When Interest is Paid
16	Interest Due & Accrued	16	Interest Due & Accrued
17	Interest Received During Year	17	Interest Received During Year
18	Date Acquired	18	Date Acquired
19	Stated Contractual Maturity Date	19	Stated Contractual Maturity Date
20	Payment Due at Maturity	20	Payment Due at Maturity
		21	Acquisition Balloon Payment %
	<i>Electronic-Only Columns</i>		<i>Electronic-Only Columns</i>
	Investment Involves Related Party		Investment Involves Related Party
	Investment Characteristic Code (Moved to Electronic)		Investment Characteristic Code (Moved to Electronic)
	Foreign Code (Moved to Electronic)		Foreign Code (Moved to Electronic)
	Agency, Sovereign Jurisdiction or State Abbreviation		Agency, Sovereign Jurisdiction or State Abbreviation
	Fair Value Hierarchy and Method to Obtain Fair Value		Fair Value Hierarchy and Method to Obtain
	Source Used to Obtain Fair Value		Source Used to Obtain Fair Value
	Collateral Type		Collateral Type
	Call Date		Current Overcollateralization
	Call Price		Current Expected Payoff Date
	Effective Date of Maturity		Acquisition Overcollateralization
	Aggregate Deferred Interest		Acquisition Expected Payoff Date
	PIK Interest Due and Accrued		Aggregate Deferred Interest
	Legal Entity Identifier (LEI)		PIK Interest Due and Accrued
	Issuer		Legal Entity Identifier (LEI)
	Issue		Issuer
	ISIN Identification		Issue
	Capital Structure Code		ISIN Identification
			Capital Structure Code

Only investments that qualify in scope of SSAP No. 26R (or SSAP No. 43R for D-1-2) are permitted to be reported on this schedule. Bonds are to be grouped as listed below and each category arranged alphabetically ~~(securities included in U.S. States, Territories and Possessions; U.S. Political Subdivisions of States, Territories and Possessions; and U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions should be listed with a state abbreviation in the column provided for electronic data capture).~~

Refer to *SSAP No. 23—Foreign Currency Transactions and Translations* for accounting guidance related to foreign currency transactions and translations.

Short Sales:

Selling a security short is an action by a reporting entity that results with the reporting entity recognizing proceeds from the sale and an obligation to deliver the sold security. For statutory accounting purposes, obligations to deliver securities resulting from short sales shall be reported as contra-assets (negative assets) in the investment schedule, with an investment code in the code column detailing the item as a short sale. The obligation (negative asset) shall be initially reflected at fair value, with changes in fair value recognized as unrealized gains and losses. These unrealized gains and losses shall be realized upon settlement of the short sale obligation. Interest on short sale positions shall be accrued periodically and reported as interest expense.

If a reporting entity has any detail lines reported for any of the following required **categories or subcategories described in the Investment Schedules General Instructions**, it shall report the subtotal amount of the corresponding category or subcategory, with the specified subtotal line number appearing in the same manner and location as the pre-printed total or grand total line and number:

NOTE: See the Investment Schedules General Instructions for the following:

- **Category definitions for bonds and stocks.**
- **Foreign column code list.**
- **Code column list of codes and definitions for securities not under the exclusive control of the reporting entity.**
- **List of stock exchange names and abbreviations.**

List all securities in scope of SSAP No. 26R in Schedule D, Part 1, Section 1 ~~bonds and certificates of deposit~~ owned December 31, of current year, except securities in scope of SSAP No. 26R ~~bonds and certificates of deposit in banks or other similar financial institutions with maturity dates or repurchase dates under repurchase agreements of one year or less from the acquisition date. Exclude cash equivalents as described in that qualify as cash equivalents or short-term investments pursuant to SSAP No. 2R—Cash, Cash Equivalents, Drafts, and Short-Term Investments—with original maturities of three months or less.~~

For Schedule D-1-2: List all asset-backed securities in scope of SSAP No. 43R in Schedule D, Part 1, Section 2 owned December 31, of current year. Securities in scope of SSAP No. 43R are not permitted to be reported as cash equivalents or short-term investments.

The security identifier reported (Column 1 for CUSIP, CINS, PPN or Column 33 for ISIN) must be the same as the identifier used when filing securities with the NAIC pursuant to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* instructions.

Column 1 – CUSIP Identification

CUSIP numbers for all purchased publicly issued securities are available from the broker's confirmation or the certificate. For private placement securities, the NAIC has created a special number called a PPN to be assigned by the Standard & Poor's CUSIP Bureau. For foreign securities, use a CINS that is assigned by the Standard & Poor's CUSIP Bureau: www.cusip.com/cusip/index.htm.

If no valid CUSIP, CINS or PPN number exists, then the CUSIP field should be zero-filled and a valid ISIN security number should be reported in Column 33.

Column 2 – Description

Give a description of all ~~bonds~~ investments owned. As appropriate, the reporting entity is encouraged to include data consistent with that reported in Column 31, Issuer and Column 32, Issue. This does not preclude the company from including additional detail to provide a complete and accurate description. Abbreviations may be used as needed.

For SVO-Identified Bond ~~Bond Mutual Funds— as Identified by the SVO and~~ Exchange Traded Funds ~~— as Identified by the SVO~~, enter the name of the fund as it appears on the NAIC SVO-Identified Bonds ETF listing as of Dec. 31 of the current year ~~complete name of the fund. ETFs not included on the NAIC list as of Dec. 31 of the current year are required to be reported on Schedule D-2, Part 2. As appropriate, the reporting entity is encouraged to include data consistent with that reported.~~

For Certificate of Deposit Account Registry Service (CDARs) or other similar services that have a maturity of greater than one year, individually list the various banking institutions that are financially responsible for honoring certificates of deposit. As appropriate, the name ~~of the name~~ of the banking institutions should follow from the registry of the Federal Financial Institutions Examination Council (FFIEC) (www.ffiec.gov/nicpubweb/nicweb/SearchForm.aspx).

For ABS reported as CLOs (Collateralized Loan Obligations), ~~For~~ CDOs (Collateralized Debt Obligations) or ~~CL~~BOs (Collateralized ~~Loan~~ Bond Obligations), indicate what the CLO/CDO/CLBO collateral is, such as high-yield bonds, corporate loans, etc. If the collateral is of mixed type, indicate “Mix,” in addition to the largest type of collateral in the mix. If the collateral is derived synthetically, indicate “synthetic.”

Column 3 – Restricted Asset Code

~~Enter “*” in this column for all SVO-Identified Funds designated for systematic value.~~

~~Enter “@” in this column for all Principal STRIP Bonds or other zero-coupon bonds.~~

~~Enter “\$” in this column for Certificates of Deposit under the FDIC limit.~~

~~Enter “&” in this column for TBA (To Be Announced) securities.~~

~~Enter “^” in this column for all assets that are bifurcated between the insulated separate account filing and the non-insulated separate account filing.~~

If bonds are not under the exclusive control of the company as shown in the General Interrogatories, they are to be identified by placing one of the codes **identified in the Investment Schedules General Instructions** in this column.

~~If the security is an SVO-Identified Fund designated for systematic value, Principal STRIP bond or other zero-coupon bond, Certificates of Deposit under the FDIC limit or a TBA (To Be Announced) security and is not under the exclusive control of the company, the “*”, “@”, “\$” or “&” should appear first, immediately followed by the appropriate code (identified in the Investment Schedules General Instructions).~~

Separate Account Filing Only:

~~If the asset is a bifurcated asset between the insulated separate account filing and the non-insulated separate account filing, the “^” should appear first and may be used simultaneously with the “*”, “@”, “\$” or “&” with the “^” preceding the other characters (“*”, “@”, “\$” or “&”) depending on the asset being reported, immediately followed by the appropriate code (identified in the Investment Schedules General Instructions).~~

~~Column 4 — Foreign~~

~~Insert the appropriate code in the column based on the list provided in the Investment Schedules General Instructions.~~

~~Column 5 — Bond Characteristics~~

- NAIC Designation Modifier Column 6B
- SVO Administrative Symbol Column 6C

On the printed page the sub-columns should be displayed with a “.” between the NAIC Designation and the NAIC Designation Modifier with a space between the NAIC Designation Modifier and the SVO Administrative Symbol (e.g., “1.A YE”).

NAIC Designation Modifier:

The NAIC Designation Modifier should only be used for bonds eligible to receive one, as defined in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual), otherwise, the field should be left blank.

As defined in the P&P Manual, there is not an NAIC Designation Modifier for investments reporting an NAIC Designation 6, therefore, the NAIC Designation Modifier field should be left blank.

Refer to the P&P Manual for the application of these modifiers.

SVO Administrative Symbol:

Following are valid SVO Administrative Symbols for bonds. Refer to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for the application of these symbols.

- S Additional or other non-payment risk
- SYE Additional or other non-payment risk - Year-end carry over
- FE Filing Exempt
- FM Financially Modeled RMBS/CMBS subject to SSAP 43R
- YE Year-end carry over
- IF Initial filing
- PL Private Letter Rating
- PLGI Private Letter Rating – reported on General Interrogatory
- RT Regulatory Transaction
- RTS Regulatory Transaction - SVO Reviewed
- RTIF Regulatory Transaction - Initial Filing Submitted to SVO
- RTSYE Regulatory Transaction - SVO Reviewed - Year-end carry over
- GI General Interrogatory
- F Sub-paragraph D Company – insurer self-designated
- Z Insurer self-designated
- * Limited to NAIC Designation 6
- Z* Regulatory review initiated by either the SVO Director, Financial Condition (E) Committee, Executive (EX) Committee or VOSTF.
- ND* Regulatory review for an assessment of regulatory policy for the investment or regulatory reporting instructions to implement applicable policy.

The NAIC Designation Category is the combination of NAIC Designation and NAIC Designation Modifier. Valid combinations of NAIC Designation and NAIC Designation Modifier for NAIC Designation Category are shown below:

NAIC Designation	NAIC Designation Modifier	NAIC Designation Category
1	A	1A
	B	1B

	C	1C
	D	1D
	E	1E
	F	1F
	G	1G
2	A	2A
	B	2B
	C	2C
3	A	3A
	B	3B
	C	3C
4	A	4A
	B	4B
	C	4C
5	A	5A
	B	5B
	C	5C
6		6

Column ~~7~~⁵ – Actual Cost

This column should contain the actual consideration paid to purchase the security. The Actual Cost column amount should be adjusted for: pay downs and partial sales (both reported in Schedule D, Part 4) and subsequent acquisitions of the same issue (reported in Schedule D, Part 3). Actual cost will need to be adjusted due to “other-than-temporary impairments” recognized, for use when determining realized gain/(loss) at disposition.

Include: Brokerage and other related fees, to the extent they do not exceed the fair value at the date of acquisition.

Cost of acquiring the bond or stock including broker’s commission and incidental expenses of effecting delivery, transaction fees on re-pooling of securities, and reductions for origination fees intended to compensate the reporting entity for interest rate risks (i.e., points).

Exclude: Accrued interest.

All other costs, including internal costs or costs paid to an affiliated reporting entity related to origination, purchase or commitment to purchase bonds, are charged to expense when incurred.

For SVO Identified ~~Bond Funds (Bond Mutual Funds and~~ Exchange Traded Funds), enter the original cost of the shares purchased, including brokerage and other related fees.

For a bond received as a property dividend or capital contribution, enter the initial recognized value. See *SSAP No. 26R—Bonds* for guidance.

~~Column 8 — Rate Used to Obtain Fair Value~~

~~Report rate used for determining fair value.~~

~~For SVO Identified Funds (Bond Mutual Funds and Exchange Traded Funds), enter the per share fair value or net asset value as of the reporting date.~~

~~For U.S. Treasury Inflation Indexed Securities enter the VOS rate (provided in the *Valuation of Securities*) multiplied by the inflation ratio.~~

~~Column 9 — Fair Value~~

~~The fair value should be the price which, when multiplied by the notional amount (Column 10, Par Value) results in the dollar amount that would be received (excluding accrued interest) if the security was sold at fair value.~~

~~The fair value included in this column (calculated from the Rate Used to Obtain Fair Value column) should be the amount used in any comparison of fair value to another valuation method (e.g., book value or amortized cost) that is prescribed by the accounting/valuation rules.~~

~~For loan backed securities, the prospective or retrospective methods are used in determining amortized value.~~

~~Exclude: _____ Accrued interest.~~

~~For SVO Identified Funds (Bond Mutual Funds and Exchange Traded Funds), enter the amount representing the number of shares owned at year end times the rate specified in Column 8.~~

~~For U.S. Treasury Inflation Indexed Securities, Fair Value should utilize the VOS rate multiplied by the inflation ratio.~~

Column ~~10~~6 – Par Value

Enter the par value of the ~~bonds~~ issuer credit obligations owned adjusted for repayment of principal.

For ~~mortgage backed/loan~~ asset-backed ~~and structured~~ securities, enter the par amount of principal to which the reporting entity has a claim.

For interest only ~~bonds~~ investments without a principal amount on which the reporting entity has a claim, use a zero value. ~~Enter the statement date par value for bonds with adjustable principal. An interest only bond with a small par amount of principal would use that amount.~~

For SVO Identified Bond Funds ~~(Bond Mutual Funds and Exchange Traded Funds)~~, enter Zero (0).

Column 7 – Fair Value

Fair value shall be determined pursuant to SSAP No. 100R—Fair Value.

Column ~~11~~8 – Book/Adjusted Carrying Value

Securities excluding SVO Identified Bond Exchange Traded Funds ~~fund~~ and mandatory convertible bonds:

This should be the amortized value or the lower of amortized value or fair value, depending upon the NAIC designation of the bond (and adjusted for any other-than-temporary impairment), as of the end of the current reporting year.

Include: The original cost of acquiring the bond, including brokerage and other related fees.

Amortization of premium or accrual of discount, but not including any accrued interest paid thereon.

Amortization of deferred origination and commitment fees.

For asset-backed securities, a reporting entity's use of the retrospective method to reflect changes in expected cash flows adjusts the amortized cost basis.

Deduct: A direct write-down for a decline in the fair value of an bond investment that is other-than-temporary or to reflect fair value when the investment is reported at lower of amortized cost or fair value.

Exclude: All other costs, including internal costs or costs paid to an affiliated reporting entity related to origination, purchase or commitment to purchase bonds, are

charged to expense when incurred. Cost should also be reduced by payments attributed to the recovery of cost.

Accrued interest.

The amount reported in this column should equal:

Book/Adjusted Carrying Value reported in the Prior Year statement
(or Actual Cost for newly acquired securities)
plus "Current Year's (Amortization)/Accretion"
plus "Unrealized Valuation Increase/(Decrease)Total in Book/Adjusted Carrying Value"
minus "Current Year's Other-Than-Temporary Impairment Recognized"
plus "Total Foreign Exchange Change in Book/Adjusted Carrying Value"
plus Changes due to amounts reported in Schedule D, Parts 3, 4 and 5

Refer to *SSAP No. 26R—Bonds* and *SSAP No. 43R—Asset-Backed Securities*.

For reporting entities maintaining an AVR:

NAIC Designation 1 – 5* Enter amortized cost
NAIC Designation 6 Enter the lower of fair value or amortized cost

For reporting entities not maintaining an AVR:

NAIC Designations 1 – 2* Enter amortized cost
NAIC Designations 3 – 6 Enter the lower of fair value or amortized cost

*NOTE: An exception exists for Treasury Inflation Adjusted Securities ~~under INT 01-25~~, where the book/adjusted carrying value may include an unrealized gain. See *INT 01-25, Accounting for U.S. Treasury Inflation-Indexed Securities*, for accounting guidance.

Mandatory Convertible Bonds:

The amount should be the lower of amortized cost or fair value during the period prior to conversion.

SVO Identified Funds:

The amount should be fair value unless the reporting entity has designated a qualifying security for systematic value. The election of using systematic value is irrevocable. [Guidance in SSAP No. 26R—Bonds details the requirements for use of systematic value.](#)

~~NOTE:—Use of systematic value is effective Dec. 31, 2017. This effective date requires entities to either report SVO-Identified investments at fair value on the effective date, or to identify the SVO-Identified investments with a code to identify use of systematic value. If the investment is coded for systematic value, the investment will be reported in the 2017 annual financial statements using the measurement method utilized throughout 2017. For these investments, beginning Jan. 1, 2018, the reporting entity shall report the investment using the calculated systematic value method detailed in SSAP No. 26R—Bonds.~~

~~Refer to SSAP No. 26R—Bonds.~~

~~For reporting entities maintaining an AVR:~~

~~NAIC Designation 1 – 5 Enter fair value or systematic value~~
~~NAIC Designation 6 Enter fair value~~

~~For reporting entities not maintaining an AVR:~~

~~NAIC Designations 1—2 Enter fair value or systematic value
NAIC Designations 3—6 Enter fair value~~

~~The amount reported in this column should equal:~~

~~Book/Adjusted Carrying Value reported in the Prior Year statement
(or Actual Cost for newly acquired securities)
plus “Unrealized Valuation Increase/(Decrease) Total in Book/Adjusted Carrying Value”
plus “Current Year’s (Amortization)/Accretion”
minus “Current Year’s Other Than Temporary Impairment Recognized”
plus “Total Foreign Exchange Change in Book/Adjusted Carrying Value”
plus Changes due to amounts reported in Schedule D, Parts 3, 4 and 5~~

Column ~~129~~ – Unrealized Valuation Increase/(Decrease)

The total unrealized valuation increase/(decrease) for a specific security will be the change in Book/Adjusted Carrying Value that is due to carrying or having carried (in the previous year) the security at Fair Value. Thus, this amount could be:

The difference due to changing from Amortized Cost in the previous year to Fair Value in the current year’s Book/Adjusted Carrying Value column (calculated as **current year** Fair Value minus **current year** Amortized Value);

The difference of moving from Fair Value in the previous year to Amortized Cost in the current year’s Book/Adjusted Carrying Value column (calculate as **prior year** Amortized Value minus **prior year** Fair Value); or

The difference between the Fair Value in the previous year and the Fair Value in the current year’s Book/Adjusted Carrying Value column (calculate as **current year** Fair Value minus **prior year** Fair Value minus **current year** Accrual of Discount/(Amortization of Premium)).

Include: For SVO-identified Bond Exchange Traded Funds funds, the change from the prior reported BACV to fair value/net asset value. If an SVO-identified Bond Exchange Traded Fund fund no longer qualifies for systematic value, the difference from systematic value in prior year to fair value/net asset value in current year.

These amounts are to be reported as unrealized capital gains or (losses) in the Exhibit of Capital Gains/(Losses) and in the Capital and Surplus Account (Page 4).

Column ~~103~~ – Current Year’s (Amortization)/Accretion

This amount should equal the current reporting year’s amortization of premium or accrual of discount (regardless of whether or not the security is currently carried at Amortized Cost). The accrual of discount amounts in this column are to be reported as increases to investment income in the Exhibit of Net Investment Income, while the amortization of premium amounts are to be reported as decreases to investment income. (For investments reported at the lower of amortized cost or fair value, the amortization/accretion occurs first, and then any unrealized valuation change necessary to reflect the lower fair value is reflected. This results with recognition of both investment income and an unrealized capital loss.)

Include: The (Amortization)/Accretion of SVO Identified Bond Exchange Traded Funds Funds designated for reporting at systematic value.

Column ~~114~~ – Current Year’s Other-Than-Temporary Impairment Recognized

If the security has suffered been identified with an “other-than-temporary impairment,” ~~this column should contain report~~ the amount of the direct write-down recognized. The amounts in this column are

to be reported as realized capital losses in the Exhibit of Capital Gains/(Losses) and in the calculation of Net Income.

Column 125 – Total Foreign Exchange Change in Book/Adjusted Carrying Value

This is a positive or negative amount that is defined as the portion of the total change in Book/Adjusted Carrying Value for the year that is attributable to foreign exchange differences for a particular security. The amounts reported in this column should be included as net unrealized foreign exchange capital gain/(loss) in the Capital and Surplus Account (Page 4).

Column 136 – Stated Rate of Interest ~~Rate~~

Show rate of interest as stated on the face of the bond. Where the original stated rate has been renegotiated, show the latest modified rate. For ~~long-term bonds~~ and asset-backed securities with a variable rate of interest, use the last rate of interest. ~~For short-term bonds with various issues of the same issuer, use the last rate of interest.~~ All information reported in this field must be a numeric value.

For SVO Identified Bond Funds (Bond Mutual Funds Exchange Traded Funds), ~~and~~ Principal STRIP Bonds or other zero-coupon bonds, enter numeric zero (0).

Column 147 – Effective Rate of Interest

For issuer credit obligations, include the effective rate at which the purchase was made.

For ~~mortgage-backed/loan-backed and structured~~ asset-backed securities, report the effective yield as of Dec. 31 of the current year. used to value the security at the reporting date. The Effective Yield calculation should be ~~modified~~ updated pursuant to SSAP No. 43R:

- Prospective Method: Updated expectations of cash flows that are not attributable to an other-than-temporary impairment, results in a recalculation of the effective yield used to accrue income in future periods. The recalculated effective yield equates the carrying amount of the investment to the present value of the anticipated future cash flows.
- Retrospective Method: Updated expectations of cash flows results in a recalculation of both the effective yield and the amortized cost basis so that expected future cash flows produce a return equal to the return now expected over the life of the investment as measured from the date of acquisition. The recalculated effective yield will equate the present value of the actual and anticipated cash flows with the original cost of the investment. Use of the retrospective method is limited to NAIC 1 securities.

For SVO Identified Bond Funds (Bond Mutual Funds and Exchange Traded Funds), enter Zero (0).

Column 158 – Interest – When Paid

For securities that pay interest annually, provide the first 3 letters of the month in which the interest is paid (e.g., JUN for June). For securities that pay interest semi-annually or quarterly, provide the first letter of each month in which interest is received (e.g., JD for June and December, and MJSD for March, June, September and December). For securities that pay interest on a monthly basis, include “MON” for monthly. Finally, for securities that pay interest at maturity, include “MAT” for maturity.

For SVO Identified Bond Funds (Bond Mutual Funds Exchange Traded Funds) and Principal STRIP Bonds or other zero-coupon bonds, enter N/A.

Column 169 – ~~Admitted Interest Due and Accrued~~ Interest Income Due and Accrued

Report interest income earned and legally due to be paid to the reporting entity as of the reporting date (interest due) plus interest income earned as of the reporting date but not legally due to be paid to the reporting entity until subsequent to the reporting date (interest accrued). Refer to SSAP No. 34— Investment Income Due and Accrued. This should equal the admitted amount of due and accrued

~~interest for a specific security, based upon the assessment of collectability required by SSAP No. 34— Investment Income Due and Accrued and any other requirements for nonadmitting investment income due and accrued. The amount reported in this column should be the collectible amount of the interest income due and accrued regardless of admitted/nonadmitted determination. Items probable of collection, but nonadmitted pursuant to SSAP No. 34, shall be captured in this reporting column, with the nonadmittance shown in column 2 of the balance sheet and detailed in the notes to the financial statements.~~

With revisions to the reporting schedule, consideration could be given to the disclosure in Note 34. That disclosure is not currently data captured.

Column ~~20~~17 – Interest Amount Received During Year

Report actual amount of cash interest received. For paid-in-kind (PIK) interest received, report the fair value of the asset at the time the asset was received. Amount reported should reflect the combined total of all interest (cash and PIK) received for each reported investment during the year.

For SVO Identified Bond Funds (~~Bond Mutual Funds and~~ Exchange Traded Funds) enter the amount of distributions received in cash or reinvested in additional shares.

Include: The proportionate share of interest directly related to the securities reported in this schedule.

Report amounts net of foreign withholding tax.

Column ~~21~~18 – Acquired Date

For public placements use trade date, not settlement date. For private placements, use funding date. Each issue of ~~bonds issuer credit obligations or stocks~~ acquired at public offerings on more than one date may be totaled on one line and the date of last acquisition inserted. All asset-backed securities shall be separately reported (no aggregation of separate acquisitions).

For SVO Identified Bond Funds (~~Bond Mutual Funds and~~ Exchange Traded Funds), enter date of last purchase.

Column ~~22~~19 – Stated Contractual Maturity Date

For SVO Identified Bonds Funds (~~Bond Mutual Funds and~~ Exchange Traded Funds), leave blank.

For perpetual bonds, enter 01/01/9999.

For mandatory convertible bonds use the conversion date.

Column 20 – Payment Due at Maturity

Report payment due at maturity. Include the final principal payment (including balloon payments) as well as interest to be paid at maturity.

Column 21 – Acquisition Balloon Payment %

For ABS, include the percentage of balloon payment due at maturity based on the original outstanding principal amount. For example, if the original security had principal repayment of \$100 and \$80 is scheduled to be paid at maturity, the balloon payment percentage at acquisition is 80%. The balloon percentage shall not be adjusted subsequent to acquisition regardless of principal reduction or payments in advance of maturity that reduce the outstanding balloon.

**** Columns 23 through 34 will be electronic only. ****

(Note – All Columns will be Renumbered Accordingly. Prior references have been retained. Column numbers will be different between ICO and ABS)

Column 4 – Foreign

Insert the appropriate code in the column based on the list provided in the Investment Schedules General Instructions.

Column 5 – Investment Characteristics **(Note – Proposed to be substantially different from current info.)**

If an investment has one or more of the following characteristics, then list the appropriate number(s) separated by commas. If none of the characteristics apply, then leave the column blank.

1. Investment terms permit interest to be received in a form other than cash.
2. Investment terms permit payment of interest to be deferred without being considered past due.
3. Interest due and accrued has been written off as uncollectible and/or nonadmitted.
4. Investment has a current year or prior year recognized other than temporary impairment.
5. Investment is an interest-only strip
6. Investment is a principal-only strip
7. Investment reflects a To-Be-Announced (TBA) security that will qualify as an issuer credit obligation or ABS at the time the reporting entity takes possession of the issued security.

Separate Account Filing Only:

- 8.** The asset is a bifurcated asset between the insulated separate account filing and the non-insulated separate account filing. **(Note – This has been a long-standing element. Discuss with industry.)**

Column 23 – Agency, Sovereign Jurisdiction or State Abbreviation

Applies to:

Issuer Credit Obligations:

- U.S. Government Obligations
- Other U.S. Government Securities
- Non-U.S. Sovereign Jurisdiction Securities
- Municipal Bonds – General Obligations
- Municipal Bonds – Special Revenue.....

For items captured as U.S. government or Other U.S. government, report “US” for treasury-issued items and for non-treasury items, report the abbreviation for the agency issuer captured within these categories. (Agency abbreviations are detailed in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* in the listing of agencies approved for these categories.)

For Non-US, report the country abbreviation detailed in the Annual Statement Instructions Appendix.

For Municipal bonds, Include the abbreviation for the state where the security is issued (e.g., “MO” for Missouri). For federal issuances, report the abbreviation for the agency issuer.

Asset-Backed Securities:

[Agency Residential Mortgage-Backed Securities - Guaranteed](#).....
[Agency Commercial Mortgage-Backed Securities - Guaranteed](#).....
[Agency Residential Mortgage-Backed Securities – Not Guaranteed](#).....
[Agency Commercial Mortgage-Backed Securities – Not Guaranteed](#)

[For agency ABS, report the abbreviation for the agency issuing the ABS.](#)

~~U.S. States, Territories and Possessions~~

~~Include the appropriate state abbreviation for the state where the security is issued (e.g., “MO” for Missouri).~~

~~U.S. Political Subdivisions of States, Territories and Possessions~~

~~Include the appropriate state abbreviation for the state where the security is issued.~~

~~U.S. Special Revenue, Special Assessments Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions~~

~~Include the appropriate state abbreviation for the state where the security is issued. Use “US” for federal agency issues.~~

Column 24 – Fair Value Hierarchy Level and Method Used to Obtain Fair Value Code

[Report the fair value level that represents the inputs used to determine fair value.](#) Whenever possible, the reported fair value shall reflect level 1 (quoted prices in active market), followed by level 2 (other observable inputs that do not qualify as level 1), and then level 3 (unobservable inputs). In all situations fair value shall be determined in accordance with *SSAP No. 100R—Fair Value*. ~~fair value should represent the price at which the security could be sold, based on market information. Fair value should only be determined analytically when the market based value cannot be obtained.~~

The following is a listing of valid fair value level indicators to show the fair value hierarchy level.

“1” for Level 1

“2” for Level 2

“3” for Level 3

The following is a listing of the valid method indicators for bonds to show the method used by the reporting entity to determine the Rate Used to Obtain Fair Value.

“a” for securities where the rate is determined by a pricing service.

“b” for securities where the rate is determined by a stock exchange.

“c” for securities where the rate is determined by a broker or custodian. The reporting entity should obtain and maintain the pricing policy for any broker or custodian used as a pricing source. In addition, the broker must either be approved by the reporting entity as a counterparty for buying and selling securities or be an underwriter of the security being valued.

“d” for securities where the rate is determined by the reporting entity. The reporting entity is required to maintain a record of the pricing methodology used.

“e” for securities where the rate is determined by the unit price published in the NAIC *Valuation of Securities*.

Enter a combination of hierarchy and method indicator. The fair value hierarchy level indicator would be listed first and the method used to determine fair value indicator would be listed next. For example, use “1b” to report Level 1 for the fair value hierarchy level and stock exchange for the method used to determine fair value.

The guidance in *SSAP No. 100R—Fair Value* allows the use of net asset value per share (NAV) instead of fair value for certain investments. If NAV is used instead of fair value, leave blank.

Column 25 – Source Used to Obtain Fair Value

For Method Code “a,” identify the specific pricing service used.

For Method Code “b,” identify the specific stock exchange used.

The listing of most **stock exchange codes can be found in the Investment Schedules General Instructions.**

For Method Code “c,” identify the specific broker or custodian used.

For Method Code “d,” leave blank.

For Method Code “e,” leave blank.

If net asset value (NAV) is used instead of fair value, the reporting entity should use “NAV” to indicate net asset value used instead of fair value.

Column 26 – Collateral Type (Discuss applicable lines and desired categories)

Use only for securities included in the following subtotal lines.

Issuer Credit Obligations:

Single Entity Backed Obligations.....
Affiliated Single Entity Backed Obligations.....

Asset-Backed Securities:

Other Financial Asset-Backed Securities - Self-Liquidating.....
Affiliated Other Financial Asset-Backed Securities - Self-Liquidating.....

Other Financial Asset Backed Securities – Not Self-Liquidating.....
Affiliated Other Financial Asset Backed Securities – Not Self-Liquidating.....

Lease-Backed Transactions – Practical Expedient.....
Affiliated Lease-Backed Transactions – Practical Expedient.....

Other Non-Financial Asset-Backed Securities – Practical Expedient.....
Affiliated Other Non-Financial ABS – Practical Expedient.....

Lease-Backed Transactions – Full Analysis.....
Affiliated Lease-Backed Transactions – Full Analysis.....

Other Non-Financial ABS – Full Analysis.....
Affiliated Other Non-Financial ABS – Full Analysis.....

Residential Mortgage Backed Securities.....029999

<u>Commercial Mortgage Backed Securities</u>	<u>0399999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>0499999</u>
<u>All Other Governments</u>	
<u>Residential Mortgage Backed Securities</u>	<u>0799999</u>
<u>Commercial Mortgage Backed Securities</u>	<u>0899999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>0999999</u>
<u>U.S. States, Territories and Possessions (Direct and Guaranteed)</u>	
<u>Residential Mortgage Backed Securities</u>	<u>1299999</u>
<u>Commercial Mortgage Backed Securities</u>	<u>1399999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>1499999</u>
<u>U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)</u>	
<u>Residential Mortgage Backed Securities</u>	<u>1999999</u>
<u>Commercial Mortgage Backed Securities</u>	<u>2099999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>2199999</u>
<u>U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</u>	
<u>Residential Mortgage Backed Securities</u>	<u>2699999</u>
<u>Commercial Mortgage Backed Securities</u>	<u>2799999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>2899999</u>
<u>Industrial and Miscellaneous (Unaffiliated)</u>	
<u>Residential Mortgage Backed Securities</u>	<u>3399999</u>
<u>Commercial Mortgage Backed Securities</u>	<u>3499999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>3599999</u>
<u>Hybrid Securities</u>	
<u>Residential Mortgage Backed Securities</u>	<u>4399999</u>
<u>Commercial Mortgage Backed Securities</u>	<u>4499999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>4599999</u>
<u>Parent, Subsidiaries and Affiliates</u>	
<u>Residential Mortgage Backed Securities</u>	<u>5099999</u>
<u>Commercial Mortgage Backed Securities</u>	<u>5199999</u>
<u>Other Loan Backed and Structured Securities</u>	<u>5299999</u>

For issuer credit obligations reported as single entity backed obligations, report one of the following codes that most appropriately reflects the structure:

- ETC – Equipment Trust Certificate
- EETC – Enhanced Equipment Trust Certificate
- GLF – Ground Lease Financing
- CTL – Credit Tenant Loan (security structure)
- FABN – Funding Agreement Backed Note
- Other – Other Single Entity Backed

For asset-backed securities on the noted reporting lines, Enter one of the following codes to indicate collateral type. Pick exactly one collateral type for each reported security. For securities that fit in more than one type, pick the predominant one. Judgment may need to be used when making selections involving prime, Alt A and subprime, as there are no uniform definitions for these collateral types. In the description field, use abbreviations like ABS, CDO or CLO to disclose the type of the loan-backed/structured security.

Note: Various investments below require SVO review and approval, please refer to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual)* for further description.

1 Residential Mortgage Loans/RMBS

~~Include all types of residential first lien mortgage loans as collateral (e.g., prime, subprime, Alt A).~~

~~2 Commercial Mortgage Loans/CMBS~~

~~Include all types of commercial mortgage loans as collateral (e.g., conduits, single name, etc.)~~

~~1.3 Non-Standard Home Loan Equity~~

~~Include all home equity loans and/or home equity lines of credit as collateral. These are not first liens and are deemed loans to individuals. Bonds-Asset-backed securities that are collateralized by home equity loans/lines of credit are considered asset-backed securities (ABS) rather than RMBS. This also includes manufactured housing loans and mobile home loans as collateral. These are not typical residential mortgage loans, and when they securitizeare securitized ~~bonds~~, they are considered ABS rather than RMBS.~~

~~24 Individual Obligations – Credit Card, Auto, Personal Loans, Student Loans and Recreational Vehicles, etc~~

~~Include bonds-asset-backed securities collateralized by individual obligations. Do not include individual obligations that reflect a security interest in real estate ~~have a real estate aspect~~.~~

~~53 Corporate/Industrial Obligations – Tax Receivables, Utility Receivables, Trade Receivables, Small Business Loans, Commercial Paper, etc~~

~~Include bonds-asset-backed securities collateralized by corporate or industrial obligations (sometimes referred to as commercial obligations). This category shall only be used for ABS that meet the definition of financial assets where there is no further performance obligation. ABS that are collateralized by rights to future revenue streams shall be captured as “cash flows rights” detailed in code 6.~~

~~6 Lease Transactions – Aircraft Leases, Equipment Leases and Equipment Trust Certificates~~

~~Include bonds collateralized by leases. Equipment leases are loans on heavy equipment. Equipment trust certificates are certificates that entitle the holder to the lease payments on the underlying assets.~~

~~7 CLO/CBO/CDO~~

~~Include bank loans, which securitize CLOs; investment grade and high yield corporate bonds, which securitize CBOs; and corporate bonds and structured securities, which securitize CDOs.~~

~~8 Manufactured Housing and Mobile Home Loans~~

~~Include manufactured housing loans and mobile home loans as collateral. These are not typical residential mortgage loans, and when they securitize bonds, they are considered ABS.~~

~~9 Credit Tenant Loans~~

~~Real estate loans secured by the obligation of a single (usually investment grade) company to pay debt service by means of rental payments under a lease, where real estate is pledged as collateral also referred to as credit tenant lease, sale leaseback or CTL.~~

~~10 Ground Lease Financing~~

~~Real estate loans secured by the obligation to pay debt service by means of rental payments of subleased property; where a long term ground lease was issued in which the lessee intends significant land development and the subleasing of such property to other long term tenants.~~

4. Real Estate Leases

Include all lease structures backed by real estate, including investments that resemble credit tenant loans, ground lease finance, and project finance real estate structures that do not represent issuer credit obligations.

5. Other Leases

Include all lease-backed structures not backed by real estate that do not represent issuer credit obligations. This includes auto, aircraft, equipment, etc.

6. Cash Flow Rights

Include all ABS structures that securitize rights to future cash flows. Examples of collateral to include in this category includes royalties, licensing fees, servicing rights, mineral rights, other revenue rights such as those common in whole business securitizations.

7 Other

Include other collateral types that do not fit into ~~categories 1 through 910~~ the above categories.

For Columns 27 through 29, make whole call information is not required.

Column 27 – Call Date (ICO)

Report the next call date ~~used to calculate the Effective Date of Maturity. If call date does not affect the Effective Date of Maturity field but exists, report the next call date.~~ If there is no call date, leave blank.

If the item is subject to a make whole call provision and it is not known that the issuer is expected to invoke the provision enter “MW”. If information is known that the issuer expects to invoke the make whole provision, then the expected call date of the make whole call provision shall be reported.

Column 28 – Call Price (ICO)

Report the call price used to calculate the Effective Date of Maturity. If call price does not affect the Effective Date of Maturity field but exists, report the next call price. If there is no call price, leave blank.

If the item is subject to a make whole call provisions and it is known that the issuer expects to invoke the provision, enter the expected call price. Otherwise, for make whole call provisions, leave blank.

Column 29 – Effective Date of Maturity

On bonds purchased at a premium, the maturity date producing the lowest amortized value should be used. See *SSAP No. 26R—Bonds*. For loaned-backed and structured securities, include the effective date of maturity that results from the estimated cash flows, incorporating appropriate prepayment assumptions. If call data does not affect the Effective Date of Maturity field, leave blank. For ABS, include the date determined at security acquisition that the reporting entity expected to receive final payment of all amounts due, including both principal and interest.

Column XX – Current Overcollateralization Percentage (ABS)

For ABS, report the overcollateralization ratio that reflects the value of the assets backing the debt issuance in comparison to the tranche held and all tranches senior as of the reporting date.

The ratio shall reflect the total unimpaired assets backing the debt issuance over the specific tranche held and all the tranches senior to the held tranche. For example, if the assets / expected cash flows

supporting the debt issuance has declined to \$88, and there is still \$75 in issued senior debt and \$15 in issued mezzanine debt, a reporting entity holding senior tranche would report 117% (88/75) and a reporting entity holding the mezzanine debt shall report 98% (88/90).

The original overcollateralization ratio shall be based on supporting investment documentation.

Column XX – Current Expected Payoff Date (ABS)

For ABS, report the current expected pay-off date resulting from estimated cash flows and prepayment assumptions.

Column XX – Acquisition Overcollateralization Percentage (ABS)

For ABS, report the overcollateralization ratio that reflects the value of the assets backing the debt issuance in comparison to the tranche held and all tranches senior at the time of acquisition.

The ratio shall reflect the total unimpaired assets backing the debt issuance over the specific tranche held and all the tranches senior to the held tranche. For example, with \$100 in assets backing the debt issuance and \$75 in issued senior debt, \$15 in issued mezzanine debt, and \$10 in residual assets, a reporting entity holding senior tranche would report 133% (100/75) and a reporting entity holding the mezzanine debt shall report 111% (100/90).

The original overcollateralization ratio shall be based on supporting investment documentation.

Column XX – Acquisition Expected Payoff Date (ABS)

For ABS, report the expected pay-off date at the time of original acquisition. (This field should remain unchanged for as long as the security is held.)

Column XX – Aggregate Deferred Interest

Some investments allow for interest payments to be deferred past the originally scheduled payment date without being considered past due under the agreement terms. Include the amount of interest reported as due and accrued for which the reporting entity has not received within 90 days of the originally scheduled payment date, that has not been nonadmitted under SSAP No. 34. For the avoidance of doubt, this should also include all accrued interest for investments that pay interest in full less frequently than annually per the agreement terms.

Column XX – PIK Interest Due and Accrued

Include the amount of reported interest due and accrued in which the terms of the investment permit payment “in kind” instead of cash.

The amount captured shall include the total amount of non-cash interest that can be provided to satisfy reported interest due and accrued.

~~Column 30~~ — ~~Legal Entity Identifier (LEI)~~

~~Provide the 20-character Legal Entity Identifier (LEI) for any issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.~~

From data obtained, only a limited number of investments captured on Schedule D-1 have LEIs. Capturing LEI for other investments (e.g., derivatives) may still be appropriate.

Column 31 – Issuer

Issuer Definition:

The name of the legal entity that develops, registers and sells securities for the purpose of financing its operations and may be domestic or foreign governments, corporations or investment trusts. The issuer is legally responsible for the obligations of the issue and for reporting financial conditions, material developments and any other operational activities as required by the regulations of their jurisdictions.

The reporting entity is encouraged to use the following sources:

- Bloomberg
- Interactive Data Corporation (IDC)
- Thomson Reuters
- S&P/CUSIP
- Name used in either the relevant SEC filing or legal documentation for the transaction. Issuer is the name of the legal entity that can be found on documents such as SEC Form 424B2, Note Agreements, Prospectuses and Indentures, as appropriate. The name used should be as complete and detailed as possible to enable others to differentiate the legal entity issuing the security from another legal entity with a similar name.

Do not report ticker symbols, either internal or otherwise.

Column 32 – Issue

Issue information provides detailed data as to the type of security being reported (e.g., coupon, description of security, etc.). Below are examples of what could be provided, but additional information should be provided as appropriate for the security.

6% Senior 2018
7% Subordinated Debenture 03/15/2022
3% NY Housing Authority Debenture 2035

The reporting entity is encouraged to use the following sources:

- Bloomberg
- Interactive Data Corporation (IDC)
- Thomson Reuters
- S&P/CUSIP
- Descriptions used in either the relevant SEC filing or legal documentation for the transaction.

Do not report ticker symbols, either internal or otherwise. Include tranche information.

Column 33 – ISIN Identification

The International Securities Identification Numbering (ISIN) system is an international standard set up by the International Organization for Standardization (ISO). It is used for numbering specific securities, such as stocks, bonds, options and futures. ISIN numbers are administered by a National Numbering Agency (NNA) in each of their respective countries, and they work just like serial numbers for those securities. Record the ISIN number only if no valid CUSIP, CINS or PPN exists to report in Column 1.

Column 34 – Capital Structure Code

Please identify the capital structure of the security using the following codes consistent with the SVO Notching Guidelines in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*:

Capital structure is sometimes referred to as rank or payment priority and can be found in feeds from the sources listed in the Issue and Issuer column.

As a general rule, a security is senior unsecured debt unless legal terms of the security indicate another position in the capital structure. Securities are senior or subordinated and are secured or unsecured. Municipal bonds, Federal National Mortgage Association securities (FNMA or Fannie Mae) and Federal Home Loan Mortgage Corporation securities (FHLMC or Freddie Mac) generally are senior debt, though there are examples of subordinated debt issued by Fannie and Freddie. 1st Lien is a type of security interest and not capital structure but could be used to determine which capital structure designation the security should be reported under. The capital structure of “Other” should rarely be used.

Capital structure includes securities subject to *SSAP No. 26R—Bonds* and *SSAP No. 43R—Loan-Backed and Structured Securities*.

1. Senior Secured Debt

Senior secured is paid first in the event of a default and also has a priority above other senior debt with respect to pledged assets.

2. Senior Unsecured Debt

Senior unsecured securities have priority ahead of subordinated debt for payment in the event of default.

3. Subordinated Debt

Subordinated is secondary in its rights to receive its principal and interest payments from the borrower to the rights of the holders of senior debt (e.g., for loan-backed and structured securities, this would include mezzanine tranches).

(Subordinated means noting or designating a debt obligation whose holder is placed in precedence below secured and general unsecured creditors e.g., another debtholder could block payments to that holder or prevent that holder of that subordinated debt from taking any action.)

4. Not Applicable

Securities where the capital structure 1 through 3 above do not apply (e.g., Line 6099999 Exchange Traded Funds – as Identified by the SVO).

NAIC Designation Category Footnote:

Provide the total book/adjusted carrying value amount by NAIC Designation Category that represents the amount reported in Column 11.

The sum of the amounts reported for each NAIC Designation Category in the footnote should equal Line 8399999.