

## **FINANCIAL REGULATION STANDARDS AND ACCREDITATION (F) COMMITTEE**

Financial Regulation Standards and Accreditation (F) Committee March 23, 2026, Minutes

Memorandum Discussing Publication Revisions Significant or Insignificant for Accreditation Purposes from the Statutory Accounting Principles (E) Working Group (Attachment One)

Memorandum Discussing Publication Revisions Significant or Insignificant for Accreditation Purposes from the Blanks (E) Working Group (Attachment Two)

Memorandum Discussing Publication Revisions Significant or Insignificant for Accreditation Purposes from the Capital Adequacy (E) Task Force (Attachment Three)

Memorandum Discussing Publication Revisions Significant or Insignificant for Accreditation Purposes from the Financial Examiners Handbook (E) Technical Group (Attachment Four)

Memorandum Discussing Publication Revisions Significant or Insignificant for Accreditation Purposes from the Valuation of Securities (E) Task Force (Attachment Five)

Memorandum Discussing Publication Revisions Significant or Insignificant for Accreditation Purposes from the Life Actuarial (A) Task Force (Attachment Six)

Memorandum Regarding the Consideration of Companies with Unique or Restricted Licenses in Licensing Process to the National Treatment and Coordination (E) Working Group (Attachment Seven)

Referral to Blanks (E) Working Group Regarding the Addition of a New "O-Other" Category on Schedule T (Attachment Eight)

## Draft Pending Adoption

Date: 3/25/26

Financial Regulation Standards and Accreditation (F) Committee  
San Diego, California  
March 23, 2026

The Financial Regulation Standards and Accreditation (F) Committee met in San Diego, CA, March 23, 2026. The following Committee members participated: Sharon P. Clark, Chair (KY); Larry D. Deiter, Vice Chair represented by Johanna Nickelson (SD); Joshua Hershman (CT); Vicki Schmidt (KS); Michael T. Caljouw (MA); Robert L. Carey (ME); Mike Causey represented by Jackie Obusek (NC); Jon Godfread represented by Matt Fischer (ND); Eric Dunning (NE); TK Keen (OR); Elizabeth Kelleher Dwyer (RI); Michael Wise (SC); Scott A. White represented by Doug Stolte and Greg Chew (VA); Patty Kuderer (WA) and Jeff Rude (WY).

### 1. Adopted its 2025 Fall National Meeting Minutes

Obusek made a motion, seconded by Director Dunning, to adopt the Committee's Dec. 9, 2025, minutes (*see NAIC Proceedings – Fall 2025, Financial Regulation Standards and Accreditation (F) Committee*). The motion passed unanimously.

Commissioner Clark said the Committee also met March 22 in regulator-to-regulator session pursuant to paragraph 7 (consideration of individual state insurance department's compliance with NAIC financial regulation standards) of the NAIC Policy Statement on Open Meetings. During this meeting, the Committee voted to award continued accreditation to New Jersey and Tennessee.

### 2. Adopted its 2025 NAIC Publications

Commissioner Clark said there are several NAIC publications currently referenced in the accreditation standards. At each Spring National Meeting, the Committee reviews revisions made to these publications in the prior year. Each applicable group that developed revisions to publications in 2025 has provided the Committee with a memorandum discussing the revisions and indicating whether they should be considered significant or insignificant for accreditation purposes. The publications include the *Accounting Practices and Procedures Manual* (AP&P Manual) (Attachment One); the annual statement blanks and instructions (Attachment Two); the *Financial Condition Examiners Handbook* (Handbook) (Attachment Three); the risk-based capital (RBC) formulas and instructions for life and property/casualty (P/C) insurers (Attachment Four); the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) (Attachment Five); and the *Valuation Manual* (Attachment Six). The working group or task force responsible for each of these publications has deemed the 2025 changes to be insignificant to the accreditation process.

Commissioner Kuderer made a motion, seconded by Commissioner Schmidt, to adopt the revisions deemed insignificant for each publication by immediate reference to the accreditation standards. The motion passed unanimously.

### 3. Considered Referrals Related to Companies with Unique or Restricted Licenses

Commissioner Clark said that there are company types that would benefit from additional transparency and guidance during the licensing process, particularly those operating under unique or restricted licenses, such as international insurers, captive insurers, or similar entities. These companies may receive authorization from a U.S. jurisdiction but do not always fit the traditional framework of a fully admitted carrier, which can create differences in how their authority to operate is understood by other jurisdictions. To help promote consistent regulatory

## Draft Pending Adoption

understanding across jurisdictions, the Committee has proposed two referrals to other NAIC groups for further consideration.

The first referral (Attachment Seven) is to the National Treatment and Coordination (E) Working Group and requests that the Working Group consider potential enhancements to the NAIC *Company Licensing Best Practices Handbook* and the Uniform Certificate of Authority Application (UCAA). Specifically, the Committee requests that there be some way to clearly identify these entities during the licensing process, and to develop additional review guidance that can assist regulators in understanding the regulatory framework applicable to these entities, including considerations that may arise when reviewing applications from these insurers

The second referral (Attachment Eight) is to the Blanks (E) Working Group. This Schedule T proposal requests the addition of a new "O-Other" category to identify company types that may have a restricted or unique license status. This would include international insurers, captive insurers, and other company types that do not directly fit into one of the existing categories on Schedule T.

Commissioner Clark directed NAIC accreditation staff to submit these referrals to the respective groups on behalf of the Committee.

Having no further business, the Financial Regulation Standards and Accreditation (F) Committee adjourned.

SharePoint/NAIC Support Staff Hub/Member Meetings/F CMTE/2026/1-Spring/032326\_FCmte\_Minutes



## MEMORANDUM

TO: Commissioner Sharon P. Clark (KY), Chair, Financial Regulations Standards and Accreditation (F) Committee  
Commissioner Larry D. Deiter (SD), Co-Vice Chair, Financial Regulations Standards and Accreditation (F) Committee

FROM: Kevin Clark (IA), Chair, Statutory Accounting Principles (E) Working Group  
Dale Bruggeman (OH), Vice Chair, Statutory Accounting Principles (E) Working Group

DATE: February 12, 2026

RE: Financial Regulation Standards: *Accounting Practices and Procedures Manual – As of March 2026*

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In 2001, the Financial Regulation Standards and Accreditation (F) Committee adopted the *Accounting Practices and Procedures Manual – Effective January 1, 2001, Version 1999* (AP&P Manual) as an accreditation standard. The intention of this memorandum is to provide the Committee with the customary annual update on changes the Statutory Accounting Principles (E) Working Group has made to the AP&P Manual in 2025 up to the 2026 date of submission for publication.

Attachment A to this memo includes a detailed listing of the changes made to the AP&P Manual in 2025. On behalf of the Working Group, it is our opinion that none of these items, either individually or collectively, should be considered “significant” so as to require specific consideration under the financial solvency accreditation standards.

As outlined in the *NAIC Policy Statement on Maintenance of Statutory Accounting Principles* (SAP Policy Statement), modifications will be made to the AP&P Manual each year. As such, it will be reprinted with an “as of” date associated with it. For example, the next printing of the AP&P Manual, which encompasses the attached modifications, will be titled *Accounting Practices and Procedures Manual – As of March 2026*. This process allows for an efficient way to update the AP&P Manual and virtually guarantees that users have the latest version. Updates are necessary because of the evolutionary nature of accounting in both the statutory accounting principles and the generally accepted accounting principles arenas, and they are beneficial to users of the AP&P Manual.

The Working Group sincerely requests that the Committee consider the items listed in Attachment A as “insignificant” changes to the AP&P Manual. We will continue to notify the Committee of any changes to the AP&P Manual and to advise if, in our opinion, those changes are “significant” to the financial solvency accreditation standards, thereby necessitating specific consideration of the Committee.

cc: Bailey Henning, Sara Franson, Sherry Shull, Robin Marcotte, Julie Gann, Jake Stultz, Wil Oden, and Jason Farr

[https://naiconline.sharepoint.com/teams/FRSStatutoryAccounting/Stat Acctg\\_Statutory\\_Referrals/2026/2025 SAPWG to Accreditation Memo.doc](https://naiconline.sharepoint.com/teams/FRSStatutoryAccounting/Stat Acctg_Statutory_Referrals/2026/2025 SAPWG to Accreditation Memo.doc)

**Summary of Changes to the  
As of March 2025 Accounting Practices and Procedures Manual  
included in the As of March 2026 Manual**

The following summarizes changes made to the *As of March 2025 Accounting Practices and Procedures Manual* (Manual) and shown in the As of March 2026 version.

**Section 1** summarizes revisions that result in a new SSAP or new SAP concept to statutory accounting principles. Revisions that introduce original or modified accounting principles can be reflected in an existing or new SSAP. When revisions that result in a new SAP concept are made to an existing SSAP, the effective date is identified in the Status section, New SSAPs and new SAP concepts that revise existing SSAPs are commonly accompanied by a corresponding issue paper that reflects the tracked revisions for historical purposes. If language in an existing SSAP is superseded, that language is shaded and the new or revised SSAP is referenced. Completely superseded SSAPs and nullified interpretations are included in Appendix H.

**Section 2** summarizes revisions that clarify existing statutory accounting principles. These revisions are characterized as language clarifications which do not modify the original intent of a SSAP, or changes to reference material. Such revisions are depicted by underlines (new language) and strikethroughs (removed language) and will not be tracked in subsequent manuals. Revisions that clarify existing statutory accounting principles are effective when adopted unless a specific effective date is noted.

**Section 3** summarizes revisions to the Manual appendices.

<b>1. Revisions that Resulted in a New SSAP or New SAP Concept – Statutory Accounting Principles</b>		
<b>Section</b>	<b>Reference</b>	<b>Description</b>
SSAP No. 2 SSAP No. 37 SSAP No. 40	2025-13	Revisions include qualifying investment trusts that hold residential mortgage loans (RMLs) in SSAP No. 37 and require reporting of RMLs held in qualifying statutory trusts on Schedule B – Mortgage Loans. Revisions to SSAP No. 2 and SSAP No. 40 provide guidance for the reporting of cash and cash equivalents and foreclosed real estate held within a qualifying statutory trust.
<b>2. Revisions that Resulted in a SAP Clarification – Statutory Accounting Principles</b>		
<b>Section</b>	<b>Reference</b>	<b>Description</b>
Preamble	2024-27	Revisions classify issue papers as Level 5 in the statutory hierarchy.
	2025-12EP	Editorial revisions further clarify treatment of issue papers in Level 5 of the statutory hierarchy and reference SEC rules and interpretations as sources of authoritative U.S. GAAP for SEC registrants.
SSAP No. 1	2024-20	Revisions specify how modified coinsurance/fund withheld assets shall be captured as restricted assets.
	2025-05	Revisions require restricted asset disclosures on a quarterly and annual basis.
SSAP No. 2	2025-19	Revisions add a new electronic reporting column to identify private placement securities in the investment schedules and incorporates an

		aggregate disclosure that details key investment information by public or private placement security type.
	2025-20	Revisions clarify placement and frequency of existing debt security disclosures and expand residual disclosures to include whether the company is using the practical expedient or allowable earned yield (AEY) method, or transitioning from the practical expedient to the AEY method.
SSAP No. 15	2025-02	Revisions adopt <i>ASU 2024-04, Debt—Debt with Conversion and Other Options</i> , with modification to provide clarifications on induced conversions, including when the inducement shall be recognized as an expense by the issuer, as well as the fair value measurement of that expense.
SSAP No. 16	2024-25	Revisions clarify references to the U.S. GAAP Accounting Standards Codification (ASC).
SSAP No. 21	2025-19	Revisions add a new electronic reporting column to identify private placement securities in the investment schedules and incorporates an aggregate disclosure that details key investment information by public or private placement security type.
	2025-20	Revisions clarify placement and frequency of existing debt security disclosures and expand residual disclosures to include whether the company is using the practical expedient or allowable earned yield (AEY) method, or transitioning from the practical expedient to the AEY method.
SSAP No. 26	2025-17EP	Editorial revisions update disclosure 40.f. to match Schedule D, Part 1A maturity categories of 10-20 years and over 20 years.
	2025-19	Revisions add a new electronic reporting column to identify private placement securities in the investment schedules and incorporates an aggregate disclosure that details key investment information by public or private placement security type.
	2025-20	Revisions clarify placement and frequency of existing debt security disclosures and expand residual disclosures to include whether the company is using the practical expedient or allowable earned yield (AEY) method, or transitioning from the practical expedient to the AEY method.
SSAP No. 30 SSAP No. 32	2025-19	Revisions add a new electronic reporting column to identify private placement securities in the investment schedules and incorporates an aggregate disclosure that details key investment information by public or private placement security type.

SSAP No. 41	2024-28	Revisions clarify capital notes references and guidance.
	2025-17EP	Editorial revisions remove remaining reference to a “CRP” designation in paragraph 11. Whether the designation is required from a Credit Rating Provider or from the SVO is contingent on the <i>Purposes and Procedures Manual of the NAIC Investment Analysis Office</i> .
SSAP No. 43	2025-19	Revisions add a new electronic reporting column to identify private placement securities in the investment schedules and incorporates an aggregate disclosure that details key investment information by public or private placement security type.
	2025-20	Revisions clarify placement and frequency of existing debt security disclosures and expand residual disclosures to include whether the company is using the practical expedient or allowable earned yield (AEY) method, or transitioning from the practical expedient to the AEY method.
SSAP No. 51	2025-09	Revisions reflect different reserving methodologies in VM-22, Statutory Maximum Valuation Interest Rates for Income Annuities, principle-based reserve (PBR) requirements.
SSAP No. 56	2024-10	Revisions clarify measurement method guidance and prescribe guidance for how transfers to/from the general account and separate account shall be recognized.
	2025-17EP	Editorial revisions delete disclosure 32.d., which is no longer applicable because of previously adopted revisions.
SSAP No. 61	2024-06	Revisions clarify risk transfer on combination reinsurance contracts with interdependent contract features. The clarifications are immediately effective for new/newly amended contracts, with provisions allowed until December 31, 2026, for existing contracts. The revisions are reported as a change in accounting principle when applied.
SSAP No. 84	2025-08	Revisions add disclosures about the Medicare Part D Prescription Payment Plan receivables.
SSAP No. 86	2024-23	Revisions clarify derivative financing premium guidance and recommendations for the annual statement instructions.
SSAP No. 92	2025-21	Revisions clarify that retirement plan assets can be held at net asset value (NAV) and shall be included in the required fair value disclosure.
SSAP No. 101	2025-18	Revisions adopt, with modification, <i>ASU 2019-12 Simplifying the Accounting for Income Taxes</i> with revisions to fully incorporate paragraphs 19 and 20 of APB No. 28.
SSAP No. 102	2025-21	Revisions clarify that retirement plan assets can be held at net asset value (NAV) and shall be included in the required fair value disclosure.

SSAP No. 104	2024-22	Revisions adopt with modification <i>ASU 2024-01, Scope Application of Profits Interest and Similar Awards</i> , which clarifies the application of guidance on stock compensation in the form of profits interest.
Various SSAPs	2025-16	Revisions streamline the status section of each SSAP by removing issue paper references. References to “substantively revised” will be changed to “conceptually revised” to be consistent with previously adopted policy statement language. These revisions will be reflected in the 2026 Manual without tracking.
<b>3. Revisions to the Appendices</b>		
<b>Section</b>	<b>Reference</b>	<b>Description</b>
Appendix A	2024-05	Revisions to <i>A-791—Life and Health Reinsurance Agreements</i> delete a sentence in the answer to paragraph 2.c. question and answer.
	2024-06	Revisions clarify risk transfer on combination reinsurance contracts with interdependent contract features. The clarifications are immediately effective for new/newly amended contracts, with provisions allowed until December 31, 2026, for existing contracts. The revisions are reported as a change in accounting principle when applied.
Appendix B	2025-17EP	Editorial revisions to <i>INT 22-01: Freddie Mac When-Issued K-Deal (WI Trust) Certificates</i> remove former <i>SSAP No. 43R—Loan-Backed and Structured Security</i> terminology.
	2022-19	Revisions to <i>INT 23-01: Net Negative (Disallowed) Interest Maintenance Reserve</i> extend the effective date of the INT to Dec. 31, 2026, and add additional requirements and clarifications to the guidance in the INT.
	2024-24	<i>INT 24-02: Medicare Part D Prescription Payment Plan</i> and minor edits to <i>INT 05-05: Accounting for Revenues Under Medicare Part D Coverage</i> provide accounting and reporting for the Medicare Part D prescription payment plan.
Appendix C	AG 49-A	Revisions address the observed practice of including historical averages exceeding the maximum illustrated rate and backcasted performance.
	AG 55	New <i>Actuarial Guideline LV—Application of the Valuation Manual for Testing the Adequacy of Reserves Related to Certain Life Reinsurance Treaties</i> enhances reserve adequacy requirements for life insurance companies by requiring that asset adequacy analysis use a cash flow testing methodology that evaluates ceded reinsurance as an integral component of asset-intensive business.

Rejected as Not Applicable to Statutory Accounting:		
Appendix D	2025-10	<i>ASU 2023-07, Improvements to Reportable Segment Disclosures</i>
	2025-11	<i>ASU 2024-03, Disaggregation of Income Statement Expenses and ASU 2025-01, Clarifying the Effective Date of ASU 2024-03</i>
	2025-14	<i>ASU 2017-05, Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial</i>
	2025-15	<i>ASU 2025-02, Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122</i>
Appendix E	2022-14	<i>Issue Paper No. 170—Tax Credits Project</i> documents discussions held throughout the Tax Credits Project resulting in updates to SSAP No. 93 and SSAP No. 94, which became effective January 1, 2025.
	2023-24	<i>Issue Paper No. 171—Current Expected Credit Losses (CECL)</i> documents the U.S. Generally Accepted Accounting Principles impairment guidance, which existed prior to the implementation of <i>ASU 2016-13, Financial Instruments—Credit Losses (CECL)</i> .
	2024-27	Revisions to the introduction of Appendix E clarify the classification of issue papers as Level 5 in the statutory hierarchy.
Appendix F	2024-27	Revisions to Appendix F, <i>NAIC Policy Statement on Maintenance of Statutory Accounting Principles</i> , clarify the classification of issue papers as Level 5 in the statutory hierarchy.
Appendix G		No revisions impacting this appendix were adopted in 2025.
Appendix H		No revisions impacting this appendix were adopted in 2025.



TO: Sharon P. Clark, Chair  
Financial Regulation Standards & Accreditation (F) Committee

FROM: Roy Eft, Chair  
Blanks (E) Working Group

DATE: January 15, 2026

RE: Items Impacting Current Accreditation Standard

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Please find attached a list of items adopted by the Blanks (E) Working Group during 2025. The Blanks Working Group adopts numerous changes to the Annual Statement Blanks and Instructions each year. Most of the changes are made to clarify current requirements or are considered enhancements to existing reporting. The changes adopted in 2025 do not represent a substantive change to any reporting requirements.

I am planning to be present when the Financial Regulation Standards & Accreditation (F) Committee meets in the event any member of the committee wishes to discuss these issues.

Changes to blanks and instructions adopted during 2025

1. Update the annual investment schedules for editorial items for the bond project. (Investment Schedule General Instructions, Schedule D Verification, Schedule D Part 1A, Schedule D Part 3 & 4, Schedule DL Part 1 & 2, and Schedule E Part 1 & 2) (2024-13BWG Modified) Effective Dec. 31, 2025
2. Update the 2025 annual (2026 quarterly) investment schedules line category for Bonds Issued by Funds Representing Operating Entities. (Annual - Investment Schedule General Instructions, Summary Investment Schedule, Summary By Country, Schedule D Part 1A, Schedule D Part 1 Section 1, Schedule D Parts 3, 4, & 5, Schedule DA Part 1, Schedule DL Parts 1 & 2, and Schedule E Part 2 / Quarterly – Investment Schedule General Instructions, Schedule D Parts 3 & 4, Schedule DL Parts 1 & 2, and Schedule E Part 2) (SAPWG Item 2024-01) (2024-14BWG Modified) Effective Dec. 31, 2025
3. Remove the ACA disclosure on the transitional reinsurance program and the risk corridors program from the Supplemental Health Care Exhibit. (2024-15BWG) Effective Dec. 31, 2025
4. Add a line to the Market Conduct Annual Statement (MCAS) Premium Exhibit for Pet Insurance. (2024-17BWG) Effective Dec. 31, 2025
5. Add a footnote to the Supplemental Health Care Exhibit (SHCE) Part 2 to report the amount of premium deficiency reserves that are included in different lines of Part 2. (2024-18BWG) Effective Dec. 31, 2025
6. Add electronic only contact information field to the annual and quarterly Jurat page for the Guaranty Association Assessment Contact. (2024-20BWG Modified) Effective Dec. 31, 2025

7. Update Schedule D, Part 4 and Part 5 instructions to add clarifying instructions that the sale of the security that is re-acquired with different terms shall be reported as a sale on Schedule D, Part 4 and a new acquisition on Schedule D, Part 3. (SAPWG Item 2024-16) (2024-21BWG) Effective Dec. 31, 2025
8. Update Schedule BA definitions for Surplus Debentures and Capital Notes to add clarification on what should be reported in these categories. (SAPWG Item 2024-28) (2024-22BWG) Effective Dec. 31, 2025
9. Update Note to Financial Statements Note 8 – Derivatives to include adopted revisions to SSAP No. 86 – Derivatives. Also update Note 11 – Debt for the adopted revisions to SSAP No. 15 – Debt and Holding Company Obligations. (SAPWG Item 2023-26) (2025-01BWG) Effective Dec. 31, 2025
10. Update Note to Financial Statements Note 9 – Income Taxes to include adopted revisions to SSAP No. 101 – Income Taxes. (SAPWG Item 2024-11) (2025-02BWG) Effective Dec. 31, 2025
11. Modify the Life Insurance (State Page) to include Accident and Health data for Direct Premium Earned and Direct Losses Incurred that was inadvertently left out when the page was updated in 2023. (2025-03BWG Modified) Effective Dec. 31, 2025
12. Add a new part to Note to Financial Statements Note 28 – Health Care Receivables to include Medicare Part D Prescription Payment Plans. (SAPWG INT 24-02T) (2025-04BWG Modified) Effective Dec. 31, 2025
13. Add a new part to Schedule S to report reinsurance agreements with funds withholding and modified coinsurance. (SAPWG Item 2024-07) (2025-05BWG Modified) Effective Dec. 31, 2025
14. Update Note 5L – Restricted Assets instructions and illustrations to clarify how assets held under modified coinsurance or funds withheld agreements shall be reflected within the restricted asset note. (SAPWG Item 2024-20). (2025-06BWG Modified) Effective Dec. 31, 2025
15. Update Schedule P with editorial revisions exposed at the Casualty Actuarial and Statistical (C) Task Force. (2025-07BWG) Effective Dec. 31, 2025
16. Remove Life/Fraternal General Interrogatory #14 that reports total dividends paid to stockholders and renumber remaining general interrogatory. (SAPWG Item 2025-07) (2025-08BWG) Effective Dec. 31, 2025
17. Update Life/Fraternal Note to Financial #35 for separate account transfers. Also add a general interrogatory to the Separate Account Blank for transfers and repurchase agreements and reverse repurchase transactions. (SAPWG Item 2024-10) (2025-09BWG) Effective Dec. 31, 2025
18. Update Note 5L to identify assets held under funds withholding agreements (including modco) that are affiliated with the reinsurer. Also updated the list of required quarterly disclosures to include Note 5L – Restricted Assets. With this change, this disclosure will be required in all interim and annual financial statements. (SAPWG Item 2025-05) (2025-10BWG Modified) Effective Dec. 31, 2025
19. Remove the capital structure code reporting column on Schedule D, Part 1, Sections 1 and 2 because there have been many questions on how to allocate investments to the established codes and inconsistent

allocation of codes across companies to similar investments. (SAPWG Item 2025-04) (2025-11BWG) Effective Dec. 31, 2025

20. “Remove” Line 8 – Unrated Multi-Class Securities Acquired by Conversion from AVR: Default Component – Basic Contribution. Relabel the line with “intentionally left blank” to prevent renumbering all lines in the AVR schedule and to be used in the future if there are other AVR updates. (SAPWG Item 2025-06) (2025-12BWG) Effective Dec. 31, 2025
21. Update Notes to Financial Statements Note 13K with disclosure updates to SSAP No. 41 – Surplus Notes. (SAPWG Item 2024-28) (2025-13BWG Modified) Effective Dec. 31, 2025
22. Add instructions to include Medicare Part D Prescription Payment Plan information to the Health Care and other amounts receivable line on the Asset Page, Supplemental Health Care Exhibit, Exhibit 3 – Health Care Receivables, and Exhibit 3A – Analysis of Health Care Receivables. (SAPWG INT 24-02) (2025-14BWG) Effective Dec. 31, 2025
23. Update Note 8 – Derivatives in the Notes to Financial Statements and Schedule DB to clarify the terminology used for derivative financing premium. (SAPWG Item 2024-23) (2025-15BWG) Effective Dec. 31, 2025
24. Remove the quarterly investment interrogatory line 13 for reporting mortgages and real estate in short-term investments because these investments should not be included in short-term investments. Renumber all lines below the line being removed. (2024-16BWG) Effective Jan. 1, 2026
25. Update Schedule BA line categories and instructions for the expansion of collateral loans. Add two electronic only columns on Schedule BA, Part 1 for reporting fair value of collateral backing and the percentage of the collateral. Update the Asset Valuation Reserve instructions and blank for the added collateral loan lines. (SAPWG Item 2023-28) (2024-19BWG Modified) Effective Jan. 1, 2026
26. Update Health Annual Statement Instructions for the Prescribed Language for Statement of Actuarial Opinion, Section 4 (Identification Section) for consistency in reporting. Also update the Statement of Actuarial Opinion, Section 7 (Opinion Section), Item C, to be consistent with the Life Annual Statement Instructions and VM-30. (2025-16BWG) Effective Dec. 31, 2026



**MEMORANDUM**

TO: Sharon Clark, Chair, Financial Regulation Standards and Accreditation (F) Committee

FROM: Grace Arnold, Chair, Capital Adequacy (E) Task Force

DATE: Feb 2, 2026

RE: Accreditation Standards – Changes to the RBC Formulas and Instructions for Health, Life, and P/C

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Please find attached a brief description of changes to the 2025 risk-based capital (RBC) reports, including an overview and instructions, for health, life, and property/casualty (P/C). These changes were adopted by the Capital Adequacy (E) Task Force and the Executive (EX) Committee and Plenary in 2025. The significance of these changes was viewed in relation to the overall RBC standard.

***No changes to the RBC formulas or instructions were deemed to be significant for health, life, or P/C.***

Any questions can be directed to the following NAIC staff:

P/C – Eva Yeung  
Life – Kazeem Okosun  
Health – Derek Noe

**Health RBC Formula**

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|-----------------|--|
| Not Significant | Updated instructions and/or blanks of pages XR004, XR006, XR007, XR008, XR010 to incorporate the principle-based bond definition changes as adopted by the Statutory Accounting Principles (E) Working Group.  |
| Not Significant | Revised the RBC instructions and/or blanks on pages XR008, XR012, and XR024 to reflect the conceptual changes adopted by the Statutory Accounting Principles (E) Working Group regarding <i>Statement of Statutory Accounting Principles (SSAP) No. 93—Investments in Tax Credit Structures</i> and <i>SSAP No. 94—State and Federal Tax Credits</i> , as part of the New Market Tax Credits project (SAPWG Ref# 2022-14) and the corresponding modifications to annual statement blanks and instructions as specified in 2024-11BWG MOD, adopted by the Blanks (E) Working Group. |
| Not Significant | Updated the underwriting risk factors for comprehensive medical, Medicare supplement, and dental and vision in the XR013 instructions and RBC formulas to incorporate a 4.5% investment yield adjustment.  |
| Not Significant | Updated instructions for XR027 to ensure consistent labeling of company action levels across all lines of business.  |

### **Life RBC Formula**

- Not Significant Updated instructions and/or blanks of pages LR002, LR005, LR008, LR009, LR010, LR011, LR012, LR017, LR029, LR031, LR033, LR038, LR042/43/44, and LR045/46/47/48 to incorporate the principle-based bond definition changes as adopted by the Statutory Accounting Principles (E) Working Group.
- Not Significant Updated the instructions and/or blanks of LR007, LR010, LR030, and LR031 to reflect the adopted Statutory Accounting Principles (E) Working Group's conceptual changes to SSAP No. 93 and SSAP No. 94 resulting from the New Market Tax Credits project (SAPWG Ref# 2022-14) and the corresponding changes in annual statement blanks and instructions as per 2024-11BWG MOD, adopted by the Blanks (E) Working Group
- Not Significant Updated the underwriting risk factors for comprehensive medical, Medicare supplement, and dental and vision in the LR020 instructions and RBC formulas to incorporate a 4.5% investment yield adjustment.
- Not Significant Updated the RBC instructions and blanks for the LR025 life insurance page to allow for direct pulls of information between the annual statement, including the newly adopted general interrogatory, as per #2023-15BWG MOD and the RBC blank.
- Not Significant Reorganized the LR008—Other Long-Term Assets page to ensure BA assets of the same risk components (C-1o versus C1-cs) are grouped to facilitate proper modified coinsurance (modco)/funds withheld (FHW) reinsurance agreement adjustments within LR008.
- Not Significant Clarified the LR010 instruction so that the Securities Valuation Office (SVO)-designated nonbond debt securities can obtain asset concentration factor treatment akin to bonds in LR002 (C-1o risk component).
- Not Significant Expanded the instructions for LR034 and LR035 to facilitate consistent labeling of various company action levels across lines of business. In addition, the blanks for LR034 and LR035 are modified to align with the corresponding instructions.
- Not Significant Updated LR045/046/047/048 instructions to clarify that if any portion of a modco/FWH asset has been concurrently used as a pledged asset for a purpose specific to the ceding insurance reporting entity at any time of the year, the RBC for the ceding company shall not be reduced. Another editorial change was made to the instruction due to the adoption of proposal 2025-04-L MOD.

### **P/C RBC Formula**

Not Significant	Updated instructions and/or blanks of pages PR005, PR006, PR007, PR008, PR009, PR015, and PR030 to incorporate the principle-based bond definition changes as adopted by the Statutory Accounting Principles (E) Working Group.
Not Significant	Revised the RBC instructions and/or blanks on pages PR008, PR011, PR030, and PR031 to reflect the conceptual changes adopted by the Statutory Accounting Principles (E) Working Group regarding SSAP No. 93 and SSAP No. 94 as part of the New Market Tax Credits project (SAPWG Ref# 2022-14) and the corresponding modifications to annual statement blanks and instructions as specified in 2024-11BWG MOD, adopted by the Blanks (E) Working Group.
Not Significant	Updated the Line 1 industry average development factors and industry average loss and loss adjustment expense ratio in PR017 and PR018, respectively.
Not Significant	Updated the Line 4 industry loss and expense RBC factors and industry loss and loss adjustment expense ratio in PR017 and PR018, respectively.
Not Significant	Updated the Line 8 adjustment for investment income and Line 7 adjustment for investment income in PR017 and PR018, respectively.
Not Significant	Updated the underwriting risk factors for comprehensive medical, Medicare supplement, and dental and vision in the PR020 instructions and RBC formulas to incorporate a 4.5% investment yield adjustment.
Not Significant	Updated instructions of PR027BI, PR027BII, PR027BIII, PR027BIV, PR027CI, PR027CII, PR027CIII, and PR027CIV to clarify that the information provided by the companies should be on an annual basis.
Not Significant	Updated the instructions for PR033 to ensure consistent labeling of company action levels across all lines of business.
Not Significant	Updated the PR002 attestation to incorporate the newly identified wildfire and severe convective storm perils from PR027 for informational purposes only.



## MEMORANDUM

TO: Financial Regulation Standards and Accreditation (F) Committee

FROM: Eli Snowbarger (OK), Co-Chair, Financial Examiners Handbook (E) Technical Group  
John Litweiler (WI), Co-Chair, Financial Examiners Handbook (E) Technical Group

DATE: Feb. 4, 2026

RE: Consideration for Financial Accreditation Standards  
2026 *Financial Condition Examiners Handbook*

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The *Accreditation Program Manual* (Manual) includes Review Team Guidelines to be used for financial examinations performed using the risk-focused surveillance approach that is found in the NAIC *Financial Condition Examiners Handbook* (Handbook). This memorandum is to update the Financial Regulation Standards and Accreditation (F) Committee (FRSAC) on changes the Financial Examiners Handbook (E) Technical Group has made to the Handbook in 2025.

Modifications are made to the Handbook each year, and a new edition is available annually. This process allows for an efficient way to update the Handbook and ensures that users have the latest version. The Technical Group made several changes to the Handbook in 2025, all of which it considers non-significant; i.e., having no impact on accreditation guidance.

During 2025, the Technical Group made the following changes:

### **Non-Significant Changes to the Handbook:**

- Revisions to Section 1-3 regarding standards and expectations for state insurance departments' use of contractors to ensure consistency with related revisions to the *Financial Analysis Handbook* and Accreditation Review Team Guidelines.
- Revisions to Section 1-2 show that the EIC's responsibilities include ensuring that the prospective nature of the exam remains consistent with other areas of the Handbook.
- Revisions to Section 1-1 updates language to require the FEETS call to occur 90 days before the anticipated start date of an examination. Revisions also emphasize that the lead state or exam facilitators must provide an informal notification of the upcoming exam to other states and companies at least six months prior to the as-of-date.

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- Revisions to Exhibit A consolidate meetings with the analyst and other personnel into one step and consolidate the IT risk review into a single step. Additionally, step 5 (update the IPS) and corresponding narrative guidance in Section 2-1 were removed.
- Revisions to the Reinsurance Ceding Repository add reference to the CAT Interrogatory as a source of information for catastrophic reinsurance coverage and include other potential procedures when reviewing catastrophic reinsurance coverage for reasonableness.
- Revisions to Exhibit Q clarify that there should be a meeting at the end of the examination to communicate exam results with the analyst.
- Revisions to the Introduction and Section 1-4 provide guidance on the responsible use of AI, including considerations regarding user review of AI output and confidentiality.
- Revisions to the Capital and Surplus, Reinsurance Ceding, and Investment Repositories reflect the recent SAPWG adoptions including updates related to modified coinsurance (modco) reinsurance and the principles-based bond definition.
- Revisions to the Reserves/Claims (Life) Repository add sample procedures for asset adequacy testing (AAT) for certain asset-intensive reinsurance transactions in accordance with AG 55.
- Revisions to multiple sections of the Handbook reflect changes to the risk matrix verbiage throughout the Handbook. Given the transition to TeamMate+, standalone risk matrices will be phased out as more states document the risk assessment through functionality within the TeamMate+ application.
  - Additionally, since ARC references no longer exist within TeamMate+, the Handbook exhibits that include examples with ARC references for illustration purposes have been updated to reflect hyperlinks to a location/document to demonstrate how references are shown in TeamMate+.

The Technical Group will continue to notify the FRSAC of any changes to the Handbook and advise if, in our opinion, these changes are “significant” by accreditation expectations.



## MEMORANDUM

**TO:** Financial Regulation Standards and Accreditation (F) Committee

**FROM:** Carrie Mears (IA), Chair, Valuation of Securities (E) Task Force  
Charles Therriault, Director, NAIC Securities Valuation Office

**CC:** Dan Daveline, Director, NAIC Financial Regulatory Services  
Marc Perlman, Managing Investment Counsel, NAIC Securities Valuation Office

**DATE:** February 4, 2026

**RE:** Report of the Valuation of Securities (E) Task Force

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- A. Purpose** – This report is presented to assist the Financial Regulation Standards and Accreditation (F) Committee in determining whether amendments to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) adopted by the Valuation of Securities (E) Task Force in 2025 require corresponding changes in either the Financial Regulation Standards (defined below) or state laws or regulations adopted in conformity with Part A: Laws and Regulations of the Financial Regulation Standards.
- B. Financial Regulation Standards** – The NAIC Policy Statement on Financial Regulation Standards (SFRS) in the *2026 Accreditation Program Manual* consists of four parts: Part A identifies laws and regulations deemed necessary to financial solvency regulation;<sup>1</sup> Part B identifies regulatory practices and procedures that supplement and support enforcement of the financial solvency laws and regulations discussed in Part A;<sup>2</sup> Part C contains three standards related to an insurance department’s organizational and personnel policies; and Part D focuses on organization, licensing, and change of control of domestic insurers. This report concerns the financial solvency standards in Part A. Those standards relevant to this report are shown immediately below and can be characterized as NAIC model legislation, codified NAIC guidance (i.e., the *Accounting Practices and Procedures Manual* [AP&P Manual]), analytical work product of the NAIC staff (including the NAIC Investment Analysis Office [IAO]), and state laws and regulations that contain substantially the same standards as NAIC model legislation or guidance. A review indicates that the work product of the NAIC IAO is directly or indirectly incorporated into the following Part A standards. For example:
- Standard 5 requires that insurer-owned securities be valued in accordance with the standards promulgated by the NAIC IAO.<sup>3</sup>

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- Standard 2, the *Risk-Based Capital (RBC) for Insurers Model Act (#312)*,<sup>4</sup> assigns RBC factors for securities based on their credit risk as measured by NAIC Designations.
- Standard 3, the AP&P Manual,<sup>5</sup> uses NAIC Designations produced by the Securities Valuation Office (SVO) or Structured Securities Group (SSG), or by insurers through the filing exempt (FE) process, and/or Price Grids produced by the SSG to identify valuation rules applicable to an investment and the reserved capital amount the insurer must report.
- Standard 8, pertaining to state investment regulations, often incorporates NAIC mechanisms that relate asset allocations to credit risk expressed in the form of NAIC Designations.<sup>6</sup>
- Standard 10, the *Credit for Reinsurance Model Law (#785)*,<sup>7</sup> identifies insurer-owned securities compiled by the SVO into a List of Investment Securities published quarterly in the NAIC AVS+ product, and letters of credit issued by the institutions on the NAIC Qualified U.S. Financial Institutions List administered by the SVO, as eligible for use as collateral in reinsurance transactions.

**C. IAO Standards Identified in the P&P Manual** – All SVO and SSG standards related to the assessment of credit risk in insurer-owned securities, identification of additional non-payment risk in securities, classification of certain assets as bonds or as bond-like for reporting purposes, the valuation of insurer-owned securities, and other activities conducted by the SVO or the SSG in support of state insurance regulatory objectives, are determined and promulgated by the Valuation of Securities (E) Task Force and published in the P&P Manual. In December 2025, the P&P Manual was revised once, with all policies, analytical procedures, and instructions adopted during 2025 effective for year-end financial reporting. Amendments to the P&P Manual would automatically be reflected in the SFRS if any or all of the SFRS identified in paragraph A of this memorandum have been adopted by an accredited state or incorporated by reference into the laws or regulations of an accredited state. For example, amendments to the P&P Manual would be directly incorporated by reference if the laws or regulations of an accredited state refer to or incorporate Standard 5 on valuation. Amendments to the P&P Manual would be indirectly incorporated by reference if the law or regulations of a state refer to or incorporate any other standard that itself uses NAIC Designations or other analytical products of the IAO as a component; for example, Standard 2 in the case of RBC and/or Standard 3 in the case of statutory accounting.

**D. Conclusion** – In our opinion, reasoning as discussed above, amendments to the P&P Manual adopted by the Valuation of Securities (E) Task Force in 2025 can be characterized as maintenance items consistent with the existing regulatory framework and automatically incorporated into the Part A standards identified above. The amendments identified in Attachment One did not create processes or practices external to the P&P Manual or other NAIC model legislation, guidance, or analysis of NAIC staff that would suggest the need to consider an amendment to NAIC model legislation or guidance or legislative action on the part of an accredited state.

We hope this is responsive to the issues and concerns before the Committee.

## Attachment One

### RECENT CHANGES TO THE PURPOSES AND PROCEDURES MANUAL *Published in the December 31, 2025 Publication*

- **Adopted an update to the Private Letter Rating procedures to provide a deadline for the filing of Private Rating Letter Rationale Reports** – Private rating letter rationale report need to be filed with the SVO to prevent a security from becoming ineligible for Filing Exemption and the related Filing Exemption-derived NAIC Designation from becoming de-activated. The SVO must receive a private rating letter rationale report supporting the assigned private rating no later than 90 days following the date of an annual rating update or any rating change, otherwise the SVO will mark the security as ineligible for Filing Exemption. The security can again become eligible for Filing Exemption at such time as the SVO receives the private rating letter rationale report related to such rating action for that filing year.

#### *The Valuation of Securities (E) Task Force adopted this amendment on Aug. 12, 2025*

- **Adopted an update to the Private Letter Rating procedures to require Private Rating Letter Rationale Reports to contain analytical substance** – A private rating letter rationale report shall be no less comprehensive than the work product that a CRP would produce for a similar publicly rated security and always include sufficient analytical content to enable an independent party to form a reasonable opinion of the basis for the CRP’s assessment of investment risk. If the SVO determines that a private rating letter rationale report does not satisfy minimum expectations, the SVO will file an information request to the filer, in accordance with the process outlined in this Manual for information deficiencies. The information request will provide a reason for the information request to help the filer understand where the private rating letter rationale report lacks sufficient substance. Only if the information request is not fulfilled (e.g. is not responded to in a timely manner, fails to provide a report with sufficient substance) will the SVO reject the filing.

#### *The Valuation of Securities (E) Task Force adopted this amendment on Aug. 12, 2025*

- **Adopted an update to clarify that in the specified circumstances, the CRP rating would function as a cap on the SVO assigned NAIC Designation** – In November 2024 the Task Force adopted an amendment to replace the concept of credit risk and related terms, including “credit quality”, with the concept of investment risk. In two sections concerning a cap on allowable NAIC Designations, replacing “credit quality” with “investment risk” reversed the meaning of those sections. This technical update corrects that reversed meaning.

#### *The Valuation of Securities (E) Task Force adopted this amendment on Aug. 12, 2025*

- **Adopted updates to permit a 30-day grace period to file a Private Rating Letter Annual Update** – At the NAIC’s 2024 Fall National Meeting the Task Force agreed to permit insurers a 30-day grace period after an NAIC Credit Rating Provider (CRP) renews a private letter rating (PLR) to provide the annual update to the SVO. The objective of the grace period was to avoid the need to deactivate PLRs that received an annual update close to year-end. This amendment would update the PLR instructions to permit a 30-day grace period for PLR annual updates, regardless of when during the year they occur. Annual updates to existing private rating letters shall be filed with the SVO no later than 30-days following the date of the CRP’s annual rating update (i.e. no later than 395-days following the date of the prior calendar year’s initial private rating letter or annual rating update).

***The Valuation of Securities (E) Task Force adopted this amendment on Dec. 10, 2025***

- **Adopted an amendment including Collateralized Loan Obligations (CLO) as a Financially Model Security in Part Four** – A collateralized loan obligation (CLO) is type of structured security backed by a pool of debt, typically corporate loans with low credit ratings. An insurer that purchases every tranche of a CLO holds the exact same investment risk as if it had directly purchased the entire pool of loans backing the CLO. The aggregate risk-based capital (RBC) factor for owning all of the CLO tranches should be the same as that required for owning all of the underlying loan collateral. If it is less, it means there is risk-based capital (RBC) arbitrage. As noted in the Investment Analysis Office’s (IAO) memo of May 25, 2022, “Risk Assessment of Structured Securities – CLOs”, it is currently possible to materially (and artificially) reduce C1 capital requirements just by securitizing a pool of assets. The Task Force assigned the Structured Securities Group (SSG) the responsibility of financially modeling CLO investments and evaluating all tranche level losses across all debt and equity tranches under a series of calibrated and weighted collateral stress scenarios to assign NAIC Designations that create equivalency between securitization and direct holdings, thereby eliminating RBC arbitrage. This amendment is effective beginning with year-end 2026.

***The Valuation of Securities (E) Task Force adopted this amendment on Dec. 10, 2025***

The following notice was presented to the VOS/TF in 2025 to be effective for 2026.

- **A notice to recognize the termination of the Valuation of Securities (E) Task Force at the end of 2025 and its replacement with a new committee structure in 2026** – At the direction of the Financial Condition (E) Committee, effective January 1, 2026 the Valuation of Securities (E) Task Force (“VOSTF”) will be dissolved and replaced by a new committee structure. VOSTF will be replaced by the Invested Assets (E) Task Force (“IATF”) with three working groups reporting to it:
  - Investment Analysis (E) Working Group (“InvAWG”), focused primarily on portfolio level analysis;
  - Investment Designation Analysis (E) Working Group (“IDAWG”), focused primarily on analysis of individual investments for assignment of NAIC Designations by the NAIC Investment Analysis Office; and
  - Credit Rating Provider (E) Working Group (“CRPWG”), focused primarily on the administration of the Credit Rating Provider Due Diligence Framework once it has been developed by the third-party consultant and adopted by regulators.

Beginning in 2026, all Purposes and Procedures Manual References to the VOSTF, or the Task Force, will be deemed to refer to IDAWG. IDAWG will work to update references throughout the Purposes and Procedures Manual and to make any necessary, substantive changes to reflect the new committee structure over the course of 2026.

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**END NOTES**

<sup>1</sup> “...The purpose of the Part A: Laws and Regulations standards are to assure that an accredited state has sufficient authority to regulate the solvency of its multi-state domestic insurance industry in an effective manner. ... A state may demonstrate compliance with a Part A standard through a law, a regulation, an established practice, which implements the general authority granted to the state or any combination of laws, regulations or practices, which achieves the objective of the standard ...” Accreditation Program Manual. “...For those standards included in the Part A ... where the term “substantially similar” is

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included, a state must have a law, regulation, administrative practice or a combination of the above that addresses the significant elements included in the NAIC model laws or regulations. ... [Accreditation Interlineations \(Substantially Similar\)](#)

<sup>2</sup>“ ...Part B sets out standards required to ensure adequate solvency regulation of multi-state insurers ... In addition to a domestic state’s examination and analysis activities, other checks and balances exist in the regulatory environment. These include ... analyses by NAIC’s staff, ... and to some extent the evaluation by private rating agencies...” [Accreditation Program Manual](#)

<sup>3</sup> The SFRS requires that securities owned by insurance companies be valued in accordance with standards promulgated by the NAIC’s IAO, approved by the Valuation of Securities (E) Task Force, while other invested assets should be valued in accordance with procedures promulgated by the Financial Condition (E) Committee. The IAO refers to two independent staff functions: i.e., that of the SVO and that of the NAIC SSG. The SSG was formally established as an NAIC staff function in 2013 and assumes responsibility for the conduct of the year-end financial surveillance of insurer-owned residential mortgage-backed securities (RMBS) and commercial mortgage-backed securities (CMBS), conducted by the SVO since 2009. The SSG is also presumptively the segment of NAIC professional staff that would lead the assessment of structured finance products generally.

The financial modeling process administered by the SSG generates intrinsic price values (referred to as Price Grids) for legacy RMBS and CMBS and NAIC designations for non-legacy RMBS and CMBS. These standards are contained in Part Four of the P&P Manual. Price Grids are used by insurers to generate NAIC designations in accordance with procedures specified in *Statement of Statutory Accounting Principles (SSAP) No. 43R—Loan Backed and Structured Securities* of the NAIC AP&P Manual. Accordingly, to the extent that the NAIC AP&P Manual is incorporated by reference in any standard, Price Grids and NAIC designations derived by reference to them would also be incorporated.

<sup>4</sup> The SFRS requires the adoption of Model #312 or a substantially similar law or regulation. RBC factors are tied to NAIC designations assigned by the SVO or, in certain cases (e.g., in the case of Mortgage Referenced Securities), by the SSG; NAIC designations assigned by insurance companies pursuant to the filing exempt (FE) rule contained in the P&P Manual or NAIC designations derived by insurance companies for RMBS and CMBS from Price Grids produced by the SSG pursuant to SSAP No. 43R. “...*This standard does not articulate a threshold level for minimum capital and surplus required for insurers to transact business ... Risk-based capital will, however, effectively require minimums when adopted by states.*” [Accreditation Interlineations - Financial Regulation Standards](#)

<sup>5</sup> The SFRS requires the use of the codified version of the AP&P Manual. Valuation procedures applicable to long-term invested assets are determined by the nature of the insurer (life or property/casualty [P/C]) and the NAIC designation assigned to the security by the SVO or SSG; NAIC designations assigned by insurance companies pursuant to the FE rule contained in the P&P Manual or NAIC designations derived by insurance companies for RMBS and CMBS from Price Grids produced by the SSG pursuant to SSAP No. 43R. “...*To satisfy this standard, ... specific adoption of the NAIC Annual Statement Blank, NAIC Annual Statement Instructions, and the NAIC Accounting Practices and Procedures Manual [is required].*” [Accreditation Interlineations - Financial Regulation Standards](#)

<sup>6</sup> The SFRS requires a diversified investment portfolio. Although the *Investment of Insurers Model Act (Defined Limits or Defined Standards) (#280)* is not specifically identified, portions of one or the other model acts have been adopted by many of the states and these relate specific asset allocations to NAIC designations provided by the SVO or in some cases by the SSG; NAIC designations assigned by insurance companies pursuant to the filing exempt rule contained in the P&P Manual or NAIC designations derived by insurance companies for RMBS and CMBS from Price Grids produced by the SSG pursuant to SSAP No. 43R. “... *This standard ... [will require] that statutes, together with related regulations and administrative practices, provide adequate basis ... to prevent, or correct, undue concentration of investment by type and issue and unreasonable mismatching of maturities of assets and liabilities. The standard is not interpreted to require an investment statute that automatically leads to a fully diversified portfolio of investments.*” [Accreditation Interlineations - Financial Regulation Standards](#)

Model #280 imposes a 3% limit on the amount an insurer can invest in a single person (the threshold diversification limit) and imposes a percentage limit on total investments of a defined credit quality, expressed by reference to NAIC designation categories (the threshold credit quality limit). An additional percentage limit is then assigned to specific asset categories, which may or may not be subject to adjustment with the two threshold requirements. The limits identified in Model #280 are what would guide portfolio allocation decisions. Once made, the insurer would shift to monitoring changes in the portfolio and rebalancing the allocations accordingly. Assuming a process for the identification of concentrations caused by indirect exposures, the insurer would aggregate such exposures with similar risks across all activities.

<sup>7</sup> The SFRS requires the adoption of the *Credit for Reinsurance Model Act (#785)*, *Credit for Reinsurance Model Regulation (#786)*, and *Life and Health Reinsurance Agreement Model Regulation (#791)* or substantially similar laws. The SVO maintains a list of banks that meet defined eligibility criteria to issue letters of credit in support of reinsurance obligations or that are eligible to serve as trustees under various arrangements required by state insurance law.



## MEMORANDUM

**TO:** Sharon P. Clark (KY), Chair, Financial Regulations Standards and Accreditation (F) Committee,  
Commissioner  
Larry D. Deiter (SD), Vice Chair, Financial Regulations Standards and Accreditation (F) Committee,  
Director

**FROM:** Rachel Hemphill (TX), Chair, Life Actuarial (A) Task Force,  
Craig Chupp (VA), Vice Chair, Life Actuarial (A) Task Force

**DATE:** March 23, 2026

**RE:** Financial Regulation Standards – As of March 2026 *Valuation Manual*

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In 2017, the Financial Regulation Standards and Accreditation (F) Committee approved a motion to adopt the *Valuation Manual – Effective January 1, 2020* as an accreditation standard. The intention of this memorandum is to update the Committee on changes the Life Actuarial (A) Task Force made for the 2026 Valuation Manual. The changes were adopted by the Executive (EX) Committee and Plenary at the 2025 Summer Meeting. The Part A Accreditation Standards specifically require, as a significant element, that “The NAIC’s Standard Valuation Law, Actuarial Opinion and Memorandum Regulation and Property and Casualty Actuarial Opinion Model Law or substantially similar provisions shall be in place.”

Attachment A to this memo includes a detailed listing of the changes made to the 2026 Valuation Manual. Amendment proposal forms (APFs) 2025-04 and 2025-11 represent substantial changes to the Valuation Manual with the introduction of a new economic scenario generator and a new principle-based reserving standard for non-variable annuities, respectively. We recommend directing NAIC staff to review the Financial Analysis Handbook in light of these changes to determine if enhancements are necessary. However, APFs 2025-04 and 2025-11 do not change any “significant elements” required to for jurisdictions to meet the Part A Accreditation Standards. The other 2026 Valuation Manual amendments could be characterized as clarifications, additional guidance, corrections to errors, or requests for additional documentation. In light of the considerations above and on behalf of the Task Forces, it is our opinion that none of these items, either individually or collectively, should be considered “significant” as defined by the financial solvency accreditation standards.

As outlined in the Valuation Manual, amendments will be adopted annually by the Executive (EX) Committee and Plenary at each NAIC Summer Meeting. As such, the Valuation Manual will be reposted with an effective date of January 1 of the year following Executive Committee and Plenary adoption. For example, the current Valuation Manual, which encompasses the attached modifications, is titled the *2026 Edition - Valuation Manual*. This process allows for an efficient way to update the Valuation Manual and ensures that users have the latest version.

Attachment A

The Task Force sincerely requests that the Committee consider the items listed in Attachment A as “insignificant” changes to the Valuation Manual. We will continue to notify the Committee of any changes to the Valuation Manual and to advise if, in our opinion, those changes are “significant” by financial solvency accreditation standards.

LATF VM Amendment	Valuation Manual Reference	Valuation Manual Amendment Proposal Descriptions	LATF Adoption Date
2024-11	Valuation Manual Section II, Subsection 1.G	This amendment is to coordinate with Blanks updates that have been made. Specifically, in Exhibit 1, Part 1 there is now an “individual” column rather than an “ordinary” column and the separate industrial and credit life columns were removed, by BWG 2022-14.	9/5/2024
2024-14	VM-31 Section 3.F.3.f	This amendment adds VM-31 Section 3.F.3.f(iii) to require reporting on waiver of surrender charges provisions.	11/15/2024
2024-13	VM- 20 Section 7.D.7 VM-30 Section 3.B.5	This amendment clarifies the reflection of negative interest maintenance reserves (IMRs).	12/12/2024
2024-15	VM-21 Section 11.B.3 (Mortality)	This amendment corrects an error introduced in amendment 2024-07 that unintentionally changed the industry mortality table from a ceiling to a floor for variable annuity guaranteed living benefits (VAGLBs).	12/12/2024
2025-01	VM-20, Sections 3.C.1.g and 6.B.5.d	This amendment ensures that groups with higher anticipated mortality reflect appropriate margins in the mortality rates used for the basic reserve/NPR calculation.	3/22/2025
2025-03	VM-20, Section 9.D.5	This amendment modifies the universal life with secondary guarantee (ULSG) lapse assumption for policies with minimal cash surrender value (CSV) so that the required industry table is a guardrail rather than a prescribed assumption.	3/22/2025
2025-02	VM-02 Section 3.A. (Nonforfeiture Rates); VM-20 Section 3.C.2.a. and 3.C.2.b.	This amendment clarifies the rounding rules associated with the calculation of rates from the NAIC model Standard Valuation Law and model Standard Nonforfeiture Law for Life Insurance.	4/24/2025
2024-16	VM-02, Section 3, Guidance Note	The addition to the guidance note in this amendment adds clarity to the nonforfeiture requirements for UL policies where the CSV is based on multiple sets of accounts with different guaranteed interest rates.	5/8/2025
2025-07	VM-21, Section 6 VM-31, Section 3.12	As of January 1, 2025, the company-specific market path method (CSMP) is no longer an option for calculating the Additional Standard Projection Amount (ASPA) under VM-21. This amendment removes references to the CSMP.	5/8/2025
2025-08	VM 30, Section 3.A.4	This amendment revises the Identification Section of the Life Actuarial Opinion to handle appointed actuaries who are employed by one company within an insurance group, and who sign opinions on behalf of other companies within the group.	6/5/2025
2025-09	VM-20, Section 8.C.3.c	This amendment clarifies requirements to ensure that expense risk in reinsurance is adequately reserved for.	6/5/2025
2025-10	VM-20 Section 7.E.1.g and VM-21 Section 4. D.4.b	This amendment revises the reinvestment guardrail to have a minimum quality rather than a prescribed quality.	6/5/2025
2025-04	VM-20 Section 6, VM-20 Section 7, VM-20 Appendix 1, VM-21 Section 8, VM-31 Section 3	This amendment updates the Valuation Manual economic scenario generator references for the adoption of the Conning-maintained prescribed economic scenario generator.	6/12/2025
2025-06	VM-01 definitions of Qualified Actuary and Appointed Actuary	This amendment updates the definitions of Qualified Actuary and Appointed Actuary to add reference to the knowledge statements adopted by LATF.	6/12/2025
2025-11	Valuation Manual, Section II Subsections 2, 3, 6, VM-01, VM-22, VM-31, VM-G, and VM-V	This amendment introduces a new principle-based reserving framework for non-variable annuities, located in Section VM-22 of the NAIC Valuation Manual.	6/18/2025

The individual amendment proposals reside on the Industry tab on the NAIC website and are accessible by following the link below: [Plenary Adopted Amendments for the 2026 VM](#).



**MEMORANDUM**

**TO:** Kelly Hopper (MO), Co-chair, National Treatment and Coordination (E) Working Group  
Cameron Piatt (OH), Co-chair, National Treatment and Coordination (E) Working Group

**FROM:** Commissioner Sharon P. Clark (KY), Chair, Financial Regulation Standards and Accreditation (F) Committee

**DATE:** Mar. 23, 2026

**RE:** Consideration of Companies with Unique or Restricted Licenses in Licensing Process

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The Financial Regulation Standards and Accreditation (F) Committee (Committee) believes that additional transparency and guidance would be appropriate as part of the licensing process to ensure consistent regulatory understanding among states for company types that may have unique or restricted licenses (e.g., international insurers, captive insurers, or other types of insurers that have received an insurance authorization from a U.S. jurisdiction, but do not qualify as fully admitted carriers, etc.).

Specifically, the Committee requests that the National Treatment and Coordination (E) Working Group consider potential enhancements to the *NAIC Company Licensing Best Practices Handbook* and the Uniform Certificate of Authority Application (UCAA) to: 1) clearly identify these entities as part of the licensing process, and 2) develop additional review guidance or considerations that may be relevant when a Department of Insurance receives an application from one of these entities. Additional guidance would assist regulators in understanding the regulatory framework applicable to these entities and in identifying considerations that may arise when reviewing applications from these entities.

If there are any questions regarding this referral, please contact me or NAIC Committee Support Staff (Bailey Henning at [bhenning@naic.org](mailto:bhenning@naic.org)) for clarification.

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: _____</p> <p><b>CONTACT PERSON:</b> <u>Bailey Henning</u></p> <p><b>TELEPHONE:</b> <u>816-783-8129</u></p> <p><b>EMAIL ADDRESS:</b> <u>bhenning@naic.org</u></p> <p><b>ON BEHALF OF:</b> <u>Financial Regulatory Standards &amp; Accreditation (F) Committee</u></p> <p><b>NAME:</b> _____</p> <p><b>TITLE:</b> _____</p> <p><b>AFFILIATION:</b> _____</p> <p><b>ADDRESS:</b> _____</p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2026-##BWG</u></p> <p>Year <u>2026</u></p> <p>Changes to Existing Reporting [ X ]</p> <p>New Reporting Requirement [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact [ X ]</p> <p>Modifies Required Disclosure [ ]</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? [ No ]</p> <p><i>***If Yes, complete question below***</i></p> <hr/> <p style="text-align: center;"><b>DISPOSITION</b></p> <p>[ ] Rejected For Public Comment</p> <p>[ ] Referred To Another NAIC Group</p> <p>[ ] Received For Public Comment</p> <p>[ ] Adopted Date _____</p> <p>[ ] Rejected Date _____</p> <p>[ ] Deferred Date _____</p> <p>[ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

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

Anticipated Effective Date: Annual 2026

**IDENTIFICATION OF ITEM(S) TO CHANGE**

This proposal is to allow for an additional option in the list of active status codes on Schedule T to include an "O - Other" category for reporting entities that have a unique, restricted license type that does not fit into one of the other existing categories. This category would be used by captive insurers, international insurers, or other types of insurers that have received an insurance authorization from a U.S. jurisdiction, but do not qualify as fully admitted carriers and do not fit into one of the other categories.

The proposal also edits the "N - None of the Above" status code to change it to "N - None," as instances where the existing codes do not apply would now be reported through the "O - Other" status code. In addition, the proposal adds a field to Schedule T for the reporting entity to provide a description of the "O - Other" license type being reported.

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

The benefit of this change is that the authorization of unique entities will be more accurately and consistently presented on Schedule T, which will assist states in monitoring an entity's licensed status and ongoing business activities.

**\*\*\*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: **\*\*\* DRAFTING NOTE: Proposal 2024-19BWG's changes are not shown in this proposal.\*\*\***

\*\* This section must be completed on all forms.

Revised 11/17/2022

**ANNUAL STATEMENT INSTRUCTIONS – HEALTH**

**SCHEDULE T – PREMIUMS AND OTHER CONSIDERATIONS**

**ALLOCATED BY STATES AND TERRITORIES**

Premiums are reported on a written basis, gross of reinsurance.

Written premium is defined as the contractually determined amount charged by the reporting entity to the policyholder for the effective period of the contract based on the expectation of risk, policy benefits, and expenses associated with the coverage provided by the terms of the insurance contract. For health contracts without fixed contract periods, premiums written will be equal to the amount collected during the reporting period plus uncollected premiums at the end of the period less uncollected premiums at the beginning of the period.

All premium adjustments (both increases and decreases), including but not limited to Affordable Care Act (ACA) premium adjustments related to the risk adjustment program, shall be allocated as premium in the respective jurisdiction.

Column 1 – Active Status

Use the following codes to identify the reporting entity’s status for each state or territory reported in the schedule as of the end of the reporting period. Enter the code that applies to the reporting entity’s status in the state or territory. Each line must have an entry in order to subtotal Footnote (a).

- L – Licensed or Chartered (Licensed Insurance Carrier and Domiciled Risk Retention Groups referred to in some states as admitted.)
- R – Registered (Non-domiciled Risk Retention Groups)
- E – Eligible (Reporting Entities eligible or approved to write Surplus Lines in the state. In some states referred to as nonadmitted.)
- Q – Qualified (Qualified or Accredited Reinsurer)
- O – Other (Reporting entities have a unique and limited status in the state where none of the other codes apply (e.g., captive or international insurer<sup>1</sup>))
- N – None ~~of the above~~ (Not allowed to write business in the state ~~or none of the above codes apply~~)

<sup>1</sup> The term “international insurer” refers to a specific type of insurance authority granted by a state or territory, and not a generic term for an alien insurer operating in the U.S.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**

**SCHEDULE T – PREMIUMS AND ANNUITY CONSIDERATIONS**

**ALLOCATED BY STATES AND TERRITORIES**

This schedule is intended to exhibit the amount of premium and annuity considerations, and deposit-type contracts allocated to each state. For Life Companies only, this Schedule also provides: (a) the starting point for the calculation of state premium taxes, and (b) the starting point for the calculation of premium-based, state guaranty association assessments. (The basis for such assessments is developed in the Life, Health, and Annuity Guaranty Association Assessable Premium Exhibit, not in Schedule T.) See the instructions to the Life, Health, and Annuity Guaranty Association Assessable Premium Exhibit for allocated and unallocated annuities reported in Columns 3, 5, and 7.

Report premiums and annuity considerations for life and health contracts and deposit-type contracts for direct business. Exclude contract proceeds left with the reporting entity, such as amounts for supplemental contracts, dividend or refund accumulations and other similar items. Dividends or refunds on contracts that are used to pay renewal life and accident and health insurance premiums or annuity considerations should be included in the amounts allocated to the states and territories in Columns 2, 3, 4, and 5.

All premium adjustments (both increases and decreases), including but not limited to Affordable Care Act (ACA) premium adjustments related to the risk adjustment program, shall be allocated as premium in the respective jurisdiction.

Refer to *SSAP No. 50—Classifications of Insurance or Managed Care Contracts* for life, accident and health and deposit-type contract definitions, *SSAP No. 51—Life Contracts* and *SSAP No. 52—Deposit-Type Contracts* for accounting guidance.

Column 1 – Active Status

Use the following codes to identify the reporting entity’s status for each state or territory reported in the schedule as of the end of the reporting period. Enter the code that applies to the reporting entity’s status in the state or territory. Each line must have an entry in order to subtotal Footnote (a).

- L – Licensed or Chartered (Licensed Insurance Carrier and Domiciled Risk Retention Groups referred to in some states as admitted.)
- R – Registered (Non-domiciled Risk Retention Groups)
- E – Eligible (Reporting Entities eligible or approved to write Surplus Lines in the state. In some states referred to as nonadmitted.)
- Q – Qualified (Qualified or Accredited Reinsurer)
- O – Qualified (Reporting entities have a unique and limited status in the state where none of the other codes apply (e.g., captive or international insurer<sup>2</sup>))
- N – None ~~of the above~~ (Not allowed to write business in the state ~~or none of the above codes apply~~)

<sup>2</sup> The term “international insurer” refers to a specific type of insurance authority granted by a state or territory, and not a generic term for an alien insurer operating in the U.S.

**ANNUAL STATEMENT INSTRUCTIONS – PROPERTY/CASUALTY**

**SCHEDULE T – EXHIBIT OF PREMIUMS WRITTEN**

**ALLOCATED BY STATES AND TERRITORIES**

This schedule is intended to report premiums, losses, and other items allocated to each state or territory during the current reporting period, regardless of the reporting entity’s license status in that state or territory. Allocation of premiums and the other items reported on this schedule should be based on the physical location of the insured risk (except individual and group health insurance). Amounts reported as losses should be assigned to the state in which the associated premium has been allocated.

All U.S. business must be allocated by state regardless of license status.

All premium adjustments (both increases and (decreases)), including but not limited to Affordable Care Act (ACA) premium adjustments related to the risk adjustment program, shall be allocated as premium in the respective jurisdiction.

Column 1 – Active Status

Use the following codes to identify the reporting entity’s status for each state or territory reported in the schedule as of the end of the reporting period. Enter the code that applies to the reporting entity’s status in the state or territory. Each line must have an entry in order to subtotal Footnote (a).

- L – Licensed or Chartered (Licensed Insurance Carrier and Domiciled Risk Retention Groups referred to in some states as admitted.)
- R – Registered (Non-domiciled Risk Retention Groups)
- E – Eligible (Reporting Entities eligible or approved to write Surplus Lines in the state (other than their state of domicile – see DSLI). In some states referred to as nonadmitted.)
- Q – Qualified (Qualified or Accredited Reinsurer)
- D – DSLI (Domestic Surplus Lines Insurer (DSLI) – Reporting Entities authorized to write Surplus Lines in the state of domicile)
- O – Other (Reporting entities have a unique and limited status in the state where none of the other codes apply (e.g., captive or international insurer<sup>3</sup>))
- N – ~~None of the above~~ (Not allowed to write business in the state ~~or none of the above codes apply~~)

<sup>3</sup> The term “international insurer” refers to a specific type of insurance authority granted by a state or territory, and not a generic term for an alien insurer operating in the U.S.

**ANNUAL STATEMENT INSTRUCTIONS – TITLE**

**SCHEDULE T – EXHIBIT OF PREMIUMS WRITTEN**

**BY STATES AND TERRITORIES**



**Detail Eliminated To Conserve Space**



Column 1      –      Active Status

Use the following codes to identify the reporting entity’s status for each state or territory reported in the schedule as of the end of the reporting period. Enter the code that applies to the reporting entity’s status in the state or territory. Each line must have an entry in order to subtotal Footnote (a).

- L – Licensed or Chartered      (Licensed Insurance Carrier and Domiciled Risk Retention Groups referred to in some states as admitted.)
- R – Registered      (Non-domiciled Risk Retention Groups)
- E – Eligible      (Reporting Entities eligible or approved to write Surplus Lines in the state. In some states referred to as nonadmitted.)
- Q – Qualified      (Qualified or Accredited Reinsurer)
- O – Other      (Reporting entities have a unique and limited status in the state where none of the other codes apply (e.g., captive or international insurer<sup>4</sup>))
- N – None ~~of the above~~      (Not allowed to write business in the state ~~or none of the above codes apply~~)

<sup>4</sup> The term “international insurer” refers to a specific type of insurance authority granted by a state or territory, and not a generic term for an alien insurer operating in the U.S.

**ANNUAL STATEMENT BLANK – HEALTH**

**SCHEDULE T – PREMIUMS AND OTHER CONSIDERATIONS  
 Allocated by States and Territories**

State, Etc.	1 Active Status (a)	Direct Business Only								
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Plan Premiums	7 Life & Annuity Premiums & Other Considerations	8 Property/ Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit- Type Contracts
1. Alabama.....AL										
2. Alaska.....AK										
3. Arizona.....AZ										
4. Arkansas.....AR										
5. California.....CA										
6. Colorado.....CO										
7. Connecticut.....CT										
8. Delaware.....DE										
9. Dist. Columbia.....DC										
10. Florida.....FL										
11. Georgia.....GA										
12. Hawaii.....HI										
13. Idaho.....ID										
14. Illinois.....IL										
15. Indiana.....IN										
16. Iowa.....IA										
17. Kansas.....KS										
18. Kentucky.....KY										
19. Louisiana.....LA										
20. Maine.....ME										
21. Maryland.....MD										
22. Massachusetts.....MA										
23. Michigan.....MI										
24. Minnesota.....MN										
25. Mississippi.....MS										
26. Missouri.....MO										
27. Montana.....MT										
28. Nebraska.....NE										
29. Nevada.....NV										
30. New Hampshire.....NH										
31. New Jersey.....NJ										
32. New Mexico.....NM										
33. New York.....NY										
34. North Carolina.....NC										
35. North Dakota.....ND										
36. Ohio.....OH										
37. Oklahoma.....OK										
38. Oregon.....OR										
39. Pennsylvania.....PA										
40. Rhode Island.....RI										
41. South Carolina.....SC										
42. South Dakota.....SD										
43. Tennessee.....TN										
44. Texas.....TX										
45. Utah.....UT										
46. Vermont.....VT										
47. Virginia.....VA										
48. Washington.....WA										
49. West Virginia.....WV										
50. Wisconsin.....WI										
51. Wyoming.....WY										
52. American Samoa.....AS										
53. Guam.....GU										
54. Puerto Rico.....PR										
55. U.S. Virgin Islands.....VI										
56. Northern Mariana Islands.....MP										
57. Canada.....CAN										
58. Aggregate other alien.....OT	XXX									
59. Subtotal.....	XXX									
60. Reporting entity contributions for employee benefit plans.....	XXX									
61. Total (direct business)	XXX									
<b>DETAILS OF WRITE-INS</b>										
58001.....	XXX									
58002.....	XXX									
58003.....	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page.....	XXX									
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX									

- (a) Active Status Counts:
- |   |   |
|---|---|
| 1. L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG.....                   | 4. Q – Qualified - Qualified or accredited reinsurer.....                   |
| 2. R – Registered – Non-domiciled RRGs.....   | 5. O – Other - Unique and limited status.....                               |
| 3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state.... | 56. N – None of the above - Not allowed to write business in the state..... |

(b) Explanation of basis of allocation by states, premiums by state, etc.  
 (c) Description of Other Status:

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL**  
**SCHEDULE T – PREMIUMS AND ANNUITY CONSIDERATIONS**  
**Allocated by States and Territories**

States, Etc.	1	Direct Business Only					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5 (b)	7 Deposit -Type Contracts
		2 Life Insurance Premiums	3 Annuity Considerations				
Active Status (a)	2	3	4	5	6	7	
1. Alabama.....AL							
2. Alaska.....AK							
3. Arizona.....AZ							
4. Arkansas.....AR							
5. California.....CA							
6. Colorado.....CO							
7. Connecticut.....CT							
8. Delaware.....DE							
9. District of Columbia.....DC							
10. Florida.....FL							
11. Georgia.....GA							
12. Hawaii.....HI							
13. Idaho.....ID							
14. Illinois.....IL							
15. Indiana.....IN							
16. Iowa.....IA							
17. Kansas.....KS							
18. Kentucky.....KY							
19. Louisiana.....LA							
20. Maine.....ME							
21. Maryland.....MD							
22. Massachusetts.....MA							
23. Michigan.....MI							
24. Minnesota.....MN							
25. Mississippi.....MS							
26. Missouri.....MO							
27. Montana.....MT							
28. Nebraska.....NE							
29. Nevada.....NV							
30. New Hampshire.....NH							
31. New Jersey.....NJ							
32. New Mexico.....NM							
33. New York.....NY							
34. North Carolina.....NC							
35. North Dakota.....ND							
36. Ohio.....OH							
37. Oklahoma.....OK							
38. Oregon.....OR							
39. Pennsylvania.....PA							
40. Rhode Island.....RI							
41. South Carolina.....SC							
42. South Dakota.....SD							
43. Tennessee.....TN							
44. Texas.....TX							
45. Utah.....UT							
46. Vermont.....VT							
47. Virginia.....VA							
48. Washington.....WA							
49. West Virginia.....WV							
50. Wisconsin.....WI							
51. Wyoming.....WY							
52. American Samoa.....AS							
53. Guam.....GU							
54. Puerto Rico.....PR							
55. U.S. Virgin Islands.....VI							
56. Northern Mariana Islands.....MP							
57. Canada.....CAN							
58. Aggregate other alien.....OT							
59. Subtotal.....	XXX						
90. Reporting entity contributions for employee benefits plans.....	XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX						
92. Dividends or refunds applied to shorten endowment or premium paying period.....	XXX						
93. Premium or annuity considerations waived under disability or other contract provisions.....	XXX						
94. Aggregate other amounts not allocable by State.....	XXX						
95. Totals (direct business).....	XXX						
96. Plus reinsurance assumed.....	XXX						
97. Totals (all business).....	XXX						
98. Less reinsurance ceded.....	XXX						
99. Totals (all business) less reinsurance ceded.....	XXX			(c)			
<b>DETAILS OF WRITE-INS</b>							
58001.....	XXX						
58002.....	XXX						
58003.....	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.....	XXX						
58999. Total (Lines 58001 through 58003 + 58998) (Line 58 above).....							
9401.....	XXX						
9402.....	XXX						
9403.....	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page.....	XXX						
9499. Total (Lines 9401 through 9403 + 9498) (Line 94 above).....							

- (a) Active Status Counts:
- |  |   |
|--|---|
| 1. L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....                    | 4. Q – Qualified - Qualified or accredited reinsurer.....                   |
| 2. R – Registered - Non-domiciled RRGs.....  | 5. O – Other - Unique and limited status.....                               |
| 3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state..... | 56. N – None of the above - Not allowed to write business in the state..... |

(b) Explanation of basis of allocation by states, etc., of premiums and annuity considerations  
(c) Description of Other status:  
(eg) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Col. 6, or with Schedule H, Part 1, Column 1, Line 1 indicate which: \_\_\_\_\_.

**ANNUAL STATEMENT BLANK – PROPERTY**

**SCHEDULE T – EXHIBIT OF PREMIUMS WRITTEN  
 Allocated By States And Territories**

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL									
2. Alaska.....AK									
3. Arizona.....AZ									
4. Arkansas.....AR									
5. California.....CA									
6. Colorado.....CO									
7. Connecticut.....CT									
8. Delaware.....DE									
9. Dist. Columbia.....DC									
10. Florida.....FL									
11. Georgia.....GA									
12. Hawaii.....HI									
13. Idaho.....ID									
14. Illinois.....IL									
15. Indiana.....IN									
16. Iowa.....IA									
17. Kansas.....KS									
18. Kentucky.....KY									
19. Louisiana.....LA									
20. Maine.....ME									
21. Maryland.....MD									
22. Massachusetts.....MA									
23. Michigan.....MI									
24. Minnesota.....MN									
25. Mississippi.....MS									
26. Missouri.....MO									
27. Montana.....MT									
28. Nebraska.....NE									
29. Nevada.....NV									
30. New Hampshire.....NH									
31. New Jersey.....NJ									
32. New Mexico.....NM									
33. New York.....NY									
34. No. Carolina.....NC									
35. No. Dakota.....ND									
36. Ohio.....OH									
37. Oklahoma.....OK									
38. Oregon.....OR									
39. Pennsylvania.....PA									
40. Rhode Island.....RI									
41. So. Carolina.....SC									
42. So. Dakota.....SD									
43. Tennessee.....TN									
44. Texas.....TX									
45. Utah.....UT									
46. Vermont.....VT									
47. Virginia.....VA									
48. Washington.....WA									
49. West Virginia.....WV									
50. Wisconsin.....WI									
51. Wyoming.....WY									
52. American Samoa.....AS									
53. Guam.....GU									
54. Puerto Rico.....PR									
55. U.S. Virgin Islands.....VI									
56. Northern Mariana Islands.....MP									
57. Canada.....CAN									
58. Aggregate other alien.....OT									
59. Totals	XXX								
DETAILS OF WRITE-INS									
58001.....	XXX								
58002.....	XXX								
58003.....	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page.....	XXX								
58999. Totals (Lines 58001 through 58003+58998) (Line 58 above)	XXX								

(a) Active Status Counts:

- |   |   |
|---|---|
| <p>1. L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG .....</p> <p>2. R – Registered - Non-domiciled RRGs .....</p> <p>3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSU) .....</p> | <p>4. Q – Qualified - Qualified or accredited reinsurer .....</p> <p>5. D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile .....</p> <p>6. O – Other – Unique and limited status .....</p> <p>6Z. N – None of the above – Not allowed to write business in the state .....</p> |
|---|---|

(b) Explanation of basis of allocation of premiums by states, etc.  
(c) Description of Other status:

**ANNUAL STATEMENT BLANK – TITLE**

**SCHEDULE T – EXHIBIT OF PREMIUMS WRITTEN  
By States and Territories**

States, Etc.	1 Active Status (a)	2 Premium Rate (b)	Direct Premiums Written			6 Other Income	7 Net Premiums Earned	8 Direct Losses and Allocated Loss Adjustment Expenses Paid	9 Direct Losses and Allocated Loss Adjustment Expenses Incurred	10 Direct Known Claim Reserve
			3 Direct Operations	Agency Operations						
				4 Non-affiliated Agencies	5 Affiliated Agencies					
1. Alabama.....AL										
2. Alaska.....AK										
3. Arizona.....AZ										
4. Arkansas.....AR										
5. California.....CA										
6. Colorado.....CO										
7. Connecticut.....CT										
8. Delaware.....DE										
9. Dist. Columbia.....DC										
10. Florida.....FL										
11. Georgia.....GA										
12. Hawaii.....HI										
13. Idaho.....ID										
14. Illinois.....IL										
15. Indiana.....IN										
16. Iowa.....IA										
17. Kansas.....KS										
18. Kentucky.....KY										
19. Louisiana.....LA										
20. Maine.....ME										
21. Maryland.....MD										
22. Massachusetts.....MA										
23. Michigan.....MI										
24. Minnesota.....MN										
25. Mississippi.....MS										
26. Missouri.....MO										
27. Montana.....MT										
28. Nebraska.....NE										
29. Nevada.....NV										
30. New Hampshire.....NH										
31. New Jersey.....NJ										
32. New Mexico.....NM										
33. New York.....NY										
34. No. Carolina.....NC										
35. No. Dakota.....ND										
36. Ohio.....OH										
37. Oklahoma.....OK										
38. Oregon.....OR										
39. Pennsylvania.....PA										
40. Rhode Island.....RI										
41. So. Carolina.....SC										
42. So. Dakota.....SD										
43. Tennessee.....TN										
44. Texas.....TX										
45. Utah.....UT										
46. Vermont.....VT										
47. Virginia.....VA										
48. Washington.....WA										
49. West Virginia.....WV										
50. Wisconsin.....WI										
51. Wyoming.....WY										
52. American Samoa.....AS										
53. Guam.....GU										
54. Puerto Rico.....PR										
55. U.S. Virgin Islands.....VI										
56. Northern Mariana Islands.....MP										
57. Canada.....CAN										
58. Aggregate										
Other Alien.....OT	XXX	XXX								
59. Totals	XXX	XXX								
<b>DETAILS OF WRITE-INS</b>										
58001.....	XXX									
58002.....	XXX									
58003.....	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	XXX								

(a) Active Status Counts:

- |   |   |
|---|---|
| 1. L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG .....                    | 4. Q – Qualified - Qualified or accredited reinsurer .....                  |
| 2. R – Registered - Non-domiciled RRGs .....  | 5. O – Other - Unique and limited status .....                              |
| 3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state ..... | 6. N – None of the above - Not allowed to write business in the state ..... |

(b) Each type of rate must be coded with a combination of the five activity codes (R, S, X, C, and/or E) listed in the instructions. Use the code combination corresponding to the state's statutory definitions of title insurance premium. If more than one combination of activities is indicated in the statutory definition, all relevant combinations must be listed. See the Schedule T instructions.

(c) [Description of Other Status:](#)

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