Draft date: 7/28/26

2026 Summer National Meeting
Columbus, Ohio

ACCOUNTING PRACTICES AND PROCEDURES (E) TASK FORCE
Thursday, August 13, 2026
8:00 – 8:30 a.m.
Hilton Tower 401—Bellows Ballroom A-D—Lower Level

ROLL CALL

NAIC Member	**Representative**	**State/Territory**
Amanda Crawford, Chair	Jamie Walker	Texas
Larry D. Deiter, Vice Chair	Johanna Nickelson	South Dakota
Mark Fowler	Sheila Travis	Alabama
Ricardo Lara	Kim Hudson	California
Michael Conway	Rolf Kaumann/Keith Warburton	Colorado
Joshua Hershman	William Arfanis	Connecticut
Trinidad Navarro	Nicole Brittingham	Delaware
Karima M. Woods	N. Kevin Brown	District of Columbia
Michael Yaworsky	Carolyn Morgan	Florida
Dean L. Cameron	Eric Fletcher	Idaho
Holly W. Lambert	Roy Eft	Indiana
Doug Ommen	Daniel Mathis	Iowa
Vicki Schmidt	Tish Becker	Kansas
Sharon P. Clark	Neriette Eldridge	Kentucky
Timothy N. Schott	Vanessa Sullivan	Maine
Michael T. Caljouw	John Turchi	Massachusetts
Anita G. Fox	Kristin Hynes	Michigan
Julia Dreier	Kathleen Orth	Minnesota
Mike Chaney	Mark Cooley	Mississippi
Angela L. Nelson	Danielle Smith	Missouri
Eric Dunning	Tadd Wegner	Nebraska
Ned Gaines	Diana Branciforte	Nevada
Susan Ochs	Susan Ochs	New Jersey
Kaitlin Asrow	Avani Shah/Bob Kasinow	New York
Remedio C. Mafnas	Maryann Borja-Arriola	Northern Mariana Islands
Judith L. French	Dale Bruggeman	Ohio
Glen Mulready	Ryan Rowe	Oklahoma
TK Keen	Paul Throckmorton	Oregon
Michael Humphreys	Diana L. Sherman	Pennsylvania

NAIC Member	Representative	State/Territory
Elizabeth Kelleher Dwyer	John Tudino	Rhode Island
Michael Wise	Ryan Basnett	South Carolina
Kaj Samsom	Dan Petterson/Karen Ducharme	Vermont
Scott A. White	Doug Stolte	Virginia
Patty Kuderer	Steve Drutz	Washington
Erin K. Hunter	Justin E. Parr	West Virginia
Nathan Houdek	Amy Malm	Wisconsin

NAIC Committee Support: Robin Marcotte

AGENDA

1. Consider Adoption of its Spring National Meeting Minutes —*Jamie Walker (TX)* — Attachment One

2. Consider Adoption of 2027 Proposed Charges — Attachment Two

3. Consider Adoption of the Reports of its Working Groups —*Jamie Walker (TX)*
   A. Statutory Accounting Principles (E) Working Group—*Kevin Clark (IA)* — Attachment Three
   B. Blanks (E) Working Group—*Roy Eft (IN)* — Attachment Four

4. Discuss Any Other Matters Brought Before the Task Force —*Jamie Walker (TX)*

5. Adjournment

Draft: 4/2/26

Accounting Practices and Procedures (E) Task Force
San Diego, CA
March 24, 2026

The Accounting Practices and Procedures (E) Task Force met in San Diego, CA, March 24, 2026. The following Task Force members participated: Amanda Crawford, Chair, represented by Jamie Walker (TX); Larry D. Deiter, Vice Chair, represented by Johanna Nickelson (SD); Mark Fowler represented by Lori Brock (AL); Ricardo Lara represented by Kim Hudson (CA); Michael Conway represented by Rolf Kaumann (CO); Joshua Hershman represented by William Arfanis (CT); Karima M. Woods represented by Sean O'Donnell (DC); Trinidad Navarro represented by Rylynn Brown (DE); Michael Yaworsky represented by Bradley Trim (FL); Doug Ommen represented by Kevin Clark and Daniel Mathis (IA); Dean L. Cameron represented by Eric Fletcher (ID); Holly W. Lambert represented by Roy Eft (IN); Vicki Schmidt represented by Tish Becker (KS); Sharon P. Clark represented by Vicki Lloyd (KY); Michael T. Caljouw represented by John Turchi and Jim McCarthy (MA); Anita G. Fox represented by Kristin Hynes (MI); Grace Arnold represented by Kathleen Orth (MN); Angela L. Nelson represented by Danielle Smith (MO); Mike Chaney represented by Josh Ammerman (MS); Eric Dunning represented by Tadd Wegner (NE); Susan Ochs represented by David Wolf (NJ); Ned Gaines represented by Diana Branciforte (NV); Kaitlin Asrow represented by Bob Kasinow (NY); Judith L. French represented by David Cook (OH); Glen Mulready represented by Ryan Rowe (OK); TK Keen represented by Paul Throckmorton (OR); Michael Humphreys represented by Diana Sherman (PA); Elizabeth Kelleher Dwyer represented by John Tudino (RI); Michael Wise represented by Ryan Basnett (SC); Scott A. White represented by Doug Stolte and Jennifer Blizzard (VA); Kaj Samsom represented by Karen Ducharme (VT); Patty Kuderer represented by Steve Drutz (WA); Nathan Houdek represented by Amy Malm (WI); and Allan L. McVey represented by Justin E. Parr (WV).

1. Adopted its 2025 Fall National Meeting Minutes

Lloyd made a motion, seconded by Orth, to adopt the Task Force's Dec. 10, 2025, minutes (*see NAIC Proceedings Fall 2025, Accounting Practices and Procedures (E) Task Force*). The motion passed unanimously.

2. Adopted the Report of the Statutory Accounting Principles (E) Working Group

Clark provided the report of the Statutory Accounting Principles (E) Working Group, which met March 23. During this meeting, the Working Group took the following action:

A. Adopted its 2025 Fall National Meeting minutes.

B. Adopted the following statutory accounting principle (SAP) concepts and clarifications to statutory accounting guidance:

   i. *Statement of Statutory Accounting Principles (SSAP) No. 3—Accounting Changes and Corrections of Errors, SSAP No. 51—Life Contracts*, and *SSAP No. 52—Deposit-Type Contracts*: Adopted revisions provide guidance on the optional implementation period for the *Valuation Manual* and adopted revisions regarding the optional implementation period for the economic scenario generator and non-variable annuities. (Ref #2025-34)
   ii. *SSAP No. 7—Asset Valuation Reserve and Interest Maintenance Reserve*: Adopted proposed concepts for an interest maintenance reserve (IMR) proof of reinvestment developed by the IMR Ad Hoc Group. Directed NAIC staff to continue to work with industry to refine the templates as part of the IMR work. (Ref #2025-23)

iii. *SSAP No. 22—Leases*: Adopted revisions clarify that sale-leasebacks with restrictions on access to cash or assets received from the sale do not qualify for sale-leaseback accounting and must be accounted for by the seller using the financing method. (Ref #2025-01)

iv. *SSAP No. 40—Real Estate Investments* and *SSAP No. 90—Impairment or Disposal of Real Estate Investments,* the *Summary of Changes,* and the *How to Use* document: Adopted revisions delete the shaded text instructions and delete previously superseded guidance in SSAP No. 40, currently shown as shaded text. (Ref #2025-32)

v. *SSAP No. 47—Uninsured Plans*: Adopted revisions clarify inconsistencies in the disclosure calculation and communicate support for the related annual statement blanks proposal to update note 18B gains/losses on administrative services contracts (ASCs). (Ref #2025-30)

vi. *SSAP No. 56—Separate Accounts*: Adopted revisions address nonadmittance for assets held under the "general account basis" in the separate account and communicated support for the Blanks (E) Working Group proposal to incorporate the concept of nonadmitted assets within the separate account balance sheet and corresponding schedules. (Ref #2025-25)

vii. *SSAP No. 103—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*: Adopted revisions allow repurchase agreements with maturity dates of more than one year to be admitted. (Ref #2025-28)

viii. *Interpretation (INT) 05-05*: *Accounting for Revenues Under Medicare Part D Coverage*: Adopted revisions note the Dec. 31, 2024, discontinuation of the coverage gap discount program and add reference to the federal Centers for Medicare & Medicaid Services (CMS) Manufacturer Discount Program. (Ref #2025-31)

ix. *Annual Statement Blanks*:

a. Adopted revisions communicate support for a blanks proposal to clarify reporting on debt securities, and to improve consistency in reporting. (Ref #2025-29)

b. Adopted revisions communicate support for the blanks proposal to update and modernize expense descriptions and categories. (Ref #2025-33)

C. Exposed the following SAP concepts and clarifications to statutory accounting guidance for a 39-day public comment period ending May 1:

i. *SSAP No. 1—Accounting Policies, Risks & Uncertainties and Other Disclosures*: Re-exposed revisions requesting comments on whether to retain the restricted asset codes. (Ref #2025-27)

ii. *SSAP No. 15—Debt and Holding Company Obligations*, *SSAP No. 52*, and *Various*: Exposed editorial revisions to: 1) various SSAPs to replace the term "CUSIP" with "Security Identifier;" 2) add "U.S." before "generally accepted accounting principles" (GAAP) or "GAAP" as appropriate; and 3) remove the word "funding" from the beginning of the paragraph that describes Federal Home Loan Bank (FHLB) agreements. (Ref #2026-03EP)

iii. *SSAP No. 52*: Exposed revisions to disclosures and glossary addition to SSAP No. 52 for funding agreement-backed notes (FABNs) and other funding agreement-backed structures. Received a referral from the Macroprudential (E) Working Group to incorporate proposed disclosures for FABNs and other funding agreement-backed structures. The referral included a corresponding blanks proposal. (Ref #2026-01)

iv. S*SAP No. 61—Life, Deposit-Type and Accident and Health Reinsurance* and *Annual Statement Instructions and Blanks*: Exposed revisions to SSAP No. 61 to clarify that funds withheld liabilities should be recorded equal to the book/adjusted carrying value (BACV) of the funds withheld assets. The exposure includes proposed revisions to the Life and Health Annual Statement Instructions on Schedule S (Reinsurance), Parts 3, 4, and 5, and the liabilities page. In addition, proposed to delete some legacy annual statement instructions regarding the use of Securities Valuation Office (SVO) fair values. (Ref #2026-02)

v. *New SSAP* and *issue paper*: Exposed a draft SSAP and issue paper to incorporate new statutory accounting guidance allowing an amortized cost measurement method for a qualifying derivative program. Exposure included both the clean SSAP and a version that shows tracked changes from the prior American Council of Life Insurers (ACLI) version. (Ref #2024-15)

vi. *New draft issue paper regarding residential mortgage loans held in qualifying statutory trusts*: Exposed the draft issue paper detailing the discussions supporting the adopted statutory trust guidance to allow reporting of qualifying items within the mortgage loan guidance. (Ref #2025-13)

D. Directed NAIC staff on the following items:

i. *SSAP No. 61*: Directed NAIC staff to defer an item on reinsurance collateral and IMR until a response is received from the Reinsurance (E) Task Force on whether to utilize the symmetrical or asymmetrical approach. (Ref #2025-22)

ii. Directed NAIC staff to work with industry directly in the interim to consolidate and clarify the disclosure requirements in *SSAP No. 1*, *SSAP No. 5—Liabilities, Contingencies and Impairments of Assets*, *SSAP No. 21—Other Admitted Assets*, *SSAP No. 26—Bonds*, and *SSAP No. 43—Asset-Backed Securities* for commitments and contingent commitments, including the addition of a definition for commitments, and a new comprehensive commitments and contingent commitments disclosure. (Ref #2025-24)

iii. Directed NAIC staff to work with a limited industry focus group (e.g., two to four dedicated industry representatives) to develop proposed revisions in response to the comprehensive review of *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies* for subsequent review by the full Working Group. (Ref #2025-26)

E. Received updates on the following:

i. Received a Jan. 12 referral from the Financial Condition (E) Committee to take steps to consider: 1) further education of how permitted practices may be used to address transition issues for Ref #2024-06: Risk Transfer Analysis of Combination Reinsurance Contracts; and 2) whether any tools were needed to accommodate states or jurisdictions that do not allow permitted practices as a matter of policy. In response to the Financial Condition (E) Committee referral, the Working Group's chair directed a Jan. 26 distribution of an example permitted practice to clarify permitted practices and encourage uniform reporting among states to the chief financial regulators. A survey was conducted to see whether tools were needed for jurisdictions that, as a policy, do not grant permitted practices. The survey received 47 responses, and all respondents stated that no additional flexibility other than that provided through the permitted practice process was needed. The Working Group concluded that no further steps are needed at this time and directed this response to be sent to the Financial Condition (E) Committee.

ii. On Feb. 24, the IMR Ad Hoc Group received an initial version of the revised SSAP No. 7 to reflect Ad Hoc Group discussions. It is anticipated that the revised SSAP, draft issue paper, and documents that propose reporting revisions and revisions to other SSAPs will be presented for exposure to the full Working Group in the interim after the Spring National Meeting.

iii. Received an update that NAIC staff will collaborate with interested parties in identifying clarifications to respond to the referral from the Life Risk-Based Capital (E) Working Group, which was received at the 2025 Summer National Meeting. The referral forwarded comments received on proposal 2025-04-L (Other Long-Term Assets) (LR008). Specifically, the ACLI raised questions regarding asset valuation reserve (AVR) equity reporting lines for common stock in subsidiary, controlled, and affiliated entities (SCAs) and other affiliates and requested clarifications to the AVR instructions.

iv. U.S. GAAP exposures, noting that no items are currently exposed by the Financial Accounting Standards Board (FASB), and future items will follow the normal maintenance process.
v. International Association of Insurance Supervisors (IAIS) Accounting and Auditing Working Group (AAWG) activities. Some items of particular interest are that the AAWG discussed whether to classify crypto assets as intangible assets under the insurance capital standard (ICS) or to exclude them from qualifying capital resources and themes identified from the public consultation of the ICS implementation and revisions to Insurance Core Principle (ICP) 9 (Supervisory Review and Reporting) and ICP 20 (Public Disclosure).

Clark made a motion, seconded by Malm, to adopt the report of the Statutory Accounting Principles (E) Working Group (Attachment One). The motion passed unanimously.

3. Adopted the Report of the Blanks (E) Working Group

Eft provided the report of the Blanks (E) Working Group, which met March 5. During this meeting, the Working Group took the following action

A. Adopted its Nov. 5, 2025, minutes (*see NAIC Proceedings, Fall 2025, Accounting Practices and Procedures (E) Task Force, Attachment Two*).

B. Adopted eight proposals:

i. 2025-17BWG Modified – Add an annual general interrogatory to indicate the method used for reporting residuals and update Notes to Financials (Note 1C6 and 5D) for consistent reporting between SSAP No. 26, SSAP No. 43, and SSAP No. 21.
ii. 2025-18BWG – Add clarifying instructions for Health General Interrogatory 10.21 through 10.24 and an example to the Health General Interrogatory Part 2 Instructions. Add a cross-check from the general interrogatory to Exhibit 7, Part 1.
iii. 2025-19BWG Modified – Add a code of "S" to the Active Status column on Schedule T to identify if a license has been suspended.
iv. 2025-20BWG Modified – Update Schedule D, Part 6, Section 1 reporting categories and AVR lines to update the classification of investment subsidiaries.
v. 2025-21BWG – Added clarifications of definitions and requirements within the Property/Casualty (P/C) Actuarial Opinion to gain greater consistency and accuracy in reporting.
vi. 2025-22BWG Modified – Add an electronic-only column to the investment schedules to identify whether the investment is publicly registered, Rule 144, private placement security, or not applicable. Add a new part to Note 5 – Investments to report the total BACV, fair value (with fair values determined by level 2 and level 3 reported), the total amount of aggregate deferred interest and paid-in-kind interest, and the total BACV supported by private letter ratings.
vii. 2025-28BWG Modified – Add two investment characteristics categories to the annual Schedule A, Part 1, to clarify if an investment is owned by a qualifying statutory trust. Update the annual and quarterly Schedule B instructions for reporting guidance for mortgages held in qualifying investments in statutory trusts, and add loan type codes to identify the mortgage loans.
viii. 2025-30BWG Modified – Update Notes to Financials Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans to clarify reporting retirement plan assets at net asset value (NAV).

C. Deferred five proposals with a 53-day public comment period ending April 28.

D. Re-exposed one proposal and exposed four new items for a 53-day public comment period ending April 28.

E. Received two memorandums:

   i. Statutory Accounting Principles (E) Working Group memorandum, which references Schedule S, Part 8—Reporting of Modco and Funds Withheld Assets.
   ii. Macroprudential (E) Working Group memorandum, which references FABNs and other structures.

F. Adopted its editorial listing.

Eft made a motion, seconded by Drutz, to adopt the report of the Blanks (E) Working Group (Attachment Two). The motion passed unanimously.

Having no further business, the Accounting Practices and Procedures (E) Task Force adjourned.

https://naiconline.sharepoint.com/sites/naicsupportstaffhub/member meetings/e cmte/apptf/2026/2026 spring/summary and minutes/apptf minutes 3-24-26.docx

Accounting Practices and Procedures (E) Task Force
2027 Proposed Charges
Tracked Revisions to 2026 charges

Attachment Two

1. The **Accounting Practices and Procedures (E) Task Force** will:
   a. Oversee the activities of the Blanks (E) Working Group and the Statutory Accounting Principle (E) Working Group

2. The **Statutory Accounting Principles (E) Working Group** will:
   a. Maintain codified statutory accounting principles by providing periodic updates to the guidance that address new statutory issues and new U.S. generally accepted accounting principles (GAAP) pronouncements. Provide authoritative responses to questions of application and clarifications for existing statutory accounting principles. Report all actions and provide updates to the Accounting Practices and Procedures (E) Task Force.
   b. At the discretion of the Working Group chair, develop comments on exposed U.S. GAAP and International Financial Reporting Standards (IFRS) pronouncements affecting financial accounting and reporting. Any comments are subject to review and approval by the chairs of the Accounting Practices and Procedures (E) Task Force and the Financial Condition (E) Committee.
   c. Coordinate with the Life Actuarial (A) Task Force on changes to the AP&P Manual related to the *Valuation Manual* VM-A, Requirements, and VM-C, Actuarial Guidelines, as well as other *Valuation Manual* requirements. This process will include the receipt of periodic reports on changes to the *Valuation Manual* on items that require coordination.
   d. Obtain, analyze, and review information on permitted practices, prescribed practices, or other accounting treatments suggesting that issues or trends occurring within the industry may compromise the consistency and uniformity of statutory accounting, including, but not limited to, activities conducted by insurers for which there is currently no statutory accounting guidance or where the states have prescribed statutory accounting that differs from the guidance issued by the NAIC. Use this information to consider possible changes to statutory accounting.

3. The **Blanks (E) Working Group** will:
   a. Consider improvements and revisions to the various annual/quarterly statement blanks to:
      i. Conform these blanks to changes made in other areas of the NAIC to promote uniformity in reporting of financial information by insurers.
      ii. Develop reporting formats for other entities subject to the jurisdiction of state insurance departments.
      iii. Conform the various NAIC blanks and instructions to adopted NAIC policy.
      iv. Oversee the development of additional reporting formats within the existing annual financial statements as needs are identified.
   b. Continue to monitor state filing checklists to maintain current filing requirements.
   c. Continue to monitor and improve the quality of financial data filed by insurance companies by recommending improved or additional language for the Annual Statement Instructions.

d. Continue to monitor and review all proposals necessary for the implementation of statutory accounting guidance to ensure proper implementation of any action taken by the Accounting Practices and Procedures (E) Task Force affecting annual financial statements and/or instructions.
e. Continue to coordinate with other task forces of the NAIC to ensure proper implementation of reporting and instructions changes as proposed by these taskforces.
f. Coordinate with the applicable task forces and working groups as needed to avoid duplication of reporting within the annual and quarterly statement blanks.
g. Consider proposals presented that would address duplication in reporting, eliminate data elements, financial schedules and disclosures that are no longer needed, and coordinate with other NAIC task forces and working groups if applicable, to ensure revised reporting still meets the needs of regulators.
h. Review requests for investment schedule blanks and instructions changes in connection with the work being performed by the Capital Adequacy (E) Task Force and its working groups.
i. Review changes requested by the ~~Valuation of Securities (E) Task Force~~Invested Assets (E) Task Force or its Working Groups relating to its work on other invested assets reporting for technical consistency within the investment reporting schedules and instructions.

NAIC
2026 SUMMER NATIONAL MEETING
COLUMBUS, OH

2026 Summer National Meeting
Columbus, OH

STATUTORY ACCOUNTING PRINCIPLES (E) WORKING GROUP
Wednesday, August 12, 2026
8:30 – 10:30 a.m.

Meeting Summary Report

The Statutory Accounting Principles (E) Working Group met Aug. 12, 2026. During this meeting, the Working Group:

1. Adopted the following statutory accounting principle (SAP) clarifications:
   A. *SSAP No. 1—Accounting Policies, Risks & Uncertainties and Other Disclosures*: Adopted revisions to clarify that the security lending restricted asset reporting category shall reflect the security lent, which is reported in the insurer's investment schedules, not collateral received. (Ref #2026-05)
   B. S*SAP No. 61—Life, Deposit-Type and Accident and Health Reinsurance*: Adopted revisions to clarify that derecognized net positive IMR shall increase reinsurer collateral requirements, but that net negative IMR shall not decrease collateral reinsurer requirements (asymmetrical method). Received the response from the Reinsurance (E) Task Force. (Ref #2025-22)
   C. *INT 23-01: Net Negative (Disallowed) Interest Maintenance Reserve*: Adopted revisions extend the effective date to Dec. 31, 2027 with nullification on Jan. 1, 2028.
   D. Annual statement blanks and instructions: Adopted an agenda item supporting revisions to the Life, Accident and Health/Fraternal Annual Statement asset valuation reserve (AVR) schedule and instructions, including to clarify what shall be reported as "Subsidiary, controlled or affiliated (SCA)-Certain Other" and "SCA-All Other." The Working Group directed the notice of adoption to the Life Risk-Based Capital (E) Working Group. (Ref #2026-07)

2. Exposed new SAP concepts and clarifications for a public comment period ending Oct. 2:
   A. *SSAP No. 7—Asset Valuation Reserve and Interest Maintenance Reserve*: Exposed the revised SSAP, the issue paper, revisions to other SSAPs, and proposed reporting revisions reflecting edits presented during the meeting, with a revised Jan. 1, 2028, effective date. The net negative interest maintenance reserve (IMR) admittance limit was discussed, with industry requested to develop a plan to ensure compliance and accuracy of reporting for subsequent consideration. (Ref #2023-14)
   B. *SSAP No. 21—Other Admitted Assets*: Exposed an agenda item that requested comments on whether amounts realizable under insurer company-owned life insurance (ICOLI) policies should be captured on Schedule BA to capture investment risk. A referral to the Capital Adequacy (E) Task Force was directed to inform of the exposure and assess the risk-based capital (RBC). (Ref #2026-08)

C. *SSAP No. 23—Foreign Currency Transactions and Translations*: Exposed revisions to remove the Canadian exception for foreign currency translation, requiring translation within each financial statement reporting line. (Ref #2026-15)
D. *SSAP No. 24—Discontinued Operations and Unusual or Infrequent Items*: Exposed terminology revisions and new guidance to clarify that government grants are accounted for as gain contingencies. (Ref #2026-04)
E. *SSAP No. 26—Bonds*: Exposed revisions to expand requirements for asset-backed security (ABS) structures to qualify as bonds under the principles-based bond definition. With the revisions, non-self-liquidating ABS structures will need to qualify under the equity-backed criteria, and self-liquidating ABS with significant embedded asset-liability management risk will not qualify as bonds. (Ref #2026-10)
F. *SSAP No. 37—Mortgage Loans*: Received the referral from the Investment Analysis (E) Working Group and exposed an agenda item to clarify the definition of a residential mortgage loan and assess characteristics and risk components of residential mortgage loans for more granular reporting and accounting guidance. (Ref #2026-11)
G. *SSAP No. 47—Uninsured Plans* and *SSAP No. 54—Individual and Group Accident and Health Contracts*: Exposed revisions to specify that Medicaid contract payments classified as capitated payments are included in insured plans. The Working Group directed a notice of the exposure to the Health Risk-Based Capital (E) Working Group. (Ref #2026-13)
H. SSAP No. 61 and annual statement instructions and blanks: Exposed revisions to clarify how funds withheld assets and liabilities shall be recorded. (Ref #2026-02)
I. *SSAP No. 62—Property and Casualty Reinsurance*: Exposed revisions to add a new disclosure and request conceptual comments regarding the exception to retroactive accounting involving transactions with insurers 100% owned by a common parent. (Ref #2026-12)
J. *SSAP No. 86—Derivatives*: Exposed an agenda item detailing concept changes to the accounting and reporting of replication synthetic asset transactions (RSATs). (Ref #2026-09)
K. *SSAP No. 100—Fair Value*: Received a referral from the Investment Analysis (E) Working Group and re-exposed the agenda item with an industry request to propose guidance to differentiate equity investments between "operating entities" and structures that hold investments. (Ref #2026-06)
L. *SSAP No. 101—Income Taxes* and *Interpretation (INT) 18-03: Additional Elements Under the Tax Cuts and Jobs Act (TCJA)*: Exposed revisions to nullify INT 18-03, effective Jan. 1, 2027, and to incorporate guidance in SSAP No. 101. (Ref #2026-14)
M. *SSAP No. 109—Asset Liability Management (ALM) Derivatives* and corresponding issue paper: Exposed a revised SSAP No. 109 and corresponding issue paper, with a revised effective date of Jan. 1, 2028. The Working Group directed a referral to the Life Actuarial (A) Task Force requesting consideration of a pilot program and a sponsored blanks proposal to incorporate new reporting lines on Schedule DB. (Ref #2024-15)

3. Received updates on the following:
   A. Received information regarding reporting errors and noncompliance in statutory financial statements, highlighting an excessive number (57%) of items reported with Securities Valuation

Office (SVO)-assigned designations on Schedule BA for improved RBC, items that did not have an SVO-assigned designation, and items that were misreported with a more favorable designation.

B. Received a referral from the Life Risk-Based Capital (E) Working Group on collateral loans. This referral informs of actions taken to incorporate RBC for certain loans based on overcollateralization and requests that the Statutory Accounting Principles (E) Working Group incorporate additional disclosures on the independent verification of collateral fair value, details of the verification (including date and entity providing verification), and the range of the valuations.
C. Received an update on *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies* project discussions.
D. Received an update on the commitments and contingencies disclosures discussions.
E. Received details on current U.S. generally accepted accounting principles (GAAP) exposures, noting that comments are not recommended and that the review of issued standards will occur under the normal maintenance process.
F. Received a Life Actuarial (A) Task Force coordination memo and directed NAIC committee support to research coordination on one item.
G. Received notice that the next International Association of Insurance Supervisors (IAIS) Accounting and Auditing Working Group (AAWG) meeting is Sept. 16–17, 2026.

4. Adopted its May 18 minutes. During this meeting, the Working Group took the following action:
   A. Adopted the following SAP concepts and clarifications:
      i. SSAP No. 1: Adopted revisions that add restricted asset categories for: 1) collateral assets received and on the balance sheet; 2) assets under modified coinsurance (modco) reinsurance agreements; and 3) assets held under funds withheld reinsurance agreements. (Ref #2025-27)
      ii. SSAP No. 37: Adopted Issue Paper No. 172 Qualifying Statutory Trusts. (Ref #2025-13)
      iii. *SSAP No. 52—Deposit-Type Contracts*: Adopted disclosures for funding agreement-backed notes (FABNs) and other similar structures, as well as a glossary to define the different structures. (Ref #2026-01)
      iv. Editorial revisions to multiple SSAPs, including removing the word "funding" from the beginning of the paragraph that describes Federal Home Loan Bank (FHLB) agreements, replacing the term "CUSIP" with "Security Identifier," and adding "U.S." before GAAP as appropriate. (Ref #2026-03EP)
   B. Exposed the following SAP concepts and clarifications to statutory accounting guidance:
      i. SSAP No. 1: Exposed revisions to clarify that the restricted asset reporting for securities lending transactions shall reflect the asset lent by the reporting entity still reflected on the reporting entity's financial statements and not collateral received. (Ref #2026-05)
      ii. SSAP No. 24: Exposed revisions to reject *Accounting Standards Update* (*ASU) 2025-10, Accounting for Government Grants Received by Business Entities,* incorporate terminology changes, and clarify that government grants are to be recorded as gain contingencies. (Ref #2026-04)

iii. SSAP No. 61: Exposed revisions to clarify how funds withheld liabilities shall be recorded. (Ref #2026-02)
iv. SSAP No. 100: Exposed revisions to eliminate the disclosure exclusion for "investments accounted for under the equity method" from the fair value financial instrument disclosure. (Ref #2026-06)
v. Annual statement: Exposed revisions to the Life, Accident and Health/Fraternal Annual Statement Blank and Instructions to clarify what shall be reported as "Subsidiary, Controlled or Affiliated (SCA)-Certain Other" and "SCA-All Other." (Ref #2026-07)
vi. New SSAP and issue paper: Re-exposed SSAP No. 109 and the corresponding issue paper. (Ref #2024-15)

5. Adopted its April 22 minutes. During this meeting, the Working Group took the following action:
   A. Exposed the revised SSAP No. 7, issue paper, revisions to other SSAPs, and proposed reporting revisions to incorporate new guidance for the IMR. (Ref #2023-14)

6. Adopted its Spring National Meeting minutes (*see NAIC Proceedings – Spring 2026, Accounting Practices and Procedures (E) Task Force, Attachment One*).

Virtual Meeting

BLANKS (E) WORKING GROUP
May 28, 2026

Summary Report

The Blanks (E) Working Group conducted an e-vote that concluded July 29, 2026, and adopted its May 28, 2026, minutes. The Blanks (E) Working Group met May 28, 2026. During this meeting, the Working Group:

1. Adopted its March 5 minutes (*see NAIC Proceedings, Spring 2026, Accounting Practices and Procedures (E) Task Force, Attachment Two*).

2. Adopted 16 proposals:
   A. 2025-23BWG Modified – Update the Separate Account Assets page by adding “Nonadmitted Assets” and “Net Admitted General Account Assets.” Add a new line on the Separate Account Summary of Operations for “Change in Nonadmitted Assets” within the surplus account. Insert a new page “Exhibit of Nonadmitted Assets” that will detail the current and prior total nonadmitted assets and the change in nonadmitted assets.
   B. 2025-24BWG – Update Notes to Financial Statements Note 18B – ASC Plans for the disclosure clarifications in *Statement of Statutory Accounting Principles* (*SSAP) No. 47—Uninsured Plans*.
   C. 2025-25BWG – Update Notes to Financial Statements Note #2 – Accounting Changes and Corrections of Errors, by adding the reference to *Valuation Manual* (VM)-20, Requirements for Principle-Based Reserves for Life Products.
   D. 2025-26BWG Modified –Update the annual statement expense categories and instructions to remove outdated expense terminology and update to reflect the current types of expenses that exist for companies.
   E. 2025-27BWG Modified – Add a section to Life/Fraternal Asset Valuation Reserve (AVR) to report collateralized loan obligations (CLOs). Add a footnote to Schedule D, Part 1, Section 2, to report the book/adjusted carrying value (BACV) by NAIC designation for CLOs.
   F. 2026-01BWG – Update Notes to Financial Statements Note #26 – Intercompany Pooling Arrangements to add instructions for modifications to an existing intercompany pooling arrangement that involved the transfer of assets with fair value that differ from statement value.
   G. 2026-02BWG Modified – Update Notes to Financial Statements Note #11 – Debt to add a cross-check between Note #11B – FHLB Agreements and General Interrogatory #26.
   H. 2026-03BWG Modified – Update the Life/Fraternal Annual and Quarterly Blanks and Instructions, Exhibit 5, General Interrogatory lines 27.6 and 27.7, Supplemental Exhibits and Schedules, Variable Annuities Supplement, to clarify how companies should report valuation standards for VM-22, Requirements for Principles-Based Reserves for Non-Variable Annuities, business. Add an annual supplement for VM-22 reserve reporting.
   I. 2026-04BWG Modified – Add a section to Notes to Financial Statements Note #11 – Debt to disclose funding agreements backing special purpose vehicles (SPV) issuances (FABN). Add a footnote to Life Statement Exhibit 7 to report the amount of total funding agreements backed by SPV issuances.

J. 2026-05BWG – Update the instructions to require explicit identification of instances where net asset value (NAV) is used by requiring direct reporting, rather than inference through omission, in the Fair Value Hierarchy Level and Method Used to Obtain Fair Value Code column in Schedules D and BA. The updates require completion of this column for all reported items and restrict reporting to indicators expressly permitted in the annual statement instructions.
K. 2026-06BWG – Update Notes to Financial Statements Note #5L(1) to add a reconciling adjustment line to the illustration to identify the assets pledged under multiple arrangements.
L. 2026-07BWG – Add clarifying instruction to Schedule D, Part 1, Sections 1 and 2, for the payment due at maturity column and to specify what reporting categories should be included in this column. Add clarifying instructions to the origination balloon payment percentage column on Schedule D, Part 1, Section 2. For Schedule BA, Parts 1, 2, and 3, add clarification to the maturity date column to complete the column if the investment has a contractual stated maturity date.
M. 2026-08BWG Modified – Add a code "O – Other" to the active status column on Schedule T for reporting entities that have a unique, restricted license type that does not fit into one of the other existing categories. Add a field to provide a description of the other license type, for example, captive insurers or international insurers. The proposal changes the "N – None of the Above" status code to "N – None," as instances where the existing codes do not apply would now be reported through the "O – Other" status code.
N. 2026-09BWG – Update the Five-Year Historical to add a line reporting short-term and cash equivalent affiliated investments**.**
O. 2026-11BWG – Update Notes to Financial Statements Note #5A – Mortgage Loans by adding a paragraph to disclose mortgage loans acquired through a qualifying investment in a qualifying statutory trust.
P. 2026-12BWG – Update the AVR factors to zero in columns 7 and 9 for the Collateral Loan section.

3. Deferred two proposals and exposed five new proposals for a 60-day public comment period ending July 27.

4. Received one memorandum.
   A. NAIC Securities Valuation Office (SVO) memorandum referral for the combining of security identifiers and adding a security identifier type field to the financial statements.

5. Adopted its editorial listing.

6. Blanks (E) Working Group timeline:

   A. August 26, 2026 call scheduled. Proposals with an effective date of 1st quarter 2027 should have been submitted to NAIC staff by July 27 to be considered for adoption on this call.
   B. Any new blanks changes having an effective date of annual 2027 or beyond need to be submitted