

TO: Subscribers to the NAIC *Annual Statement Instructions* – Title

FROM: Calvin Ferguson, Senior Insurance Reporting Analyst

DATE: November 1, 2017

RE: 2018 Title Quarterly Statement Instructions

Enclosed please find a complete set of 2018 quarterly statement instructions. Revised bars throughout the instruction manual in the left margin identify changes from 2017 instructions.

NOTE: Quarterly statement instructions are being shipped separately from the annual statement instructions. The 2018 annual statement instructions will be finalized after the June 2018 interim meeting and the anticipated shipping date will be September 2018.

The current instructions are printed in loose-leaf, three-hole drilled format, and are shipped with tabs. NAIC will ship a binder to new subscribers. Please retain the binder from the 2017 (or 2018, if a new subscriber) *Annual Statement Instructions* for use with future quarterly and annual statement instruction publications, as new binders will not be shipped automatically each year.

Updates to the instructions included in this manual are available after each quarterly national meeting on the NAIC website at www.naic.org/cmt_e_app_blanks.htm. Information regarding updates is also printed on the instructions cover page.

For instructions content questions, please contact Calvin Ferguson at cferguson@naic.org. If you need additional copies or have any questions about your order, please contact an NAIC Representative at prodserv@naic.org.

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Official NAIC Quarterly Statement Instructions

Title

**For the 2018 reporting year
Printed November 2017**

This guidance is adopted by the NAIC as of August 2017. Please note that there can be modifications to the instructions included in this manual from year to year as such guidance is subject to the maintenance process. To address this, the NAIC has a website dedicated to providing the holder of this manual with the latest information impacting quarterly and annual statement instructions.

Website: www.naic.org/cmte_e_app_blanks.htm



The NAIC is the authoritative source for insurance industry information. Our expert solutions support the efforts of regulators, insurers and researchers by providing detailed and comprehensive insurance information. The NAIC offers a wide range of publications in the following categories:

Accounting & Reporting

Information about statutory accounting principles and the procedures necessary for filing financial annual statements and conducting risk-based capital calculations.

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Important answers to common questions about auto, home, health and life insurance — as well as buyer's guides on annuities, long-term care insurance and Medicare supplement plans.

Financial Regulation

Useful handbooks, compliance guides and reports on financial analysis, company licensing, state audit requirements and receiverships.

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Comprehensive collection of NAIC model laws, regulations and guidelines; state laws on insurance topics; and other regulatory guidance on antifraud and consumer privacy.

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Information regarding portfolio values and procedures for complying with NAIC reporting requirements.

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http://www.naic.org/prod_serv_home.htm

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ISBN: 978-1-945655-00-5

Printed in the United States of America

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TABLE OF CONTENTS

	Page #
Financial Statement	
General.....	1
Jurat Page.....	2
Assets.....	6
Liabilities, Surplus and Other Funds	15
Operations and Investment Exhibit.....	21
Cash Flow	27
Notes to Financial Statements.....	40
General Interrogatories	79
Schedule F – Ceded Reinsurance – Showing All New Reinsurers – Current Year to Date.....	82
Schedule T – Exhibit of Premiums Written – Current Year to Date – Allocated by States and Territories.....	85
Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	
Part 1 – Organizational Chart	87
Part 1A – Details of Insurance Holding Company System.....	88
Part 1 – Loss Experience	92
Part 2 – Direct Written Premium.....	92
Investment Schedules	
Investment Schedules General Instructions	93
Summary Investment Schedules and Verifications (SI Pages)	
Schedule A – Verification – Real Estate.....	101
Schedule B – Verification – Mortgage Loans.....	103
Schedule BA – Verification – Other Long-Term Invested Assets.....	105
Schedule D	
Verification – Bonds and Stocks.....	107
Part 1B – Acquisitions, Dispositions and Non-trading Activity During the Current Quarter for All Bonds and Preferred Stock by Rating Class.....	109
Schedule DA	
Part 1 – Short-Term Investments Owned End of Current Quarter.....	112
Verification – Short-Term Investments	113
Schedule DE	
Part A Verification – Options, Caps, Floors, Collars, Swaps and Forwards.....	115
Part B Verification – Futures Contracts.....	116
Part C	
Section 1 – Replication (Synthetic Asset) Transactions (“RSAT”s) Open at Current Statement Date.....	118
Section 2 – Reconciliation of Replication (Synthetic Asset) Transactions Open.....	120
Verification – Book/Adjusted Carrying Value, Fair Value and Exposure of Derivatives.....	121
Schedule E – Verification – Cash Equivalents	122

Detail Investment Schedules (E Pages)

Schedule A			
Part 2	– Real Estate Acquired and Additions Made During the Current Quarter	124	
Part 3	– Real Estate Disposed During the Quarter	127	
Schedule B			
Part 2	– Mortgage Loans Acquired and Additions Made During the Current Quarter.....	131	
Part 3	– Mortgage Loans Disposed, Transferred or Repaid During the Current Quarter.....	135	
Schedule BA			
General Instructions		138	
Part 2	– Other Long-Term Invested Assets Acquired and Additions Made During the Current Quarter.....	144	
Part 3	– Other Long-Term Invested Assets Disposed, Transferred or Repaid During the Current Quarter.....	149	
Schedule D			
Part 3	– Long-Term Bonds and Stocks Acquired During the Current Quarter	153	
Part 4	– Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of During the Current Quarter	161	
Schedule DB			
Derivative Instruments – General Instructions.....		171	
Part A	– Section 1 – Options, Caps, Floors, Collars, Swaps and Forwards Open	174	
Part B	– Section 1 – Futures Contracts Open	185	
Part D			
	Section 1 – Counterparty Exposure For Derivative Instruments Open as of Current Statement Date	191	
	Section 2 – Collateral for Derivative Instruments Open as of Current Statement Date	195	
Schedule DL			
Part 1	– Securities Lending Collateral Assets	197	
Part 2	– Securities Lending Collateral Assets	204	
Schedule E			
Part 1	– Cash – Month End Depository Balances	211	
Part 2	– Cash Equivalents – Investments Owned End of Current Quarter	213	

EDITOR'S NOTE:

Some statement pages and items are considered self-explanatory and have no instructions other than what appears on the printed statement.

GENERAL

In general, where instructions are not included specifically for the quarterly statement, reporting entities should refer to the *Annual Statement Instructions*.

Follow the guidance and instructions found in the Foreword section of the *Annual Statement Instructions*, including the General section, where applicable for the quarterly statement.

The filing deadlines for the quarterly statement for most states are as follows:

1st Quarter	May 15
2nd Quarter	Aug. 15
3rd Quarter	Nov. 15

The specific Document Identifier Codes for barcodes required for the quarterly statement, rat page and applicable supplements can be found at www.naic.org/cmt_e_app_blanks.htm. See the Appendix of the *Annual Statement Instructions* for use of barcodes.

All quarterly statements and all filing forms associated with quarterly statement filings are to be 8 1/2" x 14" unless otherwise specified by any state(s). Follow the printing standards in the General section of the *Annual Statement Instructions*.

Refer to *SSAP No. 9—Subsequent Events*, for accounting guidance. The provisions of SSAP No. 9 apply to both quarterly and annual statement filings.

The 17th digit of the document ID for the bar code in the title page designates the quarter statement being submitted. The correct document ID to use is as follows:

1st Quarter	1
2nd Quarter	2
3rd Quarter	3

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JURAT PAGE

Enter all information completely as indicated by the format of the page.

NAIC Group Code

Current Period

Enter the NAIC Group Code for the current filing.

Prior Period

Enter the NAIC Group Code for the prior quarter.

State of Domicile or Port of Entry

Alien companies doing business in the United States through a port of entry should complete this line with the appropriate state. U.S. insurance entities should enter the state of domicile.

Country of Domicile

U.S. branches of alien insurers should enter the three-character identifier for the reporting entity's country of domicile from the Appendix of Abbreviations. Domestic insurers should enter "US" in this field.

Commenced Business

Enter the date when the reporting entity first became obligated for any insurance risk via the issuance of policies and/or entering into a reinsurance agreement.

Statutory Home Office

As identified with the Certificate of Authority in domiciled state.

Main Administrative Office

Location of the reporting entity's main administrative office.

Mail Address

Reporting entity's mailing address if other than the main administrative office address. May be a P.O. Box and the associated ZIP code.

Primary Location of Books and Records

Location where examiners may review records during an examination.

Internet Website Address

Include the Internet Website address of the reporting entity. If none, and information relating to the reporting entity is contained in a related entity's Website, include that Website.

Statutory Statement Contact

Name & Email

Name and email address of the person responsible for preparing and filing all statutory statements with the reporting entity's regulators and the NAIC. The person should be able to respond to questions and concerns for annual and quarterly statements.

Telephone Number & Fax Number

Telephone and fax number should include area code and extension.

Officers, Directors, Trustees

The state of domicile regulatory authority may dictate the required officers, directors, trustees and any other positions to be listed on the Jurat Page. Show full name (initials not acceptable) and title (indicate by number sign (#) those officers and directors who did not occupy the indicated position in the prior annual statement). Additional lines may be required to identify officers, directors, trustees and any other positions in primary policy-making or managerial roles. Examples of titles are 1) President, Chief Executive Officer or Chief Operating Officer; 2) Secretary, or Corporate Secretary; 3) Treasurer or Chief Financial Officer; and 4) Actuary. When identifying officers, if the Treasurer does not have charge of the accounts of the reporting entity, enter the name of the individual who does and indicate the appropriate title.

Statement of Deposition

Those states that have adopted the NAIC blank require that the blank be completed in accordance with the *Annual Statement Instructions* and *Accounting Practices and Procedures Manual* except to the extent that state law may differ. If the reporting entity deviates from any of these rules, disclose deviations in Note 1 of the Notes to Financial Statements, to the extent that there is an impact to the financial information contained in the quarterly statement.

Signatures

Complete the Jurat signature requirements in accordance with the requirements of the domiciliary state. Direct any questions concerning signature requirements to that state. At least one statement filed with the domiciliary state must have original signatures and must be manually signed by the appropriate corporate officers, have the corporate seal affixed thereon where appropriate and be properly notarized. For statements filed in non-domestic states, facsimile signatures or reproductions of original signatures may be used except where otherwise mandated. If the appropriate corporate officers are incapacitated or otherwise not available due to a personal emergency, the reporting entity should contact the domiciliary state for direction as to who may sign the statement.

NOTE: If the United States Manager of a U.S. Branch or the Attorney-in-Fact of a Reciprocal Exchange or Lloyds Underwriters is a corporation, the affidavit should be signed by two (or three) principal officers of the corporation or, if a partnership, by two (or three) of the principal members of the partnership.

For domiciliary jurisdictions that require the reporting entity to submit signatures on the Jurat page as part of the PDF filed with the NAIC, see the instructions for submitting a signed Jurat in the General Electronic Filing Directive. The link to that directive can be found at the following Web address:

www.naic.org/cmte_e_app_blanks.htm

If this is an amendment, change or modification of previously filed information, state the amendment number (each amendment made by a reporting entity should be sequentially numbered), the date this amendment is being filed and the number of quarterly statement pages being changed by this amendment.

To be filed in electronic format only:

Policyowner Relations Contact

Name

List person able to respond to calls regarding policies, premium payments, etc. on individual policies.

Address

May be a P.O. Box and the associated ZIP code.

Telephone Number

Telephone number should include area code and extension.

Email Address

Email address of the policyowner relations contact person as described above.

Government Relations Contact

Name

The government relations contact represents the person the reporting entity designates to receive information from state insurance departments regarding new bulletins, company and producer licensing information, changes in departmental procedures and other general communication regarding non-financial information.

Address

May be a P.O. Box and the associated ZIP code.

Telephone Number

Telephone number should include area code and extension.

Email Address

Email address of the government contact person as described above.

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Market Conduct Contact

Name

The Market conduct contact represents the person the reporting entity designates to receive information from state insurance departments regarding market conduct activities. Such information would include (but not be limited to) data call letters, filing instructions, report cards and inquires/questions about the reporting entity's market conduct.

Address

May be a P.O. Box and the associated ZIP code.

Telephone Number

Telephone number should include area code and extension.

Email Address

Email address of the market conduct contact person as described above.

Cybersecurity Contact

Name

The cybersecurity contact represents the person the reporting entity designates to receive information on active, developing and potential cybersecurity threats from regulatory agencies.

Address

May be a P.O. Box and the associated ZIP code.

Telephone Number

Telephone number should include area code and extension.

Email Address

Email address of the cybersecurity contact person as described above.

Life Insurance Policy Locator Contact (Not applicable to Property and Title companies)

Name

List person able to respond to calls regarding locating policies on lost or forgotten life insurance policies.

Address

May be a P.O. Box and the associated ZIP code.

Telephone Number

Telephone number should include area code and extension.

Email Address

Email address of the policy locator contact person as described above.

ASSETS

Information should be reported as of the end of current quarter.

The value for real estate, bonds, stocks, and the amount loaned on mortgages must, in all cases, prove with corresponding values and admitted assets supported by the corresponding schedules.

Refer to the *Accounting Practices and Procedures Manual* for accounting guidance on these topics.

Companies should refer to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* to determine the filing requirements and the procedures for valuation of bonds and stocks owned or held as collateral for loans.

The Notes to Financial Statements are an integral part of this statement. Certain Notes are required regarding the valuation of invested assets. See instructions herein for Notes to Financial Statements.

Assets owned at the end of the current period that were not under the exclusive control of the reporting entity, including assets loaned to others, are to be individually identified in the investment schedules by placing the codes found in the Investment Schedules General Instructions in the Code Column of the appropriate investment schedule.

For statements with Separate Accounts, Segregated Accounts or Protected Cell Accounts, Exclude receivables from the Separate Accounts Statement, Segregated Accounts or Protected Cell Accounts from the assets of the General Account Statement. This eliminates the need for consolidating adjustments. Report such receivables as a negative liability and net the receivables against payables to the appropriate account as required elsewhere in these instructions.

The development of admitted assets is illustrated in two columns.

Column 1 – Assets, Current Statement Date

Record the amount by category, from the reporting entity's financial records, less any valuation allowance.

Column 2 – Nonadmitted Assets, Current Statement Date

Include: Amounts for which the state does not allow the reporting entity to take credit.

Refer to the *Annual Statement Instructions*, Exhibit of Nonadmitted Assets.

Column 3 – Net Admitted Assets, Current Statement Date

The amount in Column 3 equals Column 1 minus Column 2. The amounts reported in Column 3 should agree to the appropriate schedules.

Column 4 – December 31 Prior Year Net Admitted Assets Annual Statement

Amount contained in Column 3 of the prior year-end.

Inside amounts – Report net admitted assets amounts.

Line 1 – Bonds

Report all bonds with maturity dates greater than one year from the acquisition date. Bonds are valued and reported in accordance with guidance set forth in *SSAP No. 26R—Bonds*; and *SSAP No. 43R—Loan-Backed and Structured Securities*.

Record bond acquisitions or disposals on the trade date, not the settlement date. Record private placements on the funding date.

Exclude: Interest due and accrued.

Line 2 – Stocks

The amount reported in Column 3 for common stocks and preferred stocks is the value in accordance with guidance set forth in *SSAP No. 30—Unaffiliated Common Stock*; *SSAP No. 32—Preferred Stock* and *SSAP No. 97—Investments in Subsidiary, Controlled, and Affiliated Entities*.

Line 3 – Mortgage Loans on Real Estate

Include: Foreclosed liens subject to redemption.

The amount reported in Column 3 is the Book Value/Recorded Investment reduced by any valuation allowance and nonadmitted amounts. Mortgage loans are valued and reported in accordance with the guidance set forth in *SSAP No. 37—Mortgage Loans*.

Exclude: Interest due and accrued.

Line 4 – Real Estate

Refer to *SSAP No. 40R—Real Estate Investments*; *SSAP No. 90—Impairment or Disposal of Real Estate Investments*; and *SSAP No. 44—Capitalization of Interest*, for accounting guidance.

The amount reported in Column 3 for properties occupied by the reporting entity (home office real estate), properties held for production of income and properties held for sale must not exceed actual cost, plus capitalized improvements, less normal depreciation. This formula shall apply whether the reporting entity holds the property directly or indirectly.

Report amounts net of encumbrances.

Exclude: Income due and accrued.

Line 5 – Cash, Cash Equivalents and Short-Term Investments

Include: All cash, including petty cash, other undeposited funds, certificates of deposit in banks or other similar financial institutions with maturity dates of one year or less from the acquisition date and other instruments defined as cash and cash equivalents in accordance with *SSAP No. 2R—Cash, Drafts, and Short-Term Investments*.

Include in Column 2, the excess of deposits in suspended depositories over the estimated amount recoverable.

The amount in Column 1 should agree with the sum of Schedule E, Part 1, Column 8, Schedule E, Part 2, Column 7 and Schedule DA, Part 1, Column 1. The amount in Column 1 should agree with Cash Flow, Line 19.2. The prior year's Column 1 amount should agree with Cash Flow, Line 19.1.

Line 6 – Contract Loans

Report loans at their unpaid balance in accordance with *SSAP No. 49—Policy Loans* (applicable to Life and Accident and Health), and reduced by the proportionate share of loans under any coinsurance arrangements.

Include: In Column 1, contract loans assumed under coinsurance arrangements.

In Column 2, premium notes, contract loans, and other policy assets in excess of net value and of other policy liabilities on individual policies.

Exclude: Interest due and accrued, less than 90 days past due. Refer to *SSAP No. 49—Policy Loans*, for accounting guidance.

Premium extension agreements.

Line 7 – Derivatives

Derivative asset amounts shown as debit balances. Should equal Schedule DB, Part D, Section 1, Column 5, Footnote Question 2. The gross amounts from Schedule DB shall be adjusted to reflect netting from the valid right to offset in accordance with *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

Line 8 – Other Invested Assets (Schedule BA Assets)

Report admitted investments reported on Schedule BA and not included under another classification.

Include: Loans.

Certain affiliated securities, such as joint ventures, partnerships and limited liability companies (*SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies*).

Low Income Housing Tax Credit Property Investments (refer to *SSAP No. 93—Low Income Housing Tax Credit Property Investments* for accounting guidance).

Line 9 – Receivables for Securities

Refer to *SSAP No. 21—Other Admitted Assets*, for accounting guidance.

Include: Amounts received within 15 days of the settlement date that are due from brokers when a security has been sold but the proceeds have not yet been received.

Exclude: Receivables for securities not received within 15 days of the settlement date. These receivables are classified as other-than-invested-assets and nonadmitted per *SSAP No. 21—Other Admitted Assets*.

Line 10 – Securities Lending Reinvested Collateral Assets

Include reinvested collateral assets from securities lending programs where the program is administered by the reporting entity's unaffiliated agent or the reporting entity's affiliated agent if the reporting entity chooses not to report in the investment schedules.

Line 11 – Aggregate Write-ins for Invested Assets

Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 11 for Invested Assets.

- Line 13 – Title Plants (Applies to Title Insurers Only)
Refer to *SSAP No. 57—Title Insurance*, for accounting guidance.
- Line 14 – Investment Income Due and Accrued
Refer to *SSAP No 34—Investment Income Due and Accrued*, for accounting guidance
Include: Income earned on investments but not yet received.
- Line 15 – Premiums and Considerations
Include: Amounts for premium transactions conducted directly with the insured.
Amounts due from agents resulting from various insurance transactions.
Premiums receivable for government-insured plans, including fixed one-time premium payments (such as for Medicaid low birth weight neonates and Medicaid maternity delivery).
Refer to *SSAP No. 6—Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers; SSAP No. 57—Title Insurance, and SSAP No. 53—Property Casualty Contracts – Premiums*. Refer to *SSAP No. 62R—Property and Casualty Reinsurance; and SSAP No. 61R—Life, Deposit-Type and Accident and Health Reinsurance*, for accounting guidance pertaining to reinsurance transactions.
- Line 15.1 – Uncollected Premiums and Agents’ Balances in Course of Collection
Include: Direct and group billed uncollected premiums.
Amounts collected but not yet remitted to home office.
Accident and health premiums due and unpaid.
Life insurance premiums and annuity considerations uncollected on in force business (less premiums on reinsurance ceded and less loading).
Title insurance premiums and fees receivable.
Do not deduct: **For Property/Casualty and Title Statements:**
Ceded reinsurance balances payable.
Exclude: Receivables relating to uninsured accident and health plans and the uninsured portion of partially insured accident and health plans.
- Line 15.2 – Deferred Premiums, Agents’ Balances and Installments Booked but Deferred and Not Yet Due
Include: Receivable amounts not yet due.
Life insurance premiums and annuity considerations deferred on in force business (less premiums on reinsurance ceded and less loading).
For Property/Casualty companies:
Earned but unbilled premiums.
Deduct: **For Property/Casualty companies:**
Reinsurance assumed premiums received after the effective date of the contract but prior to the contractual due date. Refer to *SSAP No. 62R—Property and Casualty Reinsurance*, for accounting guidance.
Exclude: Ceded reinsurance balances payable

Line 15.3 – Accrued Retrospective Premiums (\$_____) and contracts subject to redetermination (\$_____)

Include: Accrued retrospective premiums on insurance contracts.

Receivables for all contracts subject to redetermination, including risk adjustment for Medicare Advantage and Medicare Part D and Affordable Care Act risk adjustment. See *SSAP No. 54R—Individual and Group Accident and Health Contracts*.

Refer to *SSAP No. 66—Retrospectively Rated Contracts*, for accounting guidance and nonadmission criteria.

Direct Accrued Retrospective Premiums:

For Property/Casualty companies:

If retrospective premiums are estimated by reviewing each retrospectively rated risk, report on Line 15.3 the gross additional retrospective premium included in the total reserve for unearned premiums.

If retrospective premiums are estimated through the use of actuarially accepted methods applied to aggregations of multiple retrospectively rated risks in accordance with filed and approved retrospective rating plans and the result of such estimation is net additional retrospective premiums, report on Line 15.3 the net additional retrospective premium included in the total reserve for unearned premiums.

Line 16.1 – Amounts Recoverable from Reinsurers

Property/Casualty and Title companies should refer to *SSAP No. 62R—Property and Casualty Reinsurance*, for accounting guidance.

Include: Amounts recoverable on paid losses/claims and loss/claim adjustment expenses.

Reinsurance recoverables on unpaid losses are treated as a deduction from the reserve liability.

Line 16.2 – Funds Held by or Deposited with Reinsured Companies

Property/Casualty and Title companies should refer to *SSAP No. 62R—Property and Casualty Reinsurance*, for accounting guidance.

Include: Reinsurance premiums withheld by the ceding entity as specified in the reinsurance contract (for example, funds withheld equal to the unearned premiums and loss reserves), or advances from the reinsurer to the ceding entity for the payment of losses before an accounting is made by the ceding entity.

Line 16.3 – Other Amounts Receivable Under Reinsurance Contracts

Life companies, include commissions and expense allowances due and experience rating and other refunds due. Include the amounts for FEGLI/SEGLI pools and any other amounts not reported in Lines 16.1 or 16.2.

Property/Casualty and Title companies should refer to *SSAP No. 62R—Property and Casualty Reinsurance*, for accounting guidance.

Line 17 – Amounts Receivable Relating to Uninsured Plans

The term “uninsured plans” includes the uninsured portion of partially insured plans.

Include: Amounts receivable from uninsured plans for (a) claims and other costs paid by the administrator on behalf of the third party at risk and (b) fees related to services provided by the administrator to the plan.

Pharmaceutical rebates relating to uninsured plans that represent an administrative fee and that are retained by the reporting entity and are earned in excess of the amounts to be remitted to the uninsured plan.

Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables* for accounting guidance.

Exclude: Pharmaceutical rebates of insured plans. These amounts should be reported on Line 24.

Refer to *SSAP No. 47—Uninsured Plans*, for accounting guidance.

Line 18.1 – Current Federal and Foreign Income Tax Recoverable and Interest Thereon

This line is not applicable to Fraternal Societies.

Exclude: Deferred tax assets.

Refer to *SSAP No. 101—Income Taxes*, for accounting guidance.

Reporting entities may recognize intercompany transactions arising from income tax allocations among companies participating in a consolidated tax return, provided the following conditions are met:

1. There is a written agreement describing the method of allocation and the manner in which intercompany balances will be settled; and
2. Such an agreement requires that any intercompany balance will be settled within a reasonable time following the filing of the consolidated tax return; and
3. Such agreement complies with regulations promulgated by the Internal Revenue Service; and
4. Any receivables arising out of such allocation meet the criteria for admitted assets as prescribed by the domiciliary state of the reporting entity; and
5. Other companies participating in the consolidated return have established liabilities that offset the related intercompany receivables.

Line 18.2 – Net Deferred Tax Asset

Refer to *SSAP No. 101—Income Taxes*, for accounting guidance.

Line 19 – Guaranty Funds Receivable or on Deposit

This line is not applicable to Fraternal Societies.

Include: Any amount paid in advance or amounts receivable from state guaranty funds to offset against premium taxes in future periods.

- Line 20 – Electronic Data Processing Equipment and Software
- Include: Electronic data processing equipment, operating and non-operating systems software (net of accumulated depreciation).
- Refer to *SSAP No. 16R—Electronic Data Processing Equipment and Software*, for accounting guidance. Non-operating systems software must be nonadmitted. Admitted asset is limited to three percent of capital and surplus for the most recently filed statement adjusted to exclude any EDP equipment and operating system software, net deferred tax assets and net positive goodwill.
- Line 21 – Furniture and Equipment, Including Health Care Delivery Assets
- Include: Health care delivery assets reported in the Furniture and Equipment Exhibit.
- All leasehold improvements.
- Refer to *SSAP No. 19—Furniture, Fixture and Equipment and Leasehold Improvements*; *SSAP No. 44—Capitalization of Interest*, and *SSAP No. 73—Health Care Delivery Assets and Leasehold Improvements in Health Care Facilities*, for accounting guidance.
- Line 22 – Net Adjustments in Assets and Liabilities Due to Foreign Exchange Rates
- Include: The appropriate exchange differential applied to the excess, if any, of foreign currency Canadian Insurance Operations assets over Canadian Insurance Operations liabilities. This method can be used if the Canadian Insurance Operations result in less than 10% of the reporting entity's assets, liabilities and premium. The difference, if an asset, is recorded on Page 2, Line 22, Net Adjustments in Assets and Liabilities Due to Foreign Exchange Rates; or, if a liability, on Page 2, Net Adjustments in Assets and Liabilities Due to Foreign Exchange Rates. Refer to *SSAP No. 23—Foreign Currency Transactions and Translations*, for accounting guidance.
- Line 23 – Receivables from Parent, Subsidiaries and Affiliates
- Include: Unsecured current accounts receivable from parent, subsidiaries and affiliates.
- Exclude: Amounts owed due to intercompany tax sharing agreements.
- Amounts related to intercompany reinsurance transactions. Report reinsurance between affiliated companies through the appropriate reinsurance accounts.
- Loans to affiliates and other related parties, that are reported in the appropriate category of Schedule BA.
- Affiliated securities which are reported in the appropriate investment schedules (Schedule D or DA).
- Refer to *SSAP No. 25—Affiliates and Other Related Parties*, for accounting guidance.

Line 24 – Health Care and Other Amounts Receivable

Include: Bills Receivable – Report any unsecured amounts due from outside sources or receivables secured by assets that do not qualify as investments.

Amounts due resulting from advances to agents or brokers – Refer to *SSAP No. 6—Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers*, for accounting guidance.

Health Care Receivables – Include pharmaceutical rebate receivables, claim overpayment receivables, loans and advances to providers, capitation arrangement receivables and risk sharing receivables from affiliated and non-affiliated entities. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables*, for accounting guidance.

Other amounts receivable that originate from the government under government-insured plans, including **undisputed** amounts over 90 days due that qualify as accident and health contracts are admitted assets. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables* and *SSAP No. 50—Classification of Insurance or Managed Care Contracts* for accounting guidance.

Exclude: Pharmaceutical rebates relating to uninsured plans that represent an administrative fee and that are retained by the reporting entity and earned in excess of the amounts to be remitted to the uninsured plan. These amounts should be reported on Line 17.

Premiums receivable for government insured plans reported on Lines 15.1, 15.2 or 15.3.

Line 25 – Aggregate Write-ins for Other Than Invested-Assets

Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 25 for Other-Than-Invested-Assets.

Details of Write-ins Aggregated at Line 11 for Invested Assets

List separately each category of invested assets for which there is no pre-printed line on Page 2 (and that are not on Schedule 3A).

Include: Receivables resulting from the sale of invested assets other than securities.

Exclude: Collateral held on securities lending. In accordance with *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishment of Liabilities*, this collateral should be reported on the appropriate invested asset line if the collateral pledged is unrestricted.

Details of Write-ins Aggregated at Line 25 for Other-Than-Invested-Assets

List separately each category of assets (other-than-invested-assets) for which there is no pre-printed line on Page 2.

Include: Equities and deposits in pools and associations.

COLI – Report the cash value of corporate owned life insurance, including amounts under split dollar plans.

Consideration paid for retroactive reinsurance contracts). Refer to *SSAP No. 62R—Property and Casualty Reinsurance*.

Other Receivables – Report any other reimbursement due the reporting entity.

Prepaid pension cost and the intangible asset resulting from recording an additional liability with a description of “prepaid pension cost” and “intangible pension asset,” respectively. See *SSAP No. 402—Pensions*, for guidance.

Receivables for securities not received within 10 days of the settlement date are classified as other-than-invested-assets and nonadmitted per *SSAP No. 21—Other Admitted Assets*.

For Property/Casualty Companies:

Amounts accrued for reimbursement of high deductible claims paid by the reporting entity. Refer to *SSAP No. 65—Property and Casualty Contracts* for accounting guidance.

Annuities at their present value purchased to fund future fixed loss payments. Refer to *SSAP No. 65—Property and Casualty Contracts*.

Reinsurance premiums paid by a ceding entity prior to the effective date of the contract. Refer to *SSAP No. 62R—Property and Casualty Reinsurance*, for accounting guidance.

For Life and Health Companies:

Reinsurance premiums paid by a ceding entity prior to the due date. Refer to *SSAP No. 61R—Life, Deposit-Type and Accident and Health Reinsurance*.

For Life, Accident & Health and Fraternal Companies:

Any negative IMR that is nonadmitted.

LIABILITIES, SURPLUS AND OTHER FUNDS

Information should be reported as of the end of current quarter.

- Line 1 – Known Claims Reserve
- Include: Loss and allocated loss adjustment expenses accrued.
- Exclude: Unallocated loss adjustment expenses accrued.
- Refer to Schedule P instructions for definitions.
- Refer to *SSAP No. 9—Subsequent Events*, for accounting guidance related to events that take place subsequent to the balance sheet date for claims reported as of December 31 of the current year.
- Line 2 – Statutory Premium Reserve
- Refer to Operations and Investment Exhibit, Part 1B instructions for definition.
- Line 3 – Aggregate of Other Reserves Required by Law
- Include on this line reserves required by statute other than the Statutory Premium Reserve.
- Line 6 – Other Expenses (Excluding Taxes, Licenses and Fees)
- Include: Incurred but unpaid operating operations and investment expenses, excluding taxes, licenses and fees.
- The unfunded postretirement obligation shall be included in Other Expenses in accordance with the reporting entity's allocation of such expense.
- Line 7 – Taxes, Licenses and Fees (Excluding Federal and Foreign Income Taxes)
- Include: Incurred but unpaid investment and underwriting taxes, licenses and fees.
- Guaranty fund assessments that are accrued in accordance with *SSAP No. 35R—Guaranty Fund and Other Assessments*.
- Exclude: Federal and foreign income taxes and any amounts withheld or retained by the company acting as agent for others.
- Line 8.1 – Current Federal and Foreign Income Taxes (including \$____ on realized capital gains (losses))
- Include: Federal and foreign income taxes due or accrued.
- Exclude: Income taxes recoverable.
- Deferred tax liabilities.
- Refer to *SSAP No. 101—Income Taxes*, for accounting guidance.

Line 8.2 – Net Deferred Tax Liability

Refer to *SSAP No. 101—Income Taxes*, for accounting guidance.

Line 9 – Borrowed Money \$_____ and interest thereon \$_____

Report the unpaid balance outstanding at the end of the current quarter on any borrowed money plus accrued interest and any unamortized premium or discount (commercial paper, bank loans, notes, etc.).

Include: Interest payable on all debt reported as a liability, approved interest on surplus notes and interest payable on debt reported as a reduction in the carrying value of real estate. Refer to *SSAP No. 15—Debt and Holding Company Obligations*, for accounting guidance.

Debt obligations of an employee stock ownership plan by the reporting entity and dividends on unallocated employee stock ownership plan shares. Refer to *SSAP No. 12—Employee Stock Ownership Plans*, for accounting guidance.

Exclude: Debt on real estate in accordance with *SSAP No. 40R—Real Estate Investments* (i.e., reported as a reduction in the carrying value of real estate).

Debt offset against another asset in accordance with *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

Debt for which treatment is specified elsewhere. Instruments that meet the requirements to be recorded as surplus as specified in *SSAP No. 72—Surplus and Quasi-Reorganization* are not considered debt.

Debt issuance costs (e.g., plan fees and legal fees).

The value attributable to detachable stock purchase warrants. Report this value as paid-in capital.

Line 10 – Dividends Declared and Unpaid

Include: The amount of dividends on outstanding shares of capital stock.

Exclude: Stock dividends of the company's own shares that are declared by the board of directors but are unpaid at the balance sheet date.

Line 13 – Funds held by Company Under Reinsurance Treaties

Include: Reinsurance premiums withheld by the company as specified in the reinsurance contract (for example, funds withheld equal to the unearned premiums and loss reserves) or advances to the company by the payment of losses before an accounting is made by the company.

Line 14 – Amounts Withheld or Retained by Company for Account of Others

Include: Employees' FICA and unemployment contributions, withholdings for purchase of savings bonds, taxes withheld at source and other withholdings, as well as amounts held in escrow for payment of taxes, insurance, etc., under F.H.A. or other mortgage loan investments, or held for guarantee of contract performance; and any other funds that the reporting entity holds in a fiduciary capacity for the account of others (excluding reinsurance funds held and Segregated Funds Held for Others as reported on Schedule E, Parts 1A and 1B).

If, however, a reporting entity has separate bank accounts for exclusive use in connection with employee bond purchases or escrow F.H.A. payments or other amounts withheld or retained in a similar manner, or other assets deposited to guarantee performance, the related assets should be shown separately on the asset page and extended at zero value, unless such assets are income-producing for the reporting entity, in which case they should be shown both as assets and as liabilities in the statement.

Exclude: Segregated Funds Held for Others as reported on Schedule E, Parts 1A and 1B of the annual statement).

Refer to *SSAP No. 67—Other Liabilities*, for accounting guidance.

Line 15 – Provision for Unauthorized and Certified Reinsurance

See *Annual Statement Instructions* Schedule E, Part 3, Column 18 and Schedule F, Part 4, Column 19.

Line 16 – Net Adjustment in Assets and Liabilities Due to Foreign Exchange Rates

Include: The appropriate exchange differential applied to the excess, if any, of foreign currency Canadian insurance operations assets over foreign currency Canadian insurance operations liabilities. This method can be used if the Canadian Insurance Operations result in less than 10% of the reporting entity's assets, liabilities and premium. The difference, if an asset, is recorded on Page 2, Line 22, Net Adjustments in Assets and Liabilities Due to Foreign Exchange Rates; or, if a liability, on Page 3, Line 16, Net Adjustments in Assets and Liabilities Due to Foreign Exchange Rates. Refer to *SSAP No. 23—Foreign Currency Transactions and Translations*, for accounting guidance.

Line 18 – Payable to Parent, Subsidiaries and Affiliates

A liability is recognized and identified as due to affiliates for expenditures incurred on behalf of the reporting entity by a parent, affiliates or subsidiaries; or for amounts owed through other intercompany transactions. Refer to *SSAP No. 67—Other Liabilities*, for accounting guidance.

Include: Unreimbursed expenditures on behalf of the reporting entity by a parent, affiliates or subsidiaries; or amounts owing through other intercompany transactions.

Exclude: Amounts owed due to intercompany tax-sharing agreements.

Amounts related to intercompany reinsurance transactions. Report reinsurance between affiliated companies through the appropriate reinsurance accounts.

Loans from affiliates that are reported as borrowed money. See *SSAP No. 15—Debt and Holding Company Obligations*, for accounting guidance.

Refer to *SSAP No. 25—Affiliates and Other Related Parties*, for accounting guidance.

- Line 19 – Derivatives
- Derivative liability amounts shown as credit balances. Should equal Schedule DB, Part D, Section 1, Column 6, Footnote Question 2 times -1. The gross amounts from Schedule DB shall be adjusted to reflect netting from the valid right to offset in accordance with *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.
- Line 20 – Payable for Securities
- Include: Amounts that are due to brokers when a security has been purchased but has not yet been paid.
- Line 21 – Payable for Securities Lending
- Include: Liability for securities lending collateral received by the reporting entity that can be reinvested or repledged.
- Line 22 – Aggregate Write-ins for Other Liabilities
- Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 22 for Other Liabilities.
- Line 24 – Aggregate Write-ins for Special Surplus Funds
- Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 24 for Special Surplus Funds.
- Line 25 – Common Capital Stock
- Should equal the par value per share multiplied by the number of issued shares or in the case of no-par shares, the total stated value.
- Authorized capital stock is the number of shares that the state has authorized a corporation to issue.
- Outstanding capital stock is the number of authorized shares that have been issued and are presently held by stockholders (excludes treasury stock, as defined in the instructions for Line 31).
- Issued capital stock is the cumulative total number of authorized shares that have been issued to date. The number of issued shares includes treasury stock.
- Line 26 – Preferred Capital Stock
- Should equal the par value per share multiplied by the number of issued shares, or in the case of no-par shares, the total stated or liquidation value.
- Authorized, outstanding and issued shares have the same meaning as in Line 25.
- Line 27 – Aggregate Write-ins for Other-Than-Special Surplus Funds
- Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 27 for Other-Than-Special Surplus Funds.

- Line 28 – Surplus Notes
- Include: That portion of any subordinated indebtedness, surplus debenture, contribution certificate, surplus note, debenture note, premium income note, bond or other contingent evidence of indebtedness not included in Line 24 that is a financing vehicle for increasing surplus. Furnish pertinent information concerning conditions of repayment, redemption price, interest features, etc., in the Notes to Financial Statements. Report discount or premium, if any, in the balance sheet as a direct deduction from or addition to the face amount of the note.
- Exclude: Cost of issuing surplus notes (e.g., loan fees and legal fees). Charge these amounts to operations when incurred.
- Refer to *SSAP No. 41R—Surplus Notes*, for accounting guidance.
- Line 29 – Gross Paid In and Contributed Surplus
- Include: Amounts for quasi-reorganizations. Refer to *SSAP No. 72—Surplus and Quasi-Reorganizations*, for accounting guidance.
- Line 30 – Unassigned Funds (Surplus)
- Unassigned funds (surplus) are the undistributed and unappropriated amount of surplus.
- Include: Reductions for unearned employee stock option plan shares.
- Amounts for quasi-reorganizations. Refer to *SSAP No. 72—Surplus and Quasi-Reorganizations*, for accounting guidance.
- Changes in the additional minimum pension liability. Refer to *SSAP No. 102—Pension*, for accounting guidance.
- Line 31 – Treasury Stock, at Cost
- Treasury stock is the corporation's own shares that have been issued, fully paid and reacquired by the issuing corporation but not canceled. Treasury stock is included in issued capital stock but is not part of the outstanding capital stock.
- Include: The number of shares and the value in the appropriate spaces provided in Lines 25 and 26 for the current year. Cost method of accounting should determine the cost basis of treasury stock acquired.
- Cost of reacquired suspense shares of an employee stock option plan.
- Line 32 – Surplus as regards policyholders
- Column 1 should agree to Page 4, Operations and Investment Exhibit, Statement of Income, Line 32, Column 1.
- Column 2 should agree to Page 4, Operations and Investment Exhibit, Statement of Income, Line 32, Column 3.

Details of Write-ins Aggregated at Line 22 for Other Liabilities

List separately each category of liabilities for which there is no pre-printed line on Page 3.

This schedule is for other liability items not specifically provided for.

- Include:
- Uncashed drafts and checks that are pending escheatment to a state.
 - Interest paid in advance on mortgage loans, rents paid in advance and retroactive reinsurance.
 - Premium deficiency reserves, if applicable, in accordance with SSAP No. 53—*Property Casualty Contracts – Premiums*.
 - Servicing liabilities as described in SSAP No. 103R—*Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*.
 - Unearned compensation for employee stock options, plan stock options issued and stock purchase and award plans. Refer to SSAP No. 12—*Employee Stock Ownership Plans*, and SSAP No. 104R—*Share-based Payments*, for accounting guidance.
 - Amount recorded as required by the additional minimum liability calculation with a description of “additional pension liability.” See SSAP No. 102—*Pensions*, for guidance.
- Exclude:
- All voluntary and general contingency reserves and other special surplus funds not in the nature of liabilities.

Details of Write-ins Aggregated at Line 24 for Special Surplus Funds

Enter only voluntary and general contingency reserves and other special surplus funds not in the nature of liabilities.

- Include:
- Surplus resulting from retroactive reinsurance.

Details of Write-ins Aggregated at Line 27 for Other-Than-Special Surplus Funds

Enter separately by category the amount of guaranty fund notes, contribution certificates, statutory deposits of other funds or similar funds other than capital stock, with appropriate description. The aggregate amount of all surplus notes required or those that are a prerequisite for purchasing an insurance policy and are held by the policyholder should be listed as a separate item.

OPERATIONS AND INVESTMENT EXHIBIT

Information should be reported for current year-to-date.

This statement and the Capital and Surplus Account should be completed on the accrual; i.e., earned and incurred basis. Certain items may be either positive or negative, and should be entered accordingly. The various investment items of interest, rent, profit and loss, depreciation, appreciation, etc., appearing in the Parts supporting this Statement of Income must check with the data relating to the same transactions as set forth in the appropriate schedules. Profit and loss items must be itemized. The lists of items to be included in the various lines and supporting Parts are not intended to exclude analogous items that are omitted from the lists.

The results of an insurance company's discontinued operations and extraordinary items shall be reported consistently with the company's reporting of continuing operations (i.e., no separate line item presentation in the balance sheet or statement of operations aggregating current and future losses from the measurement date).

STATEMENT OF INCOME

- Column 1 – Current Year to Date
Include all transactions from beginning of current year to end of current quarter.
- Column 2 – Prior Year to Date
Include all transactions from beginning of prior year to end of prior year quarter that correlates to the current reporting period.
- Column 3 – Prior Year-ended December 31
Include all transactions from beginning of prior year to end of prior year.
- Line 1.2 – Escrow and Settlement Services
The amounts reported on this line represent income reported by the company for escrow and settlement services charges.
- Line 2 – Aggregate Write-ins for Other Operating Income
Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 2 for Other Operating Income.
- Line 3 – Total Operating Income
The amount shown on this line should be the total of the amounts shown on Lines 1.1, 1.2, 1.3 and 2.
- Line 5 – Operating Expenses Incurred
Include those items to be reported in the Operations and Investment Exhibit, Part 3, Line 24, Column 4 of the annual statement.
- Line 6 – Aggregate Write-ins for Other Operating Expenses
Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 6 for Other Operating Expenses.
- Line 7 – Total Operating Expenses
The amount shown on this line should agree with the total of Lines 4, 5 and 6.

- Line 8 – Net Operating Gain or (Loss)
- The amount shown on this line should be the amount shown on Line 3, less the amount shown on Line 7.
- Line 9 – Net Investment Income Earned
- Include: Investment income earned from all forms of investment.
- Dividends from SCA entities, joint ventures, partnerships, and limited liability companies minus investment expenses, taxes (excluding federal income taxes), licenses, fees, depreciation on real estate and other invested assets.
- Interest on borrowed money.
- Exclude: Capital gains and losses on investments.
- Equity in distributed income or loss of SCA entities, joint ventures, partnerships and limited liability companies as defined by SSAP No. 97—*Investments in Subsidiary, Controlled and Affiliated Entities*; and SSAP No. 48—*Joint Ventures, Partnerships and Limited Liability Companies*.
- Line 10 – Net Realized Capital Gain (Losses) Less Capital Gains Tax of \$ _____
- Include: Realized investment related foreign exchange gains/(losses).
- Exclude: Unrealized capital gains/(losses).
- Line 11 – Net Investment Gain (Loss)
- The amount shown on this line should agree with the total of Lines 9 and 10.
- Line 12 – Aggregate Write-ins for Miscellaneous Income or (Loss) or Other Deductions
- Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 12 for Miscellaneous Income or (Loss) or Other Deductions.
- Line 13 – Net Income After Capital Gains Tax and Before All Other Federal Income Taxes
- The amount shown on this line should agree with the total of the amounts shown on Lines 8, 11 and 12.
- Line 14 – Federal and Foreign Income Taxes Incurred
- Include: Current year provisions for federal and foreign income taxes; and federal and foreign income taxes incurred or refunded during the year relating to prior period adjustments. In some instances, such prior period adjustments, if material, may be charged or credited directly to unassigned surplus in the Capital and Surplus Account.
- Line 15 – Net Income
- The amount shown on this line should agree with the amount shown on Line 13, less the amount shown on Line 14.

CAPITAL AND SURPLUS ACCOUNT

- Line 16 – Surplus as Regards Policyholders, December 31, Prior Year
The amount shown on this line should agree with the amount shown on Page 3, Line 32, Column 2.
- Line 17 – Net Income
The amount shown on this line should agree with the amount shown on Line 15.
- Line 18 – Change in Net Unrealized Capital Gains (Losses) less Capital Gains Tax of \$ _____
Include: Equity in undistributed income or loss of SCA entities, joint ventures, partnerships, and limited liability companies as defined in SSAP No. 97—*Investments in Subsidiary, Controlled, and Affiliated Entities*; and SSAP No. 48—*Joint Ventures, Partnerships and Limited Liability Companies*.
Exclude: Realized capital gains (losses).
- Line 19 – Change in Net Unrealized Foreign Exchange Capital Gain (Loss)
Include: Unrealized investment related foreign exchange gains (losses).
Foreign operations exchange translation adjustment gains (losses).
Exclude: Realized investment foreign exchange gains (losses).
Foreign currency transaction adjustments.
Refer to SSAP No. 23—*Foreign Currency Transactions and Translations*, for accounting guidance.
- Line 20 – Change in Net Deferred Income Tax
Record the change in net deferred income tax. Refer to SSAP No. 101—*Income Taxes*, for accounting guidance. The amount shown on this line should represent the gross change in net deferred tax, with any change in the non-admitted deferred tax asset reported on Line 21.
- Line 22 – Change in Provision for Unauthorized and Certified Reinsurance
The amount shown on this line should agree with the amounts shown on Page 3, Line 15, Column 2 minus Column 1.
- Line 23 – Change in Supplemental Reserve
The amount shown on this line should agree with the amounts shown on Page 3, Line 4, Column 2 minus Column 1.
- Line 24 – Change in Surplus Notes
Changes in the balances of surplus notes meeting the requirements of SSAP No. 41R—*Surplus Notes*, shall be accounted for on this line.
The amount shown on this line should agree with the amounts shown on Page 3, Line 28, Column 1 minus Column 2.

- Line 25 – Cumulative Effect of Changes in Accounting Principles
- Exclude: Corrections of errors in previously issued financial statements. Corrections of errors should be reported on the Aggregate write-ins for gains and losses on surplus line.
- Changes in accounting estimates. A change in an accounting estimate should be included in the Statement of Income.
- Line 26.1 – Capital Changes Paid In
- Include: Par or stated value of shares issued or retired by company during the period.
- Only when issued stock increases(decreases) should this line increase(decrease). The amount included in this line will be the par value.
- Line 26.2 – Capital Changes Transferred from Surplus (Stock Dividend)
- Include: The increase in capital resulting from a stock dividend (corresponding to the decrease in surplus shown on Line 27.2).
- Line 26.3 – Transferred to surplus
- The amount on this line should be offset by the corresponding entry on Line 27.3.
- NOTE: The sum of lines 26.1 through 26.3 should equal the change between years from Liabilities page, lines 25 and 26, current year minus prior year.
- Line 27.1 – Surplus Adjustments Paid In
- Include: The difference between the par or stated value and the price of shares issued or retired by the company during the period
- Amounts contributed during the period.
- This should equal the change between years from Liabilities page, Line 29, column 1 minus column 2. Refer to *SSAP No. 72—Surplus and Quasi-Reorganizations*, for accounting guidance.
- Line 27.2 – Surplus Adjustments Transferred to Capital
- Include: The decrease in surplus resulting from a stock dividend (corresponding to increase in capital shown on Line 26.2).
- Line 27.3 – Transferred from capital
- The amount on this line should be offset by the corresponding entry on Line 26.3.
- Line 28 – Dividends to Stockholders
- Include: Dividends paid or accrued (if declared but unpaid at reporting date) in cash and dividends on allocated employee stock option plan shares.
- Exclude: Dividends on unallocated employee stock option plan shares.

- Line 29 – Change in Treasury Stock
 Include: Change between years in ownership of treasury stock at cost.
- Line 30 – Aggregate Write-ins for Gains and Losses in Surplus
 Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 30 for Gains and Losses in Surplus.
- Line 31 – Change in Surplus as Regards Policyholders for the Year
 The amount shown on this line should agree with the total of the amounts shown on Lines 17 through 30.
- Line 32 – Surplus as Regards Policyholders as of Statement Date, December 31, Current Year
 The amount shown on this line should agree with the amount shown on Line 16, plus the amount shown on Line 31.

Details of Write-ins Aggregated at Line 2 for Other Operating Income

List separately each category of Other Operating Income for which there is no pre-printed line on Page 4.

Include those items to be reported in the Operations and Investment Exhibit, Part 4, Line 2, Column 5 of the annual statement.

Details of Write-ins Aggregated at Line 6 for Other Operating Deductions

List separately each category of Other Operating Deductions for which there is no pre-printed line on Page 4.

Include those items to be reported in the Operations and Investment Exhibit, Part 3, Line 24, Column 6 of the annual statement.

Details of Write-ins Aggregated at Line 12 for Miscellaneous Income or (Loss) or Other Deductions

List separately each category of Miscellaneous Income or (Loss) for which there is no pre-printed line on Page 4.

Include: Miscellaneous items, such as:

Income on annuities purchased to fund future payments. The income from annuities is the amount received on annuities purchased to fund future payments less the change in the value (i.e., present value) of these annuities.

Premiums for life insurance on employees (less \$_____ increase in cash values). NOTE: Use this item only where the company is beneficiary.

Receipts from Schedule BA assets, other than interest, dividends and real estate income, and other than capital gains on investments.

Other sundry receipts and adjustments not reported elsewhere.

Fines and penalties of regulatory authorities should be shown as a separate item.

Gain or loss from initial retroactive reinsurance and any subsequent change in the initial incurred loss and loss adjustment expense reserves transferred.

As an expense, interest due or payable to assuming reinsurers on funds held by the reporting entity.

As an offset to expense, interest due from ceding reinsurers on funds held by the ceding company on behalf of the reporting entity.

Net realized foreign exchange capital gains and losses not related to investments. Refer to *SSAP No. 23—Foreign Currency Transactions and Translations*, for accounting guidance.

Gains (losses) on fixed assets.

Exclude: Investment foreign exchange gains (losses)

Details of Write-ins Aggregated at Line 30 for Gains and Losses in Surplus

List separately each category of Gains and Losses in Surplus for which there is no pre-printed line on Page 4.

Include: Other gains and losses in surplus not included in Lines 18 through 29. Include items such as net proceeds from life insurance on employees.

Corrections of errors in previously issued financial statements.

Changes in the additional minimum pension liability. Refer to *SSAP No. 102—Pensions*, for accounting guidance.

Exclude: Cumulative effect of changes in accounting principles. The effect of changes in accounting principles should be reported on the Cumulative Effect of Changes in Accounting Principles line.

Changes in accounting estimates. A change in accounting estimate should be included in the Statement of Income.

Companies that have previously reported reserves gross of salvage and subrogation should report the change to the net method as a change in accounting principle. The cumulative effect on prior years of this change should be reported as a write-in item on this line of the annual statement. The change in the reserve calculated using the net method should be included in net income for the year of the change and all future years.

CASH FLOW

Information should be reported for current year-to-date.

The Statement of Cash Flow is prepared using the direct method consistent with the Statement of Income, excluding the effect of current and prior year accruals. All revenue, expenditures, purchases and sale transactions involving cash should be entered gross. Pursuant to *SSAP No. 69—Statement of Cash Flow*, for purposes of the Cash Flow Statement, cash is defined to include cash, cash equivalents and short-term investments. Refer to *SSAP No. 69—Statement of Cash Flow*, for accounting guidance regarding the disclosure of non-cash operating, investing and financing transactions.

The following worksheets are provided to facilitate completion of the Cash Flow Statement. The format reflects common reporting practices. Reporting entities may need to make adjustments to various lines consistent with their operations. For example, changes in the asset for foreign exchange rates is typically associated with the investment portfolio and shown as an adjustment to investment income. Alternatively, the adjustment could be made to insurance operations, if appropriate. The worksheets exclude certain non-cash activities, e.g., change in nonadmitted assets and change in Asset Valuation Reserve for Life and Fraternal companies since the offset is to surplus and has no effect on cash, but adjustments are needed to remove other non-cash transactions. While the worksheets do not take into account the cumulative effect of changes in accounting principles, the appropriate lines of the Cash Flow Statement need to be adjusted for this change. Note that the worksheets are designed to take into account all lines of the Assets and Liabilities, Surplus and Other Funds pages, as well as the Statement of Income.

Cash from Operations Worksheet

Ref. # Premiums Collected Net of Reinsurance

1.1	Statement of Income (Page 4) Line 1.1, current year-to-date	_____
1.2	Assets (Page 2) Line 15 + 16.2 (<u>In part</u> for amounts related to earned premiums) + 16.3 (<u>In part</u> for experience rating and other amounts related to earned premiums), Column 1, current statement date year less previous year	_____
1.3	Liabilities (Page 3) Line 2 + 11, current statement date less previous year	_____
1.4	_____	_____
1.5	Total of 1.1 – 1.2 + 1.3 – 1.4 (Report on Line 1 of the Cash Flow)	_____

Net Investment Income

2.1	Statement of Income (Page 4) Line 9, current year-to-date	_____
2.2	Assets (Page 2) Line 18 + 22, Column 1, current statement date less previous year	_____
2.3	Liabilities (Page 3) Line 6 (<u>In part</u> for investment related expenses) + 7 (<u>In part</u> for investment related expenses) + 16, current statement date less previous year	_____
2.4	Amortization of Premium from Investment Worksheet B8 + S8 + M9 + O9	_____
2.5	Accrual of Discount from Investment Worksheet B9 + S9 + M5 + O5	_____
2.6	Depreciation Expense (included in 2.1)	_____
2.7	_____	_____
2.8	Total of 2.1 – 2.2 + 2.3 + 2.4 – 2.5 + 2.6 + 2.7 (Report on Line 2 of the Cash Flow)	_____

Miscellaneous Income

3.1	Statement of Income (Page 4)		
	Line 1.2 + 1.3 + 2 + 12, current year-to-date		_____
3.2	Assets (Page 2)		
	Line 16.2 (<u>In part</u> for amounts not included in Line 1.2 above) + 16.3 (<u>In part</u> for all amounts not reported in Line 1.2 above or 7.2 below), Column 1, current statement date less previous year		_____
3.2	_____		_____
3.4	Total of 3.1 – 3.2 + 3.3	(Report on Line 3 of the Cash Flow)	_____

Benefit and Loss Related Payments

5.1	Statement of Income (Page 4)		
	Line 4 (<u>In part</u> for losses incurred) + 23, current year-to-date		_____
5.2	Assets (Page 2)		
	Line 16.1, Column 1, current statement date less previous year		_____
5.3	Liabilities (Page 3)		
	Line 1 + 3 + 4, current statement date less previous year		_____
5.4	_____		_____
5.5	Total of 5.1 + 5.2 – 5.3 + 5.4	(Report on Line 5 of the Cash Flow)	_____

Net Transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts (N/A for Title Entities)

6.1	Statement of Income (Page 4) current year-to-date		_____ (N/A for Title)
6.2	Liabilities (Page 3) current statement date less previous year		_____ (N/A for Title)
6.3	_____		_____ (N/A for Title)
6.4	Total of 6.1 – 6.2 + 6.3	(Report on Line 6 of the Cash Flow)	_____ (N/A for Title)

Not for Distribution

Commissions, Expenses Paid and Aggregate Write-ins for Deductions

7.1	Statement of Income (Page 4)		
	Line 4 (<u>In part</u> for loss adjustment expenses incurred) + 5 + 6, current year-to-date	_____	
7.2	Assets (Page 2)		
	Line 16.3 (<u>In part</u> for commissions and expense allowances due) + 17 + 19, Column 1, current statement date less previous year	_____	
7.3	Liabilities (Page 3)		
	Line 5 + 6 (<u>In part</u> for amounts not included in Line 2.3 above; i.e., non-investment expenses) + 7 (<u>In part</u> for amounts not included in Line 2.3 above; i.e., non-investment expenses), current statement date less previous year	_____	
7.4	Depreciation Expense (included in 7.1)	_____	
7.5	_____	_____	
7.6	Total of 7.1 + 7.2 – 7.3 – 7.4 + 7.5 (Report on Line 7 of the Cash Flow)	_____	

Dividends Paid to Policyholders (N/A for Title Entities)

8.1	Statement of Income (Page 4) current year-to-date	_____	(N/A for Title)
8.2	Liabilities (Page 3) current statement date less previous year	_____	(N/A for Title)
8.3	_____	_____	(N/A for Title)
8.4	Total of 8.1 – 8.2 + 8.3 (Report on Line _____ of the Cash Flow)	_____	(N/A for Title)

Federal and Foreign Income Taxes Paid (Recovered)

9.1	Statement of Income and Capital and Surplus Account (Page 4)		
	Line 14 + 20 + tax amount included in Lines 10, 18 and 19, current year-to-date	_____	
9.2	Assets (Page 2)		
	Line 18.1 + 18.2, Column 1, current statement date less previous year	_____	
9.3	Liabilities (Page 3)		
	Line 8.1 + 8.2, current statement date less previous year	_____	
9.4	Total of 9.1 + 9.2 – 9.3 (Report on Line 9 of the Cash Flow)	_____	

Cash from Investments Worksheet

The following section provides a reconciliation of investment activity. Although non-cash items are included for reconciliation purposes, the Statement of Cash Flow shall only include transactions involving cash. In addition to excluding the lines that are explicitly non-cash items (e.g., change in admitted assets) from what is reported in the Statement of Cash Flow, adjustments are necessary to remove non-cash acquisitions or disposals. Cash proceeds from investments sold, matured or repaid shall be included in Line 12. Cash remitted for acquired long-term investments is included in Line 13.

Bonds

B1	Change in net admitted asset value for Bonds (Page 2)		
	Column 3 current statement date less previous year		_____
B2	Change in assets nonadmitted for Bonds (Page 2)		
	Column 2 current statement date less previous year		_____
B3	Sum of B1 + B2		_____
B4	Cost of Acquired		
	Line 2 Schedule D-Verification Between Years, <u>In part</u> for cash acquisition of bonds (Report on Line 13.1 of the Cash Flow)		_____
B5	Calculate from Schedule D-Verification Between Years		
	Line 4 Unrealized Valuation Increases (Decreases), <u>In part</u>		
Plus	Line 8 Total Foreign Exchange Change in Book/Adjusted Carrying Value, <u>In part</u>		
Minus	Line 9 Current Year's Other-Than-Temporary Impairment, <u>In part</u>		_____
B6	Total Gain (Loss) on Disposals		
	Line 5 Schedule D-Verification Between Years, <u>In part</u>		_____
B7	Consideration on Disposals		
	Line 6 Schedule D-Verification Between Years, <u>In part</u> for cash disposal of bonds (Report B7 minus B10 on Line 12.1 of the Cash Flow)		_____
B8	Amortization of Premium		
	Line 7 Schedule D-Verification Between Years, <u>In part</u>		_____
B9	Accrual of Discounts		
	Line 3 Schedule D-Verification Between Years, <u>In part</u>		_____
B10	Total Investment Income Recognized as a Result of Prepayment Penalties and/or Acceleration Fees		
	Line 10 Schedule D-Verification Between Years, <u>In part</u> for cash received for investment income recognized		_____
B11	Other amount increases/(decreases)		
	Include non-cash items not already included in B4 through B10		_____

|	B12	Total of B4 + B5 + B6 – B7 – B8 + B9 + B10 + B11	_____
|		B3 – B12 (If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s) or in B11)	_____0

Stocks

S1	Change in net admitted asset value for Stocks (Page 2)	Column 3 current statement date less previous year	_____
S2	Change in assets nonadmitted for Stocks (Page 2)	Column 2 current statement date less previous year	_____
S3	Sum of S1 + S2		_____
S4	Cost of Acquired		_____
	Line 2	Schedule D-Verification Between Years, <u>In part</u> for cash acquisition of stocks (Report on Line 13.2 of the Cash Flow)	_____
S5	Calculate from Schedule D-Verification Between Years		_____
	Plus	Line 4 Unrealized Valuation Increase (Decrease), <u>In part</u>	
	Minus	Line 8 Total Foreign Exchange Change in Book/Adjusted Carrying Value, <u>In part</u>	
		Line 9 Current Year's Other-Than-Temporary Impairment, <u>In part</u>	_____
S6	Total Gain (Loss) on Disposals		_____
	Line 5	Schedule D-Verification Between Years, <u>In part</u>	_____
S7	Consideration on Disposals		_____
	Line 6	Schedule D-Verification Between Years, <u>In part</u> for cash disposal of stocks (Report on Line 12.2 of the Cash Flow)	_____
S8	Amortization of Premium		_____
	Line 7	Schedule D-Verification Between Years, <u>In part</u>	_____
S9	Accrual of Discount		_____
	Line 3	Schedule D-Verification Between Years, <u>In part</u>	_____
S10	Other amount increases/(decreases)		_____
		Include non-cash items not already included in S4 through S9	_____
S11	Total of S4 + S5 + S6 – S7 – S8 + S9 + S10		_____
		S3 – S11 (If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s) or in S10)	_____0

Reconciliation of Bonds and Stocks to Schedule D Verification

- B4 + S4 = Line 2, Cost of Bonds and Stocks acquired _____
- B5 + S5 = Line 4, Unrealized Valuation Increase (Decrease) + Line 8, Total Foreign Exchange Change in Book/Adjusted Carrying Value – Line 9, Current Year’s Other-Than-Temporary Impairment _____
- B6 + S6 = Line 5, Total Gains (Losses) _____
- B7 + S7 = Line 6, Consideration for Bonds and Stocks Disposed of _____

Mortgage Loans

- M1 Change in net admitted asset value for Mortgages
Page 2, Column 3, current statement date less previous year _____
- M2 Change in assets nonadmitted for Mortgages
Page 2, Column 2, current statement date less previous year _____
- M3 Total of M1 + M2 _____

Schedule B Verification

- M4 Line 2 Cost of Acquired, In part for cash acquisitions (Report on Line 13.3 of the Cash Flow) _____
- M5 Line 4 Accrual of Discount _____
- M6 Line 5 Unrealized Valuation Increase (Decrease)
Plus Line 9 Total Foreign Exchange Change in Book/Adjusted Carrying Value
Minus Line 10 Current Year’s Other-Than-Temporary Impairment _____
- M7 Line 6 Total Gain (Loss) on Disposals _____
- M8 Line 7 Amount Received on Disposals, In part for cash disposals
(Report on Line 12.3 of the Cash Flow) _____
- M9 Line 8 Amortization of Premiums and Mortgage Interest Points and Commitment Fees _____
- M10 Other amounts increases (decreases)
Include non-cash items not already included in M4 through M9 _____
- M11 Total of M4 + M5 + M6 + M7 – M8 – M9 + M10 _____
- M3 – M11 (If difference is not = 0, identify difference and add to amount(s) in the appropriate line(s) or in M10) _____ **0**

Real Estate

- R1 Change in net admitted asset value for Real Estate
Page 2, Column 3, current statement date year less previous year _____
- R2 Change in assets nonadmitted for Real Estate
Page 2, Column 2, current statement date year less previous year _____
- R3 Total of R1 + R2 _____

Schedule A – Verification Between Years

R4	Line 6	Total Foreign Exchange Change in Book/Adjusted Carrying Value	_____
Minus	Line 7	Current Year’s Other-Than-Temporary Impairment	
Minus	Line 8	Current Year’s Depreciation	_____
R5	Line 2.1	Cost of Acquired, <u>In part</u> for cash acquisitions	
Plus	Line 2.2	Cost of Additional Investments Made, <u>In part</u> for cash investments	
Plus	Line 3	Current Year Change in Encumbrances, <u>In part</u> for cash changes	_____
(Report the sum of Lines 2.1, 2.2 and 3 on Line 13.4 of the Cash Flow)			
R6	Line 4	Total Gain (Loss) on Disposals	_____
R7	Line 5	Amounts Received on Disposals, <u>In part</u> for cash disposals (Report on Line 12.4 of Cash Flow)	_____
R8	Other amounts increases (decreases)		_____
	Include non-cash items not already included in R4 through R7		_____
R9	Total of R4 + R5 + R6 – R7 + R8		_____
R3 – R9	(If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s) or in R8)		_____ 0

Other Invested Assets

O1	Change in net admitted asset value for Other Invested Assets (Page 2) Column 3 current statement date less previous year		_____
O2	Change in assets nonadmitted for Invested Assets (Page 2) Column 2 current statement date less previous year		_____
O3	Total of O1 + O2		_____

Schedule BA – Verification Between Years

O4	Line 2	Cost of Acquisition, <u>In part</u> for cash acquisitions (Report on Line 13.3 of the Cash Flow)	_____
O5	Line 4	Accrual of Discount	_____
O6	Line 5	Unrealized Valuation Increase (Decrease)	
Plus	Line 9	Total Foreign Exchange Change in Book/Adjusted Carrying Value	
Minus	Line 10	Current Year’s Other-Than-Temporary Impairment	_____
O7	Line 6	Total Gain (Loss) on Disposals	_____
O8	Line 7	Amounts Received on Disposals, <u>In part</u> for cash disposals (Report on Line 12.5 of the Cash Flow)	_____
O9	Line 8	Amortization of Premium and Depreciation	_____
O10	Other amounts increases (decreases)		_____
	Include non-cash items not already included in O4 through O9		_____
O11	Total of O4 + O5 + O6 + O7 – O8 – O9 + O10		_____
O3 – O11	(If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s) or in O10)		_____ 0

Contract Loans and Premium Notes

P1	Change in net admitted asset value for Contract Loans and Premium Notes (Page 2)				
	Column 3	current statement date less previous year			_____
P2	Change in assets nonadmitted for Contract Loans and Premium Notes (Page 2)				
	Column 2	current statement date less previous year			_____
P3	Total of P1 + P2				_____
P4	Increase (Decrease) by Adjustment				_____
P5	Net Increase (Decrease) in Amount Paid and Received				
	(Report on Line 14 of the Cash Flow)				_____
P6	Realized Gain (Loss)				_____
P7	Other amount increases (decreases)				
	Include non-cash items not already included in P4 through P6				_____
P8	Total of P4 + P5 + P6 + P7				_____
P3 – P8	(If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s) or in P7)				_____ 0

Derivatives, Securities Lending Reinvested Collateral and Aggregate Write-ins for Invested Assets

W1	Change in net admitted asset value for Derivatives, Securities Lending Reinvested Collateral and Aggregate Write-ins for Invested Assets (Page 2)				
	Column 3	Line 7	current statement date less previous year		
Plus	Column 3	Line 10	current statement date less previous year		
Plus	Column 3	Line 11	current statement date less previous year		_____
W2	Change in assets nonadmitted for Derivatives, Securities Lending Reinvested Collateral and Aggregate Write-ins for Invested Assets (Page 2)				
	Column 2	Line 9	current statement date less previous year		
Plus	Column 2	Line 10	current statement date less previous year		
Plus	Column 2	Line 11	current statement date less previous year		_____
W3	Total of W1 + W2				_____
W4	Increase (Decrease) by Adjustment				_____
W5	Net Increase (Decrease) in Amounts Paid and Received (Report as cash from investments misc. on Line 12.7 if amount is a decrease and Line 13.6 if amount is an increase)				_____
W6	Realized Gain (Loss)				_____
W7	Other amounts increases (decreases)				
	Include non-cash items not already included in W4 through W6				_____
W8	Total of W4 + W5 + W6 + W7				_____
W3 – W8	(If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s) or in W7)				_____ 0

Receivable (Payable) for Securities

X1	Change in net admitted asset value for Receivable for Securities	_____
	Page 2, Column 3, current statement date less previous year	
X2	Change in assets nonadmitted for Receivable for Securities	_____
	Page 2, Column 2, current statement date less previous year	
X3	Net change in Payable for Securities	_____
	Page 3, Column 1 less Column 2	
X4	Total of X1 + X2 – X3 (Report absolute value as cash from misc. investments on Line 12.7 if amount is a decrease and Line 13.6 if amount is an increase)	_____

Reconcile Change in IMR Liability (Life and Fraternal Companies Only)

1	Change in IMR liability	<u>(N/A for Title)</u>
2	Current period amounts transferred to IMR (primarily from the Form for Calculating IMR, Line 2)	<u>(N/A for Title)</u>
3	Current period amounts recognized in income	<u>(N/A for Title)</u>
4	Other amounts increases (decreases)	<u>(N/A for Title)</u>
5	Total of 2 – 3 + 4	<u>(N/A for Title)</u>
6	1 – 5 (If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s))	<u>(N/A for Title)</u>

Reconcile Change in AVR Liability (Life and Fraternal companies only)

1	Change in AVR liability (Page 3, of current statement date less previous year-end)	<u>(N/A for Title)</u>
2	Current period amounts transferred to AVR (page 4)	<u>(N/A for Title)</u>
3	Other amounts increases (decreases)	<u>(N/A for Title)</u>
4	Total of 2 + 3	<u>(N/A for Title)</u>
5	1 – 4 (If difference is not = 0, identify differences and add to amount(s) in the appropriate line(s))	<u>(N/A for Title)</u>

Reconcile Unrealized Capital Gains (Losses)

- 1 Capital and Surplus Account (Page 4)
Line 18 (In part excluding tax) + 19 (In part excluding tax), current year-to-date _____
- 2 Increase (Decrease) by Adjustment from Investment Worksheet
(Ref. # B5 + S5 + M6 + R4 + O6 + P4 + W4) _____
- 3 Increase (Decrease) on Cash, Cash Equivalents and Short-term Investments
(Report on Line 12.6 of Cash Flow) _____
- 4 Depreciation (included in Line 2 and reported on Line 2.6 of Cash from Operations Worksheet) _____
- 5 Total of 1 – 2 – 3 – 4
(Amount should = 0, if not = 0 balance should be reported as cash from investments misc. on Line 12.7 if amount is an increase and Line 13.6 if amount is a decrease) _____ 0

Reconcile Realized Capital Gains (Losses)

- 1 Statement of Income (Page 4)
Line 10, current year-to-date before taxes _____
- 2 Realized Gain (Loss) from Investment Worksheet
(Ref. # B6 + S6 + M7 + R6 + O7 + P5 + W5) _____
- 3 Gain (Loss) on Cash, Cash Equivalents and Short-term Investments
(Report on Line 12.6 of the Cash Flow) _____
- 4 Total of 1 – 2 – 3
(Amount should = 0, if not = 0 balance should be reported as cash from investments misc. on Line 12.7 if amount is an increase and Line 13.6 if amount is a decrease) _____ 0

Cash from Financing Worksheet

These lines calculate Line 15 of the Cash Flow.

Cash Provided (Applied)

Surplus Notes and Capital Notes

- 1.1 Change in Surplus Notes
Liabilities, Surplus (Page 3) Line 28, current statement date less previous year _____
- 1.2 Change in Capital Notes
Liabilities (Page 3) current statement date less previous year _____
- 1.3 _____
- 1.4 Total of 1.1 + 1.2 + 1.3 (Report of Line 16.1 of the Cash Flow) _____

Capital and Paid in Surplus, Less Treasury Stock

2.1	Change in Capital		
		Liabilities, Surplus (Page 3) Line 25 + 26, current statement date less previous year	_____
2.2	Change in Paid in Surplus		
		Liabilities (Page 3) Line 29, current statement date less previous year	_____
2.3	Change in Treasury Stock		
		Liabilities, Surplus (Page 3) Line 31, current statement date less previous year	_____
2.4	Transfer from Unassigned Surplus to lines included in 2.1 or 2.2		_____
2.5	_____		_____
2.6	Total of 2.1 + 2.2 – 2.3 – 2.4 + 2.5	(Report on Line 16.2 of the Cash Flow)	_____

Borrowed Money

3.1	Change in Borrowed Money		
		Liabilities, Surplus (Page 3) Line 9, current statement date less previous year	_____
3.2	_____		_____
3.3	Total of 3.1 + 3.2	(Report on Line 16.3 of the Cash Flow)	_____

Net Deposits on Deposit-type Contracts and Other Liabilities (N/A for Title Entities)

4.1	Change in Deposit-type Contracts		
		Liabilities, Surplus (Page 3) current statement date less previous year	<u>(N/A for Title)</u>
4.2	_____		<u>(N/A for Title)</u>
4.3	Total of 4.1 + 4.2	(Report on Line 16.4 of the Cash Flow)	<u>(N/A for Title)</u>

Dividends to Stockholders

5.1	Dividends to Stockholders		
		Capital and Surplus Account (Page 4) Line 28	_____
5.2	Change in Dividends to Stockholders		
		Liabilities, Surplus (Page 3) Line 10, current statement date less previous year	_____
5.3	Total of 5.1 – 5.2	(Report on Line 16.5 of the Cash Flow)	_____

Other Cash Provided (Applied)

- 6.1 Aggregate Write-ins for Gains (Losses) in Surplus
Capital and Surplus Account (Page 4) Line 30, current year-to-date _____
- 6.2 Change in Misc. Liabilities
Liabilities, Surplus (Page 3) Lines 13 + 14 + 17 + 18 + 19 + 21 + 22 + 24 + 27 (for amounts not more appropriately included in other lines of the Cash Flow), current statement date less previous year _____
- 6.3 Change in Misc. Assets
Assets (Page 2) Lines 20 + 21 + 23 + 24 (In part for amounts not included elsewhere) + 25 (In part for amounts not included elsewhere), Column 1, current statement date less previous year _____
- 6.4 Transfer from Unassigned Surplus to lines included in 6.2 _____
- 6.5 Depreciation (included on Line 7.4 from Operations Worksheet) _____
- 6.6 _____
- 6.7 Total of 6.1 + 6.2 - 6.3 - 6.4 + 6.5 + 6.6 (Report on Line 16.6 of the Cash Flow) _____

Reconcile Change in Liability in Reinsurance in Unauthorized and Certified Companies

- 1 Change in Liability for Reinsurance in Unauthorized and Certified Companies
Capital and Surplus Account (Page 4) Line 22, current year-to-date _____
- 2 Change in Liability for Reinsurance in Unauthorized and Certified Companies
Liabilities, Surplus (Page 3) Line 15, current statement date less previous year _____
- 3 Total of 1 + 2
(Amount should = 0, if not = 0, balance should be reported as an adjustment to the appropriate line on the Cash Flow Statement) _____ 0

Reconcile Nonadmitted Assets:

- 1 Capital and Surplus Account
Page 4, Line 21 of current year-to-date _____
- 2 Change Nonadmitted
Page 2, Column 2 Total, current statement date less previous year _____
- 3 Other adjustments _____
- 4 Total of 1 + 2 + 3
(Amount should = 0, if not = 0, balance should be reported as cash from financing on Line 16.6) _____ 0

Reconcile Change in Accounting:

Capital and Surplus Account (Page 4) Line 25 of current year-to-date _____

Allocate all amounts due to change in accounting to the appropriate section of the worksheet

Supplemental Disclosure of Non-cash Transactions

Report the amount of non-cash operating, investing and financing transactions consistent with the classifications contained on the Assets and Liabilities, Surplus and Other Funds (all except Health) Liabilities, Capital and Surplus (Health) page of the financial statement, excluding amounts associated with policy or contract loans. Refer to SSAP No. 69—*Statement of Cash Flow*, for accounting guidance.

Examples of non-cash investing and financing transactions include:

- Receiving non-cash financial assets from parent as a capital contribution.
- Settling reinsurance transactions with exchange of non-cash financial assets.
- Converting debt to equity.
- Acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller.
- Exchanging non-cash assets or liabilities for other non-cash assets or liabilities.

Illustration:

The Company reported the following non-cash operating, investing and financing activities in 20__:

		Current <u>Year</u>	Prior <u>Year</u>
20.0001.	Real estate acquired in satisfaction of debt	XXX	XXX
20.0002.	Bonds & stocks acquired in a business acquisition	XXX	XXX
20.0003.	Policy reserves acquired in a business acquisition	XXX	XXX
20.0004.	Bonds acquired from parent as capital contribution	XXX	XXX
20.0005.	Remitted bonds to settle assumed reinsurance obligations	XXX	XXX

NOTES TO FINANCIAL STATEMENTS

The interim financial information shall include disclosures sufficient to make the information presented not misleading. It may be presumed that the users of the interim financial information have read or have access to the annual statement for the preceding period and that the adequacy of additional disclosure needed for a fair presentation, except in regard to material contingencies, may be determined in that context. Accordingly, footnote disclosure that would substantially duplicate the disclosure contained in the most recent annual statement or audited financial statements, such as a statement of significant accounting policies and practices, details of accounts that have not changed significantly in amount or composition since the end of the most recently completed fiscal year, may be omitted but the footnote number and annotation such as “no change” should be included. However, provide disclosure for annual Note 1A, 1C(6), 1D, 5D, 5E(3)b, 5F, 5G, 5H, 5I, 5M(2), 5M(3), 5N, 11B, 12A(4), 17B(2), 17B(4)a, 17B(4)b, 17C, 20 and 25 in all quarters; and all other Notes where events subsequent to the end of the most recent fiscal year have occurred that have a material impact on the reporting entity. Disclosures shall encompass, for example, significant changes since the end of the period reported on the last annual statement in such items as statutory accounting principles and practices; estimates inherent in the preparation of financial statements; status of long term contracts; capitalization including significant new borrowings or modifications of existing financial arrangements; and the reporting entity resulting from business combinations or dispositions. Notwithstanding the above, where material noninsurance contingencies exist, disclosure of such matters shall be provided even though a significant change since year-end may not have occurred. If the reporting entity has changed the accounting policies since the end of its preceding year, the changes shall be disclosed in the quarterly financial statements. Information should be reported for current year-to-date.

1. Summary of Significant Accounting Policies and Going Concern

Instruction:

Refer to *SSAP No. 1—Accounting Policies, Risks & Uncertainties and Other Disclosures*, for accounting guidance regarding disclosure requirements. The major disclosure requirements are as follows:

- A. This note (**including a table reconciling income and surplus between the state basis and SAP basis**) is to be completed, even if there are no prescribed practices or permitted practices to report.

Indicate that the statement has been completed in accordance with the *Accounting Practices and Procedures Manual*. If a reporting entity employs accounting practices that depart from the *Accounting Practices and Procedures Manual*, including different practices required by state law, disclose the following information about those accounting practices.

Include:

- A description of the accounting practice;
- A statement that the accounting practice differs from NAIC statutory accounting practices and procedures (NAIC SAP) identifying whether the practice is a departure from NAIC SAP or from a state prescribed practice and include the financial statement reporting lines predominantly impacted by the permitted or prescribed practice. (Although most practices impact net income or surplus, direct reference to those lines should be avoided. The intent is to capture the financial statement lines reflecting the practice that ultimately impacts net income or statutory surplus.);
- The monetary effect on net income and statutory surplus of using an accounting practice that differs from NAIC statutory accounting practices and procedures; and
- If an insurance enterprise’s risk-based capital would have triggered a regulatory event had it not used a prescribed or permitted practice, that fact should be disclosed in the financial statements.

In addition, disclose the following information about accounting practices when NAIC statutory accounting practices and procedures do not address the accounting for the transaction:

- A description of the transaction and of the accounting practice used; and
- A statement that the NAIC statutory accounting practices and procedures do not address the accounting for the transaction.

A table reconciling income and surplus between the state basis and NAIC SAP basis for the current reporting period and the prior year-end shall be provided. The reconciliation table is required even if the reporting entity does not have any permitted or prescribed practices to report.

The reconciliation shall include:

Brief description of the prescribed or permitted practice;

SSAP # Enter the SSAP numbers to which the permitted or prescribed practice primarily pertains.

For example, use "43R" for SSAP No. 43R or "19" for SSAP No. 19. If multiple SSAPs are needed for the prescribed or permitted practice, separate with a comma (19,43R).

For permitted practices from state regulations, use "00."

If multiple SSAPs are needed for the prescribed or permitted practice separate with a comma (19,43R,00).

Financial statement pages (F/S pages) primarily impacted by the permitted or prescribed practice.

Only the following pages should be referenced.

2 – Assets

3 – Liabilities, Surplus and Other Funds

4 – Statement of Income

5 – Cash Flow

Use "N/A" for permitted or prescribed practices that do not impact the financial statements pages above.

If multiple pages are needed for the prescribed or permitted practice, separate with a comma (3,4).

Financial statement reporting lines (F/S lines) of the key financial statement page primarily impacted by the permitted or prescribed practice

(References to the financial statement reporting line for net income or statutory surplus should be avoided. The intent is to capture the financial statement line reflecting the practice that ultimately impacts net income or statutory surplus.)

If "N/A" was used for the F/S page, use "N/A" for the F/S line.

If multiple lines are needed for the prescribed or permitted practice, separate with a comma (2.1,8).

Below are examples of permitted and prescribed practices the reporting entity may or may not be using that could be disclosed. The reporting entity may have others not shown below.

Differences in the accounting and reporting of:

- Goodwill
- Admission of Fixed Assets
- Value of Home Office Property

NOTE: Amounts reported in other notes to the financial statements shall reference Note 1 if impacted by prescribed or permitted practices. The following is an example of inserting a statement within applicable notes:

Example Illustration: Note 3. Business Combinations and Goodwill

Illustration:

A. Statutory Purchase Method

- (1) The Company purchased 100% interest of XYZ Insurance Company on 6/30/____. XYZ Insurance Company is licensed in ____ states and sells individual term life products exclusively.
- (2) The transaction was accounted for as a statutory purchase.
- (3) The cost was \$_____, resulting in goodwill in the amount of \$_____.*
- (4) Goodwill amortization relating to the purchase of XYZ Insurance Company was \$_____ for the year ended 12/31/_____.*

* These amounts reflect prescribed or permitted practices that depart from the *Accounting Practices and Procedures Manual*, See Note 1, Summary of Significant Accounting Policies for additional information.

C. Disclose all accounting policies that materially affect the assets, liabilities, capital and surplus or results of operations. Include:

- (2) Whether SVO-Identified investments are being reported at a different measurement method from what was used in an earlier current-year interim and/or in a prior annual statement. (For example, if reported at systematic value prior to the sale, and then reacquired and reported at fair value.) This disclosure is required in all interim reporting periods and in the year-end financial statements for the year in which an SVO-Identified investment has been reacquired and reported using a different measurement method from what was previously used for the investment. (This disclosure is required regardless of the length of time between the sale/reacquisition of the investments, but is only required in the year in which the investment is reacquired.)

Basis at which the loan-backed securities are stated and the adjustment methodology used for each type of security (prospective or retrospective).

D. Going Concern

The reporting entity shall provide the following going concern disclosures after management's evaluation of the reporting entity's ability to continue as a going concern and consideration of management's plans to alleviate any substantial doubt about the entity's ability to continue as a going concern.

Note: The disclosures below are required for annual and interim reporting periods effective Dec. 31, 2016. Early application of the going concern guidance in *SSAP No. 1—Accounting Policies, Risks & Uncertainties, and Other Disclosures*, is permitted.

- (1) If after considering management's plans, substantial doubt about an entity's ability to continue as a going concern is alleviated, the reporting entity shall disclose in the notes to the financial statements the following information:
 - a. Principal conditions and events that raised substantial doubt about the entity's ability to continue as a going concern (before consideration of management's plans).
 - b. Management's evaluation of the significance of those conditions or events in relation to the entity's ability to meet its obligations.
 - c. Management's plans that alleviated substantial doubt about the entity's ability to continue as a going concern.
- (2) If after considering management's plans, substantial doubt about an entity's ability to continue as a going concern is not alleviated, the entity shall include a statement in the notes to the financial statements indicating that there is substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued. Additionally, the reporting entity shall disclose the information in paragraphs 1D(1)a and 1D(1)b, as well as the management plans that are intended to mitigate the conditions or events that raise substantial doubt about the entity's ability to continue as a going concern.
- (3) The going concern evaluation and going concern disclosures discussed in *SSAP No. 1—Accounting Policies, Risks & Uncertainties, and Other Disclosures*, are required for both interim and annual financial statements. If substantial doubt was determined, and the conditions or events continue to raise substantial doubt about an entity's ability to continue as a going concern in subsequent annual or interim reporting periods, the entity shall continue to provide the disclosures in each subsequent reporting period. In these subsequent periods, the disclosures should become more extensive as additional information becomes available about the relevant conditions or events and about management's plans. The entity shall provide appropriate context and continuity in explaining how conditions or events have changed between reporting periods.
- (4) For the period in which substantial doubt no longer exists (before or after consideration of management's plans), an entity shall disclose how the relevant conditions or events that raised substantial doubt were resolved.

Illustration:

A. Accounting Practices

The financial statements of XYZ Company are presented on the basis of accounting practices prescribed or permitted by the ABC Insurance Department.

The ABC Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of ABC for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the ABC Insurance Law. The *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of ABC. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. Specifically, 1) goodwill arising from the purchase of a subsidiary, controlled or affiliated entity is written off directly to surplus in the year it originates by ABC domiciled companies. In NAIC SAP, goodwill in amounts not to exceed 10% of an insurer's capital and surplus may be capitalized and all amounts of goodwill are amortized to unrealized gains and losses on investment over periods not to exceed 10 years, and, 2) 100% of all fixed assets are admitted by ABC domiciled companies. In NAIC SAP, fixed assets are not admitted. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

The Company, with the explicit permission of the Commissioner of Insurance of the State of ____, records the value of its home office building at fair market value instead of a depreciated cost required by the NAIC SAP. If the home office building were carried at depreciated cost, home office property and statutory surplus would be decreased by \$ _____ and \$ _____ as of December 31, 20__ (prior year end) and 20__ (current year to date), respectively. Additionally, net income would be increased by \$ _____ and \$ _____ respectively, for the years then ended. Finally, if the company had not been permitted to record the value of its home office building at fair market value, the Company's risk-based capital would have triggered a regulatory event.

THE RECONCILIATION TABLE BELOW IS REQUIRED TO BE FILED REGARDLESS OF WHETHER THE REPORTING ENTITY HAS ANY STATE PRESCRIBED OR PERMITTED PRACTICES.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of ABC is shown below:

	SSAP #	F/S Page	F/S Line #	20____	20____
NET INCOME					
(1) ABC Company state basis (Page 4, Line _____, Columns 1 & 3)	XXX	XXX	XXX	\$	\$
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				\$	\$
.....				\$	\$
.....				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				\$	\$
.....				\$	\$
.....				\$	\$
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$</u>	<u>\$</u>
SURPLUS					
(5) ABC Company state basis (Page 3, Line 32, Columns 1 & 2)	XXX	XXX	XXX		
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				\$	\$
.....				\$	\$
.....				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				\$	\$
.....				\$	\$
.....				\$	\$
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$</u>	<u>\$</u>

C. Accounting Policy

- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, that are valued using the prospective method.

5. Investments

Instruction:

D. Loan-Backed Securities

For loan-backed securities, disclose the following:

- (1) Descriptions of sources used to determine prepayment assumptions.
- (2) All securities within the scope of *SSAP No. 43R—Loan-backed and Structured Securities*, with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the other-than-temporary impairment:
 - Intent to sell.
 - Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.
- (3) For each security, by CUSIP, with an other-than-temporary impairment, recognized in the current reporting period by the reporting entity, if the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:
 - The amortized cost basis, prior to any current-period other-than-temporary impairment.
 - The other-than-temporary impairment recognized in earnings as a realized loss.
 - The fair value of the security.
 - The amortized cost basis after the current-period other-than-temporary impairment.
- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):
 - a. The aggregate amount of unrealized losses (that is, the amount by which cost or amortized cost exceeds fair value); and
 - b. The aggregate related fair value of securities with unrealized losses.The disclosures in (a) and (b) above should be segregated by those securities that have been in a continuous unrealized loss position for less than 12 months and those that have been in a continuous unrealized loss position for 12 months or longer using fair values determined in accordance with *SSAP No. 27—Off-Balance-Sheet and Credit Risk Disclosures*.
- (5) Additional information should be included describing the general categories of information that the investor considered in reaching the conclusion that the impairments are not other-than-temporary.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

- (3) If the entity or its agent has accepted collateral that it is permitted by contract or custom to sell or repledge, disclose the following information by type of program (securities lending or dollar repurchase agreement) as of the date of each statement of financial position:
 - b. The fair value as of the date of each statement of financial position presented of that collateral and of the portion of that collateral that it has sold or repledged.

NOTE: The paragraph below pertains to completion of the disclosures for repurchase/reverse repurchase accounted for as a sale or secured borrowing in Notes 5F through 5L.

Reporting entities should complete the disclosures that are relevant to the repurchase/reverse repurchase activity they engaged within the annual and interim reporting periods. For example, if the reporting entity only participated in repurchase transactions accounted for as secured borrowings, only those disclosures shall be included in the financial statement. Those disclosures that are not applicable shall just be noted as “none.” (The use of the “sale” accounting method to account for repurchase/reverse repurchase agreements is anticipated to be very limited. Therefore, these disclosures are not anticipated to be applicable to most reporting entities.)

For initial application (year-end 2017), information about the fourth-quarter (year-end) balances should be included, without retrospective application of the quarterly detail. In 2018, the disclosure shall build each quarterly reporting period. This disclosure is required in all reporting periods (interim and annual) for all reporting entities that participate in repurchase or reverse repurchase transactions. A reporting entity that discontinues repurchase/reverse repurchase transactions during the year shall continue the disclosure (showing zero balances) in the reporting periods after discontinuing activity (retaining the quarterly detail that occurred prior to discontinuing the activity) through the annual reporting period. A reporting entity that begins participating in repurchase/reverse repurchase activity shall include the full disclosure in the quarterly reporting period for which activities began (noting zero activity in the quarters prior to engaging in the activity).

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

If the entity has entered into repurchase agreements, accounted for as secured borrowings or as sale transactions, disclose the following:

- (1) Information regarding the company policy or strategies for engaging in repo programs, policy for requiring collateral.

Also include a discussion of the potential risks associated with the agreements and related collateral received, including the impact of arising changes in the fair value of the collateral received and/or the provided security and how those risks are managed.

To the extent that the maturity dates of the liability (collateral to be returned) do not match the invested assets, the reporting entity shall explain the additional sources of liquidity to manage those mismatches.

The average daily balance (along with minimum and maximum amounts) and the end balance as of each reporting period (quarterly and annual) should be provided for 3 through 5, 7 and 11 below.

- (2) Whether repo agreements are bilateral and/or tri-party trades.
- (3) Maturity time frame divided by the following categories: open or continuous term contracts for which no maturity date is specified, overnight, 2 days to 1 week, from 1 week to 1 month, greater than 1 month to 3 months, greater than 3 months to 1 year, and greater than 1 year.

- (4) Aggregate fair value of securities sold and/or acquired that resulted in default. (This disclosure is not intended to capture “failed trades,” which are defined as instances in which the trade did not occur as a result of an error and was timely corrected. Rather, this shall capture situations in which the non-defaulting party exercised their right to terminate after the defaulting party failed to execute.)

Allocation of the fair value of securities sold and/or acquired by counterparty and identification of the counterparty jurisdiction.

- (5) Fair value of securities sold in the aggregate, with identification of nonadmitted assets. (Book adjusted carrying value shall be provided as an end balance only.)
- (6) Fair value of securities sold by type of security and categorized by NAIC designation, with identification of nonadmitted assets. (Book adjusted carrying value shall be provided as an end balance only.) Although legally sold as a secured borrowing, these assets are still reported by the insurer and shall be coded as restricted pursuant to the annual statement instructions, disclosed in accordance with *SSAP No. 1—Accounting Policies, Risks & Uncertainties, and Other Disclosures* (SSAP No. 1), reported in the general interrogatories, and included in any other statutory schedules or disclosure requirements requesting information for restricted assets.
- (7) Cash collateral and the fair value of security collateral (if any) received in the aggregate.
- (8) Cash collateral and the fair value of security collateral received by type of security and categorized by NAIC designation with identification of collateral securities received that do not qualify as admitted assets.
- (9) For collateral received, aggregate allocation of the collateral by the remaining contractual maturity of the repurchase agreements (gross): overnight and continuous, up to 30 days, 30-90 days and greater than 90 days.
- (10) For cash collateral received that has been reinvested, the total reinvested cash and the aggregate amortized cost and fair value of the invested asset acquired with the cash collateral. This disclosure shall be reported by the maturity date of the invested asset: under 30 days, 60 days, 90 days, 120 days, 180 days, less than 1 year, 1-2 years, 2-3 years and greater than 3 years.
- (11) Liability recognized to return cash collateral and the liability recognized to return securities received as collateral as required pursuant to the terms of the secured borrowing transaction.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

If the entity has entered into repurchase agreements, accounted for as secured borrowings or as sale transactions, disclose the following:

- (1) Information regarding the company policy or strategies for engaging in repo programs, policy for requiring collateral.

Include the terms of reverse repurchase agreements whose amounts are included in borrowing money.

Also include a discussion of the potential risks associated with the agreements and related collateral received, including the impact of arising changes in the fair value of the collateral received and/or the provided security and how those risks are managed.

The average daily balance (along with minimum and maximum amounts) and the end balance as of each reporting period (quarterly and annual) should be provided for 3 through 5, 7, 9 and 10 below.

- (2) Whether repo agreements are bilateral and/or tri-party trades.
- (3) Maturity time frame divided by the following categories: open or continuous term contracts for which no maturity date is specified, overnight, 2 days to 1 week, from 1 week to 1 month, greater than 1 month to 3 months, greater than 3 months to 1 year, and greater than 1 year.
- (4) Aggregate fair value of securities sold and/or acquired that resulted in default. (This disclosure is not intended to capture “failed trades,” which are defined as instances in which the trade did not occur as a result of an error and was timely corrected. Rather, this shall capture situations in which the non-defaulting party exercised their right to terminate after the defaulting party failed to execute.)

Allocation of the fair value of securities sold and/or acquired by counterparty and identification of the counterparty jurisdiction.

- (5) Fair value of securities acquired in the aggregate.
- (6) Fair value of securities acquired by type of security and categorized by NAIC designation, with identification of whether acquired assets would not qualify as admitted assets.
- (7) Cash collateral and the fair value of security collateral (if any) provided. (If security collateral was provided, book adjusted carrying value shall be provided as an end balance only.) Disclosure shall identify the book adjusted carrying value of any nonadmitted securities provided as collateral.
- (8) For collateral pledged, the aggregate allocation of the collateral by the remaining contractual maturity of the repurchase agreements (gross), overnight and continuous, up to 30 days, 30-90 days and greater than 90 days.
- (9) Recognized receivable for the return of collateral. (Generally cash collateral, but including securities provided as collateral as applicable under the terms of the secured borrowing transaction. Receivables are not recognized for securities provided as collateral if those securities are still reported as assets of the reporting entity.)
- (10) Liability recognized to return cash collateral and the liability recognized to return securities received as collateral as required pursuant to the terms of the secured borrowing transaction.

H. Repurchase Agreements Transactions Accounted for as a Sale

If the entity has entered into repurchase agreements, accounted for as secured borrowings or as sale transactions, disclose the following:

- (1) Disclose information regarding the company policy or strategies for engaging in repo programs, policy for requiring collateral.

The average daily balance (along with minimum and maximum amounts) and the end balance as of each reporting period (quarterly and annual) should be provided for 3 through 5, 7 and 9 below.

- (2) Whether repo agreements are bilateral and/or tri-party trades.
- (3) Maturity time frame divided by the following categories: open or continuous term contracts for which no maturity date is specified, overnight, 2 days to 1 week, from 1 week to 1 month, greater than 1 month to 3 months, greater than 3 months to 1 year, and greater than 1 year.

- (4) Aggregate fair value of securities sold and/or acquired that resulted in default. (This disclosure is not intended to capture “failed trades,” which are defined as instances in which the trade did not occur as a result of an error and was timely corrected. Rather, this shall capture situations in which the non-defaulting party exercised their right to terminate after the defaulting party failed to execute.)

Allocation of the fair value of securities sold and/or acquired by counterparty and identification of the counterparty jurisdiction.

- (5) Fair value of securities sold (derecognized from the financial statements) in the aggregate, with information on the book adjusted carrying value of nonadmitted assets sold. (Book adjusted carrying value shall be provided as an end balance only reflecting the amount derecognized from the sale transaction.)
- (6) Fair value and book adjusted carrying value of securities sold (derecognized from the financial statements) by type of security and categorized by NAIC designation, with identification of nonadmitted assets, with information on the book adjusted carrying value of nonadmitted assets sold.
- (7) Cash collateral and the fair value of security collateral (if any) received as proceeds and recognized in the financial statements in the aggregate with identification of received assets nonadmitted.
- (8) Cash collateral and the fair value of security collateral (if any) received as proceeds and recognized in the financial statements by type of security and categorized by NAIC designation with identification of received assets nonadmitted. All securities received shall be coded as restricted pursuant to the annual statement instructions, disclosed in accordance with SSAP No. 1, reported in the general interrogatories, and included in any other statutory schedules or disclosure requirements requesting information for restricted assets.
- (9) The forward repurchase commitment recognized to return the cash or securities received. Amount reported shall reflect the stated repurchase price under the repurchase transaction.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

If the entity has entered into repurchase agreements, accounted for as secured borrowings or as sale transactions, disclose the following:

- (1) Disclose information regarding the company policy or strategies for engaging in repo programs, policy on requiring collateral.

The average daily balance (along with minimum and maximum amounts) and the end balance as of each reporting period (quarterly and annual) should be provided for 3 through 5, 7 and 8 below.

- (2) Whether repo agreements are bilateral and/or tri-party trades.
- (3) Maturity time frame divided by the following categories: open or continuous term contracts for which no maturity date is specified, overnight, 2 days to 1 week, from 1 week to 1 month, greater than 1 month to 3 months, greater than 3 months to 1 year, and greater than 1 year.
- (4) Aggregate fair value of securities sold and/or acquired that resulted in default. (This disclosure is not intended to capture “failed trades,” which are defined as instances in which the trade did not occur as a result of an error and was timely corrected. Rather, this shall capture situations in which the non-defaulting party exercised their right to terminate after the defaulting party failed to execute.)

Allocation of the fair value of securities sold and/or acquired by counterparty and identification of the counterparty jurisdiction, and

- (5) Fair value of securities acquired and recognized on the financial statements in the aggregate. (Book adjusted carrying value shall be provided as an end balance only.) The disclosure also requires the book adjusted carrying value of nonadmitted assets acquired.
- (6) Fair value of securities acquired and recognized on the financial statements by type of security and categorized by NAIC designation. (Book adjusted carrying value shall be provided.) The disclosure also requires the book adjusted carrying value of nonadmitted assets acquired.
- (7) Cash collateral and the fair value of security collateral (if any) provided. (If security collateral was provided, book adjusted carrying value shall be provided as an end balance only.) Disclosure shall also identify whether any nonadmitted assets were provided as collateral (de-recognized from the financial statements).
- (8) The forward repurchase commitment recognized to return the cash or securities received. Amount reported shall reflect the stated repurchase price under the repurchase transaction.

M. Working Capital Finance Investments

- (2) Disclose the aggregate book/adjusted carrying value maturity distribution on the underlying Working Capital Finance Programs by the following categories: maturities up to 180 days and 181 days to 365 days.
- (3) Disclose any events of default of working capital finance investments during the reporting period.

N. Offsetting and Netting of Assets and Liabilities

The following quantitative information shall be disclosed (separately for assets and liabilities) when derivative, repurchase and reverse repurchase, and securities borrowing and securities lending assets and liabilities are offset and reported net in accordance with a valid right to offset per *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*:

- The gross amounts of recognized assets and recognized liabilities;
- The amounts offset in accordance with a valid right to offset per *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*; and
- The net amounts presented in the statement of financial positions.

Assets and liabilities that have a valid right to offset, but are not netted as they are prohibited under *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*, are not required to be captured in the disclosures.

Illustration:

D. Loan-Backed Securities

- (1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.
- (2)

	1 Amortized Cost Basis Before Other-Than- Temporary Impairment	2 Other-Than-Temporary Impairment Recognized in Loss	3 Fair Value 1 – 2
OTTI recognized 1 st Quarter			
a. Intent to sell	\$ _____	\$ _____	\$ _____
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ _____	\$ _____	\$ _____
c. Total 1 st Quarter	\$ _____	\$ _____	\$ _____
OTTI recognized 2 nd Quarter			
d. Intent to sell	\$ _____	\$ _____	\$ _____
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ _____	\$ _____	\$ _____
f. Total 2 nd Quarter	\$ _____	\$ _____	\$ _____
OTTI recognized 3 rd Quarter			
g. Intent to sell	\$ _____	\$ _____	\$ _____
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ _____	\$ _____	\$ _____
i. Total 3 rd Quarter	\$ _____	\$ _____	\$ _____
OTTI recognized 4 th Quarter			
j. Intent to sell	\$ _____	\$ _____	\$ _____
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ _____	\$ _____	\$ _____
l. Total 4 th Quarter	\$ _____	\$ _____	\$ _____
m. Annual Aggregate Total		\$ _____	

Not for Distribution

(3)

1 CUSIP	2 Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	3 Present Value of Projected Cash Flows	4 Recognized Other-Than- Temporary Impairment	5 Amortized Cost After Other- Than-Temporary Impairment	6 Fair Value at Time of OTTI	7 Date of Financial Statement Where Reported
Total	XXX	XXX	\$	XXX	XXX	XXX

NOTE: Each CUSIP should be listed separately each time an OTTI is recognized.

For Securities with amortized cost or adjusted amortized cost:

Column 2 minus Column 3 should equal Column 4

Column 2 minus Column 4 should equal Column 5

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:

1. Less than 12 Months \$ _____

2. 12 Months or Longer \$ _____

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months \$ _____

2. 12 Months or Longer \$ _____

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(3) Collateral Received

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged

Fair
Value

\$ _____

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

REPURCHASE TRANSACTION – CASH TAKER – OVERVIEW OF SECURED BORROWING TRANSACTIONS

(2) Type of Repo Trades Used

	1 FIRST QUARTER	2 SECOND QUARTER	3 THIRD QUARTER	4 FOURTH QUARTER
--	-----------------------	------------------------	-----------------------	------------------------

- a. Bilateral (YES/NO)
- b. Tri-Party (YES/NO)

(3) Original (Flow) & Residual Maturity

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

(4) Counterparty, Jurisdiction and Fair Value (FV)

1	2	FIRST QUARTER				SECOND QUARTER			
		3	4	5	6	7	8	9	10
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted) X
- b. Counterparty

1	2	THIRD QUARTER				FOURTH QUARTER			
		11	12	13	14	15	16	17	18
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted) XXX
- b. Counterparty*

* Counterparty and Jurisdiction Column entries used for the amounts for Columns 11 through 18 are the same as used above in Columns 2 through 10.

(5) Securities "Sold" Under Repo – Secured Borrowing

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. BACV	XXX						
b. Nonadmitted – Subset of BACV	XXX						
c. Fair Value							

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. BACV	XXX						
b. Nonadmitted – Subset of BACV	XXX						
c. Fair Value							

(6) Securities Sold Under Repo – Secured Borrowing by NAIC Designation

ENDING BALANCE

1	2	3	4	5	6	7	8
NONE	NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	NONADMITTED

a. Bonds – BACV							
b. Bonds – FV							
c. LB & SS – BACV							
d. LB & SS – FV							
e. Preferred Stock – BACV							
f. Preferred Stock – FV							
g. Common Stock							
h. Mortgage Loans – BACV							
i. Mortgage Loans – FV							
j. Real Estate – BACV							
k. Real Estate – FV							
l. Derivatives – BACV							
m. Derivatives – FV							
n. Other Invested Assets – BACV							
o. Other Invested Assets – FV							
p. Total Assets – BACV							
q. Total Assets – FV							

(7) Collateral Received – Secured Borrowing

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. Cash							
b. Securities (FV)							

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. Cash							
b. Securities (FV)							

(8) Cash & Non-Cash Collateral Received – Secured Borrowing by NAIC Designation

ENDING BALANCE

	1	2	3	4	5	6	7	8
	NONE	NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	DOES NOT QUALIFY AS ADMITTED
a. Cash
b. Bonds – FV
c. LB & SS – FV
d. Preferred Stock – FV
e. Common Stock
f. Mortgage Loans – BACV
g. Mortgage Loans – FV
h. Real Estate – FV
i. Derivatives – FV
j. Other Invested Assets – FV
k. Total Collateral Assets – FV

(9) Allocation of Aggregate Collateral by Remaining Contractual Maturity

FAIR VALUE

a. Overnight and Continuous	.....
b. 30 Days or Less	.....
c. 31 to 90 Days	.....
d. > 90 Days	.....

(10) Allocation of Aggregate Collateral Reinvested by Remaining Contractual Maturity

AMORTIZED COST	FAIR VALUE
----------------	------------

a. 30 Days or Less	.....	.....
b. 31 to 60 Days	.....	.....
c. 61 to 90 Days	.....	.....
d. 91 to 120 Days	.....	.....
e. 121 to 180 Days	.....	.....
f. 181 to 365 Days	.....	.....
g. 1 to 2 Years	.....	.....
h. 2 to 3 Years	.....	.....
i. > 3 Years	.....	.....

(11) Liability to Return Collateral – Secured Borrowing (Total)

	FIRST QUARTER				SECOND QUARTER			
	1	2	3	4	5	6	7	8
	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. Cash (Collateral – All)	.....	.....	.....	.....	.....	.....	.....	.....
b. Securities Collateral (FV)	.....	.....	.....	.....	.....	.....	.....	.....

	THIRD QUARTER				FOURTH QUARTER			
	9	10	11	12	13	14	15	16
	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. Cash (Collateral – All)	.....	.....	.....	.....	.....	.....	.....	.....
b. Securities Collateral (FV)	.....	.....	.....	.....	.....	.....	.....	.....

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

REPURCHASE TRANSACTION – CASH PROVIDER – OVERVIEW OF SECURED BORROWING TRANSACTIONS

(2) Type of Repo Trades Used

	1 FIRST QUARTER	2 SECOND QUARTER	3 THIRD QUARTER	4 FOURTH QUARTER
--	-----------------------	------------------------	-----------------------	------------------------

- a. Bilateral (YES/NO)
- b. Tri-Party (YES/NO)

(3) Original (Flow) & Residual Maturity

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

(4) Counterparty, Jurisdiction and Fair Value (FV)

1	2	FIRST QUARTER				SECOND QUARTER			
		3	4	5	6	7	8	9	10
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted)
- b. Counterparty

1	2	THIRD QUARTER				FOURTH QUARTER			
		11	12	13	14	15	16	17	18
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted)
- b. Counterparty*

* Counterparty and Jurisdiction Column entries used for the amounts for Columns 11 through 18 are the same as used above in Columns 2 through 10.

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

(5) Fair Value of Securities Acquired Under Repo – Secured Borrowing

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

(5) Fair Value of Securities Acquired Under Repo – Secured Borrowing

(6) Securities Acquired Under Repo – Secured Borrowing by NAIC Designation

ENDING BALANCE

1	2	3	4	5	6	7	8
NONE	NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	DOES NOT QUALIFY AS ADMITTED

- a. Bonds – FV
- b. LB & SS – FV
- c. Preferred Stock – FV
- d. Common Stock
- e. Mortgage Loans – FV
- f. Real Estate – FV
- g. Derivatives – FV
- h. Other Invested Assets – FV
- i. Total Assets – FV

(7) Collateral Pledged – Secured Borrowing

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Cash
- b. Securities (FV)
- c. Securities (BACV)
- d. Nonadmitted Subset (BACV)

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Cash
- b. Securities (FV)
- c. Securities (BACV)
- d. Nonadmitted Subset (BACV)

(8) Allocation of Aggregate Collateral by Remaining Contractual Maturity

AMORTIZED COST	FAIR VALUE
----------------	------------

- a. Overnight and Continuous
- b. 30 Days
- c. 31 to 90 Days
- d. > 90 Days

(9) Recognized Receivable for Return of Collateral – Secured Borrowing

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Cash
- b. Securities (FV)

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Cash
- b. Securities (FV)

(10) Recognized Liability to Return Collateral – Secured Borrowing (Total)

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Repo Securities Sold/Acquired with Cash Collateral
- b. Repo Securities Sold/Acquired with Securities Collateral (FV)

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Repo Securities Sold/Acquired with Cash Collateral
- b. Repo Securities Sold/Acquired with Securities Collateral (FV)

H. Repurchase Agreements Transactions Accounted for as a Sale

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

REPURCHASE TRANSACTION – CASH TAKER – OVERVIEW OF SALE TRANSACTIONS

(2) Type of Repo Trades Used

FIRST QUARTER	2 SECOND QUARTER	3 THIRD QUARTER	4 FOURTH QUARTER
---------------	------------------	-----------------	------------------

- a. Bilateral (YES/NO)
- b. Tri-Party (YES/NO)

(3) Original (Flow) & Residual Maturity

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

(4) Counterparty, Jurisdiction and Fair Value (FV)

1	2	FIRST QUARTER				SECOND QUARTER			
		3	4	5	6	7	8	9	10
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted)
- b. Counterparty

XXX

1	2	THIRD QUARTER				FOURTH QUARTER			
		11	12	13	14	15	16	17	18
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted)
- b. Counterparty*

XXX

* Counterparty and Jurisdiction Columns used for the amounts for Columns 11 through 18 are the same as used above in Columns 2 through 10.

(5) Securities "Sold" Under Repo – S

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. BACV
- b. Nonadmitted – Subset of BACV
- c. Fair Value

XXX

XXX

XXX

XXX

XXX

XXX

XXX

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. BACV
- b. Nonadmitted – Subset of BACV
- c. Fair Value

XXX

XXX

XXX

XXX

XXX

XXX

XXX

(6) Securities Sold Under Repo – Sale by NAIC Designation

ENDING BALANCE

	1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 NONADMITTED
a. Bonds – BACV								
b. Bonds – FV								
c. LB & SS – BACV								
d. LB & SS – FV								
e. Preferred Stock – BACV								
f. Preferred Stock – FV								
g. Common Stock								
h. Mortgage Loans – BACV								
i. Mortgage Loans – FV								
j. Real Estate – BACV								
k. Real Estate – FV								
l. Derivatives – BACV								
m. Derivatives – FV								
n. Other Invested Assets – BACV								
o. Other Invested Assets – FV								
p. Total Assets – BACV								
q. Total Assets – FV								

(7) Proceeds Received – Sale

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE
a. Cash							
b. Securities (FV)							
c. Nonadmitted							

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE
a. Cash							
b. Securities (FV)							
c. Nonadmitted							

(8) Cash & Non-Cash Collateral Received – Sale by NAIC Designation

ENDING BALANCE

	1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 NONADMITTED
a. Bonds – FV								
b. LB & SS – FV								
c. Preferred Stock – FV								
d. Common Stock								
e. Mortgage Loans – BACV								
f. Mortgage Loans – FV								
g. Real Estate – FV								
h. Derivatives – FV								
i. Other Invested Assets – FV								
j. Total Assets – FV								

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE
(9) Recognized Forward Resale Commitment							

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE
(9) Recognized Forward Resale Commitment							

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

REPURCHASE TRANSACTION – CASH PROVIDER – OVERVIEW OF SALE TRANSACTIONS

(2) Type of Repo Trades Used

	1 FIRST QUARTER	2 SECOND QUARTER	3 THIRD QUARTER	4 FOURTH QUARTER
--	-----------------------	------------------------	-----------------------	------------------------

- a. Bilateral (YES/NO)
- b. Tri-Party (YES/NO)

(3) Original (Flow) & Residual Maturity

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Open – No Maturity
- b. Overnight
- c. 2 Days to 1 Week
- d. > 1 Week to 1 Month
- e. > 1 Month to 3 Months
- f. > 3 Months to 1 Year
- g. > 1 Year

(4) Counterparty, Jurisdiction and Fair Value (FV)

1	2	FIRST QUARTER				SECOND QUARTER			
		3	4	5	6	7	8	9	10
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted)
- b. Counterparty

X

1	2	THIRD QUARTER				FOURTH QUARTER			
		11	12	13	14	15	16	17	18
	Jurisdiction	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

- a. Default (Fair Value of Securities Sold/Outstanding for Which the Repo Agreement Defaulted)
- b. Counterparty*

XXX

* Counterparty and Jurisdiction Column entries used for the amounts for Columns 11 through 18 are the same as used above in Columns 2 through 10.

(5) Securities Acquired Under Repo – Sale

	FIRST QUARTER				SECOND QUARTER			
	1	2	3	4	5	6	7	8
	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. BACV	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....
b. Nonadmitted – Subset of BACV	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....
c. Fair Value	.....	.....	.....	.....	.....	.....	.....	.....

	THIRD QUARTER				FOURTH QUARTER			
	9	10	11	12	13	14	15	16
	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. BACV	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....
b. Nonadmitted – Subset of BACV	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....
c. Fair Value	.....	.....	.....	.....	.....	.....	.....	.....

(6) Securities Acquired Under Repo – Sale by NAIC Designation

ENDING BALANCE

	1	2	3	4	5	6	7	8
	NONE	NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	NONADMITTED

a. Bonds – BACV	.....	.....	.....	.....	.....	.....	.....	.....
b. Bonds – FV	.....	.....	.....	.....	.....	.....	.....	.....
c. LB & SS – BACV	.....	.....	.....	.....	.....	.....	.....	.....
d. LB & SS – FV	.....	.....	.....	.....	.....	.....	.....	.....
e. Preferred Stock – BACV	.....	.....	.....	.....	.....	.....	.....	.....
f. Preferred Stock – FV	.....	.....	.....	.....	.....	.....	.....	.....
g. Common Stock	.....	.....	.....	.....	.....	.....	.....	.....
h. Mortgage Loans – BACV	.....	.....	.....	.....	.....	.....	.....	.....
i. Mortgage Loans – FV	.....	.....	.....	.....	.....	.....	.....	.....
j. Real Estate – BACV	.....	.....	.....	.....	.....	.....	.....	.....
k. Real Estate – FV	.....	.....	.....	.....	.....	.....	.....	.....
l. Derivatives – BACV	.....	.....	.....	.....	.....	.....	.....	.....
m. Derivatives – FV	.....	.....	.....	.....	.....	.....	.....	.....
n. Other Invested Assets – BACV	.....	.....	.....	.....	.....	.....	.....	.....
o. Other Invested Assets – FV	.....	.....	.....	.....	.....	.....	.....	.....
p. Total Assets – BACV	.....	.....	.....	.....	.....	.....	.....	.....
q. Total Assets – FV	.....	.....	.....	.....	.....	.....	.....	.....

(7) Proceeds Provided – Sale

	FIRST QUARTER				SECOND QUARTER			
	1	2	3	4	5	6	7	8
	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. Cash	.....	.....	.....	.....	.....	.....	.....	.....
b. Securities (FV)	.....	.....	.....	.....	.....	.....	.....	.....
c. Securities (BACV)	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....
d. Nonadmitted Subset	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....

	THIRD QUARTER				FOURTH QUARTER			
	9	10	11	12	13	14	15	16
	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

a. Cash	.....	.....	.....	.....	.....	.....	.....	.....
b. Securities (FV)	.....	.....	.....	.....	.....	.....	.....	.....
c. Securities (BACV)	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....
d. Nonadmitted Subset	XXX	XXX	XXX	.....	XXX	XXX	XXX	.....

(8) Recognized Forward Resale Commitment

FIRST QUARTER				SECOND QUARTER			
1	2	3	4	5	6	7	8
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

(8) Recognized Forward Resale Commitment

THIRD QUARTER				FOURTH QUARTER			
9	10	11	12	13	14	15	16
MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE	MINIMUM	MAXIMUM	AVERAGE DAILY BALANCE	ENDING BALANCE

M. Working Capital Finance Investments

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs:

	<u>Book/Adjusted Carrying Value</u>
a. Up to 180 Days	_____
b. 181 Days to 365 Days	_____
c. Total	\$ _____

N. Offsetting and Netting of Assets and Liabilities

	Gross Amount Recognized	Amount Offset*	Net Amount Presented on Financial Statements
(1) Assets			
.....	\$		\$
.....			
.....			
.....			
(2) Liabilities			
.....	\$	\$	\$
.....			
.....			
.....			

* For derivative assets and derivative liabilities, the amount offset shall agree to Schedule DB, Part D, Section 1.

11. Debt

Instruction:

B. For FHLB (Federal Home Loan Bank) agreements, the following information shall be disclosed for the current year and prior year-end. (The information in the disclosures shall be presented gross even if a right to offset per *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*, exists.)

(1) General description with information on the nature of the agreement, type of borrowing (advances, lines of credit, borrowed money, etc.) and use of the funding.

(2) FHLB Capital Stock

a. Amount of FHLB capital stock held, in aggregate, and classified as follows:

- Membership stock (separated by Class A and Class B)
- Activity Stock
- Excess Stock
- Aggregate Total
- The actual or estimated maximum borrowing capacity as determined by the insurer

Also provide a description of how the borrowing capacity was determined.

b. For membership stock (Class A and Class B), report the amount of FHLB capital stock eligible and not eligible for redemption (for FHLB membership stock to be eligible for redemption, written notification must have been provided to the FHLB prior to the reporting date) and the anticipated time frame for redemption showing:

- Total Current Year
- Not Eligible for Redemption
- Less than 6 months
- 6 months to 1 year
- 1 year to 3 years
- 3 years to 5 years

(3) Collateral Pledged to FHLB

a. Amount (fair value and carrying value) of collateral pledged to the FHLB as of the reporting date and total aggregate borrowing.

b. Maximum amount of collateral (fair value and carrying amount) pledged to the FHLB at any time during the current reporting period and amount borrowed at time of maximum collateral. (Maximum shall be determined on the basis of carrying value, but with fair amount also reported.)

(4) Borrowing from FHLB

a. Aggregate amount of borrowings from the FHLB, reflecting compilation of all advances, loans, funding agreements, repurchase agreements, securities lending, etc., outstanding with the FHLB, and classify whether the borrowing is in substance:

- Debt (SSAP No. 15—*Debt and Holding Company Obligations*)
- A funding agreement (SSAP No. 52—*Deposit-Type Contracts*)
- Other
- Aggregate Total

For funding agreements, report the total reserves established.

b. Report the maximum amount of aggregate borrowings from an FHLB at any time during the current reporting period for:

- Debt (SSAP No. 15—*Debt and Holding Company Obligations*)
- A funding agreement (SSAP No. 52—*Deposit-Type Contracts*)
- Other
- Aggregate Total

c. Disclose whether current borrowings are subject to prepayment penalties for:

- Debt (SSAP No. 15—*Debt and Holding Company Obligations*)
- A funding agreement (SSAP No. 52—*Deposit-Type Contracts*)
- Other

Illustration:

B. FHLB (Federal Home Loan Bank) Agreements

- (1) The Company is a member of the Federal Home Loan Bank (FHLB) of _____. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. It is part of the Company's strategy to utilize these funds as _____. (For example, backup liquidity, to increase profitability, as tactical funding and/or to improve spread lending liquidity.) The Company has determined the actual/estimated maximum borrowing capacity as \$____. The Company calculated this amount in accordance with _____ (e.g., current FHLB capital stock, limitations in the FHLB capital plan, current and potential acquisitions of FHLB capital stock, _____).

(2) FHLB Capital Stock

a. Aggregate Totals

		Total
1.	Current Year	
(a)	Membership Stock – Class A	.....
(b)	Membership Stock – Class B	.....
(c)	Activity Stock	.....
(d)	Excess Stock	.....
(e)	Aggregate Total (a+b+c+d)	.....
(f)	Actual or Estimated Borrowing Capacity as Determined by the Insurer	.....
2.	Prior Year-end	
(a)	Membership Stock – Class A	.....
(b)	Membership Stock – Class B	.....
(c)	Activity Stock	.....
(d)	Excess Stock	.....
(e)	Aggregate Total (a+b+c+d)	.....
(f)	Actual or Estimated Borrowing Capacity as Determined by the Insurer	.....
11B(2)a1(f) should be equal to or greater than 11B(2)a1(d)		
11B(2)a2(f) should be equal to or greater than 11B(2)a2(d)		

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

	1	2	Eligible for Redemption			
			3	4	5	6
Membership Stock	Current Year Total (2+3+4+5+6)	Not Eligible for Redemption	Less Than 6 Months	6 Months to Less Than 1 Year	1 to Less Than 3 Years	3 to 5 Years
1. Class A
2. Class B
11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)						
11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)						

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

1	2	3
Fair Value	Carrying Value	Aggregate Total Borrowing

1. Current Year Total Collateral Pledged
2. Prior Year-end Total Collateral Pledged

11B(3)a1 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b1 (Columns 1, 2 and 3) respectively)

11B(3)a2 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b2 (Columns 1, 2 and 3) respectively)

b. Maximum Amount Pledged During Reporting Period

1	2	3
Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral

1. Current Year Total Maximum Collateral Pledged
2. Prior Year-end Total Maximum Collateral Pledged

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

Total	Funding Agreements Reserves Established
-------	---

1. Current Year
- (a) Debt XXX
- (b) Funding Agreements
- (c) Other XXX
- (d) Aggregate Total (a+b+c)
2. Prior Year-end
- (a) Debt XXX
- (b) Funding Agreements
- (c) Other XXX
- (d) Aggregate Total (a+b+c)

Not for Distribution

b. Maximum Amount during Reporting Period (Current Year)

	Total
1. Debt
2. Funding Agreements
3. Other
4. Aggregate Total (Lines 1+2+3)

11B(4)b4 should be equal to or greater than 11B(4)a1(d)

c. FHLB – Prepayment Obligations

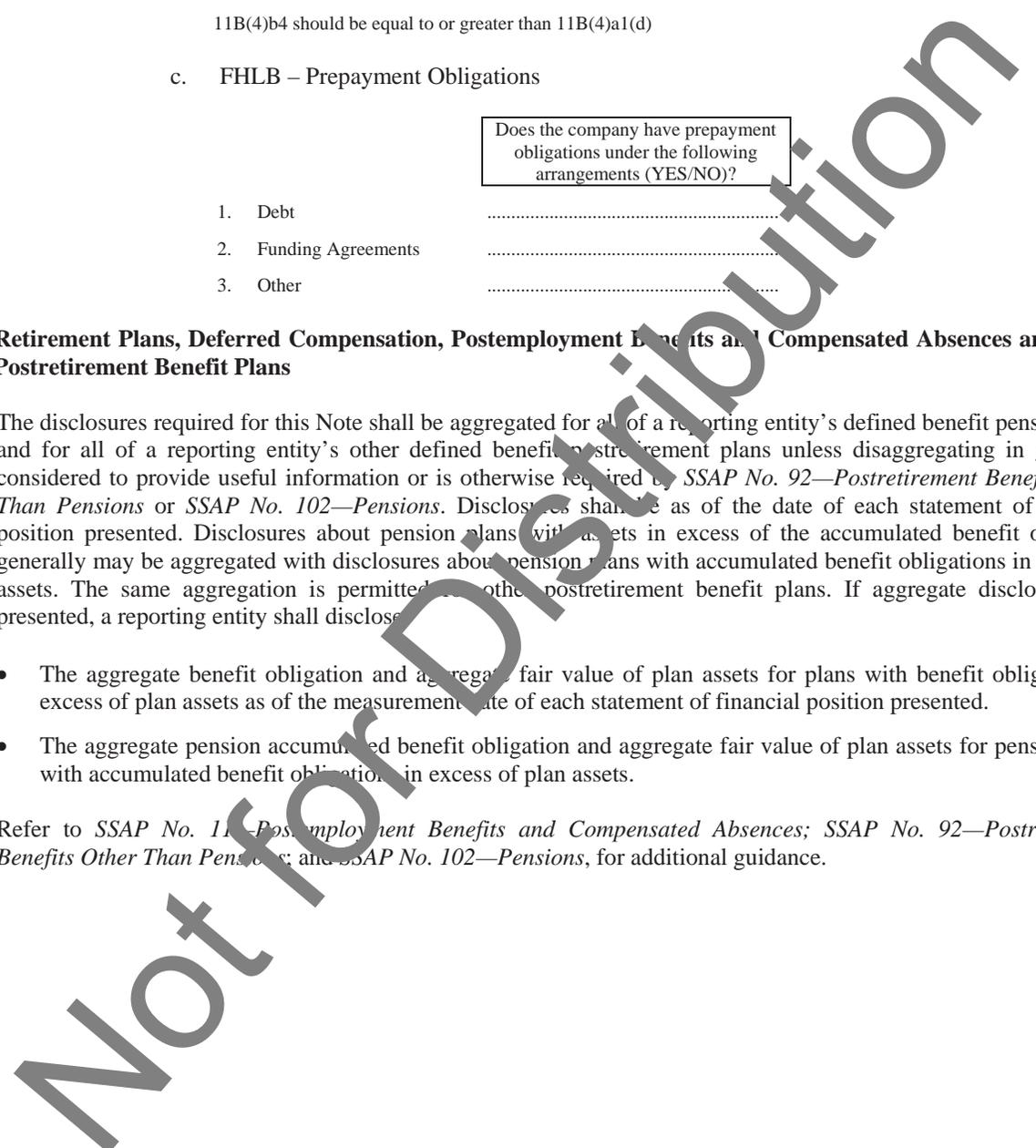
	Does the company have prepayment obligations under the following arrangements (YES/NO)?
1. Debt
2. Funding Agreements
3. Other

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The disclosures required for this Note shall be aggregated for all of a reporting entity’s defined benefit pension plans and for all of a reporting entity’s other defined benefit postretirement plans unless disaggregating in groups is considered to provide useful information or is otherwise required by *SSAP No. 92—Postretirement Benefits Other Than Pensions* or *SSAP No. 102—Pensions*. Disclosures shall be as of the date of each statement of financial position presented. Disclosures about pension plans with assets in excess of the accumulated benefit obligation generally may be aggregated with disclosures about pension plans with accumulated benefit obligations in excess of assets. The same aggregation is permitted for other postretirement benefit plans. If aggregate disclosures are presented, a reporting entity shall disclose:

- The aggregate benefit obligation and aggregate fair value of plan assets for plans with benefit obligations in excess of plan assets as of the measurement date of each statement of financial position presented.
- The aggregate pension accumulated benefit obligation and aggregate fair value of plan assets for pension plans with accumulated benefit obligations in excess of plan assets.

Refer to *SSAP No. 11—Postemployment Benefits and Compensated Absences*; *SSAP No. 92—Postretirement Benefits Other Than Pensions*; and *SSAP No. 102—Pensions*, for additional guidance.



Instruction:

A. Defined Benefit Plan

- (4) The amount of net periodic benefit cost recognized for pension benefits, postretirement benefits, and special or contractual termination benefits, showing separately each of the below. For special or contractual termination benefits, see *SSAP No. 11—Postemployment Benefits and Compensated Absences*, for additional information.
- a. Service cost
 - b. Interest cost
 - c. Expected return on plan assets for the period
 - d. Transition asset or obligation
 - e. Gains and losses
 - f. Prior service cost or credit
 - g. Gain or loss recognized due to a settlement or curtailment
 - h. Total net periodic benefit cost

Illustration:

A. Defined Benefit Plan

- (4) Components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	20__	20__	20__	20__	20__	20__
a. Service cost	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____
b. Interest cost	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____
c. Expected return on plan assets	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____
d. Transition asset or obligation	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____
e. Gains and losses	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____
f. Prior service cost or credit	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____
g. Gain or loss recognized due to a settlement or curtailment	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____
h. Total net periodic benefit cost	\$_____	\$_____	\$_____	\$_____	\$_____	\$_____

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Instruction:

B. Transfer and Servicing of Financial Assets

For transactions reported in accordance with *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, a reporting entity shall disclose the following:

- (2) For all servicing assets and servicing liabilities:
- a. A description of the risks inherent in servicing assets and servicing liabilities and, if applicable, the instruments used to mitigate the income statement effect of changes in fair value to the servicing assets and servicing liabilities. (Disclosure of quantitative information about the instruments used to manage the risks inherent in servicing assets and servicing liabilities is encouraged but not required.)

- b. The amount of **contractually specified servicing fees**, late fees and ancillary fees earned for each period for which results of operations are presented, including a description of where each amount is reported in the statement of income.
- c. Quantitative and qualitative information about the assumptions used to estimate the fair value (for example, discount rates, anticipated credit losses and prepayment speeds). An entity that provides quantitative information about the instruments used to manage the risks inherent in the servicing assets and servicing liabilities, as encouraged by *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, also is encouraged but not required to disclose the quantitative and qualitative information about the assumptions used to estimate the fair value of those instruments.
- (4) For securitizations, asset-backed financing arrangements and similar transfers accounted for as sales when the transferor has continuing involvement (as defined in the glossary of the *Accounting Practices and Procedures Manual*) with the transferred financial assets:
- a. For each income statement presented:
1. The characteristics of the transfer including a description of the transferor's continuing involvement with the transferred financial assets, the nature and initial fair value of the assets obtained as proceeds and the liabilities incurred in the transfer, and the gain or loss from the sale of transferred financial assets. For initial fair value measurements of assets obtained and liabilities incurred in the transfer, the following information:
 - (a) The level within the fair value hierarchy in which the fair value measurements in their entirety fall, segregating fair value measurements using quoted prices in active markets for identical assets or liabilities (Level 1), significant other observable inputs (Level 2) and significant unobservable inputs (Level 3).
 - (b) The key inputs and assumptions used in measuring the fair value of assets obtained and liabilities incurred as a result of the sale that relate to the transferor's continuing involvement (including, at a minimum, but not limited to, and if applicable, quantitative information about discount rates; expected prepayments, including the expected weighted-average life of pre-payable financial assets; and anticipated credit losses, including expected static pool losses).
 - If an entity has aggregated multiple transfers during a period, it may disclose the range of assumptions.
 - The weighted-average life of pre-payable assets in periods (for example, months or years) can be calculated by multiplying the principal collections expected in each future period by the number of periods until that future period, summing those products, and dividing the sum by the initial principal balance.
 - Expected static pool losses can be calculated by summing the actual and projected future credit losses and dividing the sum by the original balance of the pool of assets.
 2. Cash flows between a transferor and transferee, including proceeds from new transfers, proceeds from collections reinvested in revolving-period transfers, purchases of previously transferred financial assets, servicing fees and cash flows received from a transferor's beneficial interests.

- b. For each statement of financial position presented, regardless of when the transfer occurred:
1. Qualitative and quantitative information about the transferor's continuing involvement with transferred financial assets that provides financial statement users with sufficient information to assess the reasons for the continuing involvement and the risks related to the transferred financial assets to which the transferor continues to be exposed after the transfer and the extent that the transferor's risk profile has changed as a result of the transfer (including, but not limited to, credit risk, interest rate risk and other risks), including:
 - (a) The total principal amount outstanding, the amount that has been derecognized and the amount that continues to be recognized in the statement of financial position.
 - (b) The terms of any arrangements that could require the transferor to provide financial support (for example, liquidity arrangements and obligations to purchase assets) to the transferee or its beneficial interest holders, including a description of any events or circumstances that could expose the transferor to loss and the amount of the maximum exposure to loss.
 - (c) Whether the transferor has provided financial or other support during the periods presented that it was not previously contractually required to provide to the transferee or its beneficial interest holders, including when the transferor assisted the transferee or its beneficial interest holders in obtaining support, including:
 - The type and amount of support.
 - The primary reasons for providing the support.
 - (d) Information is encouraged about any liquidity arrangements, guarantees, and/or other commitments provided by third parties related to the transferred financial assets that may affect the transferor's exposure to loss or risk of the related transferor's interest.
 2. The entity's accounting policies for subsequently measuring assets and liabilities that relate to the continuing involvement with the transferred financial assets.
 3. The key inputs and assumptions used in measuring the fair value of assets or liabilities that relate to the transferor's continuing involvement (including, at a minimum, but not limited to, and if applicable, quantitative information about discount rates; expected prepayments, including the expected weighted-average life of pre-payable financial assets; and anticipated credit losses, including expected static pool losses).
 4. For the transferor's interests in the transferred financial assets, a sensitivity analysis or stress test showing the hypothetical effect on the fair value of those interests (including any servicing assets or servicing liabilities) of two or more unfavorable variations from the expected levels for each key assumption that is reported per *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, independently from any change in another key assumption, and a description of the objectives, methodology and limitations of the sensitivity analysis or stress test.
 5. Information about the asset quality of transferred financial assets and any other assets that it manages together with them. This information shall be separated between assets that have been derecognized and assets that continue to be recognized in the statement of financial position. This information is intended to provide financial statement users with an understanding of the risks inherent in the transferred financial assets, as well as in other assets and liabilities that it manages together with transferred financial assets. For example, information for receivables shall include, but is not limited to:
 - Delinquencies at the end of the period.
 - Credit losses, net of recoveries, during the period.

C. Wash Sales

A reporting entity shall disclose the following information for wash sales, as defined in *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, involving transactions for securities with an NAIC designation of 3 or below, or unrated (the disclosures shall be made for the current quarter in the quarterly statement, and for the year in the annual statement):

- (1) A description of the reporting entity’s objectives regarding these transactions; and
- (2) An aggregation of transactions by NAIC designation 3 or below, or unrated;

Include:

- The number of transactions involved during the reporting period;
- The book value of securities sold;
- The cost of securities repurchased; and
- The realized gains/losses associated with the securities involved.

Illustration:

C. Wash Sales

- (1) In the course of the reporting entity’s asset management, securities are sold and reacquired within 30 days of the sale date.
- (2) The details of NAIC designation 3 or below, or unrated of securities sold during the first quarter ended March 31, 20__, and reacquired within 30 days of the sale date are:

<u>Description</u>	<u>NAIC Designation</u>	<u>Number of Transactions</u>	<u>Book Value of Securities Sold</u>	<u>Cost of Securities Repurchased</u>	<u>Gain (Loss)</u>
_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____

Note: Examples of values for the Description Column are Bonds, Preferred Stocks, Common Stocks, etc. The NAIC Designation Column should indicate 3 through 6 for those transactions for securities that would have been reported with an NAIC Designation if still owned at the end of the reporting period (e.g., bonds and preferred stocks). For those transactions for securities that would not have been reported with an NAIC Designation if still owned at the end of the reporting period (e.g., real estate mortgage loans and common stocks), leave the column blank.

20. Fair Value Measurements

Instruction:

- A. A reporting entity shall disclose information that helps users of the financial statements to assess both of the following:
- For assets and liabilities that are measured and reported¹ at fair value in the statement of financial position after initial recognition, the valuation techniques and the inputs used to develop those measurements; and
 - For fair value measurements in the statement of financial position determined using significant unobservable inputs (Level 3), the effect of the measurements on earnings (or change in net assets) for the period.

To meet these objectives, the reporting entity shall disclose the information in paragraphs (1) through (4) below for each class of assets and liabilities measured and reported at fair value in the statement of financial position after initial recognition. The reporting entity shall determine appropriate classes of assets and liabilities in accordance with the annual statement instructions.

- (1) The level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (Level 1, 2 or 3).

For assets and liabilities held at the reporting date, the amounts of any transfers between Level 1 and Level 2 of the fair value hierarchy, the reasons for the transfers, and the reporting entity's policy for determining when transfers between levels are recognized. Transfers into each level shall be disclosed and discussed separately from transfers out of each level.

- (2) For fair value measurements categorized within Level 3 of the fair value hierarchy, a reconciliation from the opening balances to the closing balances disclosing separately changes during the period attributable to the following:

- a. Total gains or losses for the period recognized in income or surplus.
- b. Purchases, sales, issues and settlements (each type disclosed separately).
- c. The amounts of any transfers into or out of Level 3, the reasons for those transfers, and the reporting entity's policy for determining when transfers between levels are recognized. Transfers into Level 3 shall be disclosed and discussed separately from transfers out of Level 3.

- (3) A reporting entity shall disclose and consistently follow its policy for determining when transfers between levels are recognized. The policy about the timing of recognizing transfers shall be the same for transfers into Level 3 as that for transfers out of Level 3. Examples of policies for when to recognize the transfers are as follows:

- a. The actual date of the event or change in circumstances that caused the transfer.
- b. The beginning of the reporting period.
- c. The end of the reporting period.

¹ The term "reported" is intended to reflect the measurement basis for which the asset or liability is classified within its underlying SSAP. For example, a bond with an NAIC designation of 2 is considered an amortized cost measurement and is not included within this disclosure even if the amortized cost and fair value measurement are the same. An example of when such a situation may occur includes a bond that is written down as other-than-temporarily impaired as of the date of financial position. The amortized cost of the bond after the recognition of the other-than-temporary impairment may agree to fair value, but under SSAP No. 26R this security is considered to still be reported at amortized cost.

- (4) For fair value measurements categorized within Level 2 and Level 3 of the fair value hierarchy, a description of the valuation technique(s) and the inputs used in the fair value measurement. If there has been a change in the valuation technique(s) (for example, changing from a market approach to an income approach or the use of an additional valuation technique), the reporting entity shall disclose that change and the reason for making it.

For fair value measurements categorized within Level 2 and Level 3 of the fair value hierarchy, *SSAP No. 100—Fair Value*, requires a reporting entity to disclose a description of the valuation technique(s) and the inputs used in the fair value measurement. A reporting entity might disclose the following:

- a. Quantitative information about the input, for example, for certain debt securities or derivatives, information such as, but not limited to, prepayment rates, rates of estimated credit losses, interest rates (for example the LIBOR swap rate) or discount rates and volatilities.
 - b. The nature of the item being measured at fair value, including the characteristics of the item being measured that are considered in the determination of relevant inputs. For example, for residential mortgage-backed securities, a reporting entity might disclose the following:
 1. The types of underlying loans (for example, prime loans or subprime loans)
 2. Collateral
 3. Guarantees or other credit enhancements
 4. Seniority level of the tranches or securities
 5. The year of issue
 6. The weighted-average coupon rate of the underlying loans and the securities
 7. The weighted-average maturity of the underlying loans and the securities
 9. The geographical concentration of the underlying loans
 10. Information about the credit ratings of the securities
 - c. How third-party information such as broker quotes, pricing services, net asset values and relevant market data was considered in measuring fair value.
- (5) For derivative assets and liabilities, the reporting entity shall present both of the following:

- a. The fair value disclosures required by paragraph (1) and (2) above on a gross basis.
- b. The reconciliation disclosures required by paragraphs (2), (3) and (4) on either a gross or net basis.

The quantitative disclosures required by 20A above shall be presented using a tabular format. (See Illustrations.)

- B. The reporting entity is encouraged, but not required, to combine the fair value information disclosed under *SSAP No. 100—Fair Value*, with the fair value information disclosed under other accounting pronouncements (for example, disclosures about fair value of financial instruments) in the periods in which those disclosures are required, if practicable. The reporting entity also is encouraged, but not required, to disclose information about other similar measurements, if practicable.

- C. A reporting entity shall disclose in the notes to the financial statements, as of each date for which a statement of financial position is presented in the quarterly or annual financial statements, the aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall. This disclosure shall be summarized by the type of financial instrument for which it is practicable to estimate fair value, except for certain financial instruments identified below.

The disclosures about fair value prescribed in the preceding paragraph are not required for the following. (Note: These exclusions are specific to Note 20C and do not impact the reporting of fair value that may be required in other SSAPs or statutory accounting schedules.)

- Employers' and plans' obligations for pension benefits, other postretirement benefits (see scope Paragraph of *SSAP No. 92—Postretirement Benefits Other Than Pensions*), post-employment benefits, employee stock option and stock purchase plans, and other forms of deferred compensation arrangements, as defined in *SSAP No. 12—Employee Stock Ownership Plans*; *SSAP No. 104R—Share-Based Payments*; *SSAP No. 92—Postretirement Benefits Other Than Pensions*; and *SSAP No. 102—Pensions*.
- Substantively extinguished debt subject to the disclosure requirements of *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*.
- Insurance contracts, other than financial guarantees and deposit-type contracts
- Lease contracts as defined in *SSAP No. 22—Leases*.
- Warranty obligations and rights.
- Investments accounted for under the equity method.
- Equity instruments issued by the entity.

Fair value disclosed in the notes shall be presented together with the related admitted values in a form that makes it clear whether the fair values and admitted values represent assets or liabilities and to which line items in the Statement of Assets, Liabilities, Surplus and Other Funds they relate. Unless specified otherwise in another SSAP, the disclosure may be made net of encumbrances, if the asset or liability is so reported. A reporting entity shall also disclose the method(s) and significant assumptions used to estimate the fair value of financial instruments.

If it is not practicable for a reporting entity to estimate the fair value of the financial instrument or a class of financial instruments, the aggregate carrying amount for those items shall be reported in the "not practicable" column with additional disclosure as required in paragraph 20D below.

- D. If it is not practicable for an entity to estimate the fair value of a financial instrument or a class of financial instruments, the following shall be disclosed:
- (1) Information pertinent to estimating the fair value of that financial instrument or class of financial instruments, such as the carrying amount, effective interest rate, and maturity; and
 - (2) The reasons why it is not practicable to estimate fair value.

Illustration:

A.

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Perpetual Preferred stock				
Industrial and Misc	\$	\$	\$	\$
Parent, Subsidiaries and Affiliates				
Total Perpetual Preferred Stocks	\$	\$	\$	\$
Bonds				
U.S. Governments	\$	\$	\$	\$
Industrial and Misc				
Hybrid Securities				
Parent, Subsidiaries and Affiliates				
Total Bonds	\$	\$	\$	\$
Common Stock				
Industrial and Misc	\$	\$	\$	\$
Parent, Subsidiaries and Affiliates				
Total Common Stocks	\$	\$	\$	\$
Derivative assets				
Interest rate contracts	\$	\$	\$	\$
Foreign exchange contracts				
Credit contracts				
Commodity futures contracts				
Commodity forward contracts				
Total Derivatives	\$	\$	\$	\$
.....				
Separate account assets	\$	\$	\$	\$
Total assets at fair value	\$	\$	\$	\$
b. Liabilities at fair value				
Derivative liabilities	\$	\$	\$	\$
.....				
Total liabilities at fair value	\$	\$	\$	\$

Example Footnote:

- (a) \$X,XXX transferred from Level 1 to Level 2 as an alternative method was utilized to determine fair value as active market price was not readily accessible.

NOTE: Description column shows examples of assets and liabilities that can be disclosed. The subtotals shown in the illustration are for PDF/print reporting only. When completing the electronic notes only the detail by class will be reported.

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$	\$	\$	\$	\$	\$
Common Stock
Perpetual Preferred Stock
Mortgage Loans
.....
.....
.....
.....

NOTE: Type of Financial Instrument Column shows examples of types of financial instruments that can be disclosed.

D. Not Practicable to Estimate Fair Value

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Bonds	\$	\$
Common Stock
Perpetual Preferred Stock
Mortgage Loans
Description 1
Description 2
.....
.....

NOTE: Type or Class of Financial Instrument Column shows examples of types or classes of financial instruments that can be disclosed. Each individual security should be listed and not just an aggregate for the type or class of financial instrument.

25. Change in Incurred Losses and Loss Adjustment Expenses

Instruction:

A. Describe the reasons for changes in the provision for incurred claim and claim adjustment expenses attributable to insured events of prior years. The disclosure should indicate whether additional premiums or return premium have been accrued as a result of the prior-year effects (if applicable).

For Title reporting entities, “provision” refers to the known claims reserve included in Line 1 of the Liabilities page and “prior years” refers to prior report years.

B. Information about significant changes in methodologies and assumptions used in calculating the liability for unpaid claims and claim adjustment expenses, including reasons for the change and the effects on the financial statements for the most recent reporting period presented.

III

A. Reserves as of December 31, 2__ were \$____ million. As of ____, 2__, \$____ million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$____ million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on yyy and zzz lines of insurance. Therefore, there has been a \$____ million unfavorable (favorable) prior-year development since December 31, 2__ to ____, 2__. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. Included in this increase (decrease), the Company experienced \$____million of unfavorable (favorable) prior year claim development on retrospectively rated policies. However, the business to which it relates is subject to premium adjustments.

GENERAL INTERROGATORIES

The General Interrogatories are required for the quarterly statement

For interrogatory questions asking if there have been changes (e.g. to the charter, bylaws, articles of incorporation or deed of settlement), the reporting entity should report changes since the prior year-end, unless a different time frame is specifically mentioned by the interrogatory or by reference to another interrogatory. Those changes would continue to be reported in subsequent quarters for that year.

For those interrogatories not referring to a change from a prior reporting period but are asking for information as of a point in time, the reporting entity should answer the question as of the current quarter, unless a different time frame is specifically mentioned by the interrogatory or by reference to another interrogatory.

General Instructions

The General Interrogatories are divided into two parts. Part 1 is titled Common Interrogatories. Common Interrogatories are defined as interrogatories that are similar or identical across the Life and Health, Property and Casualty, Health, Fraternal and Title Blanks. The common interrogatories are further divided into three sections: General, Financial and Investment. Part 2 interrogatories are those interrogatories that pertain only to the individual blanks.

Sections

1. General is defined as those interrogatories that relate to the reporting entity framework.
2. Financial is defined as those interrogatories that relate to financial transactions of the reporting entity.
3. Investment is defined as those interrogatories that pertain to the solvency of the reporting entity.

NOTE: New Interrogatories are to be added to the section that relates to them.

PART 1 – COMMON INTERROGATORIES

GENERAL

- 3.3 If the response to question 3.2 is “YES,” provide a brief description of the nature of the changes to the organizational chart.
- 3.4 Answer YES if the reporting entity is publicly traded or part of a publicly traded group.
Publicly traded company is defined as a company whose securities are required to be registered under Section 12 and is subject to periodic reporting under Section 15(d) of the Securities Exchange Act of 1934.
- 3.5 Provide the Central Index Key (CIK) issued by the SEC to the publicly traded entity or group. Do not provide a CIK issued for a variable insurance product written by the entity.
- 6.1 The date of the financial examination that should be reported is for a financial examination conducted by a state regulatory authority. (It is not a CPA annual audit.) The financial examination is considered “being made” for a given calendar year as soon as a formal notice is received from the domiciliary state that it intends to conduct the examination.
- 7.1 If any action has occurred during the current period, or if the company has any outstanding suspensions or revocations from a prior period, the company should respond “YES” to 7.1.
- 8.4 Enter “YES” or “NO” in Columns 3 through 6.
9. The response to this interrogatory applies to the reporting entity’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.
- 9.31 Include the nature of any waiver, including any implicit waiver, from a provision of the code of ethics granted by the reporting entity, an affiliate that provides management services to the entity or the entity’s ultimate parent to one of these specified officers, the name of the person to whom the waiver was granted and the date of the waiver.

FINANCIAL

- 10.1 Answer "YES" if there is an amount reported on the admitted assets column for Line 23 of the Assets page.
- 10.2 Report that portion of the amount of admitted assets reported on Line 23 of the Assets page that is due from parent.

INVESTMENT

- 14.2 The amount for the prior year-end (Column 1) and the current quarter (Column 2) should represent the book/adjusted carrying value of that particular investment. Column 1 should equal the amounts reported in the Five-Year Historical Data page from the prior year-end statement.
- 16.1 The fair value amount reported should equal the grand total of Schedule DL, Part 1, Column 5 plus Schedule DL, Part 2, Column 5.
- 16.2 The book adjusted/carrying value amount reported should equal the grand total of Schedule DL, Part 1, Column 6 plus Schedule DL, Part 2, Column 6.
- 16.3 The payable for securities lending amount reported should equal current period column for payable for securities lending line on the liability page.
- 17. The question regarding whether items are held in accordance with the *Financial Condition Examiners Handbook* must be answered.
- 17.1 If the answer to 17 is "YES," then list all of the agreements in 17.1. If the answer is "NO" but one or more of the agreements comply with the *Financial Condition Examiners Handbook*, then list the agreements that comply in 17.1.
- 17.2 If the answer to 17 is "NO," please list all agreements that do not comply with the *Financial Condition Examiners Handbook*. Provide a complete explanation of why each custodial agreement does not include the characteristics outlined in the *Financial Condition Examiners Handbook* (Section 1, III General Examination Considerations, F Outsourcing of Critical Functions, Custodial or Safekeeping Agreements), available at the NAIC website:

www.naic.org/documents/committees_e_exam/ver_1ehtg_Custodial_or_Safekeeping_Agreements.doc
- 17.3 This question, regarding changes in custodian, must be answered.
- 17.4 If the answer to 17.3 is "YES," list the change(s).
- 17.5 Identify all investment advisors, investment managers and broker/dealers, including individuals who have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such.

Name of Firm or Individual:

Should be name of firm or individual that is party to the Investment Management Agreement

Affiliation:

Note if firm or individual is affiliated, unaffiliated or an employee by using the following codes:

- A Investment management is handled by firms/individuals affiliated with the reporting entity.
- U Investment management is handled by firms/individuals unaffiliated with the reporting entity.
- I Investment management is handled internally by individuals that are employees of the reporting entity.

17.5097 If the total assets under management of any the firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5 are greater than 10% of the reporting entity’s assets, answer “YES” to Question 17.5097.

17.5098 If the total assets under management of all the firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5 are greater than 50% of the reporting entity’s assets, answer “YES” to Question 17.5098. When determining the aggregate total of assets under management, include all firms/individuals unaffiliated with the reporting entity, not just those who manage more than 10% of the reporting entity’s assets.

17.6 For assets managed by an affiliated or unaffiliated firm or individual, provide for each firm or individual the Central Registration Depository Number, Legal Entity Identifier (LEI), who they are registered with and if an Investment Management Agreement has been filed for each firm or individual.

Name of Firm or Individual:

Should be name of firm or individual provided for 17.5

Central Registration Depository Number

The Central Registration Depository (CRD) number is a number issued by the Financial Industry Regulatory Authority (FINRA) to brokers, dealers or individuals when licensed, and can be verified against their database www.finra.org. These brokers, dealers or individuals would be those contracted to manage some of the reporting entity’s investments or funds and invest them for the reporting entity. The brokers, dealers or individuals can be affiliated or unaffiliated with the reporting entity. The reporting entity must list all brokers, dealers or individuals who have the authority to make investments on behalf of the reporting entity.

Legal Entity Identifier (LEI)

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

Registered With:

If a Registered Investment Advisor, specify if registered with the Securities Exchange Commission or state securities authority. Note if not a Registered Investment Advisor.

Investment Management Agreement (IMA) Filed:

Indicate if a current Investment Management Agreement (IMA) has been filed with the state of domicile or the insurance department in another state(s). Use one of the codes below to indicate if the IMA has been filed and with whom it was filed.

DS If the current IMA has been filed with the state of domicile regardless if it was also filed with another state.

OS If the current IMA has been filed with a state(s) other than the state of domicile but not the state of domicile.

NO If the current IMA has not been filed with any state.

SCHEDULE F – CEDED REINSURANCE

SHOWING ALL NEW REINSURERS – CURRENT YEAR TO DATE

<u>Group or Category</u>	<u>Line Number</u>
Property/Casualty – Affiliates.....	0100001 – 0199996
Property/Casualty – U.S. Insurers.....	0200001 – 0299996
Property/Casualty – Pools and Associations.....	0300001 – 0399996
Property/Casualty – All Other Insurers.....	0400001 – 0499996

Column 1 – NAIC Company Code

Company codes are assigned by the NAIC and are listed in the *NAIC Listing of Companies*. The NAIC does not assign a company code to insurers domiciled outside of the U.S. or to non-risk bearing pools or associations. The “NAIC Company Code” field should be zero filled for those organizations. Non-risk bearing pools or associations are assigned a Pool/Association Identification Number. See the instruction for Column 2 for details on assignment of Pool/Association Identification Numbers. Risk bearing pools or associations are assigned a company code. If a reinsurer or reinsured has merged with another entity, report the company code of the surviving entity.

If a risk bearing entity (e.g., risk bearing pools or associations) does not appear in the *NAIC Listing of Companies*, contact the NAIC Financial Systems and Services Department, Company Demographics Analyst at FDRCCREQ@NAIC.ORG for numbers assigned since the last publication or information on having a number assigned. Newly assigned company codes are incorporated in revised editions of the *NAIC Listing of Companies*, which are available semi-annually. The NAIC provides this information to annual statement software vendors for incorporation into the software.

Column 2 – ID Number

Enter one of the following as appropriate for the entity being reported on the schedule. See the Schedule F General Instructions in the annual statement instructions for more information on these identification numbers.

- Federal Employer Identification Number (FEIN)
- Alien Insurer Identification Number (AIIN)
- Certified Reinsurer Identification Number (CRIN)
- Pool/Association Identification Number

Federal Employer Identification Number (FEIN)

The Federal Employer Identification Number (FEIN) must be reported for each U.S.-domiciled insurer and U.S. branch of an alien insurer. The FEIN should not be reported as the “ID Number” for other alien insurers even if the federal government has issued such a number.

Alien Insurer Identification Number (AIIN)

In order to report transactions involving alien companies correctly, the appropriate Alien Insurer Identification Number (AIIN) must be included on Schedule F instead of the FEIN. The AIIN number is assigned by the NAIC and is listed in the NAIC *Listing of Companies*. If an alien company does not appear in that publication, contact the NAIC Financial Systems and Services Department, Company Demographics Analyst at FDRCCREQ@NAIC.ORG for numbers assigned since the last publication or information on having a number assigned.

Newly assigned numbers are incorporated in revised editions of the NAIC *Listing of Companies*, which are available semiannually. The NAIC provides this information to annual statement software vendors for incorporation into the software.

Pool and Association Numbers

In order to report transactions involving non-risk bearing pools or associations consisting of non-affiliated companies correctly, the company must include on Schedule F the appropriate Pool/Association Identification Number. These numbers are listed in the NAIC *Listing of Companies*. The Pool/Association Identification Number should be used instead of any FEIN that may have been assigned. If a pool or association does not appear in that publication, contact the NAIC Financial Systems and Services Department, Company Demographics Analyst at FDRCCREQ@NAIC.ORG for numbers assigned since the last publication or information on having a number assigned.

Newly assigned numbers are incorporated in revised editions of the NAIC *Listing of Companies*, which are available semiannually. The NAIC provides this information to annual statement software vendors for incorporation into the software.

Certified Reinsurer Identification Number (CRIN)

In order to report transactions involving certified reinsurers correctly, the appropriate Certified Reinsurer Identification Number (CRIN) must be included on Schedule F instead of the FEIN or Alien Insurer Identification Number (AIIN). The CRIN is assigned by the NAIC and is listed in the NAIC *Listing of Companies*. If a certified reinsurer does not appear in that publication, contact the NAIC Financial Systems and Services Department, Company Demographics Analyst at FDRCCREQ@NAIC.ORG for numbers assigned since the last publication or information on having a number assigned.

Newly assigned numbers are incorporated in revised editions of the NAIC *Listing of Companies*, which are available semi-annually. The NAIC also provides this information to annual statement software vendors for incorporation into the software.

Column 3 – Name of Reinsurer

All companies should be listed in alphabetical order within the appropriate group or category designation. (Use only category designations required.)

Column 4 – Domiciliary Jurisdiction

For each domestic reinsurer or U.S. branch listed, the column should be completed with the domiciliary jurisdiction – state. For alien reinsurers, the column should be completed with the country where the alien is domiciled.

Report the two-character U.S. postal code abbreviation for the domiciliary jurisdiction for U.S. states, territories and possessions. A comprehensive listing of three-character (ISO Alpha 3) abbreviations for foreign countries is available in the appendix of the annual statement instructions.

If a reinsurer has merged with another entity, report the domiciliary jurisdiction of the surviving entity.

Column 5 – Type of Reinsurer

The determination of the authorized, certified or unauthorized status of an insurer or reinsurer shall be based on the status of that insurer or reinsurer in the reporting company's state of domicile.

Enter "Authorized," "Certified" or "Unauthorized" to indicate the type of reinsurer.

Column 6 Certified Reinsurer Rating (1 through 6)

Report the certified reinsurer's rating as assigned by the ceding insurer's domiciliary state.

Column 7 Effective Date of Certified Reinsurer Rating

Report the effective date of the certified reinsurer's rating that is applicable as of the current reporting period.

Not for Distribution

SCHEDULE T – EXHIBIT OF PREMIUMS WRITTEN

CURRENT YEAR TO DATE – BY STATES AND TERRITORIES

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

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.

- 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)
- N – None of the above (Not allowed to write business in the state)

Columns 2 – Current Year to Date – Direct Premiums Written
Columns 3 – Prior Year to Date – Direct Premiums Written

Display year-to-date direct premiums written by state for both the current and the prior year.

Include: Gross premiums, including policy and membership fees, less return premiums and premiums on policies not taken.

Columns 4 – Current Year to Date – Direct Losses and Allocated Loss Adjustment Expenses Paid (Deducting Salvage)
Columns 5 – Prior Year to Date – Direct Losses and Allocated Loss Adjustment Expenses Paid (Deducting Salvage)

Display year-to-date direct losses and allocated loss adjustment expenses paid by state for both the current and the prior year.

Exclude: Incurred unallocated loss adjustment expenses (ULAE).

Columns 6 – Current Year to Date – Direct Known Claim Reserve
Columns 7 – Prior Year to Date – Direct Known Claim Reserve

Display year-to-date direct known claim reserve by state for both the current and the prior year.

**** Column 8 will be electronic only ****

Column 8 – Branch Operations Indicator

Include the indicator “B” if any direct premium or losses in the alien jurisdiction are the result of branch operations. If the premium in the jurisdiction represents both branch operations and other direct business (e.g., the policyholder or group member residence changed to that jurisdiction), then indicate “B.” If there are no branch operations in the jurisdiction, then leave blank. The definition of “branch operations” is the definition used by the reporting entity’s state of domicile.

Line 58 – Aggregate Other Alien

Enter the total of write-ins listed in schedule Details of Write-ins Aggregated at Line 58 for Other Alien.

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

Details of Write-ins Aggregated at Line 58 for Other Alien

List separately each alien jurisdiction for which there is no pre-printed line on Schedule T.

If the premium from an alien jurisdiction is due to relocation of current policyholders, the amount may be aggregated and reported as “Other Alien.” Premiums from jurisdictions in which there is active writing must be reported by jurisdiction and include premium from relocated policyholders residing in the respective jurisdiction.

Identify each alien jurisdiction by using a **three-character (ISO Alpha 3) country code followed by the name of the country (e.g., DEU Germany)**. For premium that can be aggregated and reported as “Other Alien” as stated in the previous paragraph, use “ZZZ” for the country code and “Other Alien” for the country name. A comprehensive listing of country codes is available in the appendix of the annual statement instructions.

Include summary of remaining write-ins for Line 58 from the Overflow page on the separate line indicated.

Footnote (a):

Provide the total of each active status code in Column 1. The sum of all the counts of all active status codes should equal 57.

Not for Distribution

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS
OF A HOLDING COMPANY GROUP**

PART 1 – ORGANIZATIONAL CHART

All insurer and reporting entity members of a holding company group shall prepare a common schedule for inclusion in each of the individual quarterly statements. See *SSAP No. 25—Affiliates and Other Related Parties*, for further information.

The term “holding company group” includes members of a holding company system and controlled groups.

NOTE: If the reporting entity completes this schedule, it should have answered “YES” to General Inquiries, Part 1, Question 3.1.

Attach a chart or listing presenting the identities of and interrelationship between the parent, all affiliated insurers and reporting entities; and other affiliates, identifying all insurers and reporting entities as such and listing the Federal Employer’s Identification Number for each. The NAIC company code and two-letter state abbreviation of the state of domicile should be included for all domestic insurers. The relationships of the holding company group to the ultimate controlling person (if such person is outside the reporting holding company) should be shown. Only those companies that were a member of a holding company group at the end of the reporting period should be shown on Schedule Y, Part 1, Organizational Chart.

Where interrelationships are a 50%/50% ownership, footnote any voting rights preferences that one of the entities may have.

However, any person(s) (that includes natural person) deemed to be an ultimate controlling person, must be included in the organizational chart. The Social Security number for individual persons should not be included on this schedule.

Not for Distribution

SCHEDULE Y

PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

All insurer and reporting entity members of the holding company system shall prepare a schedule for inclusion in each of the individual quarterly statements that is common for the group with the exception of Column 10, Relationship to Reporting Entity.

NOTE: If the reporting entity completes this schedule, it should have answered “YES” to General Interrogatories, Part 1, Question 3.1.

Column 1 – Group Code

If not applicable for the entity in Column 8, leave blank.

Column 2 – Group Name

If not applicable for the entity in Column 8, leave blank.

Column 3 – NAIC Company Code

If not applicable, the NAIC Company Code field should be zero filled.

Column 4 – ID Number

Federal Employer Identification Number (FEIN)
Alien Insurer Identification Number (AIIN) *
Certified Reinsurer Identification Number (CRIN) *

* AIINs or CRINs are only reported if the entity in Column 8 is a reinsurer that has had an AIIN or CRIN assigned or should have one assigned due to transactions being reported on Schedule F (Property and Title) or Schedule S (Life, Health and Fraternal) of another entity regardless of whether the entity in Column 8 is part of reporting entity’s group.

If not applicable for the entity in Column 8, leave blank.

Column 5 – Federal RSSD

RSSD is the primary identifier for the Federal Reserve’s National Information Center (NIC) of the entity in Column 8, if applicable.

Column 6 – CIK

Central Index Key (CIK) (for example the U. S. Securities and Exchange Commission (SEC) or any other exchange) of the entity in Column 8, if applicable.

Only provide the CIK issued for a publicly traded entity in Column 8. Do not provide a CIK issued for a variable insurance product written by the entity in Column 8.

If the name of a securities exchange is provided for Column 7 then a CIK should be provided for Column 6.

Column 7 – Name of Securities Exchange if Publicly Traded (U.S. or International)

If the entity in Column 8 is publicly traded either in the U.S. or internationally, list the name of the securities exchange (e.g., New York Stock Exchange).

For companies traded on more than one exchange, show the U.S. exchange if traded both in the U.S. and internationally; otherwise show the primary exchange.

The listing of most stock exchanges can be found in the Investment Schedules General Instructions or at the following Web address:

www.fixprotocol.org/specifications/exchanges.shtml

If a CIK is provided for Column 6 then the name of a securities exchange should be provided for Column 7.

Column 8 – Name of Parent, Subsidiaries or Affiliates

Names of all insurers and parent, subsidiaries or affiliates, insurance and non-insurance, in the insurance holding company system.

Each company within the group may be listed more than once if control is not 100%.

For example, if Company A is 50% controlled by Company B and 50% controlled by Company C, Company A would be listed twice with detail about Company B's control in Columns 10–15 on the first line and detail about Company C's control in Columns 10–15 on the second line.

Column 9 – Domiciliary Location

Report the two-character U.S. postal code abbreviation for the domiciliary jurisdiction for U.S. states, territories and possessions. A comprehensive listing of three-character (ISO Alpha 3) abbreviations for foreign countries is available in the appendix of the annual statement instructions.

Column 10 – Relationship to Reporting Entity

Use the most applicable of the following codes to describe the relationship of the entity in Column 8 to the reporting entity for which the filing is made.

Relationship Codes:

- UDP = Upstream Direct Parent
- UIP = Upstream Indirect Parent
- DS = Downstream Subsidiary
- IA = Insurance Affiliate
- NA = Non-Insurance Affiliate
- OTH = Other (Explain relationship in the footnote line)
- RE = Reporting Entity

Column 11 – Directly Controlled by (Name of Entity/Person)

Name of the person/entity that directly controls the entity listed in Column 8.

As defined in the *Insurance Holding Company System Regulatory Act* (#440), the term “control” (including the terms “controlling,” “controlled by” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. This presumption may be rebutted by a showing made in the manner provided by Section 4K that control does not exist in fact. The commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support the determination that control exists in fact, notwithstanding the absence of a presumption to that effect.

Refer to *SSAP No. 25—Affiliates and Other Related Parties*.

Column 12 – Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence)

Type of control the entity in Column 11 has over the entity in Column 8.

- Ownership
- Board of Directors
- Management
- Attorney In-Fact
- Influence
- Other

Column 13 – If Control is Ownership, Provide Percentage

If the control the entity in Column 11 has over the entity in Column 8 is ownership, then provide the percentage of ownership. If control is not ownership, report zero. (Format such that 100.0% is shown as 100.0.)

Column 14 – Ultimate Controlling Entity(ies)/Person(s)

Name of the Ultimate Controlling Entity(ies)/Person(s).

As defined in the *Insurance Holding Company System Model Regulation* (#450), the “ultimate controlling person” is defined as that person which is not controlled by any other person.

Column 15 – Is an SCA Filing Required? (Y/N)

Answer yes (Y) or no (N) if a SCA (Subsidiary, Controlled and Affiliated) SUB 1 (initial) or SUB 2 (annual) filing with the NAIC is required per *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities and Purposes and Procedures Manual of the NAIC Investment Analysis Office Part Five, Section 2* for the entity in Column 8.

Column 16 – *

Using the footnote lines at the bottom of the Schedule, provide any footnotes or explanations of intercompany relationships. Insert the footnote line number in Column 16.

Where interrelationships are a 50%/50% ownership, footnote any voting rights preferences that one of the entities may have.

**** Column 17 will be electronic only. ****

Column 17 – Legal Entity Identifier (LEI)

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

Not for Distribution

PART 1 – LOSS EXPERIENCE

- Column 1 – Direct Premiums Written
Display year-to-date direct premiums written.
- Column 3 – Direct Losses Incurred
Display year-to-date direct losses incurred.
- Column 4 – Direct Loss Percentage
 $(\text{Column 3 (Direct Losses Incurred)} / \text{Column 1 (Direct Premiums Written)} + \text{Column 2 (Other Income)}) \times 100$.
- Column 5 – Prior Year to Date Direct Loss Percentage
Display year-to-date loss percentages for the same quarter of the prior year.

PART 2 – DIRECT PREMIUMS WRITTEN

- Column 1 – Current Quarter
Display current quarter direct premiums written.
- Column 2 – Current Year to Date
Display year-to-date direct premiums written.
- Column 3 – Prior Year to Date
Display year-to-date direct premiums written for the same quarter of the prior year.

INVESTMENT SCHEDULES GENERAL INSTRUCTIONS
(Applies to all investment schedules)

The following definitions apply to the investment schedules.

SAP Book Value (Defined in Glossary of *Accounting Practices and Procedures Manual*):

Original Cost, including capitalized acquisition costs and accumulated depreciation, unamortized premium and discount, deferred origination and commitment fees, direct write-downs and increase/decrease by adjustment.

SAP Carrying Value (Defined in Glossary of *Accounting Practices and Procedures Manual*):

The SAP Book Value plus accrued interest and reduced by any valuation allowance (IF APPLICABLE) and any nonadmitted adjustment applied to the individual investment. Carrying Value is used in the determination of impairment.

Adjusted Carrying Value:

Carrying Value amount adjusted to remove any accrued interest and to add back any of the following amounts: individual nonadmitted amounts, individual valuation allowances (IF APPLICABLE), and aggregate valuation allowance (IF APPLICABLE). In effect, this is equivalent to the definition of SAP Book Value (not to be confused with the old "Book Value" reported in the annual statement blanks for data years 2000 and prior).

Recorded Investment:

The SAP Book Value (Adjusted Carrying Value) plus accrued interest.

The information included in the investment schedules shall be broken down to the level of detail as required when all columns and rows are considered together unless otherwise addressed in specific instructions. For example, on Schedule D Part 4, a reporting entity is required to list the CUMIP book adjusted carrying value, among other things. The reporting entity would only be required to break this information down to a lower level of detail if the information was inaccurate if reported in the aggregate. Thus, the reporting entity would not be required to break the information down by lot (information for each individual purchase) and could utilize the information for book/adjusted carrying value using an average cost basis, or some other method, provided the underlying data reported in that cell was calculated in accordance with the *Accounting Practices and Procedures Manual*. However, reporting entities are not precluded from reporting the information at a more detailed level (by lot) if not opposed by their domiciliary commissioner.

"To Be Announced" securities (commonly referred to as TBAs) are to be reported in Schedule D unless the structure of the security more closely resembles a derivative, as defined within *SSAP No. 86—Derivatives* in which case the security should be reported on Schedule DB. The exact placement of TBAs in the investment schedules depends upon how a company uses TBA.

For Rabbi Trusts, refer to *SSAP No. 104R—Share-Based Payments*, for accounting guidance.

For the Foreign Code columns in Schedules D and DA, the following codes should be used:

- "A" For Canadian securities issued in Canada and denominated in U.S. dollars.
- "B" For those securities that meet the definition of foreign provided in the Supplement Investment Risk Interrogatories and pay in a currency OTHER THAN U.S. dollars.
- "C" For foreign securities issued in the U.S. and denominated in U.S. dollars.
- "D" For those securities that meet the definition of a foreign as provided in the Supplement Investment Risk Interrogatories and denominated in U.S. dollars (e.g., Yankee Bonds or Eurodollar bonds).

Leave blank for those securities that do not meet the criteria for the use of "A," "B," "C" or "D."

Derivatives (Schedule DB); repurchase and reverse repurchase agreements (Schedule DA); and securities borrowing and securities lending transactions (Schedule DL) shall be shown gross when reported in the investment schedules. If these transactions are permitted to be reported net in accordance with *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*, the investment schedule shall continue to provide detail of all transactions (gross), with the net amount from the valid right to offset reflected in the financial statements (pages 2 & 3 of the statutory financial statements). Disclosures for items reported net when a valid right to offset exists, including the gross amount, the amount offset, and the net amount reported in the financial statements are required per *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

For the Columns that disclose information regarding investments that are not under the exclusive control of the reporting entity, and also including assets loaned to others, the following codes should be used:

- LS – Loaned or leased to others
- RA – Subject to repurchase agreement
- RR – Subject to reverse repurchase agreement
- DR – Subject to dollar repurchase agreement
- DRR – Subject to dollar reverse repurchase agreement
- C – Pledged as collateral – excluding collateral pledged to FHLB
- CF – Pledged as collateral to FHLB (including assets backing revolving agreements)
- DB – Placed under an option agreement
- DBP – Placed under an option agreement involving “asset transfers with put options”
- R – Letter stock or otherwise restricted as to sale – excluding FHLB capital stock
(Note: Private placements are not to be included unless specific restrictions as to sale are included as part of the security agreement)
- RF – FHLB capital stock
- SD – Placed on deposit with state or other regulatory body
- M – Not under the exclusive control of the insurer for multiple reasons
- SS – Short sale of a security
- O – Other

Not for Distribution

The following is the description of the General and Specific Classifications used for reporting the detail lines for bonds and stocks.

General Classifications Bonds Only:

Refer to *SSAP No. 26R—Bonds*; *SSAP No. 43R—Loan-backed and Structured Securities*; and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*.

U.S. Government:

U.S. Government shall be defined as U.S. Government Obligations as defined per the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* Part Two, Section 4:

(i) Filing Exemption for Direct Claims on, or Backed Full Faith and Credit of the United States

“U.S. Government Obligations” means all direct claims (including securities, loans, and leases) on, and the portions of claims that are directly and unconditionally guaranteed by the United States Government or its agencies.

“U.S. Government agency” means an instrumentality of the U.S. Government the debt obligations of which are fully guaranteed as to the timely payment of principal and interest by the full faith and credit of the U.S. Government. This category includes, in addition to direct claims on, and the portions of claims that are directly and unconditionally guaranteed by, the United States Government agencies listed below, claims collateralized by securities issued or guaranteed by the U.S. government agencies listed below in which a positive margin of collateral is maintained on a daily basis, fully taking into account any change in the insurance company's exposure to the obligor or counterparty under a claim in relation to the market value of the collateral held in support of that claim.

All Other Governments:

This includes bond investments issued by non-U.S. governments, including bonds of political subdivisions and special revenue. This includes bonds issued by utilities owned by non-U.S. governments and bonds fully guaranteed by non-U.S. governments.

U.S. States, Territories and Possessions (Direct and Guaranteed):

General obligations of these entities (NAIC members), as well as bonds issued by utility companies owned by these entities. NAIC membership is composed of the 50 states, the District of Columbia, American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.

U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed):

General obligations of cities, counties, townships, etc., as well as bonds issued by utility companies owned by these entities.

U.S. Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions:

Those U.S. government issues not listed in Part Six, Section 2(e) of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*, yet included in Part Two, Section 4. This category also includes bonds that are issued by states, territories, possessions and other political subdivisions that are issued for a specific financing project rather than as general obligation bonds.

Industrial and Miscellaneous (Unaffiliated):

This category includes all non-governmental issues that do not qualify for some other category in Schedule D, Part 1, including privatized (non-government ownership) utility companies. Include Public Utilities.

SVO Identified Funds:

This category includes all Bond Mutual Funds as listed in Part Six, Section 2(h) of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* and Exchange Traded Funds listed in Part Six, Section 2(i) of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*.

Hybrid Securities:

Securities whose proceeds are accorded some degree of equity treatment by one or more of the nationally recognized statistical rating organizations and/or which are recognized as regulatory capital by the issuer's primary regulatory authority. Hybrid securities are designed with characteristics of debt and of equity and are intended to provide protection to the issuer's senior note holders. Hybrid securities products are sometimes referred to as capital securities. Examples of hybrid securities include Trust Preferreds, Yankee Tier 1s (with and without coupon step-ups) and debt-equity hybrids (with and without mandatory triggers).

This specifically excludes surplus notes, which are reported in Schedule D Part 2 subordinated debt issues, which have no coupon deferral features; and "Traditional" preferred stocks, which are reported in Schedule D Part 2 Section 1. With respect to preferred stock, traditional preferred stocks include, but are not limited to a) for U.S. issuers that do not allow tax deductibility for dividends; and b) those issued as preferred stock of the entity or an operating subsidiary, not through a trust or a special purpose vehicle.

Parent, Subsidiaries and Affiliates:

Defined by *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*

General Classifications Preferred Stock Only:

Refer to *SSAP No. 32—Preferred Stock* and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities* for additional guidance.

Industrial and Miscellaneous (Unaffiliated):

All unaffiliated preferred stocks. Include Public Utilities, Banks, Trusts and Insurance Companies. This category includes Exchange Traded Funds listed in Part Six, Section 2 of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*.

Parent, Subsidiaries and Affiliates:

Defined by *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*

General Classifications Common Stock Only:

Refer to SSAP No. 30—*Common Stock* and SSAP No. 97—*Investments in Subsidiary, Controlled and Affiliated Entities* for additional guidance.

Industrial and Miscellaneous (Unaffiliated):

All unaffiliated common stocks that are not mutual funds or money market mutual funds. Include Public Utilities, Banks, Trusts and Insurance Companies.

Mutual Funds:

All investments in shares of funds regulated as mutual funds by the U.S. Securities and Exchange Commission. This definition does not include closed funds or hedge funds.

Parent, Subsidiaries and Affiliates:

Defined by SSAP No. 97—*Investments in Subsidiary, Controlled and Affiliated Entities*.

General Classifications Cash Equivalents Only:

Refer to SSAP No. 2R—*Cash, Cash Equivalents, Drafts and Short-Term Investments*.

Money Market Mutual Funds:

All investment in shares of funds regulated as money market mutual funds by the U.S. Securities and Exchange Commission.

Specific Classifications:

Issuer Obligations:

All bonds not backed by other loans and other assets. Those securities subject to the guidance in SSAP No. 26R—*Bonds*.

Residential Mortgage-Backed Securities:

Those securities directly or indirectly secured by liens on one- to four-family residential properties and subject to the guidance in SSAP No. 43R—*Loan-Backed and Structured Securities*. Includes prime, subprime, Alt-A mortgages, as well as home equity loans and home equity lines of credit.

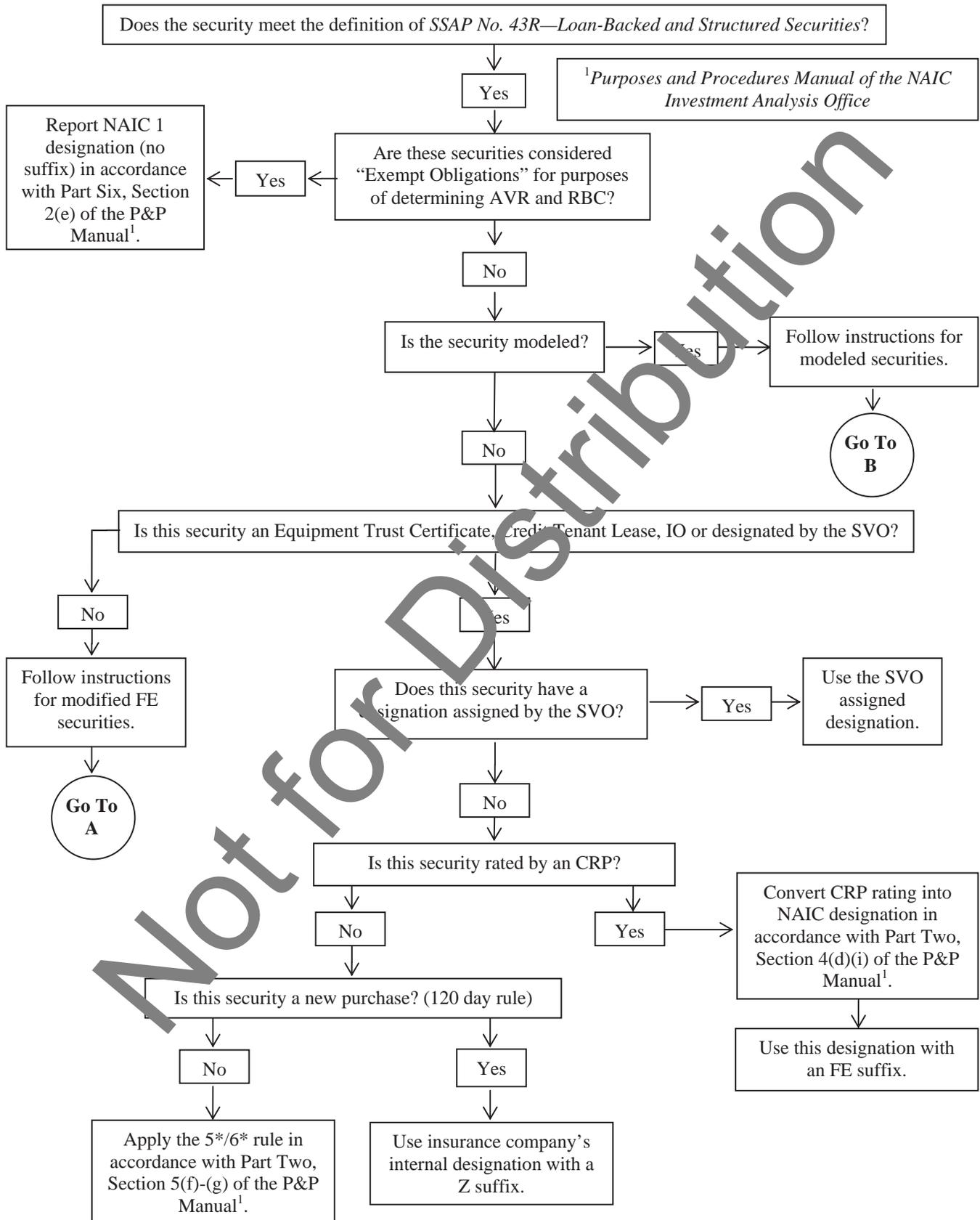
Commercial Mortgage-Backed Securities:

Those securities directly or indirectly secured by a lien on one or more parcels of commercial real estate with one or more structures located on the real estate and subject to the guidance in SSAP No. 43R—*Loan-Backed and Structured Securities*. Does not include those securities secured by liens on one- to four-family residential properties.

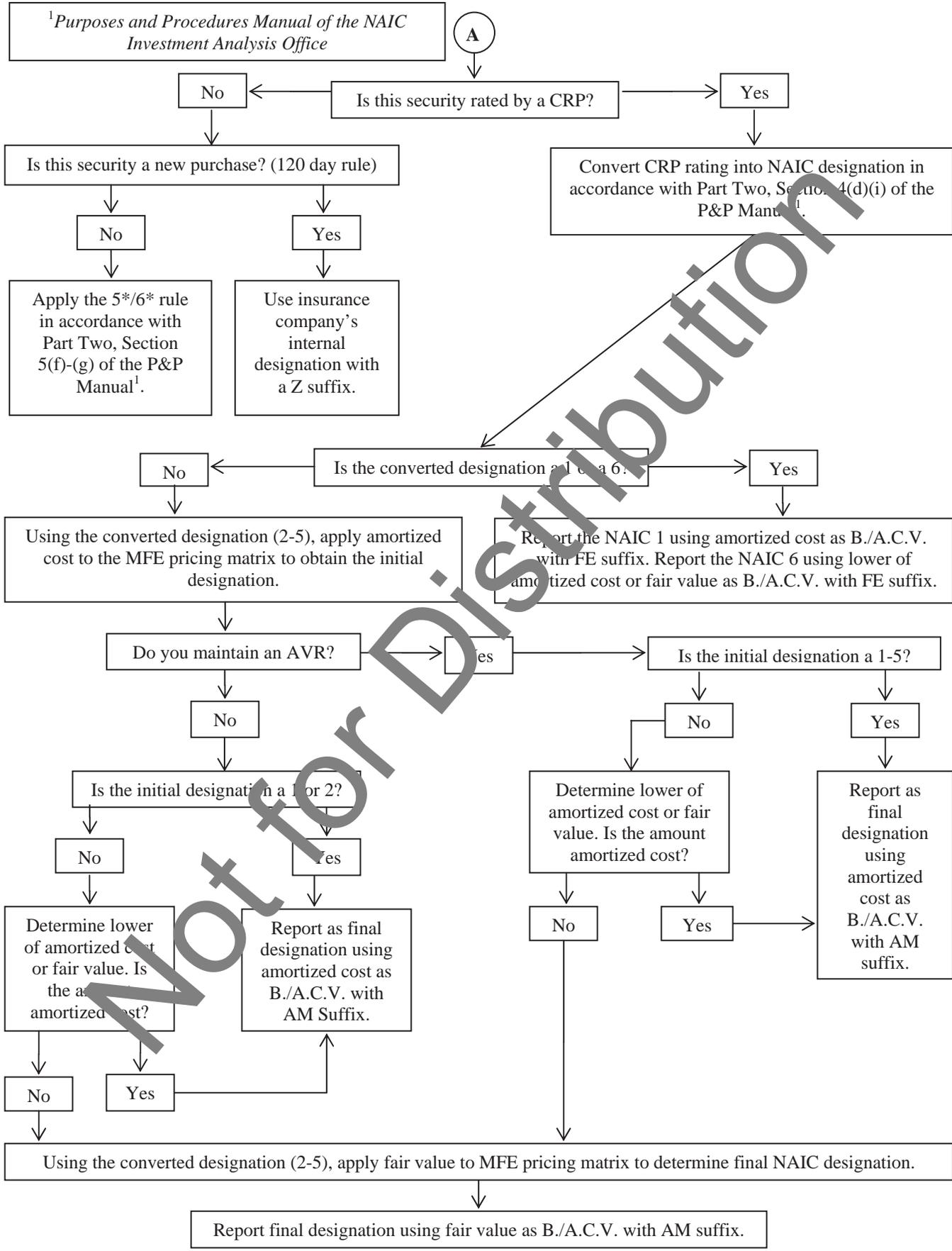
Other Loan-Backed and Structured Securities:

Those securities subject to the guidance in SSAP No. 43R—*Loan-Backed and Structured Securities*, not included in the definition of Residential Mortgage-Backed Securities or Commercial Mortgage-Backed Securities.

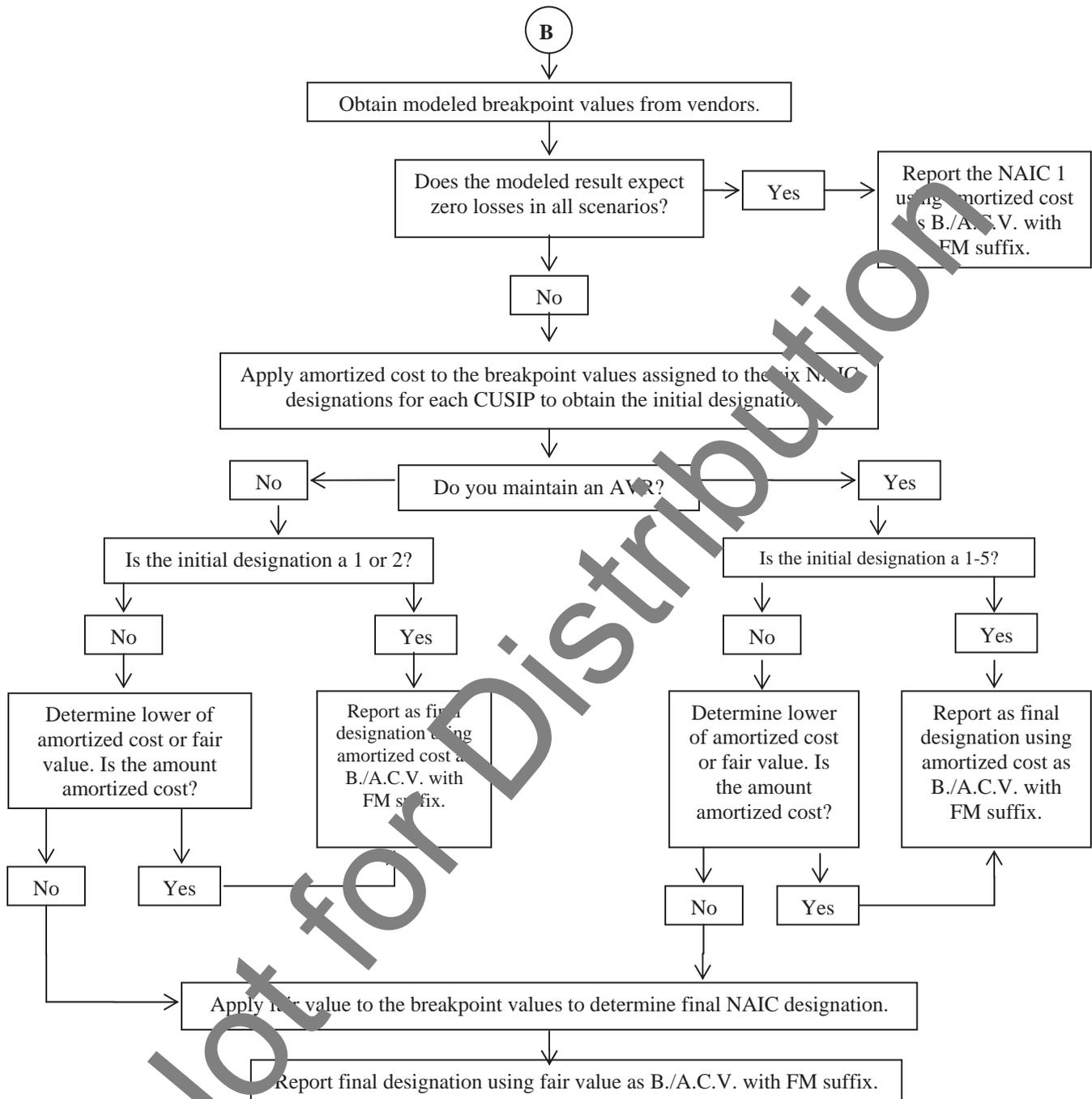
STRUCTURED SECURITIES (SSAP No. 43R—LOAN-BACKED AND STRUCTURED SECURITIES) FLOW CHART



SECURITIES SUBJECT TO MODIFIED FILING EXEMPT PROCESS



SECURITIES SUBJECT TO MODELING



SCHEDULE A – VERIFICATION

REAL ESTATE

- Column 1 – Year to Date
Include all transactions from beginning of current year to end of current quarter.
- Column 2 – Prior Year-Ended December 31
Include all transactions from beginning of prior year to end of prior year.
- Line 1 – Book/Adjusted Carrying Value, December 31 of Prior Year
Report the book/adjusted carrying value excluding accrued interest on real estate owned as of December 31 of the prior year's annual statement.
- Line 2.1 – Actual Cost at Time of Acquisitions
Report the actual cost at the time the asset was originally acquired. Do not include additional expenditures after the time of initial acquisition. These amounts are reported on Line 2.2. Amount should agree with the amount reported in Schedule A, Part 2, Column 6 for the year-to-date.
- Line 2.2 – Additional Investment Made After Acquisition
On a year-to-date basis, report additions and improvements that increased the investment subsequent to the time the asset was originally acquired. Amount should agree with the amount reported in Schedule A, Part 2, Column 9 for the year-to-date.
- Line 3 – Current Year Change in Encumbrances
Report as a positive number any year-to-date decreases in encumbrances reported on real estate. Report as a negative number any year-to-date increases in encumbrances, including the amount on properties still owned and the amount on properties disposed and reported on Schedule A, Part 3, Column 11.
- Line 4 – Total Gain (Loss) on Disposals
Report the total gain (loss) on disposal of real estate for the year-to-date including the total gain (loss) of real estate in the current quarter as reported on Schedule A, Part 3, Column 18.
- Line 5 – Deduct Amounts Received on Disposals
Report the total amounts received as consideration on disposal of real estate for the year-to-date including the total in the current quarter as reported on Schedule A, Part 3, Column 15.
- Line 6 – Total Foreign Exchange Change in Book/Adjusted Carrying Value
Report the unrealized foreign exchange gain or loss on a year-to-date basis including the amount on properties still owned and the amount on properties disposed and reported on Schedule A, Part 3, Column 16.

- Line 7 – Deduct Current Year’s Other-Than-Temporary Impairment Recognized
- Report the other-than-temporary impairments on a year-to-date basis including the amount on properties still owned and the amount on properties disposed and reported on Schedule A, Part 3, Column 10.
- Line 8 – Deduct Current Year’s Depreciation
- Report the total depreciation for the year-to-date including depreciation on properties still owned as of the reporting date and properties disposed and reported on Schedule A, Part 3, Column 9.
- Include: Depreciation that was recorded on property during the current year that was later classified as property held for sale.
- Line 9 – Book/Adjusted Carrying Value at End of Current Period
- The amount in Line 9 should tie to the Assets Page, Column 1, the sum of all types of real estate included in Lines 4.1, 4.2 and 4.3.
- Line 10 – Deduct Total Nonadmitted Amounts
- Report the adjustment for nonadmitted amounts related to real estate loans.
- Include: The amount of the portfolio that is in excess of any investment limitation.
- Line 11 – Statement Value at End of Current Period
- Report the statement value of real estate owned as of the end of the reporting quarter. This should agree with Page 2, Column 3 of the current quarter’s statement.

Not for Distribution

SCHEDULE B – VERIFICATION

MORTGAGE LOANS

- Column 1 – Year to Date
Include all transactions from beginning of current year to end of current quarter.
- Column 2 – Prior Year-Ended December 31
Include all transactions from beginning of prior year to end of prior year.
- Line 1 – Book Value/Recorded Investment excluding Accrued Interest, December 31 of Prior Year
Report the book value/recorded investment (excluding accrued interest) of mortgages owned as of December 31 of the prior year's annual statement.
- Line 2.1 – Actual Cost at Time of Acquisitions
Report the actual amount loaned for the mortgages at the time the asset was originally acquired. The cost of acquiring the assets includes any additional amount that is to be capitalized. Accordingly, there may be a premium or discount on such loans resulting from a difference between the amount paid and the principal amount. Do not include additional expenditures after the time of initial acquisition. These amounts are reported on Line 2.2.
- Line 2.2 – Additional Investments Made After Acquisitions
On a year-to-date basis, report additional amounts that increased the mortgage subsequent to the time the asset was originally acquired; e.g., increases in the loan. Include additional loans on a year-to-date basis on mortgages that were subsequently sold.
- Line 3 – Capitalized Deferred Interest and Other
Report the other capitalized deferred interest and other items on a year-to-date basis including the amount on mortgages still owned and the amount on mortgages disposed and reported on Schedule B, Part 3, Column 11.
- Line 4 – Accrual of Discount
Report the cumulative amount of discount accrued year-to-date basis including the amount on mortgage loans still owned as of the reporting date and mortgage loans disposed and reported on Schedule B, Part 3, Column 9. Refer to *SSAP No. 37—Mortgage Loans*, for accounting guidance.
- Line 5 – Unrealized Valuation Increase (Decrease)
Report the total amount of noncash increases and decreases in the book value/recorded investment (excluding accrued interest) on a year-to-date basis.
Include: The amount on mortgage loans still owned as of the reporting date and the amount on mortgage loans disposed and reported on Schedule B, Part 3, Column 8.

- Line 6 – Total Gain (Loss) on Disposal
- Report the gain (loss) on disposal of mortgages on a year-to-date basis including the total gain (loss) of mortgages in the current quarter as reported on Schedule B, Part 3, Column 17.
- Line 7 – Deduct Amounts Received On Disposal
- Report the total amounts received as consideration on disposal of mortgage loans on a year-to-date basis including the total in the current quarter as reported on Schedule B, Part 3, Column 15.
- Line 8 – Deduct Amortization of Premium and Mortgage Interest Points and Commitment Fees
- Report the total amount of premium, mortgage interest points and commitment fees amortized on a year-to-date basis including the amount on mortgage loans still owned as of the reporting date and the amount on mortgage loans disposed and reported on Schedule B, Part 3, Column 9. Refer to *SSAP No. 37—Mortgage Loans*, for accounting guidance.
- Line 9 – Total Foreign Exchange Change In Book Value/Recorded Investment Excluding Accrued Interest
- Report the unrealized foreign exchange gain or loss on a year-to-date basis including the amount on mortgage loans still owned as of the reporting date and the amount on mortgage loans disposed and reported on Schedule B, Part 3, Column 13.
- Line 10 – Deduct current Year's Other-Than-Temporary Impairment Recognized
- Report the other-than-temporary impairments on a year-to-date basis including the amount on mortgages still owned and the amount on mortgages disposed and reported on Schedule B, Part 3, Column 10.
- Line 11 – Book Value/Recorded Investment Excluding Accrued Interest at End of Current Period
- Report the book value/recorded investment (excluding accrued interest) of mortgages owned as of the end of the reporting quarter.
- Line 12 – Total Valuation Allowance
- Report as a negative number the aggregate outstanding valuation allowance related to impaired loans as set forth in *SSAP No. 37—Mortgage Loans*.
- Line 14 – Deduct Total Nonadmitted Amounts
- Report the adjustment for nonadmitted amounts related to mortgage loans.
- Include: The amount of the portfolio that is in excess of any investment limitation.
- Line 15 – Statement Value at End of Current Period
- Report the statement value of mortgages owned as of the end of the reporting quarter. This should agree with Page 2, Column 3 of the current quarter's statement.

SCHEDULE BA – VERIFICATION

OTHER LONG-TERM INVESTED ASSETS

- Column 1 – Year to Date
Include all transactions from beginning of current year to end of current quarter.
- Column 2 – Prior Year-Ended December 31
Include all transactions from beginning of prior year to end of prior year.
- Line 1 – Book/Adjusted Carrying Value December 31 of Prior Year
Report the book/adjusted carrying value of other long-term invested assets and collateral loans owned as of December 31 prior year shown on Page 2, Column 1 of the prior year's annual statement.
- Line 2.1 – Actual Cost at Time of Acquisition
Include: The actual cost at the time the asset was originally acquired.
The cost of acquiring the asset, including broker's commission and incidental expenses of effecting delivery.
Exclude: Additional expenditures after the time of the initial acquisition or encumbrances or impairments.
- Line 2.2 – Additional Investment Made After Acquisition
Include: The actual cost (including broker's commission and incidental expenses of effecting delivery) of increase investments in the original assets.
Improvements to the assets subsequent to acquisition.
Activity on investments sold on a year-to-date basis.
- Line 3 – Capitalized Deferred Interest and Other
Report the other capitalized deferred interest and other on a year-to-date basis including the amount on other long-term invested assets still owned and the amount on other long-term invested assets disposed and reported on Schedule BA, Part 3, Column 12.
- Line 4 – Accrual of Discount
Report the total amount of discount accrued on a year-to date basis including the amount on other long-term investments still owned as of the reporting date and other long-term investments disposed and reported on Schedule BA, Part 3, Column 10.
- Line 5 – Unrealized Valuation Increase (Decrease)
Report the total amount of noncash increases and decreases to the book/adjusted carrying value, except for amounts reported on Lines 4, 8 and 9. This includes a valuation allowance as allowed under *SSAP No. 37—Mortgage Loans*.
Include: The amount on mortgage loans still owned as of the reporting date and the amount on mortgage loans disposed and reported on Schedule BA, Part 3, Column 9.

- Line 6 – Total Gain (Loss) on Disposal
- Report the gain (loss) on disposal of other long-term invested assets on a year-to date basis including the total gain (loss) of other long-term invested assets in the current quarter as reported on Schedule BA, Part 3, Column 19.
- Line 7 – Deduct Amounts Received on Disposal
- Report the total amounts received as consideration on disposal of other long-term invested assets on a year-to date basis including the total in the current quarter as reported on Schedule BA, Part 3, Column 16.
- Include: Portions of investments repaid on a year-to-date basis.
On a year-to-date basis, considerations received on investments sold.
- Line 8 – Deduct Amortization of Premium and Depreciation
- Report the total amount of premium amortized on a year-to-date basis including the amount on other long-term invested assets still owned as of the reporting date and the amount on other long-term invested assets disposed and reported on Schedule BA, Part 3, Column 10.
- Line 9 – Total Foreign Exchange Change in Book Value/Adjusted Carrying Value
- Report the unrealized foreign exchange gain or loss on a year-to-date basis including the amount on other long-term invested assets still owned as of the reporting date and the amount on other long-term invested assets disposed and reported on Schedule BA, Part 3, Column 14.
- Line 10 – Deduct Current Year's Other-Than-Temporary Impairment Recognized
- Report the other-than-temporary impairments on a year-to-date basis including the amount on other long-term invested assets still owned and the amount on other long-term invested assets disposed and reported on Schedule BA, Part 3, Column 11.
- Line 11 – Book/Adjusted Carrying Value at End of Current Period
- Report the book/adjusted carrying value of other long-term invested assets owned as of the end of the reporting quarter.
- Line 12 – Deduct Total Nonadmitted Amounts
- Report the adjustment for nonadmitted amounts related to long-term invested assets.
- Include: The amount of the portfolio that is in excess of any investment limitation.
The amount of any goodwill that exceeds the surplus limitation as described in *SSAP No. 68—Business Combinations and Goodwill*.
- Line 13 – Statement Value At End of Current Period
- Report the statement value of long-term invested assets owned as of the end of the reporting quarter, shown on Page 2, Column 3.

SCHEDULE D – VERIFICATION

BONDS AND STOCK

- Column 1 – Year to Date
Include all transactions from beginning of current year to end of current quarter.
- Column 2 – Prior Year-Ended December 31
Include all transactions from beginning of prior year to end of prior year.
- Line 1 – Book/Adjusted Carrying Value of Bonds and Stocks, December 31 of Prior Year
Report the book/adjusted carrying value of Bonds and Stocks owned as of December 31 on Schedule D – Verification Between Years, of the prior year’s annual statement.
- Line 2 – Cost of Bonds and Stocks Acquired
In Column 1, report the actual cost to acquire bonds and stocks on a year-to-date basis, including the cost on bonds and stocks acquired in the current quarter as reported on Schedule D, Part 3, Column 7. The cost of acquiring the investment should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.
- Line 3 – Accrual of Discount
In Column 1, report the total amount of discount accrued on bonds on a year-to-date basis, including the amount on bonds and stocks still owned as of the reporting date and the amount on bonds and stocks disposed in the current quarter and reported on Schedule D, Part 4, Column 12. The accrual of discount should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.
- Line 4 – Unrealized Valuation Increase (Decrease)
Report the total unrealized valuation increase/(decrease) for the entire year-to-date, including the amount on bonds and stocks owned as of the reporting date and the amount on bonds and stocks disposed in the current quarter and reported on Schedule D, Part 4, Column 11.
- Line 5 – Total Gain (Loss) on Disposals
In Column 1, report the gain (loss) on sales of bonds and stocks on a year-to-date basis, including the total gain (loss) of bonds and stocks in the current quarter as reported on Schedule D, Part 4, Column 19.
- Line 6 – Deduct Consideration for Bonds and Stocks Disposed of During the Year
In Column 1, report the total considerations received on bonds and stocks sold on a year-to-date basis, including the amount received on bonds and stock disposed in the current quarter as reported on Schedule D, Part 4, Column 7.
- Line 7 – Deduct Amortization of Premium
In Column 1, report the total amount of premium amortized on a year-to-date basis, including the amount on bonds and stocks still owned as of the reporting date and the amount on bonds and stocks disposed in the current quarter and reported on Schedule D, Part 4, Column 12. The amortization of premium should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.

Line 8 – Total Foreign Exchange Change in Book Adjusted Carrying Value

In Column 1, report the unrealized foreign exchange gain or loss on a year-to-date basis, including the amount on bonds and stocks still owned as of the reporting date and the amount on bonds and stocks disposed and reported on Schedule D, Part 4, Column 15.

Line 9 – Deduct Current Year's Other-Than-Temporary Impairment Recognized

Report the other-than-temporary impairments on a year-to-date basis including the amount on bonds and stock still owned and the amount on bonds and stocks disposed and reported on Schedule D, Part 4, Column 13.

Line 10 – Total Investment Income Recognized as a Result of Prepayment Penalties and/or Acceleration Fees

In Column 1, report only the total investment income recognized on a year-to-date basis, using the information recorded in Schedule D, Part 4, Column 20, for bonds and stocks that were sold, disposed or otherwise redeemed during the current quarter, as a result of a prepayment penalty and/or acceleration fee.

Line 11 – Book/Adjusted Carrying Value at the end of Current Period

In Column 1, report the book/adjusted carrying value as of the end of the current period. The amount in Line 11 should tie to the Assets Page, Column 1, the sum of the lines for Bonds, Line 1, Preferred Stocks, Line 2.1 and Common Stocks, Line 2.2.

Line 12 – Deduct Total Nonadmitted Amounts

In column 1, report the adjustment for nonadmitted amounts related to bonds and stocks as of the end of the current period.

Include: The amount of the portfolio that is in excess of any investment limitation.

The amount of any goodwill that exceeds the surplus limitation as described in *SSAP No. 68—Business Combinations and Goodwill*.

The amount to be reported here should tie to the Assets Page, Column 2, the sum of the lines for Bonds, Line 1, Preferred Stocks, Line 2.1, Common Stock, Line 2.2.

Line 13 – Statement Value at End of Current Period

In Column 1, report the statement value of bonds and stocks owned as of the end of the current period. This amount should tie to the Assets Page, Column 3, the sum of the lines for Bonds, Line 1, Preferred Stock, Line 2.1, Common Stock, Line 2.2.

SCHEDULE D – PART 1B

**ACQUISITIONS, DISPOSITIONS AND NON-TRADING ACTIVITY DURING THE CURRENT QUARTER
FOR ALL BONDS AND PREFERRED STOCK BY NAIC DESIGNATION**

Report the summarized amounts of all bonds and preferred stock by NAIC designation. Include short-term and cash equivalent bonds in the category that most closely resembles their credit risk. Show all the acquisitions, dispositions and non-trading activities of bonds (long-term, short-term and cash equivalents) and preferred stock for each quarter. The Schedule is sorted by NAIC designation and includes Book/Adjusted Carrying Values for each quarter of the year.

- Column 1 – Book/Adjusted Carrying Value Beginning of Current Quarter
- a. 1st Quarter taken directly from prior year annual statement Schedule D, Part 1A, Section 1, Line 10.1 to Line 10.6, Column 7 for all Bonds.
 - b. 2nd Quarter will be taken from prior quarter Column 5.
 - c. 3rd Quarter will be taken from prior quarter Column 6.
- Column 2 – Acquisitions During Current Quarter
- Include: Actual cost of all bonds and preferred stock acquired during the quarter, including broker's commission and incidental expenses of effecting delivery.
- Exclude: Accrued interest and dividends.
- Column 3 – Dispositions During Current Quarter
- Include: Book/Adjusted Carrying Value of all bonds and preferred stock at time of disposal during the quarter.
- Exclude: Accrued interest and dividends.
- Column 4 – Non-Trading Activity During Current Quarter
- Include: All changes in Book/Adjusted Carrying Value as follows:
- Increases and decreases in amortized value for bonds and redeemable preferred stock.
 - Foreign exchange translations.
 - Changes in statement value caused by designation changes.
 - Changes in statement value for securities carried at market value.
 - Other accounting adjustments.
- Column 5 – Book/Adjusted Carrying Value at End of First Quarter
- Column 5 equals Column 1 plus Column 2 minus Column 3 and plus Column 4 (1st Quarter only).
- Column 6 – Book/Adjusted Carrying Value at End of Second Quarter
- Column 6 equals Column 1 plus Column 2 minus Column 3 and plus Column 4 (2nd Quarter only).

- Column 7 – Book/Adjusted Carrying Value at End of Third Quarter
Column 7 equals Column 1 plus Column 2 minus Column 3 and plus Column 4 (3rd Quarter only).
- Column 8 – Book/Adjusted Carrying Value at December 31 Prior Year
Taken directly from prior year annual statement Schedule D, Part 1A, Section 1, Line 10.1 to Line 10.6, Column 7 for all Bonds.
- Line 1 – NAIC 1 Bonds
Include: Bonds with an NAIC designation of 1, or a CRP equivalent.
- Line 2 – NAIC 2 Bonds
Include: Bonds with an NAIC designation of 2, or a CRP equivalent.
- Line 3 – NAIC 3 Bonds
Include: Bonds with an NAIC designation of 3, or a CRP equivalent.
- Line 4 – NAIC 4 Bonds
Include: Bonds with an NAIC designation of 4, or a CRP equivalent.
- Line 5 – NAIC 5 Bonds
Include: Bonds with an NAIC designation of 5, or a CRP equivalent.
- Line 6 – NAIC 6 Bonds
Include: Bonds with an NAIC designation of 6, or a CRP equivalent.
- Line 7 – Total Bonds
Total of Line 1 to Line 6.
- Line 8 – NAIC 1 Preferred Stock
Include: Preferred stock with an NAIC designation of P1 (perpetual preferred stock) or RP1 (redeemable or limited life preferred stock), or a CRP equivalent.
- Line 9 – NAIC 2 Preferred Stock
Include: Preferred stock with an NAIC designation of P2 (perpetual preferred stock) or RP2 (redeemable or limited life preferred stock), or a CRP equivalent.
- Line 10 – NAIC 3 Preferred Stock
Include: Preferred stock with an NAIC designation of P3 (perpetual preferred stock) or RP3 (redeemable or limited life preferred stock), or a CRP equivalent.
- Line 11 – NAIC 4 Preferred Stock
Include: Preferred stock with an NAIC designation of P4 (perpetual preferred stock) or RP4 (redeemable or limited life preferred stock), or a CRP equivalent.

- Line 12 – NAIC 5 Preferred Stock
- Include: Preferred stock with an NAIC designation of P5 (perpetual preferred stock) or RP5 (redeemable or limited life preferred stock), or a CRP equivalent.
- Line 13 – NAIC 6 Preferred Stock
- Include: Preferred stock with an NAIC designation of P6 (perpetual preferred stock) or RP6 (redeemable or limited life preferred stock), or a CRP equivalent.
- Line 14 – Total Preferred Stock
- Total of Line 8 to Line 13.
- Line 15 – Total Bonds & Preferred Stock
- Line 7 plus Line 14.

Footnote (a)

Provide the total book/adjusted carrying value amount reported in Section 1 of the current quarterly statement filing by NAIC designation that represents the amount of securities reported on Schedule DA and Schedule E, Part 2 for the current quarterly statement filing.

Not for Distribution

SCHEDULE DA – PART 1

SHORT-TERM INVESTMENTS OWNED END OF CURRENT QUARTER

Include all investments whose maturities (or repurchase dates under repurchase agreement) at the time of acquisition were one year or less except those defined as cash or cash equivalents in accordance with SSAP No. 2R—*Cash, Cash Equivalents, Drafts, and Short-term Investments*. Provide summary totals only.

Repurchase and reverse repurchase agreements shall be shown gross when reported in the Schedule DA. If these transactions are permitted to be reported net in accordance with SSAP No. 64—*Offsetting and Netting of Assets and Liabilities*, the investment schedule shall continue to provide detail of all transactions (gross), with the net amount from the valid right to offset reflected in the financial statements (pages 2 & 3 of the statutory financial statements). Disclosures for items reported net when a valid right to offset exists, including the gross amount, the amount offset, and the net amount reported in the financial statements are required per SSAP No. 64.

Column 1 – Book/Adjusted Carrying Value

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

Include: The original cost of acquiring the investment, including brokerage and other related fees, to the extent they do not exceed the fair market value at the date of acquisition.

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

Amortization of deferred origination and commitment fees.

Deduct: A direct write-down for a decline in the fair value that is other-than-temporary.

Exclude: All other costs, including internal costs or costs paid to an affiliated reporting entity related to origination, purchase or commitment to purchase, are charged to expense when incurred. Cost should also be reduced by payments attributed to the recovery of cost.

Accrued interest or dividends.

The amount reported in this column should equal:

Actual Cost
plus Unrealized Valuation Increase/(Decrease) Total in Book/Adjusted Carrying Value
plus Current Year's (Amortization)/Accretion
minus Current Year's Other-Than-Temporary Impairment Recognized
plus Total Foreign Exchange Change in Book/Adjusted Carrying Value
plus Changes due to acquisitions or disposals.

Column 3 – Actual Cost

Include: Cost of acquiring the issue, including broker's commission and incidental expenses of effecting delivery.

Exclude: Accrued interest.

Column 4 – Interest Collected Year to Date

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

Report amounts net of foreign withholding tax.

SCHEDULE DA – VERIFICATION

SHORT-TERM INVESTMENTS

Report the aggregate amounts of short-term investment assets. The categories of assets to be included are: bonds; mortgage loans; other short-term investment assets (including all other money market mutual funds); and investments in parent, subsidiaries and affiliates.

Column 1 – Year to Date

Include all transactions from beginning of current year to end of current quarter.

Column 2 – Prior Year-Ended December 31

Include all transactions from beginning of prior year to end of prior year.

Line 1 – Book/Adjusted Carrying Value, December 31 of Prior Year

In Column 1, report the book/adjusted carrying value per Schedule DA, Part 1, Column 7 of the prior year's annual statement.

Line 2 – Cost of Short-term Investments Acquired

Report the aggregate cost of short-term investments acquired in Column 1. A reporting entity may summarize all "overnight" transactions and report the net amount as an increase in short-term investments on this line; all other transactions shall be recorded gross. Column 2 should report the same value as the annual statement Schedule DA, Verification, Line 2 of the prior year-end.

Line 3 – Accrual of Discount

In Column 1, report the total amount of accrual of discount during the year. The accrual of discount should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.

Line 4 – Unrealized Valuation Increase (Decrease)

Report the total unrealized valuation increase (decrease) for the year.

Line 5 – Total Gain or (Loss) on Disposals

In Column 1, enter the amount of year-to-date gain or loss, if any. Column 2 should report the same value as the annual statement Schedule DA, Verification, Line 5 of the prior year-end.

Line 6 – Deduct Consideration Received on Disposals

Report the proceeds received on disposal of short-term investments on a year-to-date basis in Column 1. A reporting entity may summarize all "overnight" transactions and report the net amount as a decrease in short-term investments on this line; all other transactions shall be recorded gross. Column 2 should report the same value as the annual statement Schedule DA, Verification, Line 6 of the prior year-end.

Line 7 – Deduct Amortization of Premium

In Column 1, report the total amount of amortization of premium during the year. The amortization of premium should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.

- Line 8 – Total Foreign Exchange Change in Book/Adjusted Carrying Value
In Column 1, report the unrealized foreign exchange gain or loss for the year.
- Line 9 – Deduct Current Year's Other-Than-Temporary Impairment Recognized
Report the other-than-temporary impairments for the year.
- Line 10 – Book/Adjusted Carrying Value at End of Current Period
Column 1 equals the Total Line on Schedule DA, Part 1, Column 1.
- Line 11 – Deduct Total Nonadmitted Amounts
In Column 1, report the adjustment for nonadmitted amounts as of the end of the current period.
Include: The amount of the portfolio that is in excess of any investment limitation.
- Line 12 – Statement Value at End of Current Period
In Column 1, report the statement value of as of the end of the current period. This amount should tie to the Assets Page, Line 5, inset for short-term investments.

Not for Distribution

SCHEDULE DB – PART A – VERIFICATION

OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS

The purpose of this schedule is to roll the information reported on Schedule DB, Part A, Sections 1 and 2 from the prior year to the end of the current reporting year.

- Line 1 – Book/Adjusted Carrying Value, December 31 of Prior Year
- Line 2 – Cost Paid/(Consideration Received) on Additions
- Line 3 – Unrealized Valuation Increase/(Decrease)
- Line 4 – Total Gain (Loss) on Termination Recognized
- Line 5 – Considerations Received/(Paid) on Terminations
- Line 6 – Amortization
- Line 7 – Adjustment to Book/Adjusted Carrying Value of Hedged Item
- Line 8 – Total Foreign Exchange Change in Book/Adjusted Carrying Value
- Line 9 – Book/Adjusted Carrying Value at End of Current Period (1 + 2 + 3 + 4 – 5 + 6 + 7 + 8)
- Line 10 – Deduct Nonadmitted Assets
- Line 11 – Statement Value at End of Current Period (9 - 10)

Not for Distribution

SCHEDULE DB – PART B – VERIFICATION

FUTURES CONTRACTS

- Line 1 – Book/Adjusted Carrying Value, December 31 of Prior Year
- Show the total from the prior year. For purposes of this schedule, positive amounts should be reported for assets, and negative amounts should be reported for liabilities.
- Line 2 – Cumulative Cash Change
- Show the cash that the company received (paid) as initial margin for entering the futures contracts (Section 1, Broker Name/Net Cash Deposits Footnote – Cumulative Cash Change Column).
- Line 3.11 & 3.12 – Change in the Variation Margin on Open Contracts – Highly Effective Hedges
- Report the change in the variation margin on open contracts between years. Report separately the change in variation margin on futures contracts open in the prior year from futures contracts open in the current year.
- Line 3.13 & 3.14 – Change in the Variation Margin on Open Contracts – All Other
- Report the change in the variation margin on open contracts between years. Report separately the change in variation margin on futures contracts open in the prior year from futures contracts open in the current year.
- Line 3.21 & 3.22 – Change in adjustment to basis of hedged item
- Report the change in variation margin on open contracts between years that were basis adjusted into the hedged item(s). Report separately the change in variation margin on futures contracts open in the prior year from futures contracts open in the current year.
- Line 3.23 & 3.24 – Change in amount recognized
- Report the change in variation margin on open contracts between years that were recognized. Report separately the change in variation margin on futures contracts open in the prior year from futures contracts open in the current year.
- Line 3.3 – Subtotal the change in variation margin on open contracts used to adjust hedged item(s) and recognized less the total change in variation margin on open contracts.
- Line 4.1 – Report cumulative the variation margin on contracts terminated during the year.
- Line 4.21 – Report the amount of gain (loss) adjusted into the hedged item(s) from terminated contracts during the year.
- Line 4.22 – Report the amount of gain (loss) recognized from terminated contracts during the year.
- Line 4.3 – Subtotal the total gain (loss) on terminated contracts during the year less the total gain(loss) on contracts terminated during the year that were recognized or basis adjusted into the hedged item(s).

- Line 5 – Dispositions of Gains (Losses) on Contracts Terminations in prior years
- Line 5.1 – Total gain (loss) recognized current year-to-date for terminations in the prior year.
- Line 5.2 – Total Gain (Loss) Adjusted into the Hedged Item(s) Current Year-to-Date for Terminations in the Prior Year
- Report the gain (loss) on disposal of the specified derivatives for the current year.
- Line 6 – Book/Adjusted Carrying Value at End of Current Period
- Report the book/adjusted carrying value as of the end of the current period reflecting other-than-temporary impairments, if any.
- Line 7 – Deduct Total Nonadmitted Amounts
- Report the adjustment for nonadmitted amounts related to the specified derivatives as of the end of the current period.
- Include: The amount of the portfolio that is in excess of any investment limitation.
- Line 8 – Statement Value at End of Current Period (Line 6 minus Line 7)
- Report the statement value of the specified derivatives as of the end of the current period.

Not for Distribution

SCHEDULE DB – PART C – SECTION 1

REPLICATION (SYNTHETIC ASSET) TRANSACTIONS (RSATs) OPEN AT CURRENT STATEMENT DATE

Include all RSATs owned as of the current statement date, including those that were open on December 31 of the previous year, and those acquired during the current year

- Column 1 – RSAT Number
Enter the RSAT Number as administered by the CUSIP Division of Standard & Poor's.
- Column 2 – Description of the RSAT
Enter a complete and accurate description of the RSAT, including a description of the relationship of the Cash Instrument(s) and the Derivative(s) used to produce the replication.
- Column 3 – NAIC Designation or Other Description of the RSAT
Enter the NAIC Designation or, when the NAIC Designation is not applicable, other description that will best identify the Risk-Based Capital and Asset Valuation Reserve (if applicable) class of the RSAT, as if the RSAT was recorded on the appropriate investment schedule.
- Column 4 – Notional Amount of the RSAT
Enter the Notional Amount of the RSAT; e.g. the amount on which the interest/coupon accrues.
- Column 5 – Book/Adjusted Carrying Value of the RSAT
Enter the Book/Adjusted Carrying Value of the RSAT as if the reporting entity had purchased and accounted for the specified asset. Reporting entities should document the determination of this value. For each individual RSAT indicated in Column 1, report a total of all Book/Adjusted Carrying Value of Derivative Instrument plus a total of all Book/Adjusted Carrying Value of the Cash Investment(s). Use the formula below for reference:
$$\text{Column 10} + \text{Column 15}$$
- Column 6 – Fair Value of the RSAT
Enter the fair value of the RSAT. Amortized or the Book/Adjusted Carrying values should not be substituted for fair value. For each individual RSAT indicated in Column 1, report a total of all Fair Value of Derivative Instruments Open plus a total of all Fair Value of the Cash Investment(s) Held. Use the formula below for reference:
$$\text{Column 11} + \text{Column 16}$$
- Column 7 – Effective Date of the RSAT
Show the start date of the RSAT.
- Column 8 – Maturity Date of the RSAT
Show the maturity date of the RSAT.
- Column 9 – Description of Derivative Instruments Open
Identify the derivative(s) used in the RSAT (e.g., swap, call option, etc.).

- Column 10 – Book/Adjusted Carrying Value of Derivative Instrument Open
- Represents the statement value, with any nonadmitted assets added back. Refer to *SSAP No. 86—Derivatives*, for further discussion.
- Column 11 – Fair Value of Derivative Instrument(s) Open
- Enter the fair value of derivative instrument(s) open at the end of the period.
- Column 12 – CUSIP of Cash Instrument(s) Held
- Enter the CUSIP or Investment Number of the Cash Instrument(s) used in the RSAT as the instrument appears on the appropriate investment schedule.
- (a) CUSIP digits 1-6: Issuer number
 (b) CUSIP digits 7-8: Exact issue sequence
 (c) CUSIP digit 9: check digit
- Column 13 – Description of Cash Instrument(s) Held
- Enter description of the cash instruments used in the RSAT. This description is for reference purposes only, and is not intended to replace the appropriate reporting on other investment schedules. List each cash instrument separately (i.e., do not aggregate cash instruments having the same NAIC Designation).
- Column 14 – NAIC Designation or Other Description of Cash Instrument(s) Held
- Enter the NAIC Designation or, when the NAIC Designation is not applicable, other description that will best identify the Risk-Based Capital or Asset Valuation Reserve (if applicable) class of the cash instrument(s) used in the RSAT.
- Column 15 – Book/Adjusted Carrying Value of Cash Investment(s) Held
- Represents the statement value, with any nonadmitted assets added back. Refer to *SSAP No. 86—Derivatives*, for further discussion.
- Column 16 – Fair Value of Cash Instrument(s) Held
- Enter the fair value of cash instrument(s) used in the RSAT.

Not for Distribution

SCHEDULE DB – PART C – SECTION 2

RECONCILIATION OF REPLICATION (SYNTHETIC ASSET) TRANSACTIONS OPEN

Use this schedule in both the quarterly and annual statements. Companies that are not required to file quarterly statement should leave those columns blank.

Number of Positions

Enter the number of transactions that have unique RSAT numbers.

Replication (Synthetic Asset) Transactions (RSAT) Statement Values

Enter “Statement Value” of the RSAT, as if the reporting entity had purchased and accounted for the specific asset. Companies should document the determination of this value. The values indicated should be the aggregate of the values for all open replication (synthetic assets) transactions.

- Line 1 – Beginning Inventory
The number of positions and total replication (synthetic asset) transactions statement value should agree with the previous period’s (quarterly or annual) ending inventory, Schedule DB, Part C, Section 2. Line 1 of each quarter should be the same as Line 7 of the previous quarter.
- Line 2 – Opened or Acquired Transactions
Provide the number of positions opened or acquired and the aggregated replication (synthetic asset) transactions statement values as of the acquisition dates.
- Line 3 – Increases in Replication (Synthetic Asset) Transactions Statement Value
Enter the aggregate increases in the statement value of replication (synthetic asset) transactions held at any time during the period.
- Line 4 – Closed or Disposed of Transactions
Enter the number of positions that were disposed of during the period, with the aggregated replication (synthetic asset) transactions statement values as of the disposition dates.
- Line 5 – Positions Disposed of for Failing Effectiveness Criteria
Enter the number of positions that were disposed of during the period because the position was no longer effective. Aggregate the replication (synthetic asset) transactions statement values as of the disposition dates.
- Line 6 – Decreases in Replication (Synthetic Asset) Transactions Statement Value
Aggregated decreases in the statement value of the replication (synthetic asset) transactions held at any time during the period.
- Line 7 – Ending Inventory
Show the net of Line 1 + Line 2 + Line 3 – Line 4 – Line 5 – Line 6.

Year to Date Columns

Line 1 should be the same as the first quarter Line 1. Lines 2 through 6 should be the sum of the quarters, through the end of the quarter being reported. Line 7 – Ending Inventory should be the same as Line 7 of the most recently completed quarter. Number of Positions and Total Replication (Synthetic Asset) transactions Statement Value should agree with the current periods (quarterly or annual) Schedule DB, Part C, Section 2 totals.

SCHEDULE DB – VERIFICATION

BOOK /ADJUSTED CARRYING VALUE, FAIR VALUE AND POTENTIAL EXPOSURE OF DERIVATIVES

The purpose of this schedule is to verify the amounts reported in each individual derivative schedule (Schedule DB, Part A, Section 1 and Schedule DB, Part B, Section 1) against those reported in the Counterparty Exposure schedule (Schedule DB, Part D).

BOOK/ADJUSTED CARRYING VALUE CHECK

- Line 1 – Total Book/Adjusted Carrying Value of all derivatives found on Schedule DB, Part A, Section 1, Column 14.
- Line 2 – Cumulative Variation Margin of highly effective derivatives found on Schedule DB, Part B, Section 1, Column 15 plus Total Ending Cash Balance found on Schedule DB, Part B, Section 1, Broker Name/Net Cash Deposits Footnote.
- Line 3 – Grand Total of Book/Adjusted Carrying Value from individual schedules (Lines 1 + 2).
- Line 4 – Total of all positive Book/Adjusted Carrying Value found on Schedule DB, Part D, Section 1, Column 5.
- Line 5 – Total of all negative Book/Adjusted Carrying Value found on Schedule DB, Part D, Section 1, Column 6.
- Line 6 – Grand Total Check for Book/Adjusted Carrying Value (Lines 3 – 4 – 5).

FAIR VALUE CHECK

- Line 7 – Total Fair Value of all derivatives found on Schedule DB, Part A, Section 1, Column 16.
- Line 8 – Total Fair Value of futures contracts found on Schedule DB, Part B, Section 1 Column 13.
- Line 9 – Grand Total of Fair Value from individual schedules (Lines 7 + 8).
- Line 10 – Total of all positive Fair Value found on Schedule DB, Part D, Section 1, Column 8.
- Line 11 – Total of all negative Fair Value found on Schedule DB, Part D, Section 1, Column 9.
- Line 12 – Grand Total Check for Fair Value (Lines 9 – 10 – 11).

POTENTIAL EXPOSURE CHECK

- Line 13 – Total Potential Exposure of all derivatives found on Schedule DB, Part A, Section 1, Column 21.
- Line 14 – Total Potential Exposure of all futures found on Schedule DB, Part B, Section 1, Column 20.
- Line 15 – Total Potential Exposure of all derivatives found on Schedule DB, Part D, Section 1, Column 11.
- Line 16 – Grand Total Check for Potential Exposure (Lines 13 + 14 – 15).

SCHEDULE E – PART 2 – VERIFICATION

CASH EQUIVALENTS

- Column 1 – Year to Date
Include all transactions from beginning of current year to end of current quarter.
- Column 2 – Prior Year-Ended December 31
Include all transactions from beginning of prior year to end of prior year.
- Line 1 – Book/Adjusted Carrying Value, December 31 of prior year
In Column 1, report the book/adjusted carrying value per Schedule E, Part 2, Column 7 of the prior year's annual statement.
- Line 2 – Cost of Cash Equivalents Acquired
Report the aggregate cost of cash equivalents acquired during the year.
- Line 3 – Accrual of Discount
In Column 1, report the total amount of accrual of discount during the year. The accrual of discount should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.
- Line 4 – Unrealized Valuation Increase (Decrease)
Report the total unrealized valuation increase/(decrease) for the year.
- Line 5 – Total Gain (Loss) on Disposals
In Column 1, report the gain (loss) on disposal of cash equivalents.
- Line 6 – Deduct Consideration Received on Disposals
Report the proceeds received on disposal of cash equivalents.
- Line 7 – Deduct Amortization of Premium
In Column 1, report the total amount of amortization of premium during the year. The amortization of premium should be consistent with the accounting guidance contained in the *Accounting Practices and Procedures Manual*.
- Line 8 – Total Foreign Exchange Change in Book/Adjusted Carrying Value
In Column 1, report the unrealized foreign exchange gain or loss for the year.
- Line 9 – Deduct Current Year's Other-Than-Temporary Impairment Recognized
Report the other-than-temporary impairments for the year.

Line 10 – Book/Adjusted Carrying Value at end of Current Period

Column 1 equals Schedule E, Part 2, Column 7, Total.

Line 11 – Deduct Total Nonadmitted Amounts

In Column 1, report the adjustment for nonadmitted amounts as of the end of the current period.

Include: The amount of the portfolio that is in excess of any investment limitation.

Line 12 – Statement Value at End of Current Period

In Column 1, report the statement value of as of the end of the current period. This amount should tie to the Assets Page, Line 5, inset for cash equivalents.

Not for Distribution

SCHEDULE A – PART 2

REAL ESTATE ACQUIRED AND ADDITIONS MADE DURING THE CURRENT QUARTER

This schedule should reflect not only those new real estate investments and their encumbrances, but also any additions and permanent improvements to existing properties acquired in the current and prior periods and their encumbrances. Report individually each property acquired or transferred from another category (e.g., joint ventures, Schedule BA). Property acquired and sold during the same quarter should be reported in both Part 2 and Part 3.

If a reporting entity has any detail lines reported for any of the following required groups, it shall report the subtotal amount of the corresponding group with the specified subtotal line number appearing in the same manner and location as the pre-printed total. Exclude all leasehold improvements paid by the reporting entity from Schedule A, including Health Care leasehold improvements.

Refer to SSAP No. 40R—Real Estate Investments, and SSAP No. 90—Impairment or Disposal of Real Estate Investments, for accounting guidance.

<u>Category</u>	<u>Line Number</u>
Acquired by purchase	0199999
Acquired by internal transfer	0299999
Totals	0399999

- Column 1 – Description of Property
 Show description of property (e.g., apartment complex, land, shopping center, warehouse, etc.). State if occupied or leased by company, parent, subsidiary or affiliate.
- Column 2 – City
 For properties located in the U.S., list the city. If the city is unknown, indicate the county. If the property is located outside the U.S., indicate city or province.
- Column 3 – State
 For properties located in U.S. states, territories and possessions, report the two-character U.S. postal abbreviation for U.S. states, territories and possessions. If the property is located outside the U.S. states, territories and possessions, report the three-character (ISO Alpha 3) country abbreviations available in the listing in the appendix of the annual statement instructions.
- Column 4 – Date Acquired
 For individual properties, state date property was acquired.
- Column 5 – Name of Vendor
 Provide the name of the entity from which the property was acquired. For internal transfers, indicate “internal transfer” in lieu of a vendor name.

Column 6 – Actual Cost at Time of Acquisition

Include: This column should be utilized to report the cost of original purchases. The amount expended to purchase the property along with the costs associated with acquiring title.

For foreclosed properties or voluntary conveyances, include amounts transferred from the Mortgage Loan Account along with other costs that have been capitalized (at the time of purchase).

Exclude: Amounts expended for additions and permanent improvements that are reported in column 9.

The amount reported in the Actual Cost column included in Schedule A, Part 2 will never differ from the actual consideration paid to purchase the investment. Any appropriate adjustments to the Actual Cost will be made in Schedule A, Part 1 or in Schedule A, Part 3. Refer to *SSAP No. 90—Impairment or Disposal of Real Estate Investments*, for the effects of impairment on the presentation of cost.

Column 7 – Amount of Encumbrances

Properties may be mortgaged and the outstanding principal balance, including accrued interest, of all liens at the end of the current period should be reported in this column.

Column 8 – Book/Adjusted Carrying Value Less Encumbrances

Include: The actual cost plus capitalized improvements, less depreciation, less encumbrances and net adjustments.

Deduct: The amount of one-time temporary impairment write-downs required under *SSAP No. 90—Impairment or Disposal of Real Estate Investments*.

Exclude: Valuation allowances.

Column 9 – Additional Investment Made After Acquisition

This column should be utilized to report the amount expended for additions and permanent improvement.

Exclude: Amounts expended for original acquisitions that are reported in column 6.

Not for Distribution

**** Columns 10 through 12 will be electronic only. ****

Column 10 – Legal Entity Identifier (LEI)

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

Column 11 – Postal Code

The postal code(s) reported in this column should reflect the location of the underlying property. For properties located in U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. If the property is located outside the U.S. states, territories and possessions, use that country's equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (51201,68104,E4 7SD)

Column 12 – Property Type

For property type, use one of the following codes to indicate the primary use of the property:

OF	Office
RT	Retail
MU	Apartment/Multifamily
IN	Industrial
HC	Medical/Health Care
MX	Mixed Use
LO	Lodging
OT	Other

Not for Distribution

SCHEDULE A – PART 3

REAL ESTATE DISPOSED DURING THE QUARTER

This schedule should reflect not only disposals of an entire real estate investment, but should also include partial disposals and amounts received during the year on properties still held. Report individually each property disposed or transferred to another category (e.g., joint ventures, Schedule BA). Properties acquired and disposed during the same quarter should be reported in both Part 2 and Part 3. For “Sales Under Contract”, only payments received during the quarter related to such sales in their final year of payment should be reported.

If a reporting entity has any detail lines reported for any of the following required groups, it shall report the subtotal amount of the corresponding group with the specified subtotal line number appearing in the same manner and location as the pre-printed total.

<u>Category</u>	<u>Line Number</u>
Property disposed.....	0199999
Property transferred.....	0299999
Totals.....	0399999

A description of the information required by the columnar heading is as follows:

- Column 1 – Description of Property
 Show description of property; e.g., apartment complex, land, shopping center, warehouse, etc.
- Column 2 – City
 For properties located in the U.S., list the city. If the city is unknown, indicate the county. If the property is located outside the U.S. indicate city or province.
- Column 3 – State
 For properties located in U.S. states, territories and possessions, report the two-character U.S. postal abbreviation for U.S. states, territories and possessions. If the property is located outside the U.S. states, territories and possessions, report the three-character (ISO Alpha 3) country abbreviations available in the listing in the appendix of the annual statement instructions.
- Column 4 – Disposal Date
 For individual properties, state date property was sold using MM/DD/YYYY format. For properties transferred to another category, this column should not be completed.
- Column 5 – Name of Purchaser
 Provide the name of the entity to which the property was sold. For internal transfers, indicate “internal transfer” in lieu of purchaser name.

Column 6	– Actual Cost	<p>Include: The amount expended to purchase the property along with the costs associated with acquiring title and other amounts such as additions and improvements (at the time of purchase or subsequent) which have been capitalized, less all amounts received for sales of rights or privileges in connection with the property or by any cash recoveries received after acquiring title to the property.</p> <p>For foreclosed properties or voluntary conveyances, include amounts transferred from the Mortgage Loan Account along with other costs that have been capitalized (at the time of purchase or subsequent). Include all amounts expended for taxes, repairs and improvements in excess of the income of the property other than interest, prior to the date of acquiring title.</p> <p>The Actual Cost recorded in this column shall ALWAYS be adjusted for other-than-temporary impairment. Refer to <i>SSAP No. 90—Impairment or Disposal of Real Estate Investments</i>, for the effects of impairments on the presentation of cost.</p>
Column 7	– Expended for Additions, Permanent Improvements and Changes in Encumbrances	<p>Include: Only those amounts expended after acquiring title, including increases or reductions in encumbrances.</p>
Column 8	– Book Adjusted Carrying Value Less Encumbrances, Prior Year	<p>This should equal the Book/Adjusted Carrying Value amount reported in the prior year annual statement for each specific security.</p> <p>This amount, plus the Change in Book/Adjusted Carry Value columns should equal the Book/Adjusted Carrying Value at Disposal Date.</p>
Column 9	– Current Year’s Depreciation	<p>This amount should represent the depreciation expense for the period and shall include any depreciation recorded on a property held for sale.</p> <p>Include: Depreciation that was recorded on property during the current year that was later classified as property held for sale.</p>
Column 10	– Current Year’s Other Than-Temporary Impairment Recognized	<p>If the real estate has suffered an “other-than-temporary impairment,” this column should contain the amount of the direct write-down recognized. The amounts in this column are to be reported as realized capital losses in the Exhibit of Capital Gains (Losses) and in the calculation of Net Income.</p> <p>Include: Reductions to fair value on property newly classified as held for sale, in accordance with <i>SSAP No. 90—Impairment or Disposal of Real Estate Investments</i>.</p>
Column 11	– Current Year’s Change in Encumbrances	<p>Report as a positive number any decreases in encumbrances reported on real estate for the year. Report as a negative number any increases in encumbrances reported on real estate for the year.</p>

- Column 13 – Total Foreign Exchange Change in Book/Adjusted Carrying Value
- Enter the unrealized foreign exchange gain or loss on a year-to-date basis, including reversal of any unrealized foreign exchange gain or losses previously recorded.
- Column 14 – Book/Adjusted Carrying Value Less Encumbrances on Disposal
- Include: The actual cost plus capitalized improvements, less depreciation, less encumbrances, and net adjustments at the time of sale or transfer. For properties held for sale, the net adjustment to book value shall include the estimated costs to sell the property, in accordance with *SSAP No. 90—Impairment or Disposal of Real Estate Investments*.
- Deduct: The amount of other-than-temporary impairment write-downs required under *SSAP No. 90—Impairment or Disposal of Real Estate Investments*.
- Exclude: Valuation allowances.
- Column 15 – Amounts Received During Year
- Include: Amounts received on sale of right and privileges on a year-to-date basis, amounts from real estate sales, including those amounts received during the quarter of disposal, and other cash receipts on a year-to-date basis that reduced the book value.
- Column 16 – Foreign Exchange Gain (Loss) on Disposal
- Report the foreign currency exchange gain or loss from the disposal of the property.
- Column 17 – Realized Gain (Loss) on Disposal
- Report the market gain or loss from the disposal of the property.
- Exclude: Foreign currency gain (loss) reported in Column 16.
- Column 18 – Total Gain (Loss) on Disposal
- Enter the sum of Column 16, foreign exchange gain (loss), and Column 17, realized gain (loss).
- Column 19 – Gross Income Earned Less Interest Incurred on Encumbrances
- Include: Rental income on property occupied by the company on a year-to-date basis.
- Column 20 – Taxes, Repairs and Expenses Incurred
- Include: Amounts paid or accrued for taxes, repairs and other related expenses on a year-to-date basis.
- Exclude: Interest incurred on encumbrances.

**** Columns 21 through 23 will be electronic only. ****

Column 21 – Legal Entity Identifier (LEI)

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

Column 22 – Postal Code

The postal code(s) reported in this column should reflect the location of the underlying property. For properties located in U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. If the property is located outside the U.S. states, territories and possessions, use that country's equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (512 01,68104,E4 7SD)

Column 23 – Property Type

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Not for Distribution

SCHEDULE B – PART 2

MORTGAGE LOANS ACQUIRED AND ADDITONS MADE DURING THE CURRENT QUARTER

Report individually all mortgage loans acquired or transferred from another category (e.g., joint ventures, Schedule BA) but also any increases or additions to mortgage loans acquired or transferred in the current and prior periods. Mortgages acquired and disposed during the same quarter should be reported in both Part 2 and Part 3. Include non-conventional mortgage loans (e.g., loans that can be increased to their maximum loan value without incurring the cost of writing a new mortgage). Also include mezzanine real estate loans. For accounting and admission guidance related to mezzanine real estate loans, refer to SSAP No. 83—*Mezzanine Real Estate Loans*. Collateralized Mortgage Obligations (residential mortgage-backed securities) should be included in Schedule D.

If a reporting entity has any detail lines reported for any of the following required groups, it shall report the subtotal amount of the corresponding group with the specified subtotal line number appearing in the same manner and location as the pre-printed total.

For accounting guidance related to foreign currency transactions and translations, refer to SSAP No. 23—*Foreign Currency Transactions and Translations*.

Life and Fraternal entities should use the lines marked with an asterisk. Property, Health and Title entities may choose to use the lines marked with an asterisk. If Property, Health and Title insurers do not use the lines marked with an asterisk; Lines 0799999, 1599999, 2399999 and 3199999 must be used. All subtotal lines 0899999, 1699999, 2499999, 3299999 and the grand total line 3399999 apply to all entities.

Mortgages in Good Standing

Farm Mortgages*	0199999
Residential Mortgages—Insured or Guaranteed*	0299999
Residential Mortgages—All Other*	0399999
Commercial Mortgages—Insured or Guaranteed*	0499999
Commercial Mortgages—All Other*	0599999
Mezzanine Loans*	0699999
Mortgages in Good Standing Not Shown on Lines 0199999 through 0699999	0799999
Total Mortgages in Good Standing (sum of 0199999 through 0799999)	0899999

Restructured Mortgages

Farm Mortgages*	0999999
Residential Mortgages—Insured or Guaranteed*	1099999
Residential Mortgages—All Other*	1199999
Commercial Mortgages—Insured or Guaranteed*	1299999
Commercial Mortgages—All Other*	1399999
Mezzanine Loans*	1499999
Restructured Mortgages Not Shown on Lines 0999999 through 1499999	1599999
Total Restructured Mortgages (sum of 0999999 through 1599999)	1699999

Mortgages with Overdue Interest over 90 days, Not in Process of Foreclosure

Farm Mortgages*	1799999
Residential Mortgages—Insured or Guaranteed*	1899999
Residential Mortgages—All Other*	1999999
Commercial Mortgages—Insured or Guaranteed*	2099999
Commercial Mortgages—All Other*	2199999
Mezzanine Loans*	2299999
Mortgages with Overdue Interest Over 90 Days, Not in the Process of Foreclosure	
Not Shown on Lines 1799999 through 2299999	2399999
Total Mortgages with Overdue Interest Over 90 Days, Not in the Process of Foreclosure (sum of 1799999 through 2399999)	2499999

Mortgages in the Process of Foreclosure

Farm Mortgages*	2599999
Residential Mortgages—Insured or Guaranteed*	2699999
Residential Mortgages—All Other*	2799999
Commercial Mortgages—Insured or Guaranteed*	2899999
Commercial Mortgages—All Other*	2999999
Mezzanine Loans*	3099999
Mortgages in the Process of Foreclosure Not Shown on Lines 2599999 through 3099999.....	3199999
Total Mortgages in the Process of Foreclosure (sum of 2599999 through 3199999)	3299999

Total Mortgages (sum of 0899999, 1699999, 2499999 and 3299999)..... 3399999

Mortgages in good standing:

This section applies to loans on which all the original basic terms of the loan are being met by the borrowers. It also includes loans on which all the basic terms of refinancing agreements at current market terms are being met by the borrowers. Insured or guaranteed loans are considered to be only those loans insured or guaranteed by the Federal Housing Administration, the National Housing Act of Canada or by the Veterans Administration. For loans subject to a participation agreement, include only the reporting entity's share of book value/recorded investment excluding accrued interest.

Mortgages with restructured terms:

Restructured loans include commercial mortgage loans on which the basic terms such as interest rate, maturity date, collateral or guaranty have been restructured in 1986 or later as a result of actual or anticipated delinquency. Include those loans whose basic terms are being met in accordance with the restructuring agreement. A maturing balloon mortgage that has been refinanced or extended at below current market terms should be classified as a restructured loan. (A maturing balloon mortgage that has been refinanced or extended at current market terms should be considered a performing loan.) Current market terms are loan terms where the borrower pays a current market interest rate consistent with the collateral, maturity date and other terms of the mortgage.

A mortgage loan will no longer be considered in this category when one or more of the following events occur:

The loan is paid in full or otherwise retired;

The loan becomes delinquent under the terms of the restructure agreement;

The loan is in the process of foreclosure;

The borrower has resumed the original contractual terms on the current loan balance including payments, interest rate and loan duration. The borrower must have also made cash payments of any interest or principal foregone during the restructure.

If none of the above are met, a loan will no longer be considered as restructured when all of the following conditions exist:

The loan-to-value ratio based upon the current appraisal cannot be greater than 80%. Additionally, the loan-to-value ratio cannot be greater than the state of domicile's limits for first mortgages. An independent appraiser must perform the current appraisal. The appraisal requirement does not apply to individual loans the lesser of \$1 million or 5% of capital and surplus. The aggregate of such exempted loans must not exceed 15% of total long-term mortgage holdings.

AND

The coupon rate after restructuring is a current market rate. Such coupon rates should be consistent with the coupon rate on new commercial mortgages of comparable terms made by the reporting entity in the quarter in which the restructure date occurred; or

On the restructure date, not be less than the quarterly average of new commercial mortgage loan rates of loans of comparable terms from the Survey of Mortgage Commitments of Commercial Properties by the American Council of Life Insurers, by more than ½ of a percentage point difference.

AND

The restructured mortgage loan performs according to the new terms for at least two years.

Mortgages with overdue interest over 90 days not in the process of foreclosure:

Show individually mortgages upon which interest is overdue more than 90 days or upon which taxes or other liens are delinquent more than one year.

Mortgages in process of foreclosure:

This section applies to loans in the process of being foreclosed or voluntarily conveyed by the borrower to the lender. It also includes loans in which transfer of title is awaiting expiration of redemption or moratorium period.

A description of the information required by the columnar headings is as follows.

- Column 1 – Loan Number
- Report the mortgage loan number assigned by the reporting entity. For foreign denominated mortgages, indicate the principal indebtedness amount in its local currency.
- Column 2 – City
- For mortgages in the U.S., list city. If the city is unknown, indicate the county. If the mortgage is outside the U.S., indicate the city or province.
- Column 3 – State
- For mortgages in U.S. states, territories and possessions, report the two-character U.S. postal abbreviation for U.S. states, territories and possessions. If the mortgage is located outside the U.S. states, territories and possessions, report the three-character (ISO Alpha 3) country abbreviations available in the listing in the appendix of the annual statement instructions.
- Column 4 – Loan Type
- If the loan was made to an officer or director of the reporting entity/subsidiary/affiliate, enter “E.” If the loan was made directly to a subsidiary or affiliate, enter “S.” Otherwise, leave the column blank.
- Column 5 – Date Acquired
- State date mortgage was acquired.
- Column 6 – Rate of Interest
- Report the effective annual interest rate of the mortgage.

Column 7 – Actual Cost at Time of Acquisition

Report the actual amount loaned for the mortgages at the time the asset was originally acquired. The cost of acquiring the assets includes any additional amounts that are to be capitalized. Accordingly, there may be a premium or discount on such loans resulting from a difference between the amount paid and the principal amount. Do not include additional expenditures after the time of initial acquisition. These amounts are reported in Column 8.

Column 8 – Additional Investment Made after Acquisition

Report additional amounts that increased the mortgage during the year subsequent to the time the asset was originally acquired, e.g., increases in the loan. Include additional loans on mortgages that were subsequently disposed during the year.

Column 9 – Value of Land and Buildings

Report the appraisal value of the property (for land and buildings). For loans subject to a participation agreement, include only the reporting entity's pro rata share of the appraised value as it relates to the reporting entity's interest in the mortgage loan.

**** Columns 10 through 13 will be electronic only. ****

Column 10 – Legal Entity Identifier (LEI)

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

Column 11 – Postal Code

The postal code(s) reported in this column should reflect the location of the underlying property. For mortgages in U.S. states, territories, and possessions, use the five-digit ZIP code and not the ZIP+4 code. If the mortgage is located outside the U.S. states, territories and possessions, use that country's equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD)

Column 12 – Property Type

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- R Retail
- MU Apartment/Multifamily
- I Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 13 – Maturity Date

State the date the mortgage loan matures.

SCHEDULE B – PART 3

MORTGAGE LOANS DISPOSED, TRANSFERRED OR REPAID DURING THE CURRENT QUARTER

Report individually each mortgage that has had decreases in the balance as a result of either being closed by repayment, partial repayment, disposed or transferred to another category; e.g., real estate, Schedule A. Do not report individual partial repayments, but aggregate all partial repayments by mortgage loan. Mortgage loans acquired and sold during the same quarter should be reported in both Part 2 and Part 3.

If a reporting entity has any detail lines reported for any of the following required groups, it shall report the subtotal amount of the corresponding group with the specified subtotal line number appearing in the same manner and location as the pre-printed total.

<u>Category</u>	<u>Line Number</u>
Mortgages closed by repayment	0199999
Mortgages with partial repayments.....	0299999
Mortgages disposed	0399999
Mortgages transferred.....	0499999
Total.....	0599999

A description of the information required by the columnar headings is as follows:

- Column 1 – Loan Number
Report the mortgage number assigned by the reporting entity.
- Column 2 – City
For mortgages in the U.S., list city. If the city is unknown, indicate the county. If the mortgage is outside the U.S., indicate the city or province.
- Column 3 – State
For mortgages in U.S. states, territories and possessions, report the two-character U.S. postal abbreviation for U.S. states, territories and possessions. If the mortgage is located outside the U.S. states, territories and possessions, report the three-character (ISO Alpha 3) country abbreviations available in the listing in the appendix of the annual statement instructions.
- Column 4 – Loan Type
If the loan was made to an officer or director of the reporting entity/subsidiary/affiliate, enter “E.” If the loan was made directly to a subsidiary or affiliate, enter “S.” Otherwise, leave the column blank.
- Column 5 – Date Acquired
State date mortgage was acquired.

- Column 6 – Disposal Date
- For individual properties, state date mortgage was disposed using MM/DD/YYYY format. For mortgages transferred to another category and mortgages with partial payments, this column should not be completed.
- Column 7 – Book Value/Recorded Investment Excluding Accrued Interest Prior Year
- Report the statutory book value/recorded investment excluding accrued interest at December 31 of the prior year.
- Deduct: The amount of any write-downs. Report as a realized loss.
- Exclude: Valuation allowance.
- Column 8 – Unrealized Valuation Increase (Decrease)
- The difference between the Book Value/Recorded Investment at the previous year-end and the Book Value/Recorded Investment at the current year-end not related to the receipt of loan principal payments, other-than-temporary impairments and amortization.
- These amounts are to be reported as unrealized capital gains (losses) in the Exhibit of Capital Gains (Losses) and in the Capital and Surplus Account (Page 4 – Life, Property, Fraternal & Title and Page 5 – Health).
- Column 9 – Current Year’s (Amortization)/Accretion
- This amount should equal the net of the reporting year’s amortization of premium or accrual of discount. The accrual of discount amounts in this column are to be reported as increases to investment income in the Exhibit of Net Investment Income, while the amortization of premium amounts are to be reported as decreases to investment income.
- Column 10 – Current Year’s Other-Than-Temporary Impairment Recognized
- If the mortgage loan has suffered an “other-than-temporary impairment,” this column should contain the amount of the direct write-down recognized. The amounts in this column are to be reported as realized capital losses in the Exhibit of Capital Gains (Losses) and in the calculation of Net Income.
- Column 11 – Capitalized Deferred Interest and Other
- Include interest and other items that can be capitalized in accordance with *SSAP 37 No.—Mortgage Loans*.
- Column 13 – Total Foreign Exchange Change in Book Value
- Enter the unrealized foreign exchange gain or loss on a year-to-date basis, including reversal of foreign exchange gains or losses previously recorded.
- Column 14 – Book Value/Recorded Investment excluding Accrued Interest on Disposal
- Report the statutory Book Value/Recorded Investment excluding accrued interest (including any capitalized amounts) at the time the loan was disposed or transferred to another category; e.g., real estate.
- Deduct: The amount of any write-downs. Report as a realized loss.
- Exclude: Valuation allowance.

- Column 15 – Consideration
- Report the amount received during the quarter on mortgages disposed, including partial pay-downs of mortgages sale of the mortgage or through transfer to another category (e.g., Schedule A). For those mortgages transferred to another category, only report the amount received for the period up to the time the loan was transferred.
- Column 16 – Foreign Exchange Gain (Loss) on Disposal
- Enter the foreign currency exchange gain or loss.
- Column 17 – Realized Gain (Loss) on Disposal
- Report the amount of any market gain or loss realized from the transfer, disposal or maturity.
- Exclude: Foreign currency gain (loss) reported in Column 16
- Column 18 – Total Gain (Loss) on Disposal
- Enter the sum of Column 16 foreign exchange gain or loss, and Column 17 realized gain or loss.
- ** Columns 19 through 22 will be electronic only. ****
- Column 19 – Legal Entity Identifier (LEI)
- Provide the 20-character Legal Entity Identifier (LEI) for mortgagor as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.
- Column 20 – Postal Code
- The postal code(s) reported in this column should reflect the location of the underlying property. For mortgages in U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. If the mortgage is located outside the U.S. states, territories and possessions, use that country's equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.
- Example of two U.S. postal code and one United Kingdom postal code (51501,68104,E4 7SD)
- Column 21 – Property Type
- For property type, use one of the following codes to indicate the primary use of the property:
- OF Office
 - RT Retail
 - MU Apartment/Multifamily
 - IN Industrial
 - HC Medical/Health Care
 - MX Mixed Use
 - LO Lodging
 - OT Other
- Column 22 – Maturity Date
- State the date the mortgage loan matures.

SCHEDULE BA – PARTS 2 AND 3

OTHER LONG-TERM INVESTED ASSETS ACQUIRED AND DISPOSED OF

Report the other long-term assets acquired during the current quarter. Investments acquired and sold during the same quarter should be reported in both Part 2 and Part 3. Include only those classes of invested assets not clearly or normally includable in any other invested asset schedule. Such assets should include any assets previously written off for book purposes, but that still have a market or investment value. Give a detailed description of each investment and the underlying security. If an asset is to be recorded in Schedule BA that is normally reported in one of the other invested asset schedules, make full disclosure in a footnote of the reason for recording such an asset in Schedule BA.

For accounting guidance related to foreign currency transactions and translations, refer to SSAP No. 21—*Foreign Currency Transactions and Translations*.

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

<u>Group or Category</u>	<u>Line Number</u>
Oil and Gas Production	
Unaffiliated.....	0199999
Affiliated	0299999
Transportation Equipment	
Unaffiliated.....	0399999
Affiliated	0499999
Mineral Rights	
Unaffiliated.....	0599999
Affiliated	0699999
Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of:	
Bonds	
Unaffiliated	0799999
Affiliated	0899999
Mortgage Loans	
Unaffiliated	0999999
Affiliated	1099999
Other Fixed Income Instruments	
Unaffiliated	1199999
Affiliated	1299999
Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics of:	
Fixed Income Instruments	
Unaffiliated	1399999
Affiliated	1499999
Common Stocks	
Unaffiliated	1599999
Affiliated	1699999
Real Estate	
Unaffiliated	1799999
Affiliated	1899999
Mortgage Loans	
Unaffiliated	1999999
Affiliated	2099999
Other	
Unaffiliated	2199999
Affiliated	2299999

Surplus Debentures, etc.	
Unaffiliated.....	2399999
Affiliated	2499999
Collateral Loans	
Unaffiliated.....	2599999
Affiliated	2699999
Non-collateral Loans	
Unaffiliated.....	2799999
Affiliated	2899999
Capital Notes	
Unaffiliated.....	2999999
Affiliated	3099999
Guaranteed Federal Low Income Housing Tax Credit	
Unaffiliated.....	3199999
Affiliated	3299999
Non-Guaranteed Federal Low Income Housing Tax Credit	
Unaffiliated.....	3399999
Affiliated	3499999
Guaranteed State Low Income Housing Tax Credit	
Unaffiliated.....	3599999
Affiliated	3699999
Non-Guaranteed State Low Income Housing Tax Credit	
Unaffiliated.....	3799999
Affiliated	3899999
All Other Low Income Housing Tax Credit	
Unaffiliated.....	3999999
Affiliated	4099999
Working Capital Finance Investment	
Unaffiliated.....	4199999
Any Other Class of Assets	
Unaffiliated.....	4299999
Affiliated	4399999
Subtotals	
Unaffiliated.....	4499999
Affiliated	4599999
TOTALS.....	4699999

The following listing is intended to give examples of investments to be included in each category; however, the list should not be considered all-inclusive and it should not be implied that any invested asset currently being reported in Schedules A, B or D is to be reclassified to Schedule BA.

Oil and Gas Production

Include: Offshore oil and gas leases.

Transportation Equipment

Include: Aircraft owned under leveraged lease agreements.
Motor Vehicle Trust Certificates.

Mineral Rights

Include: Investments in extractive materials.
Timber Deeds.

Fixed or Variable Interest Rate Investments that Have the Underlying Characteristics of a Bond, Mortgage Loan or Other Fixed Income Instrument

Include: Fixed income instruments that are not corporate or governmental unit obligations (Schedule D) or secured by real property (Schedule E).

For Life and Fraternal Insurers:

Any investments deemed by the insurer to possess the underlying characteristics of a bond or other fixed income instrument which qualify for Filing Exemption or that have been reviewed and approved by the Securities Valuation Office (SVO) within this category.

Exclude: **For Life and Fraternal Insurers:**

Any investments deemed by the insurer to possess the underlying characteristics of a bond or other fixed income investment, but for which the Securities Valuation Office (SVO) has not yet affirmed that the specific BA investment (identified by CUSIP) fits in this category (as identified in the *Valuations of Securities* product). Until affirmed by the SVO, report these BA investments in the category for “Any Other Class of Assets.”

Joint Ventures or Partnership Interests for Which the Primary Underlying Investments are Considered to Be:

Fixed Income Instruments

Include: Leveraged Buy-out Fund.
A fund investing in the “Z” strip of Collateralized Mortgage Obligations.

For Life and Fraternal Insurers:

Any investments deemed by the insurer to possess the underlying characteristics of fixed income instruments which qualify for Filing Exemption or that have been reviewed and approved by the Securities Valuation Office (SVO) within this category.

Exclude: **For Life and Fraternal Insurers:**

Any investments deemed by the insurer to possess the underlying characteristics of fixed income instruments, but for which the Securities Valuation Office (SVO) has not affirmed that the specific BA investment (identified by CUSIP) fits in this subcategory. Until affirmed by the SVO, report these BA investments in the “Other” subcategory of this category.

Common Stocks

Include: Venture Capital Funds.

Real Estate

Include: Real estate development interest. Reporting should be consistent with the detailed property analysis appropriate for the corresponding risk-based capital factor for this investment category. If the requisite details are not available for reporting, report under “Other” subcategory.

Mortgage Loans

Include: Mortgage obligations. Reporting should be consistent with the detailed property analysis appropriate for the corresponding risk-based capital factor for this investment category. If the requisite details are not available for reporting, report under “Other” subcategory.

Other

Include: Limited partnership interests in oil and gas production.

Forest product partnerships.

Investments within the Joint Venture and Partnership Interests category that do not qualify for inclusion in the “Fixed Income Instruments,” “Common Stocks,” “Real Estate” or “Mortgage Loans” subcategories.

Reporting should be consistent with the corresponding risk-based capital factor for this investment category (i.e., Other Long-Term Assets).

For Life and Fire Internal Insurers:

This includes investments believed by the insurer to have the underlying characteristics of “Fixed Income Instruments” but which do not qualify for Filing Exemption and have not been reviewed by the SVO, as well as those that have been reviewed by the SVO and were determined to have the underlying characteristics of “Other” instruments.

Surplus Debentures, etc.

Include: That portion of any subordinated indebtedness, surplus debenture, surplus note, debenture note, premium income note, bond, or other contingent evidence of indebtedness that is reported on the surplus.

Collateral Loans

Include: Refer to *SSAP No. 21—Other Admitted Assets*, for a definition of collateral loans. In the description column, the name of the actual borrower and state if the borrower is a parent, subsidiary, affiliate, officer or director. Also include the type of collateral held.

Non-collateral Loans

Include: For purposes of this section, non-collateral loans are considered the unpaid portion of loans previously made to another organization or individual in which the reporting entity has a right to receive money for the loan, but for which the reporting entity has not obtained collateral to secure the loan. Non-collateral loans shall not include those instruments that meet the definition of a bond, per *SSAP No. 26R—Bonds*, a mortgage loan per *SSAP No. 37—Mortgage Loans*, loan-backed or structured securities per *SSAP No. 43R—Loan-Backed and Structured Securities*, or a policy or contract loan per *SSAP No. 49—Policy Loans*.

In the description column, provide the name of the actual borrower. For affiliated entities, state if the borrower is a parent, subsidiary, affiliate, officer or director. Refer to *SSAP No. 20—Nonadmitted Assets* and *SSAP No. 25—Affiliates and Other Related Parties*, for accounting guidance.

Capital Notes

Include: The portion of any capital note that is reported on the line for capital notes of the issuing insurance reporting entity.

Low Income Housing Tax Credit

Include: All Low Income Housing Tax Credit Investments (LIHTC or affordable housing) that are in the form of a Limited Partnership or a Limited Liability Company, including those investments that have the following risk mitigation factors:

- A. Guaranteed Low Income Housing Tax Credit Investments. There must be an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment.
- B. Non-guaranteed Low Income Housing Tax Credit Investments.
 - I. A level of leverage below 50%. For a LIHTC Fund, the level of leverage is measured at the fund level.
 - II. There is a Tax Credit Guarantee Agreement from General Partner or managing member. This agreement requires the General Partner or managing member to reimburse investors for any shortfalls in tax credits due to errors of compliance, for the life of the partnership. For a LIHTC Fund, a Tax Credit Guarantee is required from the developers of the lower tier LIHTC properties to the upper tier partnership and all other LIHTC investments.
 - III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable foreclosure risk at the time of the investment.

Non-qualifying LIHTCs should be reported in the all other category

Working Capital Finance Investment

Include: Investments in an interest in a Confirmed Supplier Receivables (CSR) under a Working Capital Finance Program (WCFP) that is designated by the SVO as meeting the criteria specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* for an NAIC “1” or “2.”

Working Capital Finance Program (WCFP)

Open account program under which an Investor may purchase interests, or evidence thereof, in commercial non-insurance receivables. A WCFP is created for the benefit of a commercial investment grade obligor and its suppliers of goods or services and facilitated by a financial intermediary.

Confirmed Supplier Receivables (CSR)

A first priority perfected security interest claim or right to payment of a monetary obligation from the Obligor arising from the sale of goods or services from the Supplier to the Obligor, the payment of which the Obligor has confirmed by representing and warranting that it will not protest, delay, or deny, nor offer nor assert any defenses against payment to the supplier or any party taking claim or right to payment from the supplier.

See *SSAP No. 105—Working Capital Finance Investments*, for accounting guidance

Any Other Class of Assets

Include: Investments that do not fit into one of the other categories. An example of items that may be included are reverse mortgages.

For Life and Fraternal Insurers:

This includes investments believed by the insurer to fit the category of “Fixed or Variable Interest Rate Investments that Have the Underlying Characteristics of a Bond, Mortgage Loan or Other Fixed Income Instrument,” but which do not qualify for Filing Exemption and have not been reviewed by the SVO, as well as those that have been reviewed by the SVO and were determined to be “Any Other Class of Assets.”

SCHEDULE BA – PART 2

**OTHER LONG-TERM INVESTED ASSETS ACQUIRED
AND ADDITIONS MADE DURING THE CURRENT QUARTER**

This schedule should reflect not only those newly acquired long-term invested assets, but also any increases or additions to long-term invested assets acquired in the current and prior periods, including, for example, capital calls from existing limited partnerships.

Column 1 – CUSIP Identification

This column must be completed by **Life and Fraternal** insurers that file Schedule BA investments with the Securities Valuation Office.

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

If no CUSIP number exists, the CUSIP field should be zero-filled.

Column 2 – Name or Description

Show name of the asset, such as the name of a limited partnership. If not applicable, show description of the asset.

Column 3 – City

For real estate partnerships or joint ventures located in the United States, list city. If the city is unknown, indicate the county. If the investment is outside the U.S., indicate city or province. For other BA asset types, use the city of incorporation. If no city of incorporation, use the city of administrative office.

Column 4 – State

Report the two-character U.S. postal abbreviation for state for U.S. states, territories and possessions. For foreign countries, report the three-character (ISO Alpha 3) country abbreviations available in the listing in the appendix of the annual statement instructions.

Column 5 – Name of Vendor or General Partner

Provide the name of the entity from which the property was acquired, or the name of the General Partner of the fund. For internal transfers, indicate "internal transfer" in lieu of a vendor name.

Column 6 – NAIC Designation

This column must be completed by **Life and Fraternal insurers only**. All other insurers may ignore this column and its instructions.

For Schedule BA investments with the Underlying characteristics of a bond or a preferred stock instrument, insert the NAIC designation, valuation indicator or market indicator as reported in the *Valuations of Securities* or its *Supplement*.

Following is a matrix of the valid combinations of designations and suffixes for bonds.

1	2	3	4	5	6
	2S	3S	4S	5S	6S
				5*S	6*
				5*S	6*S
1FE	2FE	3FE	4FE	5FE	6FE

Following is a matrix of the valid combinations of designations and suffixes for preferred stock.

P1A	P2A	P3A	P4A	P5A	P6A
P1SA	P2SA	P3SA	P4SA	P5SA	P6SA
				P5*A	P6*A
				P5*SA	P6*SA
P1L	P2L	P3L	P4L	P5L	P6L
P1SL	P2SL	P3SL	P4SL	P5SL	P6SL
				P5*L	P6*L
				P5*SL	P6*SL
P1U	P2U	P3U	P4U	P5U	P6U
P1SU	P2SU	P3SU	P4SU	P5SU	P6SU
				P5*U	P6*U
				P5*SU	P6*SU
P1V	P2V	P3V	P4V	P5V	P6V
P1SV	P2SV	P3SV	P4SV	P5SV	P6SV
				P5*V	P6*V
				P5*SV	P6*SV
P1LFE	P2LFE	P3LFE	P4LFE	P5LFE	P6LFE
P1UFE	P2UFE	P3UFE	P4UFE	P5UFE	P6UFE
P1VFE	P2VFE	P3VFE	P4VFE	P5VFE	P6VFE
RP1A	RP2A	RP3A	RP4A	RP5A	RP6A
RP1SA	RP2SA	RP3SA	RP4SA	RP5SA	RP6SA
				RP5*A	RP6*A
				RP5*SA	RP6*SA
RP1L	RP2L	RP3L	RP4L	RP5L	RP6L
RP1SL	RP2SL	RP3SL	RP4SL	RP5SL	RP6SL
				RP5*L	RP6*L
				RP5*SL	RP6*SL
RP1U	RP2U	RP3U	RP4U	RP5U	RP6U
RP1SU	RP2SU	RP3SU	RP4SU	RP5SU	RP6SU
				RP5*U	RP6*U
				RP5*SU	RP6*SU
RP1V	RP2V	RP3V	RP4V	RP5V	RP6V
RP1SV	RP2SV	RP3SV	RP4SV	RP5SV	RP6SV
				RP5*V	RP6*V
				RP5*SV	RP6*SV
RP1LFE	RP2LFE	RP3LFE	RP4LFE	RP5LFE	RP6LFE
RP1UFE	RP2UFE	RP3UFE	RP4UFE	RP5UFE	RP6UFE
RP1VFE	RP2VFE	RP3VFE	RP4VFE	RP5VFE	RP6VFE

If the VOS data file has a designation for a specific Schedule BA investment, that designation must be reported in this column. If the VOS data file does not provide a designation and the investment qualifies for filing exemption, an “FE” or an “S” must follow the designation reported in this column. For the meaning and applicability of suffixes and designations, please refer to the most recent version of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office Part Three, Section 1*.

The NAIC designation field should be zero-filled for those Schedule BA investments with the underlying characteristics of a bond or a preferred stock instrument which have not been filed with the SVO and do not meet the requirements of Filing Exemption, as well for any other investments reported in the respective “Other” categories (non-fixed income-like BA investments).

Column 7	–	Date Originally Acquired
		State the date the investment was originally acquired.
Column 8	–	Type and Strategy
		Enter the number that best describes the investment (applies to investments such as limited partnerships and hedge funds. If none applies, leave blank:
		1. Private equity: Venture capital
		2. Private equity: Mezzanine financing
		3. Private equity: LBOs
		4. Hedge fund: Global macro
		5. Hedge fund: Long/short equity
		6. Hedge fund: Merger arbitrage
		7. Hedge fund: Fixed income arbitrage
		8. Hedge fund: Convertible arbitrage
		9. Hedge fund: Futures/options/foreign exchange arbitrage
		10. Hedge fund: Sector investing
		11. Hedge fund: Distressed securities
		12. Hedge fund: Emerging markets
		13. Hedge fund: Multi-strategy
Column 9	–	Actual Cost at Time of Acquisition
		Include: The actual cost at the time the asset was originally acquired.
		The cost of acquiring the assets, including broker's commission and incidental expenses of effecting delivery.
		Exclude: Additional expenditures after the time of the initial acquisition or encumbrances or impairments.
Column 10	–	Additional Investments Made After Acquisition
		Include: The actual cost (including broker's commissions and incidental expenses of effecting delivery) to increase investments in the original assets.
		Improvements to the assets subsequent to acquisition.
		Activity on investments disposed during the year.
Column 11		Amount of Encumbrances
		Include: The reporting entity's contractual share of all encumbrances on underlying real estate held in a partnership or venture reported in this schedule. All encumbrances incurred by the partnership or venture should be included.

Not for Distribution

Column 12 – Commitment for Additional Investment

Include: Total amount of additional investment commitment, not yet invested, where the decision as to timing and whether or not to invest is not made by the company, but by someone else, typically by the hedge fund or limited partnership.

Column 13 – Percentage of Ownership

Include: The share that the company’s current investment represents of the total outstanding amount of this investment. Applies only to such investments as hedge funds and limited partnerships.

Exclude: Commitment for additional investment.

**** Columns 14 through 17 will be electronic only. ****

Column 14 – Legal Entity Identifier (LEI)

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

Column 15 – Postal Code

Use only for securities included in the following subtotal line:

Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of:

Mortgage Loans

Unaffiliated..... 0999999

Affiliated..... 1099999

Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics of:

Real Estate

Unaffiliated..... 1799999

Affiliated..... 1899999

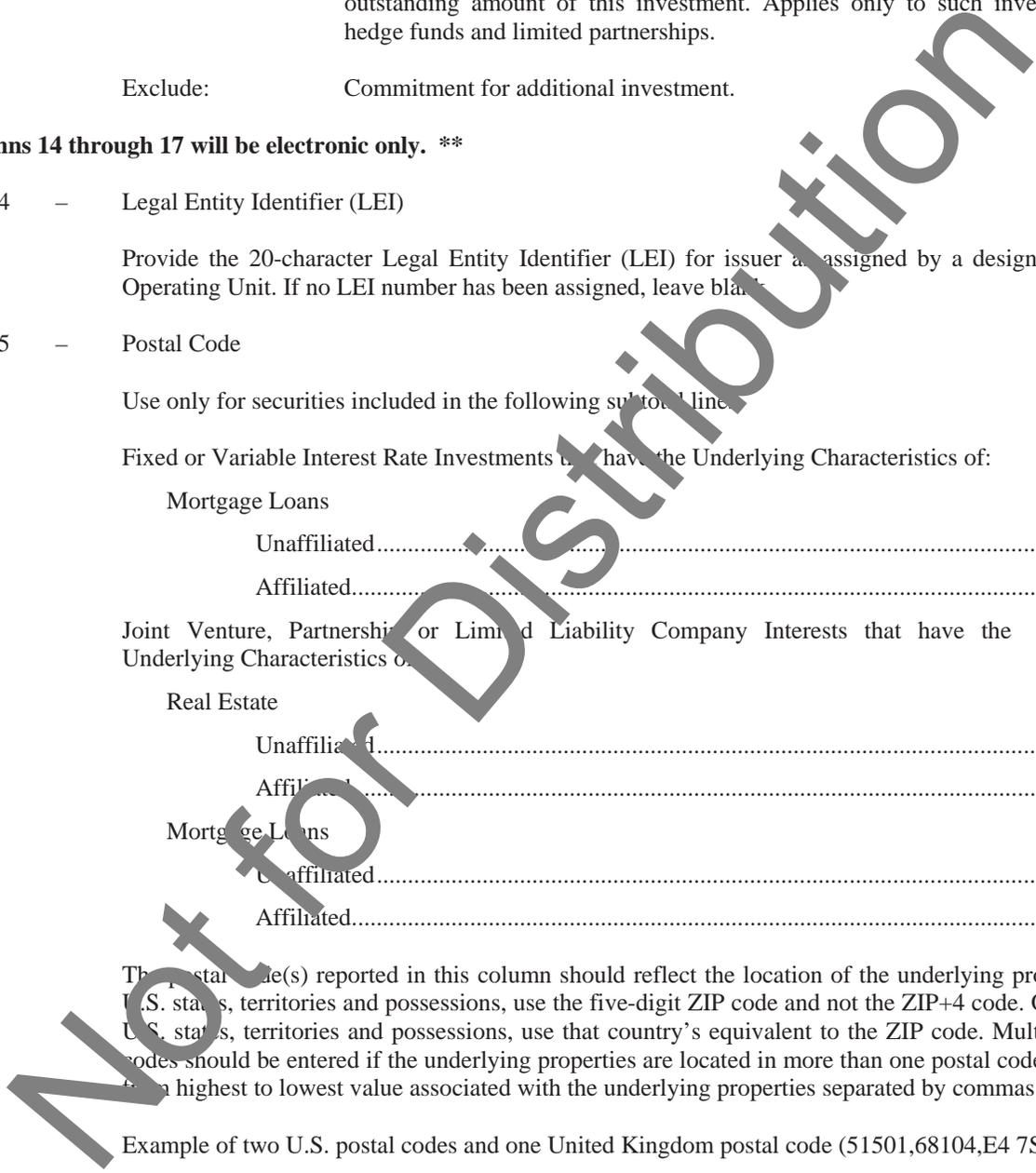
Mortgage Loans

Unaffiliated..... 1999999

Affiliated..... 2099999

The postal code(s) reported in this column should reflect the location of the underlying property. For U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. Outside the U.S. states, territories and possessions, use that country’s equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD)



Column 16 – Property Type

Use only for securities included in the following subtotal lines.

Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of:

Mortgage Loans

Unaffiliated..... 0999999

Affiliated..... 1099999

Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics of:

Real Estate

Unaffiliated..... 1799999

Affiliated..... 1899999

Mortgage Loans

Unaffiliated..... 1999999

Affiliated..... 2099999

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 17 – Maturity Date

Use only for securities included in the following subtotal lines.

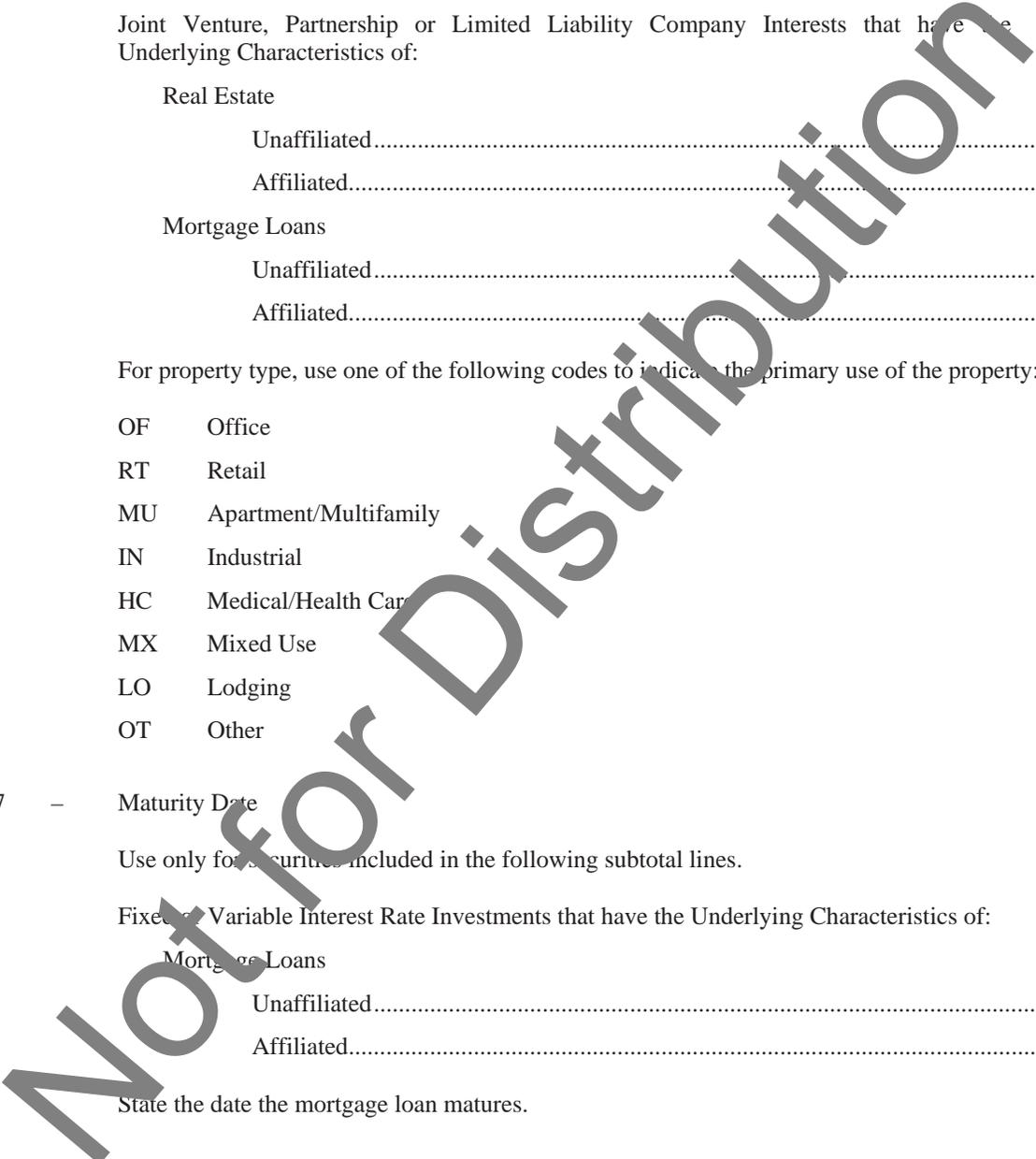
Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of:

Mortgage Loans

Unaffiliated..... 0999999

Affiliated..... 1099999

State the date the mortgage loan matures.



SCHEDULE BA – PART 3

**OTHER LONG-TERM INVESTED ASSETS DISPOSED, TRANSFERRED OR REPAID
DURING THE CURRENT QUARTER**

This schedule should reflect not only disposals of an entire “other invested asset”, but should also include partial disposals and amounts received during the year on investments still held, including, for example, return of capital distributions from limited partnerships.

Column 1 – CUSIP Identification

This column must be completed by **Life and Fraternal** insurers that file Schedule BA investments with the Securities Valuation Office.

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

If no CUSIP number exists, the CUSIP field should be zero-filled.

Column 2 – Name or Description

Show name of asset, such as the name of a limited partnership. If not applicable, show description of the asset.

Column 3 – City

For real estate partnerships or joint ventures located in the United States, list city. If the city is unknown, indicate the county. If the investment is outside the U.S., indicate city or province. For other BA asset types, use the city of incorporation. If no city of incorporation, use the city of administrative office.

Column 4 – State

Report the two-character U.S. postal abbreviation for state for U.S. states, territories and possessions. For foreign countries, report the three-character (ISO Alpha 3) country abbreviations available in the listing in the appendix of the annual statement instructions

Column 5 – Name of Purchaser or Nature of Disposal

Provide the name of the entity or vendor to whom the investment was sold or describe how the investment was otherwise disposed of.

Column 6 – Date Originally Acquired

State date investment was originally acquired.

Column 7 – Disposal Date

State the date the investment was sold or otherwise transferred or repaid. Reporting entities may total on one line if the investment is repaid on more than one date, and should utilize the date of last repayment in those cases.

- Column 8 – Book/Adjusted Carrying Value Less Encumbrances, Prior Year
- Report the balance at December 31 of the prior year.
- Deduct: Any write-downs for a decline in the fair value of a long-term invested asset that is other-than-temporary.
- Exclude: Valuation allowance.
- Column 9 – Unrealized Valuation Increase (decrease)
- The total unrealized valuation increase (decrease) for a specific investment security will be the change in Book/Adjusted Carrying Value that is due to carrying or having carried (in the previous year) the security at Fair Value. This includes a reversal of the full unrealized amount at the date of disposal. See *SSAP No. 48—Joint Ventures, Partnerships, and Limited Liability Companies* for accounting guidance.
- These amounts are to be reported as unrealized capital gains (losses) on the Exhibit of Capital Gains (Losses) and in the Capital and Surplus Account (Page 4 – Life, Property, Fraternal & Title and Page 5 – Health).
- Include: The difference between the Fair Value in the previous year and the Fair Value in the current year's Book/Adjusted Carrying Value column. Calculate as **current year Fair Value minus prior year Fair Value minus current year (Depreciation) or (Amortization)/Accretion.**
- Column 10 – Current Year's (Depreciation) or (Amortization)/Accretion
- This amount represents depreciation expense for the period (where appropriate), amortization of premium and the accrual of discount. The accrual of discount amounts in this column are to be reported as increases to investment income on the Exhibit of Net Investment Income, while the amortization of premium amounts are to be reported as decreases to investment income. See column 9 for discussion of an unrealized valuation increase (decrease) where the real estate is carried at fair value and (depreciation) and/or (amortization)/accretion has been recorded.
- Column 11 – Current Year's Other-Than-Temporary Impairment Recognized
- If the asset has suffered a "other-than-temporary impairment," this column should contain the amount of the direct write-down recognized. The amounts in this column are to be reported as realized capital losses in the Exhibit of Capital Gains (Losses) and in the calculation of Net Income.
- Column 12 – Capitalized Deferred Interest and Other
- Include interest and other items that can be capitalized in accordance with the applicable SSAP.
- Column 14 – Total Foreign Exchange Change in Book/Adjusted Carrying Value
- Enter the unrealized foreign exchange gain or loss on a year-to-date basis, including the reversal of unrealized foreign exchange gains or losses previously recorded.
- Column 15 – Book /Adjusted Carrying Value Less Encumbrances on Disposal
- Include: Amount reported in Column 8 and all year-to-date changes in value to the time of disposal.
- Exclude: Valuation allowance.
- Column 16 – Consideration
- Include: Amounts received on disposal of investment.

- Column 17 – Foreign Exchange Gain (Loss) on Disposal
Enter the foreign currency exchange gain or loss on disposal.
- Column 18 – Realized Gain (Loss) on Disposal
Report the amount of any market gain (loss) realized from the disposal of the investment.
Exclude: Foreign currency gain (loss) reported in Column 17.
- Column 19 – Total Gain (Loss) on Disposal
Enter the sum of Column 17, foreign exchange gain (loss) on disposal and Column 18 realized gain (loss) on disposal.
- Column 20 – Investment Income
Include: The proportionate share of interest, dividends and other investment income received year-to-date on the investments reported in this schedule.
Exclude: Distributions in excess of unrealized appreciation (return of capital).

**** Columns 21 through 24 will be electronic only. ****

- Column 21 – Legal Entity Identifier (LEI)
Provide the 20-character Legal Entity Identifier (LEI) for issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.
- Column 22 – Postal Code
Use only for securities included in the following subtotal lines.

Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of:

Mortgage Loans

Unaffiliated.....	0999999
Affiliated.....	1099999

Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics of:

Real Estate

Unaffiliated.....	1799999
Affiliated.....	1899999

Mortgage Loans

Unaffiliated.....	1999999
Affiliated.....	2099999

The postal code(s) reported in this column should reflect the location of the underlying property. For U.S. states, territories and possessions, use the five-digit ZIP code and not the ZIP+4 code. Outside the U.S. states, territories and possessions, use that country's equivalent to the ZIP code. Multiple postal codes should be entered if the underlying properties are located in more than one postal code and listed from highest to lowest value associated with the underlying properties separated by commas.

Example of two U.S. postal codes and one United Kingdom postal code (51501,68104,E4 7SD)

Column 23 – Property Type

Use only for securities included in the following subtotal lines.

Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of:

Mortgage Loans

Unaffiliated..... 0999999

Affiliated..... 1099999

Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics of:

Real Estate

Unaffiliated..... 1799999

Affiliated..... 1899999

Mortgage Loans

Unaffiliated..... 1999999

Affiliated..... 2099999

For property type, use one of the following codes to indicate the primary use of the property:

- OF Office
- RT Retail
- MU Apartment/Multifamily
- IN Industrial
- HC Medical/Health Care
- MX Mixed Use
- LO Lodging
- OT Other

Column 24 – Maturity Date

Use only for securities included in the following subtotal lines.

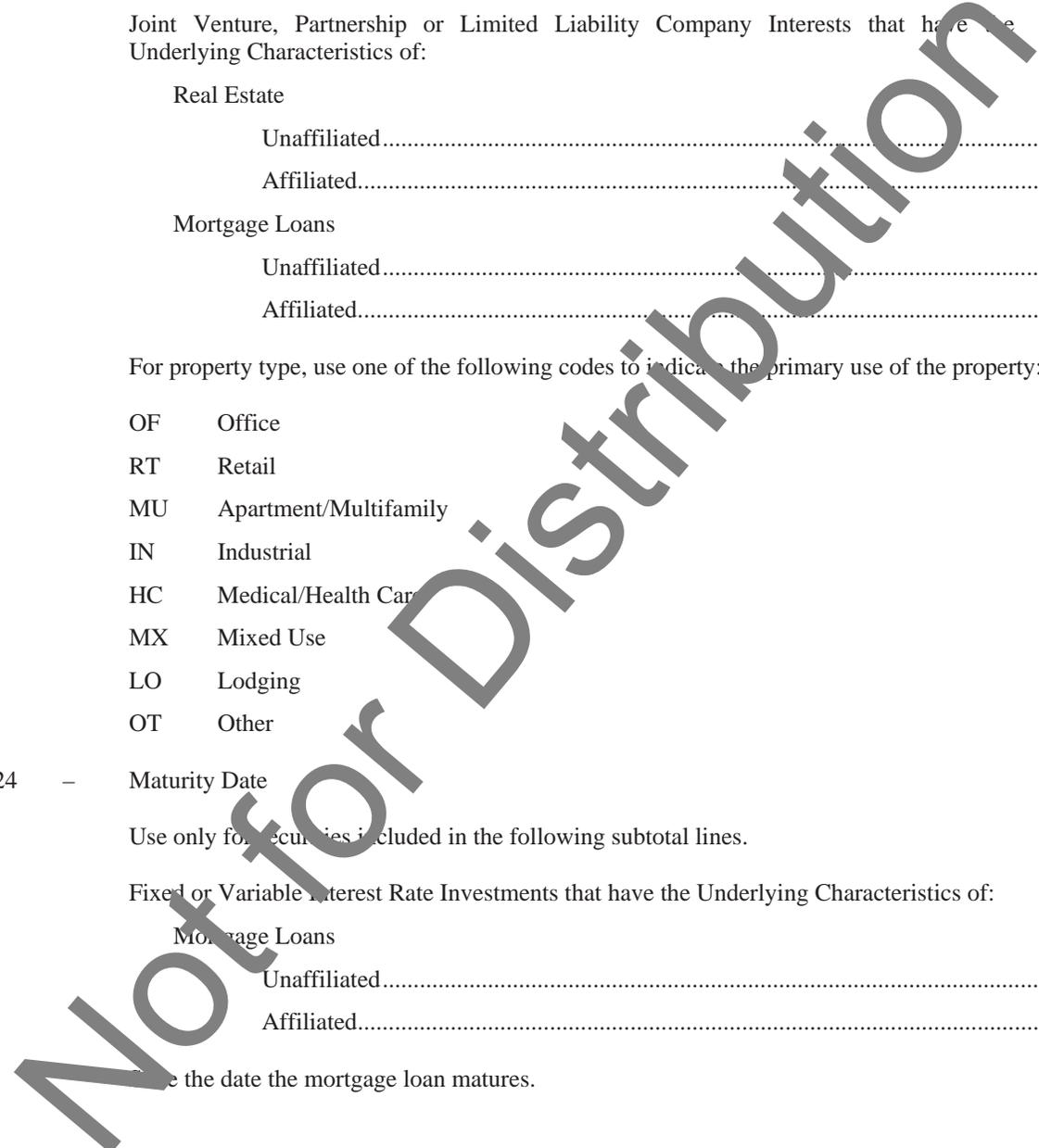
Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of:

Mortgage Loans

Unaffiliated..... 0999999

Affiliated..... 1099999

Indicate the date the mortgage loan matures.



SCHEDULE D – PART 3

LONG-TERM BONDS AND STOCKS ACQUIRED DURING THE CURRENT QUARTER

This schedule should include a detail listing of all securities that were purchased/acquired during the current reporting quarter. Detailed information for investments that are acquired and disposed of during the current reporting quarter should be included in this schedule and in Schedule D, Part 4. Note that this is not a detailed listing of items for the Year-to-Date. This should include all transactions that adjust the cost basis of the securities. Thus, it should not be used for allocations of TBAs to specific pools subsequent to initial recording in Schedule D, Part 3, or other situations such as CUSIP number changes. The following list of items provides examples of the items that should be included:

Purchases of securities not previously owned;

Subsequent purchases of investment issues already owned;

Acquisition of a new stock through a stock dividend (e.g., spin off); and

Any increases in the investments in SCA companies that adjust the cost basis (e.g., subsequent capital infusions [investments] in SCA companies valued using the equity method).

This schedule should NOT be used for stock splits to show increases in the number of shares, nor should it be used for stock dividends to show increases in the number of shares (unless the stock shares received and dividends are in a stock that is not already owned by the reporting entity – e.g., received in a spin off).

Bonds, preferred stocks and common stocks are to be grouped separately, showing a subtotal for each category.

Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, which are described in the Investment Schedules General Instructions, are to be included in SVO Identified Funds.

Bonds are to be grouped as listed below and each category is listed alphabetically (securities included in U.S. States, Territories and Possessions; U.S. Political Subdivisions of States, Territories and Possessions; and U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions should be listed with a state abbreviation in the column provided for electronic data capture).

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

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

- **Category definitions for bonds and stocks.**
- **Foreign column code list.**
- **Flowchart for determining the NAIC designation for structured securities.**

<u>Category</u>	<u>Line Number</u>
Bonds:	
U.S. Governments	0599999
All Other Governments	1099999
U.S. States, Territories and Possessions	1799999
U.S. Political Subdivisions of States, Territories and Possessions	2499999
U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions.....	3199999
Industrial and Miscellaneous (Unaffiliated)	3899999
Hybrid Securities	4899999
Parent, Subsidiaries and Affiliates.....	5599999
SVO Identified Funds.....	8199999
Subtotals – Bonds – Part 3.....	8399997
Summary Item from Part 5 for Bonds (N/A to Quarterly).....	8399998
Subtotals – Bonds.....	8399999
Preferred Stocks:	
Industrial and Miscellaneous (Unaffiliated)	8499999
Parent, Subsidiaries and Affiliates.....	8599999
Subtotals – Preferred Stocks – Part 3	8999997
Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)	8999998
Subtotals – Preferred Stocks.....	8999999
Common Stocks:	
Industrial and Miscellaneous (Unaffiliated)	9099999
Parent, Subsidiaries and Affiliates.....	9199999
Mutual Funds.....	9299999
Subtotals – Common Stocks – Part 3	9799997
Summary Item from Part 5 for Common Stocks (N/A to Quarterly)	9799998
Subtotals – Common Stocks.....	9799999
Subtotals – Preferred and Common Stocks.....	9899999
Totals	9999999

Include all bonds and stocks acquired during the quarter. Include repoolings of mortgage-backed/asset-backed securities (e.g.; giantization/megatization of FHLMC and FNMA mortgage-backed securities). Only those bonds and certificates of deposit with maturity at time of acquisition in excess of one year are to be included. Exclude cash equivalents and short-term investments, as described in SSAP No. 2R—*Cash, Cash Equivalents, Drafts, and Short-term Investments* with original maturities of three months or less.

A bond acquisition is recorded on the trade date, not the settlement date, except for the acquisition of private placement bonds that are recorded on the funding date.

Column 1 – CUSIP Identification

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

www.cusip.com/cusip/index.htm.

If no valid CUSIP, CINS or PPN number exists, then report a valid ISIN (Column 15) security number. The CUSIP field should be zero-filled.

Column 2 – Description

Give a description of all bonds and preferred and common stocks. As appropriate, the reporting entity is encouraged to include data consistent with that reported in Column 13, Issuer and Column 14, Issue. This does not preclude the company from including additional detail to provide a complete and accurate description. Abbreviations may be used as needed.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter the complete name of the fund. As appropriate, the reporting entity is encouraged to include data consistent with that reported for Column 13, Issuer.

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

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

Column 3 – Foreign

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

Column 4 – Date Acquired

For public placements use trade date, not settlement date. For private placements, use funding date. Each issue of bonds or stocks acquired at public offerings on more than one date may be totaled on one line and the date of last acquisition inserted.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter date of last purchase.

Column 5 – Name of Vendor

The items with reference to each issue of bonds and stocks acquired at public offerings may be totaled in one line and the word “various” inserted.

Column 7 – Actual Cost

Include: Cost of acquiring the bond or stock, including broker’s commission and other related fees, to the extent they do not exceed the fair value at the date of acquisition.

Transaction fees on repooling of securities, and reductions for origination fees intended to compensate the reporting entity for interest rate risks (i.e., points).

Exclude: Accrued interest and dividends.

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

Column 8 – Par Value

For mortgage-backed/loan-backed and structured securities, enter the par amount of principal purchased on a security on which the reporting entity has a claim. For interest-only bonds without a principal amount on which the reporting entity has a claim, use a zero value. Enter the statement date par value for bonds with adjustable principal. An interest-only bond with a small par amount of principal would use that amount.

For preferred stock, enter par value per share of stock, if any.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter 0.

Column 9 – Paid for Accrued Interest and Dividends

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter the amount of dividends on shares acquired between the dividend declaration date and the ex-dividend date.

Column 10 – NAIC Designation or Market Indicator

Enter the NAIC designation or market indicator at the end of the quarter for each security shown. For the meaning and applicability of suffixes and designations, please refer to the most recent version of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* Part One, Section 3.

Long Term Bond NAIC Designations:

Insert the NAIC designation for such security reported in the *Valuations of Securities*. Any NAIC designation that is not obtained from the current edition of the *Valuations of Securities* or its *Supplement* and that is entered by the reporting entity under its own judgment shall have the letter Z appended to the designation.

For Bond Mutual Funds – as Identified by the SVO, enter 1.

For Exchange Traded Funds – as Identified by the SVO, please refer to the most recent version of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*.

Exchange Traded Funds – as Identified by the SVO should be reported as perpetual securities.

Following is a matrix of the valid combinations of designations and suffixes for bonds.

1	2	3	4	5	6
1S	2S	3S	4S	5S	6S
				5*	6*
				5*S	6*S
				5*GI	
1F	2F	3F	4F	5F	6F
1FE	2FE	3FE	4FE	5FE	6FE
1AM	2AM	3AM	4AM	5AM	6AM
1FM	2FM	3FM	4FM	5FM	6FM
1Z	2Z	3Z	4Z	5Z	6Z
1Z*	2Z*	3Z*	4Z*	5Z*	6Z*

If the VOS data file does not provide a designation for a specific security, an “FE,” “AM,” “FM,” “Z,” “S” or “F” must follow the designation reported in this column.

Refer to the flow chart in the Investment Schedules General Instructions for instruction on how to determine the NAIC designation for structured securities.

Preferred Stock NAIC Designations:

Insert the NAIC designation for such security reported in the *Valuations of Securities*. Include the market indicator A, J, K, L, U or V at the end of the NAIC designation. Any NAIC designation that is not obtained from the current edition of the *Valuations of Securities* or its *Supplement* and that is entered by the reporting entity under its own judgment shall have the letter FE, Z, F or S appended to the designation.

Following is a matrix of the valid combinations of codes for preferred stock.

P1A	P2A	P3A	P4A	P5A	P6A
P1SA	P2SA	P3SA	P4SA	P5SA	P6SA
				P5*A	P6*A
				P5*SA	P6*SA
P1J	P2J	P3J	P4J	P5J	P6J
P1SJ	P2SJ	P3SJ	P4SJ	P5SJ	P6SJ
				P5*J	P6*J
				P5*SJ	P6*SJ
P1K	P2K	P3K	P4K	P5K	P6K
P1SK	P2SK	P3SK	P4SK	P5SK	P6SK
				P5*K	P6*K
				P5*SK	P6*SK
P1L	P2L	P3L	P4L	P5L	P6L
P1SL	P2SL	P3SL	P4SL	P5SL	P6SL
				P5*L	P6*L
				P5*SL	P6*SL
P1U	P2U	P3U	P4U	P5U	P6U
P1SU	P2SU	P3SU	P4SU	P5SU	P6SU
				P5*U	P6*U
				P5*SU	P6*SU
P1V	P2V	P3V	P4V	P5V	P6V
P1SV	P2SV	P3SV	P4SV	P5SV	P6SV
				P5*V	P6*V
				P5*SV	P6*SV
P1AZ	P2AZ	P3AZ	P4AZ	P5AZ	P6AZ
P1AF	P2AF	P3AF	P4AF	P5AF	P6AF
P1AZ*	P2AZ*	P3AZ*	P4AZ*	P5AZ*	P6AZ*
P1JZ	P2JZ	P3JZ	P4JZ	P5JZ	P6JZ
P1JF	P2JF	P3JF	P4JF	P5JF	P6JF
P1JZ*	P2JZ*	P3JZ*	P4JZ*	P5JZ*	P6JZ*
P1KZ	P2KZ	P3KZ	P4KZ	P5KZ	P6KZ
P1KF	P2KF	P3KF	P4KF	P5KF	P6KF
P1KZ*	P2KZ*	P3KZ*	P4KZ*	P5KZ*	P6KZ*
P1LFE	P2LFE	P3LFE	P4LFE	P5LFE	P6LFE
P1LZ	P2LZ	P3LZ	P4LZ	P5LZ	P6LZ
P1LF	P2LF	P3LF	P4LF	P5LF	P6LF
P1LZ*	P2LZ*	P3LZ*	P4LZ*	P5LZ*	P6LZ*
P1UFE	P2UFE	P3UFE	P4UFE	P5UFE	P6UFE
P1UZ	P2UZ	P3UZ	P4UZ	P5UZ	P6UZ
P1UF	P2UF	P3UF	P4UF	P5UF	P6UF
P1UZ*	P2UZ*	P3UZ*	P4UZ*	P5UZ*	P6UZ*
P1VFE	P2VFE	P3VFE	P4VFE	P5VFE	P6VFE
P1VZ	P2VZ	P3VZ	P4VZ	P5VZ	P6VZ
P1VF	P2VF	P3VF	P4VF	P5VF	P6VF
P1VZ*	P2VZ*	P3VZ*	P4VZ*	P5VZ*	P6VZ*
RP1A	RP2A	RP3A	RP4A	RP5A	RP6A
RP1SA	RP2SA	RP3SA	RP4SA	RP5SA	RP6SA

				RP5*A	RP6*A
				RP5*SA	RP6*SA
RP1J	RP2J	RP3J	RP4J	RP5J	RP6J
RP1SJ	RP2SJ	RP3SJ	RP4SJ	RP5SJ	RP6SJ
				RP5*J	RP6*J
				RP5*SJ	RP6*SJ
RP1K	RP2K	RP3K	RP4K	RP5K	RP6K
RP1SK	RP2SK	RP3SK	RP4SK	RP5SK	RP6SK
				RP5*K	RP6*K
				RP5*SK	RP6*SK
RP1L	RP2L	RP3L	RP4L	RP5L	RP6L
RP1SL	RP2SL	RP3SL	RP4SL	RP5SL	RP6SL
				RP5*L	RP6*L
				RP5*SL	RP6*SL
RP1U	RP2U	RP3U	RP4U	RP5U	RP6U
RP1SU	RP2SU	RP3SU	RP4SU	RP5SU	RP6SU
				RP5*U	RP6*U
				RP5*SU	RP6*SU
RP1V	RP2V	RP3V	RP4V	RP5V	RP6V
RP1SV	RP2SV	RP3SV	RP4SV	RP5SV	RP6SV
				RP5*V	RP6*V
				RP5*SV	RP6*SV
RP1AZ	RP2AZ	RP3AZ	RP4AZ	RP5AZ	RP6AZ
RP1AF	RP2AF	RP3AF	RP4AF	RP5AF	RP6AF
RP1AZ*	RP2AZ*	RP3AZ*	RP4AZ*	RP5AZ*	RP6AZ*
RP1JZ	RP2JZ	RP3JZ	RP4JZ	RP5JZ	RP6JZ
RP1JF	RP2JF	RP3JF	RP4JF	RP5JF	RP6JF
RP1JZ*	RP2JZ*	RP3JZ*	RP4JZ*	RP5JZ*	RP6JZ*
RP1KZ	RP2KZ	RP3KZ	RP4KZ	RP5KZ	RP6KZ
RP1KF	RP2KF	RP3KF	RP4KF	RP5KF	RP6KF
RP1KZ*	RP2KZ*	RP3KZ*	RP4KZ*	RP5KZ*	RP6KZ*
RP1LFE	RP2LFE	RP3LFE	RP4LFE	RP5LFE	RP6LFE
RP1LZ	RP2LZ	RP3LZ	RP4LZ	RP5LZ	RP6LZ
RP1LF	RP2LF	RP3LF	RP4LF	RP5LF	RP6LF
RP1LZ*	RP2LZ*	RP3LZ*	RP4LZ*	RP5LZ*	RP6LZ*
RP1UFE	RP2UFE	RP3UFE	RP4UFE	RP5UFE	RP6UFE
RP1UZ	RP2UZ	RP3UZ	RP4UZ	RP5UZ	RP6UZ
RP1UF	RP2UF	RP3UF	RP4UF	RP5UF	RP6UF
RP1UZ*	RP2UZ*	RP3UZ*	RP4UZ*	RP5UZ*	RP6UZ*
RP1VFE	RP2VFE	RP3VFE	RP4VFE	RP5VFE	RP6VFE
RP1VZ	RP2VZ	RP3VZ	RP4VZ	RP5VZ	RP6VZ
RP1VF	RP2VF	RP3VF	RP4VF	RP5VF	RP6VF
RP1VZ*	RP2VZ*	RP3VZ*	RP4VZ*	RP5VZ*	RP6VZ*

Common Stock NAIC Market Indicators:

Insert the NAIC market indicator for such security reported in the *Valuations of Securities*. If this market indicator is not available, the reporting entity should include a market indicator of A, J, K, L, U or V as appropriate.

Following is a listing of the valid codes for common stock.

A	J	K	L	U	V
---	---	---	---	---	---

**** Columns 11 through 15 will be electronic only. ****

Column 11 – State Abbreviation

Applies to:

U.S. States, Territories and Possessions

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

U.S. Political Subdivisions of States, Territories and Positions

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

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

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

Column 12 – Legal Entity Identifier (LEI)

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

Column 13 – Issuer

Issuer Definition:

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

The reporting entity is encouraged to use the following sources:

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

Do not report ticker symbols, either internal or otherwise.

Column 14 – Issue

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

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

The reporting entity is encouraged to use the following sources:

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

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

Column 15 – ISIN Identification

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

Not for Distribution

SCHEDULE D – PART 4

LONG-TERM BONDS AND STOCKS SOLD, REDEEMED OR OTHERWISE DISPOSED OF DURING THE CURRENT QUARTER

This schedule should include a detail listing of all securities that were sold/disposed of during the current quarter that were owned as of the beginning of the current quarter. Detailed information for investments that are acquired and disposed of during the current reporting quarter should be included in this schedule and in Schedule D, Part 3. Note that this is not a detailed listing of items for the Year-to-Date. This should include all transactions that adjust the cost basis of the securities (except other-than-temporary impairments that are not part of a disposal transaction). Thus, it should not be used for allocations of TBAs to specific pools subsequent to initial recording in Schedule D, Part 3, or other situations such as CUSIP number changes. The following list of items provides examples of the items that should be included:

Pay downs of securities still owned (including CMO prepayments);

Subsequent partial sales of investment issues still owned;

Reallocation of the cost basis of an already owned stock to the cost basis of a new stock received as a dividend (e.g., spin off); and

Any decreases in the investments in SCA companies that adjust the cost basis, not including other-than-temporary impairments (e.g., subsequent return of capital from investment in SCA companies valued using the equity method).

Bonds, preferred stocks and common stocks are to be grouped separately, showing a subtotal for each category.

Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, which are described in the Investment Schedules General Instructions are to be included in SVO Identified Funds.

Bonds are to be grouped as listed below and each category arranged alphabetically (securities included in U.S. States, Territories and Possessions; U.S. Political Subdivisions of State, Territories and Possessions; and U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions should be listed with a state abbreviation in the column provided for electronic data capture).

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

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

- **Category definitions for bonds and stocks.**
- **Foreign column code list.**
- **Flow chart for determining the NAIC designation for structured securities.**

<u>Category</u>	<u>Line Number</u>
Bonds:	
U.S. Governments	0599999
All Other Governments	1099999
U.S. States, Territories and Possessions	1799999
U.S. Political Subdivisions of States, Territories and Possessions	2499999
U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions.....	3199999
Industrial and Miscellaneous (Unaffiliated)	3899999
Hybrid Securities	4899999
Parent, Subsidiaries and Affiliates.....	5599999
SVO Identified Funds.....	8199999
Subtotals – Bonds – Part 4.....	8399997
Summary Item from Part 5 for Bonds (N/A to Quarterly).....	8399998
Subtotals – Bonds.....	8399999
Preferred Stocks:	
Industrial and Miscellaneous (Unaffiliated)	8499999
Parent, Subsidiaries and Affiliates.....	8599999
Subtotals – Preferred Stocks – Part 4	8999997
Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly).....	8999998
Subtotals – Preferred Stocks.....	8999999
Common Stocks:	
Industrial and Miscellaneous (Unaffiliated)	9099999
Parent, Subsidiaries and Affiliates.....	9199999
Mutual Funds.....	9299999
Subtotals – Common Stocks – Part 4	9799997
Summary Item from Part 5 for Common Stocks (N/A to Quarterly).....	9799998
Subtotals – Common Stocks.....	9799999
Subtotals – Preferred and Common Stocks	9899999
Totals	9999999

A bond disposal is recorded on the trade date, not the settlement date.

Include all bonds and stocks disposed of during the current quarter. Include repoolings of mortgage-backed/asset-backed securities (e.g., giantization/megatization of FHLMC or FNMA mortgage-backed securities). Only those bonds and certificates of deposit with maturity at time of acquisition in excess of one year are to be included. See *SSAP No. 43R—Loan-Backed and Structured Securities* for additional guidance. Exclude cash equivalents as described in *SSAP No. 2R—Cash, Cash Equivalents, Drafts, and Short-Term Investments*, with original maturities of three months or less.

Column 1 – CUSIP Identification

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

www.cusip.com/cusip/index.htm.

If no valid CUSIP, CINS or PPN number exists, then report a valid ISIN (Column 27) security number. The CUSIP field should be zero-filled.

Column 2 – Description

Give a description of all bonds and preferred and common stock, including location of all banks, trust and miscellaneous companies. If bonds are serial issues, give amounts maturing each year. As appropriate, the reporting entity is encouraged to include data consistent with that reported in Column 25, Issuer and Column 26, Issue. This does not preclude the company from including additional detail to provide a complete and accurate description. Abbreviations may be used as needed.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter the complete name of the fund. As appropriate, the reporting entity is encouraged to include data consistent with that reported for Column 25, Issuer.

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

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

Column 3 – Foreign

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

Column 4 – Disposal Date

For public placements, use trade date, not settlement date. For private placements, use funding date. Each issue of bonds or stocks disposed of at public offerings on more than one date may be totaled on one line and the date of last disposal inserted.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter date of last disposal.

Column 5 – Name of Purchaser

If matured or called under redemption option, so state and give price at which called.

Column 7 – Consideration

Include: In the determination of this amount, the broker’s commission and incidental expenses of effecting delivery.

Exclude: Accrued interest and dividends.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter price received at sale, usually the number of shares sold times the selling price per share.

Column 8	– Par Value	<p>For mortgage-backed/loan-backed and structured securities, enter the par amount of principal sold on a security on which the reporting entity has a claim. For interest-only bonds without a principal amount on which the reporting entity has a claim, use a zero value. Enter the sale date par value for bonds with adjustable principal. An interest-only bond with a small par amount of principal would use that amount.</p> <p>For preferred stock, enter par value per share of stock, if any.</p> <p>For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter 0.</p>
Column 9	– Actual Cost	<p>This is the recorded cost of the investment purchased during or prior to the current reporting quarter and sold during the current reporting quarter. If purchase was recorded on prior year Annual Statement and sold during the current reporting quarter, the amount will come from the prior reporting year's Actual Cost column of Schedule D, Part 1 for bonds, Schedule D, Part 2, Section 1 for preferred stock, and Schedule D, Part 2, Section 2 for common stock. However, it will need to be adjusted due to other-than-temporary impairments recognized year-to-date.</p> <p>Include: Cost of acquiring the bond or stock, including broker's commission and other related fees to the extent they do not exceed the fair market value at the date of acquisition.</p> <p>Exclude: Accrued interest and dividends.</p>
Column 10	– Prior Year Book/Adjusted Carrying Value	<p>This should equal the Book/Adjusted Carrying Value amount reported in the prior year annual statement for each specific security. If security was not owned at prior year-end, enter zero.</p>
Column 11	– Unrealized Valuation Increase/(decrease)	<p>The total unrealized valuation increase/(decrease) for a specific security will be the amount necessary to reverse the net effect of any unrealized gains/(losses) recognized while the security was carried (up to the most recent amortized value for securities that have been carried at Amortized Value or up to Actual Cost for those securities that have never been carried at Amortized Value).</p> <p>These amounts are to be reported as unrealized capital gains or (losses) in the Capital and Surplus Account (Page 4 – Life, Property, Fraternal & Title and Page 5 – Health).</p>
Column 12	– Current Year's (Amortization)/Accretion	<p>This amount should equal the year-to-date amortization of premium or accrual of discount up to the disposition date.</p>
Column 13	– Current Year's Other-Than-Temporary Impairment Recognized	<p>If the security has suffered an "other-than-temporary impairment," this column should contain the amount of the direct write-down recognized. The amounts in this column are to be used in the calculation of Net Income.</p>

Column 14 – Total Change in Book/Adjusted Carrying Value

This column should equal the net of: Unrealized Valuation Increase/(Decrease) plus
Current Year's (Amortization)/Accretion minus
Current Year's Other-Than-Temporary Impairment Recognized.

This amount, plus any foreign exchange adjustment related to these amounts (reported in the Total Foreign Exchange Change in Book/Adjusted Carrying Value column), should represent the difference between the current reporting year's Book/Adjusted Carrying Value at Disposal Date and the prior year's Book/Adjusted Carrying Value.

Column 15 – Total Foreign Exchange Change in Book/Adjusted Carrying Value

The total foreign exchange change for a specific security will be the amount necessary to reverse the net effect of unrealized foreign exchange gains (losses) recognized while the security was owned by the company. This includes the reversal of unrealized increase (decrease) reported in previous year(s).

The amounts reported in this column should be included as net unrealized foreign exchange capital gain/(loss) in the Capital and Surplus Account (Page 4 – Life, Property, Fraternal & Title and Page 5 – Health).

Column 16 – Book/Adjusted Carrying Value at Disposal Date

Deduct: A direct write-down for a decline in the fair value of a bond that is other-than-temporary.

Exclude: Accrued interest.

This should equal the Actual Cost Column amount (adjusted for other-than-temporary impairments recognized) for each specific common stock and for each preferred stock that is not amortizable; and the Amortized Cost (adjusted for other-than-temporary impairments recognized) at disposal date for each specific redeemable preferred stock that is amortizable.

Column 17 – Foreign Exchange Gain (Loss) on Disposal

Report the foreign exchange gain or loss on disposal.

Column 18 – Realized Gain or (Loss) on Disposal

This should be the difference between the Consideration column amount and the Book/Adjusted Carrying Value at Disposal Date, excluding any portion that is attributable to foreign exchange differences.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter the difference between the consideration, Column 7 and aggregate cost Column 9 at date of sale.

For securities sold, redeemed or otherwise disposed of, which generate investment income as a result of a prepayment penalty and/or acceleration fee; the amount of realized gain (loss) reported is equal to the Par value of the investment (Column 8) less the BACV at the Disposal Date (Column 16).

Column 19 – Total Gain (Loss) On Disposal

Enter the sum of Column 17, foreign exchange gain or (loss), and Column 18, realized gain or (loss).

Column 20 – Bond Interest/Stock Dividends Received During Year

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

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

Report amounts net of foreign withholding tax.

For securities sold, redeemed or otherwise disposed of, which generate investment income as a result of a prepayment penalty and/or acceleration fee; the amount of investment income reported is equal to the total consideration received (Column 7) less the Par value of the investment (Column 8).

Column 21 – Stated Contractual Maturity Date

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, leave blank.

For perpetual bonds, enter 01/01/9999.

Column 22 – NAIC Designation or Market Indicator

Enter the NAIC designation or market indicator at date of disposal for each security shown. Where multiple disposal transactions occurred for the same CUSIP, and those transactions are summarized on one line, enter the NAIC designation or market indicator for the last disposal using the last available designation. For the meaning and application of suffixes and designations, please refer to the most recent version of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* Part One, Section 3.

Long Term Bond NAIC Designations.

Insert the NAIC designation for each security reported in the *Valuations of Securities*. Any NAIC designation that is not obtained from the current edition of the *Valuations of Securities* or its *Supplement* and that is entered by the reporting entity under its own judgment shall have the letter Z appended to the designation.

For Bond Mutual Funds – as Identified by the SVO, enter 1.

For Exchange Traded Funds – as Identified by the SVO, please refer to the most recent version of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*.

Exchange Traded Funds – as Identified by the SVO should be reported as perpetual securities.

Following is a matrix of the valid combinations of designations and suffixes for bonds.

1	2	3	4	5	6
1S	2S	3S	4S	5S	6S
				5*	6*
				5*S	6*S
				5*GI	
1F	2F	3F	4F	5F	6F
1FE	2FE	3FE	4FE	5FE	6FE
1Z	2Z	3Z	4Z	5Z	6Z
1AM	2AM	3AM	4AM	5AM	6AM
1FM	2FM	3FM	4FM	5FM	6FM
1Z*	2Z*	3Z*	4Z*	5Z*	6Z*

If the VOS data file does not provide a designation for a specific security, an “FE,” “AM,” “FM,” “S,” “Z” or “F” must follow the designation reported in this column.

Refer to the flow chart in the Investment Schedules General Instructions for instruction on how to determine the NAIC designation for structured securities.

Preferred Stock NAIC Designations:

Insert the NAIC designation for such security reported in the *Valuations of Securities*. Include the market indicator A, J, K, L, U or V at the end of the NAIC designation. Any NAIC designation that is not obtained from the current edition of the *Valuations of Securities* or its *Supplement* and that is entered by the reporting entity under its own judgment shall have the letter FE, Z, F or S appended to the designation.

Following is a matrix of the valid combinations of codes for preferred stock.

P1A	P2A	P3A	P4A	P5A	P6A
P1SA	P2SA	P3SA	P4SA	P5SA	P6SA
				P5*A	P6*A
				P5*SA	P6*SA
P1J	P2J	P3J	P4J	P5J	P6J
P1SJ	P2SJ	P3SJ	P4SJ	P5SJ	P6SJ
				P5*J	P6*J
				P5*SJ	P6*SJ
P1K	P2K	P3K	P4K	P5K	P6K
P1SK	P2SK	P3SK	P4SK	P5SK	P6SK
				P5*K	P6*K
				P5*SK	P6*SK
P1L	P2L	P3L	P4L	P5L	P6L
P1SL	P2SL	P3SL	P4SL	P5SL	P6SL
				P5*L	P6*L
				P5*SL	P6*SL
P1U	P2U	P3U	P4U	P5U	P6U
P1SU	P2SU	P3SU	P4SU	P5SU	P6SU
				P5*U	P6*U
				P5*SU	P6*SU
P1V	P2V	P3V	P4V	P5V	P6V
P1SV	P2SV	P3SV	P4SV	P5SV	P6SV
				P5*V	P6*V
				P5*SV	P6*SV
P1AZ	P2AZ	P3AZ	P4AZ	P5AZ	P6AZ
P1AF	P2AF	P3AF	P4AF	P5AF	P6AF
P1AZ*	P2AZ*	P3AZ*	P4AZ*	P5AZ*	P6AZ*
P1JZ	P2JZ	P3JZ	P4JZ	P5JZ	P6JZ
P1JF	P2JF	P3JF	P4JF	P5JF	P6JF
P1JZ*	P2JZ*	P3JZ*	P4JZ*	P5JZ*	P6JZ*
P1KZ	P2KZ	P3KZ	P4KZ	P5KZ	P6KZ
P1KF	P2KF	P3KF	P4KF	P5KF	P6KF
P1KZ*	P2KZ*	P3KZ*	P4KZ*	P5KZ*	P6KZ*
P1LFE	P2LFE	P3LFE	P4LFE	P5LFE	P6LFE
P1LZ	P2LZ	P3LZ	P4LZ	P5LZ	P6LZ
P1LF	P2LF	P3LF	P4LF	P5LF	P6LF
P1LZ*	P2LZ*	P3LZ*	P4LZ*	P5LZ*	P6LZ*
P1UFE	P2UFE	P3UFE	P4UFE	P5UFE	P6UFE
P1UZ	P2UZ	P3UZ	P4UZ	P5UZ	P6UZ
P1UF	P2UF	P3UF	P4UF	P5UF	P6UF
P1UZ*	P2UZ*	P3UZ*	P4UZ*	P5UZ*	P6UZ*
P1VFE	P2VFE	P3VFE	P4VFE	P5VFE	P6VFE

P1VZ	P2VZ	P3VZ	P4VZ	P5VZ	P6VZ
P1VF	P2VF	P3VF	P4VF	P5VF	P6VF
P1VZ*	P2VZ*	P3VZ*	P4VZ*	P5VZ*	P6VZ*
RP1A	RP2A	RP3A	RP4A	RP5A	RP6A
RP1SA	RP2SA	RP3SA	RP4SA	RP5SA	RP6SA
				RP5*A	RP6*A
				RP5*SA	RP6*SA
RP1J	RP2J	RP3J	RP4J	RP5J	RP6J
RP1SJ	RP2SJ	RP3SJ	RP4SJ	RP5SJ	RP6SJ
				RP5*J	RP6*J
				RP5*SJ	RP6*SJ
RP1K	RP2K	RP3K	RP4K	RP5K	RP6K
RP1SK	RP2SK	RP3SK	RP4SK	RP5SK	RP6SK
				RP5*K	RP6*K
				RP5*SK	RP6*SK
RP1L	RP2L	RP3L	RP4L	RP5L	RP6L
RP1SL	RP2SL	RP3SL	RP4SL	RP5SL	RP6SL
				RP5*L	RP6*L
				RP5*SL	RP6*SL
RP1U	RP2U	RP3U	RP4U	RP5U	RP6U
RP1SU	RP2SU	RP3SU	RP4SU	RP5SU	RP6SU
				RP5*U	RP6*U
				RP5*SU	RP6*SU
RP1V	RP2V	RP3V	RP4V	RP5V	RP6V
RP1SV	RP2SV	RP3SV	RP4SV	RP5SV	RP6SV
				RP5*V	RP6*V
				RP5*SV	RP6*SV
RP1AZ	RP2AZ	RP3AZ	RP4AZ	RP5AZ	RP6AZ
RP1AF	RP2AF	RP3AF	RP4AF	RP5AF	RP6AF
RP1AZ*	RP2AZ*	RP3AZ*	RP4AZ*	RP5AZ*	RP6AZ*
RP1JZ	RP2JZ	RP3JZ	RP4JZ	RP5JZ	RP6JZ
RP1JF	RP2JF	RP3JF	RP4JF	RP5JF	RP6JF
RP1JZ*	RP2JZ*	RP3JZ*	RP4JZ*	RP5JZ*	RP6JZ*
RP1KZ	RP2KZ	RP3KZ	RP4KZ	RP5KZ	RP6KZ
RP1KF	RP2KF	RP3KF	RP4KF	RP5KF	RP6KF
RP1KZ*	RP2KZ*	RP3KZ*	RP4KZ*	RP5KZ*	RP6KZ*
RP1LFE	RP2LFE	RP3LFE	RP4LFE	RP5LFE	RP6LFE
RP1LZ	RP2LZ	RP3LZ	RP4LZ	RP5LZ	RP6LZ
RP1LF	RP2LF	RP3LF	RP4LF	RP5LF	RP6LF
RP1LZ*	RP2LZ*	RP3LZ*	RP4LZ*	RP5LZ*	RP6LZ*
RP1UFE	RP2UFE	RP3UFE	RP4UFE	RP5UFE	RP6UFE
RP1UZ	RP2UZ	RP3UZ	RP4UZ	RP5UZ	RP6UZ
RP1UF	RP2UF	RP3UF	RP4UF	RP5UF	RP6UF
RP1UZ*	RP2UZ*	RP3UZ*	RP4UZ*	RP5UZ*	RP6UZ*
RP1VFE	RP2VFE	RP3VFE	RP4VFE	RP5VFE	RP6VFE
RP1VZ	RP2VZ	RP3VZ	RP4VZ	RP5VZ	RP6VZ
RP1VF	RP2VF	RP3VF	RP4VF	RP5VF	RP6VF
RP1VZ*	RP2VZ*	RP3VZ*	RP4VZ*	RP5VZ*	RP6VZ*

Common Stock NAIC Market Indicators:

Insert the NAIC market indicator for such security reported in the *Valuations of Securities*. If this market indicator is not available, the reporting entity should include a market indicator of A, J, K, L, U or V as appropriate.

Following is a listing of the valid codes for common stock.

A	J	K	L	U	V
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**** Columns 23 through 27 will be electronic only. ****

Column 23 – State Abbreviation

Applies to:

U.S. States, Territories and Possessions

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

U.S. Political Subdivisions of States, Territories and Positions

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

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

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

Column 24 – Legal Entity Identifier (LEI)

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

Column 25 – Issuer

Issuer Definition:

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

The reporting entity is encouraged to use the following sources:

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

Do not report ticker symbols, either internal or otherwise.

Column 26 – Issue

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

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

The reporting entity is encouraged to use the following sources:

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

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

Column 27 – ISIN Identification

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

Not for Distribution

SCHEDULE DB

DERIVATIVE INSTRUMENTS

All derivatives, regardless of maturity date, are to be reported on Schedule DB. Forward commitments where the reporting entity cannot determine at the inception of the contract, with certainty, if delivery will be made at the earliest opportunity are essentially forward contracts and should be reported on Schedule DB.

This schedule should be used to report derivative instruments. Specific accounting procedures for each derivative instrument will depend on the definition below and documented intent that best describes the instrument. Uses of derivative instruments that are reported in this schedule include hedging, income generation, replication and other. State investment laws and regulations should be consulted for applicable limitations and permissibility on the use of derivative instruments. If the derivative strategy meets the definition of hedging as outlined in *SSAP No. 86—Derivatives*, then the underlying derivative transactions composing that strategy should be reported in that category of Schedule DB. If the underlying derivative strategy does not meet the definition of hedging as per *SSAP No. 86—Derivatives*, then the underlying derivative transactions composing that strategy should be reported as either hedging other, replication, income generation or other.

DEFINITIONS OF DERIVATIVE INSTRUMENTS

A hedge transaction is “Anticipatory” if it relates to:

- a. A firm commitment to purchase assets or incur liabilities;
- b. An expectation (but not obligation) to purchase assets or incur liabilities in the normal course of business.

“*Underlying Interest*” means the asset(s), liability(ies) or other interest(s) underlying a derivative instrument, including, but not limited to, any one or more securities, currencies, rates, indices, commodities, derivative instruments or other financial market instruments.

“*Option*” means an agreement giving the buyer the right to buy or receive, sell or deliver, enter into, extend or terminate, or effect a cash settlement based on the actual or expected price, level, performance or value of one or more Underlying Interests.

“*Warrant*” means an agreement that gives the holder the right to purchase an underlying financial instrument at a given price and time or at a series of prices and times according to a schedule or warrant agreement.

“*Cap*” means an agreement obligating the seller to make payments to the buyer, each payment under which is based on the amount, if any, that a reference price, level, performance or value of one or more Underlying Interests exceed a predetermined number, sometimes called the strike/cap rate or price.

“*Floor*” means an agreement obligating the seller to make payments to the buyer, each payment under which is based on the amount, if any, that a predetermined number, sometimes called the strike/floor rate or price exceeds a reference price, level, performance or value of one or more Underlying Interests.

“*Collar*” means an agreement to receive payments as the buyer of an Option, Cap or Floor and to make payments as the seller of a different Option, Cap or Floor.

“*Swap*” means an agreement to exchange or net payments at one or more times based on the actual or expected price, level, performance or value of one or more Underlying Interests or upon the probability occurrence of a specified credit or other event.

“*Forward*” means an agreement (other than a Future) to make or take delivery of, or effect a cash settlement based on, the actual or expected price, level, performance or value of one or more Underlying Interests.

“*Future*” means an agreement traded on an exchange, Board of Trade or contract market to make or take delivery of, or effect a cash settlement based on the actual or expected price, level, performance or value of one or more Underlying Interests.

“*Option Premium*” means the consideration paid (received) for the purchase (sale) of an Option.

“*Swaption*” means an agreement granting the owner the right, but not the obligation, to enter into an underlying swap.

“*Margin Deposit*” means a deposit that an insurer is required to maintain with a broker with respect to the Futures Contracts purchased or sold.

DEFINITION OF NOTIONAL AMOUNT

The definition below is intended to be a principle for determining notional for all derivative instruments. To the extent a derivative type is not explicitly addressed in a through c, notional should be reported in a manner consistent with this principle.

“Notional amount” is defined as the face value of a financial instrument in a derivatives transaction as of a reporting date, which is used to calculate future payments in the reporting currency. Notional amount may also be referred to as notional value or notional principal amount. The notional amount reported should remain static over the life of a trade unless the instrument is partially unwound or has a contractually amortizing notional. The notional amount shall apply to derivative transactions as follows:

- a. For derivative instruments other than futures contracts (e.g., options, swaps, forwards), the notional amount is either the amount to which interest rates are applied in order to calculate periodic payment obligations or the amount of the contract value used to determine the cash obligations. Non-U.S. dollar contracts must be multiplied or divided by the appropriate inception foreign currency rate.
- b. For futures contracts, with a U.S. dollar-denominated contract size (e.g., Treasury note and bond contracts, Eurodollar futures) or underlying, the notional amount is the number of contracts at the reporting date multiplied by the contract size (value of one point multiplied by point value).
- c. For equity index and similar futures, the number of contracts at the reporting date is multiplied by the value of one point multiplied by the transaction price. Non-U.S. dollar contract prices must be multiplied or divided by the appropriate inception foreign currency rate.

GENERAL INSTRUCTIONS FOR SCHEDULE DB

Each derivative instrument should be reported in Parts A, B or C according to the nature of the instrument, as follows:

- Part A: Positions in Options*, Caps, Floors, Collars, Swaps, and Forwards**
- Part B: Positions in Futures Contracts
- Part C: Positions in Replication (Synthetic Assets) Transactions

* Warrants acquired in conjunction with public or private debt or equity that are more appropriately reported in other schedules do not have to be reported in Schedule DB.

** Forward commitments that are not derivative instruments (for example, the commitment to purchase a GNMA security two months after the commitment date or a private placement six months after the commitment date) should be disclosed in the Notes to Financial Statements, rather than on Schedule DB.

All derivatives, regardless of maturity date, are to be reported on Schedule DB. Forward commitments where the reporting entity cannot determine at the inception of the contract, with certainty, if delivery will be made at the earliest opportunity are essentially forward contracts and should be reported on Schedule DB.

The company may be required to demonstrate the intended hedging characteristics under state statute in order to report in this derivatives "Hedging Other" category.

The fair value is the value at which the instrument(s) could be exchanged in a current transaction. Amortized or book/adjusted carrying values should not be substituted for fair value. Public market quotes are the best indication of fair value. The company should document the determination of fair value.

Part D should be used to report the counterparty exposure (i.e., the exposure to credit risk on derivative instruments) to each counterparty (or guarantor, as appropriate).

Derivatives shall be shown gross when reported in the Schedule DB. If these transactions are permitted to be reported net in accordance with *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*, the investment schedule shall continue to provide detail of all transactions (gross), with the net amount from the valid right to offset reflected in the financial statements (pages 2 & 3 of the statutory financial statements). Disclosures for items reported net when a valid right to offset exists, including the gross amount, the amount offset, and the net amount reported in the financial statements are required per *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

Not for Distribution

SCHEDULE DB – PART A – SECTION 1

OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS OPEN

In each Section, separate derivative instruments into the following categories:

<u>Category</u>	<u>Line Number</u>
<u>Purchased Options</u>	
Hedging Effective	
Call Options and Warrants	0019999
Put Options	0029999
Caps	0039999
Floors	0049999
Collars	0059999
Other	0069999
Subtotal – Hedging Effective	0079999
Hedging Other	
Call Options and Warrants	0089999
Put Options	0099999
Caps	0109999
Floors	0119999
Collars	0129999
Other	0139999
Subtotal – Hedging Other	0149999
Replications	
Call Options and Warrants	0159999
Put Options	0169999
Caps	0179999
Floors	0189999
Collars	0199999
Other	0209999
Subtotal – Replications	0219999
Income Generation	
Call Options and Warrants	0229999
Put Options	0239999
Caps	0249999
Floors	0259999
Collars	0269999
Other	0279999
Subtotal – Income Generation	0289999
Other	
Call Options and Warrants	0299999
Put Options	0309999
Caps	0319999
Floors	0329999
Collars	0339999
Other	0349999
Subtotal – Other	0359999

Total Purchased Options

Subtotal – Call Options and Warrants	0369999
Subtotal – Put Options	0379999
Subtotal – Caps	0389999
Subtotal – Floors	0399999
Subtotal – Collars	0409999
Subtotal – Other	0419999
Subtotal – Total Purchased Options	0429999

Written Options

Hedging Effective

Call Options and Warrants	0439999
Put Options	0449999
Caps	0459999
Floors	0469999
Collars	0479999
Other	0489999
Subtotal – Hedging Effective	0499999

Hedging Other

Call Options and Warrants	0509999
Put Options	0519999
Caps	0529999
Floors	0539999
Collars	0549999
Other	0559999
Subtotal – Hedging Other	0569999

Replications

Call Options and Warrants	0579999
Put Options	0589999
Caps	0599999
Floors	0609999
Collars	0619999
Other	0629999
Subtotal – Replications	0639999

Income Generation

Call Options and Warrants	0649999
Put Options	0659999
Caps	0669999
Floors	0679999
Collars	0689999
Other	0699999
Subtotal – Income Generation	0709999

Other

Call Options and Warrants	0719999
Put Options	0729999
Caps	0739999
Floors	0749999
Collars	0759999
Other	0769999
Subtotal – Other	0779999

Not for Distribution

Total Written Options	
Subtotal – Call Options and Warrants	0789999
Subtotal – Put Options	0799999
Subtotal – Caps	0809999
Subtotal – Floors	0819999
Subtotal – Collars	0829999
Subtotal – Other	0839999
Subtotal – Total Written Options	0849999

Swaps

Hedging Effective	
Interest Rate	0859999
Credit Default.....	0869999
Foreign Exchange	0879999
Total Return	0889999
Other	0899999
Subtotal – Hedging Effective	0909999

Hedging Other	
Interest Rate	0919999
Credit Default.....	0929999
Foreign Exchange	0939999
Total Return	0949999
Other	0959999
Subtotal – Hedging Other	0969999

Replication	
Interest Rate	0979999
Credit Default.....	0989999
Foreign Exchange	0999999
Total Return	1009999
Other	1019999
Subtotal – Replication.....	1029999

Income Generation	
Interest Rate	1039999
Credit Default.....	1049999
Foreign Exchange	1059999
Total Return	1069999
Other	1079999
Subtotal – Income Generation.....	1089999

Other	
Interest Rate	1099999
Credit Default.....	1109999
Foreign Exchange	1119999
Total Return	1129999
Other	1139999
Subtotal – Other	1149999

Total Swaps	
Subtotal – Interest Rate	1159999
Subtotal – Credit Default	1169999
Subtotal – Foreign Exchange	1179999
Subtotal – Total Return	1189999
Subtotal – Other	1199999
Subtotal – Total Swaps	1209999

Forwards

Hedging Effective	1219999
Hedging Other	1229999
Replication	1239999
Income Generation	1249999
Other	1259999
Subtotal – Forwards	1269999

Totals

Subtotal – Hedging Effective	1399999
Subtotal – Hedging Other	1409999
Subtotal – Replication	1419999
Subtotal – Income Generation	1429999
Subtotal – Other	1439999
Total	1449999

Definitions:

Hedging Effective:

A derivative transaction that is used in hedging transactions that meet the criteria of a highly effective hedge as described in *SSAP No. 86—Derivatives*, which are valued and reported in a manner that is consistent with the hedged asset or liability. These transactions have been voluntarily designated and are effective as of the reporting date.

Hedging Other:

A derivative transaction that is used in a hedging transaction where the intent is for an economic reduction of one or more risk factors. This transaction is not part of an effectively designated relationship as described under *SSAP No. 86—Derivatives*, guidance of the reporting date.

Replication:

A derivative transaction entered into in conjunction with other investments in order to reproduce the investment characteristics of otherwise permissible investments as described under *SSAP No. 86—Derivatives*. A derivative transaction entered into by a reporting entity as a hedging or income generation transaction shall not be considered a replication (synthetic asset) transaction. These transactions are considered to be replication as of the reporting date.

Income Generation:

A derivative transaction written or sold to generate additional income or return to the reporting entity as described under *SSAP No. 86—Derivatives*.

Other:

A derivative transaction written or sold by the reporting entity used for means other than (1) Hedging Effective; (2) Hedging Other; (3) Replication; or (4) Income Generation (definitions listed above or referenced in *SSAP No. 86—Derivatives*). When this subcategory is utilized, a description of the use should be included in the footnotes to the financial statements.

Value of One (1) Point:

The monetary value of a one (1) point move in a futures position published by the exchange. May also be referred to as “Lot Size,” “Lots” or “Points” by the exchange.

Interest rate and currency swap [where receive/(pay) notional amounts are denominated in different currencies], are filed under the “Foreign Exchange” swap subcategory.

Include all options, caps, floors, collars, swaps and forwards owned as of the current statement date, including those owned on December 31 of the previous year, and those acquired during the current year.

Column 1 – Description

Give a complete and accurate description of the derivative instrument, including a description of the underlying securities, currencies, rates, indices, commodities, derivative instruments or other financial market instruments.

Include details such as:

- For options, the basis. For example, caps should include the underlying interest rate (e.g., CMS 5 year) and frequency of the reset (typically three months);
- For credit default swaps, the name of the reference entity (a single issuer or an index) and the equity ticker symbol, if available;
- For currency derivatives, report the currency and describe the pay/receive (or buy/sell) legs of the transaction; and
- For baskets, note that it is a basket and include the top five equity tickers, if applicable.

Where leveraging is a feature of the payment terms, the multiplier effect will be clearly presented in the description.

For swaptions, include the hedge ID number, the term of the option (i.e., time from effective date to maturity date of the option aspect), and the start and end dates of the underlying swap.

If traded on an exchange, disclose the ticker symbol. Indicate the maturity of the underlying, as appropriate.

Do not use internal descriptions or identifiers unless provided as supplemental information.

Column 2 – Description of Items Hedged or Used for Income Generation or Replicated

Describe the assets or liabilities hedged, including CUSIP(s) when appropriate. For example, “Bond Portfolio Hedge,” “VAGLB Hedge,” “Fixed Annuity Hedge,” “Investment in Foreign Operations,” etc.

If hedging a specific bond, report the CUSIP and a complete and accurate description of the bond; if multiple CUSIPs, note that there are multiple CUSIPs and report the equity ticker or name of the ultimate parent, as applicable.

If hedging a guaranteed investment contract or funding agreement, report as “GIC Hedge” or “FA Hedge.”

For a foreign operations hedge, report as “Net Investment in Foreign Operations.”

For annuity hedging, describe whether hedging fixed or variable annuities.

In hedging a specific mortgage loan asset, report as “Mortgage Loan” and provide the corresponding loan number reported on Schedule B, Part 1, Column 1.

Describe the assets against which derivatives are written in income-generation transactions.

If a replication, report the RSAT Number and Description of the RSAT (Columns 1 and 2 from Schedule DB, Part C, Section 1).

Column 3	–	<p>Schedule/Exhibit Identifier</p> <p>Identify the Schedule or Exhibit of the hedged item(s), such as Schedule A; B; BA; D Part 1; D Part 2, Section 1; or D, Part 2, Section 2, if appropriate; otherwise, “N/A.”</p> <p>Use clear abbreviations for schedules, such as D 1 (Schedule D, Part 1) D 2-1 (Schedule D, Part 2, Section 1), D 2-2 (Schedule D, Part 2, Section 2), etc.</p>
Column 4	–	<p>Type(s) of Risk(s)</p> <p>Identify the type(s) of risk(s) being hedged: “Interest Rate,” “Credit,” “Duration,” “Currency,” “Equity/Index,” “Commodity” or, if reporting other risks, provide a description of the risk within the field or in the footnote listed at the end of this section.</p> <p>If footnoted, please enter a reference code in this column (e.g., a, b, c, etc.) then disclose the description of the risk in Schedule DB footnotes for each reference code used in the schedule.</p> <p>In the event there is more than one type of risk, use the most relevant risk.</p>
Column 5	–	<p>Exchange, Counterparty or Central Clearinghouse</p> <p>Show the name, followed by the Commodity Futures Trading Commission’s Legal Entity Identifier (LEI), if an LEI number has been assigned, of the exchange, counterparty or central clearinghouse.</p> <p>If exchange-traded, show the name and the LEI of the exchange, Board of Trade or contract market.</p> <p>If OTC traded, show the name and the LEI of counterparty and the guarantor upon whose credit the insurer relies.</p>
Column 6	–	<p>Trade Date</p> <p>Show the trade date of the original transaction.</p> <p>The reporting entity may summarize on one line all identical derivative instruments with the same exchange or counterparty showing the last trade date, but only if the instruments are identical in their terms; e.g., type, maturity, expiration or settlement, and strike price, rate or index.</p>
Column 7	–	<p>Date of Maturity or Expiration</p> <p>Show the date of maturity or expiration of the derivative, as appropriate.</p>
Column 8	–	<p>Number of Contracts</p> <p>Show the number of contracts, as applicable (e.g., for exchange-traded derivatives), as an absolute (non-negative) value.</p>
Column 9	–	<p>Notional Amount</p> <p>Show the notional amount. Notional amounts are to be reported as an absolute (non-negative) value. Guidance for determining notional is included in the Schedule DB General Instructions and <i>SSAP No. 86—Derivatives</i>.</p> <p>If the replication (synthetic asset) transaction is not denominated in U.S. dollar, convert it into U.S. dollar equivalent in accordance with <i>SSAP No. 23—Foreign Currency Transactions and Translations</i>.</p>

Column 10	<p>– Strike Price, Rate or Index Received (Paid)</p> <p>Show the strike price, rate or index for which payments are received (paid), or an option could be exercised or which would trigger a cash payment to (by) the reporting entity on a derivative.</p> <p>Forward exchange rate must be stated as: Fx Currency per US\$ (Fx/US\$).</p> <p>For credit derivatives, state “credit event” when the payment is triggered by a standard International Swaps and Derivatives Association (ISDA) defined credit event.</p> <p>Describe non-standard credit event in footnotes to the annual statement.</p> <p>For example, for a credit default swap sold at 0.50% per annum, show “0.50 / (credit event)”, or for an interest swap with 4.5% received, LIBOR + 0.50% paid, show “4.50 / (L+0.50)”.</p>
Column 11	<p>– Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid</p> <p>For derivatives opened in prior reporting years, show the cumulative remaining premium or other payment (received) paid since the derivative contract was entered into.</p> <p>If a derivative has been partially terminated, the terminated portion of the premium is reported in Schedule DB, Part A, Section 2.</p>
Column 12	<p>– Current Year Initial Cost of Premium (Received) Paid</p> <p>For derivatives opened in the current reporting year, show the premium or other payment (received) paid when the derivative contract was entered into.</p>
Column 13	<p>– Current Year Income</p> <p>Show the amount of income received (paid), on accrual basis, during the year (excluding the amount entered in Column 11).</p> <p>If such payments are both received and paid (e.g., interest swaps), show the net amount (excluding taxes).</p>
Column 14	<p>– Book/Adjusted Carrying Value</p> <p>Represents the statement value with any nonadmitted assets added back.</p> <p>Refer to <i>SSAP</i> Part 86—<i>Derivatives</i>, for further discussion.</p>
Column 15	<p>– Code</p> <p>Insert in this column if the book/adjusted carrying value is combined with the book/adjusted carrying value of assets or liabilities hedged; the book/adjusted carrying value is combined with the book/adjusted carrying value of underlying/covering assets; or if the amount is combined with consideration paid on underlying/covering assets.</p> <p>Insert # in this column if the book/adjusted carrying value was combined in prior years with the book/adjusted carrying value of assets or liabilities hedged.</p> <p>Insert @ in this column if the income/expenses is combined with income/expenses on assets or liabilities hedged.</p>

Column 16 – Fair Value

See the Glossary of the *Accounting Practices and Procedures Manual* for a definition of fair value. For purposes of this column, fair value can be obtained from any one of these sources:

- a. A pricing service.
- b. An exchange.
- c. Broker or custodian quote.
- d. Determined by the insurer.

Column 17 – Unrealized Valuation Increase/(Decrease)

For purposes of this schedule, **increases** should be reported when the change results in an increase to the asset or a decrease to the liability. A **decrease** should be reported when the change results in a decrease to the asset or an increase to the liability.

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

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

Column 18 – Total Foreign Exchange Change in Book/Adjusted Carrying Value

This is a positive or negative amount that is defined as the portion of the total change in Book/Adjusted Carrying Value for the year that is attributable to foreign exchange differences for a particular derivative.

The amounts reported in this column should be included as net unrealized foreign exchange capital gain (loss) in the Capital and Surplus Account.

For purposes of this schedule, **positive amounts** should be reported when the change results in an increase to the asset or a decrease to the liability. A **negative amount** should be reported when the change results in a decrease to the asset or an increase to the liability.

Column 19 – Current Year's (Amortization)/Accretion

For purposes of this schedule, **positive amounts** should be reported when the change results in an increase to the asset or a decrease to the liability. A **negative amount** should be reported when the change results in a decrease to the asset or an increase to the liability.

Column 20 – Adjustment to the Carrying Value of Hedged Item

This represents the amortized book/adjusted carrying value used to adjust the basis of the hedged item(s) during the current year.

Column 21 – Potential Exposure

Potential Exposure is a statistically derived measure of the potential increase in derivative instrument risk exposure, for derivative instruments that generally do not have an initial cost paid or consideration received, resulting from future fluctuations in the underlying interests upon which derivative instruments are based.

For collars, swaps other than credit default swaps and forwards, the Potential Exposure = 0.5% x “Notional Amount” x Square root of (Remaining Years to Maturity).

For credit default swaps, enter the larger of notional amount or maximum potential payment.

For purchased credit default swaps bought for protection, the amount reported will be zero.

If the maximum potential exposure cannot be determined, enter zero and explain in the Notes to Financial Statement.

Disclose in the footnotes to the annual statement any assets, held either as collateral or by third parties that the reporting entity can obtain and liquidate to recover all or a portion of the amounts paid under the derivative.

Column 22 – Credit Quality of Reference Entity

Only applies to credit default swaps (for other derivatives, leave blank)

Disclose:

- NAIC designation of the reference entity or, if not available, then
- NAIC designation equivalent to the reference entity, if it is CRP rated; or, if not available, then
- The company's own credit assessment translated into a NAIC designation equivalent with a “*” to indicate that the designation is based on the reporting entity's own internal evaluation of the reference entity's creditworthiness.

For first loss type of basket credit default swaps, use the lowest designation in the basket.

For other types of baskets, or other structures, determine a designation that fairly represents the likelihood of credit losses.

Column 23 – Hedge Effectiveness at Inception and at Quarter-end

For hedge transactions, show, as a percentage, expressed as (XX / YY), where “XX” shows the hedge effectiveness percentage at inception and “YY” shows the hedge effectiveness percentage, at current statement date.

For example, 100.45% hedge effectiveness at inception and 94.90% hedge effectiveness on December 31 of the current year is reported as “100 / 95.”

Round to the nearest whole percentage. Do not use decimals.

When hedge effectiveness cannot be calculated, enter a reference code number in this column (e.g., 0001, 0002, etc.) then disclose the financial or economic impact of the hedge at the end of the reporting period in Schedule DB footnotes for each reference code number used in the schedule.

A reference code number may be used multiple times in this column to indicate the same explanation.

For example: 0001 Reduces bond portfolio duration by .2 years.

a) Fair Value Hedges:

How much of the change in value of the hedged item(s) was hedged by the change in value of the derivative, both:

- At the inception of the derivative transaction.
- At current statement date.

b) Cash Flow Hedges:

How much of the change in cash flows or present value of cash flows of the hedged item(s) was hedged by the change in cash flows or present value of cash flows of the derivative, both:

- At the inception of the derivative transaction.
- At current statement date.

**** Columns 24 through 27 will be electronic only. ****

Column 24 – Method Used to Obtain Fair Value Code

Whenever possible, fair value should represent the amount of money the reporting entity would receive (pay) in order to close the derivative position at the market price. Fair value should only be determined analytically when the market price-based value cannot be obtained.

Insert the code for the method used by the issuer to determine the Fair Value. Following is a listing of the valid method codes:

- “a” – For derivatives where the fair value is determined by a pricing service.
- “b” – For derivatives where the fair value is determined by a stock exchange.
- “c” – For derivatives where the fair value is determined by a broker or the reporting entity’s custodian. To use this method 1) the broker must be approved by the reporting entity as a derivative counterparty; and 2) the reporting entity shall obtain and retain the pricing policy of the broker or custodian that provided the quotations.
- “d” – For derivatives where the fair value is determined by the reporting entity. The reporting entity is required to maintain a record of the pricing methodology used.

Column 25 – Source Used to Obtain Fair Value

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

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

The listing of most **stock exchange codes can be found in the Investment Schedules General Instructions or the following Website:**

www.fixprotocol.org/specifications/exchanges.shtml

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

For Method Code “d,” leave blank.

Column 26 – Method of Clearing (C or U)

Indicate whether derivative transaction is cleared through a centralized clearinghouse with a “C” or not cleared through a centralized clearinghouse with a “U.”

Column 27 – Legal Entity Identifier (LEI)

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

Not for Distribution

SCHEDULE DB – PART B – SECTION 1

FUTURES CONTRACTS OPEN

In each Section, separate derivative instruments into the following categories:

	<u>Category</u>	<u>Line Number</u>
Long Futures:		
	Hedging Effective	1279999
	Hedging Other	1289999
	Replication	1299999
	Income Generation	1309999
	Other.....	1319999
	Subtotal – Long Futures	1329999
Short Futures:		
	Hedging Effective	1339999
	Hedging Other	1349999
	Replication	1359999
	Income Generation	1369999
	Other.....	1379999
	Subtotal – Short Futures	1389999
Totals:		
	Subtotal – Hedging Effective	1399999
	Subtotal – Hedging Other	1409999
	Subtotal – Replication	1419999
	Subtotal – Income Generation	1429999
	Subtotal – Other	1439999
Total.....		1449999

Definitions:

Hedging Effective:

A derivative transaction that is used in hedging transactions that meet the criteria of a highly effective hedge as described in *SSAP No. 86—Derivatives*, which are valued and reported in a manner that is consistent with the hedged asset or liability. These transactions have been voluntarily designated and are effective as of the reporting date.

Hedging Other:

A derivative transaction that is used in a hedging transaction where the intent is for an economic reduction of one or more risk factors. This transaction is not part of an effectively designated relationship as described under *SSAP No. 86—Derivatives*, guidance of the reporting date.

Replication:

A derivative transaction entered into in conjunction with other investments in order to reproduce the investment characteristics of otherwise permissible investments described under *SSAP No. 86—Derivatives*, guidance. A derivative transaction entered into by a reporting entity as a hedging or income generation transaction shall not be considered a replication (synthetic asset) transaction. These transactions are considered to be replications as of the reporting date.

Income Generation:

A derivative transaction written or sold to generate additional income or return to the reporting entity as described under *SSAP No. 86—Derivatives*.

Other:

A derivative transaction written or sold by the reporting entity used for means other than (1) Hedging Effective; (2) Hedging Other; (3) Replication; or (4) Income Generation definition listed above or referenced in *SSAP No. 86—Derivatives*. When this subcategory is utilized, a description of the use should be included in the footnotes to the financial statements.

Include all futures contracts positions open as of the current statement date, including those that were open on December 31 of the previous year and those acquired during current year.

In the Broker Name/Net Cash Deposits footnote, list, in alphabetical sequence, brokers with whom cash deposits have been made, cumulative changes made to the deposits and the beginning and ending cash balances.

Column 1 – Ticker Symbol

If traded on an exchange, disclose the ticker symbol.

Column 2 – Number of Contracts

Show the total number of contracts open on Dec. 31 of the reporting year as absolute non-negative values.

Column 3 – Notional Amount

Show the total notional amount of the futures position on Dec. 31 of the reporting year as absolute non-negative values. Guidance for determining notional is included in the Schedule DB General Instructions and *SSAP No. 86—Derivatives*.

Column 4 – Description

Give a complete and accurate description of the derivative instrument, including a description of the underlying securities, currencies, rates, indices, commodities, derivative instruments or other financial market instruments.

Do not use internal descriptions or identifiers unless provided as supplemental information.

Column 5	<p>– Description of Item(s) Hedged, Used for Income Generation, or Replicated</p> <p>Describe the assets or liabilities hedged, including CUSIP(s), when appropriate. For example, “Bond Portfolio Hedge,” “VAGLB Hedge,” “Fixed Annuity Hedge,” “Investment in Foreign Operations,” etc.</p> <p>If hedging a specific bond, report the CUSIP and a complete and accurate description of the bond; if multiple CUSIPs, note that there are multiple CUSIPs and report the equity ticker or name of the ultimate parent, as applicable.</p> <p>If hedging a guaranteed investment contract or funding agreement, report as “GIC Hedge” or “FA Hedge.”</p> <p>For a foreign operations hedge, report as “Net Investment in Foreign Operations.”</p> <p>For annuity hedging, describe whether hedging fixed or variable annuities.</p> <p>If hedging a specific mortgage loan asset, report as “Mortgage Loan” and provide the corresponding loan number reported on Schedule B, Part 1, Column 1.</p> <p>Describe the assets against which derivatives are written in income generation transactions.</p> <p>If a replication, report the RSAT Number and Description of the RSAT (Columns 1 and 2 from Schedule DB, Part C, Section 1).</p>
Column 6	<p>– Schedule/Exhibit Identifier</p> <p>Identify the Schedule or Exhibit of the hedged item(s), such as Schedule A; B; BA; D, Part 1; D, Part 2, Section 1, or D, Part 2, Section 2 if appropriate otherwise, “N/A.”</p> <p>Use clear abbreviations for schedules, such as D 1 (Schedule D, Part 1), D 2-1 (Schedule D, Part 2, Section 1), D 2-2 (Schedule D, Part 2, Section 2), etc.</p>
Column 7	<p>– Type(s) of Risk(s)</p> <p>Identify the types of risks being hedged: “Interest Rate,” “Credit,” “Duration,” “Currency,” “Equity/Index,” “Commodity” or, if reporting other risks, provide a description of the risk within the field or in a footnote listed in this Schedule.</p> <p>If footnote 4, please enter a reference code in this column (e.g., a, b, c, etc.) then disclose the description of the risk in Schedule DB footnotes for each reference code used in the schedule.</p> <p>In the event there is more than one type of risk, use the most relevant risk.</p>
Column 8	<p>– Date of Maturity or Expiration</p> <p>Show the date of maturity or expiration of the derivative, as appropriate.</p>
Column 9	<p>– Exchange</p> <p>Show the name and the Commodity Futures Trading Commission’s Legal Entity Identifier (LEI), if an LEI number has been assigned, for the exchange on which the contract was transacted.</p>

- Column 10 – Trade Date
- Show the trade date of the original transaction.
- The reporting entity may summarize on one line all identical derivative instruments with the same exchange or counterparty showing the last trade date, but only if the instruments are identical in their terms; e.g., type, maturity, expiration or settlement, and strike price, rate or index.
- Column 11 – Transaction Price
- Show the price at which the futures contract was originally purchased or sold.
- If several positions of the same futures contract are summarized, show the weighted average price.
- Column 12 – Reporting Date Price
- Show the reporting date closing price. Report price as published by the exchange.
- Column 13 – Fair Value
- Report the net unsettled futures position from the time lag (typically one day with U.S. futures brokers) between the change in the cumulative variation margin (Columns 15 and 18) and the actual settlement with the futures brokers.
- This represents the pending cash settlement of the futures position.
- Column 14 – Book/Adjusted Carrying Value
- Represents the statement value of the futures position, with any nonadmitted assets added back, and is determined based on how the futures contract is being used, in accordance with *SSAP No. 86—Derivatives*.
- Note that any cash deposits placed with the broker are included in the Broker Name/Net Cash Deposits footnote only and not in the Book/Adjusted Carrying Value.
- Column 15 – Highly Effective Hedge – Cumulative Variation Margin
- On long contracts, show the number of contracts (Column 2) times the difference between the reporting date price (Column 12) and transaction price (Column 11) times the futures value of one (1) point (Column 22).
- On short contracts, show the number of contracts (Column 2) times the difference between the transaction price (Column 11) and the reporting date price (Column 12) times the futures value of one (1) point (Column 22).
- An exception is that this column would not be populated for highly effective futures of forecasted transaction or firm commitments.

- Column 16 – Highly Effective Hedges – Deferred Variation Margin
- This represents the variation margin that has been deferred and, therefore, not recognized as an unrealized or realized gain (loss) or as investment income.
- Note: If the entire amount of the variation margin was deferred, the amount reported will be the same as is reported in Column 15.
- Column 17 – Highly Effective Hedges – Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item
- This represents the variation margin used in the current year to adjust the basis of the hedged item.
- Column 18 – Cumulative Variation Margin for All Other Hedges
- On long contracts, show the number of contracts (Column 2) times the difference between the reporting date price (Column 12) and transaction price (Column 11) times the futures value of one (1) point (Column 22).
- On short contracts, show the number of contracts (Column 2) times the difference between the transaction price (Column 11) and the reporting date price (Column 12) times the futures value of one (1) point (Column 22).
- Column 19 – Change in Variation Margin Gain (Loss) Recognized in Current Year
- This represents the variation margin recognized as an unrealized or realized gain (loss) or as investment income for the year.
- This column will be populated for highly effective futures hedging at fair value and All Other futures.
- This column will not be populated for highly effective futures hedging at amortized cost.
- Column 20 – Potential Exposure
- Potential Exposure is a statistically derived measure of the potential increase in derivative instrument risk exposure, for derivative instruments that generally do not have an initial cost paid or consideration received, resulting from future fluctuations in the underlying interests upon which derivative instruments are based.
- For futures, the Potential Exposure = (Initial Margin per contract on the valuation date, set by the exchange on which contract trades) x (the number of contracts open on the valuation date).

Column 21 – Hedge Effectiveness at Inception / and at Quarter-end

For hedge transactions, show, as a percentage, expressed as (XX / YY), where “XX” shows the hedge effectiveness percentage at inception and “YY” shows the hedge effectiveness percentage at reporting date.

For example, 100.45% hedge effectiveness at inception and 94.90% hedge effectiveness on December 31 of the current year is reported as “100 / 95.”

Round to the nearest whole percentage. Do not use decimals.

When hedge effectiveness cannot be calculated, enter a reference code number in this column (e.g., 0001, 0002, etc.) then disclose the financial or economic impact of the hedge at the end of the reporting period in Schedule DB footnotes for each reference code number used in the schedule.

A reference code number may be used multiple times in this column to indicate the same explanation.

For example: 0001 Reduces bond portfolio duration by .2 years.

a) Fair Value Hedges:

How much of the change in value of the hedged item(s) was hedged by the change in value of the derivative, both:

- At the inception of the derivative transaction.
- At reporting date.

b) Cash Flow Hedges:

How much of the change in cash flows or present value of cash flows of the hedged item(s) was hedged by the change in cash flows or present value of cash flows of the derivative, both:

- At the inception of the derivative transaction.
- At reporting date.

Column 22 – Value of One (1) Point

This represents the monetary value of a one (1) point move in a futures position published by the exchange. This monetary value of one (1) point is utilized in the calculation of the futures’ variation margin.

**** Column 23 will be electronic only. ****

Column 23 – Legal Entity Identifier (LEI)

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

SCHEDULE DB – PART D – SECTION 1

**COUNTERPARTY EXPOSURE FOR DERIVATIVE INSTRUMENTS OPEN
AS OF CURRENT STATEMENT DATE**

Counterparty Exposure to any one counterparty is the exposure to credit risk associated with the use of derivative instruments with that counterparty. This section displays the Book/Adjusted Carrying Value exposure and Fair Value exposure to each counterparty, net of collateral. Also displayed is the total potential exposure for each counterparty for Schedule DB, Parts A and B.

On the first line, show the aggregate sum for exchange traded derivatives.

On subsequent lines, show separately six groups of OTC (over-the-counter) derivative counterparties by NAIC Designation, followed by the aggregate sum for centrally cleared derivatives.

Within each group, list the counterparties or central clearinghouses in alphabetical order.

For each counterparty with a master agreement, show on a second line, if applicable, totals for derivative instruments not covered by the master agreement.

Use additional lines, as needed, if multiple master agreements with the counterparty exist that do not provide for netting of offsetting amounts by the reporting entity against the counterparty upon termination in the event that the counterparty defaults.

Show subtotals for each group.

If a reporting entity has any detail lines reported for any of the following required groups, it shall report the subtotal amount of the corresponding group with the specified subtotal line number appearing in the same manner and location as the pre-printed total.

Aggregate Sum of Exchange Traded Derivatives.....	0199999
Total NAIC 1 Designation.....	0299999
Total NAIC 2 Designation.....	0399999
Total NAIC 3 Designation.....	0499999
Total NAIC 4 Designation.....	0599999
Total NAIC 5 Designation.....	0699999
Total NAIC 6 Designation.....	0799999
Aggregate Sum of Central Clearinghouses.....	0899999
Total (Sum of 0199999, 0299999, 0399999, 0499999, 0599999, 0699999, 0799999 & 0899999)	0999999

Column 1 Description of Exchange, Counterparty or Central Clearinghouse

The first line (Line 0199999) is for the Aggregate Sum of Exchange Traded Derivatives.

On subsequent lines, show the name and the Commodity Futures Trading Commission’s Legal Entity Identifier (LEI), if an LEI number has been assigned, for the counterparty or central clearinghouse.

Include the name and the LEI of the central clearinghouse and the derivatives clearing member, where appropriate.

Column 2 – Master Agreement (Y or N)

The lines for the Aggregate Sum of Exchange Traded Derivatives (Line 0199999) and for the Aggregate Sum of Central Clearinghouses (Line 0899999) should be left blank.

For OTC counterparties, indicate “Y” if:

1. The reporting entity has a written International Swaps and Derivatives Association (ISDA) master agreement with the counterparty that provides for the netting of offsetting amounts by the reporting entity against the counterparty upon termination in the event that the counterparty defaults, or if such netting provisions of an ISDA master agreement are either incorporated by reference in transaction confirmations or are otherwise contractual provisions to which derivative instrument confirmations with the counterparty are subject, or if the reporting entity has a written non-ISDA master agreement with the counterparty that provides for the netting of offsetting amounts or the right of offset by the reporting entity against the counterparty upon termination in the event that the counterparty defaults; and
2. The domiciliary jurisdiction of such counterparty is either within the United States or, if not within the United States, is within a foreign (non-United States) jurisdiction listed in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* as eligible for netting.

Column 3 – Credit Support Annex (Y or N)

The lines for the Aggregate Sum of Exchange Traded Derivatives (Line 0199999) and for the Aggregate Sum of Central Clearinghouses (Line 0899999) should be left blank.

For OTC counterparties, indicate “Y” if:

The reporting entity has an additional annex to the International Swaps and Derivatives Association (ISDA) master agreement called a Credit Support Annex (CSA). The CSA agreement with the counterparty provides functionality of collateral postings against net counterparty exposure in excess of a threshold amount. This limits the net exposure insurer has to derivative counterparty in the event of a counterparty default.

Column 4 – Fair Value of Acceptable Collateral

Leave blank for the aggregate reporting of Exchange Traded Derivatives (Line 0199999).

For OTC counterparties, show the Fair Value of acceptable collateral pledged by the counterparty.

For central clearinghouses, this amount would be the net positive variation margin received by the company.

“Acceptable collateral” means cash, cash equivalents, securities issued or guaranteed by the United States or Canadian governments or their government-sponsored enterprises, letters of credit, publicly traded obligations designated 1 by the SVO, government money market mutual funds, and such other items as may be defined as acceptable collateral in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*. For purposes of this definition, the term “letter of credit” means a clean, irrevocable and unconditional letter of credit issued or confirmed by, and payable and presentable at, a financial institution on the list of financial institutions meeting the standards for issuing such letter of credit published pursuant to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*. The letter of credit must have an expiration date beyond the term of the subject transaction.

For Columns 5 and 6, Book/Adjusted Carrying Values that are debit balances on the balance sheet are positive numbers; those that are credit balances are negative numbers.

Column 5 – Contracts with Book/Adjusted Carrying Value > 0 (i.e., debit balance on balance sheet)

On the first line, show the aggregate sum for exchange traded derivatives that have a positive Book/Adjusted Carrying Value.

For futures, this equals the sum of the positive cumulative variation margin for highly effective futures (Part B, Section 1, Column 15), plus the sum of the ending balance of all cash deposits with brokers (Part B, Section 1, Broker Name/Net Cash Deposits Footnote – Ending Cash Balance).

On subsequent lines, show the sum of the Book/Adjusted Carrying Values of all derivative instruments with the counterparty or central clearinghouse that have a positive statement value.

Column 6 – Contracts with Book/Adjusted Carrying Value < 0 (i.e., credit balance on balance sheet)

On the first line, show the sum of the statement values in parentheses () of all exchange traded derivatives that have a negative Book/Adjusted Carrying Value.

For Futures, this equals the sum of the negative cumulative variation margin for highly effective futures (Part B, Section 1, Column 15).

On subsequent lines, show the sum of the Book/Adjusted Carrying Values in parentheses () of all derivative instruments with the counterparty or central clearinghouse that have a negative Book/Adjusted Carrying Value.

Column 7 – Exposure Net of Collateral (Book/Adjusted Carrying Value)

For the aggregate reporting of exchange traded derivatives (Line 0199999), show amount in Column 5.

For OTC counterparties, if no master agreement is in place, show the sum of the Book/Adjusted Carrying Values of all derivative instruments with the counterparty that have a positive Book/Adjusted Carrying Value, less any Acceptable Collateral (Column 5 – Column 4).

For OTC counterparties with a master agreement in place and central clearinghouses, show the net sum of the Book/Adjusted Carrying Values of all derivative instruments, less any acceptable collateral (Column 5 + Column 6 – Column 4).

This amount should not be less than zero.

For Columns 8 and 9, market values that would be debit balances on the balance sheet are positive numbers; those that would be credit balances are negative numbers.

Column 8 – Contracts with Fair Value > 0 (i.e., debit balance on the balance sheet)

Show the sum of the market values of all derivative instruments that have a positive market value.

Column 9 – Contracts with Fair Value < 0 (i.e., credit balance on the balance sheet)

Show the sum of the market values in parentheses () of all derivative instruments that have a negative market value.

Column 10 – Exposure Net of Collateral (Fair Value)

For the aggregate reporting of exchange traded derivatives (Line 0199999), show amounts in Column 8.

For OTC counterparties, if no master agreement is in place, show the sum of the market values of all derivative instruments with the counterparty that has a positive market value, less any acceptable collateral (Column 8 – Column 4).

For OTC counterparties with a master agreement in place, exchange-traded derivatives and central clearinghouses show the net sum of the market values of all derivative instruments, less any acceptable collateral (Column 8 + Column 9 – Column 4).

This amount should not be less than zero.

Column 11 – Potential Exposure

Show the potential exposure for Parts A and B for exchange traded derivatives in aggregate (Line 0199999) and for each OTC counterparty and central clearinghouse.

Column 12 – Off-Balance Sheet Exposure

For Exchange Traded Derivatives (Line 0199999), show Column 11.

For central clearinghouses:

Show [Column 5 + Column 6 – Column 4 + Column 11] – Column 7 but not less than zero.

For OTC counterparties:

If Column 2 = yes; show [Column 5 + Column 6 – Column 4 + Column 11] – Column 7 but not less than zero.

If Column 2 = no; show Column 11.

Optional: If there is no master netting agreement, companies may still encounter double-counting in cases where a premium is received for an off-balance sheet derivative transaction, such as an interest rate swap. In such cases, report “no” in Column 2 and calculate off-balance sheet exposure on a contract-by-contract basis using the first formula.

**** Column 13 will be electronic only. ****

Column 13 – Legal Entity Identifier (LEI)

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

SCHEDULE DB – PART D – SECTION 2

**COLLATERAL FOR DERIVATIVE INSTRUMENTS OPEN
AS OF CURRENT STATEMENT DATE**

Under derivative contracts, collateral may be pledged to exchanges, counterparties, clearing brokers or central clearinghouses by the reporting entity as well as pledged by the exchanges, counterparties, clearing brokers or central clearinghouses to the reporting entity. This section displays the collateral pledged by the reporting entity in the first table and the collateral pledged to the reporting entity in the second table.

Each exchange, counterparty, derivatives clearing member or central clearinghouse may be listed more than once in each of the tables. For example, if initial and variation margin are posted at the same exchange; if more than one type of security is pledged to the same counterparty; if more than one corporate bond is pledged by a central clearinghouse; etc.

Total Collateral Pledged by Reporting Entity..... 0199999
 Total Collateral Pledged to Reporting Entity..... 0299999

- Column 1 – Exchange, Counterparty or Central Clearinghouse
 Show the name and the Commodity Futures Trading Commission’s Legal Entity Identifier (LEI), if an LEI number has been assigned, for the exchange, Board of Trade, contract market, counterparty, derivatives clearing member or central clearinghouse that is holding collateral pledged by the reporting entity or that has pledged collateral to the reporting entity.
- Column 2 – Type of Asset Pledged
 Describe the type of asset pledged or received as collateral. For example, “Cash,” “Treasury,” “Corporate,” “Municipal,” “Loan-backed and Structured,” “Mortgage” and “Other.”
- Column 3 – CUSIP Identification
 Enter the CUSIP/PPN/CINS number of the asset pledged or received as collateral, when appropriate. If no CUSIP/PPN/CINS number exists, the field should be zero-filled.
- Column 4 – Description
 Give a complete and accurate description of the asset pledged or received as collateral, including coupon when appropriate.
- Column 5 – Fair Value
 Enter the fair value of the asset. Refer to *SSAP No. 100—Fair Value*, for further discussion.
- Column 6 – Par Value
 Enter the par value of the asset adjusted for repayment of principal.

Column 7 – Book/Adjusted Carrying Value

Report the amortized value or the lower of amortized value or fair value, depending on the designation of the asset (and adjusted for any other-than-temporary impairment), as of the end of the current reporting year.

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

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

Amortization of deferred origination and commitment fees.

Deduct: A direct write-down for a decline in the fair value of a bond that is other-than-temporary.

Exclude: All other costs, including internal costs or costs paid to an affiliated reporting entity related to origination, purchase or commitment to purchase bonds, are charged to expense when incurred. Cost should also be reduced by payments attributed to the recovery of cost.

Accrued interest.

Book/Adjusted Carrying Value does not apply to collateral pledged to a reporting entity in which there has not been a default (i.e., Off-Balance Sheet Collateral).

Column 8 – Maturity Date

Enter the maturity date of the asset, when appropriate.

Column 9 – Type of Margin (I, V or IV)

Enter “I” for initial margin for assets that have been pledged or received by the reporting entity as initial margin.

Enter “V” for variation margin for assets that have been pledged or received by the reporting entity as variation margin.

Enter “IV” for both initial and variation margin for assets that have been pledged or received by the reporting entity as initial and variation margin.

**** Column 10 will be electronic only.****

Column 10 – Legal Entity Identifier (LEI)

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

SCHEDULE DL – PART 1

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

(Securities lending collateral assets reported in aggregate on Line 10 of the asset page and not included on Schedules A, B, BA, D, DB and E.)

This schedule should include a detailed listing of reinvested collateral assets that were owned as of the end of the current statement date. For Schedule DL reinvested collateral assets are collateral currently held as part of a securities lending program administered by the reporting entity or its agent (affiliated or unaffiliated) that can be resold or repledged. This is the **currently held collateral**, meaning original collateral if it is still in the original form received or the newly invested asset resulting from the disposal and/or reinvestment of the original collateral. See *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, for accounting guidance.

Include reinvested collateral assets from securities lending programs where the program is administered by the reporting entity's unaffiliated agent (i.e., collateral is received by the reporting entity's unaffiliated agent that can be resold or repledged). These securities will be reported in aggregate on the Assets page, Line 10.

For reinvested collateral assets from securities lending programs where the program is administered by the reporting entity's affiliated agent (i.e., collateral is received by the reporting entity's affiliated agent that can be resold or repledged), the securities may be reported on Schedule DL, Part 1 if reported in aggregate on the Assets page, Line 10 or reported on Schedule DL, Part 2 if reported in other investment schedules (e.g., Schedules A, B, BA, D, DA and E), but not both.

Reinvested collateral assets reported on Schedule DL, Part 1 are excluded from other investment schedules (e.g., Schedules A, B, BA, D, DA and E).

Bonds, preferred stocks and common stocks are to be grouped separately, showing a subtotal for each category.

Securities borrowing and securities lending transactions shall be shown gross when reported in the Schedule DL. If these transactions are permitted to be reported net in accordance with *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*, the investment schedule shall continue to provide detail of all transactions (gross), with the net amount from the valid right to offset reflected in the financial statements (pages 2 & 3 of the statutory financial statements). Disclosures for items reported net when a valid right to offset exists, including the gross amount, the amount offset, and the net amount reported in the financial statements are required per *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, which are described in the Investment Schedules General Instructions, are to be included in SVO Identified Funds.

If an insurer has any detail line reported for any of the following required categories or subcategories, it shall report the subtotal amount of the corresponding category or subcategory, with the specified subtotal line number appearing in the same manner and location as the pre-printed total or grand total line and number:

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

- Category definitions for bonds and stocks.
- Code column list of codes and definitions for securities not under the exclusive control of the reporting entity.
- Flow chart for determining the NAIC designation for structured securities.

<u>Category</u>	<u>Line Number</u>
Bonds (Schedule D, Part 1 type):	
U.S. Governments	
Issuer Obligations.....	0199999
Residential Mortgage-Backed Securities	0299999
Commercial Mortgage-Backed Securities.....	0399999
Other Loan-Backed and Structured Securities	0499999
Subtotals – U.S. Governments	0599999
All Other Governments	
Issuer Obligations	0699999
Residential Mortgage-Backed Securities	0799999
Commercial Mortgage-Backed Securities.....	0899999
Other Loan-Backed and Structured Securities	0999999
Subtotals – All Other Governments	1099999
U.S. States, Territories and Possessions (Direct and Guaranteed)	
Issuer Obligations.....	1199999
Residential Mortgage-Backed Securities	1299999
Commercial Mortgage-Backed Securities.....	1399999
Other Loan-Backed and Structured Securities	1499999
Subtotals – U.S. States, Territories and Possessions (Direct and Guaranteed)	1799999
U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)	
Issuer Obligations	1899999
Residential Mortgage-Backed Securities	1999999
Commercial Mortgage-Backed Securities.....	2099999
Other Loan-Backed and Structured Securities	2199999
Subtotals – U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)	2499999
U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions	
Issuer Obligations.....	2599999
Residential Mortgage-Backed Securities	2699999
Commercial Mortgage-Backed Securities.....	2799999
Other Loan-Backed and Structured Securities	2899999
Subtotals – U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions	3199999
Industrial and Miscellaneous (Unaffiliated)	
Issuer Obligations.....	3299999
Residential Mortgage-Backed Securities	3399999
Commercial Mortgage-Backed Securities.....	3499999
Other Loan-Backed and Structured Securities	3599999
Subtotals – Industrial and Miscellaneous (Unaffiliated)	3899999

Hybrid Securities	
Issuer Obligations.....	4299999
Residential Mortgage-Backed Securities	4399999
Commercial Mortgage-Backed Securities.....	4499999
Other Loan-Backed and Structured Securities	4599999
Subtotals – Hybrid Securities.....	4899999
Parent, Subsidiaries and Affiliates	
Issuer Obligations.....	4999999
Residential Mortgage-Backed Securities	5099999
Commercial Mortgage-Backed Securities.....	5199999
Other Loan-Backed and Structured Securities	5299999
Subtotals – Parent, Subsidiaries and Affiliates.....	5599999
SVO Identified Funds	
Exchange Traded Funds – as Identified by the SVO.....	5899999
Bond Mutual Funds – as Identified by the SVO	5999999
Subtotals – SVO Identified Funds.....	6099999
Total Bonds	
Subtotals – Issuer Obligations.....	6199999
Subtotals – Residential Mortgage-Backed Securities.....	6299999
Subtotals – Commercial Mortgage-Backed Securities.....	6399999
Subtotals – Other Loan-Backed and Structured Securities	6499999
Subtotal – SVO Identified Funds	6599999
Subtotals – Total Bonds	6699999
Stocks:	
Preferred Stocks:	
Industrial and Miscellaneous (Unaffiliated).....	6899999
Parent, Subsidiaries and Affiliates	6999999
Total Preferred Stocks.....	7099999
Common Stocks:	
Industrial and Miscellaneous (Unaffiliated).....	7199999
Parent, Subsidiaries and Affiliates	7299999
Mutual Funds.....	7399999
Total Common Stocks.....	7599999
Total Preferred and Common Stocks.....	7699999
Real Estate (Schedule A type)	8699999
Mortgage Loans on Real Estate (Schedule B type)	8799999
Other Invested Assets (Schedule BA type).....	8899999
Short-Term Invested Assets (Schedule DA type)	8999999
Cash (Schedule E, Part 1 type)	9099999
Cash Equivalents (Schedule E, Part 2 type).....	9199999
Other Assets.....	9299999
Totals	9999999

Column 1 – CUSIP Identification

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

For Lines 0199999 through 7599999, if no valid CUSIP, CINS or PPN number exists, then report a valid ISIN (Column 9) security number. The CUSIP field should be zero-filled.

The CUSIP reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

Lines 0199999 through 6699999	Schedule D, Part 1, Column 1
Lines 6899999 through 7099999	Schedule D, Part 2, Section 1, Column 1
Lines 7199999 through 7599999	Schedule D, Part 2, Section 2, Column 1
Line 8899999	Schedule DA, Part 1, Column 1
Line 9199999	Schedule E, Part 2, Column 1

The CUSIP number should be zero-filled for the following lines:

Real Estate (Schedule A type)	8699999
Mortgage Loans on Real Estate (Schedule B type).....	8799999
Short-Term Invested Assets (Schedule DA, Part 1 type).....	8999999
Cash (Schedule E, Part 1 type).....	9099999
Other Assets.....	9299999

Column 2 – Description

Give a complete and accurate description of all bonds and preferred and common stocks as listed in the *Valuations of Securities*.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter the complete name of the fund.

For Certificate of Deposit Account Registry Service (CDARs) or other similar services that have a maturity of greater than one year, individually list the various banking institutions that are financially responsible for honoring certificates of deposit.

Column 3 – Code

Enter "*" in this column for all SVO Identified Funds designated for systematic value.

Enter "0" in this column for all Principal STRIP Bonds or other zero coupon bonds.

Enter "\$" in this column for Certificates of Deposit under the FDIC limit.

Enter "&" in this column for To Be Announced (TBA) securities.

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

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

Column 4 – NAIC Designation/Market Indicator

The NAIC Designation/Market Indicator reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

- Lines 0199999 through 6699999 Schedule D, Part 1, Column 6
- Lines 6899999 through 7099999 Schedule D, Part 2, Section 1, Column 20
- Lines 7199999 through 7599999 Schedule D, Part 2, Section 2, Column 17
- Line 8899999 Schedule BA, Part 1, Column 7

For Lines 8699999, 8799999, 8999999, 9099999, 9199999 and 9299999, the column should be left blank.

Refer to the flow chart in the Investment Schedules General Instructions for instruction on how to determine the NAIC designation for structured securities.

Column 5 – Fair Value

The value reported for this column should be determined in a manner consistent with the fair value column instructions of other schedules for the lines shown below:

- Lines 0199999 through 6699999 Schedule D, Part 1, Column 9
- Lines 6899999 through 7099999 Schedule D, Part 2, Section 1, Column 10
- Lines 7199999 through 7599999 Schedule D, Part 2, Section 2, Column 8
- Line 8699999 Schedule A, Part 1, Column 10
- Line 8799999 FV of the underlying collateral Schedule B, Part 1
- Line 8899999 Schedule BA, Part 1, Column 11

For those lines where the same type of investment is reported on other schedules but do not have a fair value column, report the amount consistent with instructions for the following:

- Line 8999999 Report BACV, Schedule DA, Column 7
- Line 9099999 Report Balance, Schedule E Part 1, Column 6
- Line 9199999 Report BACV, Schedule E Part 2, Column 7

Column 6 – Book/Adjusted Carrying Value

The value reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

- Lines 0199999 through 6699999 Schedule D, Part 1, Column 11
- Line 6899999 through 7099999 Schedule D, Part 2, Section 1, Column 8
- Lines 7199999 through 7599999 Schedule D, Part 2, Section 2, Column 6
- Line 8699999 Schedule A, Part 1, Column 9
- Line 8799999 Schedule B, Part 1, Column 8
- Line 8899999 Schedule BA, Part 1, Column 12
- Line 8999999 Schedule DA, Part 1, Column 7
- Line 9099999 Report Balance, Schedule E, Part 1, Column 6
- Line 9199999 Schedule E, Part 2, Column 7

Column 7 – Maturity Date

The maturity date reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

Lines 0199999 through 6699999	Schedule D, Part 1, Column 22
Line 8999999	Schedule DA, Column 6
Line 9199999	Schedule E, Part 2, Column 6

The following lines are considered assets with no maturity date and should be left blank:

6899999 through 7099999	Preferred Stock (Schedule D, Part 2, Section 1 type)
7199999 through 7599999	Common Stock (Schedule D, Part 2, Section 2 type)
8699999	Real Estate (Schedule A type)
8799999	Mortgage Loans on Real Estate (Schedule B type)
8899999	Other Invested Assets (Schedule BA type)
9299999	Other Assets

**** Columns 8 and 9 will be electronic only. ****

Column 8 – Legal Entity Identifier (LEI)

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

Column 9 – ISIN Identification

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

The ISIN reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

Lines 0199999 through 6699999	Schedule D, Part 1, Column 1
Lines 6899999 through 7099999	Schedule D, Part 2, Section 1, Column 1
Lines 7199999 through 7599999	Schedule D, Part 2, Section 2, Column 1

The ISIN number should be zero-filled for the following lines:

Real Estate (Schedule A type)	8699999
Mortgage Loans on Real Estate (Schedule B type).....	8799999
Other Invested Assets (Schedule BA type).....	8899999
Short-Term Invested Assets (Schedule DA, Part 1 type).....	8999999
Cash (Schedule E, Part 1 type).....	9099999
Cash Equivalents (Schedule E, Part 2 type).....	9199999
Other Assets.....	9299999

General Interrogatories:

1. The total activity for the year to date represents the net increase (decrease) from the prior year-end to the current statement date.
2. The average balance for the year to date is the average daily balance.

Average daily balance: Total of daily balances divided by the number of days that have passed in the year as of the reporting date. If data is missing for a given date (e.g., weekend, holiday), count the previous day's value multiple times. The actual day count for the year to date would serve as the denominator in the average calculation.

Not for Distribution

SCHEDULE DL – PART 2

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date
(Securities lending collateral assets included on Schedules A, B, BA, D, DB and E
and not reported in aggregate on Line 10 of the asset page.)

This schedule should include a detailed listing of reinvested collateral assets that were owned as of the end of the current statement date. For Schedule DL, reinvested collateral assets are collateral currently held as part of a securities lending program administered by the reporting entity or its agent (affiliated or unaffiliated) that can be resold or repledged. This is the **currently held collateral**, meaning original collateral if it is still in the original form received or the newly invested asset resulting from the disposal and/or reinvestment of the original collateral. See *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, for accounting guidance.

Include reinvested collateral assets from securities lending programs where the program is administered by the reporting entity (i.e., collateral is received by the reporting entity's unaffiliated agent that can be resold or repledged).

For reinvested collateral assets from securities lending programs where the program is administered by the reporting entity's affiliated agent (i.e., collateral is received by the reporting entity's affiliated agent that can be resold or repledged), the securities may be reported on Schedule DL, Part 2 if reported in other investment schedules (e.g., Schedules A, B, BA, D, DA and E) or reported on Schedule DL, Part 1 if reported in aggregate on the Asset page, Line 10, but not both.

Reinvested collateral assets reported on Schedule DL, Part 2 are included in the other investment schedules (e.g., Schedules A, B, BA, D, DA and E).

Bonds, preferred stocks and common stocks are to be grouped separately, showing a subtotal for each category.

Securities borrowing and securities lending transactions shall be shown gross when reported in the Schedule DL. If these transactions are permitted to be reported net in accordance with *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*, the investment schedule shall continue to provide detail on all transactions (gross), with the net amount from the valid right to offset reflected in the financial statements (pages 2 & 3 of the statutory financial statements). Disclosures for items reported net when a valid right to offset exists, including the gross amount, the amount offset, and the net amount reported in the financial statements are required per *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO that are described in the Investment Schedules General Instructions are to be included in SVO Identified Funds.

If an insurer has any detail lines reported for any of the following required categories or subcategories, it shall report the subtotal amount of the corresponding category or subcategory, with the specified subtotal line number appearing in the same manner and location as the reported total or grand total line and number:

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

- Category definitions for bonds and stocks.
- Code column list of codes and definitions for securities not under the exclusive control of the reporting entity.
- Flow chart for determining the NAIC designation for structured securities.

<u>Category</u>	<u>Line Number</u>
Bonds (Schedule D, Part 1):	
U.S. Governments	
Issuer Obligations.....	0199999
Residential Mortgage-Backed Securities	0299999
Commercial Mortgage-Backed Securities.....	0399999
Other Loan-Backed and Structured Securities	0499999
Subtotals – U.S. Governments	0599999
All Other Governments	
Issuer Obligations	0699999
Residential Mortgage-Backed Securities	0799999
Commercial Mortgage-Backed Securities.....	0899999
Other Loan-Backed and Structured Securities	0999999
Subtotals – All Other Governments	1099999
U.S. States, Territories and Possessions (Direct and Guaranteed)	
Issuer Obligations.....	1199999
Residential Mortgage-Backed Securities	1299999
Commercial Mortgage-Backed Securities.....	1399999
Other Loan-Backed and Structured Securities	1499999
Subtotals – U.S. States, Territories and Possessions (Direct and Guaranteed)	1799999
U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)	
Issuer Obligations	1899999
Residential Mortgage-Backed Securities	1999999
Commercial Mortgage-Backed Securities.....	2099999
Other Loan-Backed and Structured Securities	2199999
Subtotals – U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)	2499999
U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions	
Issuer Obligations.....	2599999
Residential Mortgage-Backed Securities	2699999
Commercial Mortgage-Backed Securities.....	2799999
Other Loan-Backed and Structured Securities	2899999
Subtotals – U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions	3199999
Industrial and Miscellaneous (Unaffiliated)	
Issuer Obligations.....	3299999
Residential Mortgage-Backed Securities	3399999
Commercial Mortgage-Backed Securities.....	3499999
Other Loan-Backed and Structured Securities	3599999
Subtotals – Industrial and Miscellaneous (Unaffiliated)	3899999

Hybrid Securities	
Issuer Obligations.....	4299999
Residential Mortgage-Backed Securities	4399999
Commercial Mortgage-Backed Securities.....	4499999
Other Loan-Backed and Structured Securities	4599999
Subtotals – Hybrid Securities.....	4899999
Parent, Subsidiaries and Affiliates	
Issuer Obligations.....	4999999
Residential Mortgage-Backed Securities	5099999
Commercial Mortgage-Backed Securities.....	5199999
Other Loan-Backed and Structured Securities	5299999
Subtotals – Parent, Subsidiaries and Affiliates.....	5599999
SVO Identified Funds	
Exchange Traded Funds – as Identified by the SVO.....	5899999
Bond Mutual Funds – as Identified by the SVO	5999999
Subtotals – SVO Identified Funds.....	6099999
Total Bonds	
Subtotals – Issuer Obligations.....	6199999
Subtotals – Residential Mortgage-Backed Securities.....	6299999
Subtotals – Commercial Mortgage-Backed Securities.....	6399999
Subtotals – Other Loan-Backed and Structured Securities	6499999
Subtotal – SVO Identified Funds	6599999
Subtotals – Total Bonds	6699999
Stocks:	
Preferred Stocks:	
Industrial and Miscellaneous (Unaffiliated).....	6899999
Parent, Subsidiaries and Affiliates	6999999
Total Preferred Stocks.....	7099999
Common Stocks:	
Industrial and Miscellaneous (Unaffiliated).....	7199999
Parent, Subsidiaries and Affiliates	7299999
Mutual Funds.....	7399999
Total Common Stocks.....	7599999
Total Preferred and Common Stocks.....	7699999
Real Estate (Schedule A).....	8699999
Mortgage Loans on Real Estate (Schedule B)	8799999
Other Invested Assets (Schedule BA).....	8899999
Short-Term Invested Assets (Schedule DA).....	8999999
Cash (Schedule E, Part 1)	9099999
Cash Equivalents (Schedule E, Part 2)	9199999
Other Assets.....	9299999
Totals	9999999

Column 1 – CUSIP Identification

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

For Lines 0199999 through 7599999, if no valid CUSIP, CINS or PPN number exists, then report a valid ISIN (Column 9) security number. The CUSIP field should be zero-filled.

The CUSIP reported for this column should be same for the security as reported in other schedules for the lines shown below:

Lines 0199999 through 6699999	Schedule D, Part 1, Column 1
Lines 6899999 through 7099999	Schedule D, Part 2, Section 1, Column 1
Lines 7199999 through 7599999	Schedule D, Part 2, Section 2, Column 1
Line 8899999	Schedule DA, Part 1, Column 1
Line 9199999	Schedule E, Part 2, Column 1

The CUSIP number should be zero-filled for the following lines:

Real Estate (Schedule A)	8699999
Mortgage Loans on Real Estate (Schedule B)	8799999
Short-Term Invested Assets (Schedule DA, Part 1)	8999999
Cash (Schedule E, Part 1)	9099999
Other Assets	9299999

Column 2 – Description

Give a complete and accurate description of all bonds and preferred and common stocks as listed in the *Valuations of Securities*.

For Bond Mutual Funds – as Identified by the SVO and Exchange Traded Funds – as Identified by the SVO, enter the complete name of the fund.

For Certificate of Deposit Account Registry Service (CDARs) or other similar services that have a maturity of greater than one year, individually list the various banking institutions that are financially responsible for honoring certificates of deposit.

Column 3 – Code

Enter "*" in this column for all SVO Identified Funds designated for systematic value.

Enter "0" in this column for all Principal STRIP Bonds or other zero coupon bonds.

Enter "\$" in this column for Certificates of Deposit under the FDIC limit.

Enter "&" in this column for To Be Announced (TBA) securities.

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

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

Column 4 – NAIC Designation/Market Indicator

The NAIC Designation/Market Indicator reported for this column should be same for the security as reported in other schedules for the lines shown below:

- Lines 0199999 through 6699999 Schedule D, Part 1, Column 6
- Lines 6899999 through 7099999 Schedule D, Part 2, Section 1, Column 20
- Lines 7199999 through 7599999 Schedule D, Part 2, Section 2, Column 17
- Line 8899999 Schedule BA, Part 1, Column 7

For Lines 8699999, 8799999, 8999999, 9099999, 9199999 and 9299999, the column should be left blank.

Refer to the flow chart in the Investment Schedules General Instructions for construction on how to determine the NAIC designation for structured securities.

Column 5 – Fair Value

The value reported for this column should be same for the security as reported in other schedules for the lines shown below:

- Lines 0199999 through 6699999 Schedule D, Part 1, Column 9
- Lines 6899999 through 7099999 Schedule D, Part 2, Section 1, Column 10
- Lines 7199999 through 7599999 Schedule D, Part 2, Section 2, Column 8
- Line 8699999 Schedule A, Part 1, Column 10
- Line 8799999 FV of the underlying collateral Schedule B, Part 1
- Line 8899999 Schedule BA, Part 1, Column 11

For those lines where the same investment is reported on other schedules but do not have a fair value column, report the amount in these columns in the other schedules for the lines shown below:

- Line 8999999 Report BACV, Schedule DA, Column 7
- Line 9099999 Report Balance, Schedule E, Part 1, Column 6
- Line 9199999 Report BACV, Schedule E, Part 2, Column 7

Column 6 – Book/Adjusted Carrying Value

The value reported for this column should be same for the security as reported in other schedules for the lines shown below:

- Lines 0199999 through 6699999 Schedule D, Part 1, Column 11
- Lines 6899999 through 7099999 Schedule D, Part 2, Section 1, Column 8
- Lines 7199999 through 7599999 Schedule D, Part 2, Section 2, Column 6
- Line 8699999 Schedule A, Part 1, Column 9
- Line 8799999 Schedule B, Part 1, Column 8
- Line 8899999 Schedule BA, Part 1, Column 12
- Line 8999999 Schedule DA, Part 1, Column 7
- Line 9099999 Report Balance, Schedule E, Part 1, Column 6
- Line 9199999 Schedule E, Part 2, Column 7

Column 7 – Maturity Date

The maturity date reported for this column should be same for the security as reported in other schedules for the lines shown below:

Lines 0199999 through 6699999 Schedule D, Part 1, Column 22
 Line 8999999 Schedule DA, Column 6
 Line 9199999 Schedule E, Part 2, Column 6

The following lines are considered assets with no maturity date and should be left blank:

6899999 through 7099999 Preferred Stock (Schedule D, Part 2, Section 1 type)
 7199999 through 7599999 Common Stock (Schedule D, Part 2, Section 2 type)
 8699999 Real Estate (Schedule A type)
 8799999 Mortgage Loans on Real Estate (Schedule B type)
 8899999 Other Invested Assets (Schedule BA type)
 9299999 Other Assets

**** Columns 8 and 9 will be electronic only. ****

Column 8 – Legal Entity Identifier (LEI)

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

Column 9 – ISIN Identification

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

The ISIN reported for this column should be same for the security as reported in other schedules for the lines shown below:

Lines 0199999 through 6699999 Schedule D, Part 1, Column 1
 Lines 6899999 through 7099999 Schedule D, Part 2, Section 1, Column 1
 Lines 7199999 through 7599999 Schedule D, Part 2, Section 2, Column 1

The ISIN number should be zero-filled for the following lines:

Real Estate (Schedule A) 8699999
 Mortgage Loans on Real Estate (Schedule B) 8799999
 Other Invested Assets (Schedule BA) 8899999
 Short-Term Invested Assets (Schedule DA, Part 1) 8999999
 Cash (Schedule E, Part 1) 9099999
 Cash Equivalents (Schedule E, Part 2) 9199999
 Other Assets 9299999

General Interrogatories:

1. The total activity for the year to date represents the net increase (decrease) from the prior year-end to the current statement date.
2. The average balance for the year to date is the average daily balance.

Average daily balance: Total of daily balances divided by the number of days that have passed in the year as of the reporting date. If data is missing for a given date (e.g., weekend, holiday), count the previous day's value multiple times. The actual day count for the year to date would serve as the denominator in the average calculation.

Not for Distribution

SCHEDULE E – PART 1 – CASH

MONTH END DEPOSITORY BALANCES

This schedule shows all banks, trust companies, savings and loan and building and loan associations in which deposits were maintained by the reporting entity at any time during the year and the balances, if any (according to Reporting Entity’s records), on the reporting date. Certificates of deposit in banks or other similar financial institutions with maturity dates of one-year or less from the acquisition date and other instruments defined as cash in accordance with *SSAP No. 2R—Cash, Cash Equivalents, Drafts and Short-term Investments* should be reported in this schedule. All Cash Equivalents should be reported in Schedule E, Part 2. Long-term certificates of deposit are to be reported in Schedule D.

In each case where the depository is not incorporated and subject to government supervision, the word “PRIVATE” in capital letters and in parentheses, thus — (PRIVATE) — should be inserted to the left of the name of the depository.

Report separately all deposits in excess of \$250,000 or less than (\$250,000). Deposits in federally insured depositories not exceeding \$250,000 or not less than (\$250,000) may be combined. Deposits in foreign bank accounts may be combined to the extent that the amount on deposit does not exceed the lesser of \$250,000 or the amount of the foreign guarantee. The amount combined should be reported opposite the caption, “Deposits in (insert number) depositories that do not exceed allowable limits.” However, any reporting entity that does not maintain total deposits in any one depository of more than \$250,000 is required to list its primary depository, and all entities must list all depositories where the total deposits or overdrafts (as represented by the absolute value) exceed 5% of the total cash as reported on Page 2 of the quarterly statement.

For Certificate of Deposit Account Registry Service (CDARS) or other similar services that have a maturity of one year or less, each individual banking institution providing a certificate of deposit should be reviewed separately to determine if the balance maintained by the reporting entity at that banking institution meets the criteria set forth above (e.g. does not exceed \$250,000 or is not less than (\$250,000) in federally insured depositories) for combining with other depository balances. If not, it should be listed individually on the schedule.

Cash in Reporting Entity’s Office should be reported in this schedule.

The total of all Cash on Deposit at the end of the quarter, plus Cash in the Reporting Entity’s Office (Total Cash), on a gross basis, less any applicable nonadmitted amounts (e.g., nonadmitted cash resulting from state imposed limitations), should equal the parenthetical amount reported as cash on page 2, Line 5 of the quarterly statement.

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

<u>Category</u>	<u>Line Number</u>
Open Depositories	
Segregated Funds Held for Others - Deposits in (insert number) depositories that do not exceed allowable limit in any one depository	0199998
Total Segregated Funds Held for Others	0199999
General Funds - Deposits in (insert number) depositories that do not exceed allowable limits in any one depository	0299998
Total General Funds	0299999
Reinsurance Reserve Funds - Deposits in (insert number) depositories that do not exceed allowable limits in any one depository	0399998
Total Reinsurance Reserve Funds	0399999
Total Open Depositories	0499999

Suspended Depositories

Segregated Funds Held for Others - Deposits in (insert number) depositories that do not exceed allowable limits in any one depository	0599998
Total Segregated Funds Held for Others	0599999
General Funds - Deposits in (insert number) depositories that do not exceed allowable limits in any one depository	0699998
Total General Funds	0699999
Reinsurance Reserve Funds - Deposits in (insert number) depositories that do not exceed allowable limits in any one depository	0799998
Total Reinsurance Reserves	0799999
Total Suspended Depositories	0899999
Totals - Cash on Deposit.....	0999999
Cash in Company's Office.....	1099999
Total Cash.....	1199999

- Column 1 – Depository
 Show full name and location of depository. Indicate whether the depository is a parent, subsidiary, or affiliate. Show maturity date in the case of certificate of deposit or time deposits.
- Column 2 – Code
 If cash is not under the exclusive control of the company, it is to be identified by placing one of the **symbols identified in the Investment Schedules General Instructions** in this column.
- Column 3 – Rate of Interest
 Show rate of interest.
- Column 4 – Amount of Interest Received During Current Quarter
 Include: Interest directly related to the accounts reported in this schedule.
- Column 6 – Book Balance of First Month
 Enter end of month balance.
- Column 7 – Book Balance of Second Month
 Enter end of month balance.
- Column 8 – Book Balance of Third Month
 Enter end of month balance.
- Column 9 – * Column
 Place an “*” in this column when the reporting entity is taking credit for the estimated amount recoverable in a suspended deposit.
- ** Column 10 will be electronic only. ****
- Column 10 – Legal Entity Identifier (LEI)
 Provide the 20-character Legal Entity Identifier (LEI) for any depository as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

SCHEDULE E – PART 2 – CASH EQUIVALENTS

INVESTMENTS OWNED END OF CURRENT QUARTER

List all investments owned whose maturities (or repurchase dates under repurchase agreement) at the time of acquisition were three months or less, as defined as cash equivalents in accordance with *SSAP No. 2R—Cash, Cash Equivalents, Drafts, and Short-Term Investments*. Include Money Market Mutual Funds.

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

Short Sales:

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

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

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

- **Category definitions for bonds**
- **Code column list of codes and definitions for securities not under the exclusive control of the reporting entity.**

	<u>Category</u>	<u>Line Number</u>
Bonds:		
U.S. Governments		
Issuer Obligations.....		0199999
Residential Mortgage-Backed Securities		0299999
Commercial Mortgage-Backed Securities.....		0399999
Other Loan-Backed and Structured Securities		0499999
Subtotals – U.S. Government Bonds.....		0599999
All Other Governments		
Issuer Obligations.....		0699999
Residential Mortgage-Backed Securities		0799999
Commercial Mortgage-Backed Securities.....		0899999
Other Loan-Backed and Structured Securities		0999999
Subtotals – All Other Government Bonds.....		1099999
U.S. States, Territories and Possessions (Direct and Guaranteed)		
Issuer Obligations.....		1199999
Residential Mortgage-Backed Securities		1299999
Commercial Mortgage-Backed Securities.....		1399999
Other Loan-Backed and Structured Securities		1499999
Subtotals – States, Territories and Possessions (Direct and Guaranteed).....		1799999

U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)

Issuer Obligations.....	1899999
Residential Mortgage-Backed Securities	1999999
Commercial Mortgage-Backed Securities.....	2099999
Other Loan-Backed and Structured Securities	2199999
Subtotals – Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed).....	2499999

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

Issuer Obligations.....	2599999
Residential Mortgage-Backed Securities	2699999
Commercial Mortgage-Backed Securities.....	2799999
Other Loan-Backed and Structured Securities	2899999
Subtotals – Special Revenue and Special Assessment Obligations and all Non-Guaranteed of Agencies and Authorities of Governments and Their Political Subdivisions	3199999

Industrial and Miscellaneous (Unaffiliated)

Issuer Obligations.....	3299999
Residential Mortgage-Backed Securities.....	3399999
Commercial Mortgage-Backed Securities.....	3499999
Other Loan-Backed and Structured Securities.....	3599999
Subtotals – Industrial and Miscellaneous (Unaffiliated)	3899999

Hybrid Securities

Issuer Obligations.....	4299999
Residential Mortgage-Backed Securities.....	4399999
Commercial Mortgage-Backed Securities.....	4499999
Other Loan-Backed and Structured Securities.....	4599999
Subtotals – Hybrid Securities	4899999

Parent, Subsidiaries and Affiliates Bonds

Issuer Obligations.....	4999999
Residential Mortgage-Backed Securities.....	5099999
Commercial Mortgage-Backed Securities.....	5199999
Other Loan-Backed and Structured Securities.....	5299999
Subtotals – Parent, Subsidiaries and Affiliates Bonds.....	5599999

SVO Identified Funds

Exchange Traded Funds – as Identified by the SVO.....	5899999
Bond Mutual Funds – as Identified by the SVO.....	5999999
Subtotals – SVO Identified Funds	6099999

Total Bonds

Subtotals – Issuer Obligations	7799999
Subtotals – Residential Mortgage-Backed Securities	7899999
Subtotals – Commercial Mortgage-Backed Securities	7999999
Subtotals – Other Loan-Backed and Structured Securities	8099999
Subtotal – SVO Identified Funds.....	8199999
Subtotal – Bonds	8399999

Sweep Accounts	8499999
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Exempt Money Market Mutual Funds – as Identified by SVO	8599999
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All Other Money Market Mutual Funds	8699999
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Other Cash Equivalents	8799999
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Total Cash Equivalents	8899999
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A money market fund shall be reported in this schedule as an Exempt Money Market Mutual Fund if such money market fund is identified by the SVO as meeting the required conditions found in Part Six, Section 2(b)(i) of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*. All money market mutual funds that are not identified by the SVO on the U.S. Direct Obligations/Full Faith and Credit Exempt List shall be reported in this schedule as an “all other money market mutual fund.”

Column 1 – CUSIP Identification

All CUSIP numbers entered in this column must conform to those as published in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*, Part Six, Sections 2(f) and (g).

CUSIP identification is **required and valid only** for Exempt Money Market Mutual Funds – as Identified by SVO (Line 8599999) and All Other Money Market Mutual Funds (Line 8699999).

Column 2 – Description

Give a complete and accurate description.

Column 3 – Code

If a cash equivalent is not under the exclusive control of the reporting entity, it is to be identified by placing one of the **codes identified in the Investment Schedules General Instructions** in this column.

Column 4 – Date Acquired

For public placements use trade date, not settlement date. For private placements, use funding date. Each issue of bonds or stocks acquired at public offerings on more than one date may be totaled on one line and the date of last acquisition inserted.

Column 5 – Rate of Interest

Show rate of interest as stated on the face of the issue. Short-term bonds with various issues of the same issuer use the last rate of interest. All information reported in this field must be a numeric value.

Column 6 – Maturity Date

Reporting entities may total on one-line purchases of various issues of the same issuer of short-term investments and insert the date of last maturity.

Column 9 – Amount Received During Year

Include: Investment income directly related to the securities reported in this schedule.

Accrual of discount and amortization of premium, where applicable.

Report amounts net of foreign withholding tax.

**** Column 10 will be electronic only. ****

Column 10 – Legal Entity Identifier (LEI)

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

Not for Distribution

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