NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE:_____10/10/2024_____

CONTACT PERSON: _____

TELEPHONE: _____

EMAIL ADDRESS: _____

ON BEHALF OF: _____

NAME: __Dale Bruggeman_____

TITLE: __Chair SAPWG_____

AFFILIATION: **Ohio Department**   Another NAIC Group

[X]   Received For Public/TT11Tf1.33d5.2267.cellXot[X]BLANKTERLYSTATEMENT

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

Anticipated Effective Date:__Annual 2025 / Quarterly 2026___

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Schedule BA line categories and instructions for the expansion of collateral loans. Add two electronic only columns on Schedule BA, Part 1 for reporting fair value of collateral backing and the percentage of the collateral. Update the Asset Valuation Reserve instructions and blank for the added collateral loan lines.

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

The purpose of this proposal is to update the instructions and blank for the SAPWG's expansion of reporting for collateral loans to enable regulators the ability to quickly identify the type of collateral. *SAPWG Ref #2023 28*

IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL

NAIC STAFF COMMENTS

Comment on Effective Reporting Date:_____

Other Comments: *For 2025 quarterly reporting there is a SAPWG Memo on the BWG webpage.*

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

SCHEDULE BA – PARTS 1, 2 AND 3

OTHER LONG-TERM INVESTED ASSETS – GENERAL INSTRUCTIONS

Detail Eliminated To Conserve Space

Collateral Loans – Reported by Collateral that Secures the Loan

    Backed by Mortgage Loans

        Unaffiliated 3199999

        Affiliated 3299999

    Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies

        Unaffiliated 3399999

        Affiliated 3499999

    Backed by Residual Tranches or Interests

        Unaffiliated 3599999

        Affiliated 3699999

    Backed by Debt Securities

        Unaffiliated 3799999

        Affiliated 3899999

    Backed by Real Estate

        Unaffiliated 3999999

        Affiliated 4099999

    Collateral Loans – All Other

        Unaffiliated 4199999

        Affiliated 4299999

Non-collateral Loans

    ~~Unaffiliated~~Related Party/Affiliated Loans .... ~~3399999~~4399999

    ~~Affiliated~~All Other Non-Collateral Loans .... ~~3499999~~4499999

Non-Guaranteed Federal Low Income Housing Tax Credit

    Unaffiliated .... ~~3599999~~4599999

    Affiliated .... ~~3699999~~4699999

Guaranteed State Low Income Housing Tax Credit

    Unaffiliated .... ~~3799999~~4799999

    Affiliated .... ~~3899999~~4899999

Non-Guaranteed State Low Income Housing Tax Credit

    Unaffiliated .... ~~3999999~~4999999

    Affiliated .... ~~4099999~~5099999

All Other Low Income Housing Tax Credit

    Unaffiliated .... ~~4199999~~5199999

    Affiliated .... ~~4299999~~5299999

Working Capital Finance Investment

    Unaffiliated .... ~~4399999~~5399999

Residual Tranches or Interests with Underlying Assets Having Characteristics of:

    Bonds

        Unaffiliated .... ~~4499999~~5499999

Preferred Stock
Unaffiliated .... ~~4699999~~5699999
Affiliated .... ~~4799999~~5799999

Common Stock
Unaffiliated .... ~~4899999~~5899999
Affiliated .... ~~4999999~~5999999

Real Estate
Unaffiliated .... ~~5099999~~6099999
Affiliated .... ~~5199999~~6199999

Mortgage Loans
Unaffiliated .... ~~5299999~~6299999
Affiliated .... ~~5399999~~6399999

Other
Unaffiliated .... ~~5499999~~6499999
Affiliated .... ~~5599999~~6599999

Any Other Class of Assets
Unaffiliated .... ~~5699999~~6699999
Affiliated .... ~~5799999~~6799999

Subtotals
Unaffiliated 6899999
Affiliated 6999999
TOTALS 7099999

Detail Eliminated To Conserve Space

Collateral Loans

Include: Refer to SSAP No. 21—Other Admitted Assets for a definition of collateral loans. Loans that are backed by any form of collateral, regardless of if the collateral is sufficient to fully cover the loan, shall be captured in this category. Guidance in SSAP No. 21 shall be followed to determine nonadmittance.

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.

Classify the collateral loan in accordance with the type of collateral held, such that if the loan was to default and the collateral was to be claimed by the reporting entity, where it would be captured (investment type by SSAP) as a directly-held investment. If more than one form of collateral secures the loan, classification should occur based on the primary collateral source. The all other collateral loan category shall only be used to capture collateral loans secured by collateral in the form of contract loans, derivatives, other invested assets not separately reported, receivables for securities, securities lending and any investments that would qualify as a write-in for invested assets.

- Backed by Mortgage Loans – collateral loans backed by mortgage loans that would be in scope of SSAP No. 37—Mortgage Loans if held directly.
- Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – collateral loans backed by an investment that would be in scope of SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies if held directly.

OTHER LONG-TERM INVESTED ASSETS OWNED DECEMBER 31 OF CURRENT YEAR

Detail Eliminated To Conserve Space

** Columns 21 through ~~26~~ 28 will be electronic only. **

Column 26   –   Maturity Date

The maturity date shall be reported for all investments on Schedule BA that have a stated maturity date. C

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

Detail Eliminated To Conserve Space

Line 89   –   Mortgage Loans – Affiliated

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

Lines 93
through 104   –   Collateral Loans

Line 93   –   Backed by Mortgage Loans – Unaffiliated

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

Line 94   –   Backed by Mortgage Loans – Affiliated

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

Line 95   –   Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – Unaffiliated

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

Line 96   –   Backed by Investments in Joint Ventures, Partnerships or Limited Liability Companies – Affiliated

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

Line 97   –   Backed by Residual Tranches or Interests – Unaffiliated

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

Line 98   –   Backed by Residual Tranches or Interests – Affiliated

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

Line 99　　　–　　　Backed by Debt Securities – Unaffiliated

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

Line 100　　　–　　　Backed by Debt Securities – Affiliated

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

Line 101　　　–　　　Backed by Real Estate – Unaffiliated

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

Line 102　　　–　　　Backed by Real Estate – Affiliated

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

Line 103　　　–　　　Collateral Loans – All Other – Unaffiliated

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

Line 104　　　–　　　Collateral Loans – All Other – Affiliated

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

Line 94 106 & 95107　–　　Working Capital Finance Investments – Detail Eliminated to Conserve Space

Line 96108　　　–　　Other Invested Assets – Schedule BA – Detail Eliminated to Conserve Space

Line 97109　　　–　　Other Short-Term Invested Assets – Schedule DA – Detail Eliminated to Conserve Space

Line 98110　　　–　　Total Other Invested Assets – Schedules BA & DA – Detail Eliminated to Conserve Space

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

Line
Number

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

Line Number	NAIC Desig-nation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution 5 Factor	6 Amount (Cols. 4x5)	Reserve Objective 7 Factor	8 Amount (Cols. 4x7)	Maximum Reserve 9 Factor	10 Amount (Cols. 4x9)
		COLLATERAL LOANS										
93		Backed by Mortgage Loans – Unaffiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
94		Backed by Mortgage Loans – Affiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
95		Backed by Joint Ventures, Partnerships, & Limited Liability Companies – Unaffiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
96		Backed by Joint Ventures, Partnerships, & Limited Liability Companies – Affiliated..	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
97		Backed by Residual Tranches or Interests – Unaffiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
98		Backed by Residual Tranches or Interests – Affiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
99		Backed by Debt Securities – Unaffiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
100		Backed by Debt Securities – Affiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
101		Backed by Real Estate – Unaffiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
102		Backed by Real Estate – Affiliated..	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
103		Collateral Loans – All Other – Unaffiliated	....	....	....	....	0.0000	....	0.0680	....	0.0680	....
104		Collateral Loans – All Other – Affiliated					0.0000					