**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<table>
<thead>
<tr>
<th>DATE:</th>
<th>02/19/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOR NAIC USE ONLY</td>
<td></td>
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<tr>
<td>Agenda Item # 2010-06BWG MOD</td>
<td></td>
</tr>
<tr>
<td>Year 2011</td>
<td></td>
</tr>
<tr>
<td>Changes to Existing Reporting [ X ]</td>
<td></td>
</tr>
<tr>
<td>New Reporting Requirement [ ]</td>
<td></td>
</tr>
</tbody>
</table>

**REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT**

| No Impact [ X ] |
| Modifies Required Disclosure [ ] |

**DATE:** 02/19/2010

**CONTACT PERSON:** David Vacca (NAIC Staff)

**TELEPHONE:**

**EMAIL ADDRESS:**

**ON BEHALF OF:** Financial Analysis Working Group (FAWG)

**NAME:** Roger Peterson

**TITLE:** Chair of FAWG

**AFFILIATION:** Wisconsin Office of Commissioner of Ins

**ADDRESS:** 125 S. Webster St., GEF III – 2nd Fl

Madison, WI 53702

**BLANK(S) TO WHICH PROPOSAL APPLIES**

- [ X ] ANNUAL STATEMENT
- [ X ] QUARTERLY STATEMENT
- [ X ] BLANK
- [ X ] Life and Accident & Health
- [ X ] Property/Casualty
- [ X ] Health
- [ ] Separate Accounts
- [ X ] Fraternal
- [ X ] Title
- [ ] Other Specify

Anticipated Effective Date: First Quarter 2011

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

Add supplement to the property annual and quarterly statement to capture premium and loss data related to Director and Officer Insurance. Also adds new interrogatory questions to the Supplemental Exhibits and Schedules Interrogatories page for both annual and quarterly reporting. A new document identifier was added to the list of identifiers. Life, health, fraternal and title only added to proposal due to identifier list being a uniform listing.

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

The purpose of this proposal is to give regulators more information on Director and Officer Insurance helping regulators in their analysis of the risk this coverage poses to insurers. This coverage has also been an area of interest to federal regulators recently.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: First Quarter 2011 should not be a problem

Other Comments:

**THIS SECTION MUST BE COMPLETED ON ALL FORMS.** Revised 6/13/2009

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If the reporting entity writes any director and officer (D&O) business, please provide the following:

### 1. Monoline Policies

<table>
<thead>
<tr>
<th>Direct Premiums</th>
<th>Direct Losses</th>
<th>Direct Defense and Cost Containment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Written</td>
<td>2 Earned</td>
<td>3 Paid</td>
<td>4 Incurred</td>
</tr>
<tr>
<td>5 Paid</td>
<td>6 Incurred</td>
<td>7 Claims Made</td>
<td>8 Occurrence</td>
</tr>
</tbody>
</table>

### 2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy?  
   Yes [ ] No [ ]

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [ ] No [ ]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct written premium earned amount for D&O liability coverage in CMP packaged policies.

<table>
<thead>
<tr>
<th>2.31 Amount quantified: $</th>
<th>2.32 Amount estimated using reasonable assumptions: $</th>
</tr>
</thead>
</table>

2.4 If the answer to question 2.1 is yes please provide the following:

<table>
<thead>
<tr>
<th>Direct Losses</th>
<th>Direct Defense and Cost Containment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Paid</td>
<td>2 Paid + Change in Case Reserves</td>
<td>3 Paid</td>
</tr>
<tr>
<td></td>
<td>4 Paid + Change in Case Reserves Incurred</td>
<td>5 Claims Made</td>
</tr>
<tr>
<td></td>
<td>6 Claims Made</td>
<td>7 Occurrence</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>%</td>
</tr>
</tbody>
</table>
If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. **Monoline Policies**

<table>
<thead>
<tr>
<th></th>
<th>1 Direct Written Premium</th>
<th>2 Direct Earned Premium</th>
<th>3 Direct Losses Incurred</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

2. **Commercial Multiple Peril (CMP) Packaged Policies**

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [ ] No [ ]

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [ ] No [ ]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct written premium earned amount for D&O liability coverage in CMP packaged policies.

2.31 Amount quantified: $ ................................

2.32 Amount estimated using reasonable assumptions: $ ................................

2.4 If the answer to question 2.1 is yes provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies. $ ................................
The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a “NONE” report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

**MARCH FILING**

12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? ...........................................................
13. Will the Financial Guaranty Insurance Exhibit be filed by March 1? ......................................................................................
14. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? ......................................................
15. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed by March 1? ......................................................................................
16. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1? ......................................................................................
17. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1? ......................................................................................
18. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1? .................. ......................................................................................
19. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? ......................................................................................
20. Will the confidential Actuarial Opinion Summary be filed with the state of domicile, if required, by March 15 (or the date otherwise specified)? ......................................................................................
21. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1? ......................................................................................
22. Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1? ......................................................................................
23. Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1? ......................................................................................
24. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC by March 1? ......................................................................................

**APRIL FILING**

24 25. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? ......................................................................................
26 27. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? ......................................................................................

**AUGUST FILING**

27 28. Will Management’s Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? ......................................................................................

**QUARTERLY STATEMENT BLANK – PROPERTY**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a “NONE” report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

**Response**

1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? ......................................................................................
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement? ......................................................................................
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? ......................................................................................
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement? ......................................................................................

**Explanation:**

**Bar Code:**

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ANNUAL STATEMENT INSTRUCTIONS – PROPERTY

DIRECTOR AND OFFICER SUPPLEMENT

This supplement should be completed by those reporting entities that provide director and officer (D&O) liability coverage in a monoline policy or as part of a commercial multiple peril (CMP) policy. The supplement should be reported on a direct basis (before assumed and ceded reinsurance).

Director and Officer Liability

Coverage when a director or officer of a company is alleged to have committed a negligent act or omission, or misstatement or misleading statement, and a successful suit claim is brought against the directors or officers company as a result. The policy provides coverage for directors' and officers' liability exposure if claims are made against the directors or officers as individuals.

Line 1 – Direct premiums, losses and defense and cost containment expenses for monoline policies are to be reported before reinsurance for Columns 1 through 6. For Columns 7 and 8 provide the percentage of policies that are claims made versus occurrence.

Line 2.3 – If the answer to question 2.2 is yes, provide the amount of written direct premium earned (quantified or estimated) for CMP policies before reinsurance.

Line 2.4 – Direct Losses Paid + Change in Case Reserves for CMP policies are to be reported before reinsurance.

For Columns 5 and 6 provide the percentage of policies that are claims made versus occurrence.

QUARTERLY STATEMENT INSTRUCTIONS – PROPERTY

DIRECTOR AND OFFICER SUPPLEMENT

This supplement should be completed by those reporting entities that provide director and officer (D&O) liability coverage in a monoline policy or as part of a commercial multiple peril (CMP) policy. Premiums and losses are to be reported year to date. The supplement should be reported on a direct basis (before assumed and ceded reinsurance).

Director and Officer Liability

Coverage when a director or officer of a company is alleged to have committed a negligent act or omission, or misstatement or misleading statement, and a successful suit claim is brought against the directors or officers company as a result. The policy provides coverage for directors' and officers' liability exposure if claims are made against the directors or officers as individuals.

Line 1 – Direct premiums and losses for monoline policies are to be reported before reinsurance for Columns 1 through 3.

Line 2.3 – If the answer to question 2.2 is yes, provide the amount of written direct premium earned (quantified or estimated) for CMP policies before reinsurance.

Line 2.4 – Direct Losses Paid + Change in Case Reserves for CMP policies are to be reported before reinsurance.
## APPENDIX

### INSTRUCTIONS FOR USE OF BARCODES

<table>
<thead>
<tr>
<th>FORM</th>
<th>DOCUMENT IDENTIFIER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement (Annual, quarterly and combined)</td>
<td>201</td>
</tr>
<tr>
<td>Separate Accounts Statement</td>
<td>202</td>
</tr>
<tr>
<td>Protected Cell Statement</td>
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</tr>
<tr>
<td>Trusteed Surplus Statement</td>
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<tr>
<td>Worker’s Compensation Carve-out Supplement</td>
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<tr>
<td>Bail Bond Supplement</td>
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<tr>
<td>Director and Officer Supplement</td>
<td>505</td>
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