

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<b>CONTACT PERSON:</b> _____ <b>TELEPHONE:</b> _____ <b>EMAIL ADDRESS:</b> _____ <b>ON BEHALF OF:</b> _____ <b>NAME:</b> <u>Matti Peltonen</u> <b>TITLE:</b> <u>Bureau Chief</u> <b>AFFILIATION:</b> <u>New York State Insurance Department</u> <b>ADDRESS:</b> <u>25 Beaver Street, New York, NY 10004</u> _____	<b>DATE:</b> <u>01/23/2013</u>	<b>FOR NAIC USE ONLY</b>
	Agenda Item # <u>2013-02BWG</u> Year <u>2013</u> Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ] New Reporting Requirement <input type="checkbox"/> [ ]	<b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b>
	No Impact <input checked="" type="checkbox"/> [ X ] Modifies Required Disclosure <input type="checkbox"/> [ ]	<b>DISPOSITION</b>
	<input type="checkbox"/> [ ] Rejected For Public Comment <input type="checkbox"/> [ ] Referred To Another NAIC Group <input type="checkbox"/> [ ] Received For Public Comment <input checked="" type="checkbox"/> [ X ] Adopted Date <u>06/13/2013</u> <input type="checkbox"/> [ ] Rejected Date _____ <input type="checkbox"/> [ ] Deferred Date _____ <input type="checkbox"/> [ ] Other (Specify) _____	

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

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT           | <input checked="" type="checkbox"/> [ X ] QUARTERLY STATEMENT |  |
| <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS               | <input type="checkbox"/> [ ] CROSSCHECKS                      | <input type="checkbox"/> [ ] BLANK               |
| <input checked="" type="checkbox"/> [ X ] Life and Accident & Health | <input checked="" type="checkbox"/> [ X ] Property/Casualty   | <input checked="" type="checkbox"/> [ X ] Health |
| <input type="checkbox"/> [ ] Separate Accounts                       | <input checked="" type="checkbox"/> [ X ] Fraternal           | <input checked="" type="checkbox"/> [ X ] Title  |
| <input type="checkbox"/> [ ] Other Specify                           |   |  |

Anticipated Effective Date: Annual 2013

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

Add two categories to Schedule BA for joint ventures, partnerships and limited liability companies with characteristics of mortgage loans( affiliated and unaffiliated). Modify the Asset Valuation Reserve instructions to reflect the additional line numbers and the change to existing line numbers.

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

The purpose of this proposal is to add the mortgage loan categories to the “Joint Ventures, Partnerships and Limited Liability Companies Interests” group so reporting is consistent with mortgage loans in the “Fixed or Variable Interest Rate Investments” group.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

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

**ANNUAL STATEMENT INSTRUCTIONS – LIFE, HEALTH, PROPERTY, FRATERNAL AND TITLE**

**SCHEDULE BA – PARTS 1, 2 AND 3**

**OTHER LONG-TERM INVESTED ASSETS – GENERAL INSTRUCTIONS**

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 which 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 the Name or Description column 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. 23, 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

<u>Mortgage Loans</u>		
Unaffiliated .....		1999999
<u>Affiliated .....</u>		<u>2099999</u>
Other		
Unaffiliated .....		1999999
<u>Affiliated .....</u>		<u>2099999</u>
Surplus Debentures, etc.		
Unaffiliated .....		2199999
<u>Affiliated .....</u>		<u>2299999</u>
Collateral Loans		
Unaffiliated .....		2399999
<u>Affiliated .....</u>		<u>2499999</u>
Non-collateral Loans		
Unaffiliated .....		2599999
<u>Affiliated .....</u>		<u>2699999</u>
Capital Notes		
Unaffiliated .....		2799999
<u>Affiliated .....</u>		<u>2899999</u>
Guaranteed Federal Low Income Housing Tax Credit		
Unaffiliated .....		2999999
<u>Affiliated .....</u>		<u>3099999</u>
Non- Guaranteed Federal Low Income Housing Tax Credit		
Unaffiliated .....		3199999
<u>Affiliated .....</u>		<u>3299999</u>
State Low Income Housing Tax Credit		
Unaffiliated .....		3399999
<u>Affiliated .....</u>		<u>3499999</u>
All Other Low Income Housing Tax Credit		
Unaffiliated .....		3599999
<u>Affiliated .....</u>		<u>3699999</u>
Any Other Class of Assets		
Unaffiliated .....		3799999
<u>Affiliated .....</u>		<u>3899999</u>
Subtotals		
Unaffiliated .....		3999999
<u>Affiliated .....</u>		<u>4099999</u>
TOTALS .....		4199999


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**Detail Eliminated To Conserve Space**
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ANNUAL STATEMENT INSTRUCTIONS – LIFE AND FRATERNAL

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



**Detail Eliminated To Conserve Space**

Lines 39 through 54 – Other Invested Assets with Underlying Characteristics of Mortgage Loans

Report the book/adjusted carrying value of all Schedule BA assets owned where the characteristics of the underlying investment are similar to mortgage loans (Lines 0999999, ~~and 1099999, 1999999 and 2099999~~the portion of Lines 1399999 and 1499999 that applies to fixed income instruments similar to mortgage loans), excluding any mortgage-backed/asset-backed securities included in Lines 23 through 29 above, in Columns 1 and 4. Categorize the mortgage loans as indicated in Lines 39 through 54.

Multiply the amount in Column 4 for each category by the reserve factors calculated for Page 31, Columns 5, 7 and 9, Lines 35 through 50. Report the products by category in Columns 6, 8 and 10, respectively.



**Detail Eliminated To Conserve Space**

**DRAFTING NOTE: Other Schedule BA line references will be updated to reflect the change in line numbers as a result of this proposal.**

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE, HEALTH, PROPERTY, FRATERNAL AND TITLE**

**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. 23, 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>
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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

<u>Mortgage Loans</u>		
	<u>Unaffiliated .....</u>	<u>1999999</u>
	<u>Affiliated .....</u>	<u>2099999</u>
Other		
	Unaffiliated .....	19999992199999
	Affiliated .....	20999992299999
Surplus Debentures, etc.		
	Unaffiliated.....	21999992399999
	Affiliated .....	22999992499999
Collateral Loans		
	Unaffiliated.....	23999992599999
	Affiliated .....	24999992699999
Non-collateral Loans		
	Unaffiliated.....	25999992799999
	Affiliated .....	26999992899999
Capital Notes		
	Unaffiliated.....	27999992999999
	Affiliated .....	28999993099999
Guaranteed Federal Low Income Housing Tax Credit		
	Unaffiliated.....	29999993199999
	Affiliated .....	30999993299999
Non- Guaranteed Federal Low Income Housing Tax Credit		
	Unaffiliated.....	31999993399999
	Affiliated .....	32999993499999
State Low Income Housing Tax Credit		
	Unaffiliated.....	33999993599999
	Affiliated .....	34999993699999
All Other Low Income Housing Tax Credit		
	Unaffiliated.....	35999993799999
	Affiliated .....	36999993899999
Any Other Class of Assets		
	Unaffiliated.....	37999993999999
	Affiliated .....	38999994099999
Subtotals		
	Unaffiliated.....	39999994199999
	Affiliated .....	40999994299999
TOTALS.....		<u>41999994399999</u>


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**Detail Eliminated To Conserve Space**
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