

## Capital Adequacy (E) Task Force

### RBC Proposal Form

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Capital Adequacy (E) Task Force  | <input type="checkbox"/> Health RBC (E) Working Group         | <input type="checkbox"/> Life RBC (E) Working Group  |
| <input type="checkbox"/> Catastrophe Risk (E) Subgroup    | <input type="checkbox"/> Investment RBC (E) Working Group     | <input type="checkbox"/> SMI RBC (E) Subgroup        |
| <input type="checkbox"/> C3 Phase II/ AG43 (E/A) Subgroup | <input checked="" type="checkbox"/> P/C RBC (E) Working Group | <input type="checkbox"/> Stress Testing (E) Subgroup |

<b>DATE:</b> <u>5/15/2017</u>	<b><u>FOR NAIC USE ONLY</u></b>
<b>CONTACT PERSON:</b> <u>Eva Yeung</u> <b>TELEPHONE:</b> <u>816-783-8407</u> <b>EMAIL ADDRESS:</b> <u>eveung@naic.org</u> <b>ON BEHALF OF:</b> <u>P/C RBC (E) Working Group</u> <b>NAME:</b> <u>Scott Williamson</u> <b>TITLE:</b> <u>VP &amp; Director of Financial Analytics</u> <b>AFFILIATION:</b> <u>Reinsurance Association of America</u> <b>ADDRESS:</b> <u>1445 New York Ave, NW, 7<sup>th</sup> Floor</u> <u>Washington, DC 20005</u>	Agenda Item # <u>2016-10-P</u> Year <u>2018</u>  <b><u>DISPOSITION</u></b> <input checked="" type="checkbox"/> ADOPTED <u>8/7/2017</u> <input type="checkbox"/> REJECTED _____ <input type="checkbox"/> DEFERRED TO _____ <input type="checkbox"/> REFERRED TO OTHER NAIC GROUP _____ <input checked="" type="checkbox"/> EXPOSED <u>5/15/17</u> <input type="checkbox"/> OTHER (SPECIFY) _____

#### IDENTIFICATION OF SOURCE AND FORM(S)/INSTRUCTIONS TO BE CHANGED

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Health RBC Blanks    | <input checked="" type="checkbox"/> Property/Casualty RBC Blanks | <input type="checkbox"/> Life RBC Instructions                         |
| <input type="checkbox"/> Fraternal RBC Blanks | <input type="checkbox"/> Health RBC Instructions                 | <input checked="" type="checkbox"/> Property/Casualty RBC Instructions |
| <input type="checkbox"/> Life RBC Blanks      | <input type="checkbox"/> Fraternal RBC Instructions              | <input type="checkbox"/> OTHER _____                                   |

#### DESCRIPTION OF CHANGE(S)

This proposal deletes PR012A and makes minor changes to PR012 RBC Blanks and Instructions to update references to the Property/Casualty Annual Statement Blanks.

#### REASON OR JUSTIFICATION FOR CHANGE \*\*

Beginning in 2018, PR012A will no longer be needed to calculate the reinsurance credit risk component of R3 as these amounts will be directly linked to the Annual Statement Blanks.

#### Additional Staff Comments:

5/15/17 – The PCRBC WG exposed this proposal for 45 days ending 6/29/17.

6/29/17 – No comment received.

8/6/17- The PCRGCWG adopted this proposal.

8/7/17 – Adopted by the Capital Adequacy Task Force

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

Revised 11-2013

PR012A - Credit Risk for Receivables ~~(For Informational Purposes Only)~~

Reinsurance Recoverables

The calculation of the credit risk charge for reinsurance recoverables is detailed in Schedule F Part 3 Columns 28 through 36 of the Property/Casualty Annual Statement. This calculation is performed at the transaction level and those results are then summed to determine the charge. Reinsurance balances receivable on reinsurance ceded to non-affiliated companies (excluding certain pools) and to alien affiliates are subject to the credit risk-based capital charge. The following types of cessions are exempt from this charge:

- Cessions to State Mandated Involuntary Pools and Associations or to Federal Insurance Programs.
- This category includes all federal insurance programs [e.g., National Flood Insurance Program (NFIP), Federal Crop Insurance Corporation (FCIC), etc., all state mandated residual market mechanisms and the National Council on Compensation Insurance (NCCI).
- Cessions to U.S. Parents, Subsidiaries and Affiliates.

The categories above are automatically excluded from the data that is pulled from calculated in Schedule F Part 3 of the Annual Statement.

~~-Since the Annual Statement requires the collectability of reinsurance balances be considered via the reinsurance penalty, the appropriate balances must be offset by any liability that has been established for this purpose. The amount from Page 3, Line 16 should be allocated to the appropriate (re)insurers listed on Schedule F. The total amount recoverable from reinsurers less any applicable reinsurance penalty is multiplied by 120% to stress the recoverable balance. The total of reinsurance payable and/or funds held amounts (not in excess of the stressed recoverable) are applied as offsets to arrive at the stressed net recoverable. and summarized by Schedule F category (e.g. "Authorized Alien Affiliates"). If a balance for any Schedule F category is zero, a penalty should not be entered for this category. Enter the reinsurance penalty in Column (2), Lines (1) through (12) if applicable.~~

~~Since there are different reinsurance credit risk factors for collateralized and uncollateralized reinsurance recoverables, the appropriate balances stressed net recoverable should be offset by any available collateral, such as letters of credit, multiple beneficiary trusts, and single beneficiary trusts and other allowable offsets (not in excess of the stressed net recoverable). ~~These~~ The collateralized amounts are derived from Schedule F Part ~~5-3~~ 3 Column 32 and the uncollateralized amounts are derived from Column 33, ~~and Schedule F Part 6 Section 1.~~ ~~These~~ collateral offset amounts are reported for the individual (re)insurers listed on Schedule F and should be summarized by the corresponding Schedule F category in Columns (10) through (12), Lines (1) through (12) if applicable.~~

~~The risk-based capital for the various credits (including collateral offsets where applicable) taken for reinsurance may not be less than zero even if the amount reported or the amount net of offsets is negative. Recoverables from alien parents, subsidiaries and affiliates should be included. The following types of cessions are exempt from this charge:~~

- ~~• Cessions to State Mandated Involuntary Pools and Associations or to Federal Insurance Programs.~~
- ~~• This category includes all federal insurance programs [e.g., National Flood Insurance Program (NFIP), Federal Crop Insurance Corporation (FCIC), etc., all state mandated residual market mechanisms and the National Council on Compensation Insurance (NCCI).~~
- ~~• Cessions to U.S. Parents, Subsidiaries and Affiliates.~~

~~The categories above are automatically excluded from the data that is pulled from the Annual Statement.~~

The factor for reinsurance recoverables (paid and unpaid less any applicable reinsurance penalty) due from a particular reinsurer is determined based on that reinsurer’s financial strength rating assigned on a legal entity basis.

For the purpose of the credit risk-based capital charge, the equivalent rating category assigned will correspond to current financial strength rating received from an approved rating agency as outlined in the table below. Ratings shall be based on interactive communication between the rating agency and the assuming insurer and shall not be based solely on publicly available information. If the reinsurer is unauthorized and does not have at least one financial strength rating, it should be assigned the “Vulnerable 6 or Unrated Unauthorized” equivalent rating. If the reinsurer is authorized and does not have at least one financial strength rating, it should be assigned the “Unrated Authorized Reinsurers” equivalent rating. Amounts recoverable from unrated voluntary pools should be assigned the “Secure 3” equivalent rating. An authorized association including incorporated and individual unincorporated underwriters or a member thereof may utilize the lowest financial strength group rating received from an approved rating agency. [The table below shows the R3 reinsurer equivalent rating categories and corresponding factors for A.M. Best, Standard and Poor’s, Moody’s and Fitch ratings.](#)

Reinsurer <a href="#">Designation</a> Equivalent Rating Category <a href="#">and Corresponding Factors</a> —For RBC R3 Credit Risk Charge							
Description	Secure 1	Secure 2	Secure 3	Secure 4	Secure 5	Vulnerable 6 or Unauthorized Unrated	Unrated Authorized Reinsurers
Best	A++	A+	A	A-	B++, B+	B, B-, C++, C+, C, C-, D, E, F	-----
S&P	AAA	AA+, AA, AA-	A+, A	A-	BBB+, BBB, BBB-	BB+, BB, BB-, B+, B, B-, CCC, CC, C, D, R	-----
Moody's	Aaa	Aa1, Aa2, Aa3	A1, A2	A3	Baa1, Baa2, Baa3	Ba1, Ba2, Ba3, B1, B2, B3, Caa, Ca, C	-----
Fitch	AAA	AA+, AA, AA-	A+, A	A-	BBB+, BBB, BBB-	BB+, BB, BB-, B+, B, B-, CCC, CC, C, D, R	-----
<a href="#">Collateralized Amounts Factors</a>	<a href="#">3.6%</a>	<a href="#">4.1%</a>	<a href="#">4.8%</a>	<a href="#">5.0%</a>	<a href="#">5.0%</a>	<a href="#">5.0%</a>	<a href="#">5.0%</a>
<a href="#">Uncollateralized Amounts Factors</a>	<a href="#">3.6%</a>	<a href="#">4.1%</a>	<a href="#">4.8%</a>	<a href="#">5.3%</a>	<a href="#">7.1%</a>	<a href="#">14.0%</a>	<a href="#">10.0%</a>

~~The Total Amount Subject to the R3 Charge in Column (9) consists of collateralized and uncollateralized amounts. The Collateralized Amounts Subject to the R3 Charge are reported in total in Column (21) Line (14). The Uncollateralized Amounts Subject to the R3 Charge are reported in Column (21) Line (17).~~

~~Utilizing internal company records, e~~Each reporting company should ~~maintain a list of record in Schedule F Part 3, Column 34,~~ the reinsurer designation equivalent financial strength ratings assigned to the (re)insurers listed ~~on Schedule F,~~ where there are balances receivable on reinsurance ceded for the Schedule F categories ~~listed on PR012~~subject to the credit risk charge on reinsurance recoverables. ~~Each reporting company should stratify the Total Amount Subject to the R3 Charge by the corresponding reinsurer equivalent rating category (Secure 1 through Vulnerable 6 or Unrated) of each respective reinsurer and summarize those subtotals in Columns (14) through (20), for both collateralized and uncollateralized recoverable in Lines (14) and (17) respectively. The resulting credit risk charge for reinsurance recoverables is determined by applying the corresponding factor by reinsurer designation equivalent to the collateralized and~~

uncollateralized balances respectively. These respective charges are derived from Schedule F Part 3, Columns 35 and 36 and Line 9999999 totals are reported on PR012 Lines 1 and 2.

Miscellaneous Recoverables

There is risk associated with recoverability of amounts from creditors other than reinsurers. In addition to the default risk, there is the risk that the amounts are not accurately estimated. The factor to measure this risk is estimated at 5 percent for Amounts Receivable Relating to Uninsured Accident and Health Plans; Receivables from Parent, Subsidiaries and Affiliates; and Aggregate Write-ins for Other Than Invested Assets. For Interest, Dividends and Real Estate Income Due and Accrued, which for the most part represents interest income due and accrued from bond holdings, the charge is 1 percent, which is equivalent to the charge applicable to unaffiliated NAIC 02 bonds.

**CREDIT RISK FOR RECEIVABLES PR012**

	Annual Statement Source	(1) Statement Value	Factor	(2) RBC Requirement
(1) Total RBC Requirement for Collateralized Reinsurance Recoverables *	Sch F Pt3, C35, L9999999	0	1.000	0
(2) Total RBC Requirement for Uncollateralized Reinsurance Recoverables *	SCh F Pt3, C36, L9999999	0	1.000	0
(3) Guaranty Funds Receivable or on Deposit	P2 C3 L19	0	0.050	0
(4) Investment Income Due & Accrued	P2 C3 L14	0	0.010	0
(5) Recov from Parent, Subs, Affils	P2 C3 L23	0	0.050	0
(6) Amts Receive relating to Uninsured A&H Plans	P2 C3 L17	0	0.050	0
(7) Aggregate W/I for Other Than Invest Assets	P2 C3 L25	0	0.050	0
<b>(8) Total Credit RBC = L(1)+L(2)+L(3)+L(4)+L(5)+L(6)+L(7)</b>		<b>0</b>		<b>0</b>

\* Schedule F data should be brought to full dollar amount by multiplying 1000.

Calculation of Total Risk-Based Capital After Covariance PR031 R2-R3

(1)

R2 - Asset Risk - Equity		PRBC O&I Reference	RBC Amount
(33)	Common - Affiliate Investment Subsidiary	PR004 L(7)C(2)	0
(34)	Common - Affiliate Hold. Company. in excess of Ins. Subs.	PR004 L(10)C(2)	0
(35)	Common - Investment in Parent	PR004 L(11)C(2)	0
(36)	Common - Aff'd US P&C Not Subj to RBC	PR004 L(12)C(2)	0
(37)	Common - Affil US Life Not Subj to RBC	PR004 L(13)C(2)	0
(38)	Common - Affil US Health Insurer Not Subj to RBC	PR004L(14)C(2)	0
(39)	Common - Aff'd Non-insurer	PR004 L(15)C(2)	0
(40)	Preferred - Aff'd Invest Sub	PR004 L(7)C(3)	0
(41)	Preferred - Aff'd Hold. Co. in excess of Ins. Subs.	PR004 L(10)C(3)	0
(42)	Preferred - Investment in Parent	PR004 L(11)C(3)	0
(43)	Preferred - Affil US P&C Not Subj to RBC	PR004 L(12)C(3)	0
(44)	Preferred - Affil US Life Not Subj to RBC	PR004 L(13)C(3)	0
(45)	Preferred - Affil US Health Insurer Not Subj to RBC	PR004 L(14)C(3)	0
(46)	Preferred - Affil Non-insurer	PR004 L(15)C(3)	0
(47)	Unaffiliated Preferred Stock and Hybrid Securities	PR007 L(15)C(2)+PR015 L(16)C(4)	0
(48)	Unaffiliated Common Stock	PR007 L(22)C(2)+PR015 L(17)C(4)	0
(49)	Other Long -Term Assets - Real Estate	PR008 L(7)C(2)	0
(50)	Other Long -Term Assets - Schedule BA Assets	PR008 L(19)C(2)+PR015 L(18)+L(19)C(4)	0
(51)	Misc Assets - Receivable for Securities	PR009 L(1)C(2)	0
(52)	Misc Assets - Aggregate Write-ins for Invested Assets	PR009 L(2)C(2)	0
(53)	Misc Assets - Derivatives	PR009 L(14)C(2)	0
(54)	Replication - Synthetic Asset: One Half	PR010 L(9999999)C(7)	0
(55)	Asset Concentration RBC - Equity	PR011 L(29)C(3) Grand Total Page	0

(56)	<b>Total R2</b>	L(33)+L(34)+L(35)+L(36)+L(37)+L(38)+L(39) +L(40)+L(41)+L(42)+L(43)+L(44)+L(45)+L(46)+L(47) +L(48)+L(49)+L(50)+L(51)+L(52)+L(53)+L(54)+L(55)	0
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R3 - Asset Risk - Credit			
(57)	Other Credit RBC	PR012 L(8)-L(1)-L(2)C(2)	0
(58)	One half of Rein Recoverables	.5 x (PR012 L(1)+L(2)C(2))	0
<del>(58A)</del>	<del>One half of Rein Recoverables (For Informational Purposes Only)</del>	<del>.5 x PR012A L(20)C(21)</del>	<del>0</del>
(59)	Other half of Rein Recoverables	If R4 L(63)>(R3 L(57) + R3 L(58)), 0, otherwise, R3 L(58)	0
<del>(59A)</del>	<del>Other half of Rein Recoverables (For Informational Purposes Only)</del>	<del>If R4 L(63)&gt;(R3 L(57) + R3 L(58A)), 0, otherwise, R3 L(58A)</del>	<del>0</del>
(60)	Health Credit Risk	PR013 L(12)C(2)	0

(61)	<b>Total R3</b>	L(57) + L(58) + L(59) + L(60)	0
<del>(61A)</del>	<del>Total R3A (For Informational Purposes Only)</del>	<del>L(57) + L(58A) + L(59A) + L(60)</del>	<del>0</del>

Calculation of Total Risk-Based Capital After Covariance PR032 R4-Rcat

			(1)
<b>R4 - Underwriting Risk - Reserves</b>		PRBC O&I Reference	RBC Amount
62	One half of Reinsurance RBC	If R4 L(63)>(R3 L(57) + R3 L(58)), R3 L(58), otherwise, 0	0
(62A)	One half of Reinsurance RBC (For Informational Puposos Only)	If R4 L(63)>(R3 L(57) + R3 L(58A)), R3 L(58A), otherwise, 0	0
(63)	Total Adjusted Unpaid Loss/Expense Reserve RBC	PR017 L(15)C(20)	0
(64)	Excessive Premium Growth - Loss/Expense Reserve	PR016 L(13) C(8)	0
(65)	A&H Claims Reserves Adjusted for LCF	PR024 L(5) C(2) + PR023 L(6) C(4)	0
66	<b>Total R4</b>	L(62)+L(63)+L(64)+L(65)	0
(66A)	<del>Total R4A (For Informational Puposos Only)</del>	<del>L(62A)+L(63)+L(64)+L(65)</del>	<del>0</del>
<b>R5 - Underwriting Risk - Net Written Premium</b>			
(67)	Total Adjusted NWP RBC	PR018 L(15)C(20)	0
(68)	Excessive Premium Growth - Written Premiums Charge	PR016 L(14)C(8)	0
(69)	Total Net Health Premium RBC	PR022 L(21)C(2)	0
(70)	Health Stabilization Reserves	PR025 L(8)C(2) + PR023 L(3) C(2)	0
(71)	<b>Total R5</b>	L(67)+L(68)+L(69)+L(70)	0
<b>Rcat - Catastrophe Risk</b>			
(72)	<b>Total Rcat</b>	PR027 L(3) C(1)	0
(73)	Total RBC After Covariance Before Basic Operational Risk = $R0 + \text{SQRT}(R1^2 + R2^2 + R3^2 + R4^2 + R5^2 + Rcat^2)$		0
(73A)*	<del>Total RBC After Covariance with Proposed Reinsurance Recoverable Charge Before Basic Operational Risk = <math>R0 + \text{SQRT}(R1^2 + R2^2 + R3A^2 + R4A^2 + R5^2 + Rcat^2)</math> (For Informational Puposos Only)</del>		<del>0</del>
(74)	BasicOperational Risk = .000 x L(73)		0
(74A)*	<del>Basic Operational Risk with Proposed Reinsurance Recoverable Charge = .000 x L(73A)</del>		<del>0</del>
(75)	Total RBC After Covariance including Basic Operational Risk = L73+ L74		0
(75A)	<del>Total RBC with Proposed Reinsurance Recoverable Charge After Covariance including Basic Operational Risk = L73A + L74A (For Informational Puposos Only)</del>		<del>0</del>
(76)	Authorized Control Level RBC including Basic Operational Risk = .5 x L75		0
(76A)*	<del>Authorized Control Level RBC with Proposed Reinsurance Recoverable Charge including Basic Operational Risk = .5 x L75A</del>		<del>0</del>

\* Line 75A and Line 76A reflect the implementation of recently approved credit risk charges for reinsurance recoverable.

**TREND TEST PR033**

	Annual Statement Source	(1) <u>Amount</u>	(2) <u>Result</u>
Original RBC % Before Applying Trend Test			
(1) Authorized Control Level Risk-Based Capital Including Basic Operational Risk	PR032, C(1) L(76)	<u>0</u>	
(2) Total Adjusted Capital	PR029, C(2) L(14)	<u>0</u>	
(3) RBC %	L(2)C(1) / L(1)C(1)	<u>0.00%</u>	
Combined Ratio Data			
(4) Premiums Earned	Pg 4, Col 1, L 1	<u>0</u>	
(5) Losses Incurred	Pg 4, Col 1, L 2	<u>0</u>	
(6) Loss Expenses Incurred	Pg 4, Col 1, L 3	<u>0</u>	
(7) Other Underwriting Expenses Incurred	Pg 4, Col 1, L 4	<u>0</u>	
(8) Aggregate Write-ins for Underwriting Deductions	Pg 4, Col 1, L 5	<u>0</u>	
(9) Dividends to Policyholders	Pg 4, Col 1, L 17	<u>0</u>	
(10) Net Written Premiums	Pg 8, Col 6, L 35	<u>0</u>	
Combined Ratio Calculation			
(11) Loss Ratio	[Pg 4, Col 1, L 2 + Pg 4, Col 1, L 3] / Pg 4, Col 1, L 1	<u>0.00%</u>	
(12) Dividend Ratio	Pg 4, Col 1, L 17 / Pg 4, Col 1, L 1	<u>0.00%</u>	
(13) Expenses Ratio	[Pg 4, Col 1, L 4 + Pg 4, Col 1, L 5] / Pg 8, Col 6, L 35	<u>0.00%</u>	
(14) Combined Ratio	L(11) + L(12) + L(13)	<u>0.00%</u>	
(15) Trend Test Result †	If L(3) Between 200% & 300% & L(14) >120%, L(15), YES, Otherwise, NO		<u>NO</u>

†The Trend Test applies only if L(15) = YES

‡If result = YES, the company triggers regulatory attention at the Company Action Level based on the trend test.

NOTE: This page is for information only until the modifications made by Capital Adequacy Task Force to the Risk-Based Capital (RBC) for Insurers Model Act are implemented by states.

**~~TREND TEST INCLUDING REINSURANCE RECOVERABLE CHARGE~~**

~~(For Informational Purposes Only)~~

<del>(16) Authorized Control Level RBC with Proposed Reinsurance Recoverable Charge including Basic Operational Risk</del>	<del>PR032, C(1) L(76A)</del>	<del><u>0</u></del>	
<del>(17) RBC %</del>	<del>L(2)C(1) / L(16)C(1)</del>	<del><u>0.00%</u></del>	
<del>(18) Trend Test Result*</del>	<del>If L(17) Between 200% &amp; 300% &amp; L(14) &gt;120%, YES, Otherwise, NO</del>		<del><u>NO</u></del>

\*If result = YES, the company triggers regulatory attention at the Company Action Level based on the trend test.



CREDIT RISK FOR RECEIVABLES PR012A

(For Informational Purposes Only)

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Annual Statement Source	Total Reinsurance Recoverable Sch F Pt 3 C(15)*	Applicable Penalty†	Total Recoverable Less Penalty C(1)-C(2)	Stressed Recoverable C(3)*-120%	Ceded Balances Payable Sch F Pt 3 C(16)*	Other Amounts Due to Reinsurers Sch F Pt 3 C(17)*	Funds Held Sch F Pt 3 C(19)*	Reinsurance Payables & Funds Held C(5)+C(6)+C(7) Not in Excess of C(4)	Amount Subject to R3 Charge C(4)-C(8)	Letter of Credit Derived From Sch F Pt 5- & Sch F Pt 6 Sn1**	Other Allowable Offsets Derived From Sch F Pt 5- & Sch F Pt 6-Sn1**	Multiple Beneficiary Trust Derived From Sch F Pt 6-Sn1**	Collateral Offsets C(10)+C(11)+C(12)-Not in Excess of C(9)
(1)	Authorized Alien Affiliates	Sch F Pt 3, 07999999												
(2)	Authorized U.S. Unaffiliated Insurers	Sch F Pt 3, 09999999												
(3)	Authorized Voluntary Pools	Sch F Pt 3, 11999999												
(4)	Authorized Alien Unaffiliates	Sch F Pt 3, 12999999												
(5)	Unauthorized Alien Affiliates	Sch F Pt 3, 20999999											-xxx	
(6)	Unauthorized U.S. Unaffiliated Insurers	Sch F Pt 3, 22999999											-xxx	
(7)	Unauthorized Voluntary Pools	Sch F Pt 3, 24999999											-xxx	
(8)	Unauthorized Alien Unaffiliates	Sch F Pt 3, 25999999											-xxx	
(9)	Certified Alien Affiliates	Sch F Pt 3, 33999999												
(10)	Certified U.S. Unaffiliated Insurers	Sch F Pt 3, 35999999												
(11)	Certified Voluntary Pools	Sch F Pt 3, 37999999												
(12)	Certified Alien Unaffiliates	Sch F Pt 3, 38999999												
(13)	Total	-												

In the table below, stratify the total amount subject to the R3 charge by the reinsurer financial strength rating (Secure 1 through Vulnerable 6 or Unrated) of each respective reinsurer comprising the balance, separately for both collateralized and uncollateralized amounts:

	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
	Amount Subject to RBC Allocated by Reinsurer Equivalent Rating								RBC Requirement
	Secure 1	Secure 2	Secure 3	Secure 4	Secure 5	Unrated	Vulnerable 6 or	Total	
(14)	Collateralized Amounts Subject to R3 Charge: In total should equal C(13)								
(15)	Factors for Collateralized Amounts Subject to RBC								
(16)	3.60%	4.10%	4.80%	5.00%	5.00%	5.00%	5.00%	XXX	XXX
(17)	Uncollateralized Amount Subject to R3 Charge: In total should equal C(9) L(13) - C(13) L(13)								
(18)	Factors for Uncollateralized Amounts Subject to RBC								
(19)	3.60%	4.10%	4.80%	5.30%	7.10%	10.00%	14.00%	XXX	XXX
(20)	Total RBC Requirement for Reinsurance Recoverables C(21) L(16) + C(21) L(19)								
								-	-

	(231)	(242)
	Statement Value	RBC Requirement
(1) Total RBC Requirement for Collateralized Reinsurance†	P22 C35 L9999999 * 1000	0
(2) Total RBC Requirement for Uncollateralized Reinsurance†	P22 C36 L9999999 * 1000	0
(213) Guaranty Funds Receivable or on Deposit	P2 C3 L19	0
(224) Investment Income Due & Accrued	P2 C3 L14	0
(235) Recov from Parent, Subs, Affils	P2 C3 L23	0
(246) Amts Receive relating to Uninsured A&H Plans	P2 C3 L17	0
(257) Aggregate W/I for Other Than Invest Assets	P2 C3 L25	0
(268) Total Credit RBC=Sum of RBC Requirement for Lines 20-1 through 257		0

† Schedule F data should be brought to full dollar amount by multiplying 1000.

\*\* Collateral offsets for authorized reinsurers are not reported on Schedule F Part 5 or Schedule F Part 6 Section 1, so these amounts should be entered from internal company records if applicable.







