

**Guidance for the 3<sup>rd</sup> Quarter 2009 Statement filing, 2009 Annual Statement Filing and 2010 Quarterly Statement Filings**

**5. Investments**

Instruction:

**D. Loan-Backed Securities**

For loan-backed securities, disclose the following:

- (4) All securities within the scope of this statement with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the other-than-temporary impairment:
  - 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, or
  - c. present value of cash flows expected to be collected is less than the amortized cost basis of the security.

Illustration:

**For Life and Fraternal companies:**

	1 Amortized Cost Basis Before Other-than- Temporary Impairment	2 Other-than-Temporary Impairment Recognized in Loss		3 Fair Value C1 – (C2a + C2b)
		2a Interest	2b Non-interest	
Aggregate Intent to Sell				
Aggregate Intent & Ability				

**For all other companies:**

	1 Amortized Cost Basis Before Other-than- Temporary Impairment	2 Other-than-Temporary Impairment Recognized in Loss	3 Fair Value C1 – C2
Aggregate Intent to Sell			
Aggregate Intent & Ability			

- (5) For each security with a recognized other-than-temporary impairment, currently held by the reporting entity, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:
  - a. The amortized cost basis, prior to any current-period other-than-temporary impairment.
  - b. The other-than-temporary impairment recognized in earnings as a realized loss.
  - c. The fair value of the security.
  - d. The amortized cost basis after the current-period other-than-temporary impairment.

Illustration:

1 CUSIP	2 Book/Adj Carrying Value Amortized cost before current period OTTI	3 Projected Cash flows	4 Recognized other-than- temporary impairment	5 Amortized cost after other-than- temporary impairment	6 Fair Value

Aggregate totals of column 2, 3, 4, 5 and 6

Column 2 minus Column 3 should equal Column 4

Column 2 minus Column 4 should equal Column 5