**Section 1401.10 Requirements in Filing Annual Statement**

a) Every life insurance company, assessment legal reserve company and fraternal benefit society which is authorized to do business in this State shall include in its annual statement each year to be filed with the Illinois Department of Insurance, under liabilities, a Security Valuation Reserve on its bond and stock holdings calculated in accordance with the report of the Sub-Committee of the Committee on Valuation of Securities which was adopted by the National Association of Insurance Commissioners on December 5, 1951, as amended.

b) The above mentioned Security Valuation Reserve is hereby prescribed by the Director of Insurance. The amount of the reserve should be shown in the annual statement as a Liability at line 25.1, page 3 in the Life and Fraternal blank.

c) This Department will also require a statement to be filed with the annual statement showing the details of the calculations of this reserve and indicating, in the case of life companies, the amounts which have been included in the appropriate items on page 3 of the Life blank.