

Variable Annuity & Life Insurance Companies – Get the Skill Set for XBRL

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- Guy Stanzione, Compliance Services Director, Toppan Merrill
- Scott Theis, CEO, Novaworks, LLC, and Chair, XBRL US Domain Steering Committee



Agenda

Topic	Speaker
XBRL Fundamentals	Scott Theis, Novaworks, LLC
Basics of the Rule	Guy Stanzione, Toppan Merrill
CPE	
XBRL Tagging Review	Mike Boyle, Donnelley Financial Solutions (DFIN)
Workflow and Resources	Nikky Berteau, Broadridge Financial Solutions
CPE	

XBRL Fundamentals

The Problem

- Documents used to be primarily in paper form — very difficult to search, had to be manually indexed
- In the 1990s, many systems began using electronic documents as Text, PDF and HTML — easier to search but content not reliably machine identifiable
- Clearly a method was needed to identify data in a flexible and consistent manner

The Solution: XBRL

- e**X**tensible **B**usiness **R**eporting **L**anguage
- XBRL is more than just a “format” for documents and data
- XBRL brings meaning to the data as a self-described data model
- XBRL has many levels and options for data validation
- In many cases, the submitted data is also used by analysts, educational institutions and individual investors

What Makes XBRL Different

- Unlike spreadsheets, CSV, JSON and other formats, XBRL is self contained and self describing
- The taxonomy describes the data, the data model, relationships, documentation and authoritative references
- XBRL is often referred to as *Structured Data*

Adding Intelligence to Data

33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		71,327,413	57,718,289
36	Special Deposits (132-134)		6,886,597	6,951,064
37	Working Fund (135)		147,415	146,305
38	Temporary Cash Investments (136)		1,220,000,000	385,000,000
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		1,273,685,556	
41	Other Accounts Receivable (143)		3,128,236,294	1,294,343,299
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		56,198,372	64,476,202
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		34,585,453	21,355,991
45	Fuel Stock (151)	227	1,566,341	1,375,066
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	442,660,412	365,624,133
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	396,185,501	419,851,065

Concept: Customer Accounts Receivable

Data Type: Monetary

Documentation (definition)

Entity: Pacific Gas & Electric

Period: 2019

Units: US dollars

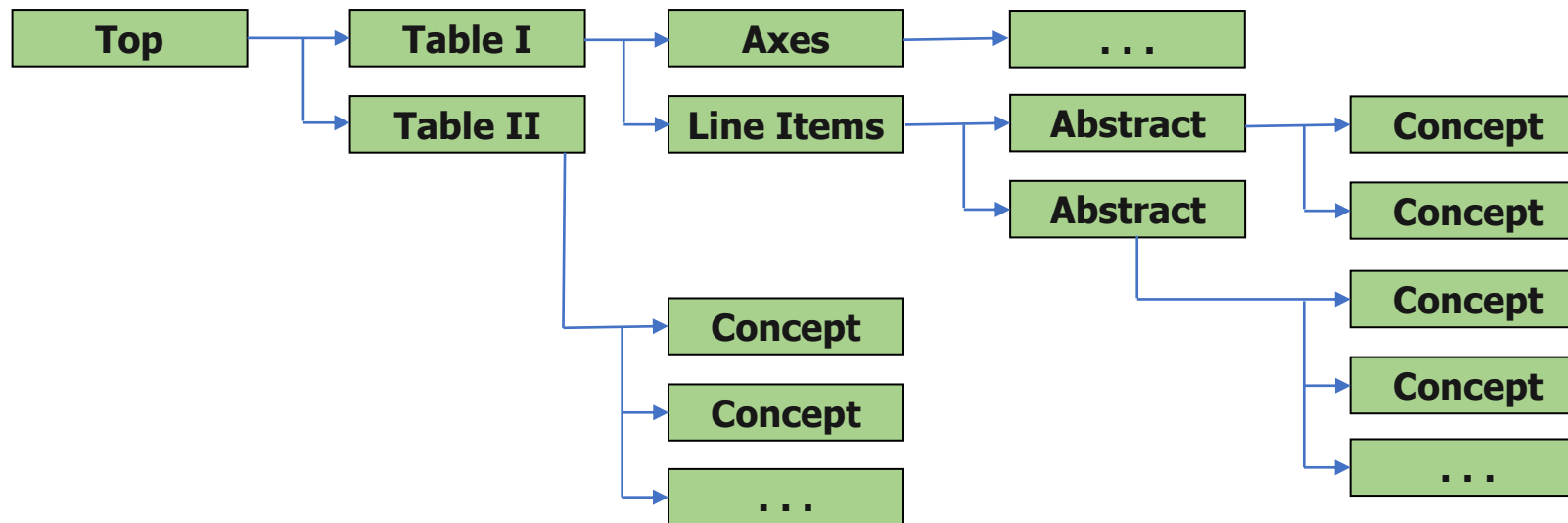
Where is XBRL Used

- XBRL is employed in the US by the:
 - SEC
 - FDIC
 - FERC
 - NGOs
 - Private industry
 - ... and more
- XBRL has also been implemented internationally by many countries

The Taxonomy

- The fundamental building block is the *Concept* (also known as an *Element*)
- A taxonomy defines the concepts, their characteristics and their relationships with other concepts
- Each concept has certain properties such as fact *data-type*, *period-type*, *balance-type*, etc.
- Concepts can also have related documentation (*labels*) and authoritative references (*references*)

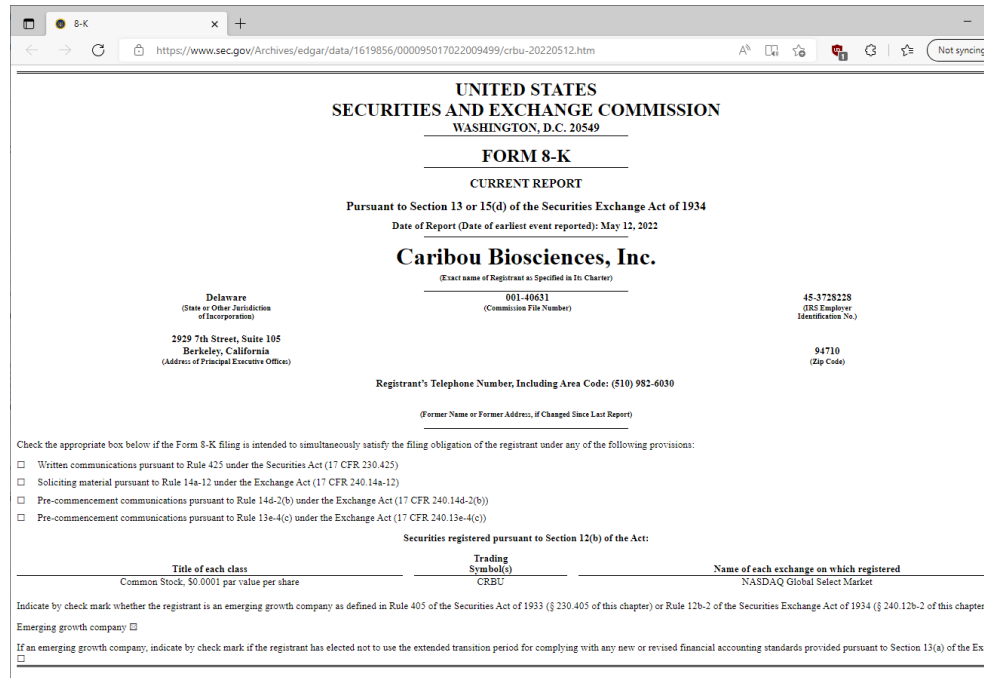
A Taxonomy Defines Structure



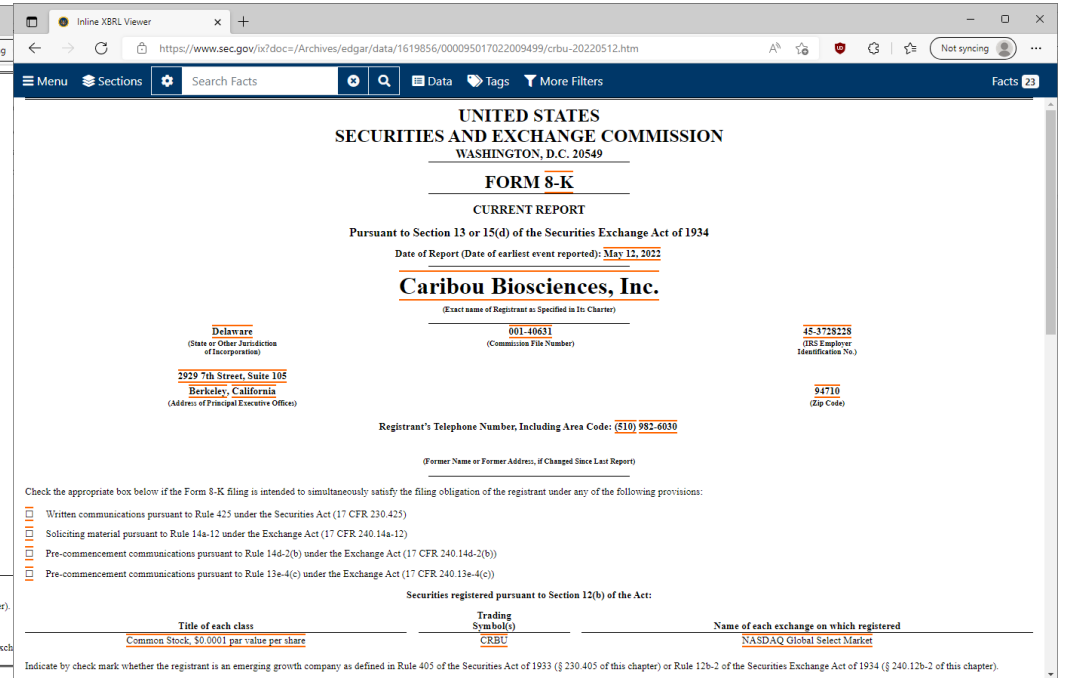
How is Data Identified

- For *Inline XBRL*, extra tags are added to the HTML to identify text as part of the *interactive data* to be submitted

Viewed as Conventional HTML



HTML Examined in Inline XBRL Viewer



Interactive Data

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<u>Common Stock, \$0.0001 par value per share</u>	<u>CRBU</u>	<u>NASDAQ Global Select Market</u>

Attributes

Security Exchange Name

Tag	dei:SecurityExchangeName
Fact	NASDAQ
Period	05/12/2022 - 05/12/2022
Type	Edgar Exchange Code Item Type
Format	exchnameen

Labels

Security Exchange Name

Documentation	Name of the Exchange on which a security is registered.
Label	Security Exchange Name

References

Security Exchange Name

Name	Exchange Act
Number	240
Publisher	SEC
Section	12
Subsection	d1-1

Concepts, Facts and Contexts

- The *Concept* is defined by the taxonomy
- *Facts* are part of the instance submitted to the regulatory agency
- *Contexts* define *periods* and other *dimensional* information and are also part of the instance

The Instance

- This is the collection of information that represents the XBRL disclosure of your data
- It contains *contexts* that define:
 - The *period* that the data applies to (at a minimum)
 - A context can also contain *dimensional* information
- It contains the data items or *facts* as defined by the unique intersection of a context and a concept

What Gets Filed

- *Instance* — Your main document was HTML is now XHTML with Inline XBRL embedded
- *Schema* — Defines your taxonomy and links to other standard taxonomies (Exhibit 101 or “Ex-101.SCH”)
- *Linkbases* — As required, labels, presentations, definitions, calculations (Exhibit 101, “Ex-101.LAB”, “Ex-101.PRE”, etc.)

Where Can I Find More Information?

- Regulation S-T and the EDGAR Filer Manual (EFM)
 - EFM Volume II Chapter 6 Covers XBRL
- [VIP Taxonomy Guide](https://xbrl.sec.gov/vip/2022q2/vip-taxonomy-guide-2022-06-21.pdf) (https://xbrl.sec.gov/vip/2022q2/vip-taxonomy-guide-2022-06-21.pdf)
- SEC Website, XBRL Section
- XBRL US
- Vendors, Agents, Law Firms

Basics of the Rule

“What Does The Rule Mean To Me?”

The iXBRL requirement has triggered questions from issuers impacted by the rule, including:

- What documents and filings need to be tagged?
- What content within the document needs to be tagged?
- Which products will be required to file in iXBRL format?
- Can any products continue to file in traditional XBRL?
- When and how do we create the iXBRL filing package?
- Are there any changes to the form types?
- How will this impact my document preparation workflow?
- What will be the impact on my review cycles?
- What does this do to my production cycle?
- Are tools available to help simplify the process?
- Who can help me understand XBRL and iXBRL more clearly?
- How is XBRL being consumed and used?

Rule Elements

- Effective January 1, 2023, Variable Product issuers will be required to submit in iXBRL information contained in their pre-effective registration statements or post-effective amendments filed on Forms N-3, N-4, and N-6, and forms of prospectuses filed pursuant to Rule 497(c) or Rule 497(e), when information varies from the registration statement.
- The rule applies to actively sold contracts that file registration statements and definitive updates using Inline XBRL (iXBRL):
 - Pre-effective amendments – For new products going effective
 - 485BPOS – Existing products filing annual updates
 - 497(c) / 497 (e) – Content that varies from the registration statement
- The iXBRL filing format, which brings together both the human-readable and machine-readable formats, is the mandated standard required for operating companies.

Rule Elements

For contracts being sold to new investors, in a framework similar to that for mutual funds and ETFs, variable contract registrants are required to submit in iXBRL format as follows:

- Post-effective amendments filed pursuant to paragraph (b)(1)(i), (ii), (v), or (vii) of [Rule 485](#), and in the case of registrants on Forms N-4 or N-6, paragraph (b)(1)(vi) of [Rule 485](#), Interactive Data Files must be filed either concurrently with the filing or in a subsequent amendment that is filed on or before the date that the post-effective amendment that contains the related information becomes effective;
- Initial registration statements and post-effective amendments filed other than pursuant to paragraph (b)(1)(i), (ii), (v), or (vii) of [Rule 485](#), and in the case of registrants on Forms N-4 or N-6, paragraph (b)(1)(vi) of [Rule 485](#), iXBRL must be filed in a subsequent amendment on or before the date the registration statement or post-effective amendment that contains the related information becomes effective; and
- Any form of prospectus filed pursuant to [Rule 497\(c\) or \(e\)](#), Interactive Data Files must be submitted concurrently with the filing.

Rule Elements

The SEC has taken the position that Inline XBRL will be primarily of use in connection with the initial investment decision, when investors can use tagged data to more readily compare key features of multiple variable contracts to find the variable contract that best meets their investment needs.

The Commission expects that Inline XBRL will be of more limited use to existing investors because variable contracts are intended to be long-term investments and variable contracts are priced and sold accordingly.

What do Variable Product Issuers need to do to be in compliance?

- The SEC approved ixbrl requirements for Variable Contracts as originally proposed, however due to comments received, the final adopted rule only applies to contracts being sold to new investors.
- The SEC believes the items to be tagged provide important information about a variable contract's key features, costs and risks, are most suited to being tagged in a structured format and will be of greatest use for investors and other data users to analyze and compare variable contracts.
- The SEC is requiring that registrants tag the following statutory prospectus disclosure items using Inline XBRL:
 - the Key Information Table; Fee Table; Principal Risks of Investing in the Contract; Standard Death Benefits (Form N-6 filers); Other Benefits Available Under the Contract; Portfolio Companies [Investment Options] Available Under the Contract.
- For Registration statements with multiple contracts, tagging will be required for contracts that are still being sold to new investors but will not be required for contracts that are not being sold to new investors even if those contracts are still accepting purchase payments or premiums from existing investors.

Sections in Prospectus to be tagged:

Tagged content ties back to the taxonomy guide - [VIP Taxonomy Guide](#)

Item No.	Form N-4	Form N-6	Section
2	Key Information	Key Information	6
4	Fee Table	Fee Table	7
5	Principal Risks	Principal Risks	8
10	Benefits Available	Standard Death Benefits	9
11	Not applicable	Other Benefits Available	9
17	Portfolio Companies	Not applicable	10
18	Not applicable	Portfolio Companies	10

Sections in Prospectus to be tagged:

VIP Taxonomy Guide (Example)

6 ITEM 2, KEY INFORMATION

All three forms require tagging of Item 2, the Key Information section. Within this section there are eleven top-level text blocks, some with additional nested text and tables.

6.1 Key Information Presentation Links

Figure 4 shows the elements in presentation order, along with the text of the associated reference links. The ordering and nesting closely follows the required text of the Form and its instructions.

Figure 4. Presentation links and references in Item 2, Key Information

Presentation Links and Concept Labels	Form N-3 reference	Form N-4 reference	Form N-6 reference
Fees and Expenses [Text Block]	Item 2 Inst. 2	Item 2 Inst. 2	Item 2 Inst. 2
Charges for Early Withdrawals [Text Block]	Item 2 Inst. 2.a	Item 2 Inst. 2.a	Item 2 Inst. 2.a
Surrender Charge Phaseout Period, Years	Item 2 Inst. 2.a	Item 2 Inst. 2.a	Item 2 Inst. 2.a
Surrender Charge (of Purchase Payments) Maximum [Percent]	Item 2 Inst. 2.a	Item 2 Inst. 2.a	Item 2 Inst. 2.a
Surrender Charge (of Amount Surrendered) Maximum [Percent]	Item 2 Inst. 2.a	Item 2 Inst. 2.a	Item 2 Inst. 2.a
Surrender Charge (of Other Amount) Maximum [Percent]	Item 2 Inst. 2.a	Item 2 Inst. 2.a	Item 2 Inst. 2.a
Surrender Charge Footnotes [Text Block]	Item 2 Inst. 2.a	Item 2 Inst. 2.a	Item 2 Inst. 2.a
Surrender Charge Example Maximum [Dollars]	Item 2 Inst. 2.a	Item 2 Inst. 2.a	Item 2 Inst. 2.a
Transaction Charges [Text Block]	Item 2 Inst. 2.b	Item 2 Inst. 2.b	Item 2 Inst. 2.b
Ongoing Fees and Expenses [Table Text Block]	Item 2 Inst. 2.c	Item 2 Inst. 2.c	Item 2 Inst. 2.c
Contract Expense (of Average Annual Net Assets) (N-3) Minimum [Percent]	Item 2 Inst. 2.c.i.B		

7 ITEM 4, FEE TABLE

The registration forms require tagging of Item 4, the Fee Table section. There is a single top-level text block, and although the different forms generally follow the same outline of transaction expenses, annual expenses, examples, and notes, each has different details and terminology.

The linkbase role names start with 0404 (meaning Level 4 detail, form Item 4).

Role ID	Definition Text
N3TransactionExpenseData	040403 - Disclosure - N-3 Transaction Expense Data
N4TransactionExpenseData	040404 - Disclosure - N-4 Transaction Expense Data
N6TransactionExpenseData	040405 - Disclosure - N-6 Transaction Expense Data
N3AnnualExpenseData	040413 - Disclosure - N-3 Annual Contract Expense Data
N4AnnualExpenseData	040414 - Disclosure - N-4 Annual Contract Expense Data
N6PeriodicChargesData	040416 - Disclosure - N-6 Periodic Charges Data
PortfolioCompanyExpenseData	040420 - Disclosure - Portfolio Company Expense Data
ExpenseExampleSurrender	040431 - Disclosure - Expense Example, Surrendered
ExpenseExampleAnnuitized	040432 - Disclosure - Expense Example, Annuitized
ExpenseExampleNotSurrendered	040433 - Disclosure - Expense Example, Not Surrendered

7.1 Fee Table Definition links

The nesting of concepts in Item 4 illustrates the use of “Note” text blocks appearing after a table text block to contain narrative descriptions required by different parts of the table.

CPE

XBRL Tagging Review

SEC samples for VIP

- What has been provided?
- Where to find them?
- How to use them
- Key points

Items we will review:

Discuss samples provided – sections and full filings

How to Review tagging for required Items:

- Key Information Table
- Fee Table
- Principal Risks
- Benefits
- Portfolio Companies

How to navigate viewer

How to navigate taxonomy

Key tagging points and considerations

SEC Links for VIP

[Variable Insurance Product \(VIP\)
Taxonomy Guide](#)

[VIP Sample Inline XBRL documents](#)

[SEC Form N-3 Instructions](#)

[SEC Form N-4 Instructions](#)

[SEC Form N-6 Instructions](#)

Workflow & Resources

Append your Workflow for iXBRL



XBRL Review considerations: Top Ten

1. Review Document Entity Information (DEI).
2. Review initial element selection to ensure compliance
3. Review all labels. **Note:** Only numeric elements beginning with the word “Other” are permitted to have custom labels.
4. Review all numbers – ensure they are consistent with your books
5. Review decimal attribute on all numbers, refer to EFM 6.6.32
Note: INF should only be used for EXACT numbers
6. Review context date. Ensure it is consistent with prospectus date.
7. Verify all calculations have been defined where applicable
8. Perform a documented completeness check
9. Review, document, and track EFM validation results
10. Review, document, and track EDGAR system test filing results

EFM 5.2.5.12: INLINE XBRL TRANSFORMATION REGISTRIES SUPPORTED BY EDGAR

Transformation Rules Registry:

- Specification of Transformation Rules Registry for Inline XBRL
- The rules defined within permit strings of text disclosed in your iXBRL filing to be converted into the data types attributed to the elements disclosed within your XBRL instance document.
- For more information visit: <https://www.xbrl.org/Specification/inlineXBRL-transformationRegistry/REC-2015-02-26/inlineXBRL-transformationRegistry-REC-2015-02-26.html>

SEC Specific transformations:

- The rules define additional SEC specific transformations permitted within your iXBRL filing.
- Works in tandem with the Transformation Rules Registry to validate your iXBRL filing and produce the following warning message when filing with facts not transformed properly: [ix-0514-Hidden-Fact-Eligible-For-Transform] WARN
- Target namespace: <http://www.sec.gov/inlineXBRL/transformation/2015-08-31>

EFM 6.3.2: XBRL Attachments to an EDGAR submission

Compliance and disclosure interpretations (question 101.01):

- ❑ “Registrants subject to inline XBRL requirements should identify any interactive data file required under rule 405 of regulation S-T as exhibit 101 in the exhibit index and any cover page interactive data file required under rule 406 of regulation S-T as exhibit 104 in the exhibit index. Additionally, when an interactive data file is submitted using inline XBRL, instruction 1 to paragraphs (b)(101)(i) and (ii) of regulation S-K item 601 requires that the exhibit index include the word “inline” within the title description for any such exhibit.”
- ❑ For more information visit: <https://www.Sec.Gov/corpfin/interactive-data-cdi>

EDGAR Filer Manual (EFM)

[Link: SEC, EDGAR filer manual \(EFM\) volumes I & II](#)

- See Volume II, Section 6 for discussion on Interactive Data
 - Specific sections of the EFM on VIP
 - 6.5.56 Prospectus Document Types
 - 6.12.11 VIP presentation link validations
 - 6.14.7 VIP Calculation link validations
 - 6.16.11 VIP definition link validations

Authoritative Resources

[SEC, EDGAR Filer Manual \(EFM\) Volume I & II](#)

- <https://www.sec.gov/edgar/filermanual>

[SEC Staff Observations, Guidance, and Trends](#)

- <https://www.sec.gov/structureddata/osdstaffobsandguide>

[Staff Interpretations and FAQs](#)

- <https://www.sec.gov/structureddata/FAQs>

[SEC Standard taxonomies](#)

- <https://www.sec.gov/info/edgar/edgartaxonomies.shtml>

[Arelle software download](#)

- <http://arelle.org/pub/applications/>

DEI Element	EFM section
dei:EntityRegistrantName	6.5.21, 6.5.24
dei:EntityCentralIndexKey	6.5.21, 6.5.23
dei:AmendmentFlag	6.5.20
dei:AmendmentDescription	6.5.20
dei:DocumentType	6.5.20
dei:InvcompanyType	6.5.40

Document and Entity Information (“dei”) Elements

Variable Insurance Product Taxonomy, 2022Q2

Family	VIP
Version	2022Q2
Release Notes	https://xbrl.sec.gov/doc/releasenotes-2022q2.pdf
Taxonomy Guide	https://xbrl.sec.gov/vip/2022q2/vip-taxonomy-guide-2022-06-21.pdf https://xbrl.sec.gov/vip/2022q2/vip-samples-2022-06-21.pdf
Zip	https://xbrl.sec.gov/2022q2.zip https://xbrl.sec.gov/vip/2022q2/samples-vip-2022q2.zip
Schemas:	
	https://xbrl.sec.gov/vip/2022q2/vip-2022q2.xsd
	https://xbrl.sec.gov/dei/2022/dei-2022.xsd
Automatically imported:	
	https://www.xbrl.org/dtr/type/2020-01-21/types.xsd
May be explicitly imported:	
	https://xbrl.sec.gov/dei/2022/dei-2022_lab.xsd
	https://xbrl.sec.gov/dei/2022/dei-2022_def.xsd
	https://xbrl.sec.gov/dei/2022/dei-2022_pre.xsd
	https://xbrl.sec.gov/dei/2022/dei-sub-2022.xsd
	http://www.xbrl.org/lrr/role/negated-2009-12-16.xsd
	https://xbrl.sec.gov/currency/2022/currency-2022.xsd
	https://xbrl.sec.gov/country/2022/country-2022.xsd

SEC Standard taxonomies

[Link: SEC standard taxonomies](#)

Investment companies: VIP taxonomy release

SEC Staff observations, guidance, and trends

[Link: SEC Staff Observations, Guidance, Data quality, and Trends](#)

- Communications published by the SEC's Division of Economic and Risk Analysis
 - Staff observations: assess specific aspects of the XBRL exhibits that affect the data quality of the disclosures submitted.
 - Staff guidance: interpretations, sample letters and FAQs to help filers understand how to comply with the Commission's interactive data disclosure rules.
 - Data quality reminders: address inappropriate tagging (element selection) and tagging errors
 - Trend analysis: assessment of the custom tag rates in XBRL filings

Arelele



open source xbrl platform

[Link: Arelele](#)

- Used by the SEC's staff in the SEC Viewer
- Enables the rendering of iXBRL filings
- Open-source platform providing a free download and installation
- Support available for the SEC Viewer by directly emailing the SEC at: StructuredData@sec.gov

CPE
