Capital Adequacy (E) Task Force

RBC Proposal Form

[ ] Capital Adequacy (E) Task Force
[ ] Catastrophe Risk (E) Subgroup
[ ] C3 Phase II/ AG43 (E/A) Subgroup
[ ] Health RBC (E) Working Group
[ ] Investment RBC (E) Working Group
[ ] P/C RBC (E) Working Group
[X] Life RBC (E) Working Group
[ ] Operational Risk (E) Subgroup
[ ] Longevity Risk (A/E) Subgroup

DATE: 12/11/18

CONTACT PERSON: Dave Fleming
TELEPHONE: 816-783-8121
EMAIL ADDRESS: dfleming@naic.org
ON BEHALF OF: Life Risk-Based Capital (E) Working Group
NAME: Philip Barlow, Chair
TITLE: Associate Commissioner for Insurance
AFFILIATION: District of Columbia
ADDRESS: 1050 First Street, NE Suite 801
Washington, DC 20002

FOR NAIC USE ONLY

Agenda Item # 2018-18-L
Year 2019

DISPOSITION

[X] ADOPTED 06/28/2019
[ ] REJECTED
[ ] DEFERRED TO
[ ] REFERRED TO OTHER NAIC GROUP
[ ] EXPOSED
[ ] OTHER (SPECIFY)

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

[ ] Health RBC Blanks
[X] Fraternal RBC Blanks
[X] Life RBC Blanks
[ ] Property/Casualty RBC Blanks
[ ] Health RBC Instructions
[X] Fraternal RBC Instructions
[X] Life RBC Instructions
[ ] Property/Casualty RBC Instructions
[ ] OTHER _____

DESCRIPTION OF CHANGE(S)

Combine the RBC reporting for life and fraternal companies into one formula. The combined formula will be based on changes to the existing life blank and instructions.

REASON OR JUSTIFICATION FOR CHANGE **

The fraternal annual statement blank is being eliminated beginning with yearend 2019. The life and fraternal RBC formulas are nearly identical except for a few items which are not applicable to fraternals and references to the fraternal annual statement blank. A combined formula will eliminate the need to maintain two sets of instructions and blank pages along with reducing time spent on maintenance of tables, specs and validation rules.

Additional Staff Comments:

- 02-22-19: Proposal was exposed with comments due 03-25-19 (DBF)
- 04-26-19: Proposal was re-exposed with comments due 05-09-19 (DBF)
- 06-28-19: Capital Adequacy Task Force adopted the proposal on 06/28/2019 (cgb)

**** This section must be completed on all forms.** **Revised 6-2018**

©2018 National Association of Insurance Commissioners

Life / Fraternal Combination

Items that are not applicable to fraternals

LR017 – Off Balance Sheet and Other Items – Lines 32 and 33
LR019 – Health Premiums – Lines 10-13, 17-20, 23-27, 31, 34 and 35
LR021 – Underwriting Risk – Other – Lines 4 thru 6.2
LR024 – Health Claim Reserves – Lines 11 and 12
LR025 – Life Insurance – Lines 3, 4 and 9 thru 21
LR026 – Premium Stabilization Reserves – Lines 1 thru 6
LR032 – Capital Notes Before Limitation
LR033 – Calculation of Total Adjusted Capital – Lines 10.1 thru 10.4, 13, 14 and 18
LR038 – Additional Information Required – Lines 10.11 thru 10.13

Annual Statement references that will be different from what is in the current fraternal RBC formula

LR004 – Mortgages – First footnote's reference to page 3
LR006 – Separate Accounts – Lines 10 thru 12 references to page 3
LR009 – BA Mortgages – First footnote's reference to page 3
LR016 – Reinsurance – Lines 13 thru 16 references to page 3
LR024 – Health Claim Reserves – Lines 1 thru 6 references to Exhibit 6
LR025 – Life Insurance – Line 1 reference to Exhibit of Life Insurance
LR029 – Business Risk – Lines 37 and 38 references to page 3 and line 45 reference to Exhibit 3
LR033 – Calculation of Total Adjusted Capital – Lines 1 and 2 references to page 3
LR034 – Risk-Based Capital Level of Action – Lines 1 and 4 references to 5-Year Historical
LR035 – Trend Test – Lines 4 thru 7 references to 5-Year Historical
LR038 – Additional Information Required – Line 7.1 and 7.2 references to 5-Year Historical and line 9.1 page 3 reference
LR039 – Title of schedule will be different – Authorized Control Level instead of 50% of the Calculated RBC Amount

Changes needed to the existing life RBC blank

Jurat – Title to be Life **and Fraternal** Risk-Based Capital, remove "life" from Risk-Based Capital for contact person
LR019 – Line 34 reference to Exhibit 6 changed to column 10
LR024 – Lines 1 and 11 changed to company records, lines 2-6 and 12 to be blank or zero-filled
LR026 – Lines 3 and 4 changed to company records
LR030 – Title to be Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital
LR031 – Calculation of Authorized Control Level Risk-Based Capital – Lines 10, 19, 41, 48, 51, 54, 57, 62 and 65 references to LR030 to include title change reflecting **and Fraternal**
LR038 – Add and Fraternal to lines 1.2 and 2.2
LR043 – Column 2 heading to be Total from Life **and Fraternal** Risk-Based Capital Report

©2018 National Association of Insurance Commissioners

2018 NAIC Life and Fraternal Risk-Based Capital Report

Including

Forecasting and Instructions for Companies

as of December 31, 2018

Confidential
when Completed

NAIC

National Association
of Insurance Commissioners

© 1993-**2018** National Association of Insurance Commissioners

Table of Contents

Premium Stabilization Reserves LR026
Interest Rate Risk and Market Risk LR027
Health Credit Risk LR028
Business Risk LR029
Operational Risk (For Informational Purposes Only) LR029-A
Calculation of Tax Effect for Life and Fraternal Risk-Based Capital LR030
Calculation of Authorized Control Level Risk-Based Capital LR031
Capital Notes before Limitation LR032
Calculation of Total Adjusted Capital (Including Total Adjusted Capital Tax Sensitivity Test) LR033
Risk-Based Capital Level of Action (Including Tax Sensitivity Test) LR034
Trend Test LR035
XXX/AXXX Reinsurance Primary Security Shortfall by Cession LR036
XXX/AXXX Captive Reinsurance Consolidated Exhibit LR037
Additional Information Required LR038
Sensitivity Tests – Authorized Control Level LR039
Sensitivity Tests – Total Adjusted Capital LR040
Federal ACA Risk Adjustment and Risk Corridor Sensitivity Test LR041
Summary for Affiliated Investments LR042
Crosschecking for Affiliated Investments LR043
Details for Affiliated Investments LR044
MODCO or Funds Withheld Reinsurance Agreements – Reinsurance Ceded Bonds C-1o LR045
MODCO or Funds Withheld Reinsurance Agreements – Reinsurance Assumed Bonds C-1o LR046
MODCO or Funds Withheld Reinsurance Agreements – Reinsurance Ceded All Other Assets C-0, C-1o and C-1cs LR047
MODCO or Funds Withheld Reinsurance Agreements – Reinsurance Assumed All Other Assets C-0, C-1o and C-1cs LR048
Exemption Test: Cash Flow Testing for C-3 RBC LR049

NAIC Life and Fraternal Risk-Based Capital Report

Introduction

Risk-based capital (RBC) is a method of measuring the minimum amount of capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. It provides an elastic means of setting the capital requirement in which the degree of risk taken by the insurer is the primary determinant. The five major categories of risks involved are:

Asset Risk - Affiliates	C–0	This is the risk of assets' default for certain affiliated investments.
Asset Risk - Other	C–1	This is the risk of assets' default of principal and interest or fluctuation in fair value.

© 1993-**2018** National Association of Insurance Commissioners

Insurance Risk	C–2	This is the risk of underestimating liabilities from business already written or inadequately pricing business to be written in the coming year.
Interest Rate Risk, Health Credit Risk and Market Risk	C–3	This is the risk of losses due to changes in interest rate levels and the risk that health benefits prepaid to providers become the obligation of the health insurer once again, and risk of losses due to changes in market levels associated with variable products with guarantees.
Business Risk	C–4	This is the risk of general business.

A company's risk-based capital is calculated by applying factors to various asset, premium, claim, expense and reserve items. The factor is higher for those items with greater underlying risk and lower for less risky items. The adequacy of a company's actual capital can then be measured by a comparison to its risk-based capital as determined by the formula.

Risk-based capital standards will be used by regulators to set in motion appropriate regulatory actions relating to insurers that show indications of weak or deteriorating conditions. It also provides an additional standard for minimum capital requirements that companies should meet to avoid being placed in rehabilitation or liquidation.

Purpose of this Report

This report presents the NAIC Life and Fraternal Risk-Based Capital formula in an instructional format that should be helpful to anyone responsible for submitting data. This formula is an important tool for regulators. Determining accurate and timely data is an important part of this process. This is most likely to occur when everyone, from the company CEO to the individual preparing the data, has a basic understanding of the formula. While this report provides this understanding in a concise package, it is strongly recommended that the person or persons compiling and entering the information be senior company officials with a good understanding of the financial aspects of Life insurance and Health insurance, if applicable. It is also recommended that companies seek the assistance of their independent accountants and/or actuaries when preparing this report. Please complete the Jurat signature requirements in accordance with the requirements of the domiciliary state. Direct any questions concerning signature requirements to that state.

What's in the Report

Certain terms relating to risk-based capital used in this report are defined in the Risk-Based Capital (RBC) for Insurers Model Act.

Generally, each narrative page discusses a different segment of each risk classification (e.g., there is a narrative for Bonds, Mortgages, Preferred and Common Stocks, etc. within the Asset Risk Section). The formula is presented in worksheet form following all of the narrative sections.

Most narrative pages have a brief summary of the background of the development of the factors, called the "Basis of the Factors." Development of certain factors required sophisticated modeling techniques but the basic concepts are not complicated.

Each narrative page also has a section on "Specific Instructions for Application of the Formula." This section should serve as a guideline for those who assemble the data or analyze the results. It includes definitions and explanations for specific items that should be calculated, clarification on the intent of the structure of certain sections of the formula and instructions on reconciliation of certain totals.

Annual statement sources referred to in this report and on the RBC software do not use parentheses, i.e., a reference to the current year's total Asset Valuation Reserve on the Liabilities page in the annual statement will read as Page 3 Column 1 Line 24.01. Annual statement references will begin with a page number only for Pages 2 and 3. Otherwise the reference will be an exhibit number (e.g., Exhibit 6), a schedule letter (e.g., Schedule D) or a name of an exhibit or schedule (e.g., Exhibit of Life Insurance or EOLI).

Risk-based capital references in this report will use parentheses around the line and column number. For example, a reference to the LR002 Bonds page Line 8 Column 2 in this report will read, "Bonds Line (8) Column (2)."

Negative values can sometimes appear in the Statement Value, Book/Adjusted Carrying Value or RBC Subtotal columns of this report. These negative values in the Statement Value or the RBC Subtotal column are retained to facilitate cross-checking of amounts reported in the annual statement against amounts reported in the RBC filing. However, when a negative number appears in the Statement Value, Book/Adjusted Carrying Value or in the RBC Subtotal columns, that value will be converted to zero before determining the RBC Requirement. For example, a negative $10,000 for asset NAIC 1 long-term bonds [Bonds, page LR002 Column (1) Line (2)] will produce a zero ($0 times 0.004) in Column (2), RBC Requirement, rather than a negative $40 (-$10,000 times 0.004). Similarly, a negative $50,000 in affiliate life reserve credits [Reinsurance, page LR016 Column (3) Line (8) will produce a zero ($0 times -0.008) in Column (4), RBC Requirement, rather than a positive $400 (-$50,000 times -0.008).

Management Discussion and Analysis

Each company has the opportunity to prepare a written analysis of their company's risk-based capital results. This analysis is not a requirement. A company may explain special situations as it deems necessary. Companies should also give explanations where line items do not reconcile with amounts referenced to annual statement sources. However, modification of the risk-based capital formula is not acceptable. Factors, RBC amounts that go to the Calculation of Authorized Control Level Risk-Based Capital page (C-0, C-1cs, C-1o, C-2, C-3a, C-3b, C-3c, C-4a, C-4b), and the Total Adjusted Capital amount should not be overwritten. This written analysis should not be construed as the "RBC Plan" required in the Risk-Based Capital (RBC) for Insurers Model Act.

Applicability of NAIC Life and Fraternal RBC Report

The NAIC Life and Fraternal RBC Report has been developed for U.S. Life and Health insurers and Fraternal Benefit Societies who file the NAIC Life and Accident and Health companies/Fraternal Benefit Societies annual statement ~~"blue blank.~~ In some states, U.S. insurers that write only alien business may be excluded from risk-based capital requirements. In addition, states in which Blue Cross and Blue Shield and similar organizations file the blue blank may decide to exempt these companies from filing an RBC report based on the extent to which their operations are different from conventional insurers' individual and group health insurance operations although this formula is now generally consistent with the NAIC health risk-based capital formula designed for health entities including Blue Cross and Blue Shield plans.

OFF-BALANCE SHEET AND OTHER ITEMS

LR017

Basis of Factors

The potential for risk exists in off-balance sheet items. For items other than derivative instruments, a 1.26 percent factor was chosen on a judgment basis. The 1.26 percent pre-tax factor will differentiate between the companies that have small and large exposures to this risk. Since there is no firm actuarial basis for assigning the 1.26 percent pre-tax factor to these risks, off-balance sheet items are included in the sensitivity analysis using a factor of 3 percent, and leases are added as an additional off-balance sheet item. For securities lending programs, a reduced charge may apply to certain programs that meet the criteria as outlined below.

Detail Eliminated To Conserve Space

Specific Instructions for Application of the Formula

Column (2)
Assets directly funding guaranteed separate accounts or synthetic GIC contracts should be excluded from the noncontrolled assets computation.

Line (1)
Securities lending programs that have all of the following elements are eligible for a lower off-balance sheet charge:

1. A written plan adopted by the Board of Directors that outlines the extent to which the insurer can engage in securities lending activities and how cash collateral received will be invested.
2. Written operational procedures to monitor and control the risks associated with securities lending. Safeguards to be addressed should, at a minimum, provide assurance of the following:
   a. Documented investment guidelines, including, where applicable, those between lender and investment manager with established procedure for review of compliance.
   b. Investment guidelines for cash collateral that clearly delineate liquidity, diversification, credit quality, and average life/duration requirements.
   c. Approved borrower lists and loan limits to allow for adequate diversification.
   d. Holding excess collateral with margin percentages in line with industry standards, which are currently 102% (or 105% for cross currency loans).
   e. Daily mark-to-market of lent securities and obtaining additional collateral needed to ensure that collateral at all times exceeds the value of the loans to maintain margin of 102% of market.
   f. Not subject to any automatic stay in bankruptcy and may be closed out and terminated immediately upon the bankruptcy of any party.
3. A binding securities lending agreement (standard "Master Lending Agreement" from Securities Industry and Financial Markets Association) is in writing between the insurer, or its agent on behalf of the insurer, and the borrowers.
4. Acceptable collateral is defined as cash, cash equivalents, direct obligations of, or securities that are fully guaranteed as to principal and interest by, the government of the United States or any agency of the United States, or by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation and NAIC 1-designated securities. Affiliate-issued collateral would not be deemed acceptable. In all cases the collateral held must be permitted investments in the state of domicile for the respective insurer.

   Collateral included in General Interrogatories, Part 1, Line 24.05 of the annual statement should be included on Line (1).

Line (2)
Collateral from all other securities lending programs should be reported General Interrogatories, Part 1, Line 24.06 and included in Line (2).

Detail Eliminated To Conserve Space

Lines (32) and (33)

These lines are not applicable to Fraternal Benefit Societies

Apply a one-percent (1%) charge in the RBC formula, placed outside of the covariance adjustment, to admitted adjusted gross deferred tax assets (DTAs) as described in SSAP No. 101, paragraphs 11a and 11b (lesser of paragraph 11b(i) and 11b(ii)). For the period for which the paragraph 11a component is determined, the charge is reduced to one-half percent (0.5%) when the insurance company either filed its own separate Federal income tax return or it was included in a consolidated Federal income tax of which the common parent is an insurance company. The source for the DTA amounts to use in the calculation is found in the Annual Statement, Notes to Financial Statements, Note 9, Part A, Section 2, Admission Calculation Components for SSAP No. 101. Paragraph 11a is found in Section 2, subpart (a), Paragraph 11b is found in Section 2, subpart (b).

HEALTH PREMIUMS and HEALTH CLAIMS RESERVES

LR019, LR023 and LR024

Basis of Factors

Risk-based capital factors for health insurance are applied to medical and disability income, long-term care insurance and other types of health insurance premiums and Exhibit 6 claim reserves with an offset for premium stabilization reserves. For health coverage that does not fit into one of the defined categories for risk-based capital, the "Other Health" category is to be used.

Detail Eliminated To Conserve Space

Pre-Tax and Post-Tax Factors

The formula uses pre-tax factors for all types of health insurance. Because many insurers of some types of health insurance write very little other business, it was determined that there would be no difference between pre-tax and post-tax factors except where substantial investment income is assumed as part of the product pricing. Thus, for disability income, the pre-tax factors in the table below and in LR023 Long-Term Care will be adjusted to post-tax by applying a tax-effect change to RBC in LR030 Calculation of Tax Effect for Life and Fraternal Risk-Based Capital. For reasons of practicality and simplicity, credit disability is included with other disability income and adjusted to post-tax. The pre-tax RBC values for other types of health insurance will not be adjusted.

Specific Instructions for Application of the Formula

The total of all earned premium categories LR019 Health Premiums, Line (31), Column (1) should equal the total in Schedule H, Part 1, Line 2, Column 1 of the annual statement. Earned premium for each of these coverages should be from underlying company records. Earned premium may be reported in Schedule H for Administrative Services Contracts (ASC) and/or the Federal Employees Health Benefits Plan (FEHBP) and/or Workers Compensation Carve-Out, which are included in order that Line (31) will equal the total in Schedule H. As such, there is no RBC factor applied to any premium reported on Lines (18), (28) or (29). For some of the coverages, two-tier formulas apply. The calculations for these coverages shown below will not appear on the RBC filing software but will automatically be calculated by the software.

Lines 10-13, 17-20, 23-27, 31, 34 and 35 are not applicable to Fraternal Benefit Societies.

Line (1)

Health premiums for usual and customary major medical and hospital (including comprehensive major medical and expense reimbursement hospital/medical coverage) written on individual contracts are entered in Column (1) for this line, but no RBC Requirement is calculated in Column (2). The premiums are carried forward to LR020 Underwriting Risk – Experience Fluctuation Risk, Column (1), Line (1.1).

Detail Eliminated To Conserve Space

UNDERWRITING RISK – EXPERIENCE FLUCTUATION RISK

LR020

The underwriting risk generates the RBC requirement for the risk of fluctuations in underwriting experience. The credit that is allowed for managed care in this worksheet comes from LR022 Underwriting Risk – Managed Care Credit.

Detail Eliminated To Conserve Space

Line (1) through Line (18)

There are four lines of business used in the life and fraternal RBC formula for calculating the RBC requirement in this worksheet. Other health coverages will continue to use the factors on LR019 Health Premiums. The four lines of business are: Column (1) Comprehensive Medical and Hospital; Column (2) Medicare Supplement; Column (3) Dental & Vision; and Column (4) Stand-Alone Medicare Part D coverage. Each of the four lines of business has its own column in the Underwriting Risk - Experience Fluctuation Risk table. The categories listed in the columns of this worksheet include premiums plus all risk revenue that is received from another reporting entity in exchange for medical services provided to its members.

UNDERWRITING RISK - OTHER

LR021

Lines (1) and (2)

In addition to the general risk of fluctuations in the claims experience, there is an additional risk generated when insurers guarantee rates for extended periods beyond one year. If rate guarantees are extended between 15 and 36 months from policy inception, a factor of 0.024 is applied against the direct premiums earned for those guaranteed policies. Where a rate guaranty extends beyond 36 months, the factor is increased to 0.064. This calculation only applies to those lines of accident and health business that include a medical trend risk (i.e., comprehensive medical, Medicare supplement, dental, Stand-Alone Medicare Part D Coverage, stop-loss and minimum premium and other limited benefits anticipating rate increases). Premiums entered should be the earned premium for the current calendar year period and not for the entire period of the rate guarantees. Premium amounts should be shown net of reinsurance only when the reinsurance ceded premium is also subject to the same rate guarantee.

Line (3)
A separate risk factor has been established to recognize the reduced risk associated with safeguards built into the Federal Employees Health Benefit Program (FEHBP) created under Section 8909(f)(1) of Title 5 of the United States Code. Claims incurred are multiplied by 2 percent to determine total underwriting RBC on this business.

Lines (4) through (6)

These lines are not applicable to Fraternal Benefit Societies.
Separate risk factors have been established for Workers' Compensation Carve-Out business. The RBC factors for the Workers' Compensation Carve-Out was phased in over three years in even increments beginning in 2004 and concluding in 2006. A factor of 0.364 is applied against net premiums written as shown in the Workers' Compensation Carve-Out Supplement. A factor of 0.347 is applied against total net losses and expenses unpaid as shown in Schedule P, Part 1 of the Workers' Compensation Carve-Out Supplement. These factors are taken from the industry component used in the P&C RBC formula for workers compensation reinsurance assumed.

A factor of 0.060 is applied against reinsurance recoverable balances on reinsurance ceded to non-affiliated companies (except certain pools), as shown in Schedule F, Part 2 of the Workers' Compensation Carve-Out Supplement. This factor represents the difference between the total charge for reinsurance recoverables in the P&C RBC formula and the effective post-tax factor already reflected in the Life and Fraternal formula on LR016 Reinsurance. The following types of cessions are exempt from this charge: cessions to State Mandated Involuntary Pools and Associations or to Federal Insurance Programs, cessions to qualifying Voluntary Market Mechanism Pools and Associations (where there is joint liability for pool members along with adequate spread of risk, such that the risk of the pool collapsing from one or a few individual member solvency problems is immaterial), and cessions to U.S. Parents, Subsidiaries and Affiliates. Qualifying Voluntary Market Mechanism Pools must be manually entered on Line (6.1) to receive the exemption.

LIFE INSURANCE
LR025

Basis of Factors

The factors chosen represent surplus needed to provide for excess claims over expected, both from random fluctuations and from inaccurate pricing for future levels of claims. For a large number of trials, each insured either lives or dies based on a "roll of the dice" reflecting the probability of death from both normal and excess claims. The present value of the claims generated by this process, less expected claims, will be the amount of surplus needed under that trial. The factors chosen under the formula produce a level of surplus at least as much as needed in 95 percent of the trials.

The model was developed for portfolios of 10,000, 100,000 and one million lives, and it was found that the surplus needs decreased with larger portfolios, consistent with the law of large numbers.

Net amount at risk was chosen as a base because expected claims are difficult to calculate on a consistent basis from company to company.

Specific Instructions for Application of the Formula

Lines 3, 4 and 9-21 are not applicable to Fraternal Benefit Societies.

Annual statement reference is for the total net amount at risk for the category (e.g., Individual & Industrial is one category). The net amount at risk is then further broken down by size as in a tax table to reflect the decrease in risk for larger blocks of life insurance. This breakdown will not appear on the RBC filing software or on the printed copy, as the application of factors to amounts in force is completed automatically. The calculation is as follows:

Detail Eliminated To Conserve Space

PREMIUM STABILIZATION RESERVES

LR026

Basis of Factors

Premium stabilization reserves are funds held by the company in order to stabilize the premium a group policyholder must pay, from year to year. Usually, experience rating refunds are accumulated in such a reserve so they can be drawn upon in the event of poor future experience. This reduces the insurer's risk. Amounts held as prepayments from the federal government for reinsurance coverage or low-income subsidy (cost-sharing portion) under Stand-Alone Medicare Part D Coverage are not considered premium stabilization reserves as they relate to an uninsured plan.

For group life and health insurance, 50 percent of premium stabilization reserves held in the annual statement as a liability (not as appropriated surplus) are permitted as an offset up to the amount of risk-based capital. The 50 percent factor was chosen to approximate the portion of premium stabilization reserves that would be an appropriate offset if the formula were applied on a contract-by-contract basis, and the reserve offset was limited to the amount of risk-based capital required for each contract. Life and health coverages are aggregated due to many companies combining these coverages.

No credit should be given here for any premium stabilization reserves held in connection with stand-alone Medicare Part D Coverage (i.e., amounts held as liabilities to the federal government under the risk-corridor mechanism), since Medicare Part D Coverage premium is already subject to a lower factor in the underwriting risk calculation to reflect the reduced net level of risk. As such, the company must exclude all amounts relating to stand-alone Medicare Part D Coverage in determining the amount of reserves to be reported here.

Specific Instructions for Application of the Formula

Lines 1-6 are not applicable to Fraternal Benefit Societies.

There is some variance for reporting liabilities that are appropriately considered premium stabilization reserves. These possible annual statement sources are noted.

The sum of these various types of premium stabilization reserves equals the preliminary premium stabilization reserve credit. The final premium stabilization reserve credit is limited to the risk-based capital previously calculated. Since the limitation is applied on an aggregate basis, there is no need to differentiate the premium stabilization reserve between life and health.

CALCULATION OF TOTAL ADJUSTED CAPITAL

(Including Total Adjusted Capital Tax Sensitivity Test)

LR033

The following instructions for the Calculation of Total Adjusted Capital will remain effective independent of the status of the sunset provision, Section 8, of AG 48 in a particular state or jurisdiction. This instruction will be considered for change once the amendment referenced in AG 48, Section 8, regarding credit for reinsurance, is adopted by the NAIC.

Detail Eliminated To Conserve Space

Specific Instructions for Application of the Formula

Lines 10.1-10.4, 13, 14 and 18 are not applicable to Fraternal Benefit Societies.

Lines (3) and (4)
When reinsurance is involved (coinsurance, modified coinsurance, coinsurance with funds withheld, or any similar arrangement) the dividend liability credit included in Total Adjusted Capital by the ceding company should not be allowed in the event the ceding company cannot realize the financial benefits associated with a reduction in the dividend liability. At the same time, the reinsurer should not be allowed a credit to Total Adjusted Capital for any of the dividend liability, even if the direct writer cannot take the Total Adjusted Capital credit, unless the reinsurer can demonstrate control over the dividend decision of the direct writer.

Company Name | Confidential when Completed | NAIC Company Code

Affix Bar Code Here

COMPANY INFORMATION PAGE (JURAT)
Life and Fraternal Risk-Based Capital
For the Year Ending December 31, 2018

(A) Company Name _____

(B) NAIC Group Code _____ (C) NAIC Company Code _____ (D) Employer's ID Number _____

(E) Organized under the Laws of the State of _____

Contact Person for ~~Life~~ Risk-Based Capital:

(F) First Name _____ (G) Middle _____ (H) Last Name _____

(I) Mail Address of Contact Person _____
(Street and Number or P.O. Box)

(J) City _____ (K) State _____ (L) Zip _____

(M) Phone Number of RBC Contact Person _____ Extension _____

(N) E-mail Address of RBC Contact Person _____

(O) Date Prepared _____

(P) Preparer (if different than Contact) _____ _____ _____
First Name Middle Last Name

(Q) Is this filing an Original, Amended or Refiling? _____
(Q1) If Amended, Amendment Number: _____

(R) Were any items that come directly from the annual statement entered manually for this filing? (Yes or No) _____

Officers Name: _____ _____ _____

Officers Title: _____ _____ _____

Each says that they are the above described officers of the said insurer, and that this risk-based capital report is a true and fair representation of the company's affairs and has been completed in accordance with the NAIC instructions according to the best of their information, knowledge and belief, respectively.

_____ _____ _____
(Signature) (Signature) (Signature)

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

MORTGAGES

		Annual Statement Source	(1) Book / Adjusted Carrying Value	(2) Involuntary Reserve Adjustment†	(3) RBC Subtotal	(4) Cumulative Writedowns‡	(5) Average Factor	(6) RBC Requirement
	In Good Standing							
(1)	Residential Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line 40				XXX	X 0.0014 =	
(2)	Residential Mortgages-All Other	AVR Default Component Column 1 Line 41				XXX	X 0.0068 =	
(3)	Commercial Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line 42				XXX	X 0.0014 =	
(4)	Commercial Mortgages - All Other - Category CM1	AVR Default Component Column 1 Line 43				XXX	X 0.0090 =	
(5)	Commercial Mortgages - All Other - Category CM2	AVR Default Component Column 1 Line 44				XXX	X 0.0175 =	
(6)	Commercial Mortgages - All Other - Category CM3	AVR Default Component Column 1 Line 45				XXX	X 0.0300 =	
(7)	Commercial Mortgages - All Other - Category CM4	AVR Default Component Column 1 Line 46				XXX	X 0.0500 =	
(8)	Commercial Mortgages - All Other - Category CM5	AVR Default Component Column 1 Line 47				XXX	X 0.0750 =	
(9)	Total Commercial Mortgages-All Other	Lines (4) + (5) + (6) + (7) + (8)						
(10)	Farm Mortgages - Category CM1	AVR Default Component Column 1 Line 35				XXX	X 0.0090 =	
(11)	Farm Mortgages - Category CM2	AVR Default Component Column 1 Line 36				XXX	X 0.0175 =	
(12)	Farm Mortgages - Category CM3	AVR Default Component Column 1 Line 37				XXX	X 0.0300 =	
(13)	Farm Mortgages - Category CM4	AVR Default Component Column 1 Line 38				XXX	X 0.0500 =	
(14)	Farm Mortgages - Category CM5	AVR Default Component Column 1 Line 39				XXX	X 0.0750 =	
(15)	Total Farm Mortgages	Lines (10) + (11) + (12) + (13) + (14)						
	90 Days Overdue, Not in Process of Foreclosure							
(16)	Farm Mortgages - Category CM6	AVR Default Component Column 1 Line 48					X £ =	
(17)	Residential Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line 49					X £ =	
(18)	Residential Mortgages-All Other	AVR Default Component Column 1 Line 50					X £ =	
(19)	Commercial Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line 51					X £ =	
(20)	Commercial Mortgages-All Other - Category CM6	AVR Default Component Column 1 Line 52					X £ =	
	In Process of Foreclosure							
(21)	Farm Mortgages - Category CM7	AVR Default Component Column 1 Line 53					X £ =	
(22)	Residential Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line 54					X £ =	
(23)	Residential Mortgages-All Other	AVR Default Component Column 1 Line 55					X £ =	
(24)	Commercial Mortgages-Insured or Guaranteed	AVR Default Component Column 1 Line 56					X £ =	
(25)	Commercial Mortgages-All Other - Category CM7	AVR Default Component Column 1 Line 57					X £ =	
	Due and Unpaid Taxes							
(26)	Due and Unpaid Taxes on Mortgages Overdue, Not in Process of Foreclosure	Schedule B Part 1 Footnote #3 1st amount					X 1.000 =	
(27)	Due and Unpaid Taxes on Foreclosed Mortgages	Schedule B Part 1 Footnote #4 1st amount					X 1.000 =	
(28)	Total Mortgages (including due and unpaid taxes) (Column (1) should equal Page 2 Column 3 Lines 3.1 + 3.2 + Schedule B Part 1 Footnote #3 1st amount + Schedule B Part 1 Footnote #4 1st amount).	Lines (1) + (2) + (3) + (9) + (15) plus the Sum of Lines (16) through (27)						
(29)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)						
(30)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)						
(31)	Total Mortgages (including MODCO/Funds Withheld.)	Lines (28) - (29) + (30)						

† Involuntary reserves are reserves that are held as an offset to a particular asset that is clearly a troubled asset and are included on Page 3 Line 25 of the Annual Statement.

‡ Cumulative writedowns include the total amount of writedowns, non-admissions, and involuntary reserves that have been taken or established with respect to a particular mortgage.

£ For Lines (16) through (20) and Lines (21) through (25), Column (5) is calculated as Column (6) divided by Column (3).

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

SEPARATE ACCOUNTS

		Annual Statement Source	(1) Book / Adjusted Carrying Value		(2) Factor or Calc		(3) RBC Requirement
	Separate Accounts with Guarantees						
(1)	Guaranteed Indexed	Page 2 Column 3 Line 27 in part			§		*
(2)	Non-Indexed, Reserved at Book Value	Company records			RBC x 1.000		
(3)	Non-Indexed, Reserved at Fair Value	Company records			RBC x 1.000 (less "haircut")		
(4)	Total Assets in Separate Accounts with Guarantees† (pre-MODCO/Funds Withheld)	Lines (1) + (2) + (3)					
(5)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)					
(6)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)					
(7)	Total Assets in Separate Accounts with Guarantees (including MODCO/Funds Withheld.)	Lines (4) - (5) + (6)					
	Synthetic GIC's						
(8)	Synthetic GIC's C-1 Requirement	Company Records (enter a pre-tax amount)			RBC x 1.000 (less "haircut")		
	Surplus in Non-Guaranteed Separate Accounts						
(9)	Assets in Separate Accounts	Page 2 Column 3 Line 27 in part		X	0.110	=	
(10)	Less Liabilities in Separate Accounts	Page 3 Column 1 Line 27 in part		X	0.110	=	
(11)	Expense Allowance Transfers - All Other	Page 3 Column 1 Line 13‡ in part		X	0.110	=	
(12)	Expense Allowance Transfers - Surrender Charge Based on Fund Contribution and the Fund Balance Exceeds the Sum of the Premiums Less Withdrawals	Page 3 Column 1 Line 13‡ in part		X	0.024	=	
(13)	Total Surplus in Non-Guaranteed Separate Accounts†	Lines (9) - (10) + (11) + (12)					
(14)	Total Separate Accounts Assets (Column (1) should equal Page 2 Column 3 Line 27)	Lines (4) + (9)					

† The amount reported in Column (3) should not be less than zero.
‡ The expense allowance transfers for Lines (11) and (12) should be entered as a positive value in Column (1).
§ If Column (1) is not equal to zero, Column (2) is calculated as Column (3) divided by Column (1).
* Column (3) is calculated according to the risk-based capital instructions.

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

SCHEDULE BA MORTGAGES

		Annual Statement Value	(1) Book / Adjusted Carrying Value	(2) Involuntary Reserve Adjustment †	(3) RBC Subtotal	(4) Cumulative Writedowns ‡		(5) Average Factor		(6) RBC Requirement
	In Good Standing									
(1)	Insured or Guaranteed	AVR Equity Component Column 1 Line 43 + Line 45				XXX	X	0.0014	=	
(2)	Unaffiliated Mortgages with Covenants	AVR Equity Component Column 1 Line 57				XXX	X	*	=	
(3)	Unaffiliated Mortgages - Defeased with Government Securities	AVR Equity Component Column 1 Line 58				XXX	X	0.0090	=	
(4)	Unaffiliated Mortgages - Primarily Senior	AVR Equity Component Column 1 Line 59				XXX	X	0.0175	=	
(5)	Unaffiliated Mortgages - All Other	AVR Equity Component Column 1 Line 60				XXX	X	0.0300	=	
(6)	Affiliated Mortgages - Category CM1	AVR Equity Component Column 1 Line 38				XXX	X	0.0090	=	
(7)	Affiliated Mortgages - Category CM2	AVR Equity Component Column 1 Line 39				XXX	X	0.0175	=	
(8)	Affiliated Mortgages - Category CM3	AVR Equity Component Column 1 Line 40				XXX	X	0.0300	=	
(9)	Affiliated Mortgages - Category CM4	AVR Equity Component Column 1 Line 41				XXX	X	0.0500	=	
(10)	Affiliated Mortgages - Category CM5	AVR Equity Component Column 1 Line 42				XXX	X	0.0750	=	
(11)	Total In Good Standing	Sum of Lines (1) through (10)								
	90 Days Overdue, Not in Process of Foreclosure									
(12)	Insured or Guaranteed 90 Days Overdue	AVR Equity Component Column 1 Line 47 + Line 49					X	£	=	
(13)	All Other 90 Days Overdue - Unaffiliated	AVR Equity Component Column 1 Line 61					X	£	=	
(14)	All Other 90 Days Overdue - Affiliated	AVR Equity Component Column 1 Line 48 + Line 50					X	£	=	
(15)	Total 90 Days Overdue, Not in Process of Foreclosure	Lines (12) + (13) + (14)								
	In Process of Foreclosure									
(16)	Insured or Guaranteed in Process of Foreclosure	AVR Equity Component Column 1 Line 52 + Line 54					X	£	=	
(17)	All Other in Process of Foreclosure - Unaffiliated	AVR Equity Component Column 1 Line 62					X	£	=	
(18)	All Other in Process of Foreclosure - Affiliated	AVR Equity Component Column 1 Line 53 + Line 55					X	£	=	
(19)	Total In Process of Foreclosure	Lines (16) + (17) + (18)								
(20)	Total Schedule BA Mortgages (pre-MODCO/Funds Withheld)	Lines (11) + (15) + (19)								
(21)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)								
(22)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)								
(23)	Total Schedule BA Mortgages (including MODCO/Funds Withheld.)	Lines (20) - (21) + (22)								

† Involuntary reserves are reserves that are held as an offset to a particular asset that is clearly a troubled asset and are included on Page 3 Line 25 of the Annual Statement.
‡ Cumulative writedowns include the total amount of writedowns, non-admissions, and involuntary reserves that have been taken or established with respect to a particular mortgage.
* This will be the factor associated with the risk category determined in the company generated worksheet.
£ For Lines (12) through (14) and Lines (16) through (18), Column (5) is calculated as Column (6) divided by Column (3).

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

REINSURANCE

		Annual Statement Source	(1) Statement Value	(2) 100% Owned Affiliates	(3) RBC Subtotal		Factor		(4) RBC Requirement
	Reinsurance Ceded†								
(1)	Recoverable on Paid Losses (Life)	Schedule S Part 2 Column 6 Line 1199999				X	0.0078	=	
(2)	Recoverable on Paid Losses (A&H)	Schedule S Part 2 Column 6 Line 2299999				X	0.0078	=	
(3)	Recoverable on Unpaid Losses (Life)	Schedule S Part 2 Column 7 Line 1199999				X	0.0078	=	
(4)	Recoverable on Unpaid Losses (A&H)	Schedule S Part 2 Column 7 Line 2299999				X	0.0078	=	
(5)	Unearned Premiums (A&H)	Schedule S Part 3 Section 2 Column 9 Line 3499999				X	0.0078	=	
(6)	Other Reserve Credits (A&H)	Schedule S Part 3 Section 2 Column 10 Line 3499999				X	0.0078	=	
(7)	Reserve Credit (Life)	Schedule S Part 3 Section 1 Column 9 Line 3499999				X	0.0078	=	

			(1) Statement Value	(2) Other than 100% Owned Affiliates	(3) RBC Subtotal		Factor		(4) RBC Requirement
	Reinsurance Assumed Credit								
(8)	Affiliate Reserve Credit (Life)	Schedule S Part 1 Section 1 Column 9 Line 0799999				X	-0.0078	=	
(9)	Affiliate Reinsurance Payable (Life)	Schedule S Part 1 Section 1 Column 11 Line 0799999				X	-0.0078	=	
(10)	Reinsurance Assumed on Unearned Premiums (A&H)	Schedule S Part 1 Section 2 Column 9 Line 0799999				X	-0.0078	=	
(11)	Reinsurance Assumed Other Reserved Credits (A&H)	Schedule S Part 1 Section 2 Column 10 Line 0799999				X	-0.0078	=	
(12)	Reinsurance Assumed - Losses (A&H)	Schedule S Part 1 Section 2 Column 11 Line 0799999				X	-0.0078	=	
	Reinsurance Payable Credit								
(13)	Reinsurance in Unauthorized and Certified Companies	Page 3 Column 1 Line 24.02				X	-0.0078	=	
(14)	Funds Held in Unauthorized and Certified Reinsurers	Page 3 Column 1 Line 24.03				X	-0.0078	=	
(15)	Funds Held in Authorized Reinsurers and Trusteed Collateral Supporting Authorized Reinsurance	Page 3 Column 1 Line 25 in part and Company Records				X	-0.0078	=	
(16)	Other Reinsurance Recoverable or Reserves "Reestablished" on Page 3	Page 3 Column 1 Line 25 in part				X	-0.0078	=	
(17)	Total Reinsurance	Sum of Lines (1) through (16)							

† Statement values should be net of policy loans if policy loans are part of the reinsurance transaction.

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

OFF-BALANCE SHEET AND OTHER ITEMS

		Annual Statement Source	Statement Value (1)	Less Noncontrolled Assets Funding Guaranteed Separate Accounts, Synthetic GIC's and Certain FHLB Liabilities (2)	Subtotal (3)	Factor (4)	Requirement (5) RBC	Response (6) Yes/No
	Noncontrolled Assets							
(1)	Loaned to Others - Conforming Securities Lending Program	General Interrogatories Part 1 Line 24.05				X 0.0020 =		
(2)	Loaned to Others - Securities Lending Programs - Other	General Interrogatories Part 1 Line 24.06				X 0.0126 =		
(3)	Subject to Repurchase Agreements	General Interrogatories Part 1 Line 25.21				X 0.0126 =		
(4)	Subject to Reverse Repurchase Agreements	General Interrogatories Part 1 Line 25.22				X 0.0126 =		
(5)	Subject to Dollar Repurchase Agreements	General Interrogatories Part 1 Line 25.23				X 0.0126 =		
(6)	Subject to Reverse Dollar Repurchase Agreements	General Interrogatories Part 1 Line 25.24				X 0.0126 =		
(7)	Placed Under Option Agreements	General Interrogatories Part 1 Line 25.25				X 0.0126 =		
(8)	Letter Stock or Other Securities Restricted as to sale - excluding FHLB Capital Stock	General Interrogatories Part 1 Line 25.26				X 0.0126 =		
(9)	FHLB Capital Stock	General Interrogatories Part 1 Line 25.27				X 0.0126 =		
(10)	On Deposit with States	General Interrogatories Part 1 Line 25.28				X 0.0126 =		
(11)	On Deposit with Other Regulatory Bodies	General Interrogatories Part 1 Line 25.29				X 0.0126 =		
(12.1)	Pledged as Collateral - excluding Collateral Pledged to an FHLB	General Interrogatories Part 1 Line 25.30						
(12.2)	Less Derivative Collateral Pledged	Schedule DB Part D Section 2 Column 7, Line 0199999				X 0.0039 =		
(12.3)	Pledged as Collateral - excluding Collateral Pledged to an FHLB Less Derivatives Collateral Pledged	Line (12.1) - (12.2)				X 0.0126 =		
(13)	Pledged as Collateral to FHLB - including Assets Backing Funding Agreements	General Interrogatories Part 1 Line 25.31			†	X # =		
(14)	Other	General Interrogatories Part 1 Line 25.32				X 0.0126 =		
(15)	Total Noncontrolled Assets	Sum of Lines (1) through (11) Plus Lines (12.2) through (14)						
	Derivative Instruments							
(16)	Exchange Traded and Centrally Cleared	Schedule DB Part D Section 1 Column 12, Line 0999999, in part				X 0.0039 =		
(17)	Off-Balance Sheet Exposure NAIC 1	Schedule DB Part D Section 1 Column 12, Line 0999999, in part				X 0.0039 =		
(18)	Off-Balance Sheet Exposure NAIC 2	Schedule DB Part D Section 1 Column 12, Line 0999999, in part				X 0.0126 =		
(19)	Off-Balance Sheet Exposure NAIC 3	Schedule DB Part D Section 1 Column 12, Line 0999999, in part				X 0.0446 =		
(20)	Off-Balance Sheet Exposure NAIC 4	Schedule DB Part D Section 1 Column 12, Line 0999999, in part				X 0.0970 =		
(21)	Off-Balance Sheet Exposure NAIC 5	Schedule DB Part D Section 1 Column 12, Line 0999999, in part				X 0.2231 =		
(22)	Off-Balance Sheet Exposure NAIC 6	Schedule DB Part D Section 1 Column 12, Line 0999999, in part				X 0.3000 =		
(23)	Total Derivative Instruments Off-Balance Sheet Exposure	Sum of Lines (16) through (22)						
(24)	Guarantees for Affiliates	Notes to Financial Statements Number 14A3c1				X 0.0126 =		
(25)	Contingent Liabilities	Notes to Financial Statements Number 14A1				X 0.0126 =		
(26)	Long Term Leases	Notes to Financial Statements Number 15A2a1				X 0.0000 =		
(27)	Total Off-Balance Sheet Items (pre-MODCO/Funds Withheld)	Lines (15) + (23) + (24) + (25) + (26)						
(28)	Reduction in RBC for MODCO/Funds Withheld Reinsurance Ceded Agreements	Company Records (enter a pre-tax amount)						
(29)	Increase in RBC for MODCO/Funds Withheld Reinsurance Assumed Agreements	Company Records (enter a pre-tax amount)						
(30)	Total Off-Balance Sheet Items (including MODCO/Funds Withheld.)	Lines (27) - (28) + (29)						
	Other Items							
(31)	Is the entity responsible for filing the U.S. Federal income tax return for the reporting insurer a regulated insurance company?	"Yes", "No" or "N/A" in Column (6)						
(32)	SSAP No. 101 Paragraph 11a Deferred Tax Assets	Notes to Financial Statements Item 9A2(a)				X ‡ =		
(33)	SSAP No. 101 Paragraph 11b Deferred Tax Assets	Notes to Financial Statements Item 9A2(b)				X 0.0100 =		
(34)	Total Off-Balance Sheet and Other Items	Line (30) + Line (32) + Line (33)						

† For Column (2) Line (13), include assets pledged as collateral other than assets related to the Federal Reserve's Term Asset Loan Facility (TALF). For Column (2) include excess assets held by a FHLB but not associated with a FHLB advance (i.e. assets above the required collateral amount and therefore available to be recalled by the insurer). For Column (2) also include an amount equal to the lessor of Statement Value of FHLB liabilities subject to C3P1 Cash Flow Testing or 5% of total net admitted assets.

‡ If Line (31) Column (6) is "Yes", then the factor is 0.005. If Line (31) Column (6) is "No", then the factor is 0.010. If Line (31) Column (6) is "N/A", then the factor is 0.000.

In most instances, apply a factor based on the NAIC ratings category equivalent to an unsecured debt obligation of the FHLB. A higher factor applies if FHLB funded advance liabilities associated with spread-lending activities exceed 5% of total net admitted assets. This higher factor shall equal the factor for a Baa corporate bond asset factor (Line 14 Column 4). If the higher factor is applicable, the blended factor for column 4 shall be prorated based on the collateral in column 3 subject to the typical factor (i.e. liquidity and spread-lending below the limit) and the higher factor (only spread-lending above the limit).

Denotes items that must be manually entered on the filing software.

HEALTH PREMIUMS

		Annual Statement Source	(1) Statement Value		Factor		(2) RBC Requirement
	Medical Insurance Premiums - Individual Morbidity						
(1)	Usual and Customary Major Medical and Hospital	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(2)	Medicare Supplement	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(3)	Dental and Vision	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(4)	Stand-Alone Medicare Part D Coverage	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(5)	Supplemental benefits within Stand-Alone Part D Coverage (Claims Incurred)	Company Records		X	0.500	=	
(6)	Medicaid Pass-Through Payments Reported as Premium	Company Records		X	0.020	=	
(7)	Hospital Indemnity and Specified Disease	Earned Premium (Schedule H Part 1 Line 2 in part)		X	*	=	
(8)	AD&D (Maximum Retained Risk Per Life)	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(9)	Other Accident	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.050	=	
	Medical Insurance Premiums - Group and Credit Morbidity						
(10)	Usual and Customary Major Medical, Hospital	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(11)	Dental and Vision	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(12)	Stop Loss and Minimum Premium	Earned Premium (Schedule H Part 1 Line 2 in part)		X	¥	=	
(13)	Medicare Supplement	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(14)	Stand-Alone Medicare Part D Coverage (see instructions for limits)	Earned Premium (Schedule H Part 1 Line 2 in part)			†		XXX
(15)	Supplemental benefits within Stand-Alone Part D Coverage (Claims Incurred)	Company Records		X	0.500	=	
(16)	Medicaid Pass-Through Payments Reported as Premium	Company Records		X	0.020	=	
(17)	Hospital Indemnity and Specified Disease	Earned Premium (Schedule H Part 1 Line 2 in part)		X	*	=	
(18)	AD&D (Maximum Retained Risk Per Life))	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(19)	Other Accident	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.050	=	
(20)	Federal Employee Health Benefit Plan	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.000	=	
	Disability Income Premium						
(21)	Noncancellable Disability Income - Individual Morbidity	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(22)	Other Disability Income - Individual Morbidity	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(23)	Disability Income - Credit Monthly Balance Plans	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(24)	Disability Income - Group Long-Term	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(25)	Disability Income-Credit Single Premium with Additional Reserves	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(26)	Disability Income-Credit Single Premium without Additional Reserves	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
(27)	Disability Income - Group Short-Term	Earned Premium (Schedule H Part 1 Line 2 in part)		X	‡	=	
	Long-Term Care						
(28)	Noncancellable Long-Term Care Premium - Rate Risk**	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.127**	=	
(29)	Other Long-Term Care Premium ‡‡	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.000	=	‡‡
	Health Premium With Limited Underwriting Risk						
(30)	ASC Business Reported as Revenue Premium	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.000	=	
	Other Health						
(31)	Workers Compensation Carve-Out	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.000	=	
(32)	Other Health	Earned Premium (Schedule H Part 1 Line 2 in part)		X	0.120	=	
(33)	Total Earned Premiums	Sum of Lines (1) through (32)					
	(Column (1) should equal Schedule H Part 1 Column 1 Line 2)						
(34)	Additional Reserves for Credit Disability Plans	Exhibit 6, Column ~~3~~ 10, Line 2	§				
(35)	Additional Reserves for Credit Disability Plans, prior year	Exhibit 6, Column 3, Line 2, prior year	§				

† The premium amounts in these lines are transferred to LR020 Underwriting Risk – Experience Fluctuation Risk Lines (1.1) and (1.2) for the calculation of risk-based capital. The premium amounts are included here to assist in the balancing of total health premium. If managed care arrangements have been entered into, the company may also complete LR022 Underwriting Risk – Managed Care Credit. In which case, the company will also need to complete LR028 Health Credit Risk in the (C-3) portion of the formula. If there are amounts in any of lines (1), (2), (3), (10), (11) or (13) on page LR019 Health Premiums, the company will also be directed to complete the Health Administrative Expense portion of LR029 Business Risk in the (C-4) portion of the formula.

‡ The two tiered calculation is illustrated in the risk-based capital instructions for LR019 Health Premiums.

‡‡ The balance of the RBC requirement for Long Term Care - Morbidity Risk is calculated on page LR023. The premium is shown to allow totals to check to Schedule H.

* If there is premium included on either or both of these lines, the RBC requirement in Column (2) will include 3.5 percent of such premium and $50,000 (included in the line with the larger premium).

** The factor applies to all Noncancellable premium.

§ These amounts are used to adjust the premium base for single premium credit disability plans that carry additional tabular reserves.

¥ A factor of .350 will be applied to the first $25,000,000 in Column (1), Line (12) and a factor of .250 will be applied to the remaining premium in excess of $25,000,000.

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

UNDERWRITING RISK - OTHER

		Annual Statement Source	(1) Amount		Factor		(2) RBC Requirement
(1)	Business with Rate Guarantees Between 15-36 Months	Company Records		X	0.024	=	
(2)	Business with Rate Guarantees Over 36 Months	Company Records		X	0.064	=	
(3)	Federal Employees Health Benefit Program (FEHBP) Claims Incurred	Company Records		X	0.020	=	
	Workers Compensation Carve-Out Risk						
(4)	Net Premiums Written	Workers Compensation Carve Out Supplement Underwriting and Investment Exhibit Part 2 Column 5 Line 1		X	0.364	=	
(5)	Claim Liability and Reserve	Workers Compensation Carve Out Supplement Schedule P Part 1 Column 24 Line 12 x 1000		X	0.347	=	
(6.1)	Reinsurance Recoverable Balances	Workers Compensation Carve Out Supplement Schedule F Part 2 Column 15 Lines 0799999, 0999999, 1199999, 1299999, 2199999, 2399999, 2599999, 2699999, 3599999, 3799999, 3999999 and 4099999 x 1000					
(6.2)	Reinsurance Recoverable for Qualifying Voluntary Pools	Company Records					
(6.3)	All Other Reinsurance Recoverable Balances	Line (6.1) - Line (6.2)		X	0.060	=	
(7)	Total, Other Underwriting Risk	Lines (1) + (2) + (3) + (4) + (5) + (6.3)					

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

HEALTH CLAIMS RESERVES

Alternative 2

		Annual Statement Source	(1) Statement Value	(2) Less Workers Compensation Carve Out	(3) RBC Subtotal	Factor	(4) RBC Requirement
	Individual Claim Reserves						
(1)	Exhibit 6 ~~Collectively Renewable~~ Total Individual Claim Reserves	~~Exhibit 6 Column 4 Line 16~~ Company Records					
(2)	~~Exhibit 6 Non-Cancellable Claim Reserves~~ Line is to be left blank or zero-filled for 2019	~~Exhibit 6 Column 5 Line 16~~					
(3)	~~Exhibit 6 Guaranteed Renewable Claim Reserves~~ Line is to be left blank or zero-filled for 2019	~~Exhibit 6 Column 6 Line 16~~					
(4)	~~Exhibit 6 Non-Renewable for Stated Reason Only~~ Line is to be left blank or zero-filled for 2019	~~Exhibit 6 Column 7 Line 16~~					
	~~Claim Reserves~~						
(5)	~~Exhibit 6 Other Accident Only Claim Reserves~~ Line is to be left blank or zero-filled for 2019	~~Exhibit 6 Column 8 Line 16~~					
(6)	~~Exhibit 6 All Other Claim Reserves~~ Line is to be left blank or zero-filled for 2019	~~Exhibit 6 Column 9 Line 16~~					
(7)	Modified Coinsurance Assumed Reserves	Schedule S Part 1 Section 2 Column 12, in part †					
(8)	Less Modified Coinsurance Ceded Reserves	Schedule S Part 3 Section 2 Column 13, in part †					
(9)	Disability Income and Long-Term Care Claim Reserves	Company Records				X 0.063 =	
(10)	Total Individual Claim Reserves	Lines (1) + (2) + (3) + (4) + (5) + (6) + (7) - (8) - (9)				X 0.050 =	
	Group and Credit Claim Reserves						
(11)	Exhibit 6 Total Group & Credit Claim Reserves	~~Exhibit 6 Column 2 Line 16~~ Company Records					
(12)	~~Exhibit 6 Credit Claim Reserves~~ Line is to be left blank or zero-filled for 2019	~~Exhibit 6 Column 3 Line 16~~					
(13)	Modified Coinsurance Assumed Reserves	Schedule S Part 1 Section 2 Column 12, in part †					
(14)	Less Modified Coinsurance Ceded Reserves	Schedule S Part 3 Section 2 Column 13, in part †					
(15)	Disability Income and Long-Term Care Claim Reserves	Company Records				X 0.063 =	
(16)	Total Exhibit 6 Group and Credit Claim Reserves	Lines (11) + (12) + (13) - (14) - (15)				X 0.050 =	
(17)	Total Claim Reserves	Lines (9) + (10) + (15) + (16)					
(18)	Total Health RBC	LR019 Health Premiums Column (2) Line (33) + LR020 Underwriting Risk Experience Fluctuation Risk Column (5) Line (18) + LR021 Underwriting Risk Other Column (2) Line (7) + LR023 Long-Term Care Morbidity Risk Column (4) Line (7) + LR024 Health Claim Reserves Column (4) Line (17)					

† Include only the portion which relates to claim reserves that, if written on a direct basis, would be included on Exhibit 6.

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

LIFE INSURANCE

		Annual Statement Source	(1) Statement Value		Factor		(2) RBC Requirement
	Individual & Industrial Net Amount at Risk						
(1)	Ordinary Life In Force	Exhibit of Life Insurance Column 4 Line 23 x 1000					
(2)	Less Ordinary Life Reserves	Exhibit 5 Column 4 Line 0199999					
(3)	Plus Industrial Life In Force	Exhibit of Life Insurance Column 2 Line 23 x 1000					
(4)	Less Industrial Life Reserves	Exhibit 5 Column 3 Line 0199999					
(5)	Less Separate Accounts	Separate Accounts Exhibit 3 Column 3 Line 0199999					
(6)	Less Modified Coinsurance Assumed Reserves	Schedule S Part 1 Section 1 Column 12, in part ‡					
(7)	Plus Modified Coinsurance Ceded Reserves	Schedule S Part 3 Section 1 Column 14, in part ‡					
(8)	Total Individual and Industrial Net Amount at Risk	Lines (1) + (3) + (7) - (2) - (4) - (5) - (6)		X	†	=	
	Group and Credit Net Amount at Risk						
(9)	Group Life In Force	Exhibit of Life Insurance Column 9 Line 23 x 1000					
(10)	Less Group FEGLI	Exhibit of Life Insurance Column 4 Line 43 x 1000					
(11)	Less Group SGLI	Exhibit of Life Insurance Column 4 Line 44 x 1000					
(12)	Less Group Life Reserves	Exhibit 5 Column 6 Line 0199999					
(13)	Plus Credit Life In Force	Exhibit of Life Insurance Column 6 Line 23 x 1000					
(14)	Less Credit FEGLI	Exhibit of Life Insurance Column 2 Line 43 x 1000					
(15)	Less Credit SGLI	Exhibit of Life Insurance Column 2 Line 44 x 1000					
(16)	Less Credit Life Reserves	Exhibit 5 Column 5 Line 0199999					
(17)	Less Separate Accounts	Separate Accounts Exhibit 3 Column 4 Line 0199999					
(18)	Less Modified Coinsurance Assumed Reserves	Schedule S Part 1 Section 1 Column 12, in part ‡					
(19)	Plus Modified Coinsurance Ceded Reserves	Schedule S Part 3 Section 1 Column 14, in part ‡					
(20)	Total Group and Credit Net Amount at Risk	Lines (9) + (13) + (19) - (10) - (11) - (12) - (14) - (15) - (16) - (17) - (18)		X	†	=	
(21)	FEGLI/SGLI Life In Force	Exhibit of Life Insurance Column 2 and 4 Line 43 and 44 x 1000		X	0.0008	=	
(22)	Total Life	Lines (8) + (20) + (21)					

† The tiered calculation is illustrated in the Life Insurance section of the risk-based capital instructions.

‡ Include only the portion which relates to policy reserves that, if written on a direct basis, would be included on Exhibit 5.

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

PREMIUM STABILIZATION RESERVES

		Annual Statement Source	(1) Statement Value		Factor		(2) RBC Requirement
	Group and Credit Life and Health Reported Premium Stabilization Reserves						
(1)	Stabilization Reserves and Experience Rating Refunds included in Line 3	Page 3 Column 1 Line 3 in part		X	0.500	=	
(2)	Provision for Experience Rating Refunds	Page 3 Column 1 Line 9.2 in part		X	0.500	=	
(3)	Reserve for Group Rate Credits	~~Exhibit 6 Column 2 Line 5~~ Company Records		X	0.500	=	
(4)	Reserve for Credit Rate Credits	~~Exhibit 6 Column 3 Line 5~~ Company Records		X	0.500	=	
(5)	Premium Stabilization Reserves	Page 3 Column 1 Line 25 in part		X	0.500	=	
(6)	Total of Preliminary Premium Stabilization Reserve Credit	Sum of Lines (1) through (5)					
	Group & Credit Life and Health Risk-Based Capital						
(7)	Life	LR025 Life Insurance Column (2) Line (20)					
(8)	Health	LR024 Health Claim Reserves Column (4) Line (16) + [LR024 Column (4) Line (15) x 0.65] + LR019 Health Premiums Column (2) Lines (12), (17), (18) and (19) + [[LR019 Column (2) Lines (23), (24), and (27)] x 0.65] + [LR020 Underwriting Risk - Experience Fluctuation Risk Column (5) Line (18) - Column (4) Line (18) x Line (1.2) / Line (1.3)]					
(9)	Maximum Risk-Based Capital	Lines (7) + (8)					
(10)	Final Premium Stabilization Reserve	Column (2) Line (6), but not more than Column (1) Line (9)		X	-1.000	=	

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

BUSINESS RISK

		Annual Statement Source	(1) Statement Value	Factor		(2) RBC Requirement
	Life Insurance Premiums					
(1)	Total Life Premiums	Schedule T Column 2 Line 59				
(2)	Less American Samoa Life Premiums	Schedule T Column 2 Line 52				
(3)	Less Guam Life Premiums	Schedule T Column 2 Line 53				
(4)	Less Puerto Rico Life Premiums	Schedule T Column 2 Line 54				
(5)	Less U.S. Virgin Islands Life Premiums	Schedule T Column 2 Line 55				
(6)	Less Northern Mariana Islands Life Premiums	Schedule T Column 2 Line 56				
(7)	Less Canada Life Premiums	Schedule T Column 2 Line 57				
(8)	Less Other Alien Life Premiums	Schedule T Column 2 Line 58				
(9)	Subtotal Net Life Premiums	Line (1) less the Sum of Lines (2) through (8)				
(10)	Plus Foreign Variable and Other Life Premiums	See Instructions†				
(11)	Less Total Variable and Other Life Premiums	See Instructions†				
(12)	Net Life Premiums	Line (9) plus Line (10) less Line (11)		X	0.0253 =	
	Annuity Considerations					
(13)	Total Annuity Considerations	Schedule T Column 3 Line 59				
(14)	Less American Samoa Annuity Considerations	Schedule T Column 3 Line 52				
(15)	Less Guam Annuity Considerations	Schedule T Column 3 Line 53				
(16)	Less Puerto Rico Annuity Considerations	Schedule T Column 3 Line 54				
(17)	Less U.S. Virgin Islands Annuity Considerations	Schedule T Column 3 Line 55				
(18)	Less Northern Mariana Islands Annuity Considerations	Schedule T Column 3 Line 56				
(19)	Less Canada Annuity Considerations	Schedule T Column 3 Line 57				
(20)	Less Other Alien Annuity Considerations	Schedule T Column 3 Line 58				
(21)	Subtotal Net Annuity Considerations	Line (13) less the Sum of Lines (14) through (20)				
(22)	Plus Foreign Variable and Other Annuity Considerations	See Instructions†				
(23)	Less Total Variable and Other Annuity Considerations	See Instructions†				
(24)	Net Annuity Considerations	Line (21) plus Line (22) less Line (23)		X	0.0253 =	
	Accident and Health Premiums					
(25)	Total Accident and Health Premiums	Schedule T Column 4 Line 59				
(26)	Less American Samoa Accident and Health Premiums	Schedule T Column 4 Line 52				
(27)	Less Guam Accident and Health Premiums	Schedule T Column 4 Line 53				
(28)	Less Puerto Rico Accident and Health Premiums	Schedule T Column 4 Line 54				
(29)	Less U.S. Virgin Islands Accident and Health Premiums	Schedule T Column 4 Line 55				
(30)	Less Northern Mariana Islands Accident and Health Premiums	Schedule T Column 4 Line 56				
(31)	Less Canada Accident and Health Premiums	Schedule T Column 4 Line 57				
(32)	Less Other Alien Accident and Health Premiums	Schedule T Column 4 Line 58				
(33)	Subtotal Net Accident and Health Premiums	Line (25) less the Sum of Lines (26) through (32)				
(34)	Plus Foreign Variable and Other A&H Premiums	See Instructions†				
(35)	Less Total Variable and Other A&H Premiums	See Instructions†				
(36)	Net Accident and Health Premiums	Line (33) plus Line (34) less Line (35)		X	0.0063 =	

† Enter amounts only if included in Schedule T Column 2 (life), Column 3 (annuity) or Column 4 (accident and health).

Denotes items that must be manually entered on the filing software.

BUSINESS RISK (CONTINUED)

		Annual Statement Source	(1) Statement Value		Factor		(2) RBC Requirement
	Separate Account Liabilities						
(37)	Total Liabilities from Separate Accounts Statement	Page 3 Column 1 Line 27					
(38)	Transfers to Separate Accounts Due or Accrued	Page 3 Column 1 Line 13					
(39)	Total Separate Account Liabilities	Line (37) plus Line (38)		X	0.0006	=	
(40)	Business Risk (C-4a)	Lines (12) + (24) + (36) + (39)					
	Administrative Expenses for Certain A&H Coverages						
(41)	Total Accident and Health Premiums	LR019 Health Premiums Column (1) Line (33)					
(42)	Accident and Health Premiums from Underwriting Risk	LR020 Underwriting Risk Column (5) Line (1.3)					
(43)	Accident and Health Premiums Factor	Line (42) / Line (41)					
(44)	Exhibit 2 Administrative Expenses for Health Insurance	Exhibit 2 Column 2 + Column 3 Line 10					
(45)	Exhibit 3 Administrative Expenses for Health Insurance	Exhibit 3 Column 2 Line 7					
(46)	Less Administrative Expenses for Administrative Service Contracts (ASC)	Included in Exhibit 2 Col. 2 + Col. 3 and Exhibit 3 Col. 2					
(47)	Less Administrative Expenses for Administrative Services Only (ASO) Business	Included in Exhibit 2 Col. 2 + Col. 3 and Exhibit 3 Col. 2					
(48)	Less Administrative Expenses for Commissions and Premium Taxes	Included in Exhibit 2 Col. 2 + Col. 3 and Exhibit 3 Col. 2					
(49)	Net Administrative Expenses	Lines (44) + (45) - (46) - (47) - (48)					
(50)	Composite Health Administrative Expense Risk Factor	7% of Line (42) up to $25 million + 4% of excess/Line (42)					
(51)	Administrative Expense Component for Health	Line (49) x factor Line (43) x factor Line (50)					
	Health ASO/ASC						
(52)	Administrative Expenses for ASC Business	Company Records§		X	0.0200	=	
(53)	Administrative Expenses for ASO Business	Company Records§		X	0.0200	=	
(54)	ASC Claims Reported as Incurred Claims	Company Records		X	0.0100	=	
(55)	Other Medical Costs Paid through ASC Arrangements	Company Records		X	0.0100	=	
(56)	Fee-for-Service Received from Health Entities	Company Records		X	0.0100	=	
(57)	Business Risk (C-4b)	Column (2) Lines (51) + (52) + (53) + (54) + (55) + (56)					

§ Line (52) should be greater than or equal to Line (46). Line (53) should be greater than or equal to Line (47).

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL

		Source	(1) RBC Amount		Tax Factor		(2) RBC Tax Effect	
	ASSET RISKS							
	Bonds							
(001)	Long-term Bonds – NAIC 1	LR002 Bonds Column (2) Line (2) + LR018 Off-Balance Sheet Collateral Column (3) Line (2)		X	0.1575	=		
(002)	Long-term Bonds – NAIC 2	LR002 Bonds Column (2) Line (3) + LR018 Off-Balance Sheet Collateral Column (3) Line (3)		X	0.1575	=		
(003)	Long-term Bonds – NAIC 3	LR002 Bonds Column (2) Line (4) + LR018 Off-Balance Sheet Collateral Column (3) Line (4)		X	0.1575	=		
(004)	Long-term Bonds – NAIC 4	LR002 Bonds Column (2) Line (5) + LR018 Off-Balance Sheet Collateral Column (3) Line (5)		X	0.1575	=		
(005)	Long-term Bonds – NAIC 5	LR002 Bonds Column (2) Line (6) + LR018 Off-Balance Sheet Collateral Column (3) Line (6)		X	0.1575	=		
(006)	Long-term Bonds – NAIC 6	LR002 Bonds Column (2) Line (7) + LR018 Off-Balance Sheet Collateral Column (3) Line (7)		X	0.2100	=		
(007)	Short-term Bonds – NAIC 1	LR002 Bonds Column (2) Line (10)		X	0.1575	=		
(008)	Short-term Bonds – NAIC 2	LR002 Bonds Column (2) Line (11)		X	0.1575	=		
(009)	Short-term Bonds – NAIC 3	LR002 Bonds Column (2) Line (12)		X	0.1575	=		
(010)	Short-term Bonds – NAIC 4	LR002 Bonds Column (2) Line (13)		X	0.1575	=		
(011)	Short-term Bonds – NAIC 5	LR002 Bonds Column (2) Line (14)		X	0.1575	=		
(012)	Short-term Bonds – NAIC 6	LR002 Bonds Column (2) Line (15)		X	0.2100	=		
(013)	Credit for Hedging - NAIC 1 Through 5 Bonds	LR014 Hedged Asset Bond Schedule Column (13) Line (0199999)		X	0.1575	=		†
(014)	Credit for Hedging - NAIC 6 Bonds	LR014 Hedged Asset Bond Schedule Column (13) Line (0299999)		X	0.2100	=		†
(015)	Bond Reduction - Reinsurance	LR002 Bonds Column (2) Line (19)		X	0.2100	=		†
(016)	Bond Increase - Reinsurance	LR002 Bonds Column (2) Line (20)		X	0.2100	=		
(017)	Non-Exempt NAIC 1 U.S. Government Agency	LR002 Bonds Column (2) Line (22)		X	0.1575	=		
(018)	Bonds Size Factor	LR002 Bonds Column (2) Line (26) - LR002 Bonds Column (2) Line (21)		X	0.1575	=		
	Mortgages							
	In Good Standing							
(019)	Residential Mortgages - Insured	LR004 Mortgages Column (6) Line (1)		X	0.1575	=		
(020)	Residential Mortgages - Other	LR004 Mortgages Column (6) Line (2)		X	0.1575	=		
(021)	Commercial Mortgages - Insured	LR004 Mortgages Column (6) Line (3)		X	0.1575	=		
(022)	Total Commercial Mortgages - All Other	LR004 Mortgages Column (6) Line (9)		X	0.1575	=		
(023)	Total Farm Mortgages	LR004 Mortgages Column (6) Line (15)		X	0.1575	=		
	90 Days Overdue							
(024)	Farm Mortgages	LR004 Mortgages Column (6) Line (16)		X	0.1575	=		
(025)	Residential Mortgages - Insured	LR004 Mortgages Column (6) Line (17)		X	0.1575	=		
(026)	Residential Mortgages - Other	LR004 Mortgages Column (6) Line (18)		X	0.1575	=		
(027)	Commercial Mortgages - Insured	LR004 Mortgages Column (6) Line (19)		X	0.1575	=		
(028)	Commercial Mortgages - Other	LR004 Mortgages Column (6) Line (20)		X	0.1575	=		
	In Process of Foreclosure							
(029)	Farm Mortgages	LR004 Mortgages Column (6) Line (21)		X	0.1575	=		

† Denotes lines that are deducted from the total rather than added.

Denotes items that must be manually entered on the filing software.

CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

		Source	(1) RBC Amount		Tax Factor		(2) RBC Tax Effect	
(030)	Residential Mortgages - Insured	LR004 Mortgages Column (6) Line (22)		X	0.1575	=		
(031)	Residential Mortgages - Other	LR004 Mortgages Column (6) Line (23)		X	0.1575	=		
(032)	Commercial Mortgages - Insured	LR004 Mortgages Column (6) Line (24)		X	0.1575	=		
(033)	Commercial Mortgages - Other	LR004 Mortgages Column (6) Line (25)		X	0.1575	=		
(034)	Due & Unpaid Taxes Mortgages	LR004 Mortgages Column (6) Line (26)		X	0.1575	=		
(035)	Due & Unpaid Taxes - Foreclosures	LR004 Mortgages Column (6) Line (27)		X	0.1575	=		
(036)	Mortgage Reduction - Reinsurance	LR004 Mortgages Column (6) Line (29)		X	0.2100	=		†
(037)	Mortgage Increase - Reinsurance	LR004 Mortgages Column (6) Line (30)		X	0.2100	=		
	Preferred Stock and Hybrid Securities							
(038)	Unaffiliated Preferred Stock and Hybrids NAIC 1	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (1) + Line (8) + LR018 Off-Balance Sheet Collateral Column (3) Line (9)		X	0.1575	=		
(039)	Unaffiliated Preferred Stock and Hybrids NAIC 2	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (2) + Line (9) + LR018 Off-Balance Sheet Collateral Column (3) Line (10)		X	0.1575	=		
(040)	Unaffiliated Preferred Stock and Hybrids NAIC 3	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (3) + Line (10) + LR018 Off-Balance Sheet Collateral Column (3) Line (11)		X	0.1575	=		
(041)	Unaffiliated Preferred Stock and Hybrids NAIC 4	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (4) + Line (11) + LR018 Off-Balance Sheet Collateral Column (3) Line (12)		X	0.1575	=		
(042)	Unaffiliated Preferred Stock and Hybrids NAIC 5	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (5) + Line (12) + LR018 Off-Balance Sheet Collateral Column (3) Line (13)		X	0.1575	=		
(043)	Unaffiliated Preferred Stock and Hybrids NAIC 6	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (6) + Line (13) + LR018 Off-Balance Sheet Collateral Column (3) Line (14)		X	0.2100	=		
(044)	Preferred Stock Reduction-Reinsurance	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (16)		X	0.2100	=		†
(045)	Preferred Stock Increase-Reinsurance	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (17)		X	0.2100	=		
	Separate Accounts							
(046)	Guaranteed Index	LR006 Separate Accounts Column (3) Line (1)		X	0.1575	=		
(047)	Nonindex-Book Reserve	LR006 Separate Accounts Column (3) Line (2)		X	0.1575	=		
(048)	Separate Accounts Nonindex-Market Reserve	LR006 Separate Accounts Column (3) Line (3)		X	0.1575	=		
(049)	Separate Accounts Reduction-Reinsurance	LR006 Separate Accounts Column (3) Line (5)		X	0.2100	=		†
(050)	Separate Accounts Increase-Reinsurance	LR006 Separate Accounts Column (3) Line (6)		X	0.2100	=		
(051)	Synthetic GICs	LR006 Separate Accounts Column (3) Line (8)		X	0.1575	=		
(052)	Separate Account Surplus	LR006 Separate Accounts Column (3) Line (13)		X	0.1575	=		
	Real Estate							
(053)	Company Occupied Real Estate	LR007 Real Estate Column (3) Line (3)		X	0.2100	=		
(054)	Foreclosed Real Estate	LR007 Real Estate Column (3) Line (6)		X	0.2100	=		
(055)	Investment Real Estate	LR007 Real Estate Column (3) Line (9)		X	0.2100	=		
(056)	Real Estate Reduction - Reinsurance	LR007 Real Estate Column (3) Line (11)		X	0.2100	=		†
(057)	Real Estate Increase - Reinsurance	LR007 Real Estate Column (3) Line (12)		X	0.2100	=		
	Schedule BA							
(058)	Sch BA Real Estate Excluding Low Income Housing Tax Credits	LR007 Real Estate Column (3) Line (16)		X	0.2100	=		
(059)	Guaranteed Low Income Housing Tax Credits	LR007 Real Estate Column (3) Line (17) + Line (19)		X	0.0000	=		
(060)	Non-Guaranteed and All Other Low Income Housing Tax Credits	LR007 Real Estate Column (3) Line (18) + Line (20) + Line (21)		X	0.0000	=		
(061)	Sch BA Real Estate Reduction - Reinsurance	LR007 Real Estate Column (3) Line (23)		X	0.2100	=		†
(062)	Sch BA Real Estate Increase - Reinsurance	LR007 Real Estate Column (3) Line (24)		X	0.2100	=		

† Denotes lines that are deducted from the total rather than added.

Denotes items that must be manually entered on the filing software.

CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

		Source	(1) RBC Amount		Tax Factor		(2) RBC Tax Effect	
(063)	Sch BA Bond NAIC 1	LR008 Other Long-Term Assets Column (5) Line (2)		X	0.1575	=		
(064)	Sch BA Bond NAIC 2	LR008 Other Long-Term Assets Column (5) Line (3)		X	0.1575	=		
(065)	Sch BA Bond NAIC 3	LR008 Other Long-Term Assets Column (5) Line (4)		X	0.1575	=		
(066)	Sch BA Bond NAIC 4	LR008 Other Long-Term Assets Column (5) Line (5)		X	0.1575	=		
(067)	Sch BA Bond NAIC 5	LR008 Other Long-Term Assets Column (5) Line (6)		X	0.1575	=		
(068)	Sch BA Bond NAIC 6	LR008 Other Long-Term Assets Column (5) Line (7)		X	0.2100	=		
(069)	BA Bond Reduction - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (9)		X	0.2100	=		†
(070)	BA Bond Increase - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (10)		X	0.2100	=		
(071)	BA Preferred Stock NAIC 1	LR008 Other Long-Term Assets Column (5) Line (12.3)		X	0.1575	=		
(072)	BA Preferred Stock NAIC 2	LR008 Other Long-Term Assets Column (5) Line (13)		X	0.1575	=		
(073)	BA Preferred Stock NAIC 3	LR008 Other Long-Term Assets Column (5) Line (14)		X	0.1575	=		
(074)	BA Preferred Stock NAIC 4	LR008 Other Long-Term Assets Column (5) Line (15)		X	0.1575	=		
(075)	BA Preferred Stock NAIC 5	LR008 Other Long-Term Assets Column (5) Line (16)		X	0.1575	=		
(076)	BA Preferred Stock NAIC 6	LR008 Other Long-Term Assets Column (5) Line (17)		X	0.2100	=		
(077)	BA Preferred Stock Reduction-Reinsurance	LR008 Other Long-Term Assets Column (5) Line (19)		X	0.2100	=		†
(078)	BA Preferred Stock Increase - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (20)		X	0.2100	=		
(079)	Rated Surplus Notes	LR008 Other Long-Term Assets Column (5) Line (31)		X	0.1575	=		
(080)	Rated Capital Notes	LR008 Other Long-Term Assets Column (5) Line (41)		X	0.1575	=		
(081)	BA Common Stock Affiliated	LR008 Other Long-Term Assets Column (5) Line (48.3)		X	0.2100	=		
(082)	BA Collateral Loans	LR008 Other Long-Term Assets Column (5) Line (50)		X	0.1575	=		
(083)	Other BA Assets	LR008 Other Long-Term Assets Column (5) Line (52.3) + LR018 Off-Balance Sheet Collateral Column (3) Line (17) + Line (18)		X	0.2100	=		
(084)	Other BA Assets Reduction-Reinsurance	LR008 Other Long-Term Assets Column (5) Line (54)		X	0.2100	=		†
(085)	Other BA Assets Increase - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (55)		X	0.2100	=		
(086)	BA Mortgages - In Good Standing	LR009 Schedule BA Mortgages Column (6) Line (11)		X	0.1575	=		
(087)	BA Mortgages - 90 Days Overdue	LR009 Schedule BA Mortgages Column (6) Line (15)		X	0.1575	=		
(088)	BA Mortgages - In Process of Foreclosure	LR009 Schedule BA Mortgages Column (6) Line (19)		X	0.1575	=		
(089)	Reduction - Reinsurance	LR009 Schedule BA Mortgages Column (6) Line (21)		X	0.2100	=		†
(090)	Increase - Reinsurance	LR009 Schedule BA Mortgages Column (6) Line (22)		X	0.2100	=		
	Miscellaneous							
(091)	Asset Concentration Factor	LR010 Asset Concentration Factor Column (6) Line (68) Grand Total Page		X	0.1575	=		
(092)	Miscellaneous Assets	LR012 Miscellaneous Assets Column (2) Line (7)		X	0.1575	=		
(093)	Derivatives - Collateral and Exchange Traded	LR012 Miscellaneous Assets Column (2) Lines (8) + (9) + (10)		X	0.1575	=		
(094)	Derivatives NAIC 1	LR012 Miscellaneous Assets Column (2) Line (11)		X	0.1575	=		
(095)	Derivatives NAIC 2	LR012 Miscellaneous Assets Column (2) Line (12)		X	0.1575	=		
(096)	Derivatives NAIC 3	LR012 Miscellaneous Assets Column (2) Line (13)		X	0.1575	=		
(097)	Derivatives NAIC 4	LR012 Miscellaneous Assets Column (2) Line (14)		X	0.1575	=		
(098)	Derivatives NAIC 5	LR012 Miscellaneous Assets Column (2) Line (15)		X	0.1575	=		
(099)	Derivatives NAIC 6	LR012 Miscellaneous Assets Column (2) Line (16)		X	0.2100	=		
(100)	Miscellaneous Assets Reduction-Reinsurance	LR012 Miscellaneous Assets Column (2) Line (19)		X	0.2100	=		†
(101)	Miscellaneous Assets Increase-Reinsurance	LR012 Miscellaneous Assets Column (2) Line (20)		X	0.2100	=		

† Denotes lines that are deducted from the total rather than added.

Denotes items that must be manually entered on the filing software.

CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

		Source	(1) RBC Amount		Tax Factor		(2) RBC Tax Effect	
(102)	Replications	LR013 Replication (Synthetic Asset) Transactions and Mandatory Convertible Securities Column (7) Line (9999999)		X	0.1575	=		
(103)	Reinsurance	LR016 Reinsurance Column (4) Line (17)		X	0.2100	=		
(104)	Investment Affiliates	LR042 Summary for Affiliated Investments Column (4) Line (6)		X	0.2100	=		
(105)	Investment in Parent	LR042 Summary for Affiliated Investments Column (4) Line (10)		X	0.2100	=		
(106)	Other Affiliate: Property and Casualty Insurers not Subject to Risk-Based Capital	LR042 Summary for Affiliated Investments Column (4) Line (11)		X	0.2100	=		
(107)	Other Affiliate: Life Insurers not Subject to Risk-Based Capital	LR042 Summary for Affiliated Investments Column (4) Line (12)		X	0.2100	=		
(108)	Publicly Traded Insurance Affiliates	LR042 Summary for Affiliated Investments Column (4) Line (14)		X	0.2100	=		
(109)	Subtotal for C-1o Assets	Sum of Lines (001) through (108), Recognizing the Deduction of Lines (013), (014), (015), (036), (044), (049), (056), (061), (069), (077), (084), (089) and (100)						
	C-0 Affiliated Common Stock							
(110)	Off-Balance Sheet and Other Items	LR017 Off-Balance Sheet and Other Items Column (5) Line (27)		X	0.1575	=		
(111)	Off-Balance Sheet Items Reduction - Reinsurance	LR017 Off-Balance Sheet and Other Items Column (5) Line (28)		X	0.2100	=		†
(112)	Off-Balance Sheet Items Increase - Reinsurance	LR017 Off-Balance Sheet and Other Items Column (5) Line (29)		X	0.2100	=		
(113)	Affiliated US Property - Casualty Insurers Directly Owned	LR042 Summary for Affiliated Investments Column (4) Line (1)		X	0.2100	=		
(114)	Affiliated US Life Insurers Directly Owned	LR042 Summary for Affiliated Investments Column (4) Line (2)		X	0.2100	=		
(115)	Affiliated US Health Insurers Directly and Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (3)		X	0.2100	=		
(116)	Affiliated US Property - Casualty Insurers Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (4)		X	0.2100	=		
(117)	Affiliated US Life Insurers Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (5)		X	0.2100	=		
(118)	Affiliated Alien Life Insurers - Canadian	LR042 Summary for Affiliated Investments Column (4) Line (8)		X	0.2100	=		
(119)	Affiliated Alien Life Insurers - All Others	LR042 Summary for Affiliated Investments Column (4) Line (9)		X	0.0000	=		
(120)	Subtotal for C-0 Affiliated Common Stock	Lines (110)-(111)+(112)+(113)+(114)+(115)+(116)+(117)+(118)+(119)						
	Common Stock							
(121)	Unaffiliated Common Stock	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (25) + LR018 Off-Balance Sheet Collateral Column (3) Line (16)		X	0.2100	=		
(122)	Credit for Hedging - Common Stock	LR015 Hedged Asset Common Stock Schedule Column (10) Line (0299999)		X	0.2100	=		†
(123)	Stock Reduction - Reinsurance	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (27)		X	0.2100	=		†
(124)	Stock Increase - Reinsurance	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (28)		X	0.2100	=		
(125)	BA Common Stock Unaffiliated	LR008 Other Long-Term Assets Column (5) Line (47)		X	0.2100	=		
(126)	BA Common Stock Affiliated - C-1cs	LR008 Other Long-Term Assets Column (5) Line (49.2)		X	0.2100	=		
(127)	Common Stock Concentration Factor	LR011 Common Stock Concentration Factor Column (6) Line (6)		X	0.2100	=		
(128)	NAIC 01 Working Capital Finance Notes	LR008 Other Long-Term Assets Column (5) Line (51.1)		X	0.1575	=		
(129)	NAIC 02 Working Capital Finance Notes	LR008 Other Long-Term Assets Column (5) Line (51.2)		X	0.1575	=		
(130)	Affiliated Preferred Stock and Common Stock - Holding Company in Excess of Indirect Subs	LR042 Summary for Affiliated Investments Column (4) Line (7)		X	0.2100	=		
(131)	Affiliated Preferred Stock and Common Stock - All Other	LR042 Summary for Affiliated Investments Column (4) Line (13)		X	0.2100	=		
(132)	Total for C-1cs Assets	Lines (121)-(122)-(123)+(124)+(125)+(126)+(127)+(128)+(129)+(130)+(131)						
	Insurance Risk							
(133)	Disability Income Premium	LR019 Health Premiums Column (2) Lines (21) through (27)		X	0.2100	=		

† Denotes lines that are deducted from the total rather than added.

Denotes items that must be manually entered on the filing software.

CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

		Source	(1) RBC Amount		Tax Factor		(2) RBC Tax Effect
(134)	Long-Term Care	LR019 Health Premiums Column (2) Line (28) + LR023 Long-Term Care Column (4) Line (7)		X	0.2100	=	
(135)	Life Insurance C-2 Risk	LR025 Life Insurance Column (2) Line (8)		X	0.2100	=	
(136)	Group Insurance C-2 Risk	LR025 Life Insurance Column (2) Lines (20) and (21)		X	0.2100	=	
(137)	Disability and Long-Term Care Health Claim Reserves	LR024 Health Claim Reserves Column (4) Line (9) + Line (15)		X	0.2100	=	
(138)	Premium Stabilization Credit	LR026 Premium Stabilization Reserves Column (2) Line (10)		X	0.0000	=	
(139)	Total C-2 Risk	Lines (133) + (134) + (135) + (136) + (137) + (138)					
(140)	Interest Rate Risk	LR027 Interest Rate Risk Column (3) Line (36)		X	0.2100	=	
(141)	Health Credit Risk	LR028 Health Credit Risk Column (2) Line (7)		X	0.0000	=	
(142)	Market Risk	LR027 Interest Rate Risk Column (3) Line (37)		X	0.2100	=	
(143)	Business Risk	LR029 Business Risk Column (2) Line (40)		X	0.2100	=	
(144)	Health Administrative Expenses	LR029 Business Risk Column (2) Line (57)		X	0.0000	=	
(145)	Total Tax Effect	Lines (109) + (120) + (132) + (139) + (140) + (141) + (142) + (143) + (144)					

† Denotes lines that are deducted from the total rather than added.

Denotes items that must be manually entered on the filing software.

CALCULATION OF AUTHORIZED CONTROL LEVEL RISK-BASED CAPITAL

Company Name | Confidential when Completed | NAIC Company Code

		Source	(1) RBC Requirement
	Asset Risk - Affiliated Amounts (C-0)		
(1)	Affiliated US Property-Casualty Insurers Directly Owned	LR042 Summary for Affiliated Investments Column (4) Line (1)	
(2)	Affiliated US Life Insurers Directly Owned	LR042 Summary for Affiliated Investments Column (4) Line (2)	
(3)	Affiliated US Health Insurers Directly and Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (3)	
(4)	Affiliated US Property-Casualty Insurers Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (4)	
(5)	Affiliated US Life Insurers Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (5)	
(6)	Affiliated Alien Life Insurers - Canadian	LR042 Summary for Affiliated Investments Column (4) Line (8)	
(7)	Affiliated Alien Life Insurers - All Others	LR042 Summary for Affiliated Investments Column (4) Line (9)	
(8)	Off-Balance Sheet and Other Items	LR017 Off-Balance Sheet and Other Items Column (5) Line (34)	
(9)	Total (C-0) - Pre-Tax	Sum of Lines (1) through (8)	
(10)	(C-0) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (120)	
(11)	Net (C-0) - Post-Tax	Line (9) - Line (10)	
	Asset Risk – Unaffiliated Common Stock and Affiliated Non-Insurance Stock (C-1cs)		
(12)	Schedule D Unaffiliated Common Stock	LR005 Unaffiliated Common Stock Column (5) Line (29) + LR018 Off-Balance Sheet Collateral Column (3) Line (16)	
(13)	Schedule BA Unaffiliated Common Stock	LR008 Other Long-Term Assets Column (5) line (47)	
(14)	Schedule BA Affiliated Common Stock - C-1cs	LR008 Other Long-Term Assets Column (5) line (49.2)	
(15)	Common Stock Concentration Factor	LR011 Common Stock Concentration Factor Column (6) Line (6)	
(16)	Affiliated Preferred Stock and Common Stock - Holding Company in Excess of Indirect Subsidiaries	LR042 Summary for Affiliated Investments Column (4) Line (7)	
(17)	Affiliated Preferred Stock and Common Stock - All Other	LR042 Summary for Affiliated Investments Column (4) Line (13)	
(18)	Total (C-1cs) - Pre-Tax	Sum of Lines (12) through (17)	
(19)	(C-1cs) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (132)	
(20)	Net (C-1cs) - Post-Tax	Line (18) - Line (19)	
	Asset Risk - All Other (C-1o)		
(21)	Bonds after Size Factor	LR002 Bonds Column (2) Line (27) + LR018 Off-Balance Sheet Collateral Column (3) Line (8)	
(22)	Mortgages (including past due and unpaid taxes)	LR004 Mortgages Column (6) Line (31)	
(23)	Unaffiliated Preferred Stock Including Hybrids	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (18) + LR018 Off-Balance Sheet Collateral Column (3) Line (15)	
(24)	Affiliated Preferred Stock and Common Stock - Investment Subsidiaries	LR042 Summary for Affiliated Investments Column (4) Line (6)	
(25)	Affiliated Preferred Stock and Common Stock - Parent	LR042 Summary for Affiliated Investments Column (4) Line (10)	
(26)	Affiliated Preferred Stock and Common Stock - Property and Casualty Insurers not Subject to Risk-Based Capital	LR042 Summary for Affiliated Investments Column (4) Line (11)	
(27)	Affiliated Preferred Stock and Common Stock - Life Insurers not Subject to Risk-Based Capital	LR042 Summary for Affiliated Investments Column (4) Line (12)	
(28)	Affiliated Preferred Stock and Common Stock - Publicly Traded Insurers Held at Fair Value (excess of statement value over book value)	LR042 Summary for Affiliated Investments Column (4) Line (14)	
(29)	Separate Accounts with Guarantees	LR006 Separate Accounts Column (3) Line (7)	

Denotes items that must be manually entered on the filing software.

CALCULATION OF AUTHORIZED CONTROL LEVEL RISK-BASED CAPITAL (CONTINUED) Company Name Confidential when Completed NAIC Company Code

		Source	(1) RBC Requirement
(30)	Synthetic GIC's (C-1o)	LR006 Separate Accounts Column (3) Line (8)	
(31)	Surplus in Non-Guaranteed Separate Accounts	LR006 Separate Accounts Column (3) Line (13)	
(32)	Real Estate (gross of encumbrances)	LR007 Real Estate Column (3) Line (13)	
(33)	Schedule BA Real Estate (gross of encumbrances)	LR007 Real Estate Column (3) Line (25)	
(34)	Other Long-Term Assets	LR008 Other Long-Term Assets Column (5) Line (56) + LR018 Off-Balance Sheet Collateral Column (3) Line (17) + Line (18)	
(35)	Schedule BA Mortgages	LR009 Schedule BA Mortgages Column (6) Line (23)	
(36)	Concentration Factor	LR010 Asset Concentration Factor Column (6) Line (68) Grand Total Page	
(37)	Miscellaneous	LR012 Miscellaneous Assets Column (2) Line (21)	
(38)	Replication Transactions and Mandatory Convertible Securities	LR013 Replication (Synthetic Asset) Transactions and Mandatory Convertible Securities Column (7) Line (9999999)	
(39)	Reinsurance	LR016 Reinsurance Column (4) Line (17)	
(40)	Total (C-1o) - Pre-Tax	Sum of Lines (21) through (39)	
(41)	(C-1o) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (109)	
(42)	Net (C-1o) - Post-Tax	Line (40) - Line (41)	
	Insurance Risk (C-2)		
(43)	Individual and Industrial Life Insurance	LR025 Life Insurance Column (2) Line (8)	
(44)	Group and Credit Life Insurance and FEGI/SGLI	LR025 Life Insurance Column (2) Lines (20) and (21)	
(45)	Total Health Insurance	LR024 Health Claim Reserves Column (4) Line (18)	
(46)	Premium Stabilization Reserve Credit	LR026 Premium Stabilization Reserves Column (2) Line (10)	
(47)	Total (C-2) - Pre-Tax	Sum of Lines (43) through (46)	
(48)	(C-2) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (139)	
(49)	Net (C-2) - Post-Tax	Line (47) - Line (48)	
	Interest Rate Risk (C-3a)		
(50)	Total Interest Rate Risk - Pre-Tax	LR027 Interest Rate Risk Column (3) Line (36)	
(51)	(C-3a) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (140)	
(52)	Net (C-3a) - Post-Tax	Line (50) - Line (51)	
	Health Credit Risk (C-3b)		
(53)	Total Health Credit Risk - Pre-Tax	LR028 Health Credit Risk Column (2) Line (7)	
(54)	(C-3b) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (141)	
(55)	Net (C-3b) - Post-Tax	Line (53) - Line (54)	
	Market Risk (C-3c)		
(56)	Total Market Risk - Pre-Tax	LR027 Interest Rate Risk Column (3) Line (37)	
(57)	(C-3c) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (142)	
(58)	Net (C-3c) - Post-Tax	Line (56) - Line (57)	

Denotes items that must be manually entered on the filing software.

CALCULATION OF AUTHORIZED CONTROL LEVEL RISK-BASED CAPITAL (CONTINUED) Company Name Confidential when Completed NAIC Company Code

		Source	(1) RBC Requirement
	Business Risk (C-4a)		
(59)	Premium Component	LR029 Business Risk Column (2) Lines (12) + (24) + (36)	
(60)	Liability Component	LR029 Business Risk Column (2) Line (39)	
(61)	Subtotal Business Risk (C-4a) - Pre-Tax	Lines (59) + (60)	
(62)	(C-4a) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (143)	
(63)	Net (C-4a) - Post-Tax	Line (61) - Line (62)	
	Business Risk (C-4b)		
(64)	Health Administrative Expense Component of Business Risk (C-4b) - Pre-Tax	LR029 Business Risk Column (2) Line (57)	
(65)	(C-4b) Tax Effect	LR030 Calculation of Tax Effect for Life **and Fraternal** Risk-Based Capital Column (2) Line (144)	
(66)	Net (C-4b) - Post-Tax	Line (64) - Line (65)	
	Total Risk-Based Capital After Covariance Before Basic Operational Risk		
(67)	C-0 + C-4a + Square Root of $[(C\text{-}1o + C\text{-}3a)^2 + (C\text{-}1cs + C\text{-}3c)^2 + (C\text{-}2)^2 + (C\text{-}3b)^2 + (C\text{-}4b)^2]$	REPORT AMOUNT ON PARENT COMPANY'S RBC IF APPLICABLE $L(11)+L(63) + \text{Square Root of } [(L(42) + L(52))^2 + (L(20) + L(58))^2 + L(49)^2 + L(55)^2 + L(66)^2]$	
(68)	Gross Basic Operational Risk	0.03 x L(67)	
(69)	C-4a of U.S. Life Insurance Subsidiaries	Company Records	
(70)	Net Basic Operational Risk	Line (68) - (Line (63) + Line (69)) (Not less than zero)	
(71)	Primary Security Shortfall Calculated in Accordance With Actuarial Guideline XLVIII Multiplied by 2	LR036 XXX/AXXX Reinsurance Primary Security Shortfall by Cession Column (7) Line (9999999) Multiplied by 2	
(72)	Total Risk-Based Capital After Covariance (Including Basic Operational Risk and Primary Security Shortfall multiplied by 2)	Line (67) + Line (70) + Line (71)	
	Authorized Control Level Risk-Based Capital (After Covariance Adjustment and Shortfall)		
(73)	Total Risk-Based Capital After Covariance Times Fifty Percent	Line (72) x 0.50	
	Tax Sensitivity Test		
(74)	Tax Sensitivity Test: Total Risk-Based Capital After Covariance	$L(9)+L(61) + \text{Square Root of } [(L(40) + L(50))^2 + (L(18) + L(56))^2 + L(47)^2 + L(53)^2 + L(64)^2]$	
(75)	Tax Sensitivity Test: Authorized Control Level Risk-Based Capital	Line (74) x 0.50	

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

CAPITAL NOTES BEFORE LIMITATION

	Years to Maturity at the Time of the Statement	(1) Original Principal Amount		Limitation Factor		(2) Limitation on Principal Amount	(3) Current Principal Amount	(4) Credit to Total Adjusted Capital †
	Capital Notes Maturing 15 Years or less from the Year of Issue							
(1)	Greater than 0 and less than or equal to 1		X	0.0	=			
(2)	Greater than 1 and less than or equal to 2		X	0.2	=			
(3)	Greater than 2 and less than or equal to 3		X	0.4	=			
(4)	Greater than 3 and less than or equal to 4		X	0.6	=			
(5)	Greater than 4 and less than or equal to 5		X	0.8	=			
(6)	Greater than 5		X	1.0	=			
	Capital Notes Maturing more than 15 Years from the Year of Issue							
(7)	Greater than 0 and less than or equal to 1		X	0.0	=			
(8)	Greater than 1 and less than or equal to 2		X	0.1	=			
(9)	Greater than 2 and less than or equal to 3		X	0.2	=			
(10)	Greater than 3 and less than or equal to 4		X	0.3	=			
(11)	Greater than 4 and less than or equal to 5		X	0.4	=			
(12)	Greater than 5 and less than or equal to 6		X	0.5	=			
(13)	Greater than 6 and less than or equal to 7		X	0.6	=			
(14)	Greater than 7 and less than or equal to 8		X	0.7	=			
(15)	Greater than 8 and less than or equal to 9		X	0.8	=			
(16)	Greater than 9 and less than or equal to 10		X	0.9	=			
(17)	Greater than 10		X	1.0	=			
(18)	Credit for Capital Notes Before Limitation (sum of lines (1) through (17))							

† Column (4) is calculated as the lesser of Column (2) or Column (3).

Denotes items that must be manually entered on the filing software.

CALCULATION OF TOTAL ADJUSTED CAPITAL
(Including Total Adjusted Capital Tax Sensitivity Test)

		Annual Statement Source	(1) Statement Value		Factor		(2) Adjusted Capital
	Company Amounts						
(1)	Capital and Surplus	Page 3 Column 1 Line 38		X	1.000	=	
(2)	Asset Valuation Reserve	Page 3 Column 1 Line 24.01 §		X	1.000	=	
(3)	Dividends Apportioned for Payment	Page 3 Column 1 Line 6.1, in part		X	0.500	=	
(4)	Dividends Not Yet Apportioned	Page 3 Column 1 Line 6.2, in part		X	0.500	=	
(5)	Hedging Fair Value Adjustment	Company Records		X	-1.000	=	
	Life Subsidiary Company Amounts†						
(6)	Asset Valuation Reserve	Subsidiaries' Annual Statement Page 3 Column 1 Line 24.01‡ §		X	1.000	=	
(7)	Dividend Liability	Subsidiaries' Annual Statement Page 3 Column 1 Line 6.1 + Line 6.2‡		X	0.500	=	
	Property and Casualty and Other Non-U.S. Affiliated Amounts						
(8)	Non-Tabular discount and/or Alien Insurance Subsidiaries: Other	Included in Subsidiaries' Annual Statement Page 3 Column 1 Line 1 + 3‡ and/or Schedule D Part 6, Section 1 Column 8 Line 0599999 and Line 1499999, in part		X	1.000	=	
(9)	Total Adjusted Capital Before Capital Notes	Sum of Lines (1) through (7) less Line (8)					
	Credit for Capital Notes						
(10.1)	Surplus Notes	Page 3 Column 1 Line 32					
(10.2)	Limitation on Capital Notes	0.5 x [Line (9) - Line (10.1)] - Line (10.1), but not less than 0					
(10.3)	Capital Notes Before Limitation	LR032 Capital Notes Before Limitation Column (4) Line (18)					
(10.4)	Credit for Capital Notes	Lesser of Column (1) Line (10.2) or Line (10.3)					
(11)	XXX/AXXX Reinsurance RBC Shortfall	LR037 XXX/AXXX Captive Reinsurance Consolidated Exhibit Column (10) Line (10)					
(12)	Total Adjusted Capital	Line (9) + Line (10.4) - Line (11)					
	Tax Sensitivity Test						
	Company Amounts						
(13)	Deferred Tax Asset (DTA) Value	Page 2 Column 3 Line 18.2		X	-1.000	=	
(14)	Deferred Tax Liability (DTL) Value	Page 3 Column 1 Line 15.2		X	1.000	=	
	Subsidiary Amounts						
(15)	Deferred Tax Asset (DTA) Value	Company Records		X	-1.000	=	
(16)	Deferred Tax Liability (DTL) Value	Company Records		X	1.000	=	
(17)	Tax Sensitivity Test: Total Adjusted Capital	Line (12)+(13)+(14)+(15)+(16)					
	Ex DTA ACL RBC Ratio Sensitivity Test						
(18)	Deferred Tax Asset-Company Amounts	Page 2 Column 3 Line 18.2		X	1.000	=	
(19)	Total Adjusted Capital Less Deferred Tax Asset Amounts	Line (12) less Line (18)					
(20)	Authorized Control Level RBC	LR034 Risk-Based Capital Level of Action Line (4)		X	1.000	=	
(21)	Ex DTA ACL RBC Ratio	Line (19) / Line (20)					0.000%
	ACA Fee RBC Ratio Sensitivity Test						
(22)	ACA Fee (Data Year Amount to be Paid in the Fee Year)	Note 22B		X	1.000	=	
(23)	Total Adjusted Capital Less ACA Fee	Line (12) less Line (22)					
(24)	Authorized Control Level RBC	LR034 Risk-Based Capital Level of Action Line (4)					
(25)	ACA Fee RBC Ratio	Line (23) / Line (24)					0.000%

† Including subsidiaries owned by holding companies.
‡ Multiply statement value by percent of ownership.
§ The portion of the AVR that can be counted as capital is limited to the amount not utilized in asset adequacy testing in support of the Actuarial Opinion for reserves.

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

RISK-BASED CAPITAL LEVEL OF ACTION
(Including Tax Sensitivity Test)

		Source	(1) RBC Amount
(1)	Total Adjusted Capital - REPORT AMOUNT IN FIVE-YEAR HISTORICAL DATA PAGE 22 COLUMN 1 LINE 30	LR033 Calculation of Total Adjusted Capital Column (2) Line (12)	
	Trigger Points for Level of Regulatory Action:		
(2)	Company Action Level = 200% of Authorized Control Level Risk-Based Capital	2.0 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (73)	
(3)	Regulatory Action Level = 150% of Authorized Control Level Risk-Based Capital	1.5 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (73)	
(4)	Authorized Control Level Risk-Based Capital - REPORT AMOUNT IN FIVE-YEAR HISTORICAL DATA PAGE 22 COLUMN 1 LINE 31	1.0 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (73)	
(5)	Mandatory Control Level = 70% of Authorized Control Level Risk-Based Capital	0.7 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (73)	
(6)	Level of Action†:		
(7)	Authorized Control Level RBC Ratio	Line (1) / Line (4)	0.000%
	Tax Sensitivity Test		
(8)	Tax Sensitivity Test: Total Adjusted Capital	LR033 Calculation of Total Adjusted Capital Column (2) Line (17)	
(9)	Tax Sensitivity Test: Company Action Level = 200% of Authorized Control Level Risk-Based Capital	2.0 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (75)	
(10)	Tax Sensitivity Test: Regulatory Action Level = 150% of Authorized Control Level Risk-Based Capital	1.5 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (75)	
(11)	Tax Sensitivity Test:Authorized Control Level Risk-Based Capital	1.0 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (75)	
(12)	Tax Sensitivity Test: Mandatory Control Level = 70% of Authorized Control Level Risk-Based Capital	0.7 times LR031 Calculation of Total Authorized Control Level Risk-Based Capital Column (1) Line (75)	
(13)	Tax Sensitivity Test: Level of Action:		

† If Total Adjusted Capital Line (1) exceeds Company Action Level Risk-Based Capital Line (2), None will be indicated (unless the Trend Test triggers Company Action Level). Otherwise, the appropriate level of action will be indicated.
If the trend test is applicable for the company, the level that the trend test applies to for the state of domicile as reported on LR035 Trend Test Line (18) is indicated as being:

(0000001) If 3.0 had been selected for LR035 Trend Test Line (18) as the state of domicile level, the Line (6) level of action above would have been: _____

(0000002) If 2.5 had been selected for LR035 Trend Test Line (18) as the state of domicile level, the Line (6) level of action above would have been: _____

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

TREND TEST

		Source	(1) 3.0 Amount	(2) 3.0 Result	(3) 2.5 Amount	(4) 2.5 Result
	Criteria for Applying Trend Test					
(1)	Authorized Control Level Risk-Based Capital	LR031 Calculation of Authorized Control Level Risk-Based Capital Column (1) Line (73)				
(2)	Trend Test Safe Harbor	Column (1)=3.0 x Line (1), Column (3)=2.5 x Line (1)				
(3)	Total Adjusted Capital	LR033 Calculation of Total Adjusted Capital Line (12)				
	Trend Test Data					
(4)	First Prior Year Total Adjusted Capital	Five-Year Historical Data Page 22 Column 2 Line 30				
(5)	First Prior Year Authorized Control Level Risk-Based Capital	Five-Year Historical Data Page 22 Column 2 Line 31				
(6)	Third Prior Year Total Adjusted Capital	Five-Year Historical Data Page 22 Column 4 Line 30				
(7)	Third Prior Year Authorized Control Level Risk-Based Capital	Five-Year Historical Data Page 22 Column 4 Line 31				
	Trend Test Calculation (only if applicable†)					
(8)	Current Year Margin	Line (3) - Line (1)				
(9)	First Prior Year Margin	Line (4) - Line (5)				
(10)	Third Prior Year Margin	Line (6) - Line (7)				
(11)	Decrease in Margin from First Prior Year	Line (9) - Line (8) (use zero if negative)				
(12)	Decrease in Margin from Third Prior Year	Line (10) - Line (8) (use zero if negative)				
(13)	Average decrease in Last Three Years	1/3 of Line (12)				
(14)	Marginal Difference	Greater of Line (11) and Line (13)				
(15)	Total Adjusted Capital Less Margin Difference	Line (3) - Line (14)				
(16)	Level of Risk-Based Capital‡	1.9 x Line (1)				
(17)	Negative Trend?‡					
(18)	For companies where one of the above trend tests applies, does the state of domicile require action at 2.5 or 3.0 times Authorized Control Level RBC?	Select "2.5", "3.0" or "N/A"				

† The Trend Test applies only if Total Adjusted Capital Line (3) is less than the Trend Test Safe Harbor Line (2) and the LR034 Risk-Based Capital Level of Action Line (6) is “None”.

‡ If Line (15) is less than Line (16), the company triggers regulatory attention at the Company Action Level based on the trend test. The NAIC is in the process of changing the upper level where the trend test can be triggered from 2.5 times the Authorized Control Level RBC to 3.0 times the Authorized Control Level RBC. Until all states have transitioned to the 3.0 standard, there may be differences between states as to whether columns (1) and (2) or columns (3) and (4) of the LR035 Trend Test page apply to a particular company, so information is provided to alert users to potential alternative trend test results during the transition period.

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

ADDITIONAL INFORMATION REQUIRED

		Source	(1) Statement Value
(1.2)	Other Affiliates: Subsidiaries	Subsidiaries' Life and Fraternal Risk-Based Capital LR042 Summary for Affiliated Investments Column (1) Line (13); Property and Casualty Risk-Based Capital PR005 Summary For Subsidiary, Controlled and Affiliated Investments for Cross-Checking Statement Values Column (1) Line (8) and Line (17)	
(2.2)	Noncontrolled Assets: Subsidiaries	Subsidiaries' Life and Fraternal Risk-Based Capital LR017 Off-Balance Sheet and Other Items Column (1) Line (15); Property and Casualty PR014 Miscellaneous Off-Balance Sheet Items Column (1) Line (15)	
(3.2)	Guarantees for Affiliates: Subsidiaries	Subsidiaries' Life Notes to Financial Statements #14A3c1; Property and Casualty Notes to Financial Statements #14A3c1	
(4.2)	Contingent Liabilities: Subsidiaries	Subsidiaries' Life Notes to Financial Statements #14A1; Property and Casualty Notes to Financial Statements #14A1	
(5.2)	Long Term Leases: Subsidiaries	Subsidiaries' Life Notes to Financial Statements #15A2a1; Property and Casualty Notes to Financial Statements #15A2a1	
(7.11)	Total Affiliated Investments: Company	Company's Annual Statement Five-Year Historical Data Column 1 Line 50	
(7.12)	Less Affiliated Common Stock: Company	Company's Annual Statement Five-Year Historical Data Column 1 Line 46	
(7.13)	Less Affiliated Preferred Stock: Company	Company's Annual Statement Five-Year Historical Data Column 1 Line 45	
(7.14)	Net Affiliated Investments: Company	Lines (7.11) - (7.12) - (7.13)	
(7.2)	Affiliated Investments: Subsidiaries	Subsidiaries' Life Annual Statement Five-Year Historical Data Column 1 Line 50 Less Lines 45 and 46; Property and Casualty Annual Statement Five-Year Historical Data Column 1 Line 48 Less Lines 43 and 44	
(9.1)	Surplus Notes: Company	Company's Annual Statement Page 3 Column 1 Line 32	
(9.2)	Surplus Notes: Subsidiaries	Subsidiaries' Life Annual Statement Page 3 Column 1 Line 32; Property and Casualty Annual Statement Page 3 Column 1 Line 33	
(10.11)	Capital Paid In: Company	Company's Annual Statement Page 4 Column 1 Line 50.1	
(10.12)	Surplus Paid In: Company	Company's Annual Statement Page 4 Column 1 Line 51.1	
(10.13)	Total Current Year's Capital Contributions: Company	Line (10.11) + Line (10.12)	
(10.2)	Current Year's Capital Contributions: Subsidiaries	Subsidiaries' Life Annual Statement Page 4 Column 1 Lines 50.1 + 51.1; Property and Casualty Annual Statement Page 4 Column 1 Lines 32.1 + 33.1	

Denotes items that must be manually entered on the filing software.

Company Name | Confidential when Completed | NAIC Company Code

SENSITIVITY TESTS - AUTHORIZED CONTROL LEVEL

	Sensitivity Tests Affecting Authorized Control Level Risk-Based Capital	Source	(1) Statement Value	Additional Sensitivity Factor	(2) Additional RBC	(3) Authorized Control Level Before Test	(4) Authorized Control Level After Test
(1.1)	Other Affiliates: Company	LR042 Summary for Affiliated Investments Column (1) Line (13)		0.700			
(1.2)	Other Affiliates: Subsidiaries	LR038 Additional Information Required Column (1) Line (1.2)		0.700			
(1.99)	Total Other Affiliates			0.700			
(2.1)	Noncontrolled Assets - Company	LR017 Off-Balance Sheet and Other Items Column (1) Line (15)		0.020			
(2.2)	Noncontrolled Assets - Subsidiaries	LR038 Additional Information Required Column (1) Line (2.2)		0.020			
(2.99)	Total Noncontrolled Assets			0.020			
(3.1)	Guarantees for Affiliates: Company	LR017 Off-Balance Sheet and Other Items Column (1) Line (24)		0.020			
(3.2)	Guarantees for Affiliates: Subsidiaries	LR038 Additional Information Required Column (1) Line (3.2)		0.020			
(3.99)	Total Guarantees for Affiliates			0.020			
(4.1)	Contingent Liabilities: Company	LR017 Off-Balance Sheet and Other Items Column (1) Line (25)		0.020			
(4.2)	Contingent Liabilities: Subsidiaries	LR038 Additional Information Required Column (1) Line (4.2)		0.020			
(4.99)	Total Contingent Liabilities			0.020			
(5.1)	Long-Term Leases: Company	LR017 Off-Balance Sheet and Other Items Column (1) Line (26)		0.030			
(5.2)	Long-Term Leases: Subsidiaries	LR038 Additional Information Required Column (1) Line (5.2)		0.030			
(5.99)	Total Long-Term Leases			0.030			
(7.1)	Affiliated Investments†: Company	LR038 Additional Information Required Column (1) Line (7.14)		0.100			
(7.2)	Affiliated Investments†: Subsidiaries	LR038 Additional Information Required Column (1) Line (7.2)		0.100			
(7.99)	Total Affiliated Investments			0.100			

† Excluding affiliated preferred and common stock

Denotes items that must be manually entered on the filing software.

CROSSCHECKING FOR AFFILIATED INVESTMENTS

Affiliated Preferred Stock

	Schedule D Part 6 Section 1 Type	Annual Statement Line Number	(1) Annual Statement Total Preferred Stock†	(2) Total from Life and Fraternal Risk-Based Capital Report‡	(3) Difference
(1)	Parent	0199999			
(2)	U.S. Property and Casualty Insurer	0299999			
(3)	U.S. Life Insurer	0399999			
(4)	U.S. Health Entity	0499999			
(5)	Alien Insurer	0599999			
(6)	Non-Insurer Which Controls Insurer	0699999			
(7)	Investment Subsidiary	0799999			
(8)	Other Affiliates	0899999			
(9)	Total (Sum of Lines (1) through (8))				

Affiliated Common Stock

	Schedule D Part 6 Section 1 Type	Annual Statement Line Number	(1) Annual Statement Total Common Stock†	(2) Total from Life and Fraternal Risk-Based Capital Report§	(3) Difference
(10)	Parent	1099999			
(11)	U.S. Property and Casualty Insurer	1199999			
(12)	U.S. Life Insurer	1299999			
(13)	U.S. Health Entity	1399999			
(14)	Alien Insurer	1499999			
(15)	Non-Insurer Which Controls Insurer	1599999			
(16)	Investment Subsidiary	1699999			
(17)	Other Affiliates	1799999			
(18)	Total (Sum of Lines (10) through (17))				

† Column (1) Lines (1) through (8) and (10) through (17) come from Schedule D Part 6 Section 1 Column 9 of the annual statement.
‡ Column (2) Lines (1) through (8) come from LR044 Details for Affiliated Investments Column (7).
§ Column (2) Lines (10) through (17) come from LR044 Details for Affiliated Investments Column (5).

Denotes items that must be manually entered on the filing software.