PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
AL	Ala. Code § 27-32-37	"all beneficiaries of and all persons holding or owning a contract of insurance with such insurer shall be a preferred creditor… no claim of a creditor shall be preferred over that of a policyholder of the insurer in receivership."	No
AK	Alaska Stat. § 21.78.260(3)	"class 3: all claims under policies… all claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims."	No
AZ	Ariz. Rev. Stat. § 20-629(A)(3)	In a delinquency proceeding against an insurer domiciled in this state, the priority of distribution of claims from the general assets of the insurer shall be determined pursuant to this section…. (3) Claims under insurance policies and contracts and guaranteed investment contracts…	No
AR	Ark. Code Ann. § 23-68-126(b)(2)	"CLASS 2. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims."	No

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CA	West's Ann.Cal.Ins.Code § 1033	(a) Claims allowed in a proceeding under this article shall be given preference in the following order: (1) Expense of administration. (2) All claims of the California Insurance Guarantee Association or the California Life and Health Insurance Guarantee Association, and associations or entities performing a similar function in other states, together with claims for refund of unearned premiums and all claims under insurance and annuity policies or contracts, including **funding agreements**, of an insolvent insurer that are not covered claims.	Yes

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
CO	C.R.S.A. § 10-3-541	(I) **[Class 2]** Claims under annuity and deposit contracts issued on or before August 15, 2000, however labeled, including labels such as annuity, deposit, financial guarantee, **funding agreement**, or guaranteed investment contract, unless the contract is: (A) Issued to, or owned by, an individual or is otherwise an annuity issued in connection with and for the purpose of funding structured settlements of liability; or (B) Issued to, for the benefit of, or in connection with, a specific employee benefit plan or governmental lottery; (II) Claims where the risk is not borne by the insurer, such as the uninsured portion of: (A) A minimum premium group insurance plan; (B) A stop-loss group insurance plan; or (C) An administrative-services only contract and the related uninsured plan liabilities;	Yes
CT	Conn. Gen. Stat. § 38a-944(a)	The priority of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is set forth in this section…. (3) Class 3…. All claims under life and health insurance policies, annuity contracts and **funding agreements** ….	Yes

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
DE	Del. Code Ann. tit. 18, § 5918(e)(3)	The priority of distribution of claims from the insurer's general assets shall be in accordance with the order in which each class of claims is herein set forth…. (3) Class III. Claims by policyholders, beneficiaries and insureds … arising from and within the coverage of and not in excess of the applicable limits of insurance policies, insurance contracts and **funding agreements** issued by the company…	Yes
DC	D.C. Code § 31-1340(2)	"Class 2… All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims."	No
FL	Fla. Stat. § 631.271(1)(b)	"Class 2.--All claims under policies for losses incurred… All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims."	No
GA	O.C.G.A. § 33-37-41(2)	"CLASS 2. All claims under policies… All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims."	No
HI	Haw. Rev. Stat. § 431:15-332(2)	"Class 2. All claims under policies for losses incurred" and "All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values shall be treated as loss claims."	No

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
IL	215 Ill. Comp. Stat. 5/205(1)(d)	The priorities of distribution of general assets from the company's estate is to be as follows: … (d) Claims by policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and **funding agreements**….	Yes
IN	Ind. Code §§ 27-9-3-40; 27-1-12.7-10(3)	The priority of distribution of claims from the insurer's estate must be in accordance with the order in which each class of claims is set forth in this section…. (2) Class 2. All claims under policies for losses incurred… Notwithstanding any other provision of law: … (3) a claim for payments under a funding agreement must be treated as a loss claim described in Class 2 of IC 27-9-3-40….	Yes
IA	Iowa Code § 507C.42(2)	The priority of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is set forth…. 2. Class 2.… claims under **funding agreements** as provided in section 508.31A, subsection 3….	Yes

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
KS	K.S.A. 40-3641	(paraphrased) Administration costs have priority over funding agreements	Yes
KY	KRS § 304.33-430(3)	"The order of distribution of claims from the insurer's estate shall be as stated in this section. (3) Loss and unearned premium claims. Claims by policyholders, beneficiaries, and insureds arising from and within the coverage of and not in excess of the applicable limits of insurance policies and insurance contracts issued by the company."	No
LA	La. Rev. Stat. § 22:2025(2)	"The priorities of distribution of general assets from the insurer's estate shall be as follows: (2) Claims by policyholders, beneficiaries, and insureds arising from and within the coverage of and not in excess of the applicable limits of insurance policies and insurance contracts issued by the insurer; and liability claims against insureds which claims are within the coverage of and not in excess of the applicable limits of insurance policies and insurance contracts issued by the insurer."	No
ME	24-A M.R.S. § 4379(3)	"The priorities of distribution of assets… are in the order as shown in this section. 3. Loss claims. All claims under life insurance policies and annuity contracts, whether for death proceeds, annuity proceeds or investment values, must be treated as loss claims."	No

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
MD	MD INSURANCE § 9-227	(c) **Priority** over all other claims in a liquidation proceeding, other than claims for wages specified in subsection (b) of this section, expenses of administration, and taxes, shall be given to: (1) claims by policyholders, beneficiaries, insureds, or holders of **funding agreements** issued under § 16-113 of this article, that arise from and within the coverage of and are not in excess of the applicable limits of policies and insurance contracts issued by the insurer;	Yes
MA	Mass. Gen. Laws ch. 175, §§ 180F, 132I	The priority of distribution from the general assets of an insurer in a liquidation proceeding shall be in the order set forth below…. (2) claims of policyholders…. For purposes of section 180F, **funding agreements** shall be treated as insurance contracts, and the holders thereof shall be entitled to the same priority of distribution as policyholders.	Yes

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
MI	Mich. Comp. Laws § 500.8142(1)(b)	Except as provided in subsection (2), the priority of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is set forth in this section…. (b) Class 2…. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims. For purposes of this section, life insurance and annuity policies include, but are not limited to, individual annuities, group annuities, guaranteed investment contracts, and **funding agreement contracts**, issued by an insurer.	Yes
MN	M.S.A. § 60B.44	(paraphrase) Administration costs have priority over funding agreements issued pursuant to section 61A.276	Yes
MS	Miss. Code Ann. § 83-24-83(2)	"Class 2. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds or investment values shall be treated as loss claims."	No

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
MO	V.A.M.S. 375.1218	(2) Class 2. All claims under policies including such claims of the federal or any state or local government for losses incurred ("loss claims") including third party claims and all claims of a guaranty association or foreign guaranty association including reasonable allocated loss adjustment expenses and all claims of a life and health insurance guaranty association or foreign guaranty association which covers claims of life and health insurance policies, relating to the handling of such claims. All claims under life insurance and annuity policies and **funding agreements**, whether for death proceeds, annuity proceeds or investment values shall be treated as loss claims.	Yes
MT	Mont. Code Ann. § 33-2-1371(2)	"Class 2--All claims under life and health insurance and annuity policies, whether for death proceeds, health benefits, annuity proceeds, or investment values, must be treated as loss claims."	No
NE	Neb. Rev. Stat. § 44-4842(2)	The priority of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is set forth in this section.... (2) Class 2.... All claims under life insurance and annuity policies, **funding agreements**, guaranteed interest contracts, guaranteed investment contracts, synthetic guaranteed investment contracts, and deposit administration contracts, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims.	Yes

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
NV	NRS 696B.420(1)(b)	"1. The order of distribution of claims from the estate of the insurer on liquidation of the insurer must be as set forth in this section. (b) Any claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds or investment values, must be treated as loss claims."	No
NH	N.H. Rev. Stat. § 408-E:3	II. For the purposes of RSA 402-C:44, **funding agreements** shall be treated as insurance contracts, and holders of **funding agreements** shall be entitled to the same **priority** of **distribution** as policyholders.	Yes
NJ	N.J.S.A. 17B:32-71(a)(3)	"Class 3. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims."	No
NM	N.M. ST § 59A-41-44(C)	"The priority of claims and order of distribution of the insurer's assets on liquidation shall be as stated in this section. C. loss claims. All claims under policies or contracts for losses incurred, including third party claims and all claims of guaranty associations not specified in Subsection A of this section. That portion of any loss for which indemnification is provided by other benefits or advantages recovered or recoverable by the claimant shall not be included in this class, other than benefits or advantages recovered or recoverable in discharge of familial obligations of support or by way of succession at death or as proceeds of life insurance, or as gratuities."	No

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
NY	N.Y. Ins. Law § 7435(a)(4)	The priority of distribution of claims from the estate of a life insurance company in any proceeding subject to this article shall be in accordance with the order in which each class of claims is herein set forth…. (4) Class four. All claims under insurance policies, annuity contracts and **funding agreements** ….	Yes
NC	N.C.G.S.A. § 58-30-220	(paraphrase) Costs of administration & conservation of insurer's assets are prioritized above claims held under **funding agreements.**	Yes
ND	N.D. Cent. Code § 26.1-06.1-41(2)	"Class 2. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values must be treated as loss claims."	No
OH	Ohio Rev. Code Ann. § 3903.42(B)	The priority of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is set forth in this section…. (B) Class 2…. All claims under life insurance, annuity policies, and **funding agreements**….	Yes
OK	OK ST T. 36 § 1927.1(B)(3)	"Class 3. All claims under life and health insurance and annuity policies, whether for death proceeds health benefits, annuity proceeds, or investment values shall be treated as loss claims."	No
OR	O.R.S. § 734.290	"(1) In a delinquency proceeding against an insurer domiciled in this state, claims owing to residents of ancillary states shall be preferred claims if like claims are preferred under the laws of this state. All such claims whether	No

		owing to residents or nonresidents shall be given equal priority of payment from general assets regardless of where such assets are located (2) In a delinquency proceeding against an insurer domiciled in a reciprocal state, claims owing to residents of this state shall be preferred if like claims are preferred by the laws of that state."	

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
PA	40 P.S. § 221.44(b)	"The order of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is herein set forth. (b) All claims under policies for losses wherever incurred… All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values shall be treated as loss claims."	No
RI	R.I. Gen. Laws § 27-14.4-20(4)	"The priorities of distribution in a liquidation proceeding shall be in the following order: (4) Claims by policyholders, beneficiaries, and insureds arising from and within the coverage of and not in excess of the applicable limits of insurance policies and insurance contracts issued by the company, and liability claims against the insured which claims are within the coverage of, and not in excess of, the applicable limits of insurance policies and insurance contracts issued by the company, and claims of the Rhode Island insurers' insolvency fund and any similar organization in another state."	No
SC	SC ST § 38-27-610	(2) **Class 2**. Claims under policies, including claims of federal, state, and local governments, for losses incurred, loss claims, including third party claims,	Yes

		and claims of a guaranty association or foreign guaranty association. Claims under life insurance, annuity policies, and **funding agreements** whether for death proceeds, annuity proceeds, or investment values, must be treated as loss claims.	

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
SD	S.D. ST § 58-29B-124(3)	"Class 3. All claims under policies for losses incurred… All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values shall be treated as loss claims."	No
TN	Tenn. Code Ann. § 56-9-330(a)(2)	The priority of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is set forth in this section…. (2) Class 2. All claims under policies … for losses incurred (loss claims)…. All claims under life insurance policies and annuities, which, for purposes of this section only, shall include guaranteed investment contracts and **funding agreements**, whether for death proceeds, annuity proceeds, or investment values shall be treated as loss claims.	Yes
TX	Tex. Ins. Code § 443.301(b)(1)	The priority of payment of distributions on unsecured claims must be in accordance with the order in which each class of claims is set forth in this section…. (b) Class 2. (1)… claims under annuity contracts, including **funding agreements**, guaranteed investment contracts, and synthetic guaranteed investment contracts….	Yes
UT	U.C.A. 1953 § 31A-27a-701	(paraphrased) Claims under funding agreements are class 3 claims, prioritized below expressly approved administration costs (class 1) and reasonable expenses of a guaranty association (class 2)	Yes

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STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
VT	8 V.S.A. § 7081(3)	"Class 3. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims."	No
VI	VA Code Ann. § 38.2-3100.2	G. For any **funding agreement** assets held in the insurer's general account, or for any other obligations due under the **funding agreement** from the insurer's general account, the **funding agreement** shall be treated as an insurance contract, and the holder of the **funding agreement** shall be entitled to the same **priority** of **distribution** as other policyholders for the purposes of clause (ii) of subdivision B 1 of § 38.2-1509.	Yes
VA	VA Code Ann. § 38.2-1512	"The rights and liabilities of an insurer and of its creditors, policyholders, stockholders, members, and all other persons interested in the property and assets of the insurer, shall be fixed as of the date of the entry of the order directing the liquidation of the insurer unless otherwise provided by law."	No
WA	WA ST 48.31.280(2)	"Class 2. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, are loss claims."	No
WV	W. Va. Code § 33-10-19a(b)	"Class II. All claims for refund of unearned premiums under nonassessable policies and all claims of policyholders ... for losses incurred; third party claims of an insolvent insurer; and all reasonable claims of the West Virginia insurance guaranty associations..."	No

PRIORITY OF CLAIMS IN RECEIVERSHIP RELATING TO FUNDING AGREEMENTS/FABN

STATE	STATUTE	STATUTORY LANGUAGE	EXPLICIT REFERENCE TO FUNDING AGREEMENT/FUNDING AGREEMENT-BACKED NOTES?
WI	Wis. Stat. § 645.68	The order of distribution of claims from the insurer's estate shall be as stated in this section…. (3) Loss claims…. All amounts payable under **funding agreements**, as defined in s. 632.66(2)(a), whether for principal or interest, shall be treated as loss claims.	Yes
WY	Wyo. Stat. § 26-28-125(a)(iii)	"(a) The priorities of distribution of general assets from the company's estate is as follows: (iii) Claims by policyholders, beneficiaries, insureds and liability claims against insureds covered under insurance policies and insurance contracts issued by the company..."	No