



Evolving Trends in Bank-Owned Life Insurance Market

Complimentary Edition – 2021-Q4

March 2022

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Economic Backdrop

Economic Updates

Fed Asset Purchase Taper

- Following the November FOMC meeting, the committee [announced](#) the tapering of asset purchases. Purchases of treasuries will be reduced by \$10 billion, and agency mortgage-backed securities will be reduced by \$5 billion beginning in November 2021.
- After the December FOMC meeting, the committee [announced](#) that it was further reducing the pace its net asset purchases with a reduction of \$20 billion treasuries per month and \$10 billion of agency MBS.

FOMC Dot Plot

- The FOMC [dot plot](#) was released following the December FOMC meeting. A majority of participants view that the federal funds rate will be at a 0.75% midpoint by 2022 year-end. The longer run assessments show a majority of participants viewing 2.5% as the appropriate midpoint for the federal funds rate.

US Inflation

- The US CPI Urban Consumers Index increased 7% over the prior 12 months as of December 2021. Energy and vehicles were amongst the largest contributors to inflation over the 12-month period.

Financial Markets Update

US Treasury Yields



	1M	3M	6M	1Y	2Y	3Y	5Y	7Y	10Y	30Y
Dec 2021	0.03	0.04	0.19	0.38	0.73	0.96	1.26	1.44	1.51	1.90
Sep 2021	0.05	0.04	0.05	0.07	0.28	0.51	0.97	1.29	1.49	2.05
Q Change	-0.03	0.01	0.14	0.31	0.46	0.45	0.30	0.15	0.02	-0.14
Dec 2020	0.04	0.07	0.09	0.11	0.12	0.17	0.36	0.65	0.92	1.65
Year Change	-0.02	-0.03	0.10	0.28	0.61	0.79	0.90	0.79	0.60	0.26

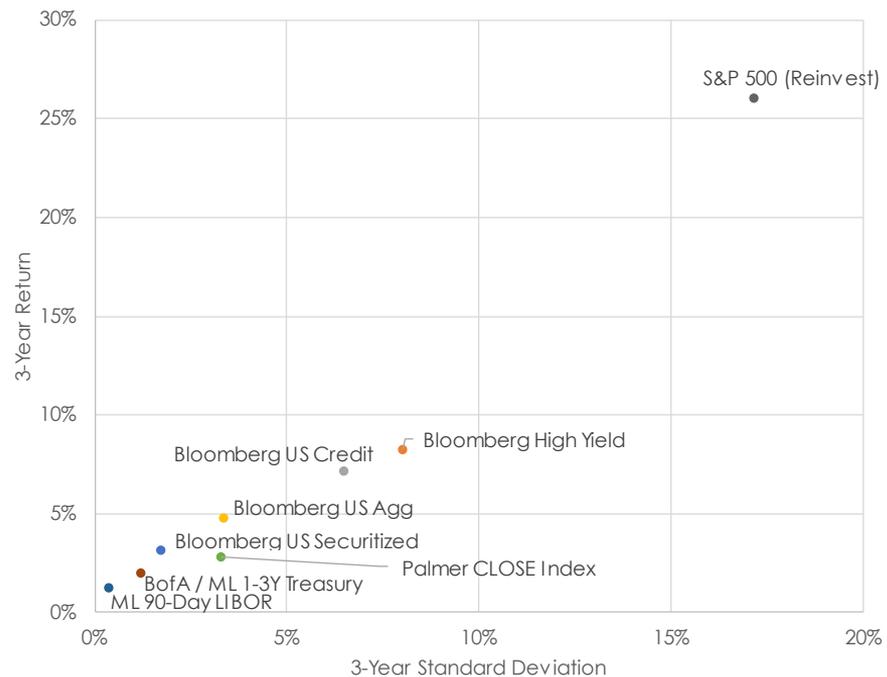
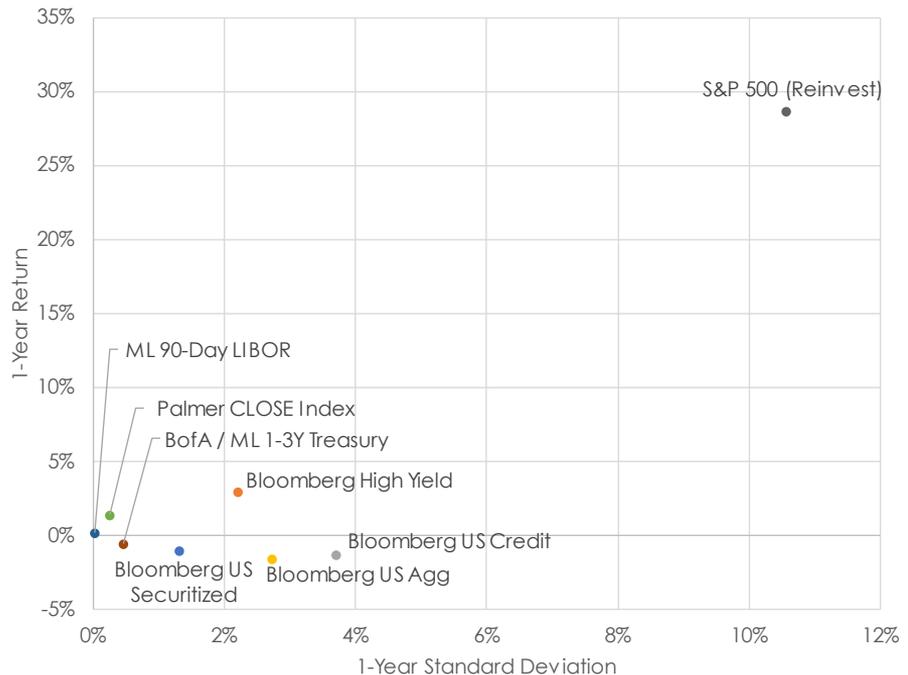
Sector Performance (As of Q4)

	YTW	Duration	OAS	3M Return	12M Return	3Y Return	5Y Return
Treasuries	1.23%	7.14	0.00%	0.18%	-2.32%	4.07%	3.07%
Corporate	2.33%	8.70	0.92%	0.23%	-1.04%	7.59%	5.26%
CMBS	1.88%	5.09	0.68%	-0.64%	-1.16%	4.98%	3.80%
ABS	1.13%	2.33	0.38%	-0.57%	-0.34%	2.88%	2.39%
Credit Card ABS	1.25%	3.42	0.30%	-0.62%	-0.61%	2.88%	2.37%
Auto ABS	1.10%	1.95	0.42%	-0.53%	-0.17%	2.81%	2.37%
Agency MBS	1.98%	4.76	0.31%	-0.37%	-1.04%	3.01%	2.50%
GNMA	2.02%	4.18	0.34%	-0.46%	-1.45%	2.65%	2.16%
FHLHC	1.97%	5.02	0.29%	-0.32%	-0.93%	3.15%	2.63%
FNMA	1.97%	4.85	0.32%	-0.37%	-0.91%	3.15%	2.62%
Palmer CLO AAA	1.97%	2.52	1.08%	0.24%	1.36%	2.74%	2.71%

*Discount Margin

	3M Return	12M Return	3Y Return	5Y Return
SP 500 (Reinvest)	11.03%	28.71%	26.07%	18.47%
Energy	7.97%	54.64%	4.67%	-1.45%
Materials	15.20%	27.28%	24.17%	15.12%
Industrials	8.64%	21.12%	20.28%	12.80%
Consumer Discretionary	12.84%	24.43%	28.51%	21.35%
Consumer Staples	13.31%	18.63%	18.80%	11.76%
Health Care	11.17%	26.13%	20.02%	17.58%
Financials	4.57%	35.04%	20.60%	13.26%
IT	16.69%	34.53%	42.76%	32.13%
Telecom	-0.01%	21.57%	25.87%	11.49%
Utilities	12.93%	17.67%	14.32%	11.76%

1 & 3-Year Benchmark Risk/Return Plots

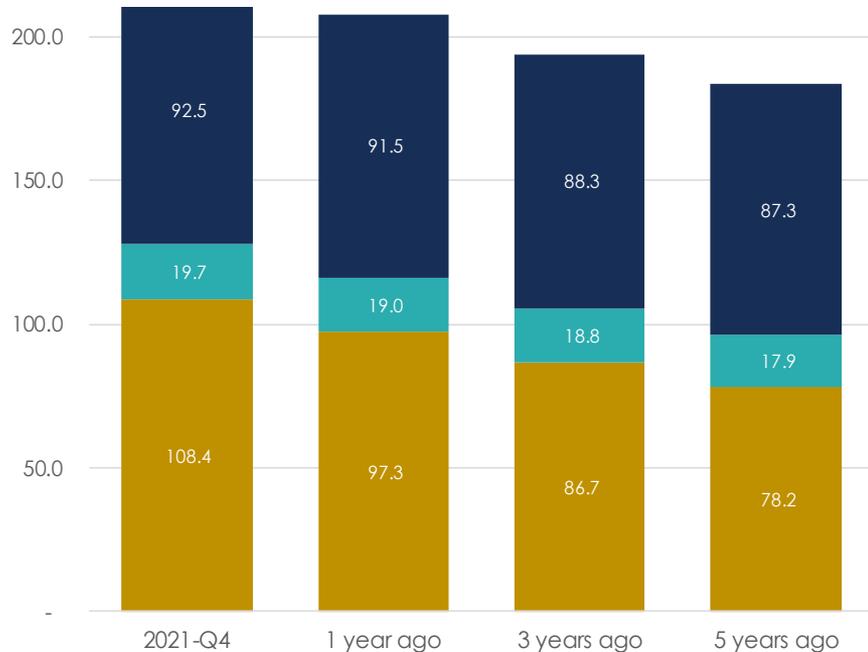


Data as of 2021-Q4

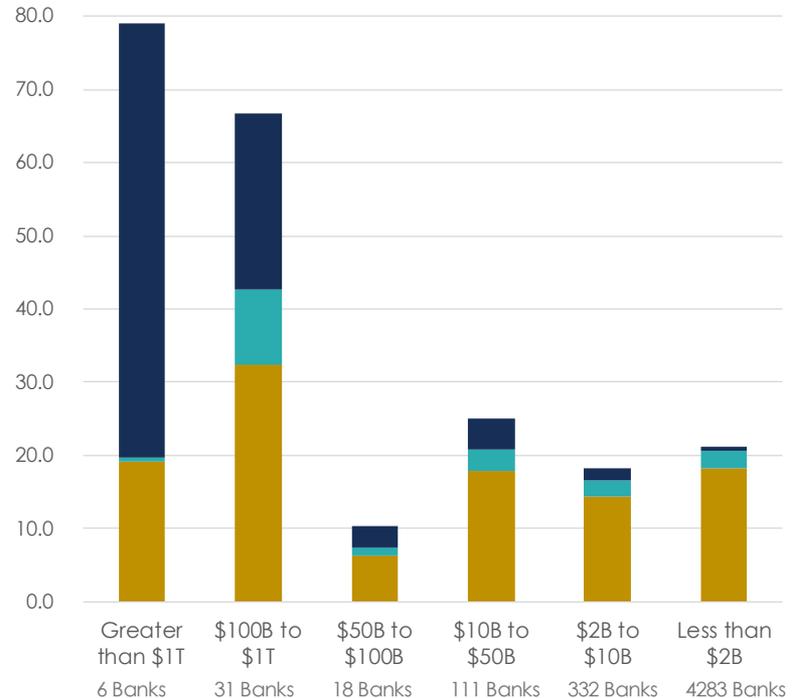
Recent Trends in BOLI

BOLI Market Overview as of 2021-Q4

Total BOLI (\$B) by Type



Current BOLI Type by Institution Total Asset Size



Institutions represent Bank Holding Companies and Stand-Alone Savings & Loans and Banks

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SA

GA

Hybrid

BOLI Market Overview as of 2021-Q4

Bank Size	Number of Banks ¹	% Owning BOLI	Total Assets (Billions)	GA BOLI (Billions)	Hybrid BOLI (Billions)	SA BOLI (Billions)	Total BOLI (Billions)	BOLI / Capital	BOLI / Assets
Greater than \$1 Trillion	6	100%	13,805	19.1	0.6	59.3	79.1	7.73%	0.57%
\$100 Billion to \$1 Trillion	31	81%	7,681	32.3	10.4	24.0	66.7	10.02%	0.87%
\$50 Billion to \$100 Billion	18	94%	1,250	6.4	1.1	2.9	10.3	8.30%	0.83%
\$10 Billion to \$50 Billion	111	83%	2,462	17.9	3.0	4.2	25.0	10.24%	1.02%
\$2 Billion to \$10 Billion	390	83%	1,621	14.3	2.3	1.6	18.2	10.19%	1.12%
Less than \$2 Billion	4,283	65%	1,769	18.3	2.4	0.5	21.2	10.74%	1.20%
TOTALS	4,839	67%	28,588	108.4	19.7	92.5	220.6	9.06%	0.77%

¹ The number of banks represents the number of Top Bank Holding Companies and Stand-Alone Savings & Loan and Banking Institutions. A Bank Holding Company may have several subsidiary banks, but they are not counted individually in this figure.

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BOLI Risk-Weighted Assets Analysis

Bank Size	Number of Banks ¹	% Owning BOLI	SA Exposure (\$B)	SA RWA (\$B)	Total RWA / Total Exposure	Average Bank RW%
Greater than \$1 Trillion	6	100%	59.9	18.2	30.4%	30.3%
\$100 Billion to \$1 Trillion	31	81%	29.5	12.4	42.1%	55.6%
\$50 Billion to \$100 Billion	18	94%	3.8	2.7	73.1%	65.4%
\$10 Billion to \$50 Billion	111	83%	6.1	3.9	63.9%	79.5%
\$2 Billion to \$10 Billion	390	83%	3.4	2.8	81.4%	87.2%
Less than \$2 Billion	4,283	65%	2.0	1.8	90.9%	94.2%
Total	4,839	67%	104.7	41.9	40.0%	90.0%

Observations

- Bank RW% Median and Mode are both 100%, indicating most banks are defaulting to 100%
- Using category weights from our BOLI Allocations Study, MBSA estimates a ~27% effective risk-weight for the SA industry using the Basel III Standardized Approach
- The largest banks account for over half of SA Exposure, yet achieve lower RW%

Recent BOLI Transaction Counts & Totals

Movement or Transactions of \$10M or More

Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2021-Q4	15	2,296	28	837	43	3,134	0	0	0	0	0	0
1-Year	80	5,862	87	2,249	167	8,111	1	-44	5	-122	6	-166
3-Year	125	9,469	169	4,560	294	14,029	5	-151	19	-831	24	-982
5-Year	197	12,039	221	5,755	418	17,794	8	-278	27	-1,060	35	-1,338
SA												
2021-Q4	0	0	4	188	4	188	0	0	0	0	0	0
1-Year	0	0	7	254	7	254	1	-44	3	-87	4	-131
3-Year	2	78	14	858	16	937	3	-105	9	-429	12	-534
5-Year	3	108	21	1,177	24	1,285	4	-145	13	-527	17	-671
GA												
2021-Q4	15	2,296	21	598	36	2,894	0	0	0	0	0	0
1-Year	79	5,762	76	1,928	155	7,691	0	0	2	-35	2	-35
3-Year	122	9,291	150	3,619	272	12,911	1	-4	10	-402	11	-406
5-Year	190	11,793	194	4,485	384	16,278	3	-92	14	-533	17	-625
HYBRID												
2021-Q4	0	0	3	51	3	51	0	0	0	0	0	0
1-Year	1	100	4	66	5	166	0	0	0	0	0	0
3-Year	1	100	5	82	6	182	1	-42	0	0	1	-42
5-Year	4	138	6	93	10	231	1	-42	0	0	1	-42

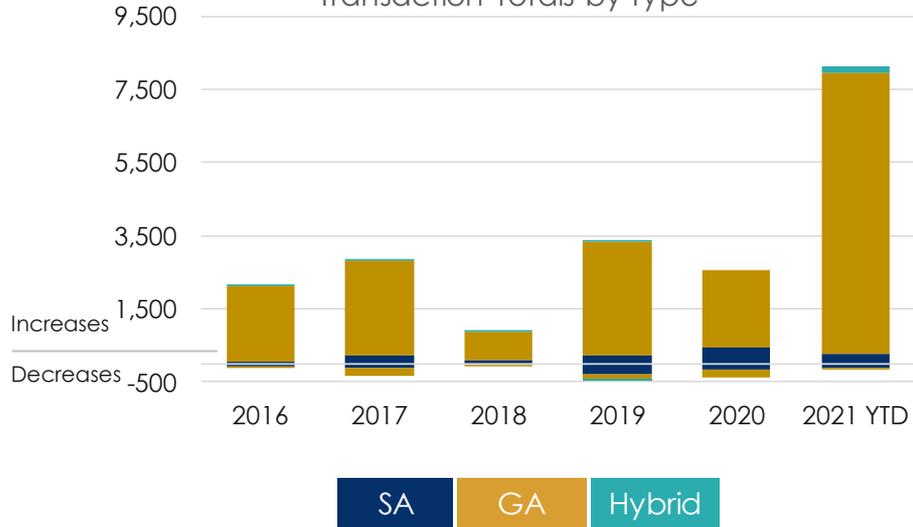
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

Recent BOLI Transactions

Movement or Transactions of \$10M or More

Transaction Totals by Type



Recent Notable Purchases

- In 2021-Q4 PNC Financial purchased \$950 million of GA
- In 2021-Q4 Truist Financial purchased \$606 million of GA
- In 2021-Q4 Citizens Financial purchased \$400 million of GA
- In 2021-Q4 First National of Omaha purchased \$127 million of GA
- In 2021-Q4 Liberty Bank had an increase of \$75 million of SA
- In 2021-Q3 First National of Omaha's GA increased by \$251.5 million

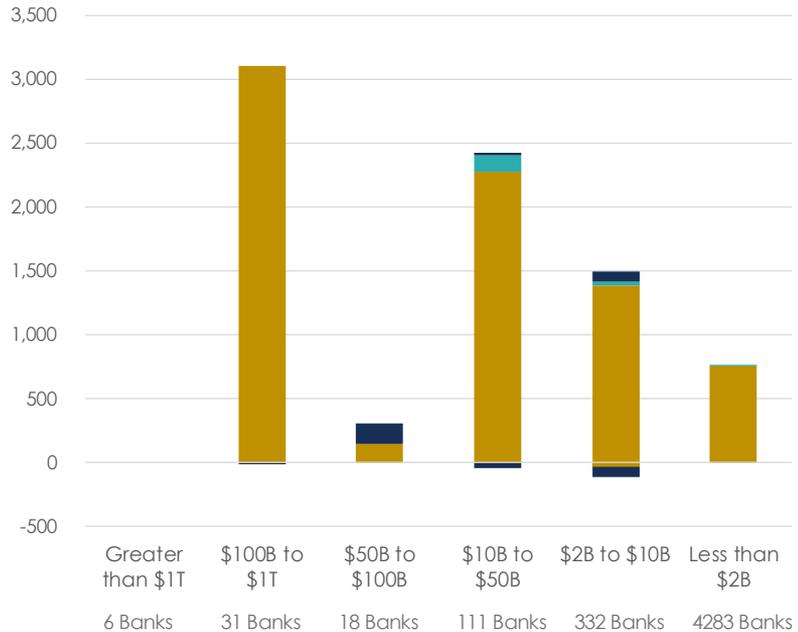
Recent Notable Surrenders

- None were noted in 2021-Q4, Q3 or Q2
- In 2021-Q1 Hancock Whitney surrendered \$44 million of SA and purchased \$45 million of GA
- In 2020-Q4 Regions performed an **exchange** of SA for GA; MBSA estimates the exchange ~\$250 million

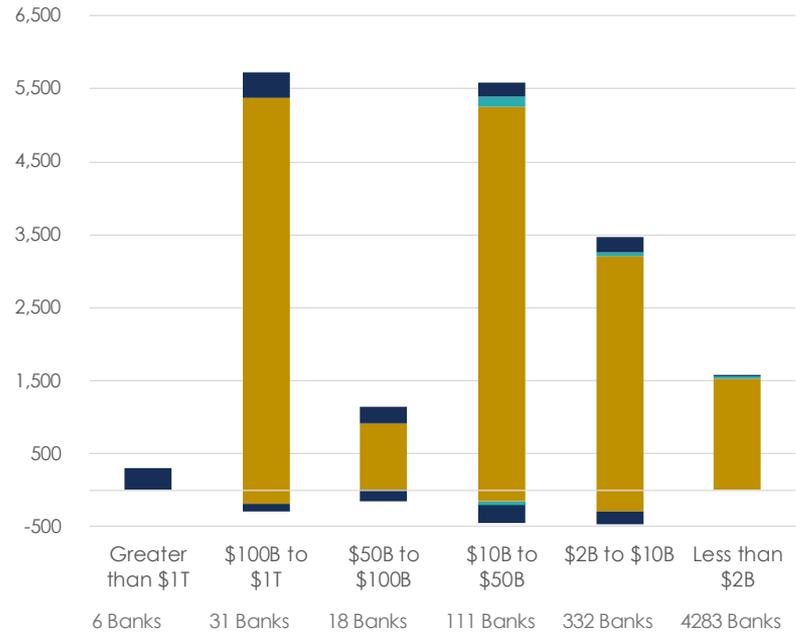
BOLI Transactions by Type and Bank Size

Movement or Transactions of \$10M or More

1-Year



5-Year



SA

GA

Hybrid

Listing of activity by institution are available upon request

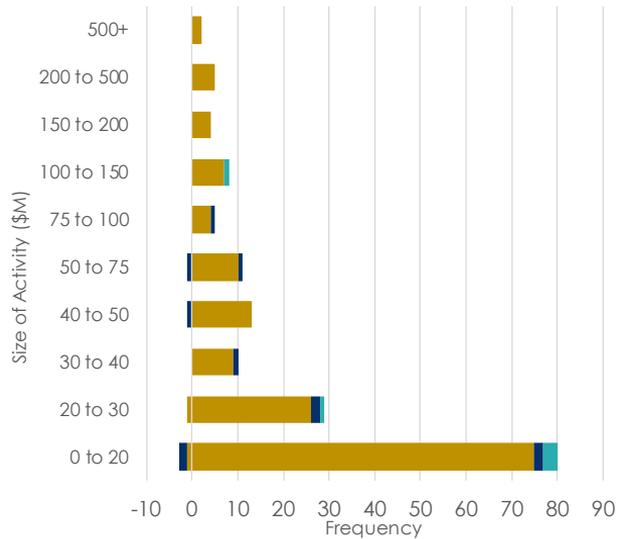
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Frequency of BOLI Transaction Sizes

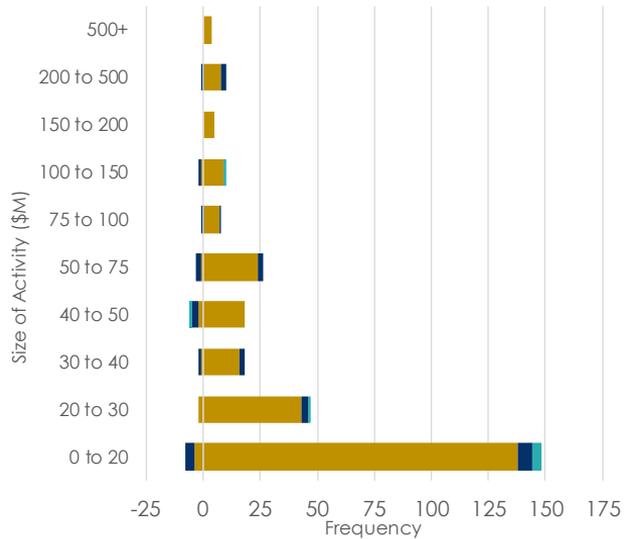
Movement or Transactions of \$10M or More

- Over the past 5 years, over 68% of transactions have been below \$30 Million, while 8% are over \$100 million

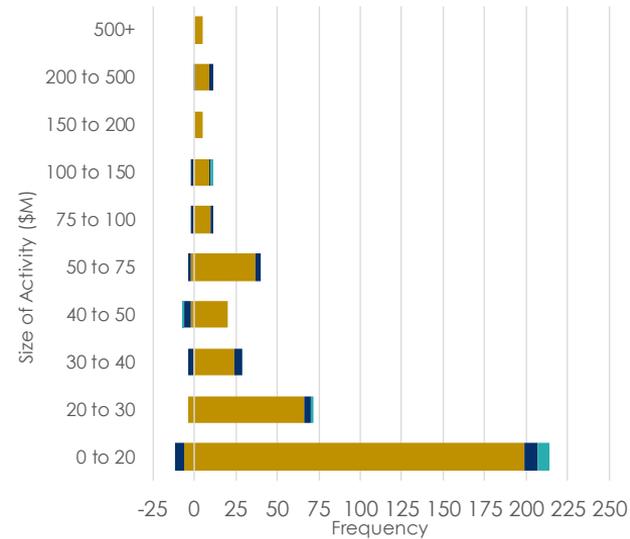
1-Year



3-Year



5-Year



Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

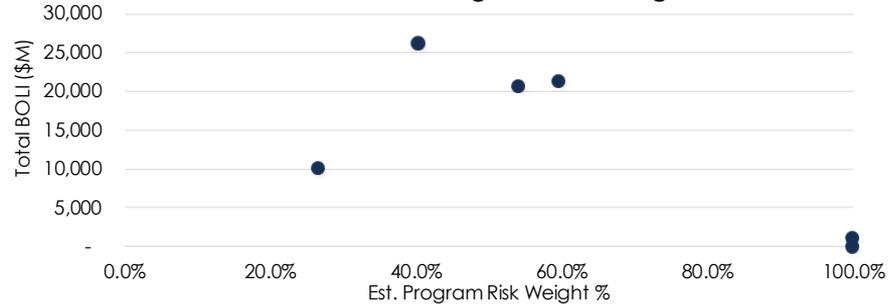
Market Analytics By Bank Size

Banks with over \$1T in Total Assets

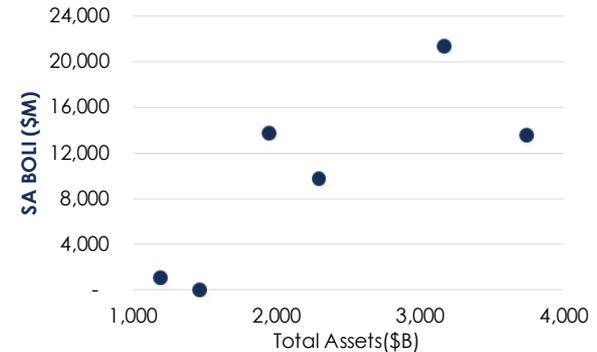
6 of 6 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	19,129	645	59,340	79,114	8%
Average	3,188	108	9,890	13,186	7%
Last Q # of Increases	-	-	-	-	
Increase Total (\$M)	-	-	-	-	
Last Q # of Decreases	-	-	-	-	
Decrease Total (\$M)	-	-	-	-	

Total BOLI vs Est. Program Risk Weight



Types of BOLI by Bank Asset Size



Recent BOLI Transaction Counts & Totals

Banks with over \$1T in Total Assets

Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	0	0	0	0
3-Year	0	0	1	306	1	306	0	0	0	0	0	0
5-Year	0	0	1	306	1	306	0	0	0	0	0	0
SA												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	0	0	0	0
3-Year	0	0	1	306	1	306	0	0	0	0	0	0
5-Year	0	0	1	306	1	306	0	0	0	0	0	0
GA												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	0	0	0	0
3-Year	0	0	0	0	0	0	0	0	0	0	0	0
5-Year	0	0	0	0	0	0	0	0	0	0	0	0
HYBRID												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	0	0	0	0
3-Year	0	0	0	0	0	0	0	0	0	0	0	0
5-Year	0	0	0	0	0	0	0	0	0	0	0	0

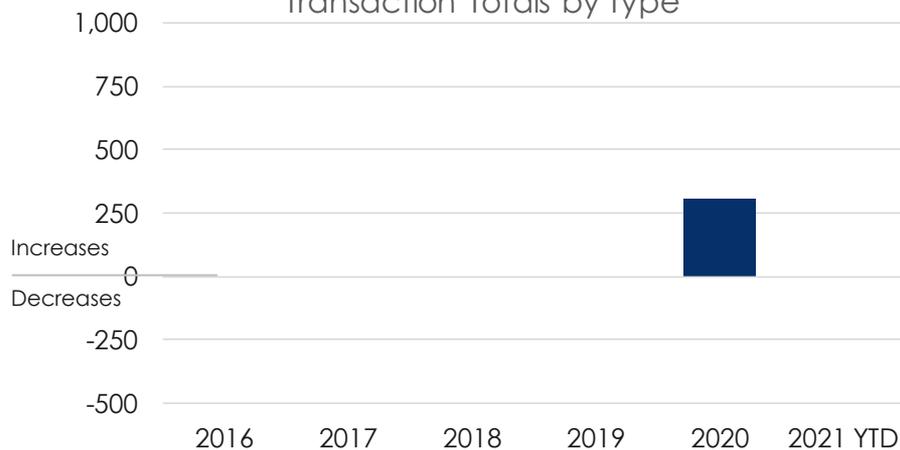
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

Recent BOLI Transactions

Banks with over \$1T in Total Assets

Transaction Totals by Type



SA

GA

Hybrid

Current Quarter Activity

- [None observed]

Recent Notable Actions

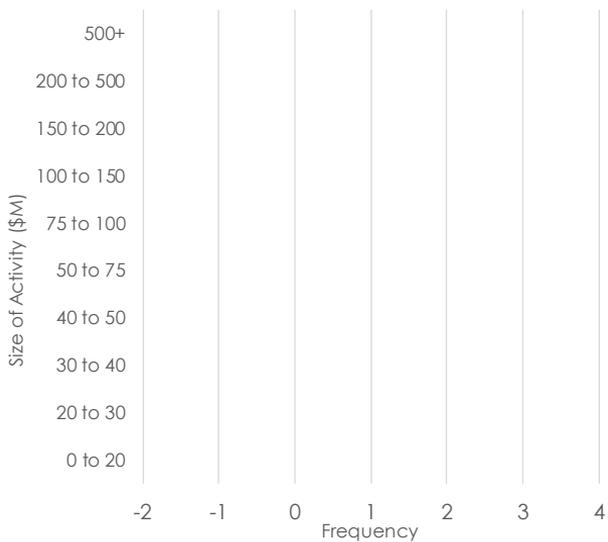
- In 2020-Q4, Morgan Stanley's SA BOLI increased by ~\$306 million

Frequency of BOLI Transaction Sizes

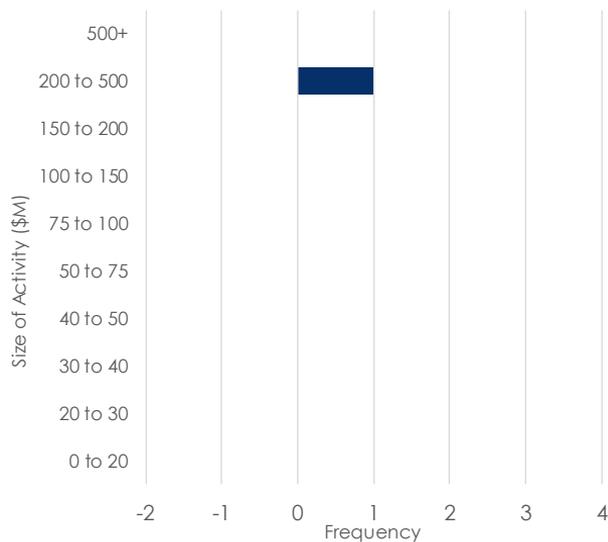
Banks with over \$1T in Total Assets

- While they own over a third of all BOLI, MBSA has only tracked one purchase over the last 5 years for \$1 Trillion+ banks

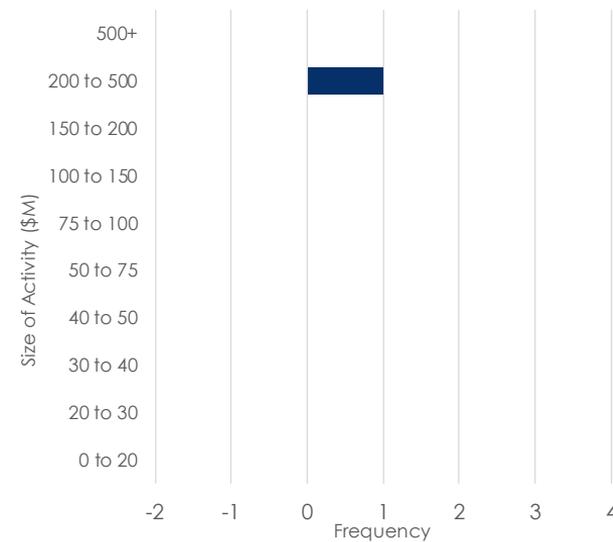
1-Year



3-Year



5-Year



Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

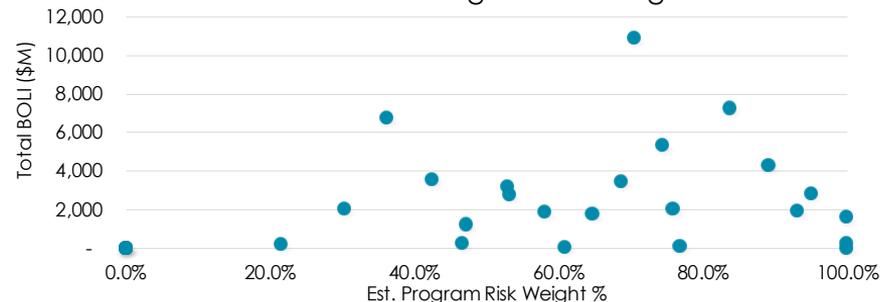
Market Analytics By Bank Size

Banks with \$100B to \$1T in Total Assets

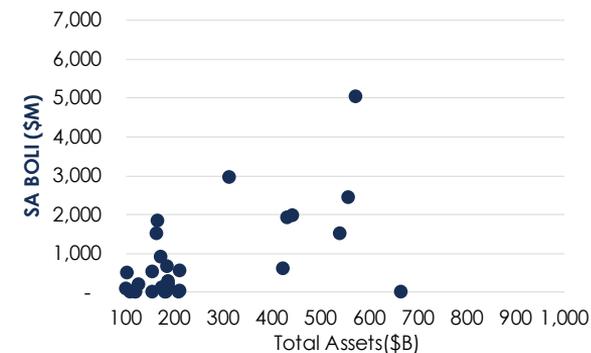
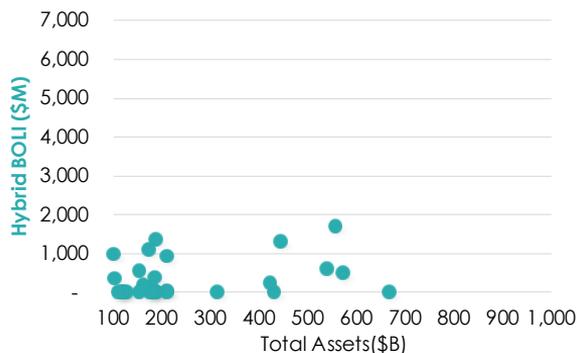
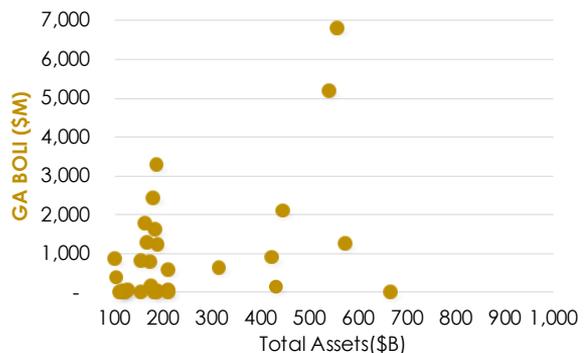
25 of 31 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	32,341	10,397	24,003	66,741	10%
Average	1,043	335	774	2,153	26%
Last Q # of Increases	3	-	-	3	
Increase Total (\$M)	1,956	-	-	1,956	
Last Q # of Decreases	-	-	-	-	
Decrease Total (\$M)	-	-	-	-	

Total BOLI vs Est. Program Risk Weight



Types of BOLI by Bank Asset Size



Recent BOLI Transaction Counts & Totals

Banks with \$100B to \$1T in Total Assets

Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2021-Q4	3	1,956	0	0	3	1,956	0	0	0	0	0	0
1-Year	8	3,109	0	0	8	3,109	0	0	1	-11	1	-11
3-Year	13	5,192	1	205	14	5,397	0	0	4	-284	4	-284
5-Year	14	5,393	2	339	16	5,731	0	0	4	-284	4	-284
SA												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	1	-11	1	-11
3-Year	1	18	1	205	2	223	0	0	2	-104	2	-104
5-Year	1	18	2	339	3	357	0	0	2	-104	2	-104
GA												
2021-Q4	3	1,956	0	0	3	1,956	0	0	0	0	0	0
1-Year	8	3,109	0	0	8	3,109	0	0	0	0	0	0
3-Year	12	5,174	0	0	12	5,174	0	0	2	-180	2	-180
5-Year	13	5,375	0	0	13	5,375	0	0	2	-180	2	-180
HYBRID												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	0	0	0	0
3-Year	0	0	0	0	0	0	0	0	0	0	0	0
5-Year	0	0	0	0	0	0	0	0	0	0	0	0

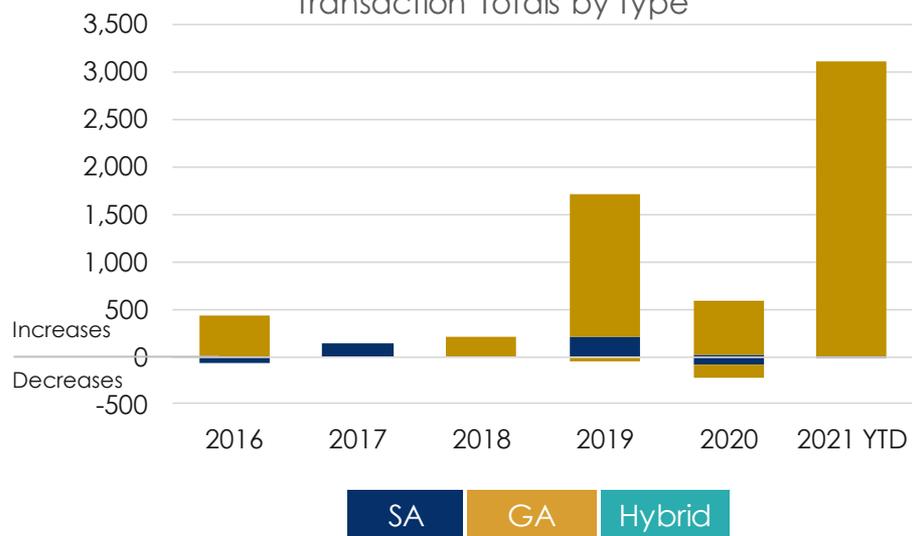
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Recent BOLI Transactions

Banks with \$100B to \$1T in Total Assets

Transaction Totals by Type



Current Quarter Activity

- PNC Financial purchased \$950 million of GA
- Truist Financial purchased \$606 million of GA
- Citizens Financial purchased \$400 million of GA

Recent Notable Actions

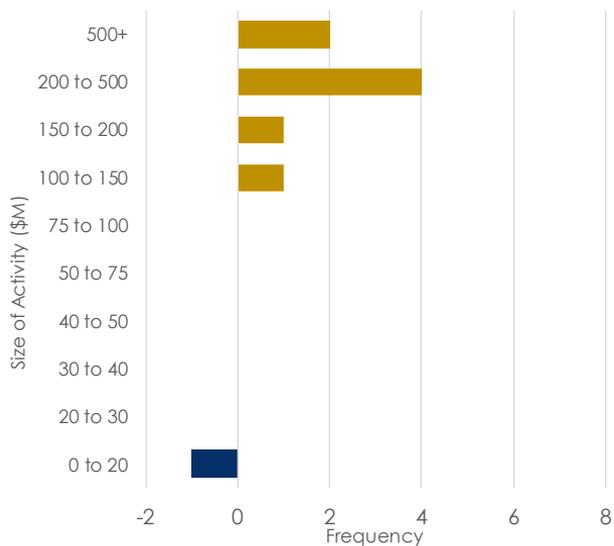
- Citizens Bank's total 2021 GA purchases were \$1.05 billion
- Throughout 2021 First Republic purchased \$500 million of BOLI; Primarily GA, with some SA
- In 2020-Q4 Regions performed an exchange of SA for GA; MBSA estimates the exchange ~\$250 million

Frequency of BOLI Transaction Sizes

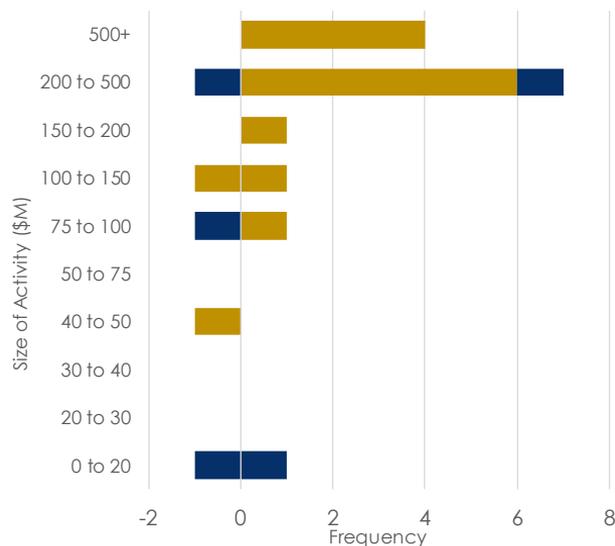
Banks with \$100B to \$1T in Total Assets

- Many recent deals for large banks have been over \$200 million, including four over \$500 million

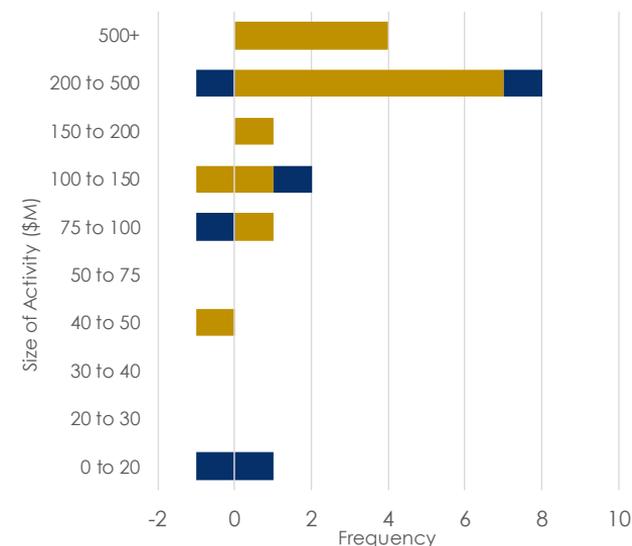
1-Year



3-Year



5-Year

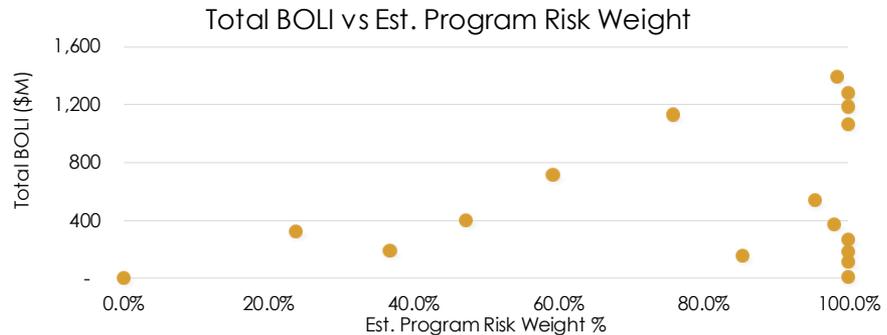


Market Analytics By Bank Size

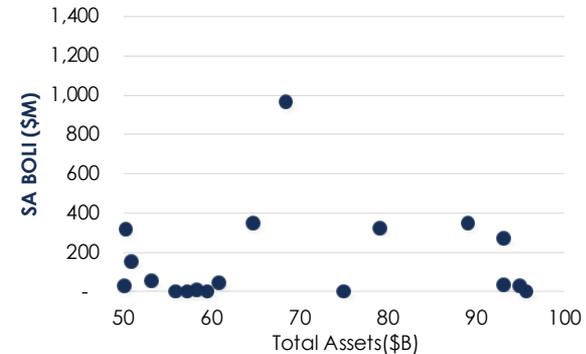
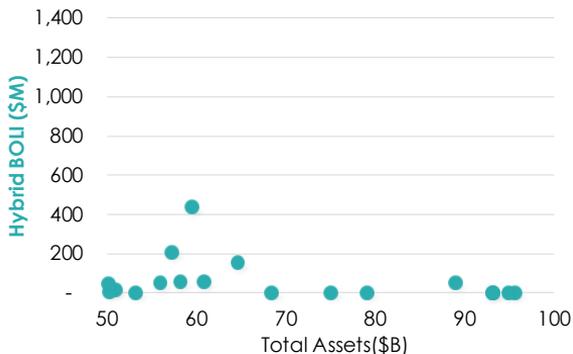
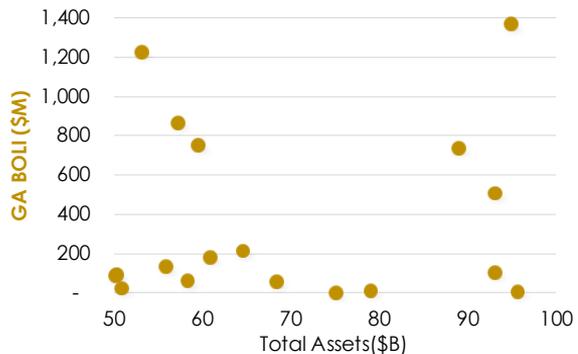
Banks with \$50B to \$100B in Total Assets

17 of 18 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	6,382	1,060	2,894	10,336	8%
Average	355	59	161	574	9%
Last Q # of Increases	-	-	2	2	
Increase Total (\$M)	-	-	89	89	
Last Q # of Decreases	-	-	-	-	
Decrease Total (\$M)	-	-	-	-	



Types of BOLI by Bank Asset Size



Recent BOLI Transaction Counts & Totals

Banks with \$50B to \$100B in Total Assets

Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2021-Q4	0	0	2	89	2	89	0	0	0	0	0	0
1-Year	1	150	5	155	6	305	0	0	0	0	0	0
3-Year	6	655	11	461	17	1,116	0	0	2	-135	2	-135
5-Year	7	675	11	461	18	1,136	0	0	3	-146	3	-146
SA												
2021-Q4	0	0	2	89	2	89	0	0	0	0	0	0
1-Year	0	0	5	155	5	155	0	0	0	0	0	0
3-Year	0	0	8	222	8	222	0	0	2	-135	2	-135
5-Year	0	0	8	222	8	222	0	0	3	-146	3	-146
GA												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	1	150	0	0	1	150	0	0	0	0	0	0
3-Year	6	655	3	239	9	894	0	0	0	0	0	0
5-Year	7	675	3	239	10	914	0	0	0	0	0	0
HYBRID												
2021-Q4	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	0	0	0	0
3-Year	0	0	0	0	0	0	0	0	0	0	0	0
5-Year	0	0	0	0	0	0	0	0	0	0	0	0

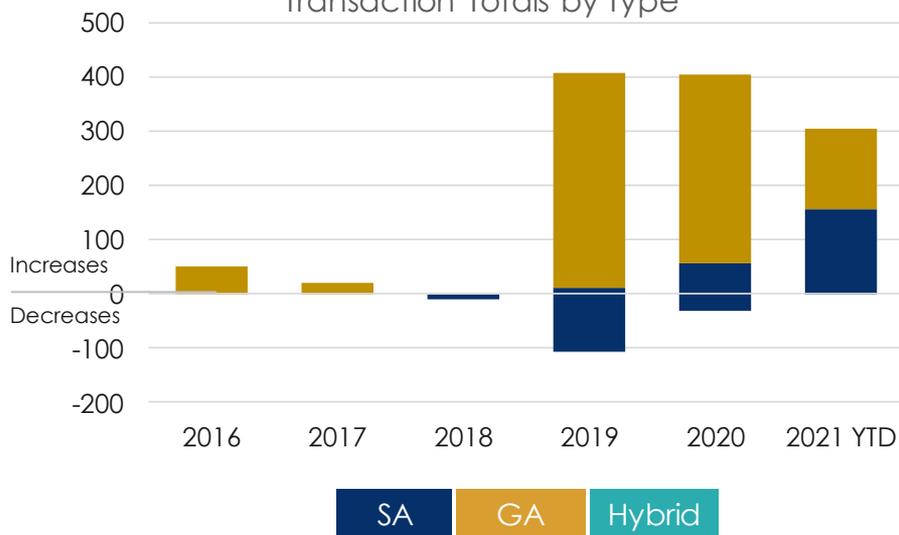
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

Recent BOLI Transactions

Banks with \$50B to \$100B in Total Assets

Transaction Totals by Type



Current Quarter Activity

- Raymond James's SA BOLI increased by ~\$61 million
- City National's SA BOLI increased by ~\$28 million

Recent Notable Actions

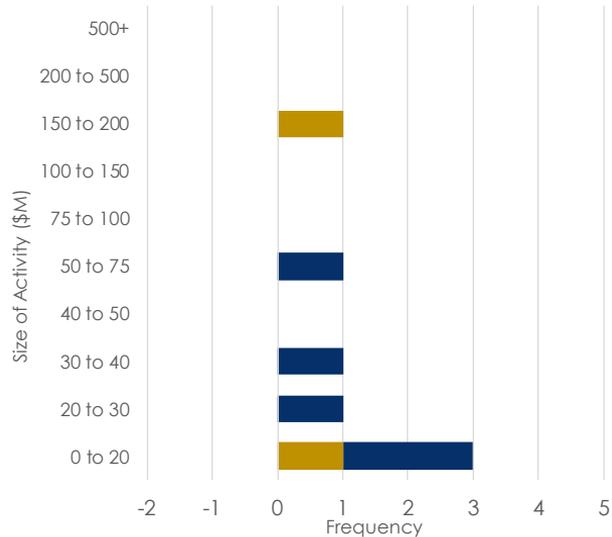
- In 2021-Q3 East West Bank purchased \$150 million of GA
- In 2021-Q2 Raymond James's SA BOLI increased by ~\$39 million
- In 2021-Q2 City National's SA BOLI increased by ~\$12 million
- In 2021-Q1 City National's SA BOLI increased by ~\$16 million
- In 2020-Q1 Synovus purchased \$250 million of GA
- In 2020 City's SA BOLI increased by ~\$67 million

Frequency of BOLI Transaction Sizes

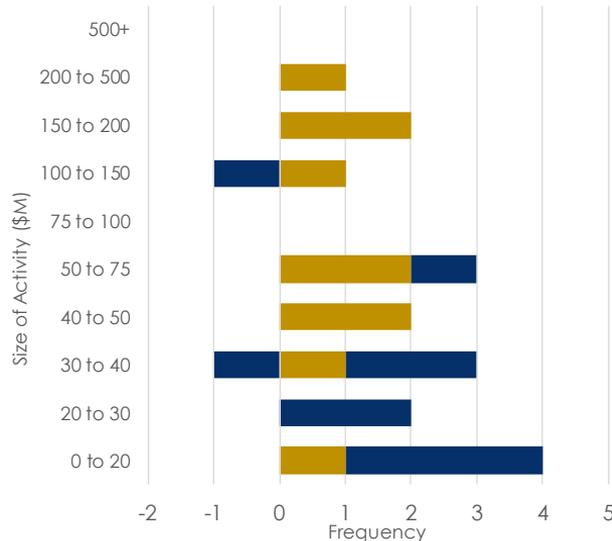
Banks with \$50B to \$100B in Total Assets

- Recent purchases have been fairly spread out in overall size

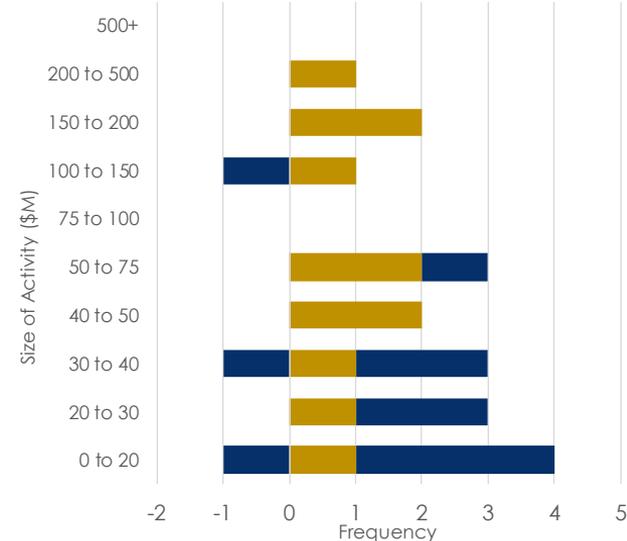
1-Year



3-Year

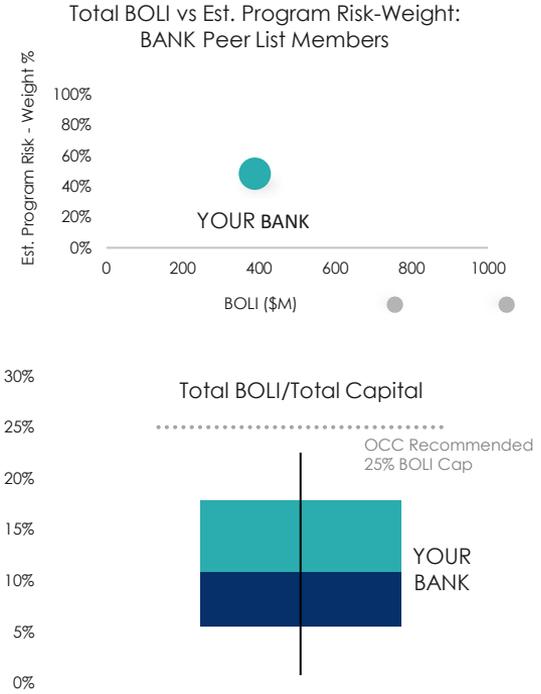
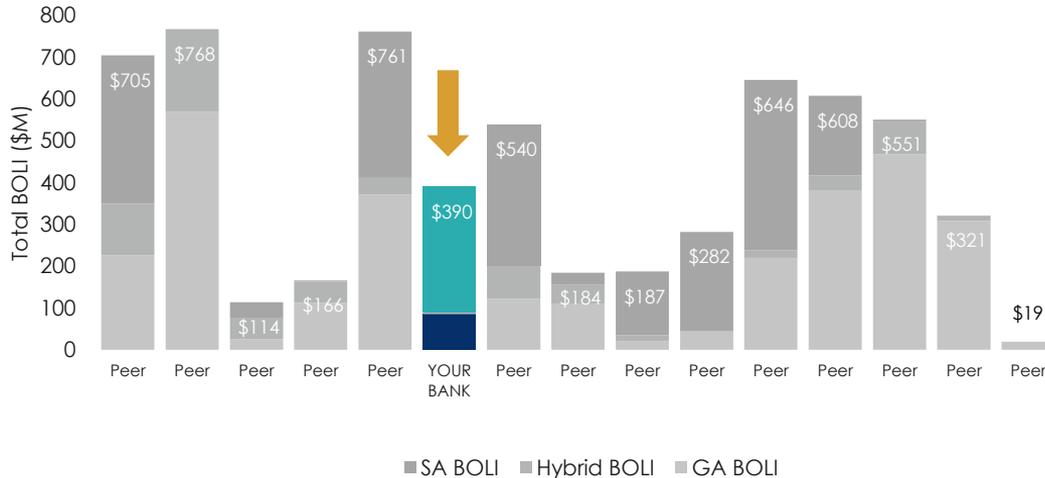


5-Year



CUSTOM PEER BANK REPORTS

- ✓ **Customizable**— Create your peer group & choose which banks to include
- ✓ **Risk Management**— Extensive peer BOLI monitoring
- ✓ **Comprehensive Updates**— Quarterly review of BOLI market activity



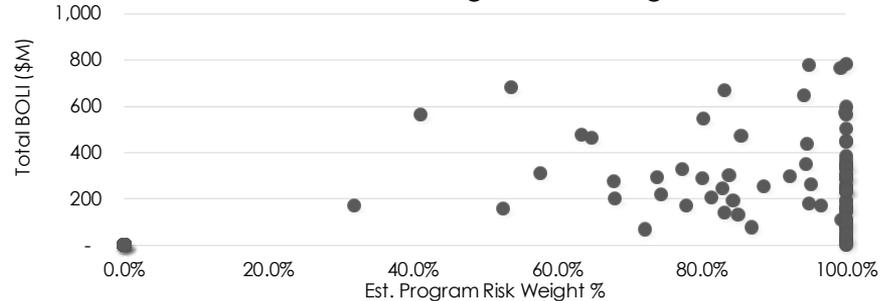
Market Analytics By Bank Size

Banks with \$10B to \$50B in Total Assets

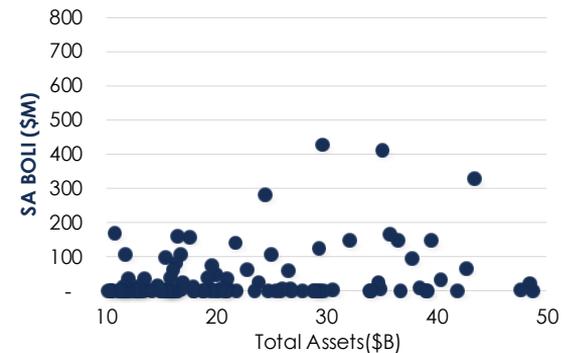
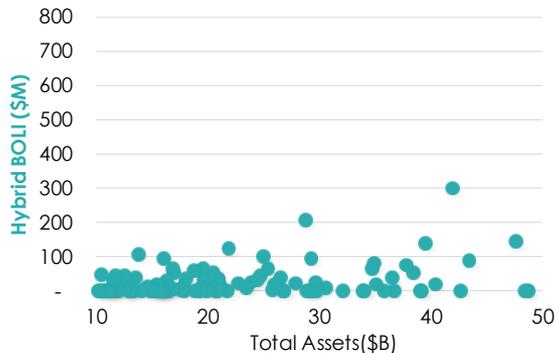
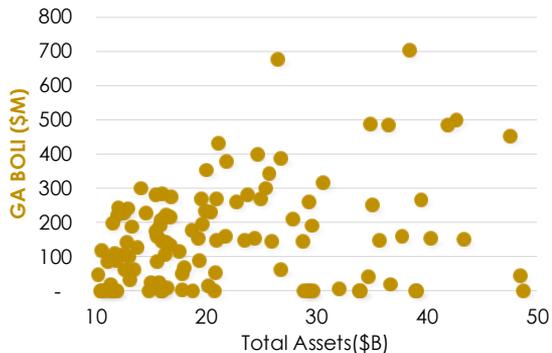
92 of 111 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	17,878	2,964	4,175	25,017	10%
Average	161	27	38	225	13%
Last Q # of Increases	10	1	1	12	
Increase Total (\$M)	532	26	24	581	
Last Q # of Decreases	-	-	-	-	
Decrease Total (\$M)	-	-	-	-	

Total BOLI vs Est. Program Risk Weight



Types of BOLI by Bank Asset Size



Recent BOLI Transaction Counts & Totals

Banks with \$10B to \$50B in Total Assets

Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2021-Q4	5	226	7	355	12	581	0	0	0	0	0	0
1-Year	28	1,714	15	716	43	2,430	1	-44	0	0	1	-44
3-Year	37	2,193	28	1,303	65	3,495	5	-151	5	-162	10	-313
5-Year	61	3,706	37	1,621	98	5,327	6	-175	7	-275	13	-451
SA												
2021-Q4	0	0	1	24	1	24	0	0	0	0	0	0
1-Year	0	0	1	24	1	24	1	-44	0	0	1	-44
3-Year	0	0	1	24	1	24	3	-105	3	-114	6	-219
5-Year	1	30	5	157	6	187	3	-105	4	-144	7	-249
GA												
2021-Q4	5	226	5	305	10	532	0	0	0	0	0	0
1-Year	27	1,614	13	667	40	2,281	0	0	0	0	0	0
3-Year	36	2,093	26	1,253	62	3,346	1	-4	2	-48	3	-52
5-Year	58	3,562	31	1,439	89	5,000	2	-29	3	-131	5	-160
HYBRID												
2021-Q4	0	0	1	26	1	26	0	0	0	0	0	0
1-Year	1	100	1	26	2	126	0	0	0	0	0	0
3-Year	1	100	1	26	2	126	1	-42	0	0	1	-42
5-Year	2	114	1	26	3	140	1	-42	0	0	1	-42

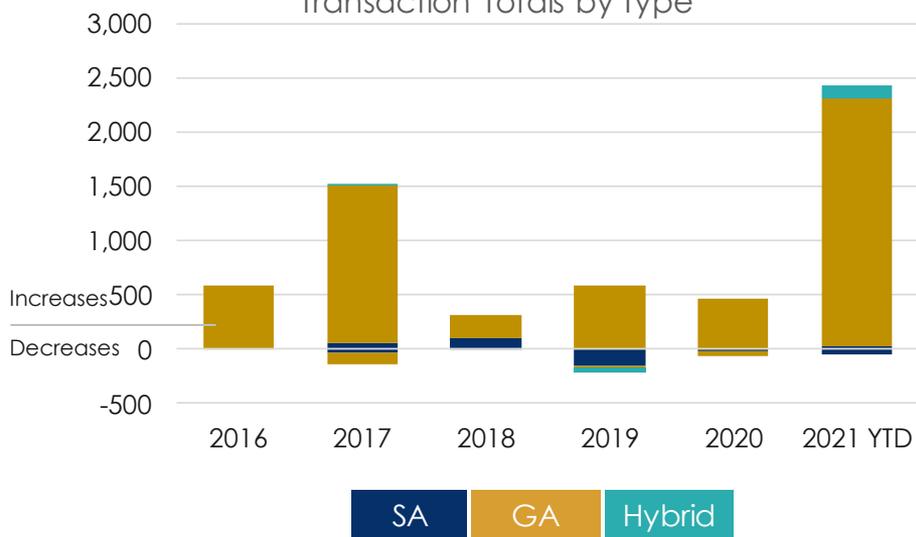
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

Recent BOLI Transactions

Banks with \$10B to \$50B in Total Assets

Transaction Totals by Type



Current Quarter Activity

- Fulton Financial purchased \$75 million of GA
- Banner Corp purchased \$50 million of GA
- Ameris purchased \$50 million of GA
- Independent Bank Corp purchased \$40 million of GA
- Hawaiian Electric purchased ~\$11 million of GA
- First National's GA increased by ~\$127 million
- City National Bank of Florida's GA increased by ~\$90 million and HY increased by ~\$26 million
- Bank of Hawaii's GA increased by ~\$51 million
- NexBank's GA increased by ~\$24 million
- Apple Financial's GA increased by ~\$22 million
- The Central Trust Bank's GA increased by ~\$14 million

Recent Notable Actions

- In 2021-Q3 First United's GA increased by ~\$79 million
- In 2021-Q2 Simmons purchased \$160 million of GA
- In 2021-Q2 Pacific Premier purchased \$150 million of GA

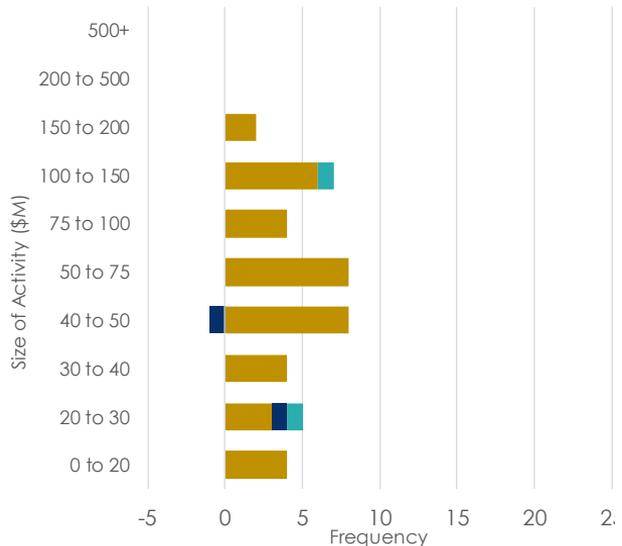
Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

Frequency of BOLI Transaction Sizes

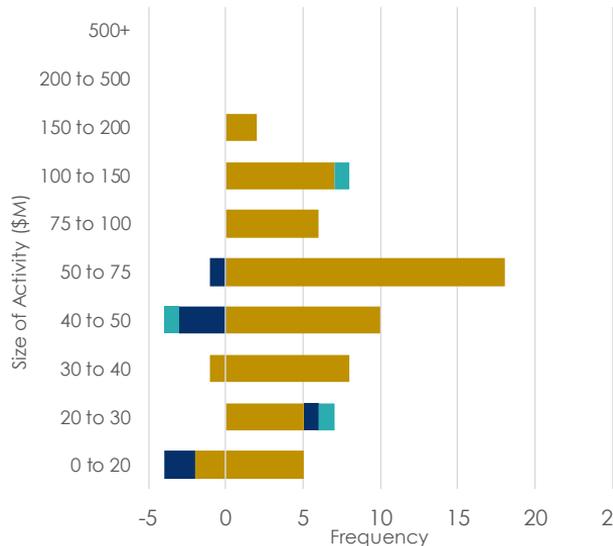
Banks with \$10B to \$50B in Total Assets

- With a few outliers, most purchases for these sized banks are under \$75 million
- Decreases have been primarily under \$50 million

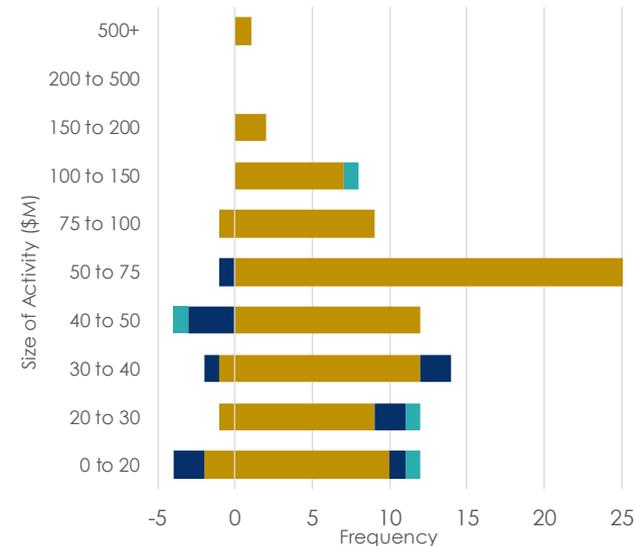
1-Year



3-Year



5-Year



Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

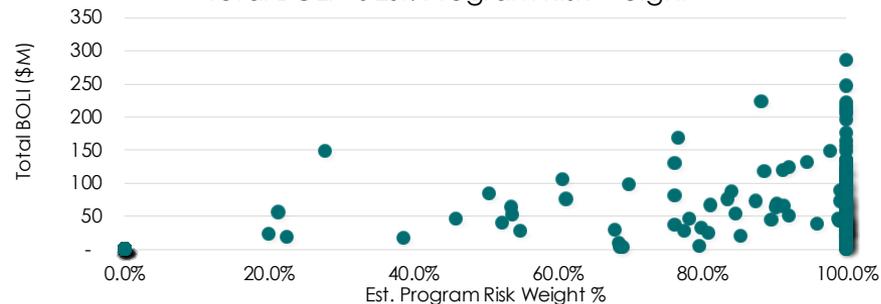
Market Analytics By Bank Size

Banks with \$2B to \$10B in Total Assets

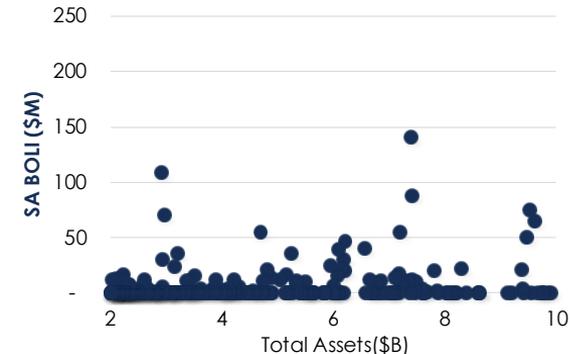
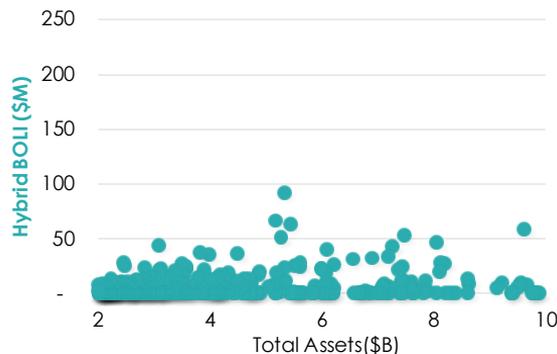
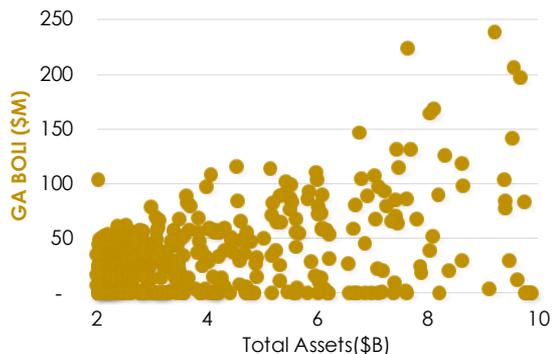
276 of 332 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	13,046	2,220	1,513	16,780	10%
Average	39	7	5	51	11%
Last Q # of Increases	11	1	1		
Increase Total (\$M)	228	16	75		
Last Q # of Decreases	-	-	-		
Decrease Total (\$M)	-	-	-		

Total BOLI vs Est. Program Risk Weight



Types of BOLI by Bank Asset Size



Recent BOLI Transaction Counts & Totals

Banks with \$2B to \$10B in Total Assets

Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2021-Q4	7	114	6	205	13	319	0	0	0	0	0	0
1-Year	39	850	31	648	70	1,497	0	0	4	-110	4	-110
3-Year	58	1,294	53	1,052	111	2,347	0	0	8	-249	8	-249
5-Year	92	1,956	74	1,512	166	3,468	2	-103	13	-354	15	-457
SA												
2021-Q4	0	0	1	75	1	75	0	0	0	0	0	0
1-Year	0	0	1	75	1	75	0	0	2	-75	2	-75
3-Year	1	60	2	91	3	151	0	0	2	-75	2	-75
5-Year	1	60	4	143	5	203	1	-40	4	-132	5	-172
GA												
2021-Q4	7	114	4	114	11	228	0	0	0	0	0	0
1-Year	39	850	28	542	67	1,392	0	0	2	-35	2	-35
3-Year	57	1,234	49	931	106	2,165	0	0	6	-174	6	-174
5-Year	89	1,872	68	1,339	157	3,211	1	-63	9	-222	10	-285
HYBRID												
2021-Q4	0	0	1	16	1	16	0	0	0	0	0	0
1-Year	0	0	2	30	2	30	0	0	0	0	0	0
3-Year	0	0	2	30	2	30	0	0	0	0	0	0
5-Year	2	24	2	30	4	54	0	0	0	0	0	0

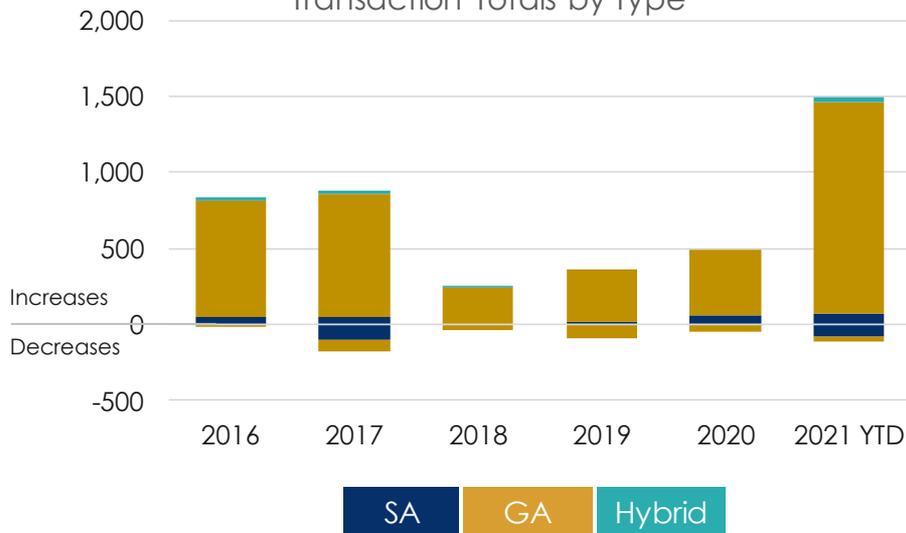
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings | MBSA only tracks movement in excess of \$10 million

Recent BOLI Transactions

Banks with \$2B to \$10B in Total Assets

Transaction Totals by Type



Current Quarter Activity (in \$Millions)

- Pacific City Bank purchased \$29 million of GA
- First of Long Island purchased \$20 million of GA
- Byline purchased ~\$19 million of GA
- Flushing Financial purchased \$16 million of GA
- Heritage Financial purchased ~\$10 million of GA
- ChoiceOne Bank purchased \$10 million of GA
- Seacoast of FL purchased \$10 million of GA
- Liberty Bank's SA increased by ~\$75 million
- Shore Bancshares's GA increased by ~\$43 million
- Arbor Bcorp's GA increased by ~\$33 million
- Tampa Bay Banking Co's GA increased by ~\$28 million, and HY increased by ~\$16 million
- Southern Bancorp's GA increased by ~\$10 million

Recent Notable Actions

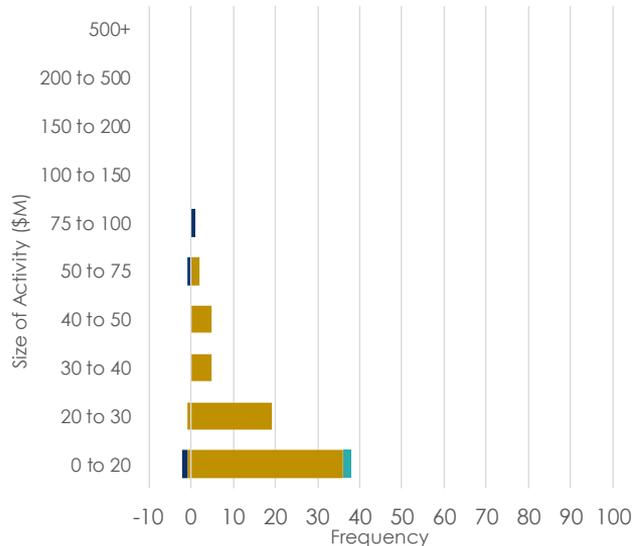
- In 2021-Q3 Seacoast National purchases \$35 million of GA
- In 2021-Q2 Green Dot purchased \$50 million of GA
- In 2021-Q2 Capital Bank purchased \$35 million of GA

Frequency of BOLI Transaction Sizes

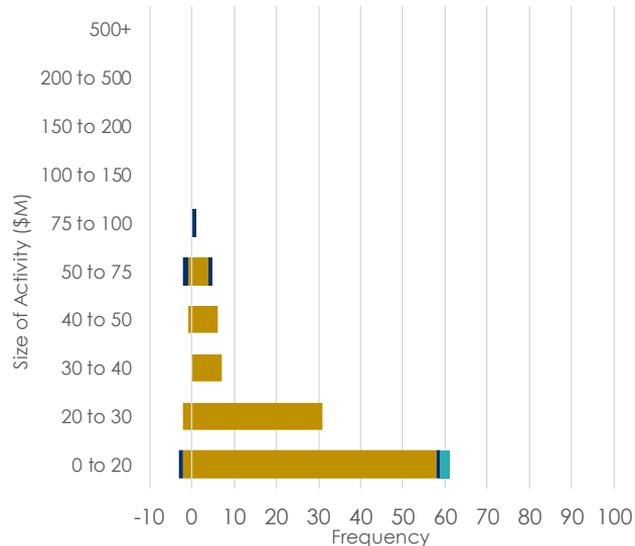
Banks with \$2B to \$10B in Total Assets

- This bank tier has only seen one recent purchase over \$75 million, with the majority under \$30 million
- Purchase activity increased significantly in 2021 compared to 2018-2020

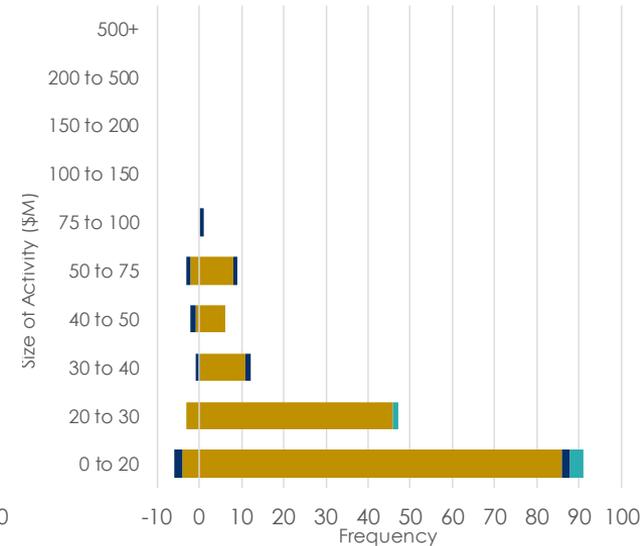
1-Year



3-Year



5-Year



BOLI Industry Allocations & Analytics

MBSA BOLI Industry Allocations Study

Our ongoing study attempts to track how SA BOLI is allocated over time

Gathered SA BOLI AUM data is categorized into portfolio types

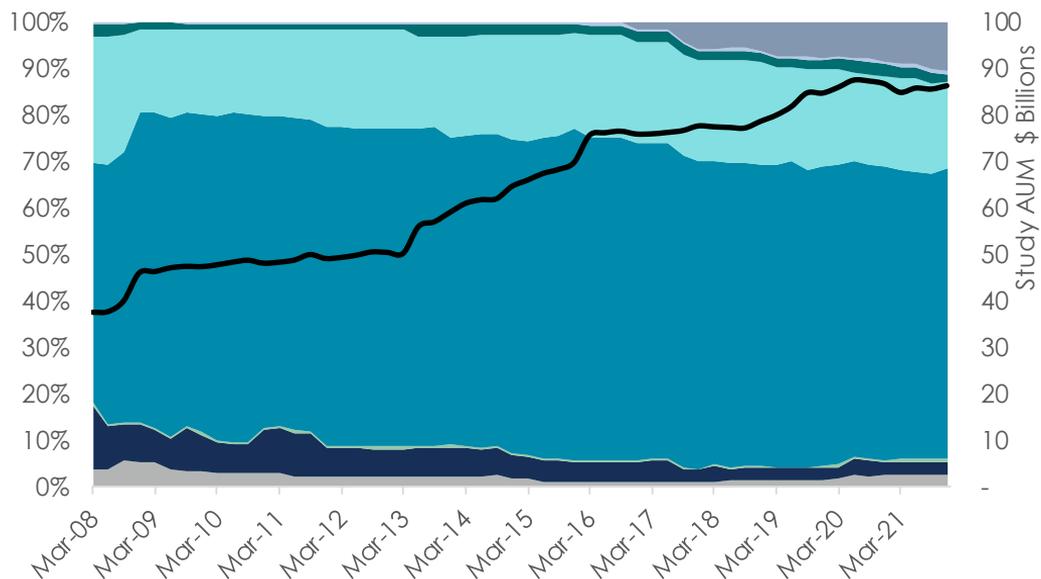
- Capital Efficient / Multi-Sector / Target RW
- High Yield
- Credit
- Core Fixed Income
- MBS / Securitized (ABS / CMBS)
- CLO / Bank Loan
- Short Duration
- Government

Portfolio types represent full portfolio MVs and do not look through to the holdings sector weights

Currently comprises \$86 billion – a massive share of the industry

SA BOLI Industry Allocations

SA BOLI Allocations Over Time

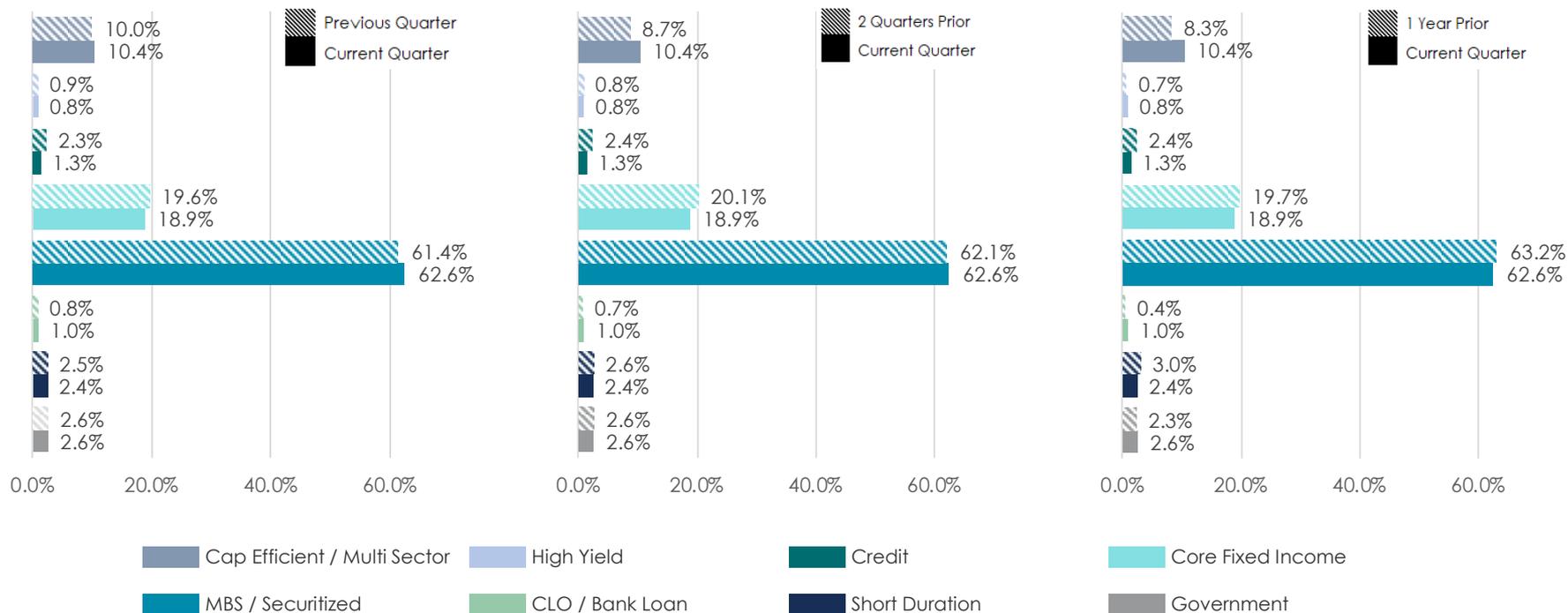


2021-Q4 Weights

Cap Efficient / Multi Sector	10.4%
High Yield	0.8%
Credit	1.3%
Core Fixed Income	18.9%
MBS / Securitized	62.6%
CLO / Bank Loan	1.0%
Short Duration	2.4%
Government	2.6%

— Black line (right axis) shows aggregate assets comprised in our study (number of participants have grown over time)

Recent Allocation Changes



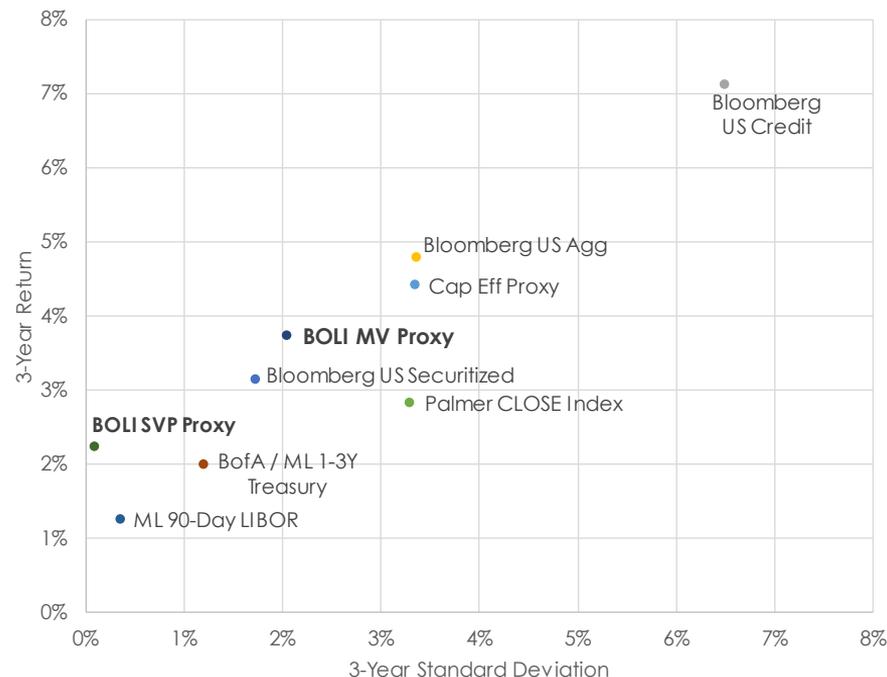
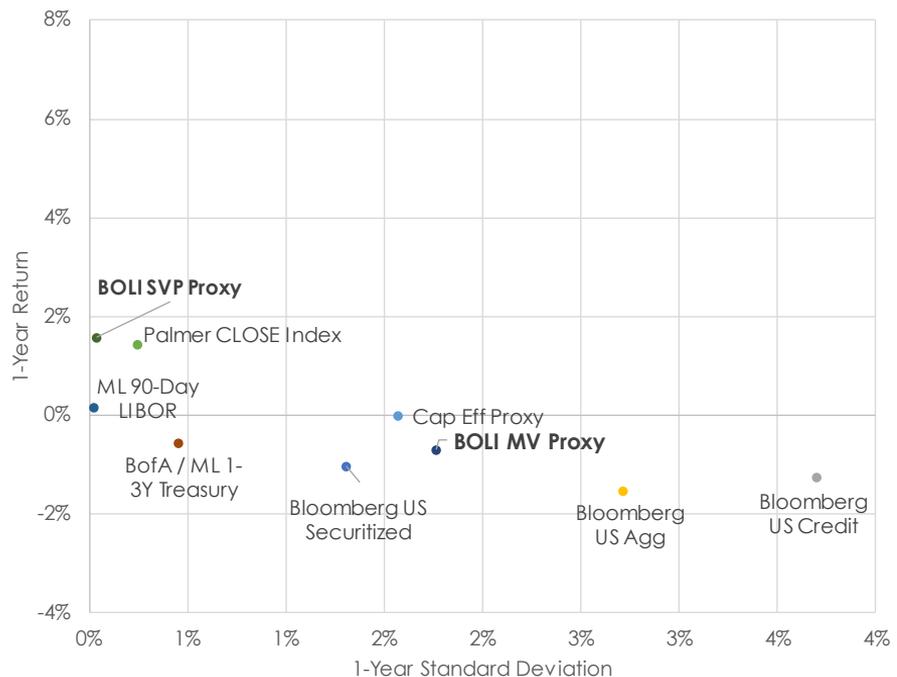
Investment Performance Proxy

Using common benchmarks for the categories, a proxy for the industry's SA Q4 MV performance is estimated at -0.24%

	Benchmark	Quarter	1-Year	3-Year	5-Year	Weights
Cap Efficient / Multi Sector	[Proxied by a sector blend]	-0.01%	-0.02%	4.42%	3.59%	10.42%
High Yield	<i>Bloomberg High Yield</i>	0.68%	2.93%	8.24%	5.86%	0.85%
Credit	<i>Bloomberg US Credit</i>	0.06%	-1.25%	7.12%	5.03%	1.29%
Core Fixed Income	<i>Bloomberg US Agg</i>	0.01%	-1.54%	4.79%	3.57%	18.86%
MBS / Securitized	<i>Bloomberg US Securitized</i>	-0.39%	-1.04%	3.15%	2.58%	62.61%
CLO / Bank Loan	<i>Palmer CLOSE Index</i>	0.23%	1.43%	2.84%	2.76%	0.95%
Short Duration	<i>ML 90-Day LIBOR</i>	0.02%	0.17%	1.27%	1.40%	2.41%
Government	<i>BofA / ML 1-3Y Treasury</i>	-0.53%	-0.55%	2.01%	1.60%	2.62%
Industry Proxy MV Performance using rolling weights:		-0.24%	-0.94%	3.66%	2.89%	
Industry Proxy Stable Value Performance:		0.52%	2.10%	2.43%	2.44%	

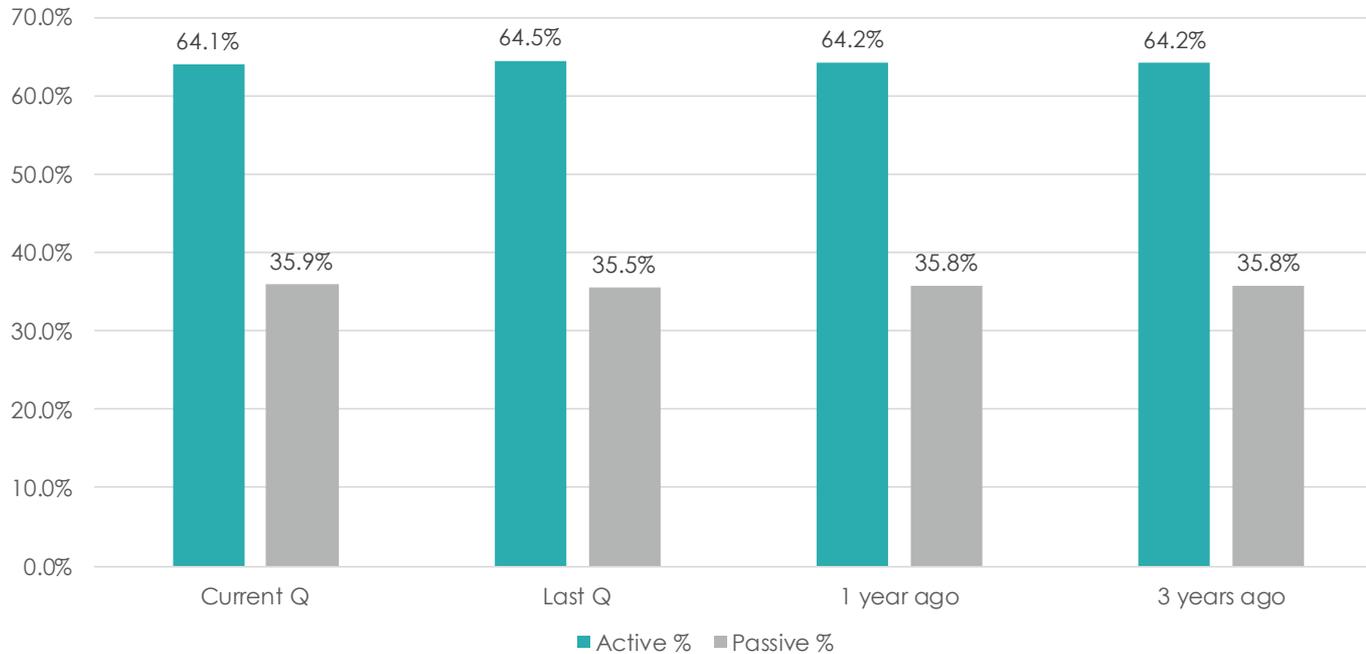
Stable Value performance represents book value growth of the industry proxy under a standard crediting rate formula beginning (MV=BV) in 2013

1 & 3-Year Risk/Return Plots with BOLI



Data as of 2021-Q4

Active / Passive Breakdown



Legislative, Regulatory, Judicial, Tax and Accounting Updates

Noteworthy Judicial Developments

Court Provides Preliminary Approval of Class Action Settlement in John Hancock COI Litigation (Jan)

- On January 10 the US District Court (SD NY) provided preliminary approval of the class action settlement in Leonard v. John Hancock. Please refer to our [October 2021 LRA Update](#) for a brief summary of this COI litigation and the proposed settlement.
- A Final Fairness Hearing has been set for May 17.

Docket: Leonard, et al. v. John Hancock Life. Ins. Co. of New York and John Hancock Life Insurance Company (U.S.A.), No. 18-cv-4994-AKH

Noteworthy Tax Developments

IRS Final Guidance on Transition from LIBOR to Other Reference Rates (Jan)

- On January 4 [Final Regulations](#) from the IRS were published in the Federal Register providing guidance on the tax consequences of the transition away from LIBOR in debt instruments, derivative contracts, and other contracts. The Final Regulations supersede the previous Proposed Regulations that were issued in October 2019.
- Highlights of the Final Regulations include
 - ❖ Delineation between “covered modifications” (those that are not treated as an exchange of property for other property differing materially in kind or in extent for purposes of § 1.1001-1(a)) and “noncovered modifications” (any portion of a modification of a contract that is not a covered modification).
 - “Associated modifications” are treated as covered modifications. An associated modification is a modification of the technical, administrative, or operational terms of a contract that is reasonably necessary to adopt or to implement the modifications described in paragraph (h)(1)(i), (ii), or (iii) of this section other than associated modifications. An associated modification also includes an incidental cash payment intended to compensate a counterparty for small valuation differences resulting from a modification of the administrative terms of a contract, such as the valuation differences resulting from a change in observation period.
 - ❖ Elimination of the fair market value requirement of the Proposed Regulations that required the fair market value of the contract to be substantially equivalent before and after the modification. Instead, the Final Regulations set forth a list of modifications that will fail to qualify as covered modifications.
 - ❖ Clarification that a change to the terms of the debt instrument or contract that results from the activation of a fallback rate also must be tested at the time of activation.
- The Final Regulations will become effective on March 7.

Noteworthy Tax Developments

IRS Notice 2022-6 – Determination of Substantially Equal Periodic Payments (Jan)

- The most recent [Internal Revenue Bulletin](#) (released January 31) included IRS Notice 2022-6, which provides guidance on whether a series of payments from an individual account under a qualified retirement plan is considered a series of substantially equal periodic payments within the meaning of IRC § 72(t)(2)(A)(iv). The guidance also applies for purposes of determining whether distributions from a non-qualified annuity contract are a series of substantially equal periodic payments within the meaning of IRC § 72(q)(2)(D).
- IRS Notice 2022-6 also provides a 5% floor on the maximum interest rates that may be used to calculate annuity payments under the fixed amortization and annuitization methods.
- The guidance in this notice replaces the guidance in Rev. Rul. 2002-62 and Notice 2004-15 for any series of payments commencing on or after January 1, 2023, and it may be used for a series of payments commencing in 2022.

Noteworthy Accounting Developments

[None covered this quarter]

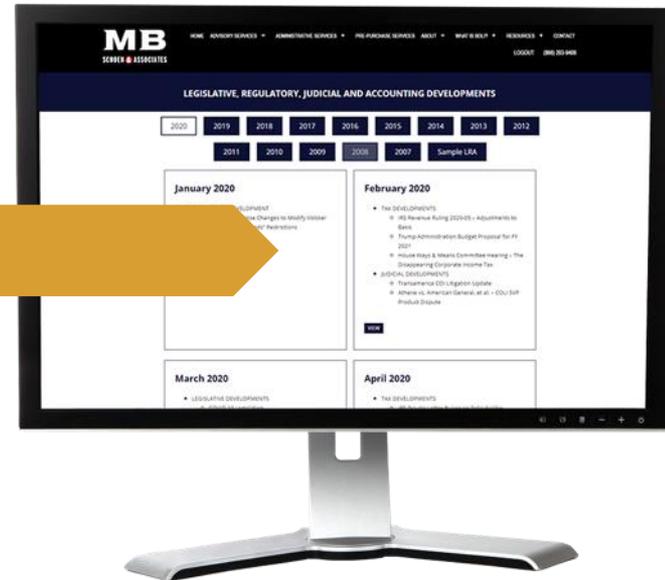
- For prior recent developments, see historical LRJA updates on our [website](#).

Easily track developments that could impact your BOLI program

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- ✓ **Gain access to expert advisors**— Discuss the relevance of topics covered and any implications that may apply to your specific BOLI program

LEGISLATIVE, REGULATORY, JUDICIAL,
AND ACCOUNTING DEVELOPMENTS



Noteworthy Regulatory Developments

SEC Proposes Cybersecurity Rules For Investment Advisors (Feb)

- Noting concerns that it has encountered during examinations of advisers and funds, the SEC is [proposing rules](#) targeted at improving cybersecurity programs for registered investment advisers and investment companies. The proposed rules, released February 9, include requirements to report significant cybersecurity incidents to the SEC and to include information regarding cybersecurity risks and incidents in Form ADV (for advisers) and other specified forms (for funds).
- The proposed rules will be open for public comment for 30 days after publication in the Federal Register or until April 11 (whichever is later).

SEC Reopens Comment Period on Executive Compensation Proposal (Jan)

- On January 27 the SEC announced that it was [reopening the comment period](#) for its proposal to implement Section 953(a) of the Dodd-Frank Act. The proposed rules were first released in the Federal Register in May 2015.
- The Proposed Rules would add new 17 CFR 229.402(v) ("Item 402(v) of Regulation S-K"), which would require registrants to describe how the executive compensation actually paid by the registrant related to the financial performance of the registrant over the time horizon of the disclosure. The Proposed Rules would use cumulative total shareholder return ("TSR"), as defined in 17 CFR 229.201(e) ("Item 201(e) of Regulation S-K"), as the measure of financial performance and require registrants to report a table of information relating to the relationship between executive compensation and TSR.
- According to the SEC press release, the comment period will be reopened for 30 days following publication in the Federal Register.

Noteworthy Legislative Developments

Build Back Better Act Update (Dec)

- On December 19 Senator Joe Manchin (D-WV) announced in a Sunday morning news interview that he would not vote in support of the Build Back Better Act. This decision effectively stalled the legislation, as the Senate Democrats needed unanimous support within the party to pass the legislation.
- White House Press Secretary Jen Psaki issued a [press release](#) following Manchin's announcement, challenging his concerns and vowing to continue efforts on the legislation into 2022.
- We will continue to monitor for any potential revisions to the legislation and progress with the discussions.

Other Noteworthy Developments

Russian Economic Sanctions Imposed (Feb)

- The U.S. Department of the Treasury's Office of Foreign Asset Control (OFAC) has released a [directive](#) for economic sanctions against Russian issuers following Russia's invasion of Ukraine. There have been a number of directives targeted towards Russian government-related entities, Russian government officials, and Russian businesses (most notably financial institutions). The sanctions prohibit any transaction with the entities listed in the directives.
- Index providers such as MSCI, JPMorgan, and ICE are in the process of reviewing the inclusion of Russian issuers in their emerging market indices, noting that Russian issuers may not meet liquidity requirements following the sanctions.
- We have observed that a small number of Eurobond positions within our clients' separate account portfolios are impacted by the sanctions.

Columbian Mutual Life Settlement with NY DFS for Failing to Pay Unclaimed Proceeds (Feb)

- On January 11 the NY DFS announced a [consent order](#) entered into with Columbian Mutual Life due to its failure to comply with NY law governing unclaimed life insurance proceeds. Columbian Mutual will pay approximately \$7.83 million in restitution to New York consumers, plus \$3 million in penalties to NY.
- Acting Superintendent of Financial Services Adrienne Harris noted, "In failing to properly conduct required cross-checks with Social Security records and promptly paying beneficiaries, Columbian Mutual did not honor its payment obligations to numerous beneficiaries of deceased policyholders...."
- We do not believe this development will directly impact any BOLI/COLI policies; however, we embrace efforts for insurers to monitor and process death claims based on Social Security records.

Other Noteworthy Developments

FRB Invites Public Comment on Proposed Guidance for Supervision of Certain Insurance Organizations Overseen by the Board (Jan)

- On January 28 the FRB [invited public comment](#) on proposed guidance to implement a framework for the supervision of depository institution holding companies significantly engaged in insurance activities. The FRB has supervised a small number of these entities since 2011 when Dodd-Frank transferred the responsibility to the FRB from the Office of Thrift Supervision.
- The proposed framework consists of a risk-based approach to communicating supervisory expectations, assigning supervisory resources, and conducting supervisory activities; a unique supervisory rating system; and a description of how examiners would work with state insurance regulators to limit the burden associated with supervisory duplication.
- A depository institution holding company is considered to be a supervised insurance organization if it is an insurance underwriting company or if over 25 percent of its consolidated assets are held by insurance underwriting subsidiaries. The memorandum released by the FRB includes a table of firms that are currently within the scope of this proposed framework. The firms do not appear to include any BOLI/COLI issuers

Table 1: Assets of Supervised Insurance Organizations

	Banking Assets	Life Insurance Assets	Non-Life Insurance Assets
Ameriprise Financial, Inc.	9.7	129.8	-
The Auto Club Group	0.6	0.9	6.7
First American Financial Corporation	6.8	-	3.8
Ohio Farmers Insurance Company	2.0	-	6.1
Teachers Insurance and Annuity Association of America	38.4	349.6	-
United Services Automobile Association	115.6	29.0	59.7

(\$ billions as of 6/30/21 based on publicly available regulatory filings)

Other Noteworthy Developments

Society Of Actuaries Releases U.S. Population Mortality Observations (Jan)

- In January the Society of Actuaries released a [report](#) entitled “U.S. Population Mortality Observations – Updated with 2020 Experience.” The SOA relied upon data furnished by the CDC.
- Key highlights set forth in the executive summary of the report include
 - ❖ The overall age-adjusted mortality rate (both sexes) from all causes of death recorded the historically highest increase of published records dating back to 1900 of 16.8% in 2020, following a 1.2% decrease in 2019. The increase eclipsed the size of recent years' annual volatility and exceeded the 11.7% increase in 1918 that occurred during the Spanish influenza pandemic. When COVID deaths are removed, all other CODs' (Cause of Death) combined mortality increased by 4.9%, which was last exceeded by a 5.6% increase in 1936.
 - ❖ All other CODs featured in this report had increased 2020 mortality.
 - Heart disease and Alzheimer's/Dementia had 4.7% and 7.8% increases, respectively.
 - Diabetes, liver and hypertension had increases of 14.9%, 16.0% and 13.3%, respectively.
 - The external CODs of assaults and opioid overdoses had extreme increases at ages 15-24 of 35.9% and 61.2%, respectively.
 - ❖ The impact of just COVID varied by age and sex.
 - Ages under 5 were largely untouched by COVID.
 - The COVID increment was 0.9% for both sexes at ages 5-14 and peaked at ages 75-84 at 12.4% and 14.9% for females and males, respectively.
 - The increment was slightly lower for ages 85 at 11.7% and 13.5% for females and males, respectively.
 - **Overall, COVID contributed -11.9% of the total -16.8% 2020 mortality improvement.**

Continued...

Other Noteworthy Developments

(Continued) **Society Of Actuaries Releases U.S. Population Mortality Observations (Jan)**

- ❖ The opioid drug overdose death rate increased by 37.6% in 2020, which followed a 6.3% increase in 2019. The extreme deterioration of mortality in 2020 leaves 2018 as the only year from 2000-2020 with improved mortality and exceeded the next highest of 27.4% that occurred in 2016. Although opioid mortality rates are much lower than other major CODs, their 2020 one-year mortality rates stood out as extreme and historic in terms of their level and change from 2019. The highest 2020 one-year mortality increases for females and males occurred at ages 15-24 for both sexes. Those 2020 one-year increases for females and males were 50.1% and 65.7%, respectively.
- The SOA webpage includes five separate interactive dashboards that allow an interested user to filter and drill down further into the information.

ACLI Releases Update on Life Insurance Benefits During COVID-19 Pandemic (Dec)

- On December 9 the ACLI [released an update](#) on the amount of life insurance benefits that were paid to beneficiaries in 2020. According to the article, benefits in 2020 increased by 15.4% from 2019; the largest increase since the 1918 influenza pandemic.
- On December 21 the **CDC** [released](#) final 2020 US mortality data on deaths and death rates. In total, the life expectancy at birth decreased 1.8 years (from 78.8 to 77.0).
- We maintain an ongoing mortality study with respect to the insured lives we administer. The number of deaths in our population in 2020 increased by 12.6% relative to the average deaths from the prior three years. However, the Actual-to-Expected mortality ratio did not change materially in aggregate.

Insurance Company and Counterparty Updates

Current S&P Financial Strength Ratings

Insurance Carriers Rated AAA

- None

Insurance Carriers Rated AA+

- Guardian Life Insurance Company of America
- Massachusetts Mutual Life Insurance Co.
- New York Life Insurance Company
- Northwestern Mutual Life Insurance Company
- USAA Life Insurance Company

Insurance Carriers Rated AA

- Canada Life Assurance Co. (US Branch)
- Great-West Life and Annuity Insurance Co.
- Zurich Insurance Company

Insurance Carriers Rated AA-

- John Hancock Life Insurance Company (USA)
- Lincoln National Life Insurance Company
- Metropolitan Life Insurance Company
- Metropolitan Tower Life Insurance Company
- Pacific Life Insurance Company
- Pruco Life Insurance Company
- Prudential Insurance Company of America
- West Coast Life Insurance Company

Insurance Carriers Rated A+

- American General Life Insurance Company
- Ameritas Life Insurance Corp
- Athene Annuity and Life Company
- Brighthouse Life Insurance Company
- Equitable Financial Life Insurance Company
- Equitable Financial Life Insurance Company of America
- Midland National Life Insurance Company
- MONY Life Insurance Company
- National Life Insurance Company of Vermont
- Nationwide Life & Annuity Insurance Company
- Nationwide Life Insurance Company
- Principal Life Insurance Company
- Reliastar Life Insurance Company
- Transamerica Life Insurance Company
- U.S. Life Insurance Company in The City of NY

Insurance Carriers Rated A

- Connecticut General Life Insurance Company
- Jackson National Life Insurance Company
- Symetra Life Insurance Company
- Zurich American Life Insurance Company

Insurance Carriers Rated A-

- Security Life of Denver Insurance Company

Insurance Carriers Rated BBB+

- Delaware Life Insurance Company

Insurance Carriers Rated BBB

- Talcott Resolution Life Insurance Company

*Categories based on S&P's Financial Strength Rating as of February 15, 2022

Current Moody's Financial Strength Ratings

Insurance Carriers Rated Aaa

- New York Life Insurance Company
- Northwestern Mutual Life Insurance Company

Insurance Carriers Rated Aa1

- USAA Life Insurance Company

Insurance Carriers Rated Aa2

- Guardian Life Insurance Company of America

Insurance Carriers Rated Aa3

- Canada Life Assurance Co. (US Branch)
- Great-West Life and Annuity Insurance Co.
- Massachusetts Mutual Life Insurance Co.
- Metropolitan Life Insurance Company
- Metropolitan Tower Life Insurance Company
- Pacific Life Insurance Company
- Pruco Life Insurance Company
- Prudential Insurance Company of America
- Zurich Insurance Company

Insurance Carriers Rated A1

- John Hancock Life Insurance Company (USA)
- Lincoln National Life Insurance Company
- MONY Life Insurance Company
- National Life Insurance Company of Vermont
- Nationwide Life & Annuity Insurance Company
- Nationwide Life Insurance Company
- Principal Life Insurance Company
- Symetra Life Insurance Company
- Transamerica Life Insurance Company
- West Coast Life Insurance Company

Insurance Carriers Rated A2

- American General Life Insurance Company
- Connecticut General Life Insurance Company
- Equitable Financial Life Insurance Company
- Equitable Financial Life Insurance Co. of America
- Jackson National Life Insurance Company
- Reliastar Life Insurance Company
- U.S. Life Insurance Company in The City of NY

Insurance Carriers Rated A3

- Brighthouse Life Insurance Company
- Zurich American Life Insurance Company

Insurance Carriers Rated Baa1

- Security Life of Denver Insurance Company

Insurance Carriers Rated Baa2

- None

Insurance Carriers Rated Baa3

- Talcott Resolution Life Insurance Company

*Categories based on Moody's Insurance Financial Strength Rating as of February 15, 2022

Ratings or Outlook Revisions

Connecticut General Life Insurance Company

- Outlook changed from Stable to **Positive** by Fitch (Dec)

Everlake Life Insurance Company

- Fitch BBB **Rating Withdrawn** (Feb)
- Everlake is no longer rated by S&P, Moody's or Fitch; Rated A+ with negative outlook by AM Best

Lincoln National Corp.

- Outlook changed from Stable to **Negative** by S&P (Jan)

Lincoln National Life Insurance Co.

- Outlook changed from Stable to **Negative** by S&P (Jan)

Principal Life Insurance Company

- Outlook changed from Positive to **Stable** by Moody's (Feb)

Security Life of Denver Insurance Company

- Outlook changed from Stable to **Positive** by Fitch (Jan)

Talcott Resolution Life Insurance Company

- Outlook changed from Stable to **Positive** by Moody's (Dec)

Bank of America, N.A.

- Outlook changed from Stable to **Positive** by Moody's (Dec)

Royal Bank of Canada

- Rating **Upgraded** from Aa2 to Aa1 by Moody's (Feb)

NEED UP TO DATE COUNTERPARTY TRACKING ?

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Industry Developments

Talcott Resolution Reinsurance Activity (Dec/Jan)

- On December 3, Allianz Life Insurance Company of North America [announced](#) reinsurance agreements with Talcott Resolution and Resolution Life. The transaction includes reinsurance of \$35 billion of fixed index annuities between the two entities; \$20 billion of the \$35 billion will be placed within affiliates of Talcott.
- On January 31, Principal Financial Group [announced](#) that it has entered into an agreement with Talcott Resolution to reinsure Principal's U.S. retail fixed annuity and universal life insurance with secondary guarantee blocks of business.
- Both transactions are expected to close by year-end subject to closing conditions and are Talcott's third and fourth significant transaction since July 2021; the other transactions include the acquisition of Lombard International Administrative Services Company and a flow reinsurance transaction with Lincoln National to coinsure up to \$1.5 billion of variable annuities.

COUNTERPARTY TRACKING SYSTEM

✓ Risk Management

Monitor credit of BOLI Carriers, SVP Providers, and other counterparties

✓ Exclusive Access to Ratings

We offer an extensive database of Financial Strength Ratings & Issuer Credit Ratings

✓ Monthly Newsletter

Curated information covering insurance companies and counterparty exposures within your BOLI program

Custom Reports

Net Rating Changes by Period (Number of Notches)					
2022 Q1	2021 Q4	2022 YTD	2021	2020	2019
-	-	-	-	-	1
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-2	-	1
-	-	-	-1	-	-
-	-	-	-1	-	-1
-	-	-	-	-	-
-	-	-	-	-	1
-	-	-	-	-	-

Custom reports show historical changes to ratings to view stability and trends over time

Insurance Carriers	Current Financial Strength Ratings			Net Rating Changes by Period (Number of Notches)											
	Agency	Rating	Outlook	2019 Q4	2019 Q3	2019 YTD	2018	2017	2016	2015	2014	2013	2012	2011	2010
Carrier 1	S&P	A+	Stable	-	-	-	-	-	-	-	-	-	-	-	-1
	Fitch	A+	Positive	-	-	-	1	-	-	1	-	-	-	-	-1
	Moody's	A2	Stable	-	-1	-1	-	-	-	-	-	-	-	-	-
Carrier 2	S&P	AA	Stable	-	-	-	-	-	-	-	-	-	-	-	-
	Fitch	AA	Stable	-	-	-	-	-	-	-	-	-	-	-	-1
	Moody's	Aa3	Stable	-	-	-	-	-	-	-	-	-	-	-	-
Carrier 3	S&P	A	Negative	-	-	-	-2	-	-	-	1	1	-	-	-
	Fitch	A	Stable	-	-	-	-1	-	-	-	1	-	-	-	-
	Moody's	A2	Stable	-	-	-	-1	-	-	-	1	-	-	-	-

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