



Evolving Trends in Bank-Owned Life Insurance

Complimentary Edition – 2026-Q2

September 2026

Table Of Contents

Economic Backdrop	3
-------------------	---

Recent Trends In BOLI	7
-----------------------	---

BOLI Industry Allocations & Analytics	36
---------------------------------------	----

Legal, Regulatory, Judicial and Accounting Updates	44
--	----

Insurance Carrier and Counterparty Updates	57
--	----

MB Schoen	64
-----------	----

Economic Backdrop

Economic Updates

Federal Reserve & Yield Curve

- There were no rate actions by the Fed, but the middle of the curve increased meaningfully over Q1

Sector Returns

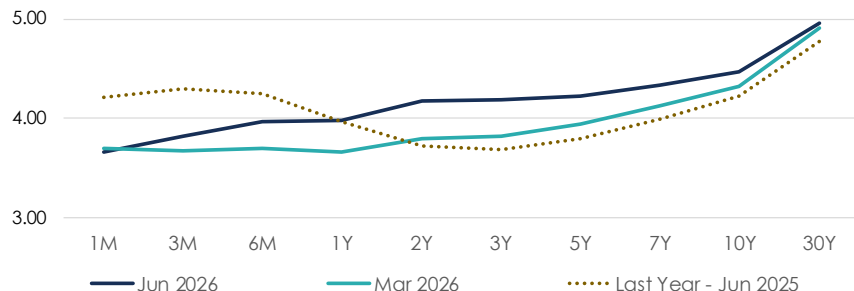
- Agency MBS outperformed like-duration treasuries by 30bps in Q2, returning 0.58%
- The S&P 500 rocketed to a 15.2% return in Q2, led by IT, Industrials and Telecom
 - Energy and Utilities were the only negative sectors%

US Economy

- Continued high fuel and grocery prices held back consumer spending, but the dollar rallied after falling initially in April
- Mortgage rates in the US increased slightly to 6.55% from 6.48%

Financial Markets Update

US Treasury Yields



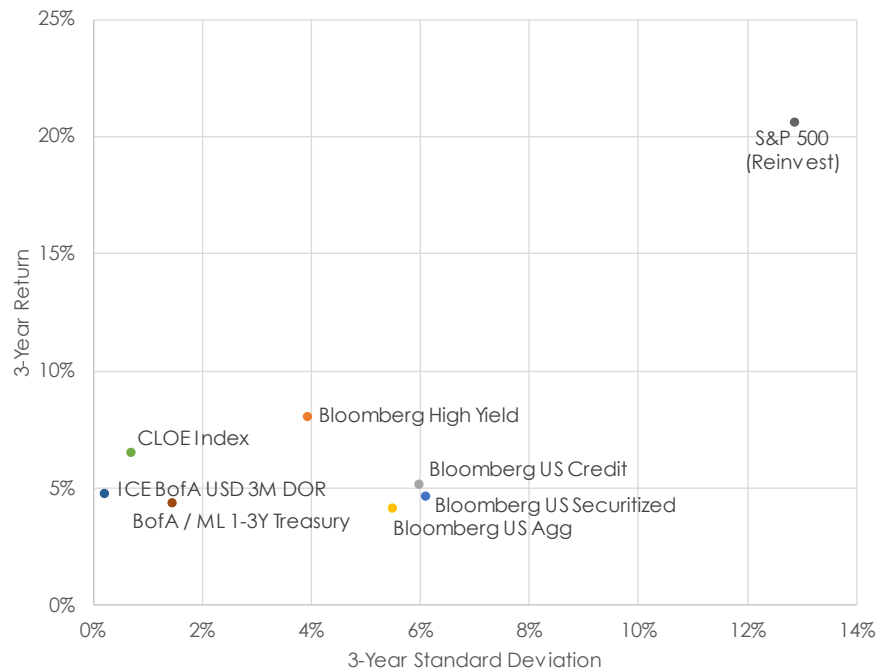
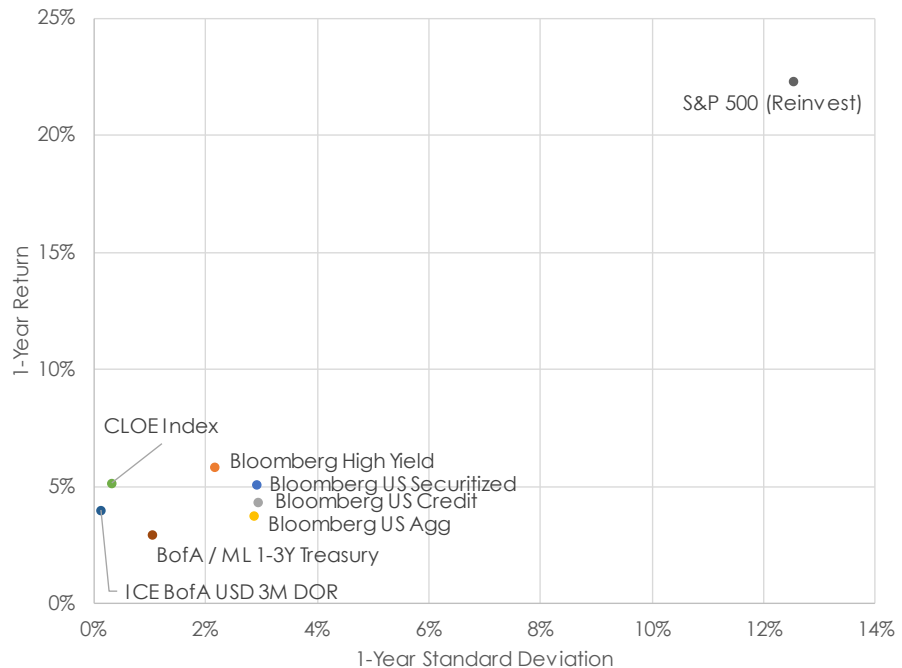
	1M	3M	6M	1Y	2Y	3Y	5Y	7Y	10Y	30Y
Jun 2026	3.67	3.82	3.97	3.98	4.18	4.18	4.23	4.34	4.47	4.95
Mar 2026	3.69	3.68	3.70	3.66	3.80	3.82	3.94	4.13	4.32	4.91
Q Change	-0.03	0.14	0.27	0.32	0.38	0.37	0.28	0.21	0.15	0.04
Jun 2025	4.22	4.30	4.25	3.97	3.72	3.69	3.80	3.99	4.23	4.78
Year Change	-0.55	-0.48	-0.28	0.01	0.45	0.49	0.43	0.35	0.24	0.18

Sector Performance (As of Q2)

	YTW	Duration	OAS	3M Return	12M Return	3Y Return	5Y Return
Treasuries	4.37%	5.81	0.00%	0.32%	2.72%	3.17%	-0.42%
Corporate	5.20%	6.78	0.74%	1.40%	4.34%	5.29%	0.34%
CMBS	4.88%	3.73	0.64%	0.45%	3.91%	5.79%	1.18%
ABS	4.65%	2.84	0.44%	0.75%	4.01%	5.26%	2.47%
Credit Card ABS	4.45%	2.35	0.26%	0.50%	3.58%	5.22%	1.85%
Auto ABS	4.61%	1.75	0.46%	0.76%	4.00%	5.48%	2.70%
Agency MBS	4.97%	5.40	0.24%	0.58%	5.21%	4.60%	0.50%
GNMA	5.02%	5.26	0.23%	0.69%	5.17%	4.51%	0.69%
FHLHC	4.79%	5.38	0.29%	0.28%	4.63%	4.82%	0.50%
FNMA	4.96%	5.45	0.25%	0.55%	5.23%	4.61%	0.49%
Palmer CLO AAA	4.92%	0.06		1.36%	5.13%	6.56%	

	3M Return	12M Return	3Y Return	5Y Return
SP 500	15.20%	22.32%	20.61%	13.41%
Energy	-13.45%	29.04%	12.81%	19.01%
Materials	2.04%	16.73%	8.93%	6.31%
Industrials	14.85%	27.29%	21.80%	14.39%
Consumer Discretionary	9.27%	9.46%	13.59%	6.74%
Consumer Staples	0.33%	5.49%	8.57%	7.79%
Health Care	8.78%	19.90%	8.01%	6.54%
Financials	9.01%	4.06%	18.71%	9.85%
IT	31.79%	37.48%	30.91%	22.16%
Telecom	8.32%	21.14%	29.24%	12.43%
Utilities	-0.53%	14.22%	14.97%	10.84%

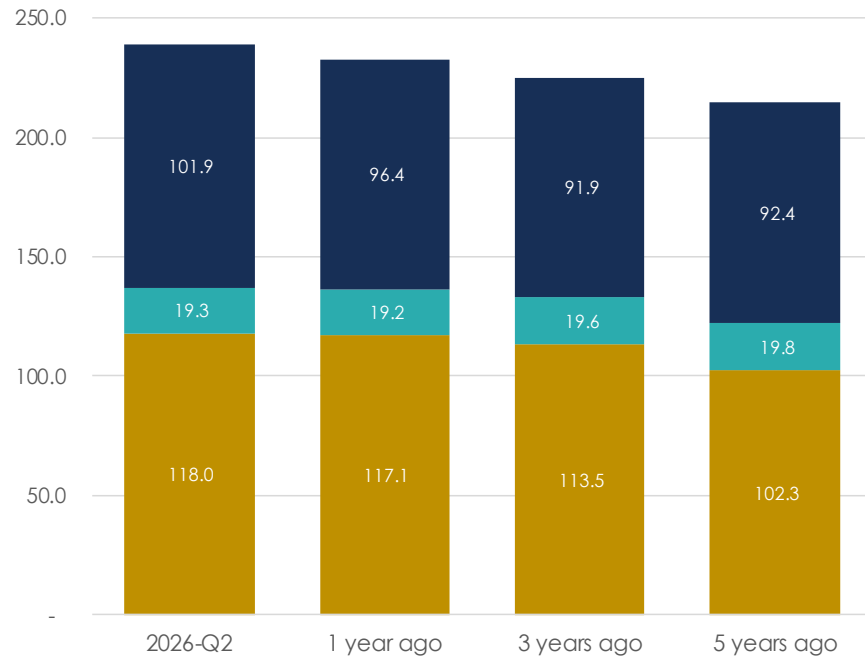
1 & 3-Year Benchmark Risk/Return Plots



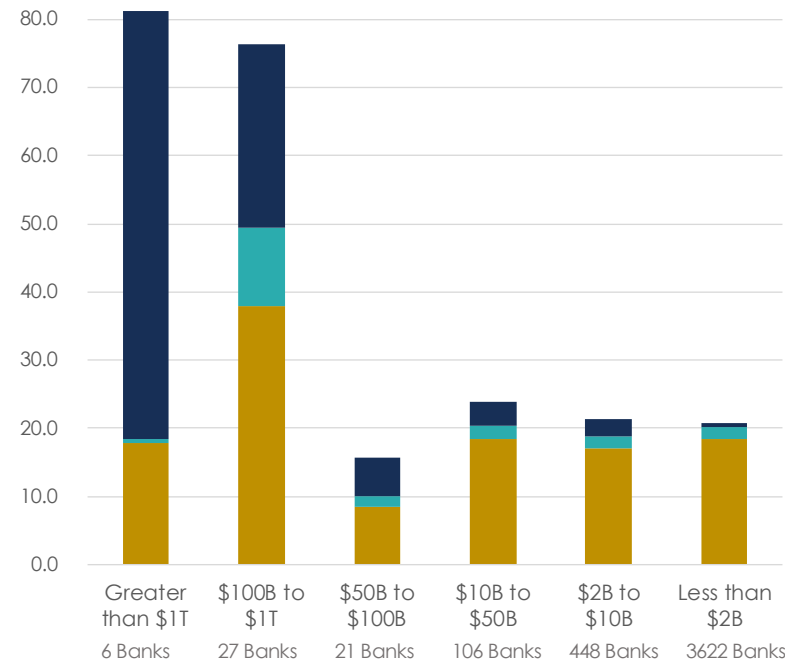
Recent Trends in BOLI

BOLI Market Overview as of 2026-Q2

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

BOLI Market Overview as of 2026-Q2

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%	17,494	17.8	0.7	62.7	81.2	6.93%	0.46%
\$100 Billion to \$1 Trillion	27	85%	8,291	37.9	11.5	27.0	76.4	9.92%	0.92%
\$50 Billion to \$100 Billion	21	95%	1,562	8.5	1.5	5.6	15.6	9.59%	1.00%
\$10 Billion to \$50 Billion	106	78%	2,331	18.4	1.8	3.6	23.9	8.94%	1.02%
\$2 Billion to \$10 Billion	448	81%	1,890	17.0	1.9	2.4	21.3	9.36%	1.13%
Less than \$2 Billion	3,622	66%	1,657	18.4	1.8	0.5	20.7	9.93%	1.25%
TOTALS	4,230	68%	33,225	118.0	19.3	101.9	239.1	8.52%	0.72%

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.

NEED CUSTOM PEER BANK REPORTS?

[LEARN MORE](#)

BOLI Risk-Weighted Assets Analysis

Bank Size	Number of Banks ¹	% Owning BOLI	SA Exposure (\$B)	SA RWA (\$B)	SA RWA / SA Exposure	Average Bank RW%
Greater than \$1 Trillion	6	100%	63.5	19.5	30.6%	30.6%
\$100 Billion to \$1 Trillion	27	85%	32.9	14.4	43.8%	55.8%
\$50 Billion to \$100 Billion	21	95%	6.9	5.6	81.1%	66.7%
\$10 Billion to \$50 Billion	106	78%	5.0	3.3	65.2%	83.2%
\$2 Billion to \$10 Billion	448	81%	3.6	2.8	78.1%	90.0%
Less than \$2 Billion	3,622	66%	1.4	1.3	95.3%	102.8%
Total	4,230	68%	113.3	46.9	41.4%	95.2%

Observations

- While many banks default to 100%, most large banks (\$25B+) achieve SA RW% between 20%-45%, and account for over half the total SA exposure
- Banks include Hybrid BOLI when reporting SA Exposure and SA RWA in the call report values above. MB Schoen does have a method for estimating the RW% of SA BOLI only (excluding Hybrid). If interested, please reach out.

Recent BOLI Transaction Counts & Totals

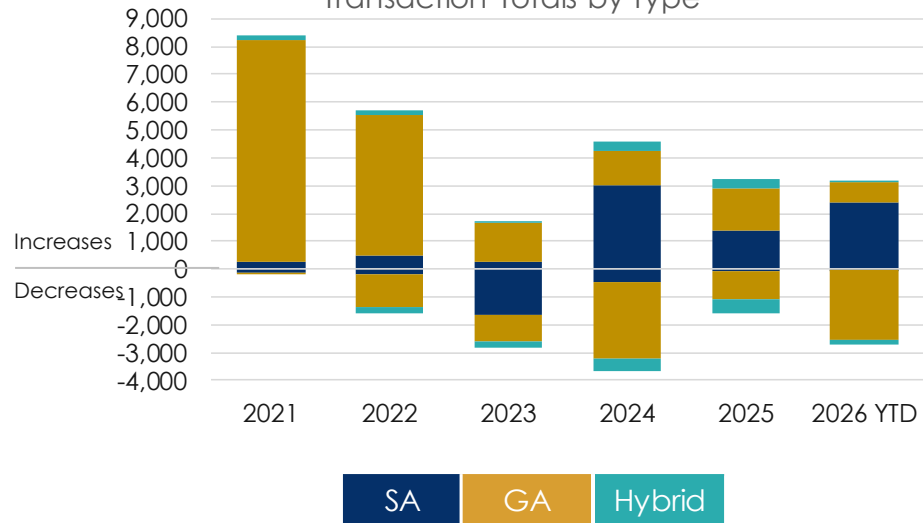
Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2026-Q2	7	64	66	2,656	73	2,720	0	0	18	-2,481	18	-2,481
1-Year	28	400	213	4,165	241	4,565	2	-20	71	-3,161	73	-3,181
3-Year	68	2,907	340	8,978	408	11,885	36	-1,457	160	-8,662	196	-10,119
5-Year	131	7,992	505	14,865	636	22,857	42	-2,363	194	-10,036	236	-12,399
SA												
2026-Q2	2	3	3	2,386	5	2,389	0	0	1	-2	1	-2
1-Year	2	3	18	3,083	20	3,085	0	0	4	-44	4	-44
3-Year	13	1,449	55	5,593	68	7,042	5	-296	18	-1,919	23	-2,215
5-Year	17	1,536	70	6,226	87	7,762	6	-307	29	-2,193	35	-2,500
GA												
2026-Q2	4	52	60	256	64	308	0	0	12	-2,444	12	-2,444
1-Year	24	372	172	938	196	1,310	0	0	45	-2,858	45	-2,858
3-Year	48	1,269	246	2,830	294	4,099	21	-985	93	-5,647	114	-6,633
5-Year	106	6,252	386	7,874	492	14,126	25	-1,870	104	-6,536	129	-8,405
HYBRID												
2026-Q2	1	10	3	14	4	24	0	0	5	-36	5	-36
1-Year	2	25	23	145	25	170	2	-20	22	-260	24	-280
3-Year	7	189	39	555	46	744	10	-176	49	-1,095	59	-1,271
5-Year	8	204	49	765	57	969	11	-186	61	-1,308	72	-1,494

Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

Recent BOLI Transactions

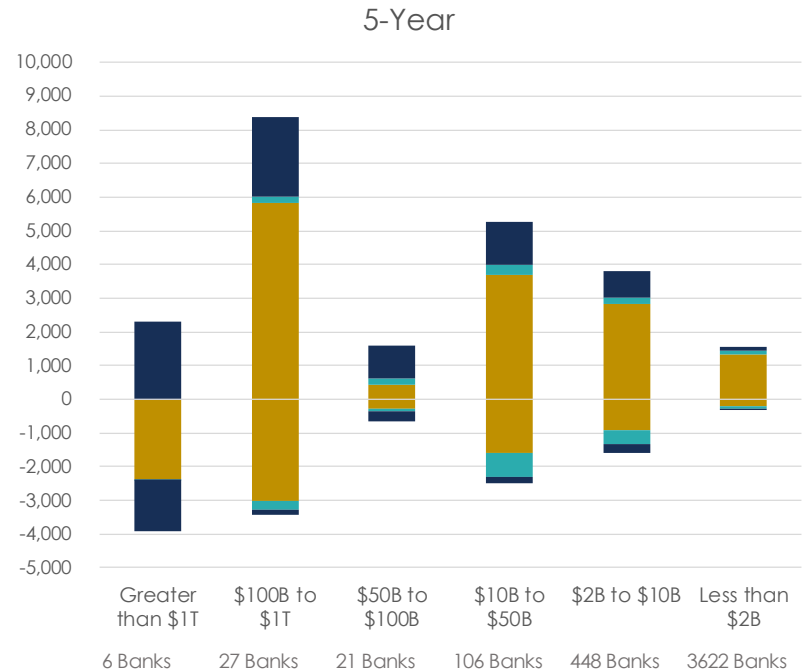
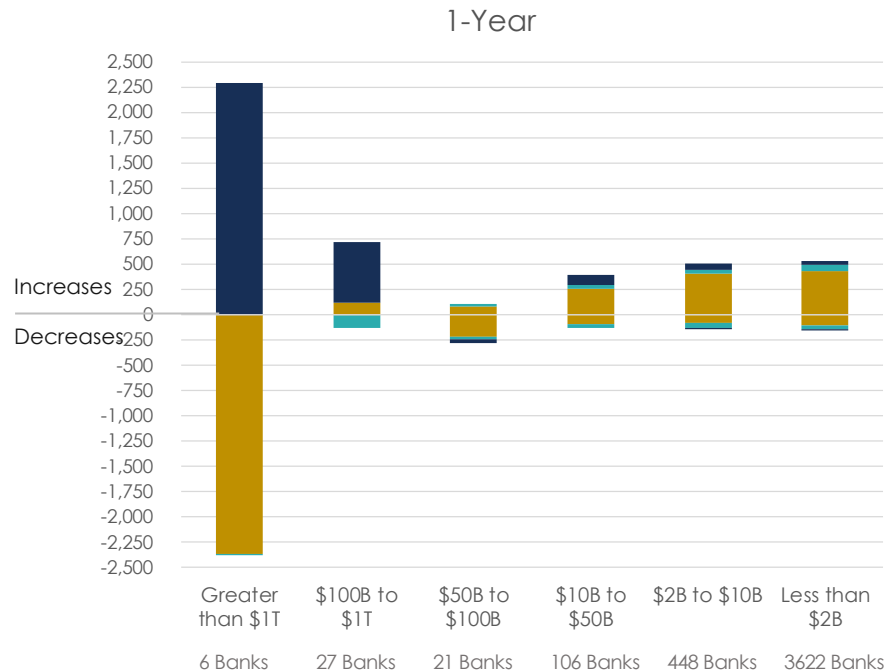
Transaction Totals by Type



Activity in Millions | **Bolded** values are confirmed/noted in filings

Current Quarter Notable		SA	GA	HY
2026-Q2	Wells Fargo	\$2,300	(\$2,360)	(\$9)
2026-Q2	OceanFirst	\$60	(\$60)	
2026-Q2	NexBank	\$26		
Recently Notable		SA	GA	HY
2026-Q1	M&T Bank Corp		\$81	(\$86)
2025-Q4	Truist	\$600		
2025-Q4	Synovus		(\$195)	(\$20)
2025-Q3	Servisfirst Bancshares		\$125	
2025-Q2	Truist	\$260	(\$260)	
2025-Q2	City National Bank of Florida		\$215	(\$215)
2025-Q1	Eagle Bcorp	\$200		
2024-Q4	Truist	\$1,139	(\$1,120)	
2024-Q4	Banc of California	\$218	(\$200)	(\$20)

BOLI Transactions by Type and Bank Size



SA

GA

Hybrid

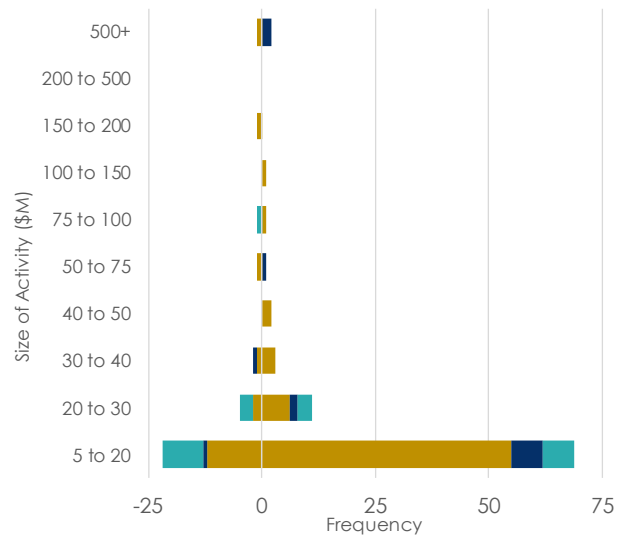
Listing of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

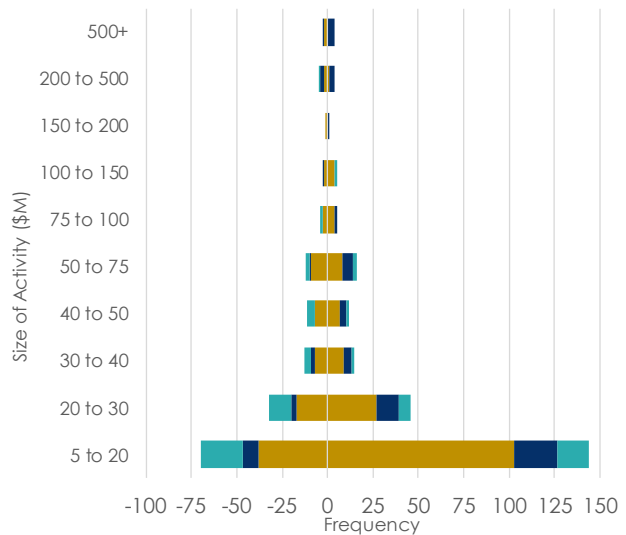
Frequency of BOLI Transaction Sizes

- Over the past 5 years, 76% of transactions have been below \$30 Million, while 6% are over \$100 million

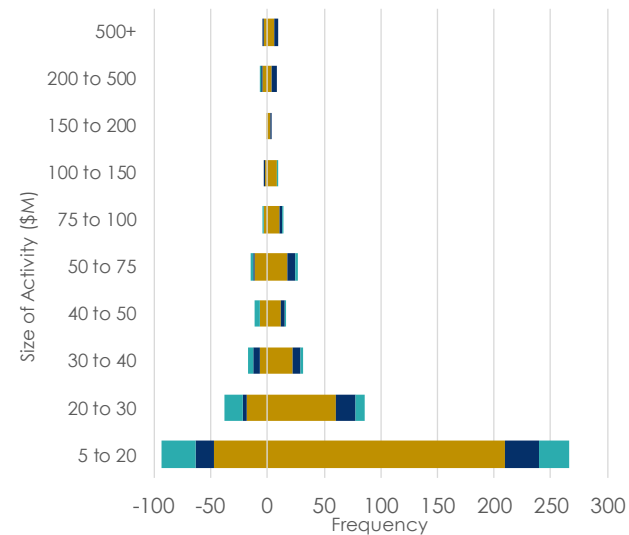
1-Year



3-Year



5-Year



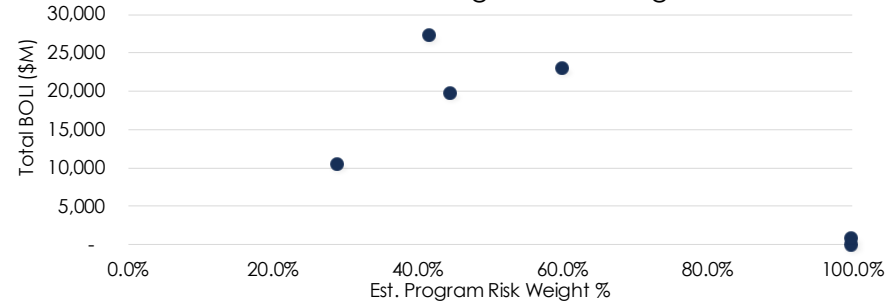
Market Analytics By Bank Size

Banks with over \$1T in Total Assets

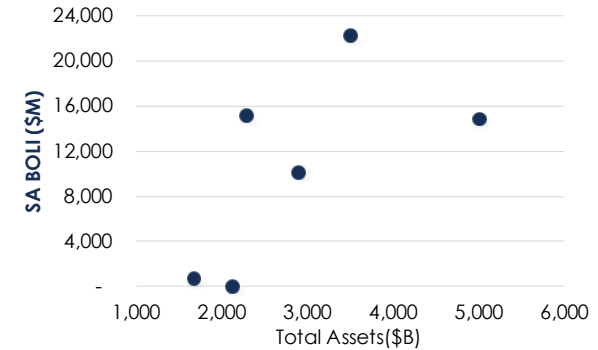
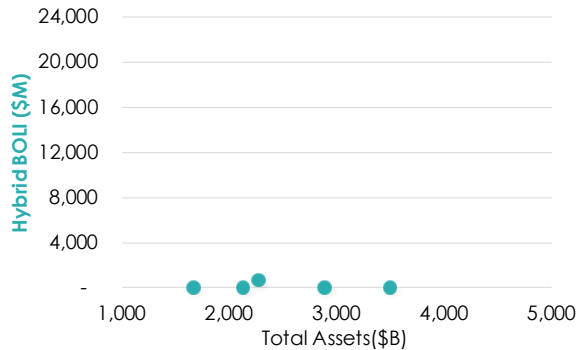
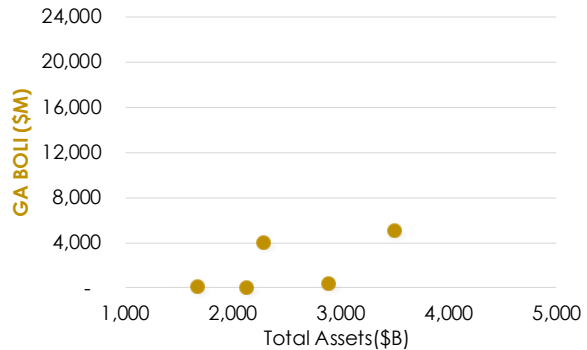
6 of 6 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	17,779	665	62,732	81,176	7%
Average	2,963	111	10,455	13,529	6%
Last Q # of Increases	-	-	1	1	
Increase Total (\$M)	-	-	2,300	2,300	
Last Q # of Decreases	1	1	-	2	
Decrease Total (\$M)	(2,360)	(9)	-	(2,369)	

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												
2026-Q2	0	0	1	2,300	1	2,300	0	0	2	-2,369	2	-2,369
1-Year	0	0	1	2,300	1	2,300	0	0	2	-2,369	2	-2,369
3-Year	0	0	1	2,300	1	2,300	0	0	5	-3,927	5	-3,927
5-Year	0	0	1	2,300	1	2,300	0	0	5	-3,927	5	-3,927
SA												
2026-Q2	0	0	1	2,300	1	2,300	0	0	0	0	0	0
1-Year	0	0	1	2,300	1	2,300	0	0	0	0	0	0
3-Year	0	0	1	2,300	1	2,300	0	0	2	-1,540	2	-1,540
5-Year	0	0	1	2,300	1	2,300	0	0	2	-1,540	2	-1,540
GA												
2026-Q2	0	0	0	0	0	0	0	0	1	-2,360	1	-2,360
1-Year	0	0	0	0	0	0	0	0	1	-2,360	1	-2,360
3-Year	0	0	0	0	0	0	0	0	2	-2,378	2	-2,378
5-Year	0	0	0	0	0	0	0	0	2	-2,378	2	-2,378
HYBRID												
2026-Q2	0	0	0	0	0	0	0	0	1	-9	1	-9
1-Year	0	0	0	0	0	0	0	0	1	-9	1	-9
3-Year	0	0	0	0	0	0	0	0	1	-9	1	-9
5-Year	0	0	0	0	0	0	0	0	1	-9	1	-9

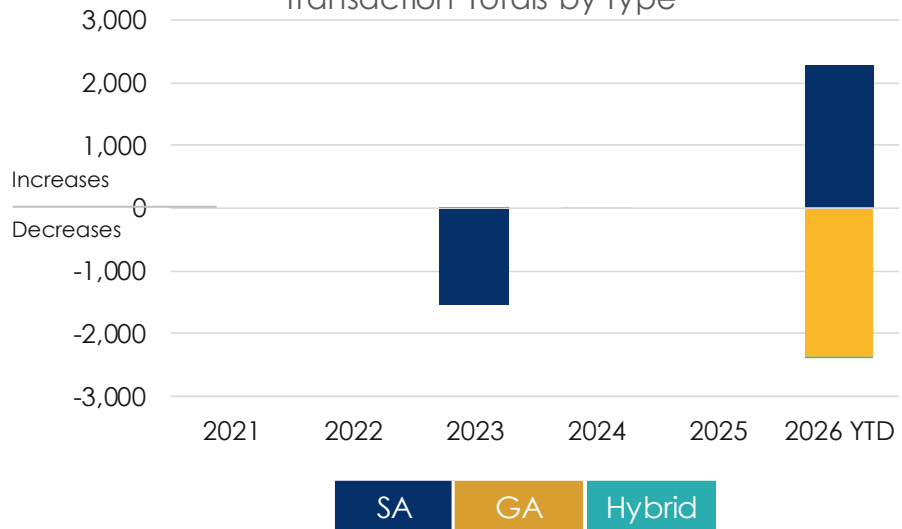
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

Recent BOLI Transactions

Banks with over \$1T in Total Assets

Transaction Totals by Type



Activity in Millions | **Bolded** values are confirmed/noted in filings

Current Quarter

2026-Q2 Wells Fargo

SA

GA

HY

\$2,300

(\$2,360)

(\$9)

Recently Notable

2024-Q2 Morgan Stanley

SA

GA

HY

(\$18)

2023-Q4 Morgan Stanley

(\$311)

2023-Q3 Wells Fargo

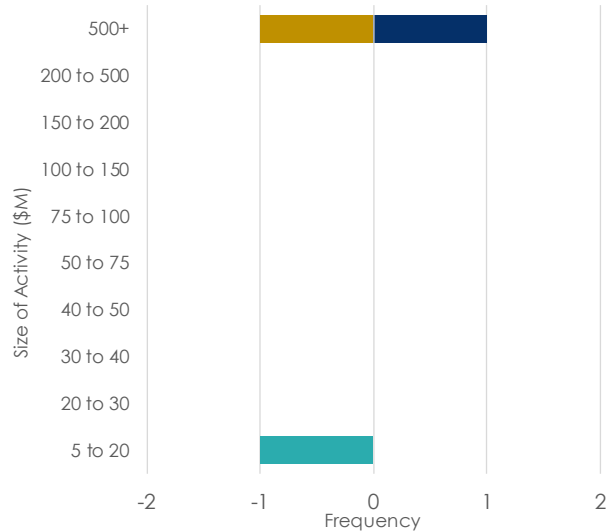
(\$1,230)

Frequency of BOLI Transaction Sizes

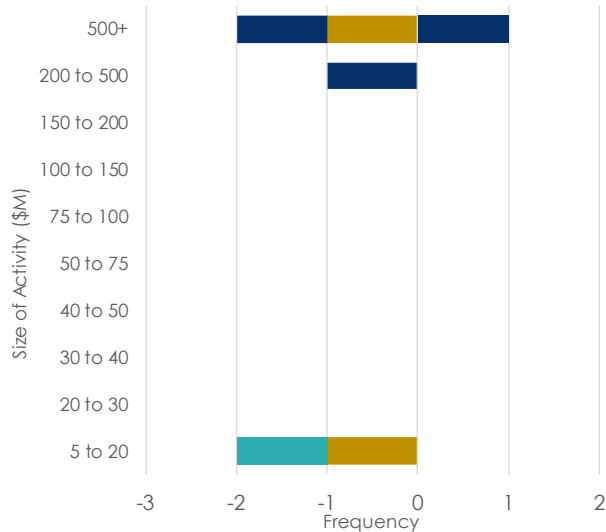
Banks with over \$1T in Total Assets

- After being quiet for 2 years, this group saw a massive [exchange] of ~\$2.3 billion of GA to SA in Q2 2026

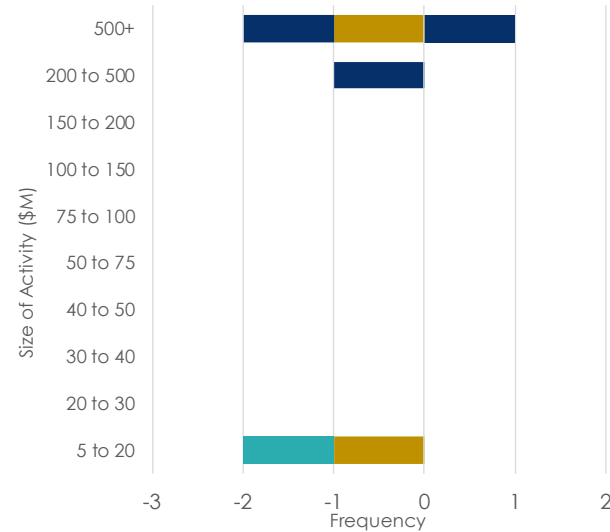
1-Year



3-Year



5-Year



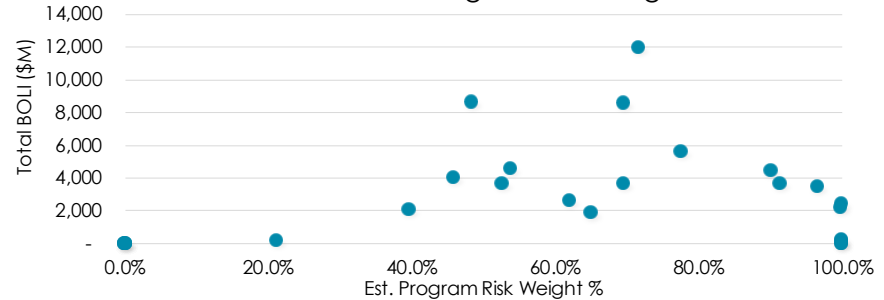
Market Analytics By Bank Size

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

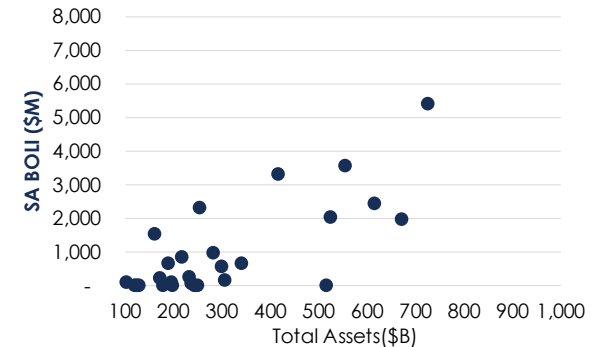
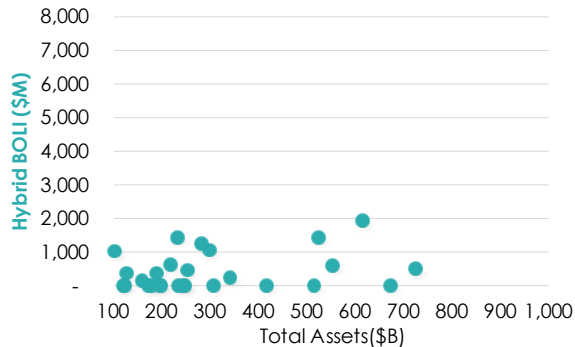
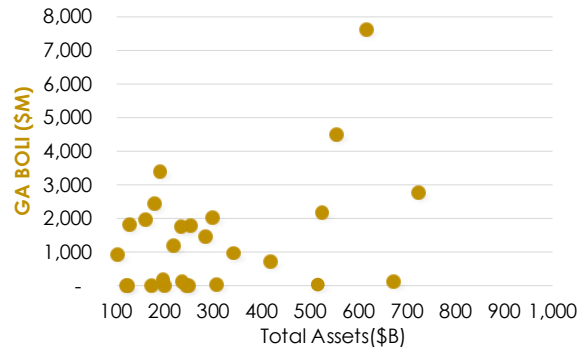
23 of 27 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	37,926	11,506	27,009	76,441	10%
Average	1,405	426	1,000	2,831	26%
Last Q # of Increases	1	-	-	1	
Increase Total (\$M)	42	-	-	42	
Last Q # of Decreases	-	1	-	1	
Decrease Total (\$M)	-	(18)	-	(18)	

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

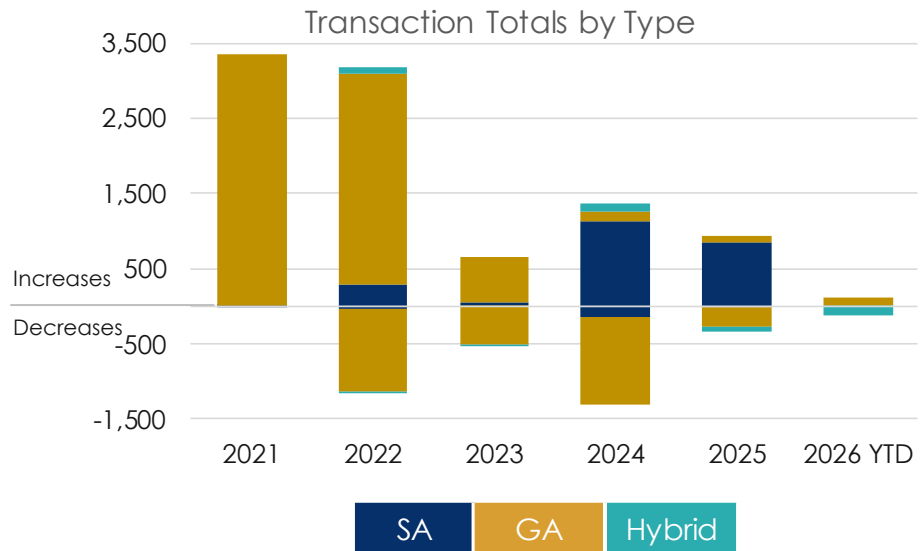
Time Period	Confirmed Purchases	Amount (Millions)	Likely Purchases	Amount (Millions)	Total Purchases	Amount (Millions)	Confirmed Surrenders	Amount (Millions)	Other Large Decreases	Amount (Millions)	Total Decreases	Amount (Millions)
TOTAL												
2026-Q2	0	0	1	42	1	42	0	0	1	-18	1	-18
1-Year	0	0	3	723	3	723	0	0	3	-129	3	-129
3-Year	1	10	13	2,464	14	2,474	0	0	14	-1,811	14	-1,811
5-Year	11	3,434	20	4,928	31	8,362	2	-815	18	-2,625	20	-3,440
SA												
2026-Q2	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	1	600	1	600	0	0	0	0	0	0
3-Year	0	0	4	2,022	4	2,022	0	0	2	-137	2	-137
5-Year	2	52	6	2,294	8	2,346	0	0	3	-174	3	-174
GA												
2026-Q2	0	0	1	42	1	42	0	0	0	0	0	0
1-Year	0	0	2	123	2	123	0	0	0	0	0	0
3-Year	1	10	6	353	7	363	0	0	6	-1,456	6	-1,456
5-Year	9	3,382	10	2,463	19	5,845	2	-815	8	-2,210	10	-3,025
HYBRID												
2026-Q2	0	0	0	0	0	0	0	0	1	-18	1	-18
1-Year	0	0	0	0	0	0	0	0	3	-129	3	-129
3-Year	0	0	3	90	3	90	0	0	6	-217	6	-217
5-Year	0	0	4	171	4	171	0	0	7	-241	7	-241

Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

Recent BOLI Transactions

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



Activity in Millions | **Bolded** values are confirmed/noted in filings

Current Quarter

2026-Q2 First Citizens

SA GA HY
\$42 (\$18)

Recently Notable

2026-Q1 First Citizens

SA GA HY
(\$25)

2026-Q1 M&T Bank Corp

SA GA HY
\$81 (\$86)

2025-Q4 Truist

SA GA HY
\$600

2025-Q2 Truist

SA GA HY
\$260 (\$260)

2025-Q2 Regions

SA GA HY
(\$4) \$50 (\$46)

2025-Q1 Citizens Financial

SA GA HY
\$20 (\$20)

2024-Q4 Truist

SA GA HY
\$1,139 (\$1,120)

2024-Q1 Truist

SA GA HY
(\$133) \$133

2023-Q2 First Citizens

SA GA HY
(\$427)

2023-Q1 First Citizens

SA GA HY
(\$55)

2023-Q1 First Republic

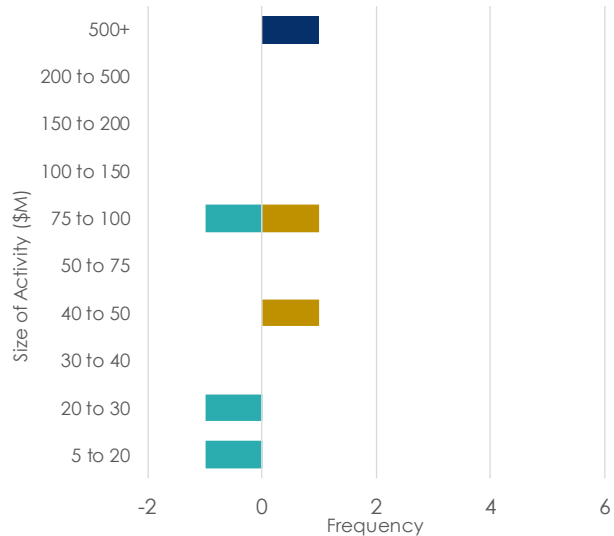
SA GA HY
\$25 \$575

Frequency of BOLI Transaction Sizes

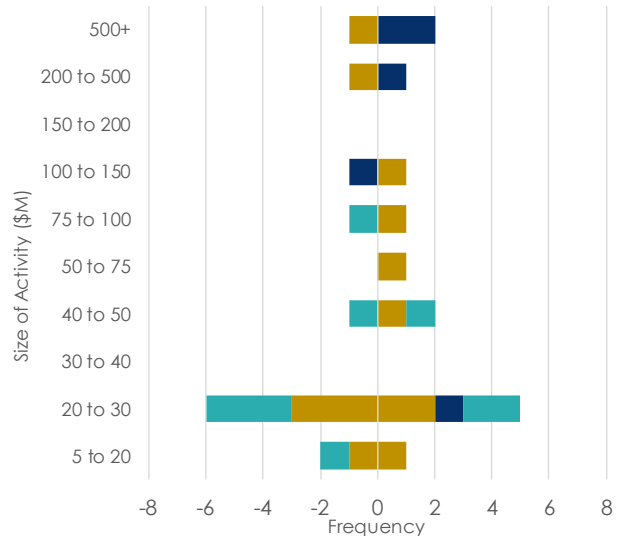
Banks with \$100B to \$1T in Total Assets

- Many recent deals have been over \$200 million, and are trending from General to Separate Account

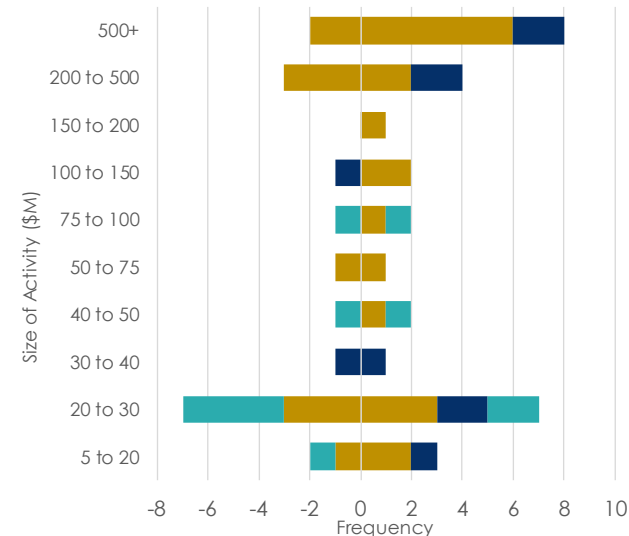
1-Year



3-Year



5-Year



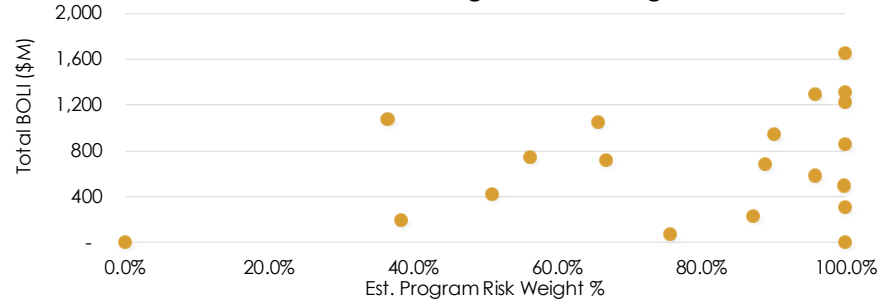
Market Analytics By Bank Size

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

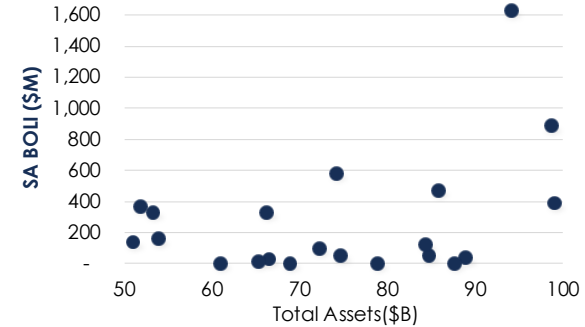
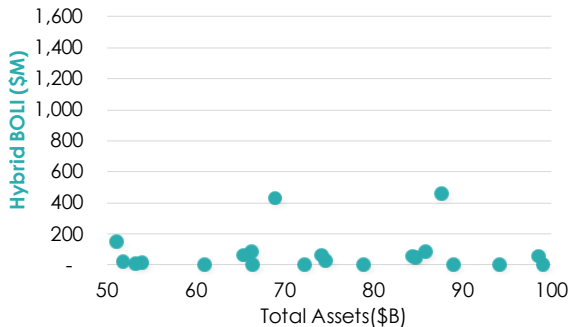
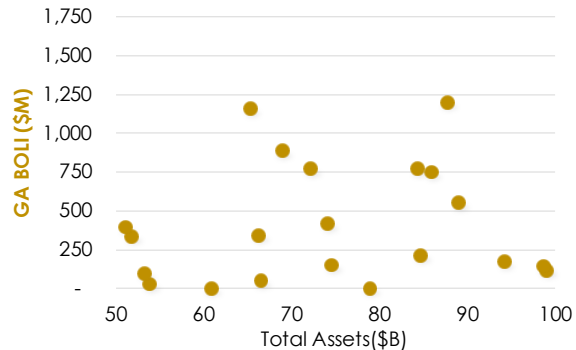
20 of 21 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	8,490	1,533	5,626	15,649	10%
Average	404	73	268	745	10%
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 \$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												
2026-Q2	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	3	52	2	60	5	112	0	0	5	-281	5	-281
3-Year	8	1,068	8	190	16	1,258	2	-253	8	-338	10	-591
5-Year	9	1,218	14	363	23	1,581	2	-253	11	-408	13	-661
SA												
2026-Q2	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	0	0	0	0	0	0	2	-41	2	-41
3-Year	1	800	3	74	4	874	1	-215	3	-64	4	-279
5-Year	1	800	5	163	6	963	1	-215	4	-93	5	-307
GA												
2026-Q2	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	3	52	1	35	4	87	0	0	2	-220	2	-220
3-Year	5	130	2	61	7	191	1	-38	3	-238	4	-276
5-Year	6	280	6	145	12	425	1	-38	3	-238	4	-276
HYBRID												
2026-Q2	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	1	25	1	25	0	0	1	-20	1	-20
3-Year	2	138	3	55	5	193	0	0	2	-36	2	-36
5-Year	2	138	3	55	5	193	0	0	4	-77	4	-77

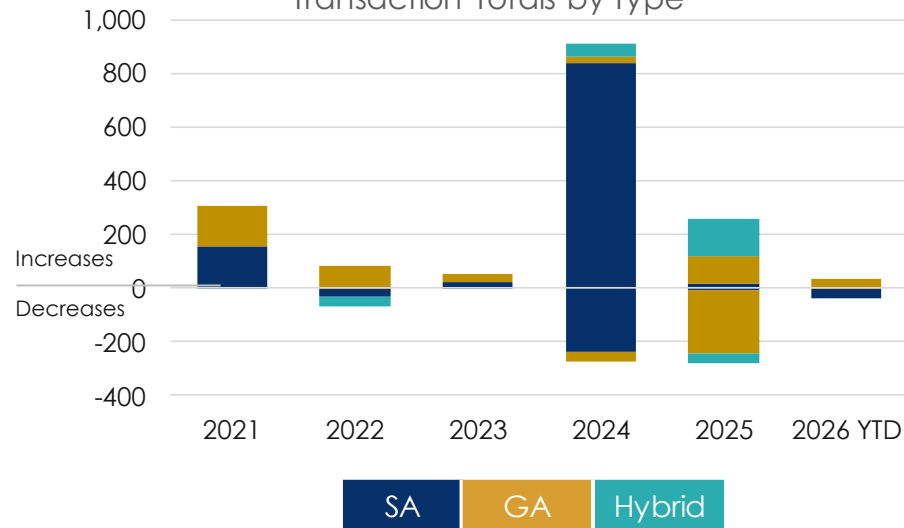
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

Recent BOLI Transactions

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

Transaction Totals by Type



Activity in Millions | **Bolded** values are confirmed/noted in filings

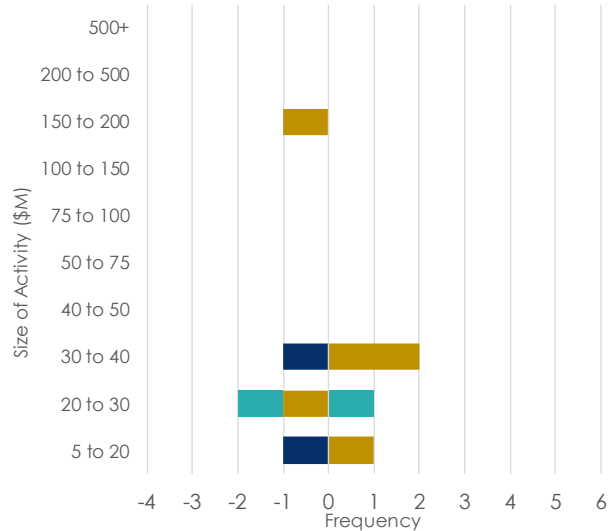
Current Quarter		SA	GA	HY
[None This Quarter]				
Recently Notable		SA	GA	HY
2026-Q1	UMB Financial	(\$35)	\$35	
2025-Q4	UMB Financial		\$36	
2025-Q4	Columbia Banking	(\$6)	\$13	
2025-Q4	Synovus		(\$195)	(\$20)
2025-Q4	Cadence		(\$25)	\$25
2025-Q2	Pinnacle Finl Partners		\$50	
2025-Q2	Synovus		(\$18)	\$18
2025-Q2	Wintrust Financial Corp	\$16		(\$16)
2025-Q1	Pinnacle Finl Partners			\$100
2024-Q4	Synovus		(\$38)	\$38
2024-Q3	Western Alliance Bcorp	\$800		
2024-Q2	Valley National	(\$23)	\$26	
2024-Q1	First Horizon	(\$215)		

Frequency of BOLI Transaction Sizes

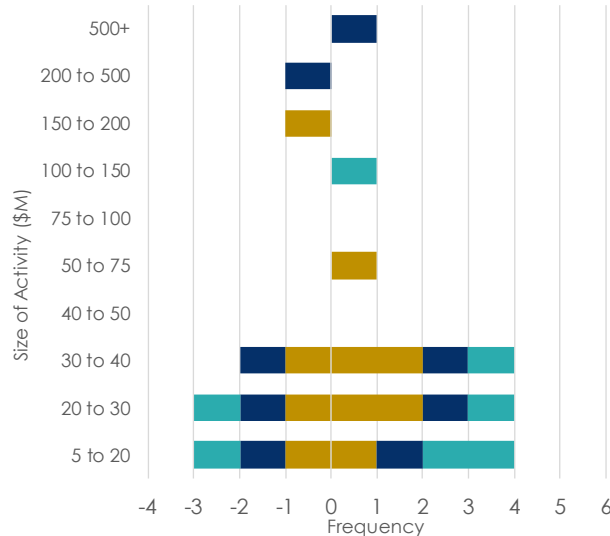
Banks with \$50B to \$100B in Total Assets

- Recent purchases have been mostly under 50 million with a few outliers

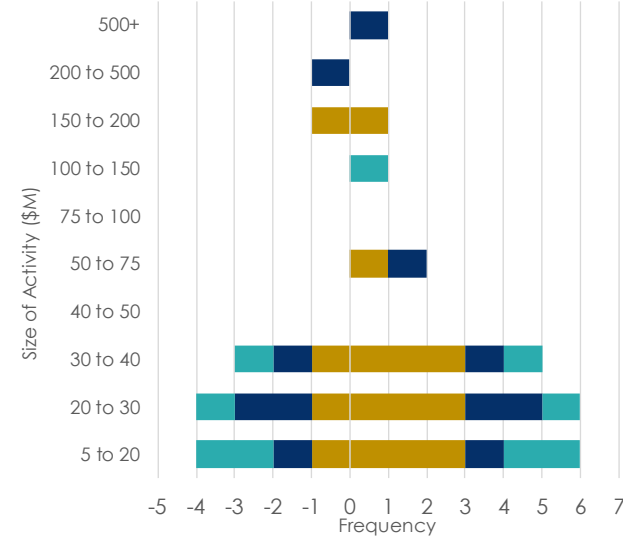
1-Year



3-Year



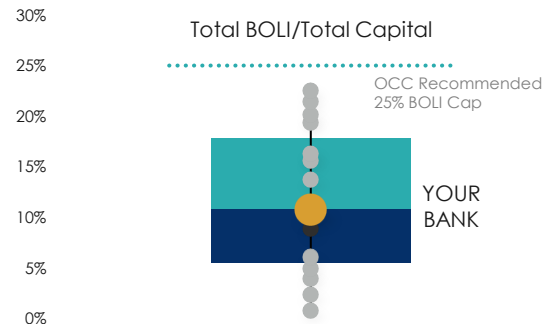
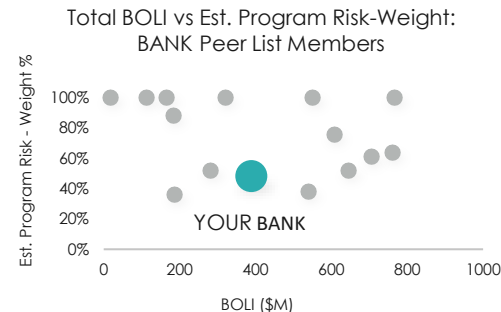
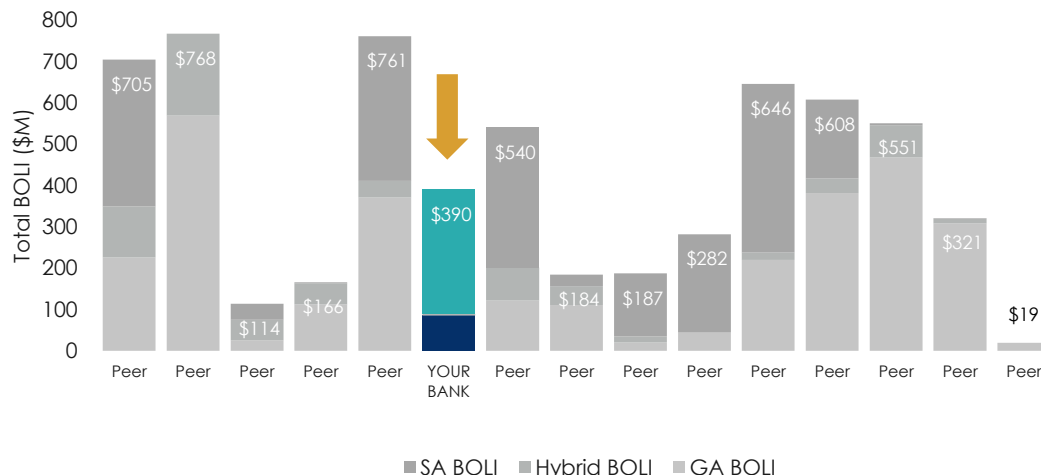
5-Year



SUBSCRIPTION SERVICES

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



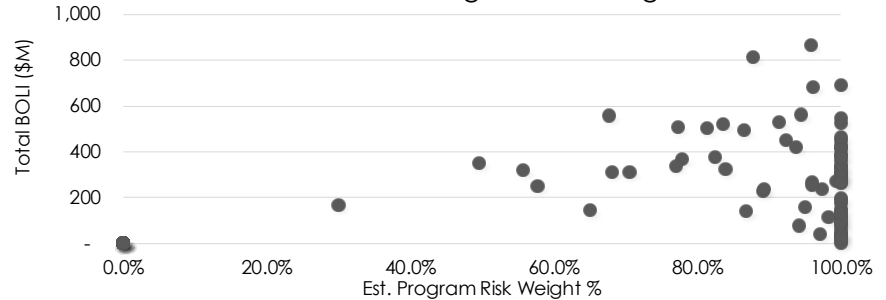
Market Analytics By Bank Size

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

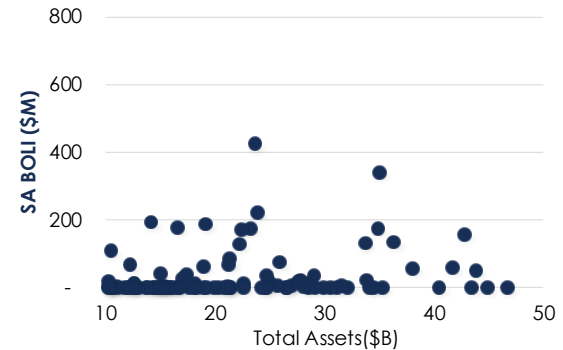
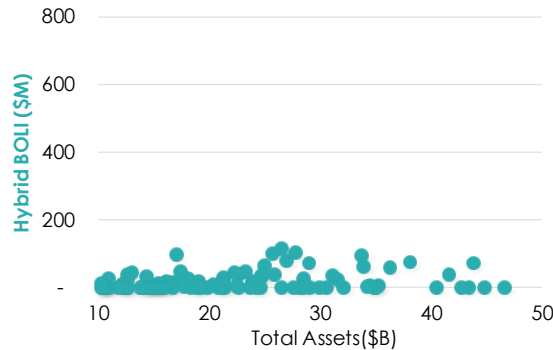
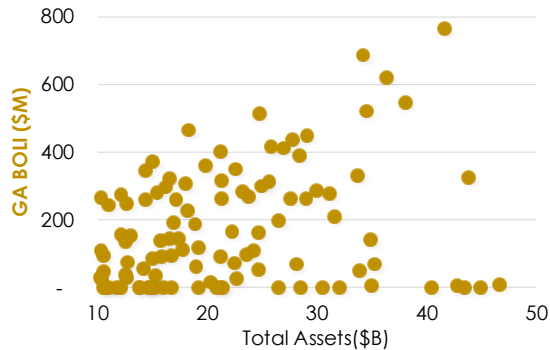
83 of 106 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	18,411	1,847	3,631	23,889	9%
Average	174	17	34	225	96%
Last Q # of Increases	3	-	2	5	
Increase Total (\$M)	59	-	86	145	
Last Q # of Decreases	1	-	-	1	
Decrease Total (\$M)	(60)	-	-	(60)	

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												
2026-Q2	1	25	4	120	5	145	0	0	1	-60	1	-60
1-Year	2	150	12	242	14	392	1	-14	5	-119	6	-133
3-Year	15	1,096	55	1,962	70	3,058	17	-623	41	-1,624	58	-2,247
5-Year	34	2,027	86	3,241	120	5,268	18	-678	52	-1,800	70	-2,478
SA												
2026-Q2	0	0	2	86	2	86	0	0	0	0	0	0
1-Year	0	0	3	92	3	92	0	0	0	0	0	0
3-Year	4	433	16	779	20	1,212	2	-37	3	-80	5	-117
5-Year	4	433	19	824	23	1,257	2	-37	5	-126	7	-163
GA												
2026-Q2	1	25	2	34	3	59	0	0	1	-60	1	-60
1-Year	2	150	7	105	9	255	0	0	3	-92	3	-92
3-Year	9	650	30	913	39	1,563	9	-490	23	-1,001	32	-1,492
5-Year	28	1,581	56	2,107	84	3,688	10	-545	26	-1,048	36	-1,593
HYBRID												
2026-Q2	0	0	0	0	0	0	0	0	0	0	0	0
1-Year	0	0	2	45	2	45	1	-14	2	-27	3	-40
3-Year	2	13	9	270	11	283	6	-96	15	-543	21	-639
5-Year	2	13	11	309	13	323	6	-96	21	-627	27	-723

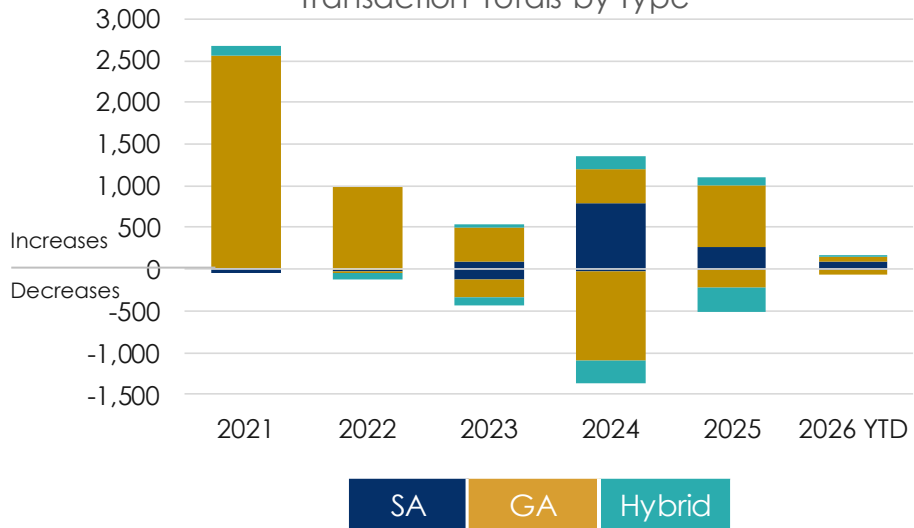
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

Recent BOLI Transactions

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

Transaction Totals by Type



Activity in Millions | **Bolded** values are confirmed/noted in filings

Current Quarter		SA	GA	HY
2026-Q2	OCEANFIRST FINANCIAL CORP	\$60	(\$60)	
2026-Q2	APPLE FINANCIAL HOLDINGS INC		\$20	
2026-Q2	FIRST AMERICAN FINANCIAL CORP		\$15	
2026-Q2	SERVISFIRST BANCSHARES INC		\$25	
2026-Q2	NexBank	\$26		

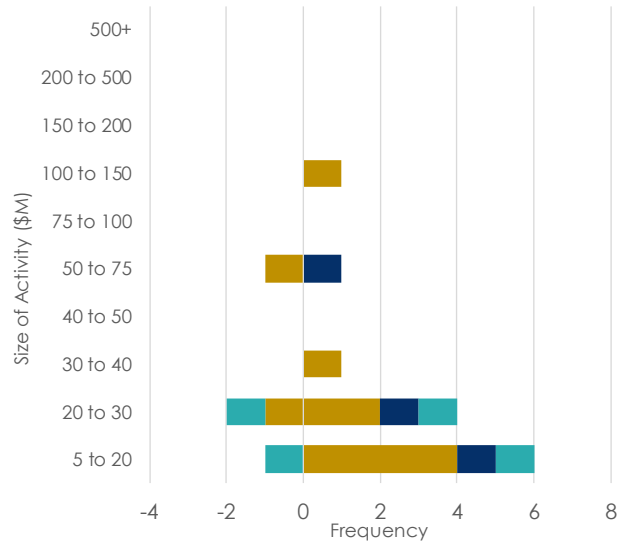
Recently Notable		SA	GA	HY
2025-Q3	Servisfirst Bancshares		\$125	
2025-Q2	City National Bank of Florida		\$215	(\$215)
2025-Q2	Spend Life Wisely Co		\$65	
2025-Q1	Eagle Bcorp Inc	\$200		
2025-Q1	City National Bank of Florida		(\$65)	\$65
2024-Q4	Banc of California	\$218	(\$200)	(\$20)
2024-Q3	Bank of Hawaii Corp	\$95	(\$95)	

Frequency of BOLI Transaction Sizes

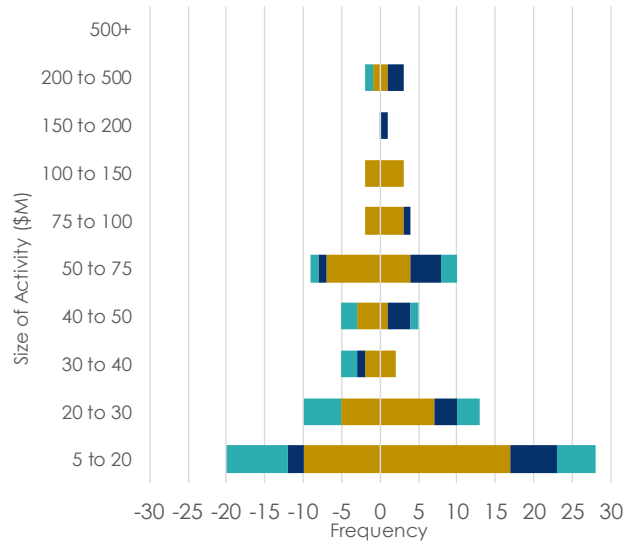
Banks with \$10B to \$50B in Total Assets

- Most purchases for these sized banks have been under \$75 million, and many a reverse action from a decrease of another type of BOLI (restructuring)

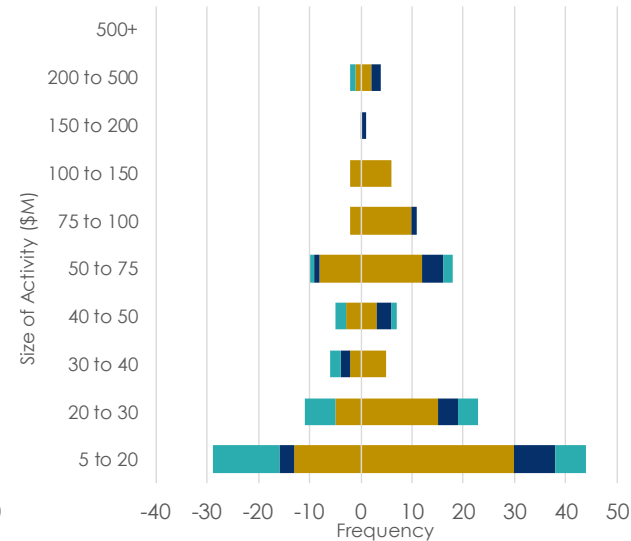
1-Year



3-Year



5-Year



Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

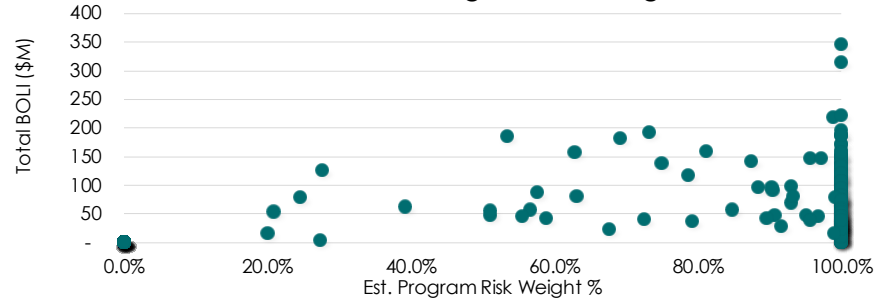
Market Analytics By Bank Size

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

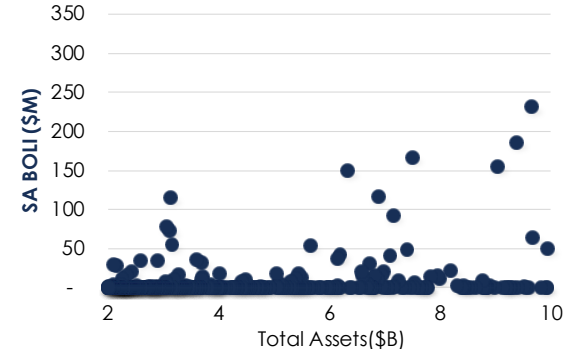
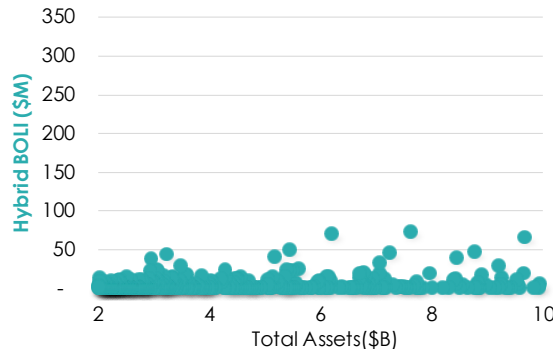
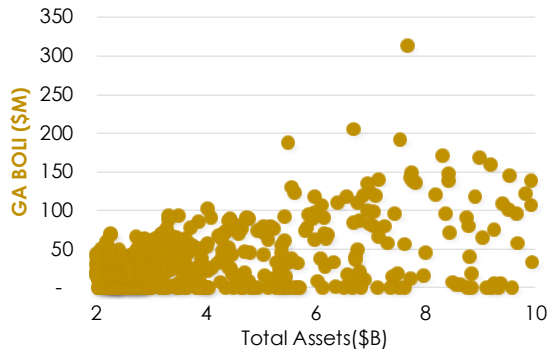
365 of 448 banks own BOLI

	GA (\$M)	Hybrid (\$M)	SA (\$M)	Total BOLI (\$M)	BOLI / Capital
Total	14,772	1,746	2,289	18,807	10%
Average	44	5	7	56	10%
Last Q # of Increases	10	3	2	15	
Increase Total (\$M)	66	23	3	92	
Last Q # of Decreases	1	3	1	5	
Decrease Total (\$M)	(2)	(9)	(2)	(12)	

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												
2026-Q2	6	39	9	53	15	92	0	0	5	-12	5	-12
1-Year	20	176	40	333	60	509	1	-6	19	-122	20	-128
3-Year	40	677	95	1,378	135	2,055	17	-581	49	-712	66	-1,293
5-Year	71	1,236	152	2,555	223	3,791	20	-617	61	-980	81	-1,596
SA												
2026-Q2	2	3	0	0	2	3	0	0	1	-2	1	-2
1-Year	2	3	6	61	8	64	0	0	1	-2	1	-2
3-Year	8	216	22	338	30	554	2	-44	6	-79	8	-123
5-Year	10	251	28	526	38	777	3	-55	12	-231	15	-286
GA												
2026-Q2	3	27	7	40	10	66	0	0	1	-2	1	-2
1-Year	17	164	29	242	46	406	0	0	9	-77	9	-77
3-Year	30	438	65	965	95	1,402	11	-457	25	-397	36	-854
5-Year	58	947	111	1,884	169	2,831	12	-471	28	-450	40	-921
HYBRID												
2026-Q2	1	10	2	13	3	23	0	0	3	-9	3	-9
1-Year	1	10	5	29	6	39	1	-6	9	-43	10	-49
3-Year	2	23	8	76	10	99	4	-80	18	-236	22	-316
5-Year	3	38	13	145	16	183	5	-90	21	-300	26	-390

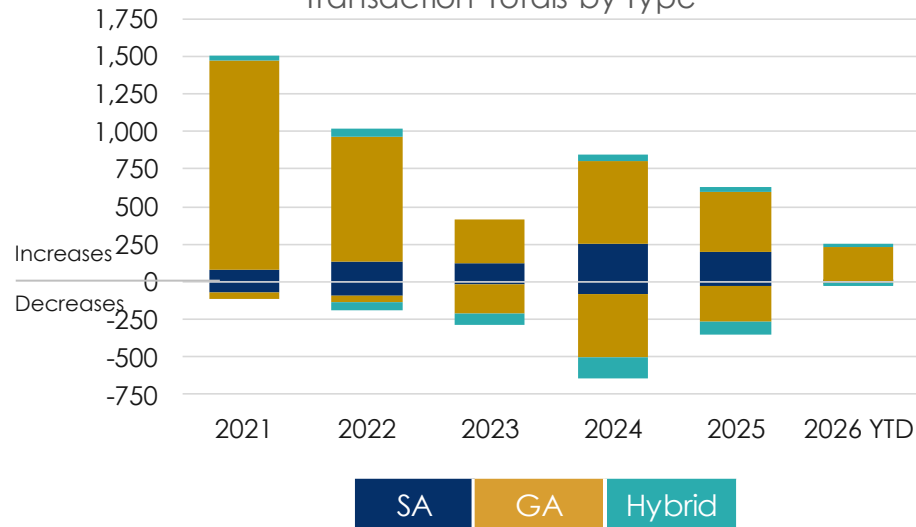
Listings of activity by institution are available upon request

Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

Recent BOLI Transactions

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

Transaction Totals by Type



Activity in Millions | **Bolded** values are confirmed/noted in filings

Current Quarter		SA	GA	HY
2026-Q2	Timberland Bank		\$15	
2026-Q2	MERCANTILE BANK CORP			\$10
2026-Q2	The National Bank of Indianapolis			\$10
2026-Q2	Ion Bank		\$10	
2026-Q2	CAPITAL CITY BANK GROUP INC		\$9	(\$2)
2026-Q2	FIRST CAROLINA FINL SERVICES		\$9	
2026-Q2	PRIMIS FINANCIAL CORP		\$5	(\$5)
2026-Q2	ARBOR BCORP INC		\$5	
2026-Q2	Security State Bank & Trust		\$5	

Recently Notable		SA	GA	HY
2026-Q1	Capitol Federal Financial		\$45	
2025-Q4	Pathward Financial		(\$32)	(\$10)
2025-Q3	Midwest BankCentre	\$21	(\$11)	(\$10)
2025-Q2	Financial Institutions Inc (NY)		(\$73)	
2025-Q2	NB Bcorp		(\$48)	
2025-Q2	Flushing Financial Corp		\$43	(\$43)

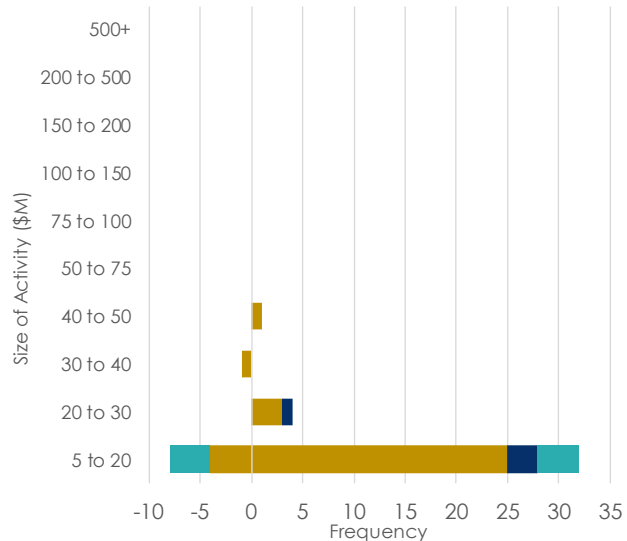
Data Sources: FFIEC Call Report Data, SEC 10-Q Filings, SEC 10-K Filings

Frequency of BOLI Transaction Sizes

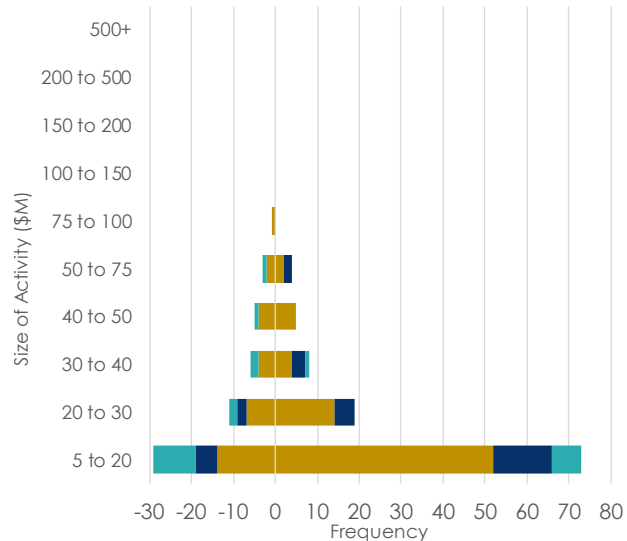
Banks with \$2B to \$10B in Total Assets

- This bank tier has only seen one recent purchase over \$75 million, with the majority under \$30 million
- Over the last two years, many transactions appear to be restructuring related

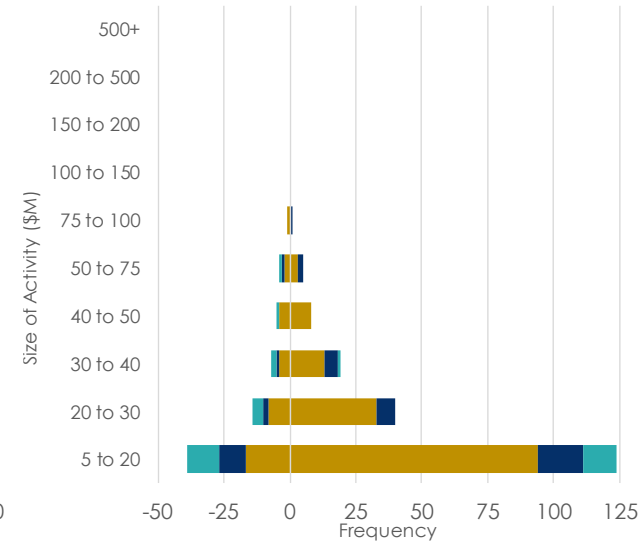
1-Year



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

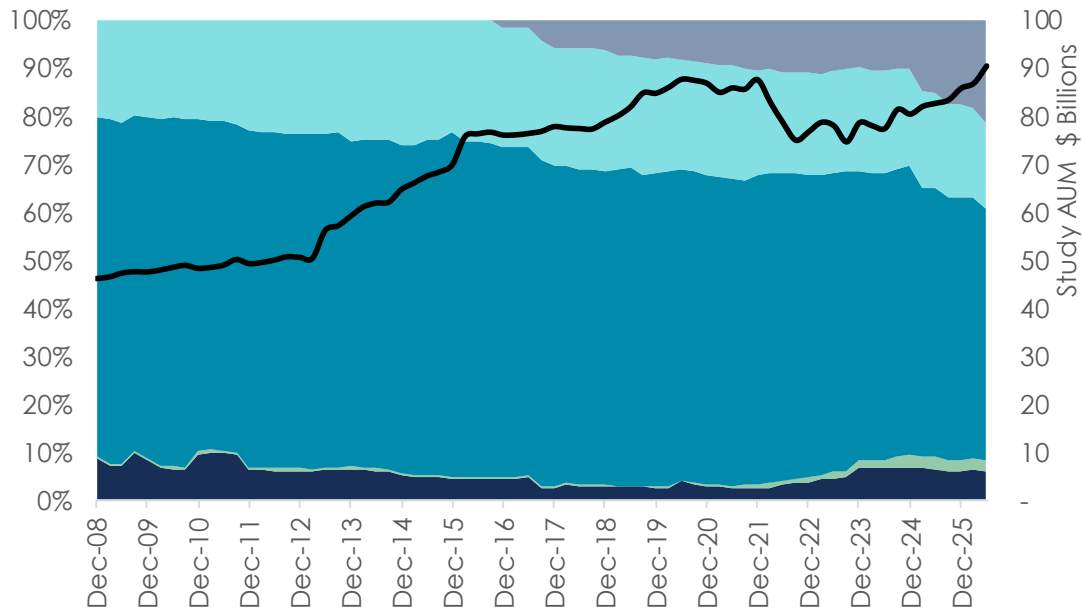
- Multi-Sector / Capital Efficient / Target RW / “Dynamic”
- Core Fixed Income
(includes immaterial dedicated high yield and credit portfolios)
- MBS / Securitized (ABS / CMBS)
- CLO / Bank Loan
- Short Duration / Government

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

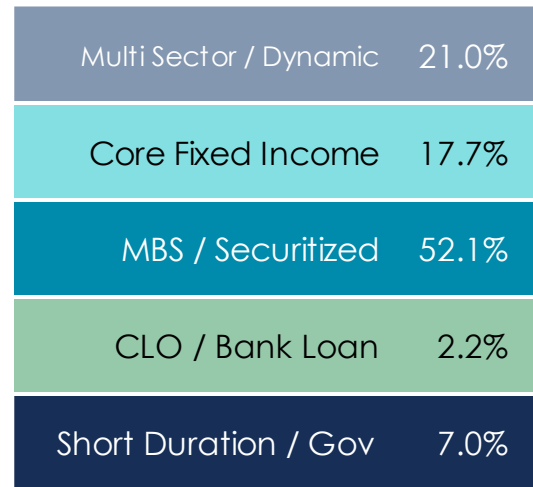
The study currently aggregates \$91 billion of SA – a massive share of the industry

SA BOLI Industry Allocations

SA BOLI Allocations Over Time



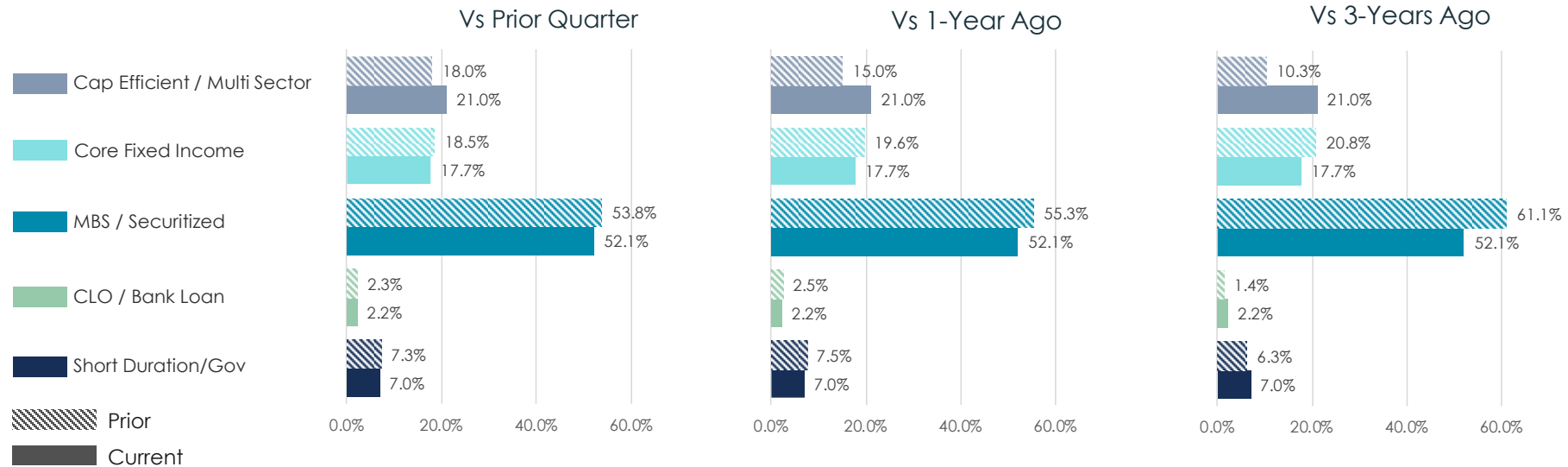
2026-Q2 Weights



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

The aggregate assets black line decreases in 2022 due to the study's assets reported at MV which suffered losses while wrapped BOLI is reported as BV on Bank Call Reports

Recent Allocation Changes



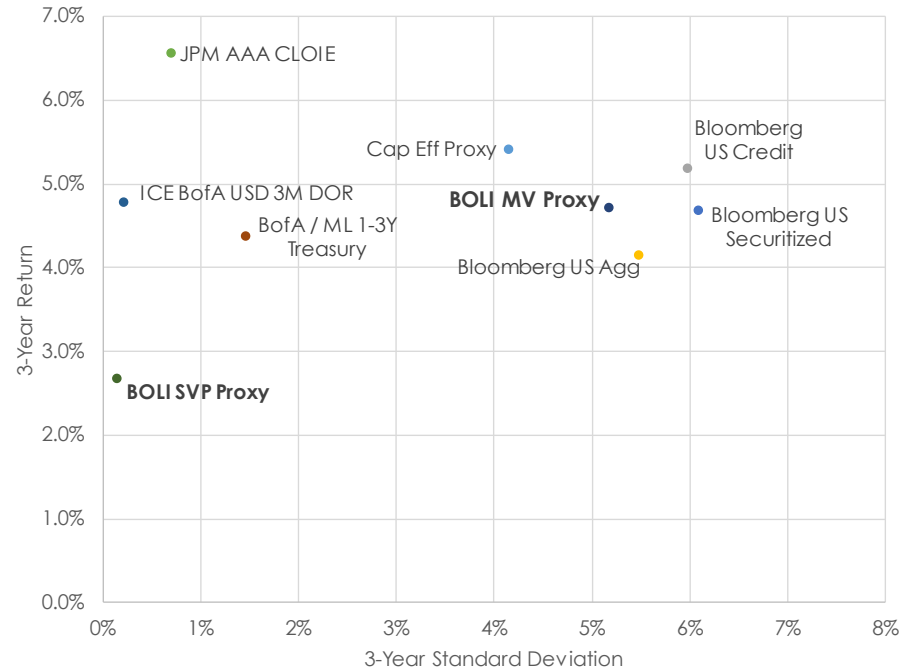
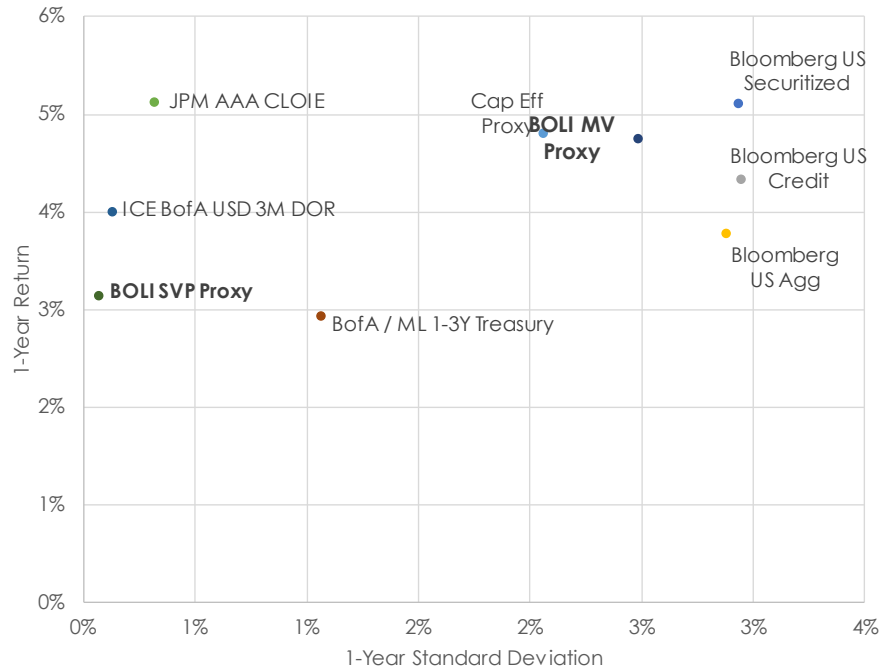
Investment Performance Proxy

Using common benchmarks for the categories, a proxy for the industry's SA Q2 MV performance is estimated at 0.71%

	Benchmark	Quarter	1-Year	3-Year	5-Year	Weights
Cap Efficient / Multi Sector	[Proxied by a sector blend]	0.96%	4.81%	5.29%	2.03%	21.04%
Core Fixed Income	<i>Bloomberg US Agg</i>	0.67%	3.79%	4.16%	0.08%	17.66%
MBS / Securitized	<i>Bloomberg US Securitized</i>	0.58%	5.12%	4.68%	0.56%	52.10%
CLO / Bank Loan	<i>CLOE Index</i>	1.36%	5.13%	6.56%	5.02%	2.25%
Short Duration / Gov	<i>ICE BofA USD 3M DOR</i>	0.89%	4.01%	4.78%	3.58%	6.95%
Industry Proxy MV Performance using rolling weights:		0.71%	4.76%	4.71%	0.82%	
Industry Proxy Stable Value Performance:		0.83%	3.15%	2.68%	2.36%	

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

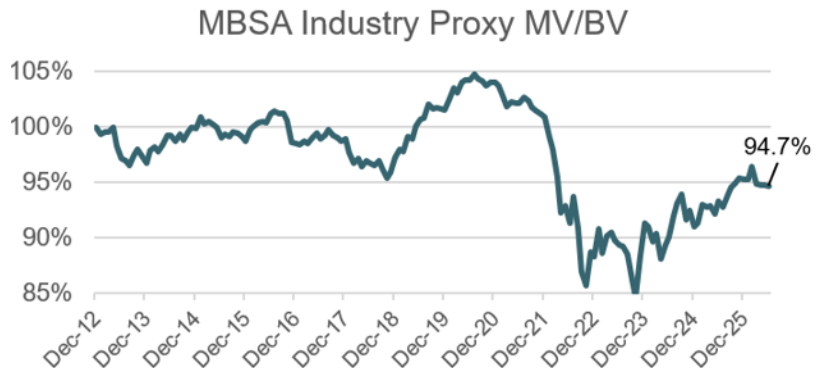


Data as of 2026-Q2

Industry MV/BV Ratio Developments

Using our proxy MV and BV performance monitoring from the prior page, we calculate a proxy MV/BV ratio for the industry.

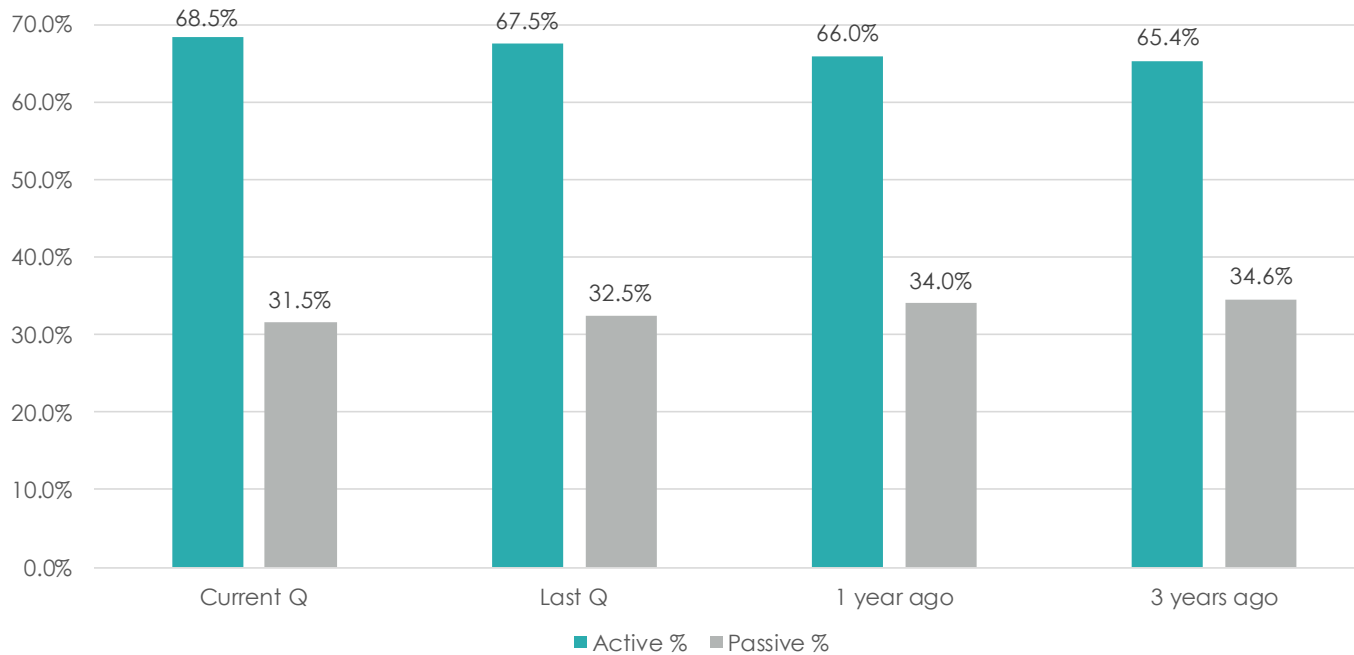
- Fixed income markets had positive performance for all three months in Q2 but was slightly behind the pace of Stable Value growth.
- Our proxy MV/BV ratio fell 11bps from Q1 to Q2.



- Compared against aggregate carrier data, the proxy matches well.

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

Active / Passive Management Breakdown



Legislative, Regulatory, Judicial, Tax and Accounting Updates

Noteworthy Judicial Developments

Court Rules in Favor of Genworth In COI Dispute (Aug)

- On August 3, 2026, the U.S. District Court for the Eastern District of Virginia ruled in favor of Genworth Life and Annuity Insurance Company ("Genworth") versus TVPX ARS, Inc. ("TVPX").
- The core of the litigation centered on whether Genworth had a contractual duty to reduce COI charges as mortality expectations improved. TVPX alleged Genworth breached the universal life policy contract by failing to lower COI rates (and in some periods increasing them), thereby overcharging policy cash values and depleting account values for thousands of policyholders. The plaintiff's theory relied on a uniform COI provision stating COI rates "are determined by us according to expectations of future mortality" and that the insurer "can change the rates from time to time," arguing those terms obligated affirmative adjustments when mortality improved.
- The court granted class certification on the COI overcharge theory, finding the uniform policy language and a damages model suitable for class-wide adjudication. However, on the merits the court granted summary judgment for Genworth. Applying Connecticut contract law, the judge interpreted the COI clause as permissive rather than mandatory, concluding the language "we can change the rates from time to time" gives the insurer discretion to change rates but does not impose an affirmative duty to lower COI in response to improved mortality. The court further held that a "change in rates" reasonably refers to replacing or revising the underlying guaranteed COI Table (which Genworth had not done since 1995), not to periodic recalibrations tied to mortality improvements.

Noteworthy Judicial Developments

Court Provides Preliminary Approval of Class Action Settlement in NQDC Plan Termination Case (Jul)

- On July 2 a proposed class action settlement in the matter of *Hoak v. Plan Administrator of Plans of NCR Corp.* received preliminary approval in Georgia's Northern District court. The controversy stemmed from NCR's decision to pay out lump sum benefits to participants of five terminated NQDC plans. Plaintiffs alleged that the action was a breach of contract given that the plans provided that termination was permitted as long as "no such action ... adversely affect[ed]" the "accrued benefits" of "any" participant.
- NCR tried to contend that the lump sum pay outs were actuarially equivalent to the accrued benefits. However, the plan documents did not set forth any such provision to compute actuarially equivalent benefits.
- Groom Law Group [published a report](#) on this development including some important lessons for employers offering these types of plans. Key lessons include:
 - ❖ A caution that purely complying with 409A plan termination rules is not sufficient to prevent litigation – NQDC plans are treated as unilateral contracts and any ambiguities are interpreted against the drafter (i.e., the sponsor);
 - ❖ Employers should take care to remain within the four corners of the plan document for ordinary plan terminations and should be especially careful in making decisions following a Change in Control;
 - ❖ It is permissible to offer lump sums that participants and beneficiaries can accept on a voluntary basis; however, a plan sponsor cannot control who accepts or rejects such an offer.

Case Citation: 1:15cv3983, *Hoak Et Al V. Ledford Et Al* (GA-N.D.).

Noteworthy Tax Developments

IRS Private Letter Ruling on an Annuity Rider for a Life Insurance Contract (Jun)

- On June 18 the IRS released two Private Letter Rulings ([PLR 202625002](#) and [PLR 202625003](#)) regarding the tax treatment of an annuity rider that would be added to a base life insurance contract. Based on the PLR, it appears that the intention of the annuity rider (which would provide a period certain annuity stream) is to pay additional premiums into the life insurance contract.
- The IRS affirmed that the annuity rider and life insurance contract would be treated as separate contracts under the code and that no portion of the single premium paid for the annuity rider would be treated as premiums paid under the base life contract.
- This could provide interesting product design options for institutional purchasers.

Noteworthy Tax Developments

Treasury Issues Final Regulations Regarding Transfer for Value Rules Involving 1035 Exchanges (Jul)

- On July 9 the IRS and Treasury issued [final regulations](#) providing guidance on the application of the transfer for valuable consideration rules and associated information reporting requirements for reportable policy sales of interests in life insurance contracts to exchanges of life insurance contracts qualifying for nonrecognition of gain or loss. The final regulations also impact certain acquisitions of interests in life insurance contracts in transactions that qualify as corporate reorganizations.
- The final regulations are largely consistent with the previously proposed regulations released in 2023. In particular, the final regulations confirm that policies that are issued in accordance with section 1035 exchanges are not treated as a transfer of an interest in a life insurance contract. The preamble to the final regulations also confirms that these rules do not alter or affect the applicability of state law (see excerpt below with emphasis added).
 - ❖ Regardless of whether a contract is issued in a section 1035 exchange, it must be described in section 7702(a) to be considered a life insurance contract under section 101. Section 7702(a) requires, among other things, that a contract be a "life insurance contract under the applicable law," State or foreign law, as applicable. The 2023 proposed regulations under sections 101 and 6050Y address the consequences under sections 101 and 6050Y in cases in which a life insurance contract is issued in a section 1035 exchange. **The 2023 proposed regulations do not affect the application of other Code sections, including, for instance, sections 1035 and 7702. The 2023 proposed regulations, consequently, do not affect the determination of whether a contract issued in a purported section 1035 exchange qualifies as a life insurance contract under section 7702(a) for purposes of the Code or whether an exchange of contracts qualifies as a section 1035 exchange.** The same is true of the final regulations.
- The IRS also noted that the final regulations do not alter conclusions set forth in Rev. Ruling 2011-9, which, among other things, establishes the position that a 1035 exchange of a contract covering a former employee triggers a pro rata interest expense disallowance under IRC Section 264(f).
- The final regulations are immediately effective and, consistent with the 2023 proposal, have retroactive applicability to any transactions occurring after December 31, 2018
- Continued...

Noteworthy Tax Developments

Treasury Issues Final Regulations Regarding Transfer for Value Rules Involving 1035 Exchanges (Jul) Continued

De Minimis Exception for Ordinary Course Mergers and Acquisitions

- The 2023 proposed regulations provided an exception from the definition of a “reportable policy sale” for direct acquisitions of interests in life insurance contracts from a C corporation by a C corporation if:
 - ❖ (1) the acquisition results from a transaction that qualifies as a reorganization under section 368(a);
 - ❖ (2) immediately before the acquisition,
 - (i) the interest is held by a C corporation that conducts an active trade or business within the meaning of § 1.367(a)-2(d)(2) and (3),
 - (ii) the C corporation does not engage in a trade or business of investing in interests in life insurance contracts, and (iii) no more than 5 percent of the gross value of the assets of the C corporation consists of life insurance contracts; and
 - ❖ (3) immediately after the acquisition,
 - (i) the acquiring C corporation does not engage in a trade or business of investing in interests in life insurance contracts, and
 - (ii) not more than 5 percent of the gross value of the assets of the C corporation consists of life insurance contracts.
- A small number of commenters urged the IRS to expand the relief provided under this premise, including to forms of transactions not subject to section 368(a) and to entities other than C corporations, among others. The IRS ultimately chose not to expand the relief. However, the IRS and Treasury indicated that they would continue to consider the possibility of proposing a rule broader than the one set forth in the 2023 proposed regulations.

Noteworthy Accounting Developments

[No Accounting-Related Items Covered This Quarter]

- To view prior quarter topics, please visit the LRA Library on our website.

Easily track developments that could impact your BOLI program

Gain access to full archives back to 2007

- ✓ Comprehensive BOLI-related newsletter—Benefit from monthly updates delivered straight to your inbox
- ✓ 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

Banking Regulators Remove References to Reputation Risk From Interagency Guidance (Jun)

- On June 2 the banking regulators reissued 15 interagency guidance documents to remove references to reputation risk ([OCC Bulletin 2026-23](#)) ([FDIC FIL-27-2026](#)). The Interagency Statement on the Purchase and Risk Management of Life Insurance (commonly cited as OCC 2004-56) was included in the list of reissued documents.
- The [updated document](#) still has a marked publication date of December 7, 2004; however, a text box has been added to the top of the document stating that “[i]n June 2026, this document was revised to remove references to reputational risk.” The posted document does not reflect any mark-up, but we have confirmed that the only changes are the removal of reputation risk.
- Summary of Changes
 - ❖ In the section of the document that lists numerous factors that should be included in an annual “risk management review”, all bullets were retained, including those that previously were largely attributable to reputation risk. As examples, below we show the strikethroughs of the original document to the current document
 - Assessment of death benefit amounts relative to employee salaries. Such information helps management to assess the ~~reputation-and~~ insurable interest risks associated with disproportionately large death benefits.
 - Calculation of the percentage of insured persons still employed by the institution. Larger institutions often find that their policies insure more former employees than current employees. ~~This information can help the institution assess reputation risk.~~
 - Analysis of mortality performance and impact on income. ~~Material gains from death benefits can create reputation risks.~~
 - Peer analysis of BOLI holdings. ~~To address reputation risk, an~~ institution should compare its BOLI holdings relative to capital to the holdings of its peers to assess whether it is an outlier.
 - ❖ The Reputation Risk section was removed. We observe that this section included an important best practice (emphasis added). “A well-managed institution will take steps to reduce the reputation risk that may arise as a result of its BOLI purchases, including maintaining appropriate documentation evidencing informed consent by the employee, prior to purchasing insurance.” In our view, this documentation remains critical to retain notwithstanding the removal of reputation risk as a supervisory consideration. Of course, 2004-56 pre-dated IRC 101(j)’s federal requirement for affirmative written consent. Banks will likely consider retention of consent documentation as being consistent with tax law compliance

Noteworthy Regulatory Developments

Basel III Endgame Comment Letters Submitted (Jun)

- As a follow up to our [March LRA update](#), the deadline for comments on the regulators' proposed updates to capital rules expired on June 18. We submitted comment letters for both the [Standardized Proposal](#) and the [Category I & II Banks Proposal](#). Our comment letters focused on the investment fund risk-weight floor. Under current Standardized Approach, a 20% floor applies. Similarly, the proposal for Category I & II Banks included a 20% floor. The floor applies even if a bank calculates its risk-weighted asset amounts using the Full Look Through Approach (which, by definition, risk weights each position in the fund on a pro rata basis).
- In our letters, we suggested that this floor is unnecessary. To the extent that a floor may be retained in a final rule, we suggested that at a minimum, it should be reduced to 15%, consistent with the new floor for securitization exposures.
- Finally, we suggested that a floor should be applicable at the level of a separate account; not on a fund-by-fund basis.

Other Notable Comment Submissions

- Credit Risk Weights
 - ❖ Several commenters suggested that the Standardized Approach risk weight for investment grade corporate exposures should be adjusted to 65% (from the proposed 95% and the current 100%). A 65% RW was proposed in the Category I & II Proposal (subject to certain conditions).
 - ❖ Guardian Life, MassMutual, New York Life, and Northwestern Mutual submitted a joint comment letter embracing the 65% risk weight for Category I & II banks and suggesting the same should apply to "exposures to investment grade life insurance companies" under the Standardized Approach (rather than receiving the same RW as all other corporate exposures).
- GSE Exposures
 - ❖ Stifel encouraged the regulators to revisit the risk weights for GSE exposures (currently 20%) in light of the fact that high-quality securitizations would receive a 15% risk weight. Stifel suggested that GSEs should be reduced to 15% as well.

Continued...

Noteworthy Regulatory Developments

Basel III Endgame Comment Letters Submitted (Jun) Continued

- Exposures to depository institutions
 - ❖ Some commenters suggested simplifying the proposed requirements to qualify for a 30% risk weight (versus a 40% risk weight) and that any Grade A bank (as defined in the capital rules) should qualify for 30%. Note that this is still an increase relative to the prior 20% risk weight.
 - ❖ It was also suggested that the 30% risk weight should be extended to certain broker-dealer and securities firm subsidiaries of bank holding companies.
- Covered Bonds
 - ❖ RBC submitted a comment recommending a 10% risk weight for covered bonds, noting their high credit quality and dual recourse nature.
- Finally, Newport Group also submitted a comment letter that, like ours, addressed the investment fund floor risk weight in the context of BOLI programs.

Noteworthy Legislative Developments

[No Legislative-Related Items Covered This Quarter]

- To view prior quarter topics, please visit the LRA Library on our website.

Other Noteworthy Developments

NAIC Exposure Draft Regarding ICOLI Reporting and RBC Treatment (Aug)

- On August 13, 2026, the Financial Condition (E) Committee agenda materials included Ref#2026 08 — an exposure draft ("Exposure Draft") of proposed revisions to SSAP No. 21 concerning Insurer Company Owned Life Insurance (ICOLI). The exposure packet and accompanying blanks proposals were formally posted for public comment.
- The Exposure Draft notes that ICOLI investments have more than doubled in the four years since 2021 and that some companies' ICOLI assets make up a significant portion of surplus (with one company over 100% and others over 50%). Because ICOLI policies are currently reported as "other-than-invested assets," the carrying value is fully exempt from RBC for life insurers and only subject to a 5% charge for P/C and health insurers.
- The Exposure Draft seeks comment on whether the amounts reported under SSAP No. 21, paragraph 9, should be reclassified to Schedule BA with a new reporting category for "Realizable Amounts Under ICOLI Policies," with reporting lines to capture the amount outside of an investment vehicle, and the amounts within an investment vehicle, divided by investment category.
- NAIC staff also recommended a referral to the Capital Adequacy (E) Task Force to inform them of this Exposure Draft and request initial feedback on the potential inclusion of these items as admitted invested assets and the appropriate RBC factors
- Three NAIC bodies are currently involved with this issue:
 - ❖ The Statutory Accounting Principles (E) Working Group is the technical author of SSAP language and exposure drafts; it drafts the proposed accounting treatment, definitions, and disclosure requirements.
 - ❖ The Accounting Practices & Procedures (E) Task Force assesses practical implementation, blank form mapping, and filing procedures, ensuring the SSAP changes can be reflected on the annual statement and related schedules.
 - ❖ The Financial Condition (E) Committee provides oversight, receives referrals and exposure drafts from the Working Group and Task Force, coordinates cross-group review (e.g., Capital Adequacy (E) Task Force or Life RBC Working Group), and ultimately votes on adoption or further referral.
- As noted above, the Capital Adequacy (E) Task Force will likely be the body to deliberate what RBC treatment may be appropriate for ICOLI.
- Comments are due by October 2, 2026.

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 and Annuity Corporation
- New York Life Insurance Company
- Northwestern Mutual Life Insurance Company

Insurance Carriers Rated AA

- Canada Life Assurance Co. (US Branch)
- Empower Annuity Insurance Company of America
- USAA Life Insurance Company
- Zurich Insurance Company

Insurance Carriers Rated AA-

- John Hancock Life Insurance Company (USA)
- Metropolitan Life Insurance Company
- Metropolitan Tower Life Insurance Company
- Minnesota Life Insurance Company
- Pacific Life Insurance Company
- Protective Life Insurance Company
- Pruco Life Insurance Company
- Prudential Insurance Company of America

Insurance Carriers Rated A+

- American General Life Insurance Company
- Ameritas Life Insurance Corp
- Athene Annuity and Life Company
- Equitable Financial Life Insurance Company
- Equitable Financial Life Insurance Company of America
- Lincoln National Life Insurance Company
- 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

- Brighthouse Life Insurance Company
- Connecticut General Life Insurance Company
- Jackson National Life Insurance Company
- Symetra Life Insurance Company

Insurance Carriers Rated A-

- Delaware Life Insurance Company

Insurance Carriers Rated BBB+

- Talcott Resolution Life Insurance Company

Insurance Carriers Not Rated

(Rating at withdrawal)

- Everlake Life Insurance Company (A+)
- American Heritage Life Insurance Company (A)
- Zurich American Life Insurance Company (A)
- Augustar Life Insurance Company (BBB+)
- Security Life of Denver Insurance Company (BBB+)
- Lincoln Benefit Life Company (BBB)

*Categories based on S&P's Financial Strength Rating as of August 14, 2026

Current Fitch Financial Strength Ratings

Insurance Carriers Rated AAA

- New York Life Insurance and Annuity Corporation
- New York Life Insurance Company
- Northwestern Mutual Life Insurance Company

Insurance Carriers Rated AA+

- Massachusetts Mutual Life Insurance Co.

Insurance Carriers Rated AA

- Canada Life Assurance Co. (US Branch)
- Empower Annuity Insurance Company of America
- John Hancock Life Insurance Company (USA)
- Minnesota Life Insurance Company
- Zurich Insurance Company

Insurance Carriers Rated AA-

- Metropolitan Life Insurance Company
- Metropolitan Tower Life Insurance Company
- MONY Life Insurance Company
- Pacific Life Insurance Company
- Principal Life Insurance Company
- Protective Life Insurance Company
- Pruco Life Insurance Company
- Prudential Insurance Company of America

Insurance Carriers Rated A+

- American General Life Insurance Company
- Athene Annuity and Life Company
- Connecticut General Life Insurance Company
- Lincoln National Life Insurance Company
- Midland National Life Insurance Company
- Reliastar Life Insurance Company
- Security Life of Denver Insurance Company
- U.S. Life Insurance Company in The City of NY

Insurance Carriers Rated A

- Augustar Life Insurance Company
- Jackson National Life Insurance Company

Insurance Carriers Rated A-

- Brighthouse Life Insurance Company
- Delaware Life Insurance Company
- Talcott Resolution Life Insurance Company

Insurance Carriers Not Rated

(Rating at withdrawal)

- USAA Life Insurance Company (AAA)
- Guardian Life Insurance Company of America (AA+)
- West Coast Life Insurance Company (AA-)
- Symetra Life Insurance Company (A+)
- Transamerica Life Insurance Company (A+)
- American Heritage Life Insurance Company (A)
- Equitable Financial Life Insurance Company (A)
- Equitable Financial Life Insurance Co of America (A)
- National Life Insurance Company of Vermont (A)
- Nationwide Life Insurance Company (A)
- Everlake Life Insurance Company (BBB)
- Lincoln Benefit Life Company (BBB)
- Ameritas Life Insurance Corp
- Nationwide Life & Annuity Insurance Company
- Nationwide Life Insurance Company
- Zurich American Life Insurance Company

*Categories based on Fitch's Financial Strength Rating as of August 14, 2026

Current Moody's Financial Strength Ratings

Insurance Carriers Rated Aaa

- None

Insurance Carriers Rated Aa1

- Guardian Life Insurance Company of America
- New York Life Insurance and Annuity Corporation
- New York Life Insurance Company
- Northwestern Mutual Life Insurance Company
- USAA Life Insurance Company

Insurance Carriers Rated Aa2

- Zurich Insurance Company

Insurance Carriers Rated Aa3

- Canada Life Assurance Co. (US Branch)
- Empower Annuity Insurance Company of America
- John Hancock Life Insurance Company (USA)
- Massachusetts Mutual Life Insurance Co.
- Metropolitan Life Insurance Company
- Metropolitan Tower Life Insurance Company
- Minnesota Life Insurance Company
- Pacific Life Insurance Company
- Protective Life Insurance Company
- Pruco Life Insurance Company
- Prudential Insurance Company of America

Insurance Carriers Rated A1

- Athene Annuity and Life Company
- Equitable Financial Life Insurance Company
- Equitable Financial Life Insurance Co. of America
- 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

Insurance Carriers Rated A2

- American General Life Insurance Company
- Connecticut General Life Insurance Company
- Lincoln National Life Insurance Company
- Reliastar Life Insurance Company
- Security Life of Denver Insurance Company
- U.S. Life Insurance Company in The City of NY

Insurance Carriers Rated A3

- Brighthouse Life Insurance Company
- Jackson National Life Insurance Company
- Talcott Resolution Life Insurance Company

Insurance Carriers Rated Baa1

- Augustar Life Insurance Company

Insurance Carriers Not Rated

(Rating at withdrawal)

- American Heritage Life Insurance Company (Aa3)
- Midland National Life Insurance Company (A2)
- Everlake Life Insurance Company (A3)
- Zurich American Life Insurance Company (A3)
- West Coast Life Insurance Company (A1)
- Lincoln Benefit Life Company (Baa1)
- Delaware Life Insurance Company (Baa2)
- Ameritas Life Insurance Corp

*Categories based on Moody's Insurance Financial Strength Rating as of August 14, 2026

Ratings or Outlook Revisions

MONEY Life Insurance Company

Protective Life Insurance Company

- Rating **upgraded** from A1 to Aa3 by Moody's (Jun)
- Moody's revised its sovereign linkages methodology, resulting in the upgrade

Delaware Life Insurance Company

- Outlook changed from stable to negative by S&P (Jul)
- Outlook changed from stable to negative watch by Fitch (Jul)

Talcott Resolution Life Insurance Company

- Rating **upgraded** from Baa1 to A3 by Moody's (Aug)
- Moody's noted that Talcott's successful execution of business strategy, including reinsurance transactions, as reasoning for the upgrade

NEED UP TO DATE COUNTERPARTY TRACKING?

[LEARN MORE](#)

Industry Developments

Delaware Life Disclosure Regarding Affiliated Investments and Investigation (Jul/Aug)

- Delaware Life and its affiliate, Clear Spring Life and Annuity Company, disclosed that both companies have received grand jury subpoenas in connection with an investigation into the classification of private credit investments as related party transactions. The disclosure was included in their [Q1 2026 reporting](#).
- Financial Advisor has published an [article](#) on the topic, providing additional context to the magnitude; Delaware Life had previously disclosed \$1.4 billion of affiliated assets, or 3% of total assets. The revised filing notes that affiliated assets are at least \$17 billion or 39% of total assets.
- S&P and Fitch changed the outlook of Delaware Life's ratings following the announcement in the Q1 reporting.
- On August 18, Reuters [reported](#) that Delaware Life Insurance Company has agreed with its holding company, TWG Global, to swap up to \$6.5 billion in related-party investments for an equivalent amount of assets classified as independent

Talcott / Lincoln Advanced Talks for Reinsurance Transaction (Jul)

- Bloomberg has [reported](#) that Lincoln is in advanced talks with Talcott Financial Group for a reinsurance deal of approximately \$5 billion of universal life policies with secondary guarantees. Talcott has not yet confirmed or commented on the transaction while Lincoln indicated it continuously reviews options that support its strategic objectives, noting that no final transaction decisions have been made.

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	-	-	-	-

Contact Information

www.mbschoen.com

General Inquiries

Tradyn Foley

- **Email:** tradyn.foley@ mbschoen.com
- **Phone:** (805) 290-1601

Turner Fixen

- **Email:** turner.fixen@ mbschoen.com
- **Phone:** (701) 639-2151

Presentation Inquiries & Analytics

TJ Hopkins

- **Email:** tharemy.hopkins@mbschoen.com
- **Phone:** (701) 205-3571

Matt Johnson

- **Email:** matt.johnson@ mbschoen.com
- **Phone:** (701) 639-2157

The foregoing presentation is furnished only for informational and discussion purposes and is subject to completion or amendment. The presentation is not advice or a recommendation to take any particular action.

Parts of the presentation are based on information obtained from voluntary responses. MB Schoen makes no representation as to, and accepts no responsibility or liability for, the accuracy or completeness of the information.

MB Schoen & Associates, Inc. is not and does not purport to be an advisor as to legal, taxation, accounting, financial, investment or regulatory matters in any jurisdiction. The recipient should independently evaluate and judge the matters referred to herein.

This document and its contents are proprietary information of MB Schoen and may not be reproduced or otherwise disseminated in whole or in part without its written consent.