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## U.S. Life Industry Exposure to Parmalat Is Manageable, But AFLAC Had Surprisingly Large Position

### SUMMARY OPINION

The credit exposure of the US life insurance industry to Parmalat Finanziaria SpA (Parmalat, not rated by Moody's) and its affiliates appears to be modest and manageable in aggregate. AFLAC, Inc. is the only major US life insurer to have had a concentrated exposure to Parmalat relative to its capital and invested assets. However, no rating actions have been taken, or are expected to be taken on AFLAC or any other US life insurer because of exposure to Parmalat.

In an effort to better understand the exposure of US life insurers to Parmalat securities, Moody's analyzed the reported Parmalat-related investment holdings of US life insurers contained in their December 31, 2002 Statutory Annual Statement Schedule D filings. This analysis revealed total industry holdings of approximately \$1.6 billion in Schedule D direct investments in Parmalat-related securities as of the aforementioned date.

This is not a significant exposure for the industry as it represents only 0.1% of the industry's invested assets and 0.8% of its statutory capital. Moody's has previously prepared other similar investment exposure analyses regarding other high profile credits that ran into financial difficulty.<sup>1</sup> Compared to the magnitude of exposures revealed in the other analyses we've performed, we don't believe the industry's exposure to Parmalat is especially significant.

The most important Parmalat-related issuers that Moody's found in this study are Parmalat Finance Corp. BV, Parmalat Netherlands BV, Parmalat Dairy & Bakery Inc., Parmalat SpA, and Parmalat Capital Finance Ltd. However, there are several other Parmalat-related issuers, some of which do not bear the Parmalat name, that are also found in insurers' portfolios.

### BACKGROUND - PARMALAT'S WEAKENING FINANCIAL POSITION PROMPTS CONCERN FOR US INVESTORS

Parmalat is an Italian-based international food and dairy products manufacturer that in recent weeks has received widespread attention because of its apparently rapidly deteriorating financial position. Parmalat and its affiliates are believed to have \$7.4 billion in debt outstanding, although the exact amount remains unclear due to the uncertain state of the company's finances. The majority of Parmalat's debt is believed to be in the hands of non-US investors, but a fair amount is also owned by US investors, including several major US life insurers.

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1. For example, see *Troubled Credits: Pressure on US Life Insurance Industry And Its Ratings Increases*, August 2002.



While Parmalat seems to have become the latest “problem credit” to hit the headlines, Moody’s believes that the overall credit environment has improved substantially during 2003 compared to 2002. Parmalat’s apparently sudden difficulties, however, illustrate that defaults and credit losses are still running at higher than historic levels, and that they can occur rapidly in unexpected places due at times to opaque financial reporting and questionable corporate governance.

It is difficult at this time to determine what losses will occur from Parmalat-related investments, but it is nevertheless informative to note that Parmalat debt is currently trading in the secondary market at a fraction of its face value. In addition, the value of Parmalat stock has dropped substantially in recent weeks.

## **CONTINUING CREDIT LOSSES, WHILE DIMINISHING, ARE STILL AFFECTING THE LIFE INSURANCE INDUSTRY**

The industry’s exposure to Parmalat – viewed in isolation – is manageable. However, this case, once again, illustrates the importance of diversification in an insurer’s investment portfolio. Large, single risk exposures in an insurer’s investment holdings leave it vulnerable to unexpected credit events affecting those exposures. Concentrated exposures to credits that have either defaulted or have run into financial distress can result in large realized and/or unrealized losses that can constrict a company’s earnings and capital base. The economic environment has improved in 2003 and credit losses are now lower than they were in 2002, but Moody’s believes that rating pressure may still arise for select life insurers exhibiting poorly performing or poorly positioned investment portfolios, especially if their business fundamentals also show general signs of weakness.

Credit losses in the US life insurance industry, including those that have arisen from Enron, Kmart, Global Crossing, WorldCom, and other problem credits, were a significant earnings drag in 2001 and 2002. Moody’s has estimated that gross credit losses for the US life insurance industry in 2001 and 2002 were approximately \$25 billion.<sup>2</sup> We believe that 2003 credit losses will be down considerably from those recorded in 2002. At the same time, we expect defaults and credit losses to remain higher than the historical industry norms.

## **ANALYSIS REVEALS INDUSTRY INVESTMENT EXPOSURE — \$1.6 BILLION IN TOTAL**

The Parmalat-related securities held in the investment portfolios of Moody’s 72 rated life insurance groups as of December 31, 2002 are shown in Appendix I. Only 27 groups of the 72 apparently owned Parmalat-related securities as of that date. The remaining groups that had no identifiable ownership of Parmalat-related investments have been excluded from this study, but are listed in Appendix II.

In its study, Moody’s aggregated all of the Parmalat-related securities holdings of US-domiciled life insurers that are part of US life insurance groups rated by Moody’s. In some cases, the insurer holding the Parmalat-related security may not itself have been rated by Moody’s, but other members of the life insurance group of which it is a member are rated. Appendix IV contains a list of the US life entities of our rated groups that were included in the analysis.

Our analysis shows that the US life insurance industry’s total exposure to Parmalat-related Schedule D investments was approximately \$1.6 billion as of December 31, 2002. This is a small amount when related to the industry’s consolidated statutory capital of \$238 billion (<1%) or to the industry’s consolidated invested assets of \$2.3 trillion (0.1%). Therefore, the industry’s exposure to Parmalat is of such a limited nature that it is unlikely to negatively affect the ratings of insurers.

Moody’s believes that most insurers have widely diversified investment portfolios, and any single credit exposure should therefore not be material to an insurer’s overall creditworthiness.

The US life insurance industry’s \$1.6 billion exposure to Parmalat can be related to Parmalat’s estimated outstanding debt of \$7.4 billion. While these numbers are not directly comparable, it is clear that the US life insurance industry’s exposure to Parmalat is relatively modest given the overall large role the insurance industry plays in the fixed income market. One reason why US insurers hold comparably modest amounts of Parmalat debt may be that much of Parmalat’s debt was issued in currencies other than the US dollar, making that debt less likely to be purchased by US life insurers, the liabilities of which are mostly US dollar-denominated.

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2. See *The Real Truth: Bond Credit Losses of US Life Insurers*, October 2003.

## **AFLAC EXPOSURE**

One company--AFLAC--had an unusually large investment concentration. AFLAC's exposure of \$384 million at year-end 2002 represented 17% of statutory capital and 1.1% of invested assets, exposures several times higher than other exposed companies. It is also noteworthy that AFLAC's exposure was 24% of the life insurance industry's entire exposure to Parmalat. On December 18, AFLAC announced that it had sold all of its holdings of Parmalat related securities. Losses from this sale will reduce net GAAP earnings by approximately \$257 million for the quarter and the year.

Moody's has not taken any rating action or outlook change on AFLAC's A2 senior unsecured debt rating or on the Aa2 insurance financial strength rating of its primary subsidiary--American Family Life Assurance Company of Columbus. Notwithstanding the material exposure to Parmalat, Moody's believes that AFLAC still remains in a strong position, a reflection of the company's consistent profitability, strong cash flow and solid capital position. For the first nine months of 2003, AFLAC reported statutory net income of \$722 million and statutory capital and surplus of approximately \$2.2 billion.

Moody's will continue to monitor AFLAC's capital position and the diversification of its investment portfolio. Excluding the impact of the Parmalat exposure, the company's risk based capital (RBC) ratio will likely decline from its level of approximately 400% (company action level) at year-end 2002 as a result of the strengthening of the yen versus the dollar, combined with the company's annual dividend from the insurance company to the holding company. Longer term, Moody's expects that AFLAC will operate the insurance company in the 350% RBC range or higher.

Moody's notes that although AFLAC has a high quality investment portfolio, concentrated investments in companies such as Parmalat expose the company to issuer specific credit events. Based on the company's third quarter 2003 10-Q filing, approximately 2.6% (fair value) of AFLAC's debt securities were rated below investment grade as of that date. Aside from its exposure to Parmalat, AFLAC has significant, concentrated positions in a number of other, mostly investment grade companies. As of year-end 2002, AFLAC had greater than \$250 million of exposure to approximately twenty-five issuers. Most notably, as of September 30, 2003, the company had approximately \$225 million (\$171 million fair value) of exposure to Royal and Sun Alliance Insurance debt, rated Ba2 by Moody's; \$337 million of exposure (\$284 million fair value) to Ahold Finance; and \$270 million of exposure (\$191 million fair value) to KLM Royal Dutch Airlines.

## **EXPOSURE OF REMAINDER OF INDUSTRY**

After AFLAC, the US life insurance groups with the largest identified exposures to Parmalat, ranked by largest total dollar exposure are: American International Group (\$162 million), John Hancock (\$117 million), Prudential (\$105 million) and Pacific Life (\$99 million). It is very important to evaluate these exposures relative to the exposed companies' invested assets and capital. Again, Moody's analysis shows AFLAC to be significantly more exposed than all other companies. The life insurance groups with the highest Parmalat exposure relative to statutory capital are the following: AFLAC (17%), Pacific Life (5%), Ohio National Life (3%), John Hancock (3%) and Canada Life (US) (2%).

This analysis includes only the securities issued by the Parmalat-related entities listed in Appendix III. It is possible that our analysis may have omitted some other Parmalat-related debt, for the reason that we were not able to identify the Parmalat relationship at the time the analysis was conducted.

## **POSSIBLE DISCREPANCIES IN THE EXPOSURE DATA**

The data used for this compilation were extracted from life insurers' year-end 2002 Annual Statement Schedule D statutory filings. Moody's emphasizes that this data should not be considered perfect, it is subject to important interpretation issues, and must be used with care. The principal interpretation issues Moody's believes should be kept in mind when reviewing and using the exposure data include:

(1) The insurer's level of exposure to Parmalat may have changed since December 31, 2002 as the insurer may have purchased or sold Parmalat-related securities since that date. Some securities may also have matured and been repaid during this period.

(2) Exposure numbers include only direct securities held in Schedule D of the life insurance companies' Annual Statements, excluding other investment exposures such as Schedule BA assets, equity holdings, CDOs with Parmalat exposure, mortgage loan exposures tied to Parmalat's credit, and so forth.

(3) Exposure numbers include only the securities issued by Parmalat-related entities listed in Appendix III.

(4) There may be Parmalat-related investment holdings or transactions undertaken by an insurer's non-life subsidiaries or affiliates that were not captured in our analysis.

(5) There may be an offsetting position (such as a credit default swap) that could economically offset the direct losses likely to be realized on the Parmalat-related investments. Moody's believes, however, that offsetting positions of this kind are likely to be rare in actual practice.

(6) In some cases, the data contained in our figures may differ from an insurer's own disclosure of its Parmalat-related investments. Differences could arise for a number of reasons including, but not limited to, the issues discussed above. Nevertheless, it remains our belief that the data contained in the accompanying figures are a good first estimate of US life insurers' exposure to Parmalat-related investments and the base from which possible investment losses may result.

(7) This study reviews the operations of larger US life insurance-affiliated organizations only. It should be noted that some US life insurers included here are part of larger operations having substantial non-US, non-life insurance, or other operations with additional capital resources available to support their US life company if such support is necessary and desired. Therefore, the credit implications of this exposure for specific legal entities or groups may vary considerably when viewed on a consolidated global group basis instead of on the standalone basis presented in this report.

## Appendix I

### Parmalat Related Exposures by Rated US Life Insurance Group — Statutory Data (\$mil)

Insurance Group	IFS Rating*	Parmalat MV Com & Pfd Stock	Parmalat Stat BV Fixed Income Sec	Total Parmalat Exposure	Total Exposure as % Cons. Capital	Total Exposure as % Cons. Invested Assets	2002 Cons. Capital	2002 Cons. Assets
AFLAC Ins Group	Aa2	\$0.0	\$383.7	\$383.7	16.8%	1.1%	\$2,290	\$35,286
American Intrnl Group	Aaa	\$0.0	\$162.1	\$162.1	1.0%	0.1%	\$16,686	\$182,572
John Hancock Group	Aa3	\$0.0	\$117.2	\$117.2	2.5%	0.2%	\$4,748	\$58,749
Prudential of America	A1	\$0.0	\$104.8	\$104.8	1.2%	0.1%	\$9,070	\$128,721
Pacific Life Group	Aa3	\$0.0	\$98.5	\$98.5	4.6%	0.3%	\$2,141	\$32,227
TIAA Group	Aaa	\$0.0	\$86.5	\$86.5	0.6%	0.1%	\$13,423	\$137,033
Aegon USA Inc Group	Aa3	\$0.0	\$85.6	\$85.6	1.0%	0.1%	\$8,351	\$103,955
Principal Financial Group	Aa3	\$0.0	\$73.2	\$73.2	1.7%	0.2%	\$4,183	\$43,268
New York Life Group	Aa1	\$10.0	\$54.0	\$64.0	0.7%	0.1%	\$9,448	\$100,724
UnumProvident Corp	A3	\$0.0	\$54.5	\$54.5	1.6%	0.2%	\$3,385	\$25,350
Allstate Life Insurance Group	Aa2	\$0.0	\$51.9	\$51.9	1.5%	0.1%	\$3,571	\$44,653
Metropolitan Life Group	Aa2	\$0.0	\$44.0	\$44.0	0.3%	0.0%	\$13,713	\$171,260
Cigna	A3	\$0.0	\$43.3	\$43.3	1.4%	0.1%	\$3,012	\$35,459
Guardian Life Group	Aa2	\$0.0	\$35.0	\$35.0	1.4%	0.2%	\$2,512	\$21,034
Hartford Group	Aa3	\$0.0	\$34.3	\$34.3	1.1%	0.1%	\$3,152	\$32,848
Nationwide Life Group	Aa3	\$0.0	\$25.1	\$25.1	1.1%	0.1%	\$2,305	\$35,649
Lincoln National Corp	Aa3	\$0.0	\$23.0	\$23.0	0.8%	0.1%	\$2,936	\$37,065
Northwestern Mutual Group	Aaa	\$5.2	\$15.5	\$20.7	0.2%	0.0%	\$10,368	\$88,042
Jefferson Pilot	Aa2	\$0.0	\$20.0	\$20.0	1.1%	0.1%	\$1,751	\$23,261
Ohio Natl Life Group	A1	\$0.0	\$15.0	\$15.0	2.6%	0.2%	\$581	\$7,519
Sun Life (U.S.)	Aa2	\$0.0	\$14.0	\$14.0	0.7%	0.1%	\$1,925	\$25,325
Penn Mutual Group	A1	\$0.0	\$10.0	\$10.0	1.0%	0.2%	\$978	\$5,842
Canada Life (U.S.)	Aa3	\$0.0	\$9.0	\$9.0	1.9%	0.1%	\$472	\$6,864
GEFA	Aa3	\$0.0	\$8.0	\$8.0	0.2%	0.0%	\$4,800	\$66,847
American United Life	A2	\$0.0	\$7.0	\$7.0	0.9%	0.1%	\$747	\$6,206
Midland National Group	A2	\$0.0	\$4.0	\$4.0	0.5%	0.0%	\$843	\$11,750
Scottish Re (US)	A3	\$0.0	\$1.0	\$1.0	1.9%	0.2%	\$54	\$456
<b>Sub Total Rated Companies</b>		<b>\$15.3</b>	<b>\$1,580.1</b>	<b>\$1,595.3</b>				
Other Companies		\$0.0	\$27.0	\$27.0				
<b>Total</b>		<b>\$15.3</b>	<b>\$1,607.1</b>	<b>\$1,622.3</b>				

\* IFS rating is for the lead company in the group.

## Appendix II

### Moody's US Life Insurance Rated Groups With No Identifiable Ownership of Parmalat Related Holdings — Statutory Data (\$mil)

Insurance Group	IFS Rating*	2002 Consolidated Capital	2002 Consolidated Invested Assets
AEFA	Aa3	\$2,642	\$32,325
Aetna Group	A2	\$2,205	\$15,107
Allianz Insurance Group	A2	\$1,676	\$17,047
Allmerica Financial Corp	Ba1	\$475	\$5,494
Americo Ins Cos	Baa1	\$148	\$3,027
Ameritas Group	A1	\$844	\$3,723
Amerus Group	A3	\$875	\$15,546
Anthem Insurance Group	A1	\$739	\$1,468
BC & BS of Florida Group	A3	\$1,016	\$1,672
Business Men's Assurance	A1	\$286	\$2,349
CNA Life Ins Group	Baa1	\$1,699	\$8,698
Combined Life of America	Baa1	\$514	\$2,420
Conseco Group	Ba3	\$1,082	\$22,799
Delphi Ins Group	Baa1	\$500	\$2,375
Equitable Life / AXA Ins Grp	Aa3	\$4,459	\$37,583
F&G Life Consolidated	A2	\$486	\$7,778
Farmers New World	A2	\$979	\$5,534
Fortis Group	A2	\$2,138	\$8,462
Great American Life	A3	\$487	\$7,706
Great West Life & Annuity	Aa3	\$1,780	\$15,031
HCSC Group	A3	\$1,494	\$3,466
Horace Mann Group	A3	\$222	\$2,468
ING America	Aa3	\$5,351	\$72,993
Jackson National Group	A1	\$4,256	\$44,211
Jefferson Pilot	Aa2	\$1,751	\$23,261
Manulife US	Aa2	\$1,332	\$18,017
Mass Mutual Group	Aa1	\$7,198	\$58,835
Minnesota Life	Aa2	\$1,273	\$9,077
MONY Group	A2	\$1,229	\$11,250
Mutual of Omaha	Aa3	\$1,677	\$13,198
National Life	A3	\$630	\$8,569
Nationwide Life Group	Aa3	\$2,305	\$35,649
Pan American Life	A3	\$222	\$1,505
Phoenix Life	A3	\$1,512	\$15,914
Presidential Life Group	Ba1	\$253	\$4,064
Protective Life Group	Aa3	\$1,132	\$12,320
RGA Reinsurance Co	A1	\$645	\$3,491
SAFECO Insurance Group	A2	\$943	\$14,886
Security Benefit	A2	\$451	\$3,419
Stancorp Financial Group	A1	\$844	\$6,111
State Farm	Aa1	\$4,211	\$31,481
Torchmark	A1	\$918	\$7,738
Travelers	Aa1	\$9,115	\$48,180
Unitrin Group	Aa3	\$267	\$2,662
USAA Life Group	Aa1	\$659	\$8,402
Western & Southern Group	Aa2	\$3,946	\$17,978
Zurich Life Insurance Group	A2	\$787	\$8,289

\* IFS rating is for the lead company in the group.

## **Appendix III**

### **Parmalat Related Entities included in the Analysis**

Beatrice Foods Inc  
Dairy Hldgs Ltd  
Eurofood Ifsc Ltd  
Food Hldgs Ltd  
Parmalat Canada  
Parmalat Capital Finance Ltd  
Parmalat Dairy & Bakery Inc  
Parmalat Finance Corp Bv  
Parmalat Finanziaria Spa, Mi  
Parmalat Netherlands B V  
Parmalat S P A  
Uspp 2001 Tr  
Uspp Tr Ii  
Uspp Tr Iii

## Appendix IV

### **AEFA**

American Centurion Life Assured Co  
American Enterprise Life Ins Co  
American Partners Life Insurance Co  
Ids Life Ins Co of New York  
Ids Life Insurance Company

### **AEGON USA Inc Group**

Academy Life Insurance Co  
First AUSA Life Insurance Company  
First Deposit Life Insurance Company  
Life Investors Insurance Co of Amer  
Monumental General Life Insurance Co of Pr  
Monumental Life Insurance Co  
Pension Life Insurance Co of America  
Peoples Benefit Life Insurance Co  
Stonebridge Life Insurance Co  
Transamerica Assurance Company  
Transamerica Financial Life Ins Co  
Transamerica Life Ins & Annuity  
Transamerica Life Ins Co  
Transamerica Life Insurance Co of Ny  
Transamerica Occidental Lic  
Veterans Life Insurance Co  
Western Reserve Life Asr Co of Ohio

### **Aetna Group**

Aetna Health & Life Insurance Co  
Aetna Life Insurance Co  
Corporate Health Insurance Company  
New York Life & Health Insurance Co

### **AFLAC**

American Family Life Asr Co Columbus  
American Family Life Asr Co of Ny

### **Allianz Ins Group**

Allianz Life Ins Co of North America  
Allianz Life Insurance Co of Ny

### **Allmerica Financial Group**

Allmerica Financial Life & Annuity  
First Allmerica Finance Life Ins Co

### **Allstate Life Ins Group**

Allstate Assur Co  
Allstate Life Insurance Co  
Allstate Life Insurance Co of Ny  
American Heritage Life Insurance Co  
Charter National Life Insurance Co  
Columbia Universal Life Insurance Co  
Concord Heritage Life Ins Co Inc  
Glenbrook Life & Annuity Co  
Intramercia Life Insurance Co  
Keystone State Life Insurance Co  
Lincoln Benefit Life Company  
Northbrook Life Insurance Co  
Surety Life Insurance Company

### **American Intern'l Group**

Age Life Insurance Company  
Aig Annuity Ins Co  
Aig Life Ins Co of Puerto Rico  
Aig Life Insurance Company  
American General Assurance Co  
American General Life & Acc Ins  
American General Life Insurance Co  
American Internatl Life Assr Co Ny  
American Life Insurance Co  
AIG SunAmerica Life Assur Co  
Delaware American Life Insurance Co  
First Sunamerica Life Insurance Co  
Franklin Life Insurance Co  
Merit Life Insurance Company  
National Life & Accident Insurance  
North Central Life Insurance Co  
Old Line Life Insurance Co of Amer  
Pacific Union Assurance Company  
Sunamerica Life Insurance Co  
United States Life Ins Co in Nyc  
Uslife Credit Life Ins Co of Az  
Variable Annuity Life Insurance Co

### **American United Life Ins Grp**

American United Life Insurance Co  
Cherokee National Life Insurance Co  
State Life Insurance Co  
Pioneer Mutual Life Insurance Co

### **Americo Ins Cos.**

Americo Financial Life Annuity Ins  
Financial Assurance Life Insurance  
Great Southern Life Insurance Co  
National Farmers Union Life Ins  
Ohio State Life Insurance Co  
United Fidelity Life Insurance Co

### **Ameritas Group**

Acacia Life Insurance Co  
Acacia National Life Insurance Co  
Ameritas Life Insurance Corp  
Ameritas Variable Life Ins Co  
First Ameritas Life Ins Corp of Ny  
Pathmark Assurance Co

### **AmerUs Group**

American Investors Life Insurance Co  
American Vanguard Life Insurance Co  
Amerus Life Insurance Co  
Bankers Life Insurance Co of Ny  
Financial Benefit Life Insurance Co  
Il Annuity & Insurance Company  
Indianapolis Life Insurance Co

### **Anthem Insurance Group**

Anthem Alliance Health Insurance Co  
Anthem Health & Life Ins Co of Ny



**Anthem Insurance Group (continued)**

Anthem Health Plans of VA Inc  
Anthem Life Ins Co  
Trigon Health & Life Insurance Co

**BC & BS of Florida Group**

Blue Cross & Blue Shield of Fl  
Florida Combined Life Insurance Co

**Business Mens Assurance**

Business Mens Assurance Co of America  
Generali USA Life Reassurance Co

**Canada Life (US) Grp**

Canada Life of Pr Inc  
Canada Life Ins Co of New York  
Canada Life Insurance Co of America  
US Business of the Canada Life Ass Co

**CIGNA Group**

Cigna Life Ins Co of Ny  
Cigna Life Insurance Co  
Cigna Worldwide Insurance Co  
Connecticut General Life Insurance  
Life Insurance Co of North America

**CNA Life Ins Group**

Cna Group Life Assur Co  
Continental Assurance Co  
Valley Forge Life Insurance Co

**Combined Ins of America Grp**

Combined Insurance Co of America  
Combined Life Ins Co of New York  
Resource Life Ins Company  
Sterling Life Insurance Co

**Conseco Group**

Bankers Life & Casualty Co  
Bankers Life Insurance Co of Illinois  
Bankers National Life Insurance Co  
Conseco Annuity Assurance Co  
Colonial Penn Life Insurance Co  
Conseco Health Insurance Co  
Conseco Life Ins Co of Tx  
Conseco Life Insurance Co  
Conseco Life Insurance Company of Ny  
Conseco Medical Insurance Co  
Conseco Senior Health Insurance Co  
Pioneer Life Insurance Company  
Washington National Insurance

**Delphi Financial Group**

First Reliance Standard Life Ins Co  
Reliance Standard Life Ins Co of Tx  
Reliance Standard Life Insurance Co

**Equitable Life / AXA Group**

Axa Corp Solutions Life Reins Co  
Equitable Life Assr Soc of the Us  
Equitable of Colorado Inc

**F & G Life Group**

Americom Life & Annuity Ins Co  
Fidelity & Guaranty Life Insurance C  
Fidelity & Guaranty Life Ins Co Ny  
Omnia Life Ins Co  
Unified Life Ins Co

**Farmers New World**

Farmers New World Life Insurance Co

**American Bankers Life Asr Co of Fl**

American Memorial Life Ins Co  
Caribbean American Life Asr Co  
First Fortis Life Insurance Co  
Fortis Benefits Insurance Company  
Fortis Insurance Co  
Houston National Life Insurance Co  
John Alden Life Insurance Co  
Life Insurance Co of Mississippi  
Ms Diversified Life Insurance Co  
Ms Life Insurance Co  
Rushmore National Life Insurance Co  
Udc Life & Health Insurance Co  
Union Security Life Insurance Co  
United Dental Care Insurance Co  
United Family Life Insurance Co  
Voyager Life & Health Insurance Co  
Voyager Life Insurance Co

**GEFA Ins Group**

American Mayflower Life Insurance Co  
Employers Reassurance Corp  
Erc Life Reinsurance Corporation  
Federal Home Life Insurance Co  
Pflr Re Corp  
First Colony Life Insurance Co  
Ge Capital Life Assurance Co of Ny  
Ge Group Life Assur Co  
Ge Life and Annuity Assur Co  
General Electric Capital Asr Co  
Heritage Life Insurance Co  
Jamestown Life Insurance Co  
Professional Insurance Company  
Union Fidelity Life Insurance Co

**Great American Life Group**

American Retirement Life Ins Co  
Annuity Investors Life Insurance Co  
Great American Life Assur Co of Pr  
Great American Life Assur Co  
Great American Life Ins Co of Ny  
Great American Life Ins Company  
Loyal American Life Insurance Co

**Great American Life Group (continued)**

Manhattan National Life Insurance Co  
Great American Life Group  
United Teacher Associates Insurance

**Great West Life Group**

Alta Health & Life Ins Co  
First Great West Life & Annuity Ins  
Great West Life & Annuity Insurance  
Great West Life Assurance Co  
London Life Insurance Co  
London Life Reinsurance Company

**Guardian Life Group**

Berkshire Life Ins Co of America  
Family Service Life Insurance Co  
Fiduciary Insurance Co of America  
First Commonwealth Insurance Co  
Guardian Insurance & Annuity Co Ins  
Guardian Life Insurance Co of Amer  
Park Avenue Life Insurance Co  
Sentinel American Life Insurance Co

**Hartford Life Group**

American Maturity Life Ins Co  
Hart Life Ins Co  
Hartford Intl Life Reassur Corp  
Hartford Life & Accident Insurance  
Hartford Life & Annuity Insurance Co  
Hartford Life Insurance Co  
Nutmeg Life Ins Co  
Servus Life Ins Co

**HCSC Group**

Colorado Bankers Life Insurance Co  
Fort Dearborn Life Insurance  
Hesc Ins Services Co  
Health Care Svc Corp a Mut Leg Res  
Medical Life Insurance Co

**Horace Mann Life Group**

Allegiance Life Insurance Co  
Educators Life Insurance Co of America  
Horace Mann Life Insurance Co

**ING America Group**

ING Life Insurance Co of America  
Ameribest Life Insurance Co  
Equitable Life Insurance Co of Iowa  
Golden American Life Insurance Co  
Ing Ins Co of America  
Ing Life Ins & Annuity Co  
Life Insurance Co of Ga  
Midwestern United Life Insurance Co  
Reliastar Life Ins Co of Ny  
Reliastar Life Insurance Co  
Security Connecticut Life Ins Co

**ING America Group (continued)**

Security Life of Denver Insurance Co  
Southland Life Insurance Co  
United Life & Annuity Insurance Co  
Usg Annuity & Life Company

**Jackson National Group**

Brooke Life Insurance Co  
Jackson National Life Ins Co of Ny  
Jackson National Life Insurance Co

**Jefferson Pilot Life Group**

Jefferson Pilot Financial Ins Co  
Jefferson Pilot Lifeamerica Ins Co  
Jefferson-Pilot Life Insurance Co  
Jefferson Standard Life Ins Co

**John Hancock Life Group**

Investors Partner Life Insurance Co  
John Hancock Life Insurance  
John Hancock Variable Life Ins Co

**Lincoln National Group**

First Penn Pacific Life Insurance Co  
Lincoln Life & Annuity Co of Ny  
Lincoln National Life Insurance Co

**Manulife US**

Manufacturers Life Ins Co of America  
Manufacturers Life Ins Co of Ny  
Manufacturers Life Insurance Co Usa

**Mass Mutual**

Cm Assurance Co  
Cm Benefit Insurance Co  
Cm Life Insurance Co  
Massachusetts Mutual Life Insurance  
Mml Bay State Life Insurance Co

**Metropolitan Life Group**

First Metlife Investors Ins Co  
General American Life Insurance Co  
Metlife Investors Ins Co of Ca  
Metlife Investors Life Ins Co  
Metlife Investors Usa Ins Co  
Metlife Security Ins Co Louisiana  
Metropolitan Insurance & Annuity Co  
Metropolitan Life Insurance Co  
Metropolitan Tower Life Insurance Co  
New England Life Insurance Company  
New England Pension & Annuity Co  
Omega Reinsurance Corp  
Paragon Life Insurance Co  
Security Equity Life Insurance Co  
Texas Life Insurance Co

**Midland National Group**

Clarica Life Insurance Co US  
Institutional Founders Life Ins Co  
Midland National Life Insurance Co

**Midland National Group (continued)**

North American Co for L&H Ins of Ny  
North American Co Life & Health Ins

**Minnesota Life Group**

Mimlic Life Insurance Co  
Securian Life Insurance Co  
Minnesota Life Insurance Co  
Northstar Life Insurance Co

**MONY Group**

Mony Life Insurance Co  
Mony Life Insurance Co of America  
Us Financial Life Insurance Co

**Mutual of Omaha Group**

Companion Life Insurance Co  
Mutual of Omaha Insurance Co  
United of Omaha Life Insurance Co  
United World Life Insurance Co

**National Life Group**

Insurance Investors Life Ins Co  
Life Insurance Co of the Southwest  
National Life Insurance Co

**Nationwide Life Group**

Nationwide Life and Annuity Ins Co  
Nationwide Life Insurance Co  
Nationwide Life Insurance Co of America  
Nationwide Life Insurance Co of Del  
Nationwide Life & Ann Co of America

**New York Life Group**

New York Life Insurance & Annuity Co  
New York Life Insurance Co  
Nylife Insurance Co of Arizona

**Northwestern Mutual Group**

Northwestern Long Term Care Ins Co  
Northwestern Mutual Life Insurance

**Ohio National Life Group**

National Security Life & Annuity Co  
Ohio National Life Assurance Corp  
Ohio National Life Insurance Co

**Pacific Life Group**

Pacific Life & Annuity Co  
Pacific Life Insurance Co

**Pan American Life Group**

Pan American Assurance Co  
Pan American Life Insurance Co

**Penn Mutual Group**

Penn Insurance & Annuity Co  
Penn Mutual Life Insurance Co

**Phoenix Life Group**

American Guardian Life Assurance Co  
American Phoenix Life & Reassur Co  
Phl Variable Insurance Company  
Phoenix Life Insurance Company  
Phoenix Life & Annuity Company  
Phoenix Life & Reassurance Co of Ny  
Phoenix National Insurance Co

**Presidential Life Group**

Central National Life Ins Co Omaha  
Presidential Life Insurance Co

**Principal Life**

Principal Life Insurance Co

**Protective Life Group**

Acceleration Life Insurance Co  
Citizens Accident & Health Ins Co  
Empire General Life Assurance Corp  
First Variable Life Insurance Co  
Gulfc0 Life Insurance Co  
Protective Life and Annuity Ins Co  
Protective Life Insurance Co  
Protective Life Insurance Co of Oh  
Protective Life Insurance Co of Ky  
West Coast Life Insurance Co

**Prudential of America**

Pruco Life Insurance Co  
Pruco Life Insurance Co of New Jerse  
Prudential Insurance Co of America  
Prudential Select L I C of America

**Rga Reinsurance Company**

Rga Reinsurance Company  
Reinsurance Co of Mo Inc

**SAFECO Insurance Group**

American States Life Insurance Co  
First Safeco National Life Insurance  
Safeco Life Insurance Company  
Safeco National Life Insurance Co

**Scottish Re (US)**

Scottish Re Us Inc

**Security Benefit Group**

First Security Benefit Life & Ann  
Security Benefit Life Insurance Co

**Stancorp Financial Group**

Standard Insurance Co  
Standard Life Ins Co of Ny

**State Farm Life Group**

State Farm Annuity & Life Ins Co  
State Farm Life & Accident Asr Co  
State Farm Life Insurance Co

**Sun Life (US)/Clarica Ins Group**

Independence Life & Annuity Co  
Keyport Life Insurance Co  
Sun Life Asr Co of Canada  
Sun Life Assur Co of Canada US  
Sun Life Ins & Annuity Co of Ny  
Us Branch Clarica Life Ins Co  
Us Branch Sunlife Assur Co of Canada

**TIAA Group**

Teachers Ins & Ann Assoc of Amer  
Tiaa Cref Life Ins Co

**Torchmark Group**

American Income Life Insurance Co  
American Life & Acc Insurance Co  
First United American Life Insurance  
Globe Life & Accident Insurance Co  
Liberty National Life Insurance Co  
National Income Life Ins Co  
United American Insurance Co  
United Investors Life Insurance Co

**Travelers Ins Group**

American Financial Life Insurance Co  
American Health & Life Insurance Co  
Associates Financial Life I C of Tx  
Associates Financial Life Insurance  
Citicorp Intl Ins Co Ltd  
Citicorp Life Insurance Co  
Family Insurance Corp  
First Citicorp Life Ins Co of Ny  
National Benefit Life Insurance Co  
Primerica Life Insurance Co  
The Travelers Ins Co  
Travelers Life & Annuity Co  
World Service Life Insurance Co

**Unitrin Group**

Nationalcare Insurance Co  
Reliable Life Ins Co of Tx  
Reliable Life Insurance Co  
Reserve National Insurance Co  
Union National Life Insurance Co  
United Insurance Co of America

**UNUMProvident Ins Group**

Colonial Life & Accident Insurance  
First Unum Life Insurance Co  
Paul Revere Life Insurance Co  
Paul Revere Variable Annuity Ins  
Provident Life & Accident Insurance  
Provident Life & Casualty Insurance  
Unum Life Insurance Co of America

**USAA Life Group**

Usaa Life Ins Co of New York  
Usaa Life Insurance Company

**Western & Southern Group**

Columbus Life Insurance Co  
Integrity Life Insurance Co  
National Integrity Life Insurance Co  
Western & Southern Life Insurance Co  
Western Southern Life Assurance Co

**Zurich-Kemper Life Ins Grp**

Kemper Investors Life Insurance Co  
Federal Kemper Life Assurance Co  
Zurich Life Ins Co of America  
Zurich Life Ins Co of NY







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