

**QUARTERLY STATEMENT**

**OF THE**

**Athene Annuity and Life Company**

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF**

**FOR THE QUARTER ENDED  
MARCH 31, 2022**

LIFE, ACCIDENT AND HEALTH

FRATERNAL BENEFIT SOCIETIES

**2022**

STATEMENT AS OF MARCH 31, 2022 OF THE Athene Annuity and Life Company

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	50,089,359,277		50,089,359,277	47,312,106,902
2. Stocks:				
2.1 Preferred stocks .....	300,275,629		300,275,629	284,442,236
2.2 Common stocks .....	648,488,612		648,488,612	597,816,934
3. Mortgage loans on real estate:				
3.1 First liens .....	15,655,299,665		15,655,299,665	12,384,264,080
3.2 Other than first liens.....	1,619,041,659		1,619,041,659	1,587,365,315
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....	9,388,542		9,388,542	9,388,542
4.3 Properties held for sale (less \$ encumbrances) .....				
5. Cash (\$ .....1,515,800,381 ), cash equivalents (\$ ..... ) and short-term investments (\$ .....2,332,146,796 ) .....	3,847,947,177		3,847,947,177	4,990,271,715
6. Contract loans (including \$ ..... premium notes) .....	125,233,454	730,929	124,502,526	129,483,311
7. Derivatives .....	1,385,094,657		1,385,094,657	1,256,947,383
8. Other invested assets .....	6,023,087,768	435,511	6,022,652,256	4,495,295,409
9. Receivables for securities .....	185,217,965		185,217,965	171,703,103
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....	227,229,257		227,229,257	8,907,540
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	80,115,663,663	1,166,440	80,114,497,223	73,227,992,469
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	540,289,168	3,751,426	536,537,742	462,304,513
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	6,668,149		6,668,149	6,531,967
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	221,200,812		221,200,812	205,427,382
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....	2,803,093,049	611,477	2,802,481,572	1,684,357,827
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....	28,230,712		28,230,712	
18.2 Net deferred tax asset .....	119,975,833	55,224,002	64,751,831	76,712,397
19. Guaranty funds receivable or on deposit .....	658,553		658,553	658,553
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	1,395,626		1,395,626	193,480,834
24. Health care (\$ ..... ) and other amounts receivable .....	9,528,764	2,797,843	6,730,921	22,375,284
25. Aggregate write-ins for other than invested assets .....	380,130,354	17,329,927	362,800,427	378,713,210
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	84,226,834,683	80,881,115	84,145,953,568	76,258,554,436
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	31,922,933,088		31,922,933,088	30,036,769,045
28. Total (Lines 26 and 27) .....	116,149,767,770	80,881,115	116,068,886,655	106,295,323,481
<b>DETAILS OF WRITE-INS</b>				
1101. Derivative Collateral Asset .....	227,229,257		227,229,257	8,907,540
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above) .....	227,229,257		227,229,257	8,907,540
2501. Corporate Owned Life Insurance (COLI) .....	361,527,831		361,527,831	378,713,210
2502. Miscellaneous Assets .....	18,602,522	17,329,927	1,272,596	
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	380,130,354	17,329,927	362,800,427	378,713,210

## STATEMENT AS OF MARCH 31, 2022 OF THE Athene Annuity and Life Company

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ 49,322,505,346 less \$ included in Line 6.3 (including \$ 39,528,172,379 Modco Reserve)	49,322,505,346	47,441,976,603
2. Aggregate reserve for accident and health contracts (including \$ 1,091,476 Modco Reserve)	2,290,416	2,398,147
3. Liability for deposit-type contracts (including \$ 17,121,097,533 Modco Reserve)	17,200,888,571	12,744,714,746
4. Contract claims:		
4.1 Life	283,198,011	230,675,427
4.2 Accident and health	5,360	7,434
5. Policyholders' dividends/refunds to members \$ and coupons \$ due and unpaid		
6. Provision for policyholders' dividends, refunds to members and coupons payable in following calendar year - estimated amounts:		
6.1 Policyholders' dividends and refunds to members apportioned for payment (including \$ Modco)		
6.2 Policyholders' dividends and refunds to members not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ is for medical loss ratio rebate per the Public Health Service Act		
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ 4,222,311,108 ceded	4,222,311,108	3,229,793,598
9.4 Interest Maintenance Reserve	196,623,374	194,149,421
10. Commissions to agents due or accrued-life and annuity contracts \$ 15,261,838, accident and health \$ and deposit-type contract funds \$	15,261,838	14,410,868
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued	17,123,386	19,502,704
13. Transfers to Separate Accounts due or accrued (net) (including \$ (550) accrued for expense allowances recognized in reserves, net of reinsured allowances)	2,775,782,182	2,415,584,012
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	661,300	7,399,283
15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses)		101,980,537
15.2 Net deferred tax liability		
16. Unearned investment income	3,926,781	3,367,181
17. Amounts withheld or retained by reporting entity as agent or trustee	639,523	505,365
18. Amounts held for agents' account, including \$ 2,756,808 agents' credit balances	2,756,808	3,441,049
19. Remittances and items not allocated	144,056,823	146,469,795
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above	32,724	116,199
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve	1,424,019,684	1,313,954,239
24.02 Reinsurance in unauthorized and certified (\$ ) companies		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ) reinsurers	1,282,079,250	1,294,044,178
24.04 Payable to parent, subsidiaries and affiliates	21,736,630	17,208,245
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives	336,864,176	268,646,333
24.09 Payable for securities	486,824,159	110,440,563
24.10 Payable for securities lending		
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	5,929,820,024	6,275,547,200
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	83,669,407,473	75,836,333,129
27. From Separate Accounts Statement	31,143,335,580	29,180,138,653
28. Total liabilities (Lines 26 and 27)	114,812,743,053	105,016,471,782
29. Common capital stock	10,000,000	10,000,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus	1,696,511,808	1,691,305,174
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	(450,368,205)	(422,453,474)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$ )		
36.2 shares preferred (value included in Line 30 \$ )		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ 779,597,508 in Separate Accounts Statement)	1,246,143,602	1,268,851,700
38. Totals of Lines 29, 30 and 37	1,256,143,602	1,278,851,700
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	116,068,886,655	106,295,323,481
<b>DETAILS OF WRITE-INS</b>		
2501. Repurchase Agreement Liability	2,994,053,981	2,608,679,474
2502. Derivative and Other Collateral Liability	2,496,275,191	3,226,404,126
2503. Miscellaneous Liability	240,528,393	247,420,831
2598. Summary of remaining write-ins for Line 25 from overflow page	198,962,459	193,042,770
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	5,929,820,024	6,275,547,200
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 through 3103 plus 3198)(Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)		

## STATEMENT AS OF MARCH 31, 2022 OF THE Athene Annuity and Life Company

**SUMMARY OF OPERATIONS**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	911,244,916	765,716,878	3,650,964,224
2. Considerations for supplementary contracts with life contingencies	7,586,211	286,795	1,110,860
3. Net investment income	840,463,255	873,925,226	4,203,228,198
4. Amortization of Interest Maintenance Reserve (IMR)	4,614,776	2,374,130	10,330,918
5. Separate Accounts net gain from operations excluding unrealized gains or losses	(70,613,008)	16,029,213	17,684,601
6. Commissions and expense allowances on reinsurance ceded	235,928,969	209,898,877	940,180,121
7. Reserve adjustments on reinsurance ceded	863,143,512	(751,946,622)	(2,946,559,689)
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	4,322,932	2,767,103	13,278,201
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income	(12,979,360)	4,696,115	38,289,686
9. Totals (Lines 1 to 8.3)	2,783,712,202	1,123,747,716	5,928,507,120
10. Death benefits	1,062,318	1,171,077	2,226,977
11. Matured endowments (excluding guaranteed annual pure endowments)		188	188
12. Annuity benefits	180,108,598	120,190,311	504,171,876
13. Disability benefits and benefits under accident and health contracts	87,950	94,277	376,152
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts	183,475,695	190,155,684	805,192,568
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds	14,691,824	(133,254,839)	(228,604,788)
18. Payments on supplementary contracts with life contingencies	2,020,998	3,579,994	10,376,790
19. Increase in aggregate reserves for life and accident and health contracts	1,880,421,012	146,312,273	1,425,806,478
20. Totals (Lines 10 to 19)	2,261,868,396	328,248,966	2,519,546,241
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	191,715,285	135,304,318	629,962,330
22. Commissions and expense allowances on reinsurance assumed	77,733	133,940	517,783
23. General insurance expenses and fraternal expenses	116,760,321	106,734,901	432,795,319
24. Insurance taxes, licenses and fees, excluding federal income taxes	7,502,942	6,452,205	18,938,453
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts net of reinsurance	233,532,191	546,914,439	2,611,821,213
27. Aggregate write-ins for deductions	3,289,680	(10,739,312)	(126,169,639)
28. Totals (Lines 20 to 27)	2,814,746,548	1,113,049,456	6,087,411,700
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(31,034,345)	10,698,260	(158,904,579)
30. Dividends to policyholders and refunds to members	39		8
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30)	(31,034,384)	10,698,260	(158,904,587)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(67,701,110)	(10,036,710)	70,441,410
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	36,666,726	20,734,970	(229,345,997)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (7,119,017) (excluding taxes of \$ 4,743,171 transferred to the IMR)	19,085,279	11,830,539	47,797,534
35. Net income (Line 33 plus Line 34)	55,752,005	32,565,509	(181,548,463)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year	1,278,851,700	1,312,234,523	1,312,234,523
37. Net income (Line 35)	55,752,005	32,565,509	(181,548,463)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ 4,236,946	121,877,340	142,707,026	217,747,574
39. Change in net unrealized foreign exchange capital gain (loss)	(82,656,715)	(2,830,772)	(44,605,989)
40. Change in net deferred income tax	(56,403,772)	21,205,839	162,912,649
41. Change in nonadmitted assets	60,949,676	(8,223,561)	(116,566,497)
42. Change in liability for reinsurance in unauthorized and certified companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	(110,065,445)	(133,455,310)	(373,436,540)
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			(131,023,889)
47. Other changes in surplus in Separate Accounts Statement	(6,419,877)	(13,985,094)	44,624,848
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in	5,206,634	3,192,201	517,922,677
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance	(11,040,324)	(137,387,518)	(124,802,413)
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus	92,380	(4,375,905)	(4,606,780)
54. Net change in capital and surplus for the year (Lines 37 through 53)	(22,708,097)	(100,587,584)	(33,382,823)
55. Capital and surplus, as of statement date (Lines 36 + 54)	1,256,143,602	1,211,646,939	1,278,851,700
<b>DETAILS OF WRITE-INS</b>			
08.301. COLI (Expense) Income	(12,876,717)	4,798,747	27,081,778
08.302. Miscellaneous (Expense) Income	(102,643)	(102,633)	11,207,908
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	(12,979,360)	4,696,115	38,289,686
2701. Funds Withheld Adjustment - Ceded	14,503,092	16,404,301	69,940,111
2702. Transfer to IMR - Ceded	(9,966,831)	(20,539,134)	(228,318,514)
2703. Transfer to IMR - MVA Benefits	(787,798)	(7,167,395)	(21,632,740)
2798. Summary of remaining write-ins for Line 27 from overflow page	(458,783)	562,916	53,841,504
2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above)	3,289,680	(10,739,312)	(126,169,639)
5301. Athene Re IV Tax Sharing Agreement	92,380	54,997	(175,878)
5302. Correction of Prior Period Error		(4,430,902)	(4,430,902)
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 through 5303 plus 5398)(Line 53 above)	92,380	(4,375,905)	(4,606,780)

## STATEMENT AS OF MARCH 31, 2022 OF THE Athene Annuity and Life Company

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	918,737,012	765,926,714	3,652,458,801
2. Net investment income .....	751,438,146	829,059,169	4,096,080,027
3. Miscellaneous income .....	239,321,490	216,294,430	794,252,090
4. Total (Lines 1 to 3) .....	1,909,496,648	1,811,280,313	8,542,790,918
5. Benefit and loss related payments .....	(297,173,608)	431,957,145	2,855,893,219
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	(126,665,979)	576,761,113	2,222,661,336
7. Commissions, expenses paid and aggregate write-ins for deductions .....	319,810,222	244,140,086	1,057,840,843
8. Dividends paid to policyholders .....	39		8
9. Federal and foreign income taxes paid (recovered) net of \$ ..... 121,592,214 tax on capital gains (losses) .....	61,550,940	4,540,353	136,733,491
10. Total (Lines 5 through 9) .....	(42,478,387)	1,257,398,697	6,273,128,896
11. Net cash from operations (Line 4 minus Line 10) .....	1,951,975,035	553,881,616	2,269,662,021
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	4,710,148,624	1,377,657,398	15,369,230,503
12.2 Stocks .....	5,998,636	29,907,039	210,311,998
12.3 Mortgage loans .....	541,574,723	244,560,699	1,691,136,137
12.4 Real estate .....			
12.5 Other invested assets .....	469,182,103	123,102,186	1,832,662,958
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	(12,542,367)	(4,003,562)	8,491,245
12.7 Miscellaneous proceeds .....	388,966,150	386,674,383	116,132,798
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	6,103,327,869	2,157,898,142	19,227,965,639
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	7,497,769,992	4,073,978,389	23,265,210,928
13.2 Stocks .....	46,035,258	85,677,000	256,089,372
13.3 Mortgage loans .....	3,884,411,003	1,219,086,777	6,886,906,198
13.4 Real estate .....			
13.5 Other invested assets .....	1,863,350,041	1,153,405,985	3,449,432,752
13.6 Miscellaneous applications .....	231,836,580	30,587,622	138,371,714
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	13,523,402,874	6,562,735,773	33,996,010,963
14. Net increase (or decrease) in contract loans and premium notes .....	(4,980,785)	(5,230,386)	(19,407,862)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(7,415,094,220)	(4,399,607,245)	(14,748,637,462)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			
16.2 Capital and paid in surplus, less treasury stock .....			300,000,000
16.3 Borrowed funds .....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	4,456,173,825	3,050,395,657	10,637,540,803
16.5 Dividends to stockholders .....			
16.6 Other cash provided (applied) .....	(135,379,177)	53,474,721	2,724,658,171
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	4,320,794,647	3,103,870,378	13,662,198,974
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(1,142,324,538)	(741,855,251)	1,183,223,534
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	4,990,271,715	3,807,048,181	3,807,048,181
19.2 End of period (Line 18 plus Line 19.1) .....	3,847,947,177	3,065,192,930	4,990,271,715

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001. Capital contribution of stock compensation expense (financing) .....	4,912,185	3,192,201	15,707,346
20.0002. Capital contribution of stock compensation expense (investing) .....	(168,975)	(200,958)	(790,023)
20.0003. Capital contribution of stock compensation expense (operating) .....	(4,743,210)	(2,991,243)	(14,917,323)
20.0004. Security exchanges and asset in kind trades - bond proceeds (investing) .....	1,475,823,544	189,928,387	1,482,713,942
20.0005. Security exchanges and asset in kind trades - bonds acquired (investing) .....	(1,475,823,544)	(189,928,387)	(1,470,713,942)
20.0006. Security exchanges and asset in kind trades - other invested asset proceeds (investing) .....	206,740,650	43,000,000	43,000,000
20.0007. Security exchanges and asset in kind trades - other invested asset acquired (investing) .....	(206,740,650)	(43,000,000)	(43,000,000)
20.0008. Reinsurance activity settled in bonds (operating) .....	(133,167,286)	176,663,459	577,685,122
20.0009. Reinsurance activity settled in bonds (investing) .....	133,167,286	(176,663,459)	(577,685,122)
20.0010. Asset transfer mortgages to other invested assets - proceeds (investing) .....	295,029		

**STATEMENT AS OF MARCH 31, 2022 OF THE Athene Annuity and Life Company**

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0011. Asset transfer mortgages to other invested assets - acquired (investing) .....	(295,029)		
20.0012. Capital contribution - non-cash (investing) .....	294,449		
20.0013. Capital contribution - non-cash (financing) .....	(294,449)		27,215,331
20.0014. Capital contribution - non-cash (operating) .....			(27,215,331)
20.0015. Security exchanges and asset in kind trades - stocks acquired (investing) .....			(25,752,297)
20.0016. Interest capitalization (operating) .....			16,401,178
20.0017. Interest capitalization (investing) .....			(16,401,178)
20.0018. Security exchanges and asset in kind trades - stock proceeds (investing) .....			13,752,297

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The accompanying financial statements of **Athene Annuity and Life Company** (the Company) have been prepared in conformity with the accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Iowa.

The Insurance Division, Department of Commerce, of the State of Iowa (the Division) recognizes only statutory accounting practices prescribed or permitted by the State of Iowa for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Iowa Insurance Law. The NAIC's *Accounting Practices & Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Iowa. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

Among the products issued by the Company are indexed universal life insurance and indexed annuities. These products allow a portion of the premium to earn interest based on certain indices, such as the Standard & Poor's 500 Composite Stock Price Index. Call options, futures, variance swaps and total return swaps are purchased to hedge the growth in interest credited to the customer as a direct result of increases in the related indices. In 2006, the Commissioner of the Division issued Bulletin 06-01, *Accounting for Derivative Instruments Used to Hedge the Growth in Interest Credited for Index Products*, which prescribes that an insurer may elect to recognize changes in the fair value of derivative instruments purchased to hedge indexed products in the statement of operations. The Company has elected to apply Bulletin 06-01 to its futures, variance swaps and total return swaps. Application of Bulletin 06-01 does not impact the Company's statutory surplus amounts.

In 2009, the Commissioner of the Division promulgated Iowa Administrative Code (IAC) Section 191-97, *Accounting for Certain Derivative Instruments Used to Hedge the Growth in Interest Credited for Indexed Insurance Products and Accounting for the Indexed Insurance Products Reserve*, which prescribes that an insurer may elect (i) to use an amortized cost method to account for certain derivative instruments, such as call options, purchased to hedge the growth in interest credited to the customer on indexed insurance products and (ii) to utilize an indexed annuity reserve calculation methodology under which call options associated with the current index interest crediting term are valued at zero. IAC Section 191-97 does not apply to products that do not guarantee a minimum interest accumulation, such as our variable and index-linked deferred annuities. The Company has elected to apply IAC Section 191-97 to its eligible over the counter (OTC) call options and reserve liabilities.

The NAIC requires annuities issued by life insurance companies on or after January 1, 2015, to use the 2012 Individual Annuity Reserving (IAR) Mortality Table. In 2015, the Division promulgated IAC Section 43.3(5), which set an elective alternative effective date of January 1, 2016 for adoption of the 2012 IAR Mortality Table. The Company chose to use the Annuity 2000 Mortality Table for all annuities issued in 2015.

A reconciliation of the Company's net income and statutory surplus between practices prescribed or permitted by the State of Iowa and NAIC SAP is shown below:

	SSAP #	F/S Page	F/S Line #	03/31/2022	12/31/2021
<b>Net Income</b>					
(1) State basis (Page 4, Line 35, Columns 1 & 3)	XXX	XXX	XXX	\$ 55,752,005	\$ (181,548,463)
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
Derivative Instruments Bulletin 06-01	86	4	38	(2,725,827)	3,328,595
Derivative Instruments and Equity Indexed Reserves IAC 191-97	86, 51	2, 3	7, 1	(41,269,196)	(98,310,207)
2012 IAR Mortality Table for Annuities Issued in 2015 IAC 43.3(5)	51	3	1	120,152	877,061
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 99,626,876</u>	<u>\$ (87,443,912)</u>
<b>Surplus</b>					
(5) State basis (Page 3, Line 38, Columns 1 & 2)	XXX	XXX	XXX	\$ 1,256,143,602	\$ 1,278,851,700
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
Derivative Instruments and Equity Indexed Reserves IAC 191-97	86, 51	2, 3	7, 1	(40,390,034)	(91,108,291)
2012 IAR Mortality Table for Annuities Issued 2005 IAC 43.3(5)	51	3	1	6,296,264	6,176,112
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 1,290,237,372</u>	<u>\$ 1,363,783,879</u>

#### B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from the estimates used in preparing the financial statements.

#### C. Accounting Policy

- (1) Short-term investments - No Significant Changes
- (2) Bonds, other than loan-backed and structured securities, are stated at amortized cost or fair value based on their rating by the NAIC. Bonds held at amortized cost are amortized using the scientific interest method on a yield-to-worst basis.
- (3) Common stocks - No Significant Changes
- (4) Preferred stocks - No Significant Changes
- (5) Mortgage loans - No Significant Changes

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern (Continued)

- (6) Loan-backed and structured securities are stated at amortized cost or fair market value based on their rating by the NAIC. Changes to estimated cash flows on the securities are accounted for retrospectively for securities that are highly rated at the time of purchase and in which the security cannot be contractually prepaid or settled in such a way that the Company would not recover substantially all of the recorded investment. The prospective method is used for those securities where an other than temporary impairment has been taken, the security is not highly rated at the time of purchase, securities where receipt of all contractual principal cash flows is not expected, or those securities that can be contractually prepaid or settled in such a way that the Company would not recover substantially all of the recorded investment. Loan-backed and structured securities stated at amortized cost are amortized or accreted using the scientific interest method.
- (7) Investments in subsidiaries, controlled and affiliated entities - No Significant Changes
- (8) Investments in joint ventures, partnerships and limited liability entities - No Significant Changes
- (9) Derivatives - No Significant Changes
- (10) Investment income as a factor in the premium deficiency calculation - No Significant Changes
- (11) Liabilities for losses and loss/claim adjustment expenses - No Significant Changes
- (12) Changes in capitalization policy - No Significant Changes
- (13) Pharmaceutical rebate receivables - No Significant Changes

#### D. Going Concern

Management's assessment of the relevant conditions through May 16, 2022 does not give rise to substantial doubt of the Company's ability to continue as a going concern.

### 2. Accounting Changes and Corrections of Errors - No Significant Changes

### 3. Business Combinations and Goodwill - No Significant Changes

### 4. Discontinued Operations - None

### 5. Investments

#### A. Mortgage Loans, including Mezzanine Real Estate Loans - No Significant Changes

#### B. Debt Restructuring - No Significant Changes

#### C. Reverse Mortgages - None

#### D. Loan-Backed Securities

- (1) Prepayment assumptions for loan-backed bonds and structured securities were obtained from broker dealer survey values or internal estimates.
- (2) Loan-backed and structured securities with a recognized other-than-temporary impairment (OTTI)
 

No other-than-temporary impairment was recognized on loan-backed securities due to the intent to sell or inability or lack of intent to retain the investment for a period of time sufficient to recover the amortized cost basis.
- (3) Securities held that were other-than-temporarily impaired due to the present value of cash flows expected to be collected was less than the amortized cost of securities

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized OTTI	Amortized Cost After OTTI	Fair Value at Time of OTTI	Date of Financial Statement Where Reported
00213GBL0	\$ 3,210,507	\$ 3,168,999	\$ 41,507	\$ 3,168,999	\$ 2,902,106	03/31/2022
05533HAL1	1,754,315	1,618,972	135,343	1,618,972	1,566,594	03/31/2022
16165LAF7	21,110,658	20,971,684	138,974	20,971,684	19,429,509	03/31/2022
17314UAJ7	2,649,550	2,599,391	50,160	2,599,391	2,396,379	03/31/2022
41161PVJ9	4,512,008	4,511,518	490	4,511,518	3,579,305	03/31/2022
41161PWB5	1,225,289	1,197,832	27,457	1,197,832	1,197,832	03/31/2022
41161PWC3	1,521,202	1,450,831	70,370	1,450,831	1,427,637	03/31/2022
45660L4E6	1,778,549	1,765,196	13,353	1,765,196	1,678,582	03/31/2022
61761PAG0	4,529,996	4,416,875	113,121	4,416,875	4,315,856	03/31/2022
61763DAN0	1,549,129	1,519,782	29,347	1,519,782	1,411,300	03/31/2022
362611AB1	207,283	123,629	83,654	123,629	71,275	03/31/2022
466247K28	575,137	499,726	75,411	499,726	449,787	03/31/2022
Total			\$ 779,187			

- (4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss

The following table shows the gross unrealized losses and fair values of loan-backed securities, which have not been impaired to fair value, aggregated by length of time that individual securities have been in a continuous unrealized loss position as of March 31, 2022:

**Notes to the Financial Statements**

**5. Investments (Continued)**

- a. The aggregate amount of unrealized losses:
  - 1. Less than 12 months ..... \$ 453,752,536
  - 2. 12 months or longer ..... 53,220,580
- b. The aggregate related fair value of securities with unrealized losses:
  - 1. Less than 12 months ..... \$ 12,714,271,855
  - 2. 12 months or longer ..... 1,384,809,874

(5) A full analysis of all relevant qualitative considerations was completed in reaching the conclusion that the impairments were not other-than-temporary, including the intent and ability to hold the investment for a period of time sufficient to allow for a recovery in value. Specific events that may influence the operations of the issuer and impaired earnings potential are reviewed in addition to length of time and extent to which the fair value has been less than cost.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions - None

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Repurchase Transaction - Cash Taker - Overview of Secured Borrowing Transactions

(1) Information regarding the company policy or strategies for engaging in repo programs, policy for requiring collateral

The Company participates in repurchase agreements with unaffiliated financial institutions. Under these agreements, the Company lends bonds and receives cash as collateral. The Company monitors the estimated fair value of the collateral and the securities loaned throughout the duration of the contract and contributes additional collateral as necessary. Securities loaned under these agreements may be sold or re-pledged by the transferee.

(2) Type of repo trades used

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Bilateral (Yes/No) .....	YES			
b. Tri-Party (Yes/No) .....	NO			

(3) Original (flow) & residual maturity

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Open - No maturity .....	\$ .....	\$ .....	\$ .....	\$ .....
2. Overnight .....				
3. 2 days to 1 week .....				
4. Over 1 week to 1 month .....				
5. Over 1 month to 3 months .....				
6. Over 3 months to 1 year .....				
7. Over 1 year .....	2,994,053,981			
b. Ending Balance				
1. Open - No maturity .....	\$ .....	\$ .....	\$ .....	\$ .....
2. Overnight .....				
3. 2 days to 1 week .....				
4. Over 1 week to 1 month .....				
5. Over 1 month to 3 months .....				
6. Over 3 months to 1 year .....				
7. Over 1 year .....	2,994,053,981			

(4) Fair value of securities sold and/or acquired that resulted in default

The Company did not have any securities sold or outstanding for which the repurchase agreement defaulted as of March 31, 2022.

(5) Securities "sold" under repo - secured borrowing

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. BACV .....	XXX	XXX	XXX	\$ .....
2. Nonadmitted - Subset of BACV .....	XXX	XXX	XXX	\$ .....
3. Fair Value .....	\$ 2,939,406,937	\$ .....	\$ .....	\$ .....
b. Ending Balance				
1. BACV .....	XXX	XXX	XXX	\$ .....
2. Nonadmitted - Subset of BACV .....	XXX	XXX	XXX	\$ .....
3. Fair Value .....	\$ 2,939,406,937	\$ .....	\$ .....	\$ .....

**Notes to the Financial Statements**

**5. Investments (Continued)**

(6) Securities sold under repo - secured borrowing by NAIC designation

Ending Balance	(1) None	(2) NAIC 1	(3) NAIC 2	(4) NAIC 3	(5) NAIC 4	(6) NAIC 5	(7) NAIC 6	(8) Nonadmitted
a. Bonds - BACV	\$	\$ 2,126,390,253	\$ 635,269,029	\$	\$	\$	\$	\$
b. Bonds - FV		2,043,419,633	635,239,146					
c. LB & SS - BACV		262,364,836						
d. LB & SS - FV		260,748,158						
e. Preferred stock - BACV								
f. Preferred stock - FV								
g. Common stock								
h. Mortgage loans - BACV								
i. Mortgage loans - FV								
j. Real estate - BACV								
k. Real estate - FV								
l. Derivatives - BACV								
m. Derivatives - FV								
n. Other invested assets - BACV								
o. Other invested assets - FV								
p. Total assets - BACV	\$	\$ 2,388,755,089	\$ 635,269,029	\$	\$	\$	\$	\$
q. Total assets - FV	\$	\$ 2,304,167,791	\$ 635,239,146	\$	\$	\$	\$	\$

(7) Collateral received - secured borrowing

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Cash	\$ 2,994,053,981	\$	\$	\$
2. Securities (FV)				
b. Ending Balance				
1. Cash	\$ 2,994,053,981	\$	\$	\$
2. Securities (FV)				

(8) Cash & non-cash collateral received - secured borrowing by NAIC designation

Ending Balance	(1) None	(2) NAIC 1	(3) NAIC 2	(4) NAIC 3	(5) NAIC 4	(6) NAIC 5	(7) NAIC 6	(8) Does Not Qualify as Admitted
a. Cash	\$ 2,994,053,981	\$	\$	\$	\$	\$	\$	\$
b. Bonds - FV								
c. LB & SS - FV								
d. Preferred stock - FV								
e. Common stock								
f. Mortgage loans - FV								
g. Real estate - FV								
h. Derivatives - FV								
i. Other Invested Assets - FV								
j. Total collateral assets - FV (sum of a through i)	\$ 2,994,053,981	\$	\$	\$	\$	\$	\$	\$

(9) Allocation of aggregate collateral by remaining contractual maturity

	Fair Value
a. Overnight and continuous	\$
b. 30 Days or less	
c. 31 to 90 Days	
d. More than 90 days	2,994,053,981

(10) Allocation of aggregate collateral reinvested by remaining contractual maturity

	Amortized Cost	Fair Value
a. 30 Days or less	\$ 2,994,053,981	\$ 2,994,053,981
b. 31 to 60 Days		
c. 61 to 90 Days		
d. 91 to 120 Days		
e. 121 to 180 Days		
f. 181 to 365 Days		
g. 1 to 2 Years		
h. 2 to 3 Years		
i. More than 3 years		

**Notes to the Financial Statements**

**5. Investments (Continued)**

(11) Liability to return collateral - secured borrowing (total)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Cash (Collateral - All)	\$ 2,994,053,981	\$ .....	\$ .....	\$ .....
2. Securities Collateral (FV)	.....	.....	.....	.....
b. Ending Balance				
1. Cash (Collateral - All)	\$ 2,994,053,981	\$ .....	\$ .....	\$ .....
2. Securities Collateral (FV)	.....	.....	.....	.....

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - None

H. Repurchase Agreements Transactions Accounted for as a Sale - None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - None

J. Real Estate - No Significant Changes

K. Low-Income Housing Tax Credits (LIHTC) - None

L. Restricted Assets - No Significant Changes

M. Working Capital Finance Investments - None

N. Offsetting and Netting of Assets and Liabilities - None

O. 5GI Securities - No Significant Changes

P. Short Sales - None

Q. Prepayment Penalty and Acceleration Fees - No Significant Changes

R. Reporting Entity's Share of Cash Pool by Asset type - None

**6. Joint Ventures, Partnerships and Limited Liability Companies - No Significant Changes**

**7. Investment Income - No Significant Changes**

**8. Derivative Instruments**

A. Derivatives under SSAP No. 86 - Derivatives

(1) Discussion - No Significant Changes

(2) Description of objectives - No Significant Changes

(3) Description of accounting policies - No Significant Changes

(4) Derivative contracts with financing premiums - No Significant Changes

(5) Net gain or loss recognized - No Significant Changes

(6) Net gain or loss recognized from derivatives no longer qualifying for hedge accounting - No Significant Changes

(7) Derivatives accounted for as cash flow hedges of a forecasted transaction - No Significant Changes

(8) Premium Cost for Derivative Contracts - None

B. Derivatives under SSAP No. 108 - Derivative Hedging Variable Annuity Guarantees (Life/Fraternal Only) - None

**9. Income Taxes - No Significant Changes**

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

A. On March 8, 2021, Athene Holding Ltd. (AHL), an indirect parent of the Company, entered into an Agreement and Plan of Merger (Merger Agreement), by and among AHL, Apollo Global Management, Inc., a Delaware corporation (AGM), Tango Holdings, Inc., a Delaware corporation and a direct wholly owned subsidiary of AGM (HoldCo), Blue Merger Sub, Ltd., a Bermuda exempted company and a direct wholly owned subsidiary of HoldCo (AHL Merger Sub), and Green Merger Sub, Inc., a Delaware corporation and a direct, wholly owned subsidiary of HoldCo (AGM Merger Sub). AHL and AGM have agreed, subject to the terms and conditions of the Merger Agreement, to effect an all-stock merger transaction to combine the respective businesses by: (1) AGM merging with AGM Merger Sub, with AGM surviving such merger as a direct wholly owned subsidiary of HoldCo (AGM Merger), (2) AHL merging with AHL Merger Sub, with AHL surviving such merger as a direct, wholly owned subsidiary of HoldCo (AHL Merger and, together with the AGM Merger, Mergers), and (3) as of the effective time of the Mergers, changing the name of HoldCo to be Apollo Global Management, Inc. The Mergers closed on January 1, 2022 and AHL became a direct wholly owned subsidiary of AGM.

Some employees of the Company and Athene Employee Services LLC participate in one or more Share Award Agreements (the Agreements) sponsored by AHL for which the Company has no legal obligation. Salary expense of the Company and of Athene Employee Services LLC is allocated through the Shared Services Agreement. Under SSAP No. 104R, *Share-Based Payments*, the stock compensation expense associated with the Agreements that would have been allocated to the Company is required to be recorded as a capital contribution to the reporting entity. The Company has allocated the stock compensation expense associated with the Agreements based on the same methodology as the Shared Services Agreement. In accordance with SSAP No. 104R, the Company incurred expense and recorded a capital contribution under the Agreements totaling \$4.9 million and \$15.7 million for the three months ended March 31, 2022 and for the year ended December 31, 2021, respectively, which includes amounts contributed by the Company to downstream insurance subsidiaries.

**Notes to the Financial Statements**

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)**

During February 2022, the Company received a \$175.3 million capital contribution from its parent, AADE. This capital contribution was accrued at December 31, 2021 as a \$175.0 million receivable from parent with a corresponding increase in gross paid-in and contributed surplus. In accordance with SSAP No. 72 *Surplus and Quasi-Reorganizations*, capital contributions receivable that are satisfied with the receipt of cash or marketable securities prior to the filing of the annual statement shall be treated as a Type I subsequent event and considered an admitted asset based on evidence of collection and approval of the domiciliary commissioner.

- B. Detail of Related Party Transactions - No Significant Changes
- C. Transactions With Related Party Who Are Not Reported on Schedule Y - No Significant Changes
- D. Amounts Due To or From Related Parties - No Significant Changes
- E. Management Service Contracts and Cost Sharing Arrangements - No Significant Changes
- F. Guarantees or Contingencies - No Significant Changes
- G. Nature of Relationships that Could Affect Operations - No Significant Changes
- H. Amount Deducted for Investment in Upstream Company - None
- I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - No Significant Changes
- J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - No Significant Changes
- K. Foreign Subsidiary Value Using CARVM - No Significant Changes
- L. Downstream Holding Company Value Using Look-Through Method - No Significant Changes
- M. All SCA Investments - No Significant Changes
- N. Investment in Insurance SCAs - No Significant Changes
- O. SCA and SSAP No. 48 Entity Loss Tracking - None

**11. Debt**

- A. Debt, Including Capital Notes - No Significant Changes
- B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the FHLB of Des Moines. Through its membership, the Company is eligible to borrow under variable rate short-term federal fund arrangements to provide additional liquidity. These borrowings are accounted for as borrowed money under SSAP No. 15, *Debt and Holding Company Obligations*. The Company did not have any outstanding borrowings as of March 31, 2022 or December 31, 2021. The Company incurred interest expense on short-term borrowings of \$0.0 million and \$0.2 million in the general and separate account for the three months ended March 31, 2022 and for the year ended December 31, 2021, respectively.

The Company has issued separate account funding agreements to the FHLB of Des Moines in exchange for cash resulting in a liability of \$2,764.3 million as of March 31, 2022. The Company uses these funds in an investment spread strategy, consistent with its other investment spread operations. As such, the Company applies SSAP No. 52, *Deposit-Type Contracts*, accounting treatment to these funds, consistent with its other deposit-type contracts. It is not part of the Company's strategy to utilize these funds for operations, and any funds obtained from the FHLB of Des Moines for use in general operations would be accounted for consistent with SSAP No. 15 as borrowed money.

The Company must provide appropriate collateral to borrow under the arrangements described above. The borrowing capacity available to the Company under these agreements is largely a factor of the Company's ability to post eligible collateral, as well as internal limits such as single-holder exposure limits (10% of the entity's balance sheet liabilities) and NAIC capital requirements.

The tables below indicate the amount of FHLB of Des Moines stock purchased, collateral pledged, assets and liabilities related to the agreements with FHLB of Des Moines.

(2) FHLB capital stock

(a) Aggregate totals

	(1) Total (2+3)	(2) General Account	(3) Separate Accounts
1. Current Year			
(a) Membership stock - Class A	\$ .....	\$ .....	\$ .....
(b) Membership stock - Class B	10,000,000	10,000,000	.....
(c) Activity stock	114,248,000	114,248,000	.....
(d) Excess stock	.....	.....	.....
(e) Aggregate total (a+b+c+d)	<u>\$ 124,248,000</u>	<u>\$ 124,248,000</u>	<u>\$ .....</u>
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 3,800,000,000		
2. Prior Year-End			
(a) Membership stock - Class A	\$ .....	\$ .....	\$ .....
(b) Membership stock - Class B	10,000,000	10,000,000	.....
(c) Activity stock	95,248,000	95,248,000	.....
(d) Excess stock	.....	.....	.....
(e) Aggregate total (a+b+c+d)	<u>\$ 105,248,000</u>	<u>\$ 105,248,000</u>	<u>\$ .....</u>
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 3,200,000,000		

**Notes to the Financial Statements**

**11. Debt (Continued)**

(b) Membership stock (class A and B) eligible and not eligible for redemption

Membership Stock	(1) Current Year Total (2+3+4+5+6)	(2) Not Eligible for Redemption	Eligible for Redemption			
			(3) Less Than 6 Months	(4) 6 Months to Less Than 1 Year	(5) 1 to Less Than 3 Years	(6) 3 to 5 Years
1. Class A	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
2. Class B	\$ 10,000,000	\$ 10,000,000	\$ .....	\$ .....	\$ .....	\$ .....

(3) Collateral pledged to FHLB

(a) Amount pledged as of reporting date

	(1) Fair Value	(2) Carrying Value	(3) Aggregate Total Borrowing
1. Current year total general and separate accounts total collateral pledged (Lines 2+3)	\$ 3,903,190,985	\$ 4,016,267,705	\$ 2,856,200,000
2. Current year general account total collateral pledged	3,903,190,985	4,016,267,705	
3. Current year separate accounts total collateral pledged			2,856,200,000
4. Prior year-end total general and separate accounts total collateral pledged	3,625,145,066	3,537,075,300	2,381,200,000

(b) Maximum amount pledged during reporting period

	(1) Fair Value	(2) Carrying Value	(3) Amount Borrowed at Time of Maximum Collateral
1. Current year total general and separate accounts maximum collateral pledged (Lines 2+3)	\$ 3,903,190,985	\$ 4,016,267,705	\$ 2,856,200,000
2. Current year general account maximum collateral pledged	3,903,190,985	4,016,267,705	
3. Current year separate accounts maximum collateral pledged			2,856,200,000
4. Prior year-end total general and separate accounts maximum collateral pledged	3,625,145,066	3,537,075,300	2,381,200,000

(4) Borrowing from FHLB

(a) Amount as of the reporting date

	(1) Total (2+3)	(2) General Account	(3) Separate Accounts	(4) Funding Agreements Reserves Established
1. Current Year				
(a) Debt	\$ .....	\$ .....	\$ .....	XXX
(b) Funding agreements	2,856,200,000		2,856,200,000	\$ 2,764,292,661
(c) Other				XXX
(d) Aggregate total (a+b+c)	<u>\$ 2,856,200,000</u>	<u>\$ .....</u>	<u>\$ 2,856,200,000</u>	<u>\$ 2,764,292,661</u>
2. Prior Year-end				
(a) Debt	\$ .....	\$ .....	\$ .....	XXX
(b) Funding agreements	2,381,200,000		2,381,200,000	\$ 2,298,946,950
(c) Other				XXX
(d) Aggregate total (a+b+c)	<u>\$ 2,381,200,000</u>	<u>\$ .....</u>	<u>\$ 2,381,200,000</u>	<u>\$ 2,298,946,950</u>

(b) Maximum amount during reporting period (current year)

	(1) Total (2+3)	(2) General Account	(3) Separate Accounts
1. Debt	\$ .....	\$ .....	\$ .....
2. Funding agreements	2,856,200,000		2,856,200,000
3. Other			
4. Aggregate total (Lines 1+2+3)	<u>\$ 2,856,200,000</u>	<u>\$ .....</u>	<u>\$ 2,856,200,000</u>

11B(4)b4 (Columns 1, 2 and 3) should be equal to or greater than 11B(4)a1(d) (Columns 1, 2 and 3 respectively)

**Notes to the Financial Statements**

**11. Debt (Continued)**

(c) FHLB - Prepayment obligations

	Does the company have prepayment obligations under the following arrangements (YES/NO)?
1. Debt.....	NO.....
2. Funding agreements.....	NO.....
3. Other.....	NO.....

**12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - No Significant Changes**

**13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations - No Significant Changes**

**14. Liabilities, Contingencies and Assessments**

A. Contingent Commitments

(1) Commitments or contingent commitment(s) to an SCA entity, joint venture, partnership, or limited liability company

As of March 31, 2022, the Company has unfunded commitments to invest in SCA entities, joint ventures, partnerships or limited liability companies of \$3,008.3 million.

As of March 31, 2022, the Company has unfunded commitments to invest in certain bonds and mortgage loans in the general and separate accounts of \$7,866.3 million.

(2) Nature and circumstances of guarantee - No Significant Changes

(3) Aggregate compilation of guarantee obligations - No Significant Changes

B. Assessments - No Significant Changes

C. Gain Contingencies - None

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - None

E. Joint and Several Liabilities - None

F. All Other Contingencies

*Corporate-owned Life Insurance (COLI) Matter* - In 2000 and 2001, two insurance companies which were subsequently merged into the Company, purchased broad based variable COLI policies from American General Life Insurance Company (American General). In January 2012, the COLI policy administrator delivered to the Company a supplement to the existing COLI policies and advised that American General and ZC Resource Investment Trust (ZC Trust) had unilaterally implemented changes set forth in the supplement that if effective, would: (1) potentially negatively impact the crediting rate for the policies and (2) change the exit and surrender protocols set forth in the policies. In March 2013, the Company filed suit against American General, ZC Trust, and ZC Resource LLC in Chancery Court in Delaware, seeking, among other relief, a declaration that the changes set forth in the supplement were ineffectual and in breach of the parties' agreement. The parties filed cross motions for judgment as a matter of law, and the court granted defendants' motion and dismissed without prejudice on ripeness grounds. The issue that negatively impacts the crediting rate for one of the COLI policies has subsequently been triggered and on April 3, 2018, we filed suit against the same defendants in Chancery Court in Delaware seeking substantially similar relief. Defendants moved to dismiss and the court heard oral arguments on February 13, 2019. The court issued an opinion on July 31, 2019 that did not address the merits, but found that Chancery Court did not have jurisdiction over our claims and directed us to either amend our complaint or transfer the matter to Delaware Superior Court. The matter has been transferred to the Delaware Superior Court. Defendants renewed their motion to dismiss and the Superior Court heard oral arguments on December 18, 2019. The Superior Court issued an opinion on May 18, 2020 in which it granted in part and denied in part defendants' motion. The Superior Court denied defendants' motion with respect to the issue that negatively impacts the crediting rate for one of the COLI policies, which issue will proceed to discovery. The Superior Court granted defendants' motion and dismissed without prejudice on ripeness grounds claims related to the exit and surrender protocols set forth in the policies, and dismissed defendant ZC Resource LLC. If the supplement is ultimately deemed to be effective, the purported changes to the policies could impair the Company's ability to access the value of guarantees associated with the policies. The parties engaged in discovery as well as discussions concerning whether the matter can be resolved without further litigation, and, at the request of the parties on August 11, 2021, the court entered an Amended Scheduling Order setting the trial date for June 2023. On December 27, 2021, the parties agreed in principle to a settlement, pursuant to which we will be able to surrender the policies at any time and receive proceeds within six months. During the year ended December 31, 2021, the Company recorded an impairment of the COLI asset of \$52.6 million, and an adjustment to deferred tax liabilities of \$46.9 million, to reflect the terms of the settlement. As of March 31, 2022, the COLI policies had an asset value of \$361.5 million.

*Fiduciary or Best Interest Standards* - The U.S. Securities and Exchange Commission (SEC), Department of Labor (DOL), NAIC, and several states have taken action or are exploring options around a fiduciary standard or best interest standard that may impact the Company and its subsidiaries. If these rules do not align, the distribution of products by the Company and its subsidiaries could be further complicated.

In 2019 the SEC adopted a rulemaking package designed to enhance the quality and transparency of retail investors' relationships with investment advisers and broker-dealers. The rulemaking package included: Regulation Best Interest - the Broker-Dealer Standard of Conduct; the new Form CRS Relationship Summary; and two separate interpretations under the Investment Advisers Act of 1940. The Company believes the Regulation may impact the distribution of its subsidiaries' products through third party broker-dealers that distribute the products to retail customers, the impact of which is still being determined.

The NAIC has adopted the Suitability in Annuity Transactions Model Regulation (SAT), which places responsibilities upon issuing insurance companies with respect to the suitability of annuity sales, including responsibilities for training agents. On February 13, 2020, the SAT was amended to incorporate a "best interest" or similar standard with respect to the suitability of annuity sales. The amendments include a requirement for producers to act in the "best interest" of a retail customer when making a recommendation of an annuity. A producer is considered to have acted in the best interest of the customer if they have satisfied certain prescribed obligations regarding care, disclosure, conflict of interest and documentation. State adoption of these revisions, and any future changes in such laws and regulations, could adversely affect the way our US insurance subsidiaries market and sell their annuity products. Several states, including Iowa, have adopted or are in the process of adopting a version of the revised SAT that includes a best interest concept. The NYDFS issued a circular letter emphasizing insurers' obligations under laws and regulations based on SAT when replacing a deferred annuity contract with an immediate annuity contract. On July 22, 2018, the NYDFS issued amendments to its regulation based on SAT to incorporate a "best interest" standard with respect to the suitability of life insurance and annuity sales. Future changes in such laws and regulations, including those that impose a "best interest" standard could adversely impact the way we market and sell our annuity products.

**Notes to the Financial Statements**

**14. Liabilities, Contingencies and Assessments (Continued)**

In April 2016, the DOL issued regulations expanding the definition of “investment advice” and broadening the circumstances under which distributors and manufacturers of insurance and annuity products could be considered “fiduciaries” and subject to certain standards in providing advice. These regulations were vacated effective June 2018. Thereafter, the DOL issued proposed regulatory action to address the vacated definition and issued final regulatory action on December 15, 2020. The DOL’s final guidance confirms the reinstatement of the definition of “investment advice” that applied prior to 2016 but broadens the circumstances under which producers, including insurance producers, could be considered fiduciaries under ERISA in connection with recommendations to “roll over” assets from a qualified retirement plan to an IRA. This guidance reverses an earlier DOL interpretation suggesting that rollover advice did not constitute investment advice giving rise to a fiduciary relationship. In connection with the final regulatory action, the DOL issued a prohibited transaction class exemption that would allow fiduciaries to receive compensation in connection with providing investment advice, including advice about rollovers, that would otherwise be prohibited as a result of their fiduciary relationship to the ERISA Plan. The DOL has indicated they intend to issue further guidance or regulations with regards to these types of annuity sales. We continue to monitor the situation and will be reviewing whatever is issued to determine how it might apply to and impact our business.

In addition to the cases previously discussed, the Company is routinely involved in litigation and other proceedings, reinsurance claims and regulatory proceedings arising in the ordinary course of its business. At present, no contingencies related to pending litigation and regulatory matters are considered material in relation to the financial position of the Company.

**15. Leases - None**

**16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - No Significant Changes**

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - None**

**18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - None**

**19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - None**

**20. Fair Value Measurements**

A. Fair Value Measurement

(1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
<b>a. Assets at fair value</b>					
Bonds: Corporates	\$	\$	\$ 18,630,208	\$	\$ 18,630,208
Bonds: CMBS		11,277,200	2,805,000		14,082,200
Bonds: RMBS		618,134			618,134
Preferred stocks		91,673,440	59,389,751		151,063,191
Common stocks	41,603,293	124,248,000	34,513,168		200,364,461
Derivative assets: Currency Swaps		20,560,084			20,560,084
Derivative assets: Interest Rate	256,733				256,733
Derivative assets: Options		293,242,242			293,242,242
Derivative assets: Total Return Swaps		7,350,552			7,350,552
Derivative assets: Futures	40,475,641				40,475,641
Derivative assets: FX Forwards		177,538,389			177,538,389
Separate account assets: Variable products		28,797,306			28,797,306
<b>Total assets at fair value/NAV</b>	<b>\$ 82,335,667</b>	<b>\$ 755,305,347</b>	<b>\$ 115,338,127</b>	<b>\$</b>	<b>\$ 952,979,141</b>
<b>b. Liabilities at fair value</b>					
Derivative liabilities: Currency Swaps	\$	\$ 830,675	\$	\$	\$ 830,675
Derivative liabilities: Interest Rate	31,310,386	904,825			32,215,211
Derivative liabilities: Options		57,365,849			57,365,849
Derivative liabilities: Total Return Swaps		1,135,826			1,135,826
Derivative liabilities: FX Forwards		32,183,198			32,183,198
Separate account liabilities: Variable products		28,796,757			28,796,757
<b>Total liabilities at fair value</b>	<b>\$ 31,310,386</b>	<b>\$ 121,217,130</b>	<b>\$</b>	<b>\$</b>	<b>\$ 152,527,516</b>

(2) Fair value measurements in Level 3 of the fair value hierarchy

Description	Beginning balance as of 01/01/2022	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 03/31/2022
<b>a. Assets</b>										
Bonds: Corporate	\$	\$ 24,840,278	\$	\$	\$ (6,210,069)	\$	\$	\$	\$	\$ 18,630,208
Bonds: CMBS	13,050,000		(5,325,000)	115,316	(5,035,316)					2,805,000
Preferred stocks	56,066,725				1,774,123	4,133,571			(2,584,668)	59,389,751
Common stocks	26,944,661				7,568,114	393				34,513,168
<b>Total assets</b>	<b>\$ 96,061,386</b>	<b>\$ 24,840,278</b>	<b>\$ (5,325,000)</b>	<b>\$ 115,316</b>	<b>\$ (1,903,148)</b>	<b>\$ 4,133,964</b>	<b>\$</b>	<b>\$</b>	<b>\$ (2,584,668)</b>	<b>\$ 115,338,127</b>
<b>b. Liabilities</b>										
<b>Total liabilities</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

Transfers into and out of Level 3 represent securities which are carried at lower of cost or fair value resulting in periodic transfers into and out of Level 3 financial instruments which are characterized as carried at fair value.

(3) Transfers between fair value hierarchy levels are recognized at the end of the period in which the transfer occurs.

(4) The following discussion describes the valuation methodologies and inputs used for assets and liabilities measured and disclosed at fair value. The techniques utilized in estimating the fair values of financial instruments are reliant on the assumptions used.

**Notes to the Financial Statements**

**20. Fair Value Measurements (Continued)**

Fair value estimates are based on quoted market prices when available. When quoted market prices are not available, the Company utilizes commercially available pricing vendors that utilize observable market inputs, like recent trading activity, to derive fair value. When vendor prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality (matrix pricing). In instances where there is little or no market activity for the same or similar instruments, the Company estimates the fair value using methods, models and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment which becomes significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect risk inherent in a particular methodology, model or input employed.

The Company's financial assets and liabilities carried at estimated fair value have been classified, for disclosure purposes, based on a hierarchy defined by current accounting guidance. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3).

The levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in an active market.
- Level 2 - Quoted prices for inactive markets or valuation techniques that require observable direct or indirect inputs for substantially the full term of the asset or liability.

Level 2 inputs include the following:

1. Quoted prices for similar assets or liabilities in active markets,
2. Observable inputs other than quoted market prices, and
3. Observable inputs derived principally from market data through correlation or other means.

- Level 3 - Prices or valuation techniques with unobservable inputs significant to the overall fair value estimate. These valuations use critical assumptions not readily available to market participants. Level 3 valuations are based on market standard valuation methodologies, including discounted cash flows, matrix pricing, or other similar techniques.

Assets and liabilities are valued as discussed below in part C.

(5) See parts (1) through (4) above.

B. Other Fair Value Disclosures - None

C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Assets - Bonds	\$ 49,773,008,859	\$ 50,089,359,277	\$ 1,697,259,397	\$ 40,207,379,477	\$ 7,868,369,985	\$ .....	\$ .....
Assets - Preferred stocks	289,170,822	300,275,629		229,781,071	59,389,751		
Assets - Common stock	200,364,461	200,364,461	41,603,293	124,248,000	34,513,168		
Assets - Mortgage loans - first liens	15,382,778,874	15,655,299,665			15,382,778,874		
Assets - Mortgage loans - other than first liens	1,572,317,325	1,619,041,659			1,572,317,325		
Assets - Policy loans	124,502,526	124,502,526		124,502,526			
Assets - Cash and short-term investments	3,847,813,058	3,847,947,177	3,752,365,424	46,155,585	49,292,049		
Assets - Derivative assets	2,675,403,942	1,385,094,657	(19,932,172)	2,697,874,164	(2,538,050)		
Assets - Derivative collateral assets	227,229,257	227,229,257	227,229,257				
Assets - Other invested assets	6,084,224,702	6,022,652,256		474,135,415	1,468,519,114	4,141,570,173	
Assets - Separate account: variable products	28,797,306	28,797,306		28,797,306			
Assets - Separate account: group annuity	28,153,342,004	29,371,951,892	1,658,854,379	20,067,485,738	5,609,709,716	817,292,171	
Assets - Separate account: index-linked products	959,652,669	1,015,521,600	83,757,609	777,150,763	98,744,297		
Liabilities - Deposit-type contracts	16,722,656,406	17,200,888,571		16,307,801,850	414,854,556		
Liabilities - Repurchase agreements	2,994,053,981	2,994,053,981		2,994,053,981			
Liabilities - Derivative liabilities	474,998,372	336,864,176	31,310,386	443,687,986			
Liabilities - Derivative and other collateral	2,496,275,191	2,496,275,191	2,496,275,191				
Liabilities - Separate account: group annuity deposit-type contracts	4,419,146	4,472,103			4,419,146		
Liabilities - Separate account: funding agreements	2,798,046,167	2,764,292,661		2,798,046,167			

Bonds and short-term investments – The Company obtains the fair value for most marketable, public bonds without an active market from several commercial pricing services. These are classified as Level 2 assets. The pricing services incorporate a variety of market observable information in their valuation techniques, including benchmark yields, broker-dealer quotes, credit quality, issuer spreads, bids, offers, and other reference data. If the Company cannot value a public bond with a commercial pricing vendor, the Company obtains broker quotes (or utilizes an internally-developed model) and are considered to be Level 3. The Company values privately placed bonds based on the credit quality and duration of comparable marketable securities, which may be securities of another issuer. In some instances, the Company uses a matrix-based pricing model. These models consider the current level of risk-free interest rates, corporate spreads, credit quality of the issuer, and cash flow characteristics of the security. Privately placed fixed maturity securities are classified as Level 2 or 3.

## Notes to the Financial Statements

### 20. Fair Value Measurements (Continued)

Preferred stocks and common stocks unaffiliated – The Company values equity securities, typically private equities or equity securities not traded on an exchange, using several commercial pricing services or an internal model. The securities priced by a commercial pricing service are classified as Level 2 and the securities priced by an internal model are classified as Level 3. In addition, unaffiliated common stocks include FHLB stock, which is carried at fair value, which is presumed to be par because it can only be redeemed by the bank and is classified as Level 2.

Mortgage loans – The Company estimates mortgage loans on a monthly basis using discounted cash flow analysis and rates being offered for similar loans to borrowers with similar credit ratings. Loans with similar characteristics are aggregated for purposes of the calculations. The discounted cash flow model uses unobservable inputs, including estimates of discount rates and loan prepayments. Mortgage loans are classified as Level 3.

Policy loans – The fair value of policy loans classified as Level 2 is equal to the carrying value of the loans, which are collateralized by the cash surrender value of the associated insurance contracts.

Derivatives – Derivative contracts can be exchange traded or over-the-counter. Over-the-counter derivatives are valued using valuation models or an income approach using third-party broker valuations. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, measures of volatility, prepayment rates, and correlation of the inputs. The Company considers and incorporates counterparty credit risk in the valuation process through counterparty credit rating requirements and monitoring of overall exposure. The Company also evaluates and includes its own nonperformance risk in valuing derivatives. The majority of the Company's derivatives trade are in liquid markets; therefore, the Company can verify model inputs and model selection does not involve significant management judgment and are classified within Level 2. If the Company cannot verify model inputs and model selection does involve significant management judgment, the derivatives are classified as Level 3.

Other invested assets – Within other invested assets, partnerships are valued based on net asset value information provided by the general partner or related asset manager. These partnership interests usually include multiple underlying investments for which either observable market prices or other valuation methods are used to determine the fair value. These investments are reported in the Net Asset Value (NAV) column. Other than partnerships, other invested assets may include surplus notes and other investments with bond or stock characteristics and the Company attempts to value these using several commercial pricing services, which would be classified as Level 2 assets. If the Company cannot value with a commercial pricing vendor, the Company obtains broker quotes (or utilizes an internally-developed model) and are considered to be Level 3 assets.

Separate account assets (variable products) – Separate account assets classified as Level 2 are valued based on the fair value of the underlying funds. Fair values and changes in the fair values of the underlying funds accrue directly to the policy owners and are not included in the Company's revenues and expenses or surplus.

Separate account assets (group annuity) – Financial instruments within this separate account classified as Level 2 and 3 or included in the NAV column are valued using the same fair value assumptions and methods utilized in the general account.

Repurchase agreements - The carrying value of the repurchase agreements liability approximates fair value and is reported as level 2.

Deposit-type contracts (including separate account group annuity and funding agreements) – Deposit-type contracts classified as Level 3 include single premium immediate annuities (SPIA) and supplemental contracts. Fair value of SPIA and supplemental contracts are calculated by discounting best estimate cash flows based on market interest rate assumptions. Fair value of funding agreements are calculated by discounting future cash flows using market rates on the valuation date, and are classified as Level 2.

D. Not Practicable to Estimate Fair Value - None

E. Nature and Risk of Investments Reported at NAV

The Company invests in certain non-fixed income, alternative investments in the form of limited partnerships (investment funds) which are reported at NAV. Adjustments to the carrying amount reflect the Company's pro rata ownership percentage of the operating results as indicated by NAV in the investment fund financial statements. The NAV from the investment fund financial statements can be on a lag of up to three months when investee information is not received in a timely manner. These investments are listed in the NAV column of the fair value tables above as this is the primary method for reporting fair value for these investments.

As of March 31, 2022, the Company's general and separate accounts have \$3,008.3 million unfunded commitments to invest in these investment funds.

### 21. Other Items

A. Unusual or Infrequent Items - None

B. Troubled Debt Restructuring - None

C. Other Disclosures

During February 2022, the Company novated 1,795 policies with statutory policy reserves of \$72.1 million to Accordia Life and Annuity Company (Accordia). These policies were previously 100% ceded to Accordia through a coinsurance agreement entered into in 2013, and therefore the novation had no impact on the Company's balance sheet, income or capital and surplus position.

D. Business Interruption Insurance Recoveries - None

E. State Transferable and Non-Transferable Tax Credits - No Significant Changes

F. Subprime-Mortgage-Related Risk Exposure - No Significant Changes

G. Retained Assets - None

H. Insurance-Linked Securities (ILS) Contracts - None

I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - No Significant Changes

### 22. Events Subsequent

Subsequent events have been considered through May 16, 2022 for the statutory statement dated March 31, 2022.

## Notes to the Financial Statements

### 23. Reinsurance

The Company entered into a modified coinsurance agreement effective January 1, 2022 with AARe, pursuant to which it cedes a quota share, specified by the Company, of certain of the Company's retail annuity business issued on or after January 1, 2022. This treaty is applied prior to any further cession of this business under other treaties. Modified coinsurance reserves were \$373.1 million as of March 31, 2022.

Effective January 1, 2022, the Company recaptured a modified coinsurance agreement from Transamerica Life Insurance Company that ceded a block of annuity policies. The modified coinsurance reserves recaptured were \$72.1 million as of January 1, 2022.

The Company entered into a coinsurance agreement on January 1, 2018 with AADE, pursuant to which it ceded to AADE a 50% quota share of all of the Company's retail annuity business issued between January 1, 2018 and December 31, 2021 (excluding the Company's registered indexed linked annuities). This treaty had applied prior to any further cession of this business under other treaties. The Company has recognized a reserve credit of \$13,545.1 million as of December 31, 2021 for this block. Effective January 1, 2022, the Company recaptured the payout annuities ceded to AADE under this reinsurance agreement. Coinsurance reserves for the payout annuities recaptured by the Company were \$135.4 million as of January 1, 2022.

- A. Ceded Reinsurance Report - No Significant Changes
- B. Uncollectible Reinsurance - None
- C. Commutation of Reinsurance Reflected in Income and Expenses - None
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - None
- E. Reinsurance of Variable Annuity Contracts with an Affiliated Captive Reinsurer - None
- F. Reinsurance Agreement with an Affiliated Captive Reinsurer - None
- G. Ceding Entities That Utilize Captive Reinsurers to Assume Reserves Subject to the XXX/AXXX Captive Framework - None
- H. Reinsurance Credit - None

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. Method Used to Estimate - None
- B. Method Used to Record - None
- C. Amount and Percent of Net Retrospective Premiums - None
- D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - None
- E. Risk-Sharing Provisions of the Affordable Care Act (ACA)
  - (1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions
    - Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions?  
NO
  - (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - None
  - (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - None
  - (4) Roll-forward of risk corridors asset and liability balances by program benefit year - None
  - (5) ACA risk corridors receivable as of reporting date - None

### 25. Change in Incurred Losses and Loss Adjustment Expenses - None

### 26. Intercompany Pooling Arrangements - None

### 27. Structured Settlements - None

### 28. Health Care Receivables - None

### 29. Participating Policies - No Significant Changes

### 30. Premium Deficiency Reserves - None

### 31. Reserves for Life Contracts and Annuity Contracts - No Significant Changes

### 32. Analysis of Annuity Actuarial Reserves and Deposit Type Contract Liabilities by Withdrawal Characteristics - No Significant Changes

### 33. Analysis of Life Actuarial Reserves by Withdrawal Characteristics - No Significant Changes

### 34. Premiums and Annuity Considerations Deferred and Uncollected - No Significant Changes

### 35. Separate Accounts - No Significant Changes

### 36. Loss/Claim Adjustment Expenses - None