# CERTIFICATION

July 25, 2026

I, Eric Dunning, Director of Insurance of the State of Nebraska, do hereby certify that the attached is a full and correct copy of the Financial Examination Report of

**LINCOLN BENEFIT LIFE COMPANY**

**AS OF**

**DECEMBER 31, 2024**

The report is now on file and forming a part of the records of this Department.

I hereto subscribe my name under the seal of my office at Lincoln, Nebraska.

GREAT SEAL OF THE STATE OF NEBRASKA
EQUALITY BEFORE THE LAW
MARCH 1ST 1867

DIRECTOR OF INSURANCE

CERTIFICATE OF ADOPTION

Notice of the proposed report for the financial examination of

**LINCOLN BENEFIT LIFE COMPANY**

**5600 N. RIVER ROAD COLUMBIA CENTER I, STE 300**

**ROSEMONT, IL 60018**

dated as of December 31, 2024, verified under oath by the examiner-in-charge on June 24, 2026, and received by the company on June 25, 2026, has been adopted with modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 15th day of July 2026.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Tadd K. Wegner

Tadd Wegner, CFE
Chief Financial Regulator

**STATE OF NEBRASKA**

**Department of Insurance**

**EXAMINATION REPORT**

**OF**

**LINCOLN BENEFIT LIFE COMPANY**

**as of**

**December 31, 2024**

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Rosemont, Illinois
June 3, 2026

Honorable Eric Dunning
Director of Insurance
Nebraska Department of Insurance
1526 K Street, Suite 200
Lincoln, Nebraska 68508

Dear Sir:

Pursuant to your instruction and authorizations, and in accordance with statutory requirements, an examination has been conducted of the financial condition and business affairs of:

**LINCOLN BENEFIT LIFE COMPANY**

which has its Statutory Home Office located at

**701 “O” Street, Suite 500**
**Lincoln, Nebraska 68508**

with its Principal Executive Office located at

**5600 N. River Road Columbia Center I, Suite 300**
**Rosemont, IL 60018**

(hereinafter also referred to as the “Company”), and the report of such examination is respectfully presented herein.

## INTRODUCTION

The State of Nebraska last examined the Company as of December 31, 2021. The current financial condition examination covers the intervening period to, and includes the close of business on December 31, 2024 and such subsequent events and transactions as were considered pertinent to this report. The States of Nebraska and Iowa participated in this examination and assisted in the preparation of this report.

The same examination staff conducted a concurrent financial condition examination of the Company's subsidiary, Lancaster Re Captive Insurance Company (LanRe), and the Company's affiliates, Guaranty Income Life Insurance Company (GILICO) and United Life Insurance Company (ULIC), domiciled in the State of Iowa.

## SCOPE OF EXAMINATION

The examination was conducted pursuant to and in accordance with both the NAIC Financial Condition Examiners Handbook (Handbook) and Section §44-5904(1) of the Nebraska Insurance Statutes. The Handbook requires that examiners plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company, including but not limited to: corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks. The examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and management's compliance with Statutory Accounting Principles and Annual Statement Instructions when applicable to domestic state regulations.

The examination was completed under coordination of the holding company group approach with the Iowa Insurance Division as the coordinating state and the Nebraska Department of Insurance as the participating state. The companies examined under this approach benefit to a large degree from common management, systems and processes, and internal control and risk management functions that are administered at the consolidated or business unit level.

The coordinated examination applies procedures sufficient to comprise a full scope financial examination of each of the companies in accordance with the examination procedures and standards promulgated by the NAIC and by the respective state insurance departments where the companies are domiciled. The objective is to enable each domestic state to report on their respective companies' financial condition and to summarize key results of examination procedures.

The Nebraska Department of Insurance made a general review of the Company's operations and the manner in which its business has been conducted in order to determine compliance with statutory and charter provisions. The Company's history was traced and has been set out in this report under the caption "Description of Company." All items pertaining to management and control were reviewed, including provisions for disclosure of conflicts of interest to the Board of Directors and the departmental organization of the Company. The Articles of Incorporation and By-Laws were reviewed, including appropriate filings of any changes or amendments thereto. The minutes of the meetings of the Shareholder, Board of Directors, and committees held during the examination period were read and noted. Attendance at meetings, proxy information, election of Directors and Officers, and approval of investment transactions were also noted.

The fidelity bond and other insurance coverages protecting the Company's property and interests were reviewed, as were plans for employee welfare and pension. Certificates of Authority to conduct the business of insurance in the various states were inspected, and a survey was made of the Company's general plan of operation.

Data reflecting the Company's growth during the period under review, as developed from the Company's filed annual statements, is reflected in the financial section of this report under the caption "Body of Report."

The Company's reinsurance facilities were ascertained and noted and have been commented upon in this report under the caption "Reinsurance." Accounting records and procedures were tested to the extent deemed necessary through the risk-focused examination process. The Company's method of claims handling and procedures pertaining to the adjustment and payment of incurred losses were also noted.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This included a review of workpapers prepared by Ernst & Young, LLP, the Company's external auditors, during their audit of the Company's accounts for the years ended December 31, 2023 and 2024. Portions of the auditor's workpapers have been incorporated into the workpapers of the examiners and have been utilized in determining the scope and areas of emphasis in conducting the examination. This utilization was performed pursuant to Title 210 (Rules of the Nebraska Department of Insurance), Chapter 56, Section 013.

Any failure of items to add to the totals shown in schedules and exhibits appearing throughout this report is due to rounding.

## DESCRIPTION OF COMPANY

### HISTORY

The Company was incorporated under the laws of the State of Nebraska on October 18, 1938 as a burial association. In 1949, the Articles of Incorporation were amended to establish the Company as a legal reserve life insurance company with perpetual existence.

In February, 1968, 100% ownership of the Company was acquired by the Greater Nebraska Corporation (name later changed to First Greatwest Corporation). Effective March 31, 1968, the Company acquired through a Bulk Reinsurance Agreement, certain assets, liabilities and all of the life insurance contracts in force of the Greater Nebraska Life Insurance Company of Lincoln, Nebraska, a company formed by its parent in 1965.

Effective January 1, 1973, the Company assumed 100% of the participating life insurance contracts then in force of Lincoln Liberty Life Insurance Company, a Nebraska corporation.

On April 25, 1978, Pullman, Inc. of Chicago, Illinois, acquired all the outstanding shares of First Greatwest Corporation. Effective November 7, 1980, Wheelabrator-Frye, Inc., of Manchester, New Hampshire, acquired 100% ownership of Pullman, Inc. On July 9, 1981, First Greatwest Corporation assigned all of the outstanding shares of the Company to Trailmobile FGC Corporation who assigned said shares to M. W. Kellogg Company, Trailmobile and Kellogg being wholly-owned subsidiaries of Wheelabrator-Frye. On July 15, 1981, Dean Witter Reynolds Organization, Inc. (DWRO), a Delaware corporation, acquired all of the outstanding shares of the Company from Wheelabrator-Frye, Inc. Through a merger effective December 31, 1981, DWRO became a wholly owned subsidiary of Sears, Roebuck & Company (Sears), a New York corporation.

Ownership of the Company was transferred to Sears' wholly owned subsidiary, Allstate Insurance Company (AIC), an Illinois domestic, on June 9, 1983, and effective January 1, 1984, all of the Company's issued and outstanding capital stock was contributed to AIC's wholly-owned subsidiary, Allstate Life Insurance Company (ALIC), an Illinois domestic.

On June 30, 1995, Sears spun off its ownership of The Allstate Corporation (Allcorp) by a special tax-free dividend to its shareholders of record as of that date. As a result, Allcorp became the Ultimate Controlling Person of the Company at that time.

On July 17, 2013, Resolution Life Holdings, Inc. (Resolution Holdings) executed a Stock Purchase Agreement to acquire 100% of the Company from ALIC. In November 2013, Resolution Holdings assigned the right to acquire all of the Company's outstanding capital stock to Resolution Life, Inc. (Resolution Life or RLI), a wholly owned subsidiary of Resolution

Holdings. Prior to the closing of the sale, the Company commuted the following business that was previously ceded to ALIC and recaptured: (a) all of the deferred annuity business written by the Company, (b) all of the life insurance business written by the Company through independent producers, other than certain specified life business, and (c) all of the net liability of the Company with respect to the accident and health and long-term care insurance business written by the Company. Additionally, portions of existing non-affiliate reinsurance agreements associated with business ceded from the Company to ALIC were novated effective on the closing date. On March 25, 2014, the Nebraska Department of Insurance executed a Certificate of Adoption certifying the adoption of the final order of the Department approving the sale the Company. The acquisition closed and ownership was transferred to Resolution Life on April 1, 2014. Effective September 28, 2017, Resolution Holdings and Resolution Life changed their names to LBL HoldCo, Inc. and LBL HoldCo II, Inc., respectively.

On December 31, 2019, Kuvare US Holdings, Inc. through Guaranty Income Life Insurance Company (GILICO), an Iowa-domiciled insurance company, acquired 100% of the outstanding shares of LBL HoldCo, Inc. and its subsidiaries LBL HoldCo II, Inc., the Company, LanRe, a Nebraska domiciled captive insurance company, and Lanis LLC, a Delaware domiciled Limited Liability Company. Kuvare US Holdings Inc. is a wholly owned subsidiary of Kuvare UK Holdings Limited, which is a wholly owned subsidiary of Kuvare Holdings LP, formed under the laws of the Cayman Islands.

On December 31, 2022, GILICO transferred its ownership of LBL HoldCo, Inc. and its subsidiaries LBL HoldCo II, Inc. and LBL to Kuvare US, the ultimate parent. This was recorded as a return of capital by GILICO as approved by the Iowa Insurance Division.

Under the provisions of its amended charter and in conformity with Nebraska statutes, the Company is presently authorized to write life and accident and health insurance.

## MANAGEMENT AND CONTROL

### Holding Company

The Company is a member of an insurance holding company system as defined by Nebraska Statute. An organizational listing flowing from the "Ultimate Controlling Person," as reported in the 2024 Annual Statement, is represented by the following (subsidiaries are denoted through the use of indentations, and unless otherwise indicated, all subsidiaries are 100% owned):

- Kevin McAllister (through ownership in Access Holdings GP LP)
- Jesse Rogers (through ownership in ACP LI Holdings, LP)
- Dhiren Jhaveri
  - Kuvare GP Holdings Ltd
    - Kuvare Participation LP
    - Kuvare GP Holdings LP
      - Kuvare Holdings LP
        - Kuvare UK Holdings Limited
          - Kuvare US Holdings, Inc.
            - Kuvare Bermuda Re Ltd
              - ACGH Funding, LLC
              - ASF Holdings, LLC
              - Alpine Summit Funding, LLC
            - Kuvare Corporate Management, LLC
            - Aspen Services of Kuvare, LLC
            - United Life Insurance Company
            - Guaranty Income Life Insurance Company
            - LBL HoldCo, Inc.
              - LBL HoldCo II, Inc.
                - Lanis LLC
                - Lincoln Benefit Life Company
                  - Lancaster Re Captive Insurance Company

### Shareholder

Article V, Section 2 of the Company's Articles of Incorporation states that, "the authorized capital stock of this Company shall be $3,000,000 divided into 30,000 shares of a par value of $100 each." As of December 31, 2024, Company records indicated that 25,000 shares were issued and outstanding in the name of LBL HoldCo II, Inc. Outstanding capital stock remained unchanged during the period covered by this examination.

Article IX, Section 1 of the Company's Articles of Incorporation states that, "the Stockholders shall meet annually on a date prescribed in the By-Laws at the home office of the Company for the purpose of electing Directors and transacting such other business as may properly come before the Stockholders."

The Company paid dividends of $43,000,000 to its former parent, GILICO, in 2022.

The Company received $30,000,000 from Kuvare in 2024.

The following capital contributions were paid by the Company to LanRe during the examination period:

| Year | Amount |
|---|---|
| 2022 | $ 47,100,000 |
| 2023 | $ 70,000,000 |
| 2024 | $ 77,000,000 |

**Surplus Notes**

On December 31, 2022, the Company issued a surplus note in the amount of $60.0 million to its affiliate, United Life Insurance Company (ULIC). The surplus note was received in cash. It has a 30-year maturity and carries an annual interest rate of 7.75%. No principal surplus note have been made since issuance. The Company paid interest of $4,650,000 in 2023 and $4,650,000 in 2024.

On December 31, 2021, ULIC issued a surplus note in the amount of $10.0 million to the Company. It has a 30-year maturity and carries an annual interest rate of 5.5%. The Company received $550,000 in interest during 2024. No principal payments on the surplus note have been made since issuance.

On December 31, 2021, ULIC issued a surplus note in the amount of $25.0 million to the Company's affiliate, Kuvare Bermuda Re, Ltd (KBR), to support the Company's funds-withheld account for the benefit of KBR. This surplus note was used to fund a funds withheld account used for reinsurance accounting with KBR. The surplus note was issued to the name of "KBR", which was not a current legal owner of the note. Subsequent to the exam date, on December 22, 2025, the Company issued an amended and restated surplus note to remove KBR and correctly name the Company as the holder of the note. Additionally, the surplus note was not deemed an appropriate type of investment for the funds withheld account. In December 2025, the surplus note was replaced by other investments to fund the funds withheld account. The surplus note has a 30-year maturity and carries an annual interest rate of 5.5%. The Company received $1,375,000 in interest during 2024. No principal payments on the surplus note have been made since issuance.

**Board of Directors**

Article VIII, Section 1 of the Company's Articles of Incorporation states that, "the Board of Directors shall consist of not less than five (5) nor more than twenty-one (21) persons." Article VIII, Section 2 further states that, "the Board of Directors shall have the general management and control of the business of the Company."

Article I, Section 1 of the Company's By-Laws states that, "the Directors shall be elected at each annual meeting of the Shareholders of the Company for a term of one year."

The following persons were serving as Directors at December 31, 2024:

| Name and Residence | Principal Occupation |
|---|---|
| Burke Joseph Harr<br>Omaha, NE | Vice President, Lindsay Harr MacDonald |
| Dhiren Jhaveri<br>Chicago, IL | Chief Executive Officer, Kuvare US Holdings, Inc. |
| Carolyn Johnson<br>Timnath, CO | Retired Insurance Executive |

| Name and Residence | Principal Occupation |
|---|---|
| Bradley Rosenblatt<br>Highland Park, IL | Chief Revenue Officer, Kuvare US Holdings, Inc. |
| Carlos Sierra<br>Oak Brook, IL | Chief Operating Officer, Kuvare US Holdings, Inc. |
| Joseph Wieser<br>Baton Rouge, LA | President, Guaranty Income Life Insurance Company |

**Officers**

Article VIII, Section 3 of the Company's Articles of Incorporation states that, "the Officers of the Company shall consist of a President, one or more Vice Presidents, a Secretary, one or more Assistant Secretaries, a Treasurer, one or more Assistant Treasurers, and such other Officers as may be provided for in the By-Laws…" Article II, Section 1 of the Company's By-Laws states that, "the general officers of the Company shall consist of a Chairman of the Board, President, two or more Vice Presidents, a Secretary, a Treasurer, and a Controller, who shall be elected annually by the Board at the stated annual meeting…" Article II, Section 2 of the Company's By-Laws also provide for the office of Chairman of the Board of Directors, who shall be the Chief Executive Officer.

The following is a listing of Officers elected and serving the Company at December 31, 2024:

| Name | Office |
|---|---|
| Dhiren Jhaveri | Executive Chairman |
| Carlos Sierra | President |
| Steve Fry | Chief Financial Officer and Treasurer |
| David Goldberg | Secretary |
| Cheryl Rogers | Controller |
| Robert Ipsen | Vice President, Appointed Actuary, Illustration Actuary |
| Joseph Rafson | Vice President and Chief Risk Officer |
| Rebecca Collins | Chief Legal Officer and Assistant Secretary |

| Name | Office |
|---|---|
| Shimrit Scher | Assistant Secretary |

The Board of Directors' minutes included errors in supporting election of certain Officers (controller) that were listed on the 2024 Jurat Page of the Annual Statement. It is recommended that the Company's Board of Directors annually elect its Officers, and record and retain minutes to comply with the requirements of Article 8, Section 3 of its Articles of Incorporation.

### Committees

Article I, Section 8 of the Company's By-Laws states that, "the Board shall have the power to appoint committees, including but not limited to an executive committee, and to grant them powers not inconsistent with the laws of Nebraska, the Articles of Incorporation of the Company, or these By-Laws."

The following persons were serving on the Audit Committee at December 31, 2024:

| | |
|---|---|
| Carolyn Johnson | Burke Harr |

The following persons were serving on the Investment and Risk Committee at December 31, 2024:

| | |
|---|---|
| Dhiren Jhaveri | Carlos Sierra |
| Bradley Rosenblatt | |

## TRANSACTIONS WITH AFFILIATES

### Service Agreements

Effective December 31, 2019, the Company entered into a cost sharing and services agreement with Kuvare US Holdings, Inc. (Kuvare US) and Kuvare Insurance Services LP (KIS) whereby Kuvare US and KIS have agreed to provide certain management and administrative services to the Company, including management, reinsurance, legal, audit, administration, financial planning and other services. Effective October 1, 2020, this agreement was amended and restated and the Company reimburses Kuvare US and KIS at cost for services provided by Kuvare US and KIS pursuant to this agreement. Total expenses incurred under this agreement for the year ended December 31, 2024 were $14 million. Effective July 1, 2024, this agreement was terminated with respect to KIS upon the sale of KIS to Blue Owl, a non-affiliated party.

Effective April 1, 2014, the Company provides certain administrative services to LanRe, including compliance with regulatory reporting and licensing requirements, accounting and financial reporting, administration of reinsurance agreements and any related trust agreements, tax reporting, reserve calculations and reserve requirements, reserve and other business projections, as well as other administrative obligations. LanRe reimburses the Company at cost of services and facilities provided, including direct and indirectly allocable expenses. Under the agreement, the Company is required to present an invoice to LanRe no less frequently than quarterly, with fees payable within 15 days following receipt of an invoice. Total fee income for the year ended December 31, 2024 was $1.5 million.

Effective April 1, 2014, under a services agreement with LBL HoldCo II, Inc., the Company is provided with certain management and administrative services including legal counsel, personnel data processing, office management and supply services, marketing, public relations, assistance with the implementation of reinsurance programs, actuarial services, auditing and managerial services. The Company reimburses LBL HoldCo II, Inc. based on the cost of services and facilities provided by LBL HoldCo II, Inc. and LBL HoldCo II, Inc. reimburses the Company at cost for services and facilities provided by the Company pursuant to the agreement. Under the agreement, each party is required to invoice no less frequently than quarterly, with fees payable within 15 days following receipt of an invoice. There were no expenses incurred for the year ended December 31, 2024. The services under this agreement have been transferred to the Kuvare Corporate Management, LLC cost sharing agreement described below.

Effective January 1, 2023, the Company entered into a cost sharing and services agreement with Kuvare Corporate Management, LLC (KCM) whereby KCM has agreed to provide certain administrative and other services to the Company, including management, reinsurance, legal, compliance, IT, claims administration, actuarial and corporate valuation, accounting and other services. Total expenses incurred under this agreement for the year ended December 31, 2024 were $12.4 million.

**Investment Management Agreements**

The Company and KIS are parties to an investment management agreement dated December 31, 2019, which was amended and restated effective October 1, 2020. Pursuant to this agreement, the Company pays KIS for investment advisory and management services. Under the agreement, KIS is required to present an invoice to the Company no less frequently than on a monthly basis, and fees are payable within 10 days following receipt of an invoice. Total expenses incurred under this agreement for the year ended December 31, 2024 were $12.8 million. Effective July 1, 2024, this agreement was terminated upon the sale of KIS to Blue Owl, a non-affiliated party. The Company did not disclose 2024 fees paid on 2024 Form B. It is recommended that the Company ensure all intercompany agreements, and related amounts paid or received are fully, accurately and consistently disclosed in its Form B filings on a going forward basis, in accordance with Neb. Rev. Stat. §44-2132 and Title 210 (Nebraska Department of Insurance Rules and Regulations), Chapter 24.

Effective April 1, 2014, the Company provides investment services to affiliate LanRe pursuant to an investment services agreement. LanRe pays a quarterly management fee based on the weighted average market value of the invested assets, excluding the weighted average market value of the Credit Linked Note. Total fee income for the year ended December 31, 2024 was $0.5 million.

The Company was not in compliance with the agreement in that the methodology of applying fixed 30 bps as an investment fee does not appear to be formally documented in the agreement. While the financial impact is not material, the current practice may not strictly comply with the terms of the investment services agreement. It is recommended that the Company amend the investment services agreement to formalize a 30 bps fixed fee structure, or change its billing practice to separately invoice additional reimbursable expenses as the agreement may allow.

**Note Purchase Agreement**

Effective November 4, 2016, the Company entered into an intercompany note receivable and note payable agreement with LanRe in equal amounts (initially $100.0 million and up to $1.0 billion). The consideration for each note is offset and interest is paid quarterly based on rates provided in the agreement. The gross amount as of December 31, 2024 was $490.0 million.

The maturities of the outstanding intercompany note receivable and payable as of December 31, 2024 are as follows:

| Year | Amount |
|---|---|
| 2025 | $213,000,000 |
| 2026 | 30,500,000 |
| 2027 | 5,000,000 |
| 2029 | 27,500,000 |
| 2030 | 15,000,000 |
| 2031 | 16,000,000 |
| 2033 | 183,000,000 |
| **Total** | **$490,000,000** |

Interest expense incurred on the note payable and interest income earned on the note receivable for the year ended December 31, 2024 were $20.5 million and $10.8 million, respectively. The Company did not disclose 2024 fees or interest amounts received on 2024 Form B. It is recommended that the Company ensure all intercompany agreements, and related amounts paid or received are fully, accurately and consistently disclosed in its Form B filings on a going forward basis, in accordance with Neb. Rev. Stat. §44-2132 and Title 210 (Nebraska Department of Insurance Rules and Regulations), Chapter 24.

**Promissory Note**

Effective September 30, 2022, KBR issued the Company a promissory note that is not to exceed $250 million. The note is intended to cover loans that the Company may make to KBR. The unpaid principal amount of each advance, together with all accrued and unpaid interest thereon to the date of such payment, shall be paid upon the maturity date specified for that particular advance. All advances shall mature and be payable on September 30, 2032. The balance of the note receivable, including accrued interest, on December 31, 2024 was $26.8 million.

Based on a review of transactions recorded through the promissory note's activity, examiners noted that in addition to advances provided by the Company to KBR in cash, the balance of the promissory note was also adjusted through non-cash accounting entries. The non-cash adjustments directly correlated to the change in valuation of the underlying perpetual preferred stock that supports the shortage in a funds withheld account from the underlying stock market fluctuations. These non-cash accounting entries are not explicitly described, nor allowed in the written promissory note terms. Additionally, the 2024 KBR audited statement did not reflect the balance of the note payable to the Company, instead it's disclosed as a commitment to pay up to $26.2 million to the Company over the course of the reinsurance agreement. The promissory note terms do not contain any financial maintenance covenants, no minimum capital requirements, no collateral or other assurances that the balance from KBR will be repaid in full.

Since the Company's promissory note terms do not align with the actual transactions that are recorded through this account balance, it appears that the Company is out of compliance with SSAP 25, paragraph 11 which states, "transactions between related parties must be in the form of a written agreement." It is recommended that the note be amended to formally document the parties' actual arrangement. Specifically, the amended agreement should include details regarding what this note is used for and the mechanism by which the note balance fluctuates through the non-cash adjusting entries that are tied to the balances of the certain stocks to cover the shortages in the funds withheld account balance.

Additionally, the balance of the note receivable was recorded as an admitted balance on the Company's 2024 Annual Statement. Due to lack of an agreement that supports the balance, the balance of the note receivable shall be non-admitted with direct impact on the Company's surplus. Please see the section "Examination Changes in Financial Statements" for more detail.

**Fee Letter Agreement**

Effective April 1, 2014, the Company entered into a Fee Letter Agreement with affiliate Lanis LLC (Lanis) pursuant to which the Company will pay Lanis an amount equal to the risk spread due on the Credit-Linked Note issued by Lanis to LanRe. A reserve has been established on the balance sheet for these payments through April 1, 2019. The reserve was based on a former letter agreement between the Company and LBL HoldCo II, Inc., which was terminated effective April 1, 2020. The Fee Letter also provided reimbursement in cash for any risk spread fees paid by the Company. The Company paid $3.0 million in 2024 under the terms of this agreement.

**Tax Allocation Agreement**

Effective February 21, 2015, the Company and its wholly owned subsidiary, LanRe, file a consolidated life insurance federal income tax return pursuant to a tax allocation agreement. According to the terms of the agreement, the Company and LanRe determine their respective income tax expense or benefit, liability or recoverable as if they had filed separate returns. Neither party to the agreement is required to make any payments in respect to utilization of any losses or other tax attributes that reduce overall consolidated tax liability, until the member with such loss or attribute otherwise could have used it. Intercompany tax balances are settled on a quarterly basis and final true up is made after the filing of the federal income tax return.

**TERRITORY AND PLAN OF OPERATION**

As evidenced by current or continuous Certificates of Authority, the Company is authorized to transact the business of life, annuity, and accident and health insurance in the District of Columbia, Guam, U.S. Virgin Islands and all states except New York.

On May 17, 1990, the Board of Directors authorized the establishment of a Variable Life Separate Account and on August 3, 1992, a Variable Annuity Separate Account. Subsequently, various governmental filings were undertaken and several investment units established to allow for the marketing of these products, which began in 1994.

Prior to the acquisition of the Company by Resolution Life, the Company marketed insurance products, which included universal life, term insurance, traditional life insurance, flexible and single premium deferred annuities, immediate annuities, variable life and variable annuity products and accident & health. The products were sold by independent agents and brokers. The Company stopped writing the following products: credit insurance effective 3rd quarter of 1997, long-term care insurance effective 4th quarter of 2005, variable annuities effective 4th quarter 2006, and flexible and single premium deferred annuities and immediate annuities effective 4th quarter of 2013. Effective July 18, 2013, all sales through the independent master brokerage agencies ceased and sales through the Allstate Financial career agent channel continued through 2017, although 100% of these later risks were ceded to ALIC.

The Company was acquired by Kuvare as a runoff book of balanced life and annuity policies, but during 2020 management, converted the Company to a growth business by offering reinsurance protection solutions to the institutional markets.

## REINSURANCE

### Assumed

Effective December 10, 2020, the Company entered into an indemnity reinsurance agreement with Country Life Insurance Company to assume certain blocks of fixed deferred annuity contracts. The underlying policies and related reinsurance are administered by the cedant. The current assumed reserves are approximately $1.2 billion.

Effective August 15, 2003, the Company entered into a retrocession agreement with SCOR Bermuda Ltd. to assume a block of Yearly Renewable Term (YRT) individual life insurance business originally written by the Company through the Allstate Financial Sales channel, including certain term life and immediate annuity policies. The business is owned and administered by Everlake on a pass-through basis under an administrative services agreement with the Company. As of year-end 2024, the amount in force was approximately $2.4 billion, with reserves of approximately $11.6 million.

**Ceded**

The Company's reinsurance program is made up of seven separate reinsurance programs: Traditional, Everlake, Hannover MRT/ModCo, LanRe XXX/AXXX Reserve Financing, GILICO/GA, Kuvare Bermuda Re, and Long-Term Care.

Traditional

The Traditional program is approximately 120 reinsurance contracts in effect prior to the Company's separation from Everlake. These consist of Coinsurance of Term products and YRT of mortality risk on permanent products, primarily universal life secondary guarantee (ULSG). The administration of these reinsurance contracts is performed by DXC Technology, the Company's third-party administrator for its life business. There is a small subset of treaties that are administered manually at the Company (10 individual cession treaties with only 80 total policies). Additionally, there is a 2016 YRT treaty covering mortality risk on term conversions that is administered internally that covers approximately 3,900 policies.

Everlake

Everlake retains existing reinsured risks for all life insurance policies written by the Company through the Allstate Financial Sales Channel, all immediate annuities written by the Company prior to acquisition, and certain Term life policies. This business is 100% ceded to Everlake through a reinsurance agreement, net of existing traditional reinsurance on those policies. The underlying policies and the related traditional reinsurance are administered by Everlake. Certain traditional reinsurance treaties could not be novated to Everlake, and still run through the Company's books as Direct and Ceded business to third-party reinsurers. These are referred to as the "non-novated" treaties, and all economics are incurred by Everlake. Everlake continues to administer the reinsured business under an existing administrative service agreement between the Company and Everlake. The current reserves reinsured are approximately $6.2 billion on a coinsurance basis and $1.25 billion on a modified coinsurance basis for the year ended December 31, 2024.

Hannover

Effective April 1, 2014, the Company entered into a Monthly Renewable Term (MRT)/ModCo agreement with Hannover Life Reassurance Company of America (Hannover) which covers mortality risk on the Universal Life Secondary Guarantee (ULSG) product on a MRT basis, and all risks on certain Current Assumption Universal Life (CAUL) products and certain deferred annuity products on a modified coinsurance basis. The treaty has an experience refund that covers all business. Effective December 31, 2019, the Company recaptured the CAUL products previously covered by this treaty. Beginning on April 1, 2020, the Company initiated an optional provision within this treaty to annually recapture 20% of the ceded business over five years, which was fully recaptured as of April 1, 2024.

LanRe

Effective April 1, 2014, the Company entered into an indemnity reinsurance agreement with its captive, LanRe. This agreement reinsures all risks on ULSG and term products, net of any existing reinsurance (including Traditional and Hannover described above). The LanRe agreement is coinsurance funds withheld, where the funds are withheld by the Company, and covers the economic reserve, net of policy loans. An external party ultimately provides the financing for the excess of statutory reserves over economic reserves. It is noted herein that Actuarial Guideline 48 does not apply as the agreement is grandfathered.

GILICO/Global Atlantic

Effective December 31, 2019, the Company entered into a few related transactions to cede inforce business to affiliates of Global Atlantic. The Company entered into an agreement with Global Atlantic Assurance Limited which covers mortality risk on the CAUL and Variable Universal Life (VUL) policies on an MRT basis. The Company entered into a coinsurance and modified coinsurance agreement with GILICO to cede certain blocks of inforce fixed deferred annuities, fixed indexed annuities, CAUL and VUL policies. The reinsurance ceded to GILICO is then 100% retroceded to Commonwealth Annuity and Life Insurance Company, a Global Atlantic company. The current reserves reinsured are approximately $918 million on a coinsurance basis and $355 million on a modified coinsurance basis for the year ended December 31, 2024.

Kuvare Bermuda Re

Beginning in October 2020, the Company began reinsuring a portion of inforce fixed deferred annuity business and related Interest Maintenance Reserve (IMR) to KBR, an affiliated Bermuda-based reinsurance company, on a coinsurance with funds withheld basis. The treaty has been amended to add retrocession of a portion of the Country Life Insurance Company assumed block as well as to increase the quota-share on the original cession. Current reserves reinsured are approximately $1.3 billion for the year ended December 31, 2024.

Long Term Care

The Company has a block of Long Term Care business which was written from 1997-2006 as a result of a fronting arrangement with Employers Reassurance Corp (ERAC). Policies written from 1997-mid 2004 were reinsured on a coinsurance basis and ERAC assumes 100% of the insurance risk including all riders. The Company pays ERAC 100% of the policyholder premium less a ceding commission determined by type of coverage during the initial three years of the agreement and modified thereafter as evidenced by amendments to the agreement. If the inception to date loss ratio exceeds 70%, the reinsurer has the right to decrease the renewal ceding commission subject to a minimum renewal ceding commission of 5%. The contract also provides for a profit commission. Policies written from mid-2004 through first quarter 2006 are reinsured on a YRT basis. The Company pays reinsurance premiums based on policy features and policyholder categorization (not 100% of policyholder premium), in return ERAC assumes 100% of insurance risk for a specified yearly premium. Excess premiums above YRT premiums are held to fund future reinsurance premiums. Current reserves reinsured are approximately $2.18 billion for the year ended December 31, 2024. This business is administered through a third party, LifeCare.

**General**

All contracts reviewed contained standard insolvency, arbitration, errors and omissions, and termination clauses where applicable. All contracts contained the clauses necessary to assure reinsurance credits could be taken.

## BODY OF REPORT

## GROWTH

The following comparative data reflects the growth of the Company during the period covered by this examination:

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| Bonds | $8,340,362,193 | 8,022,810,968 | 7,350,101,749 |
| Separate accounts assets | 1,370,352,231 | 1,563,408,711 | 1,728,171,217 |
| Admitted assets | 12,041,695,134 | 11,725,167,816 | 11,195,938,122 |
| Aggregate reserves for life contracts | 2,800,288,575 | 2,457,344,772 | 2,160,239,514 |
| Total liabilities | 11,633,890,924 | 11,437,501,360 | 10,963,285,248 |
| Capital and surplus | 407,804,208 | 287,666,457 | 232,652,874 |
| Premium and annuity considerations | 29,330,788 | 16,840,361 | 11,325,128 |
| Net investment income | 377,351,963 | 362,916,321 | 357,027,441 |
| Death benefits | 28,416,496 | 23,751,423 | 19,543,535 |
| Annuity benefits | 108,505,957 | 110,591,612 | 96,311,382 |
| Net income | 61,699,752 | (18,399,246) | 9,897,993 |
| Life insurance in-force (in thousands) | 252,526,574 | 232,444,281 | 214,388,732 |

## FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the State of Nebraska Department of Insurance and present the financial condition of the Company for the period ending December 31, 2024. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statements and should be considered an integral part of the financial statements. A reconciliation of the capital and surplus account for the period under review is also included.

**FINANCIAL STATEMENT**
**December 31, 2024**

| **Assets** | Assets | Assets Not Admitted | Net Admitted Assets |
|---|---|---|---|
| Bonds | $ 7,350,101,749 | | $ 7,350,101,749 |
| Preferred stocks | 231,124,800 | | 231,124,800 |
| Common stocks | 157,027,333 | $ 81,338,232 | 75,689,101 |
| Mortgage loans on real estate-1st liens | 415,754,350 | | 415,754,350 |
| Mortgage loans on real estate-other than 1st liens | 50,659,357 | | 50,659,357 |
| Cash and short term investments | 215,812,875 | | 215,812,875 |
| Contract loans | 31,948,254 | 610,174 | 31,338,080 |
| Other invested assets | 626,633,202 | | 626,633,202 |
| Receivables for securities | 56,947,850 | | 56,947,850 |
| Subtotal, cash and invested assets | $ 9,136,009,771 | $ 81,948,406 | $ 9,054,061,365 |
| Investment income due and accrued | 86,401,184 | 641,250 | 85,759,934 |
| Uncollected premiums | (17,668,807) | 86 | (17,668,893) |
| Deferred premiums | 5,344,856 | | 5,344,856 |
| Amounts recoverable from reinsurers | 9,757,103 | 6,235,080 | 3,522,023 |
| Other amounts receivable under reinsurance | 81,176,949 | | 81,176,949 |
| Current federal income tax | 14,825,890 | | 14,825,890 |
| Net deferred tax asset | 161,105,342 | 128,451,815 | 32,653,527 |
| Guaranty funds receivable or on deposit | 7,376,110 | | 7,376,110 |
| Furniture and equipment, including health care delivery assets | 177,663 | 177,663 | |
| Health care and other receivables | 257,684 | 66,542 | 191,142 |
| Note receivable | 26,787,449 | | 26,787,449 |
| ICOLI – cash surrender value | 143,736,552 | | 143,736,552 |
| Contribution receivable | 30,000,000 | | 30,000,000 |
| From Separate Accounts | 1,728,171,217 | | 1,728,171,217 |
| Totals | $11,413,458,963 | $217,520,841 | $11,195,938,122 |

**Liabilities, Surplus, and Other Funds**

| | |
|---|---|
| Aggregate reserve for life contracts | $ 2,160,239,514 |
| Aggregate reserve for accident and health contracts | 432,658,215 |
| Liability for deposit-type contracts | 1,143,329,689 |
| Contract claims life | 55,353,708 |
| Policyholders' dividends and coupons | 27,367 |
| Premiums and annuity considerations | 390,026 |
| Other amounts payable on reinsurance | 14,607,415 |
| Interest maintenance reserve | 79,166,611 |
| Commissions to agents due or accrued-life and annuity contracts | 439,150 |
| Commissions and expense allowances payable on reinsurance assumed | 165,503 |
| General expenses due or accrued | 922,513 |
| Transfers to Separate Accounts due or accrued | (13,232) |
| Taxes, licenses and fees | (1,194,798) |
| Unearned investment income | 61,107 |
| Amounts withheld or retained by company as agent or trustee | 848,312 |
| Amounts held for agents' accounts | 320,838 |
| Remittances and items not allocated | 7,174,073 |
| Asset valuation reserve | 78,536,796 |
| Funds held under reinsurance | 1,338,677,483 |
| Payable to parent | 7,185,833 |
| Funds held under coinsurance | 2,925,993,013 |
| Payable for securities | 70,241 |
| Capital contribution payable | 67,000,000 |
| Escheat clearing account | 10,617,238 |
| Repurchase agreement payable | 909,124,368 |
| Repurchase agreement interest | 3,413,048 |
| From Separate Accounts | 1,728,171,217 |
| Total liabilities | $10,963,285,248 |
| Common capital stock | $ 2,500,000 |
| Surplus notes | 60,000,000 |
| Gross paid in and contributed surplus | 350,738,647 |
| Unassigned funds (surplus) | (180,585,773) |
| Total capital and surplus | $ 232,652,874 |
| Totals | $11,195,938,122 |

## SUMMARY OF OPERATIONS – 2024

| | |
|---|---|
| Premiums and annuity considerations | $ 11,325,128 |
| Net investments income | 357,027,441 |
| Amortization of interest maintenance reserve | 6,244,465 |
| Commissions and expense allowances | 56,414,256 |
| Reserve adjustments on reinsurance ceded | (78,460,720) |
| Income from fees associated with investment management, administration and contract guarantees from Separate Accounts | (2,604,740) |
| Miscellaneous income | 25,510,335 |
| Total income | $ 375,456,165 |
| Death benefits | $ 19,543,535 |
| Matured endowments | 2,645,640 |
| Annuity benefits | 96,311,382 |
| Surrender benefits and withdrawals for life contracts | 289,139,833 |
| Interest and adjustments on contract or deposit-type contract funds | 40,210,410 |
| Increase in aggregate reserves for life and accident and health contracts | (282,517,287) |
| Total | $ 165,333,513 |
| Commissions on premiums, annuity considerations, and deposit-type contracts | $ 14,638,057 |
| Commissions and expense allowances on reinsurance assumed | 3,434,557 |
| General insurance expenses | 46,389,954 |
| Insurance taxes, licenses and fees | 8,507,967 |
| Increase in loading on deferred and uncollected premiums | 1,418,213 |
| Net transfers from Separate Accounts net of reinsurance | (88,266,385) |
| Risk spread fee | 2,961,275 |
| Interest expense on funds withheld | 161,812,275 |
| Other investment income ceded | 13,466,591 |
| Loading on deferred and uncollected premium | (1,418,213) |
| Ceded reinsurance termination fee | 6,920,000 |
| Total expenses | $ 335,197,804 |
| Net gain from operations before dividends, federal income taxes and net realized capital gains | $ 40,258,361 |
| Dividends to policyholders | 17,086 |
| Net realized capital gains (losses) | (30,343,282) |
| Net income | $ 9,897,993 |

## CAPITAL AND SURPLUS ACCOUNT

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| Capital and surplus, beginning | $436,822,359 | $407,804,208 | $287,666,456 |
| Net income | $ 61,699,752 | $ (18,399,246) | $ 9,897,993 |
| Change in net unrealized capital gains | (132,690,698) | (80,794,402) | (107,608,882) |
| Change in net deferred income tax | 17,521,364 | 35,053,222 | 7,936,924 |
| Change in nonadmitted assets | 14,782,266 | (14,294,758) | 31,811,594 |
| Change in unauthorized reinsurance | (846,632) | (1,064,771) | 1,911,403 |
| Change in asset valuation reserve | 16,922,335 | (7,891,826) | (2,491,349) |
| Change in surplus notes | 60,000,000 | | |
| Dividends to stockholders | (43,000,000) | | |
| Surplus adjustment: | | | |
| Paid in | | | 30,000,000 |
| Aggregate write-ins for gains and losses | (23,406,538) | (32,745,970) | (26,471,265) |
| Net change for the year | $(29,018,151) | $(120,137,752) | $(55,013,582) |
| Capital and surplus, ending | $407,804,208 | $287,666,456 | $232,652,874 |

## EXAMINATION CHANGES IN FINANCIAL STATEMENTS

Unassigned funds (surplus) in the amount of $(180,585,773), as reported in the Company's 2024 Annual Statement, has been reduced to $(207,373,222) as a result of an examination adjustment noted below. Please also see "Commentary on Current Examination Findings" for additional information related to reserves.

| | Per Company | Per Examination | Surplus Increase (Decrease) |
|---|---|---|---|
| **Assets** | | | |
| Note Receivable | $26,787,449 | $0 | $(26,787,449) |
| **Net Increase (Decrease) to Surplus** | | | $(26,787,449) |
| Surplus as regards policyholders, December 31, 2024, per Company | | | 230,152,874 |
| Surplus as regards policyholders, December 31, 2024, per Examination | | | $203,365,425 |

## COMPLIANCE WITH PREVIOUS RECOMMENDATIONS

The recommendations appearing in the previous report of examination are reflected below together with the remedial actions taken by the Company to comply therewith:

**Annual Shareholder Meeting** - It is recommended that the Company hold an Annual Shareholder meeting, and record and retain minutes of this meeting to comply with the requirements of Article 9, Section 1 & 2 of its Articles of Incorporation.

**Actions:** The Company has complied with this recommendation.

**Election of Directors** - It is recommended that the Company annually elect its Directors during the annual meeting of Shareholders, and record and retain minutes of this meeting to comply with the requirements of Article 1, Section 1 of its By-Laws.

**Actions:** The Company has complied with this recommendation.

**Annual Meeting of the Board** - It is recommended that the Company hold its annual meeting of the Board immediately after the adjournment of the annual meeting of the Shareholders, and record and retain minutes of this meeting to comply with the requirements of Article 1, Section 10 of its By-Laws.

**Actions:** The Company has complied with this recommendation.

**Annual Review of the Written Investments Plan** - It is recommended that the Company formally document the annual review of the written plan for making investments and for engaging in investment practices, and record and retain minutes of this review to comply with the requirements of Nebraska Revised Statute § 44-5105(2).

**Actions:** The Company has complied with this recommendation.

**Election of Officers** - It is recommended that the Company's Board of Directors annually elect its Officers, and record and retain minutes to comply with the requirements of Article 8, Section 3 of its Articles of Incorporation.

**Actions:** The Company has not complied with this recommendation. This recommendation will be repeated under the caption "Commentary on Current Examination Findings" in this report.

**Appointment of Independent Members** - It is recommended that the Company's Board of Directors appoint a supermajority of independent members to its Audit Committee to comply with the requirements of Title 210 Nebraska Administration Code § 56-014.08.

**Actions:** The Company has complied with this recommendation.

**<u>Appointment of Committee Members</u>** - It is recommended that the Company's Board of Directors annually appoint the members of the Audit Committee and the Investment and Risk Committee, and record and retain minutes to comply with the requirements of Article 1, Section 8 of its By-Laws.

**Actions:** The Company has complied with this recommendation.

**<u>Approval of External Auditor</u>** - It is recommended that the Company's Audit Committee annually approve its external auditor's appointment, compensation, audit plan and audited financial statements, and record and retain minutes of these approvals to comply with the requirements of Title 210 Nebraska Administration Code § 56-014.01.

**Actions:** The Company has complied with this recommendation.

**<u>Approval of the Internal Audit Plan</u>** - It is recommended that the Company's Audit Committee annually approve the internal audit plan, and record and retain minutes of this approval to comply with the requirements of Title 210 Nebraska Administration Code § 56-014.02.

**Actions:** The Company has complied with this recommendation.

**<u>Form B Filing – Note Purchase Agreement</u>** - The Company's Note Purchase Agreement with LanRe was not included in the Company's 2021 Form B filing, which is a violation of Nebraska Revised Statute § 44-2132(2)(c)(iii).

**Actions:** The Company has complied with this recommendation.

**<u>Form B Filing – Fee Letter Agreement</u>** - The Company's Fee Letter Agreement with Lanis was not included in the Company's 2021 Form B filing, which is a violation of Nebraska Revised Statute § 44-2132(2)(c)(iii).

**Actions:** The Company has complied with this recommendation.

**<u>Form B Filing – Tax Allocation Agreement</u>** - The Company's Tax Allocation Agreement with LanRe was not included in the Company's 2021 Form B filing, which is a violation of Nebraska Revised Statute § 44-2132(2)(c)(viii).

**Actions:** The Company has complied with this recommendation.

**<u>Form B Filing – Services Agreement</u>** - The Company's Service Agreement with LBL HoldCo II, Inc. was not included in the Company's 2021 Form B filing, which is a violation of Nebraska Revised Statute § 44-2132(2)(c)(v).

**Actions:** The Company has complied with this recommendation.

**Asset Adequacy Testing Assumption Deficiencies -** The Company did not provide a reasonable explanation or sufficient supporting documentation for several key assumptions used in their Asset Adequacy Testing.

**Actions:** The Company has not complied with this recommendation. This recommendation will be repeated under the caption "Commentary on Current Examination Findings" in this report.

**Reclassification of Investments -** The Company incorrectly reported certain investments as Residential Mortgage Loans on Schedule B. These investments should have been reported as an Other Invested Asset on Schedule BA.

**Actions:** The Company has complied with this recommendation.

## COMMENTARY ON CURRENT EXAMINATION FINDINGS

### Asset Adequacy Testing Assumption Deficiencies

The Nebraska Department of Insurance engaged actuarial examiners from Lewis & Ellis (L&E) to review the reasonableness of the reserves for policy benefits of the Company as of December 31, 2024. The review was conducted in a manner consistent with the Code of Professional Conduct and Qualification Standards of the American Academy of Actuaries and the Actuarial Standards of Practice (ASOP) adopted by the Actuarial Standards Board and the NAIC Handbook.

The Company did not provide a reasonable explanation or sufficient supporting documentation for several key assumptions used in their Asset Adequacy Testing, which the Company is required to perform to ensure assets supporting the reserves for policy benefits are sufficient in accordance with Statements of Statutory Accounting Principles (SSAP) 51R Life Contracts (51R) and Appendix A-822 Asset Adequacy Analysis Requirements (Appendix A-822). SSAP 51R and A-822 also require policy reserves to be in compliance with applicable ASOPs promulgated by the Actuarial Standards Board. Specifically, L&E identified the following deficiencies:

Mortality Improvement Assumption (ASOP No. 22, Section 3.1.2.2): The Company incorporated 20 years of mortality improvement in its cash flow testing based on the Society of Actuaries (SOA) industry data, rather than its own experience. The Company's own experience does not demonstrate a sustained downward trend in actual to expected mortality ratios consistent with mortality improvement, and the Company acknowledged that the recent experience does not support it. Inclusion of an unsupported mortality assumption does not reflect appropriate margins for adverse deviations and raises concerns that reserves may not be adequate under moderately adverse conditions.

Expense Allocation Practices (ASOP No. 7): The Company reallocated approximately $8.5 million of general administrative expenses from the Company to affiliated entities for cash flow testing purposes. No formal service agreements were provided to support this transfer, and no reallocation was recorded on the financial statements. Removing incurred expenses from the Company's projected cash flows understates its true cost structure and results in overly favorable asset adequacy results.

Mortality Assumptions Understated Relative to Recent Experience (ASOP No. 22, Section 3.1.2.2): A dynamic validation comparing projected mortality in the 2024 cash flow testing to actual experience over the preceding three years indicated that projected death benefits are materially lower than observed experience. As of 3Q 2025 the Company reported actual death benefits of $26.1 million compared to $15.1 million for the same year-to date period in 2024. The persistence of the gap over multiple years suggests that mortality assumptions do not incorporate sufficient margins for adverse deviations as required by ASOP No. 22.

As a result, the examiners were not able to conclude that the Company's reserves for policy benefits represented a reasonable estimate of the Company's ultimate liability as of

December 31, 2024. It is recommended that the Company document a reasonable explanation and maintain sufficient supporting documentation for its key assumptions used in its Asset Adequacy Testing to comply with SSAP 51R, Appendix A-822, and applicable ASOPs.

**Form B filing – Alpine Summit Funding – ABS Holding**

The Company was not in compliance with Neb. Rev. Stat. §44-2132 and Title 210 (Nebraska Department of Insurance Rules and Regulations), Chapter 24 in that the 2024 Form B filing did not include an investment in affiliate entity "Alpine Summit Funding – ABS Holding" with a carrying value of $31 million. It is recommended that the Company ensure all affiliated investments are accurately and consistently disclosed in its Form B filings on a going forward basis, in accordance with Neb. Rev. Stat. §44-2132 and Title 210 (Nebraska Department of Insurance Rules and Regulations), Chapter 24.

## SUBSEQUENT EVENTS

### CAPITAL CONTRIBUTIONS

At December 31, 2025, the Company recorded a capital contribution receivable of $60 million from Kuvare. The Company contributed $18 million to LanRe as a contribution payable at December 31, 2025.

### REINSURANCE AGREEMENT WITH LANRE

Subsequent to the examination date, the Company's indemnity reinsurance agreement with LanRe was retroceded to an external party. On December 31, 2025, LanRe secured a binding Letter of Intent with American Reinsurance Company SPC ("ARC"), pursuant to which the parties executed a Modified Coinsurance agreement retroceding 100% of the Company's risk of certain Universal Life with Secondary Guarantees and Term Life business. The agreement was signed into effect on March 1, 2026. In accordance with A-791, LanRe recorded the impact of the transaction in the 2025 financial statements. Specifically, the related ceded reserve credit along with the related deposit for $2.9 billion has been recognized and disclosed in Schedule S, Part 3, Section 1. In addition, LanRe has provided an allowance of $80 million held on deposit, to be amortized and settled over the next 10 years. The Company continued to hold restricted assets under funds withheld reinsurance agreements at December 31, 2025.

## SUMMARY OF COMMENTS AND RECOMMENDATIONS

The following comments and recommendations have been made as a result of this examination:

> **Election of Officers** - It is recommended that the Company's Board of Directors annually elect its officers, and record and retain minutes to comply with the requirements of Article 8, Section 3 of its Articles of Incorporation.
>
> **Promissory Note** - It is recommended that the note be amended to formally document the parties' actual arrangement. Specifically, the amended agreement should include details regarding what this note is used for and the mechanism by which the note balance fluctuates through the non-cash adjusting entries that are tied to the balances of the certain stocks to cover the shortages in funds withheld account balance.
>
> **Compliance with Investment Services Agreement** - It is recommended that the Company amend the investment services agreement to formalize a 30 bps fixed fee structure, or change its billing practice to separately invoice additional reimbursable expenses as the agreement may allow.
>
> **Asset Adequacy Testing Assumption Deficiencies** - It is recommended that the Company document a reasonable explanation and maintain sufficient supporting documentation for its key assumptions used in its Asset Adequacy Testing to comply with SSAP 51R, Appendix A-822, and applicable ASOPs.
>
> **Form B filing – Disclosures** - It is recommended that the Company ensure all intercompany agreements, and related amounts paid or received are fully, accurately and consistently disclosed in its Form B filings on a going forward basis, in accordance with Neb. Rev. Stat. §44-2132 and Title 210 (Nebraska Department of Insurance Rules and Regulations), Chapter 24.
>
> **Form B filing – Alpine Summit Funding – ABS Holding** - It is recommended that the Company ensure all affiliated investments are accurately and consistently disclosed in its Form B filings on a going forward basis, in accordance with Neb. Rev. Stat. §44-2132 and Title 210 (Nebraska Department of Insurance Rules and Regulations), Chapter 24.

## ACKNOWLEDGMENT

The courteous cooperation extended by the Officers and employees of the Company during this examination is hereby acknowledged.

In addition to the undersigned, Mario Ascic, CFE, Financial Examiner; and Mike Mayberry, FSA, MAAA, Exam Actuary of Lewis & Ellis, LLC, representing the Nebraska Department of Insurance and Financial Examiners, Information Systems Specialists, and Actuarial Examiners with or contracted by the Iowa Department of Insurance; participated in this examination and assisted in the preparation of this report.

Respectfully submitted,

Katerina Bolbas, CFE
Examiner-in Charge
Lewis & Ellis, LLC
Representing the Department of Insurance
State of Nebraska

Skyler Lawyer, CFE
Assistant Chief Examiner - Field
Department of Insurance
State of Nebraska

State of Nebraska,

County of Lancaster,

Katerina Bolbas, being duly sworn, states as follows:

1. I have authority to represent the Department of Insurance of the State of Nebraska in the examinations of Lincoln Benefit Life Company and Lancaster Re Captive Insurance Company .

2. The Department of Insurance of the State of Nebraska is accredited under the National Association of Insurance Commissioners Financial Regulation Standards and Accreditation.

3. I have reviewed the examination work papers and examination report, and the examinations of Lincoln Benefit Life Company and Lancaster Re Captive Insurance Company were performed in a manner consistent with the standards and procedures required by the Department of Insurance of the State of Nebraska.

The affiant says nothing further.

Examiner-in-Charge's Signature

Subscribed and sworn before me by KATERINA BOLBAS on this 24th day of JUNE, 2026.

(SEAL) General Notary - State of Nebraska
DEREK PETERSEN
My Comm. Exp. July 1, 2026.

Notary Public

My commission expires July 1, 2026 [date].