

## Income Statement

Income Statement	Consolidated			TLA			TL		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Fees	601	541	487	416	372	334	185	168	154
Net Investment Income	564	527	534	217	208	214	348	320	319
<b>Total Revenue</b>	<b>1,165</b>	<b>1,068</b>	<b>1,021</b>	<b>633</b>	<b>580</b>	<b>548</b>	<b>532</b>	<b>488</b>	<b>473</b>
Benefits and Change in Reserves, Net	(539)	(511)	(489)	(245)	(233)	(219)	(294)	(277)	(270)
Realized Hedging Gain / (Loss)	(209)	(187)	(166)	(139)	(127)	(111)	(70)	(60)	(55)
Expenses	(285)	(262)	(248)	(189)	(175)	(164)	(96)	(87)	(84)
<b>Total Expense</b>	<b>(1,034)</b>	<b>(960)</b>	<b>(903)</b>	<b>(573)</b>	<b>(535)</b>	<b>(494)</b>	<b>(460)</b>	<b>(424)</b>	<b>(409)</b>
<b>Pre-tax Profit</b>	<b>131</b>	<b>108</b>	<b>118</b>	<b>59</b>	<b>45</b>	<b>54</b>	<b>72</b>	<b>64</b>	<b>64</b>
Tax <sup>(1)</sup>	(32)	(23)	(18)	(13)	(10)	(6)	(19)	(13)	(12)
<b>Net Income</b>	<b>99</b>	<b>85</b>	<b>99</b>	<b>46</b>	<b>35</b>	<b>48</b>	<b>53</b>	<b>50</b>	<b>52</b>
<b>Dividends</b>	<b>(500)</b>	<b>(271)<sup>(2)</sup></b>	<b>(249)</b>	-	-	-	<b>(500)</b>	<b>(271)</b>	<b>(249)</b>

1. Tax calculation does not account for NOL.

2. Consistent with Section 38a-136(i)(2) of the Connecticut General Statutes, any dividends in the first two years after the closing will be subject to specific regulatory approval.

## Balance Sheet

Balance Sheet	Consolidated				TLA				TL			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Invested Assets	14,959	14,058	13,482	12,950	5,885	5,756	5,623	5,505	9,074	8,302	7,859	7,445
Admitted Deferred Tax Assets	193	134	118	106	81	41	41	40	112	93	78	66
Total Assets without Separate Accounts	<b>15,152</b>	<b>14,192</b>	<b>13,601</b>	<b>13,056</b>	<b>5,966</b>	<b>5,797</b>	<b>5,664</b>	<b>5,544</b>	<b>9,186</b>	<b>8,395</b>	<b>7,937</b>	<b>7,512</b>
Separate Account Assets	97,166	94,076	91,342	88,932	26,015	23,656	21,545	19,651	71,151	70,420	69,797	69,281
<b>Total Assets</b>	<b>112,318</b>	<b>108,268</b>	<b>104,943</b>	<b>101,988</b>	<b>31,982</b>	<b>29,452</b>	<b>27,209</b>	<b>25,195</b>	<b>80,336</b>	<b>78,816</b>	<b>77,734</b>	<b>76,793</b>
General Account Reserves	11,455	11,004	10,634	10,275	5,082	4,922	4,758	4,598	6,373	6,082	5,876	5,677
AVR / IMR	497	482	472	459	220	216	213	207	277	266	259	252
<b>Total Liabilities without Separate Accounts</b>	<b>11,952</b>	<b>11,487</b>	<b>11,106</b>	<b>10,734</b>	<b>5,302</b>	<b>5,138</b>	<b>4,971</b>	<b>4,805</b>	<b>6,650</b>	<b>6,349</b>	<b>6,135</b>	<b>5,929</b>
Separate Account Liabilities	97,166	94,076	91,342	88,932	26,015	23,656	21,545	19,651	71,151	70,420	69,797	69,281
<b>Total Liabilities</b>	<b>109,118</b>	<b>105,562</b>	<b>102,448</b>	<b>99,666</b>	<b>31,317</b>	<b>28,793</b>	<b>26,516</b>	<b>24,456</b>	<b>77,801</b>	<b>76,769</b>	<b>75,932</b>	<b>75,210</b>
Capital and Surplus	3,200	2,706	2,495	2,322	665	659	693	739	2,535	2,047	1,802	1,582
<b>Capital and Surplus and Liabilities</b>	<b>112,318</b>	<b>108,268</b>	<b>104,943</b>	<b>101,988</b>	<b>31,982</b>	<b>29,452</b>	<b>27,209</b>	<b>25,195</b>	<b>80,336</b>	<b>78,816</b>	<b>77,734</b>	<b>76,793</b>
AVR	27	26	26	25	8	8	8	8	18	18	17	17
<b>Adjusted Capital and Surplus</b>	<b>3,227</b>	<b>2,731</b>	<b>2,520</b>	<b>2,347</b>	<b>673</b>	<b>667</b>	<b>701</b>	<b>747</b>	<b>2,554</b>	<b>2,064</b>	<b>1,819</b>	<b>1,599</b>
Risk-based Capital Charge	452	455	458	455	224	233	235	236				
<b>RBC</b>	<b>714%</b>	<b>600%</b>	<b>551%</b>	<b>515%</b>	<b>301%</b>	<b>286%</b>	<b>298%</b>	<b>317%</b>				

**Income Statement**

\$ in Thousands

	AML			TILRE		
	2021	2022	2023	2021	2022	2023
<b>PROJECTIONS</b>						
Fees	104	99	94	-	-	-
Net Investment Income	635	521	372	207	210	211
<b>Total Revenue</b>	<b>739</b>	<b>620</b>	<b>466</b>	<b>207</b>	<b>210</b>	<b>211</b>
Benefits and Changes in Reserves, Net	(133)	(127)	(120)	-	-	-
Expenses	(75)	(75)	(75)	(25)	(25)	(25)
<b>Total Expense</b>	<b>(208)</b>	<b>(202)</b>	<b>(195)</b>	<b>(25)</b>	<b>(25)</b>	<b>(25)</b>
<b>Pre-tax Profit</b>	<b>531</b>	<b>418</b>	<b>271</b>	<b>182</b>	<b>185</b>	<b>186</b>
Tax	(111)	(88)	(57)	(38)	(39)	(39)
<b>Net Income</b>	<b>419</b>	<b>330</b>	<b>214</b>	<b>144</b>	<b>146</b>	<b>147</b>

**Balance Sheet**

\$ in Thousands

	AML				TILRE			
	2020	2021	2022	2023	2020	2021	2022	2023
<b>PROJECTIONS</b>								
Invested Assets	50,888	51,278	51,580	51,767	12,220	12,364	12,510	12,656
Admitted Deferred Tax Assets	50	48	45	43	-	-	-	-
<b>Total Assets without Separate Accounts</b>	<b>50,938</b>	<b>51,325</b>	<b>51,625</b>	<b>51,810</b>	<b>12,220</b>	<b>12,364</b>	<b>12,510</b>	<b>12,656</b>
Separate Account Assets	13,600	12,240	11,016	9,914	-	-	-	-
<b>Total Assets</b>	<b>64,538</b>	<b>63,565</b>	<b>62,641</b>	<b>61,724</b>	<b>12,220</b>	<b>12,364</b>	<b>12,510</b>	<b>12,656</b>
General Account Reserves	600	570	542	514	-	-	-	-
AVR/IMR	-	-	-	-	-	-	-	-
<b>Total Liability without Separate Accounts</b>	<b>600</b>	<b>570</b>	<b>542</b>	<b>514</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Separate Account Liabilities	13,600	12,240	11,016	9,914	-	-	-	-
<b>Total Liabilities</b>	<b>14,200</b>	<b>12,810</b>	<b>11,558</b>	<b>10,429</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Capital and Surplus	50,338	50,755	51,083	51,295	12,220	12,364	12,510	12,656
<b>Capital and Surplus and Liabilities</b>	<b>64,538</b>	<b>63,565</b>	<b>62,641</b>	<b>61,724</b>	<b>12,220</b>	<b>12,364</b>	<b>12,510</b>	<b>12,656</b>
AVR	-	-	-	-	-	-	-	-
<b>Adjusted Capital and Surplus</b>	<b>50,338</b>	<b>50,755</b>	<b>51,083</b>	<b>51,295</b>	<b>12,220</b>	<b>12,364</b>	<b>12,510</b>	<b>12,656</b>
Risk-Based Capital Charge	200	200	200	200	90	90	90	90
<b>RBC</b>	<b>25169%</b>	<b>25378%</b>	<b>25542%</b>	<b>25648%</b>	<b>13578%</b>	<b>13738%</b>	<b>13900%</b>	<b>14063%</b>

# TL - Financial Projection Assumptions<sup>1</sup>

- **Financial projections reflect the following key transaction assumptions**
  - ✦ \$500M dividend at closing paid to the existing owners
  - ✦ Continuation of existing in-place hedging program

The Applicants expect that the Domestic Insurer's capital will be deployed into one or more reinsurance treaties or acquisitions following the completion of the Proposed Transaction. However, due to inherent uncertainties with projecting specific details concerning such potential transactions, these financial projections do not reflect the impact of any such potential transactions.

- **Capital management**
  - ✦ Assumes that the Domestic Insurer will pay dividends each year, in an amount equal to the greater of (i) 10% of its surplus as of December 31 last preceding, or (ii) its net gain from operations for the 12-month period ending on the December 31 last preceding.
  - ✦ Assumes that any dividends in the first two years will be subject to specific regulatory approval by the Connecticut Insurance Department
- **Capital Markets**
  - ✦ 4% SPX / Separate Account equity growth per annum
  - ✦ Interest rates follow forward curve as of August 31, 2020

---

<sup>1</sup> Projection as of August 31, 2020

These financial projections do not reflect the impact of the actions described in Annex A to the Plan of Operations.

## TLA - Financial Projection Assumptions<sup>2</sup>

- **Financial projections reflect the following key transaction assumptions**
  - ✦ Continuation of existing in-place hedging program

The Applicants expect that the Domestic Insurer's capital may be deployed into one or more reinsurance treaties or acquisitions following the completion of the Proposed Transaction. However, due to inherent uncertainties with projecting specific details concerning such potential transactions, these financial projections do not reflect the impact of any such potential transactions.

- **Capital Markets**
  - ✦ 4% SPX / Separate Account equity growth per annum
  - ✦ Interest rates follow forward curve as of August 31, 2020

These financial projections do not reflect the impact of the actions described in Annex A to the Plan of Operations.

---

<sup>2</sup> Projection as of August 31, 2020

## AML - Financial Projection Assumptions<sup>3</sup>

- Financial projections reflect the following key transaction assumptions
  
- Capital Markets
  - ✦ 4% SPX / Separate Account equity growth per annum
  - ✦ Interest rates follow forward curve as of August 31, 2020

These financial projections do not reflect the impact of the actions described in Annex A to the Plan of Operations.

---

<sup>3</sup> Projection as of August 31, 2020

## TILRE - Financial Projection Assumptions<sup>4</sup>

- Financial projections reflect the following key transaction assumptions
  
- Capital Markets
  - ✦ Interest rates follow forward curve as of August 31, 2020

These financial projections do not reflect the impact of the actions described in Annex A to the Plan of Operations.

---

<sup>4</sup> Projection as of August 31, 2020