



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION
DIVISION OF INSURANCE

REPORT OF EXAMINATION OF
THE SAVINGS BANK MUTUAL LIFE INSURANCE COMPANY OF
MASSACHUSETTS

Woburn, Massachusetts

As of December 31, 2023

NAIC GROUP CODE 4553

NAIC COMPANY CODE 70435

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**THE SAVINGS BANK MUTAL LIFE INSURANCE COMPANY OF
MASSACHUSETTS**

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COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

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MAURA T. HEALEY
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LIEUTENANT GOVERNOR

MICHAEL T. CALJOUW
COMMISSIONER OF INSURANCE

May 30, 2025

The Honorable Michael T. Caljouw
Commissioner of Insurance
Commonwealth of Massachusetts
Division of Insurance
One Federal Street Suite 700
Boston, MA 02110

Honorable Commissioner:

Pursuant to your instructions and in accordance with Massachusetts General Laws, Chapter 175, Section 4, an examination has been made of the financial condition and affairs of

**THE SAVINGS BANK MUTUAL LIFE INSURANCE COMPANY OF
MASSACHUSETTS**

whose home office is located at One Linscott Road, Woburn, Massachusetts, 01801. The following report thereon is respectfully submitted.

SCOPE OF EXAMINATION

The Savings Bank Mutual Life Insurance Company of Massachusetts, (“SBLI” or “Company”) was last examined as of December 31, 2018 by the Massachusetts Division of Insurance (“Division”). The current examination was also conducted by the Division and covers the five-year period from January 1, 2019 through December 31, 2023, including any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination. The Vermont Department of Financial Regulation participated in the examination.

The current examination was conducted in accordance with standards and procedures established by the National Association of Insurance Commissioners (“NAIC”) Financial Condition (E) Committee and prescribed by the current NAIC *Financial Condition Examiners Handbook*, the examination standards of the Division and with Massachusetts General Laws. The Handbook requires that we plan and perform the examination to evaluate the financial condition and identify current and prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company’s financial statements.

This examination report includes significant findings of fact, as mentioned in the Massachusetts General Laws, Chapter 175, Section 4, and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

The Company is audited annually by PricewaterhouseCoopers LLP, an independent certified public accounting firm. The firm expressed unqualified opinions on the Company’s financial statements for the calendar years 2019 through 2023. A review and use of the Certified Public Accountants’ work papers were made to the extent deemed appropriate and effective.

Representatives from the firm of Risk & Regulatory Consulting, LLC (“RRC”) were retained by the Division to assist in the examination by performing certain examination procedures at the direction and under the overall management of the Division's examination staff. The assistance included a review of accounting records, information systems and information technology general controls (“ITGC’s”), and to evaluate the adequacy of the Company’s statutory reserves as of December 31, 2023.

SUMMARY OF SIGNIFICANT FINDINGS

There were no significant findings noted during the previous examination and for the current examination period.

COMPANY HISTORY

General

The Company was organized and incorporated on March 31, 1991, and commenced business on January 1, 1992, under the laws of the Commonwealth of Massachusetts as a stock company titled “The Savings Bank Life Insurance Company of Massachusetts”. The Company was created by Chapter 499 of the Acts of 1990 to convert the 53 life insurance departments of savings and insurance banks into a single domestic stock life insurance company subject to the provisions of Massachusetts General Law (“M.G.L.”) Chapter 175 in all respects, except as specifically provided in Chapter 178A. In satisfaction of statute, the Company assumed all policies and contracts of the 53 life insurance departments of savings and insurance banks in effect on the date of conversion.

In accordance with Chapter 178A, two classes of stock were issued and authorized, 49 shares of Class A (voting) and 450,069 shares of Class B (non-voting), to eligible banks as of the close of business on December 31, 1991. Shares of Class B stock were allocated to the banks based on the amount of surplus of the individual life insurance departments in relation to the total surplus of all such departments at the date of conversion. Banks eligible to hold shares in the Company may not hold more than one share of Class A stock. There was a restriction on a bank’s disposal of the Company’s capital stock, which must be offered for purchase to the Company before being disposed of.

At the close of business on December 31, 1991, the collective surplus of the 53 life insurance departments of savings and insurance banks was determined to be \$98.7 million. Chapter 178A required the Company to distribute to individual policyholders with policies in effect at the date of conversion an amount equal to the surplus it assumed on the effective date of conversion from the Savings Bank Life Insurance System. The distribution of the initial surplus was to be paid as additional annual dividends to eligible policyholders over a period of not less than eight nor more than twelve years with an additional payment of interest in the thirteenth year in accordance with the schedule in the Plan of Assumption prepared by the Company and filed with the Commissioner of Insurance. In accordance with the Plan of Assumption, the legislated method of the additional dividend distribution was intended to provide about 60% of the previously accumulated surplus to policyholders and about 40% of the previously accumulated surplus to shareholders. The distribution of additional annual dividends and interest was completed in 2005.

In 2007, the Company established a wholly-owned subsidiary, SBLI Re, Inc. (“SBLI Re”). SBLI Re was domiciled in the state of Arizona and held a certificate of authority as a special purpose financial captive insurer. The Company purchased 250,000 shares of SBLI Re common stock at \$1.00 per share par value and contributed \$40.75 million of additional paid-in capital. SBLI Re was incorporated in August 2007 and commenced business December 28, 2007. SBLI Re was

reorganized in February 2010 to become SBLI Re, LLC an Arizona limited liability company. During 2015, SBLI Re redomesticated to the state of Vermont.

Effective November 2010, SBLI adopted Restated Articles of Organization pursuant under M.G.L. Chapter 155, Section 50B. This allowed the Company to issue policies with sex-distinct premium rates as opposed to the same premium rates for both men and women (“unisex rates”) which was required under M.G.L. Chapter 178A giving the Company a competitive disadvantage. The Company began issuing policies with sex-distinct rates as of December 1, 2010.

In 2011, the Company established a wholly-owned subsidiary, SBLI VT Re, LLC (“SBLI VT Re”). SBLI VT Re is domiciled in Vermont and defined as a special purpose financial insurer. The Company contributed paid-in capital of \$154.5 million for both 2017 and 2018.

Effective July 26, 2017, SBLI successfully completed its conversion from a privately held stock insurance company owned by 30 shareholder banks to a mutual company owned by its policyholders. The Company changed its name to The Savings Bank Mutual Life Insurance Company of Massachusetts. The conversion was facilitated by the issuance of \$57.3 million in surplus notes by SBLI, the proceeds of which were used to pay the shareholder banks \$57.3 million for all of their outstanding shares of SBLI stock.

MANAGEMENT AND CONTROL

Annual Meeting

In accordance with the bylaws, the Annual Meeting of the members of the Company is held on the first Friday of June or at such other date as shall be determined by the Board of Directors. The members present, in person or by proxy, at meetings of the Company shall constitute a quorum.

Board of Directors

The bylaws provide that the business and affairs of the Company shall be managed by the Board of Directors except as otherwise provided by Statute. The Board of Directors shall consist of not fewer than seven or more than fifteen directors. All directors shall be elected by the members of the Company at the annual meeting and the directors shall be divided into three classes, with each class to consist of approximately one-third of the number of directors. The term of one class of directors shall expire each year.

The bylaws do not specify the number of meetings to be held during the year. The minutes of the Board of Directors meetings indicated that meetings were held at a minimum of seven times per year during the examination period. At any meeting of the Board of Directors, a majority of the directors then in office shall constitute a quorum, provided that a majority of the directors constituting said quorum are independent directors. The minutes indicated that a quorum was obtained at all meetings of the Board of Directors held during the examination period.

Directors duly elected and serving at December 31, 2023, with business affiliations, follow:

The Savings Bank Mutual Life Insurance Company of Massachusetts

<u>Director</u>	<u>Business Affiliation</u>
Greta R. Cusworth, Chairperson of Board	Retired
Julianne M. Bowler	Vice President of Regulatory Affairs Atlantic Charter Insurance Company
Ronald S. Chandler	Head of Customer Engagement, US Education Apple Corporation
Martin F. Connors, Jr.	President and Chief Executive Officer Rollstone Bank & Trust
William J. McCool, Jr.	Retired
James A. Morgan	President and Chief Executive Officer SBLI
Peter J. Segerstrom	Retired
Ronald L. Stopher	Client Solutions Consultant Hannover Life Reassurance Company of America
Alberto Vilar, Jr.	Chief Executive Officer Apoyo Seguro & Tu Sueno Hispano Managing Member JAG Consulting and Solutions

Committees of the Board

The Board of Directors may elect from its own members committees and confer upon them such powers as it may determine and as not inconsistent with law or the bylaws. At December 31, 2023, SBLI had five committees of the Board of Directors with the following members:

<u>Audit/ERM Committee</u>	<u>Investment Committee</u>
Julianne M. Bowler – Chairman	Peter J. Segerstrom – Chairman
Ronald S. Chandler	Ronald S. Chandler
Ronald L. Stopher	Martin F. Connors, Jr.
Alberto Vilar, Jr.	William J. McCool, Jr.
	Ronald L. Stopher
<u>Governance and Nominating Committee</u>	<u>Human Resources Committee</u>
Greta R. Cusworth – Chairman	Greta R. Cusworth – Chairman
Julianne M. Bowler	Julianne M. Bowler
Martin F. Connors, Jr.	Martin F. Connors, Jr.
William J. McCool, Jr.	Peter J. Segerstrom

Innovation and Technology
Committee

Ronald S. Chandler – Chairman
Greta S. Cusworth
William J. McCool, Jr.
Alberto Vilar, Jr.

Officers

The bylaws of the Company provide that the officers of the Company shall be a chairman of the board, a president, a treasurer, a secretary, and such other officers, as the Board of Directors may determine. Pursuant to the bylaws, the Board of Directors elects the officers of the Company at its first meeting after each annual meeting of the Company. Vacancies among the officers may be filled and new offices created and filled by the Board of Directors.

The elected officers and their respective titles at December 31, 2023, follow:

<u>Name</u>	<u>Title</u>
Greta R. Cusworth	Chairperson of the Board
Martin F. Connors, Jr.	Vice Chairman of the Board
James A. Morgan	President and Chief Executive Officer
John E. Brabazon	Senior Vice President, Chief Financial Officer and Treasurer
Matthew C. Regan, III	Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary
Anthony D. Green	Senior Vice President, Chief Actuary
Rosemarie G. Conneely	Senior Vice President, Chief Operating Officer
Jennifer H. Muldoon	Senior Vice President, Human Resources
Michael J. DiNunzio	Senior Vice President, Chief Investment Officer

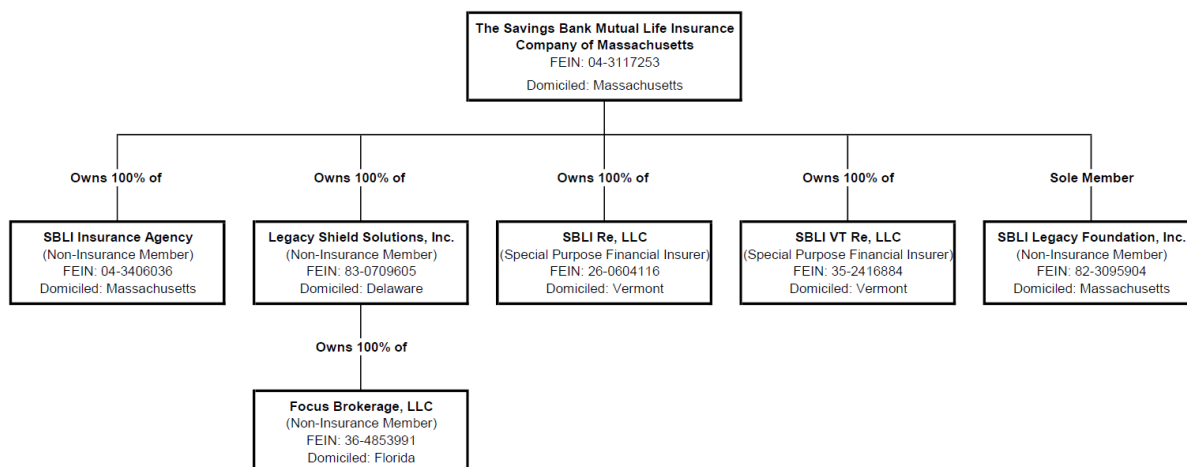
Holding Company

Per Form B, as filed with the Massachusetts Division of Insurance, the Company is a member of a holding company system and is subject to the registration requirements of M.G.L. Chapter 175, Section 206C and regulation 211 CMR 7.00. The Company is the “ultimate controlling person” for six entities.

The Savings Bank Mutual Life Insurance Company of Massachusetts

Organization Chart

At December 31, 2023, the following Companies were part of the following organizational structure:



Transactions and Agreements with Subsidiaries and Affiliates

In 2018, the Company formed its charitable foundation, currently named the SBLI Legacy Foundation, Inc. (“Foundation”). The Board of Directors approve an annual contribution to the Foundation who then distribute donations to charitable organizations.

SBLI Insurance Agency, Inc., the Company’s wholly owned insurance agency, has a Massachusetts producer license and is an appointed agency for Plymouth Rock Assurance Corporation and the five affiliated Bunker Hill insurance companies to produce discounted affinity group private passenger automobile and homeowners insurance for these insurers, pursuant to a joint marketing agreement.

The Company has Service Agreements with SBLI Re, LLC and SBLI VT Re, LLC which provide that the Company provide various services to their subsidiaries including financial reporting, claims management, and actuarial services.

The Company and its subsidiaries SBLI Re, LLC and SBLI VT Re, LLC have entered into separate tax sharing agreements which allocate consolidated income tax expense to SBLI Re, LLC and SBLI VT Re, LLC as if SBLI Re, LLC and SBLI VT Re, LLC had filed separate federal income tax returns. In addition, these agreements allocate to the Company the tax benefits of SBLI Re, LLC and SBLI VT Re, LLC’s current net operating losses used in the consolidated federal income tax return. The Company is obligated to repay such tax benefit to the extent SBLI Re, LLC and SBLI VT Re, LLC are able to recognize such net operating loss carryover deduction on a stand-alone basis.

In 2021, the Company purchased Legacy Shield Solutions, Inc. (Legacy Shield) and its subsidiary brokerage (Focus Brokerage, LLC). The Company had previously invested in Legacy Shield.

TERRITORY AND PLAN OF OPERATION

As of December 31, 2023, the Company was licensed to write business in forty-nine states and the District of Columbia, New York is the only state the Company is not licensed in. The Company offers a variety of ordinary life insurance and annuity products with the principal product being its guaranteed level-term life insurance product. The Company's products are offered through in-house (captive) sales agents, and a network of independent agents and brokers.

Treatment of Policyholders – Market Conduct

During the course of the examination, a general review was made of the manner in which the Company conducts its business practices and fulfills its contractual obligations to policyholders and claimants. This review was limited in nature and was substantially narrower than a full scope market conduct examination.

Dividends to Policyholders

The Company annually determines the amount of divisible surplus available as dividends to eligible policyholders. Surplus, in excess of what the Company's Board of Directors determines to be necessary to meet its future policy and operating obligations, is distributed annually in the form of dividends on the Company's participating policies, subject to statutory mandates. Policyholder dividends for the examination period were as follows:

<u>Year</u>	<u>Dividends to Policyholders</u>
2023	\$ 18,156,846
2022	19,158,878
2021	18,361,269
2020	19,163,243
2019	34,218,434

REINSURANCE

Ceded Reinsurance

The Company has several ceded reinsurance treaties in effect mainly covering risks on individual term life insurance. On ordinary life policies, the Company retains a maximum coverage per individual life of \$500,000. Reinsurance is provided on coinsurance and yearly renewable term bases.

In 2014, to mitigate the impact of Regulation XXX reserve requirements, SBLI completed a life insurance securitization with SBLI VT Re, LLC. SBLI ceded all level term business issued from January 1, 2001 to December 31, 2004 and issued from September 1, 2007 to December 31, 2014. SBLI VT Re, LLC issued a surplus note to NNLI VT Holdings, LLC which purchased the surplus note in exchange for a rated NAIC bond.

During 2015, the Company completed a reinsurance transaction that ceded all of the level term policies issued from January 1, 2015 to December 31, 2017 to SBLI Re. This agreement was subsequently extended to include policies through December 31, 2019. SBLI Re issued a surplus note to NNLI RNB2 Holdings, LLC which purchased the surplus note in exchange for a rated NAIC bond.

The Company also has catastrophic reinsurance with Zurich American Insurance Company, Nexus Re U.S. Fire, and Nexus Re Endurance Worldwide. If SBLI incurs a multiple life loss (more than two lives) due to a single incident, then the reinsurer will reimburse losses in excess of \$1,000,000, to a maximum claim limit of \$20,000,000.

Effective January 1, 2022, the Company reinsured an in-force block of permanent whole life policies issued before 2000 with Munich Re. The Company reinsures 90% of the block with 9%-11% coinsurance and 79%-81% YRT combined with a funds withheld and experience refund.

All treaties are with authorized reinsurers.

Assumed Reinsurance

The Company does not assume any risk beyond its own insurance policies.

FINANCIAL STATEMENTS

The following financial exhibits are based on the statutory financial statements prepared by management and filed by the Company with the Division and present the financial condition of the Company for the period ending December 31, 2023. The financial statements are the responsibility of Company management. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements.

Statement of Assets, Liabilities, Surplus and Other Funds as of December 31, 2023

Summary of Operations for the year ended December 31, 2023

Reconciliation of Capital and Surplus for the Five-Year Period ended December 31, 2023

The Savings Bank Mutual Life Insurance Company of Massachusetts
Statement of Assets, Liabilities, Surplus and Other Funds
As of December 31, 2023

	Per Annual Statement
Assets	
Bonds	\$ 3,020,628,805
Preferred stocks	19,611,125
Common stocks	12,330,175
Real estate occupied by the company	10,406,078
Cash and short-term investments	1,335,331
Contract Loans	60,943,823
Other invested assets	188,725,086
Receivables for securities	1,539,910
Subtotals, cash and invested assets	3,315,520,333
Investment income due and accrued	42,086,982
Premiums and considerations:	
Uncollected premiums and agents' balances in the course of collection	10,514,734
Deferred premiums, agents' balances and installments booked but deferred and not yet due	103,169,127
Amounts recoverable from reinsurers	25,464,791
Other amounts receivable under reinsurance contracts	3,029,055
Current federal and foreign income tax recoverable and interest thereon	654,947
Net deferred tax asset	17,022,074
Aggregate write-ins for other than invested assets	7,674,467
Total Assets	<u>\$ 3,525,136,510</u>

The Savings Bank Mutual Life Insurance Company of Massachusetts
Statement of Assets, Liabilities, Surplus and Other Funds (Continued)
As of December 31, 2023

	Per Annual Statement
Liabilities	
Aggregate reserve for life contracts	\$ 2,051,522,508
Liability for deposit-type contracts	322,912,769
Life (contract claims)	22,640,883
Policyholders' dividends and refunds to members due and unpaid	185,199
Policyholders' dividends and refunds to members apportioned for payment	3,900
Policyholders' dividends and refund to members not yet apportioned	18,673,003
Premiums and annuity considerations for life and accident and health contracts received in advance	60,672
Other amounts payable on reinsurance	12,015,644
Interest maintenance reserve	3,814,751
Commissions to agents due or accrued-life and annuity contracts	65,164
General expenses due or accrued	5,590,906
Taxes, licenses and fees due or accrued	4,404,248
Unearned investment income	1,517,392
Amounts withheld or retained by company as agent or trustee	7,525,909
Remittances and items not allocated	8,540,442
Liability for benefits for employees and agents	3,268,310
Asset valuation reserve	27,510,996
Payable to parent, subsidiaries and affiliates	18,157,251
Funds held under coinsurance	796,822,702
Payable for securities	332,107
Aggregate write-ins for liabilities	17,305
Total Liabilities	<u>3,305,582,061</u>
Surplus notes	57,320,000
Unassigned funds (surplus)	<u>162,234,449</u>
Total Surplus	<u>219,554,449</u>
Total Liabilities and Surplus	<u>\$ 3,525,136,510</u>

The Savings Bank Mutual Life Insurance Company of Massachusetts
Summary of Operations
For the Year Ended December 31, 2023

	Per Annual Statement
Premiums and annuity considerations for	
life and accident and health contracts	\$ 195,809,547
Considerations for supplementary contracts with life contingencies	1,054,202
Net Investment Income	114,593,449
Amortization of Interest Maintenance Reserve	(1,144,400)
Commissions and expense allowance on reinsurance ceded	36,370,089
Aggregate write-ins for miscellaneous income	1,872,522
Totals	348,555,409
Death benefits	76,637,302
Matured endowments	93,167
Annuity benefits	16,538,653
Disability benefits and benefits under accident and health contracts	557,398
Surrender benefits and withdrawals for life contracts	101,179,198
Interest and adjustments on contract or deposit-type contracts	14,717,771
Payments on supplementary contracts with life contingencies	1,540,921
Increase in aggregate reserves for life and accident and health contracts	(35,496,892)
Totals	175,767,518
Commissions on premiums, annuity considerations and deposit-type contracts (direct business only)	36,803,423
General insurance expenses	66,610,926
Insurance taxes, licenses and fees, excluding federal income taxes	12,568,013
Increase in loading on deferred and uncollected premiums	4,648,168
Aggregate write-ins for deductions	2,114,339
Totals	298,512,387
Net gain from operations before dividends to policyholders and federal income taxes	50,043,022
Dividends to policyholders	18,156,846
Net gain from operations after dividends to policyholders and before federal income taxes	31,886,176
Federal and foreign income taxes incurred	0
Net gain from operations after dividends to policyholders and federal income taxes	31,886,176
Net realized capital gains less capital gains tax (\$0)	(3,144,908)
Net Income	\$ 28,741,268

The Savings Bank Mutual Life Insurance Company of Massachusetts
Reconciliation of Capital and Surplus
For the Five Year Period Ended December 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Capital and surplus, December 31, prior year	\$ 214,741,307	\$ 206,587,837	\$ 187,024,640	\$ 193,902,092	\$ 201,799,168
Net income / (loss)	28,741,268	(2,528,588)	33,717,002	38,555,161	24,295,173
Change in net unrealized capital gains or (losses)	(1,852,525)	(9,486,482)	5,857,656	(10,258,948)	(8,503,447)
Change in net deferred income tax	18,198,596	201,561	6,301,548	902,605	6,945,703
Change in nonadmitted assets	(22,282,424)	(6,939,353)	(4,416,524)	(7,198,713)	(7,409,421)
Change asset valuation reserve	(175,638)	4,456,719	(1,404,370)	(3,453,012)	(4,723,885)
Aggregate write-ins for gains and (losses) in surplus	<u>(17,816,135)</u>	<u>22,449,614</u>	<u>(20,492,115)</u>	<u>(25,424,547)</u>	<u>(18,501,199)</u>
Net change in capital and surplus for the year	<u>4,813,142</u>	<u>8,153,471</u>	<u>19,563,197</u>	<u>(6,877,453)</u>	<u>(7,897,076)</u>
Capital and surplus, December 31, current year	<u><u>\$ 219,554,449</u></u>	<u><u>\$ 214,741,307</u></u>	<u><u>\$ 206,587,837</u></u>	<u><u>\$ 187,024,640</u></u>	<u><u>\$ 193,902,092</u></u>

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE EXAMINATION

There have been no changes made to the financial statements as a result of the examination.

COMMENTS ON FINANCIAL STATEMENT ITEMS

Note 1: Actuarial Items, Reserves and Liabilities:

The consulting actuaries from RRC reviewed the Company's policy reserves for all life and annuity policies. This included review of the reserve recalculations performed by the Company's independent auditors, PricewaterhouseCoopers LLP. RRC found the Company to be in compliance with Massachusetts' regulations with respect to methodology and valuation assumptions. This finding was supported by RRC's review of methodologies and assumptions as well as through the recalculation of reserves for sample policies.

The traditional life portfolio represents both participating and non-participating life policies that were issued over the last eighty years and spans multiple CSO mortality tables, valuation interest rates and valuation methods. The term life insurance reserves include primarily level term coverage. As required by statute, the Company applies XXX reserve methodology to issues after 2001 and Principles-Based Reserves (PBR) to issues after 2019. In addition to reserve recalculations, PricewaterhouseCoopers LLP performed independent calculations of the Company's reserves and discussed with Company actuaries how the reserve system is maintained. Based on these procedures, RRC concludes that the reserves meet statutory minimums.

The deferred annuity block is comprised of contracts with cash settlement options with future interest rate guarantees that range up to 5%. All contracts are funded through the general account and feature limited surrender charge periods. The currently marketed product has varying interest rate guarantee periods and includes a market value adjustment. Based on its review of a sample of reserve recalculations, RRC concludes that the reserves meet statutory minimums.

Based on its review of the Asset Adequacy Analysis performed by the Company, RRC concludes that the assumptions used, methods employed, and results produced therefrom are reasonable, comply with statutory requirements, and support the Company's conclusion that the reserves and related actuarial items, when considered in light of the assets held, make adequate provision for the anticipated cash flows required by the contractual obligations and related expenses of the Company.

SUBSEQUENT EVENTS

Subsequent to the examination date, SBLI received a \$40 million dividend from SBLI VT Re, LLC during the fourth quarter of 2024. From this dividend, SBLI used \$10 million to contribute additional capital to SBLI Re, LLC during 2024. The contribution was recorded as a payable to SBLI Re, LLC as of December 31, 2024 and was settled in cash on March 20, 2025.

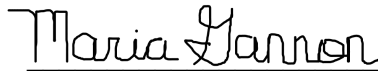
SUMMARY OF RECOMMENDATIONS

There were no significant recommendations noted by the examination team for improvements in process, activities and/or controls that should be noted in this report.

SIGNATURE PAGE

Acknowledgement is made of the cooperation and courtesies extended by the officers and employees of the Company to all the examiners during the course of the examination.

The assistance rendered by RRC who participated in this examination is hereby acknowledged.

A handwritten signature in cursive script that reads "Maria Gannon". The signature is written in dark ink and is positioned above a horizontal line.

Maria Gannon, CFE
Supervising Examiner
Commonwealth of Massachusetts
Division of Insurance