

Additional notes about Accordia Life's use of captive reinsurance

- Accordia Life's captive arrangements are primarily used to help meet the reserve requirements of the secondary guarantee, also known as no-lapse guarantee (NLG), products that were written by Aviva Life and Annuity prior to the acquisition by Accordia Life.
- The industry, actuarial consultants, rating agencies and regulators view the regulatory reserving guidelines for NLG business to be excessive or "redundant."
- Captive reinsurance is a practice that is approved by regulators and used across the industry to address the "redundant" reserves associated with these NLG products.
- Today Accordia Life does not offer or sell any NLG products requiring captive reinsurance.
- Rating agencies are fully aware of Accordia Life's captive reinsurance, and it is considered in their rating evaluations.

Guarantees are based on the claims-paying ability of the issuing company.

Life insurance products are issued by Accordia Life and Annuity Company, Des Moines, Iowa. Products issued by and all policy benefits are the responsibility of Accordia Life and Annuity Company, and not that of any other insurer or company.

Accordia Life is a subsidiary of Global Atlantic Financial Group Limited.