

STATE OF MISSOURI



DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

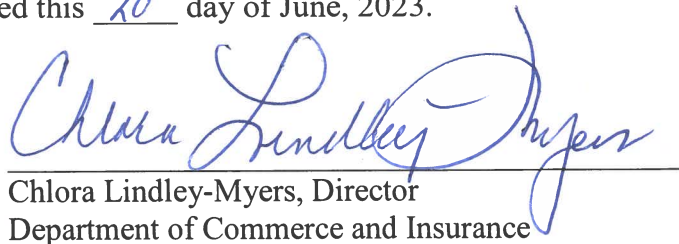
ORDER

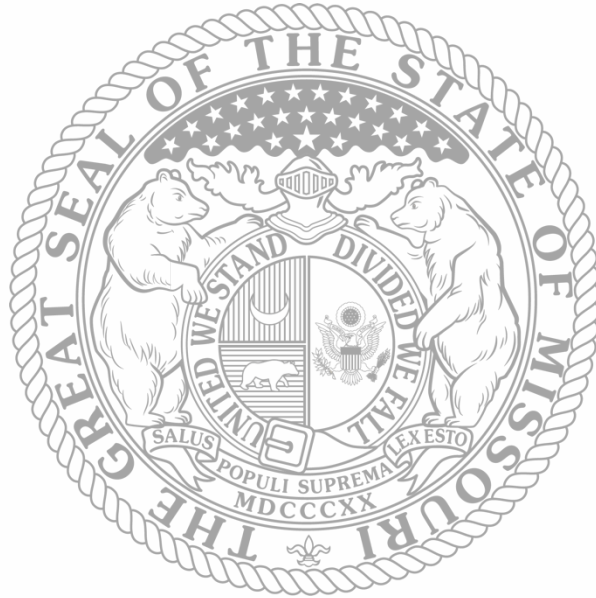
After full consideration and review of the report of the financial examination of Lumico Life Insurance Company for the period ended December 31, 2021, together with any written submissions or rebuttals and any relevant portions of the examiner's workpapers, I, Chlora Lindley-Myers, Director of the Missouri Department of Commerce and Insurance pursuant to section 374.205.3(3)(a), RSMo, adopt such examination report. After my consideration and review of such report, workpapers, and written submissions or rebuttals, I hereby incorporate by reference and deem the following parts of such report to be my findings and conclusions to accompany this order pursuant to section 374.205.3(4), RSMo: summary of significant finding, company history, management and control, territory and plan of operation, growth of company and loss experience, reinsurance, accounts and records, financial statements, comments on financial statement items, financial statement changes resulting from examination, and summary of recommendations.

Based on such findings and conclusions, I hereby ORDER that the report of the financial examination of Lumico Life Insurance Company as of December 31, 2021, be and is hereby ADOPTED as filed and Lumico Life Insurance Company to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed by such report: (1) account for its financial condition and affairs in a manner consistent with the Director's findings and conclusions.

So ordered, signed and official seal affixed this 20th day of June, 2023.




Chlora Lindley-Myers, Director
Department of Commerce and Insurance



REPORT OF
FINANCIAL EXAMINATION OF

LUMICO LIFE INSURANCE COMPANY

AS OF
DECEMBER 31, 2021

STATE OF MISSOURI
DEPARTMENT OF COMMERCE & INSURANCE

JEFFERSON CITY, MISSOURI

TABLE OF CONTENTS

SCOPE OF EXAMINATION	1
PERIOD COVERED.....	1
PROCEDURES.....	1
SUMMARY OF SIGNIFICANT FINDINGS	2
COMPANY HISTORY	2
GENERAL.....	2
MERGERS, ACQUISITIONS, AND MAJOR CORPORATE EVENTS	2
DIVIDENDS AND CAPITAL CONTRIBUTIONS	3
SURPLUS NOTES.....	3
MANAGEMENT AND CONTROL	3
BOARD OF DIRECTORS	3
SENIOR OFFICERS	4
PRINCIPAL COMMITTEES	4
CORPORATE RECORDS.....	4
HOLDING COMPANY, SUBSIDIARIES, AND AFFILIATES.....	4
ORGANIZATIONAL CHART	5
INTERCOMPANY TRANSACTIONS	6
TERRITORY AND PLAN OF OPERATION	6
GROWTH OF COMPANY AND LOSS EXPERIENCE	6
REINSURANCE	7
GENERAL.....	7
ASSUMED REINSURANCE	7
CEDED REINSURANCE.....	7
ACCOUNTS AND RECORDS	7
INDEPENDENT AUDITOR	8

ACTUARIAL OPINION	8
CONSULTING ACTUARY	8
INFORMATION SYSTEMS	8
FINANCIAL STATEMENTS.....	8
ASSETS.....	9
LIABILITIES, SURPLUS AND OTHER FUNDS.....	10
SUMMARY OF OPERATIONS.....	11
RECONCILIATION OF CAPITAL AND SURPLUS	12
COMMENTS ON FINANCIAL STATEMENT ITEMS	13
FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION	13
SUMMARY OF RECOMMENDATIONS.....	13
SUBSEQUENT EVENTS.....	13
ACKNOWLEDGMENT	14
VERIFICATION.....	14
SUPERVISION	15

Jefferson City, MO
May 31, 2023

Honorable Chlora Lindley-Myers, Director
Missouri Department of Commerce and Insurance
301 West High Street, Room 530
Jefferson City, Missouri 65101

Director Lindley-Myers:

In accordance with your financial examination warrant, a full-scope financial examination has been made of the records, affairs, and financial condition of

Lumico Life Insurance Company (NAIC #73504)

hereinafter referred to as such, as LLIC, or as the Company. Its administrative office is located at 175 King Street, Armonk, New York 10504, telephone number (877) 794-7773. The fieldwork for this examination began on May 2, 2022, and concluded on the above date.

SCOPE OF EXAMINATION

Period Covered

The Missouri Department of Commerce and Insurance (Department) has performed a multiple-state financial examination of LLIC. The last examination of the Company by the Department covered the period of January 1, 2012, through December 31, 2016. The current examination covers the period of January 1, 2017, through December 31, 2021, as well as a review of any material transactions and events occurring subsequent to the examination period through the date of this report.

Procedures

We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook (Handbook)*, except where practices, procedures, and applicable regulations of the Department or statutes of the state of Missouri prevailed. The *Handbook* requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes the identification and evaluation of significant risks that could cause the Company's surplus to be materially misstated, both on a current and prospective basis.

This examination also included a review of significant estimates made by management and evaluation of 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.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. Those activities considered in the examination as key to LLIC included Investments, Underwriting, Claims Handling, Reserving, Reinsurance, and Related Party Transactions. The examination also included a review and evaluation of information technology general controls.

This examination was conducted as part of a coordinated examination of the U.S. domestic insurers/reinsurers within the Swiss Re Ltd. (SRL) holding company system (Swiss Re or Group), which, for the purposes of this examination, consists of fourteen insurers (including two captives) domiciled in Missouri, New Hampshire, and New York. The Missouri Department of Commerce and Insurance is the lead state regulator for the Group. Along with Missouri, New Hampshire and New York participated in the coordinated examination. The examination was also conducted concurrently with the examinations of the Company's Missouri domiciled affiliates, as follows:

- Elips Life Insurance Company (ELIC)
- First Specialty Insurance Company (FSIC)
- North American Elite Insurance Company (NAE)
- North American Specialty Insurance Company (NAS)
- Swiss Re Life & Health America Inc. (SRLHA)
- Swiss Re Property & Casualty America Inc. (SRPCA)
- Washington International Insurance Company (WIIC)
- Westport Insurance Corporation (WIC)
- Wing Re Inc. (Wing Re)
- Wing Re II Inc. (Wing Re II)

This examination report includes significant findings of fact, as mentioned in Section 374.205 RSMo (Examination, director may conduct, when...) and general information about the Company 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 are separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

There were no material adverse findings, significant non-compliance issues, or material changes to the financial statements noted during the examination.

COMPANY HISTORY

General

LLIC was organized and incorporated as a domestic life and disability insurer under the laws of the State of Arizona on November 2, 1965, as Congress Life Insurance Company, and received its first Certificate of Authority on February 15, 1966. The Company subsequently underwent various ownership and name changes. The Company, known as Generation Life Insurance Company (GLIC) at the time, became a member of the Swiss Re Group on October 3, 2016, when it was acquired by iptiQ Americas Inc. (iptiQ), an indirect subsidiary of SRL. The Company was redomiciled from Arizona to Missouri in November 2016, and renamed Lumico Life Insurance Company in March 2017.

Mergers, Acquisitions, and Major Corporate Events

A restructuring occurred within SRL's Life Capital business unit (Life Capital) in mid-2019 in order to mirror the organizational structures of SRL's Reinsurance and Corporate Solutions business units. As part of the restructuring, the issued and outstanding shares of Swiss Re Life Capital Americas Holding Inc. (SRLCAH), which was a direct subsidiary of SRLC, were contributed to Swiss Re Life Capital Regions Holding Ltd., which was an indirect subsidiary of SRLC, and the issued and outstanding shares of iptiQ were contributed to SRLCAH.

An additional organizational restructuring occurred in 2020 affecting the indirect ownership of LLIC. The issued and outstanding shares of SRLCAH were contributed to Swiss Re Life Capital

Management Ltd., a direct subsidiary of SRLC (the name of Swiss Re Life Capital Management Ltd was changed to iptiQ Group Holding Ltd in 2021). In late 2021, SRLCAH was merged with and into iptiQ, with iptiQ as the surviving entity.

Dividends and Capital Contributions

There were no dividends paid during the examination period. Capital contributions in the aggregate amount of \$60 million were made to LLIC in 2019.

Surplus Notes

There were no surplus notes issued or outstanding during the examination period.

MANAGEMENT AND CONTROL

Board of Directors

The management of the Company is vested in a Board of Directors that are elected by the stockholders. The Company's Bylaws specify that there shall be no fewer than nine and no more than twenty-one members. The Board of Directors elected and serving as of December 31, 2021, were as follows:

<u>Name and Address</u>	<u>Principal Occupation and Business Affiliation</u>
Brian Scott Rosenblum* Roslyn, New York	Chief Financial Officer iptiQ Group Holding Ltd.
Philip George Walker* Midlothian, Virginia	President & Chief Executive Officer Lumico Life Insurance Company
Julien Descombes* Zurich, Switzerland	Chief Underwriting Officer iptiQ Group Holding Ltd.
John David Novak* Madison, New Jersey	Head of Human Resources Swiss Re Americas Holding Corporation
Lisa Marie Butera New York, New York	Managing Director Swiss Re Americas Holding Corporation
Rejean Besner* Zurich, Switzerland	Managing Director Swiss Reinsurance Co.
Carlo Bewersdorf* Munich, Germany	Chief Executive Officer - iptiQ iptiQ Group Holding Ltd.
Mary Katharine Bryan New York, New York	Senior Vice President Swiss Re Americas Holding Corporation
Julia Bart Roper Lincolnshire, Illinois	Former Chief Operating Officer, Retired Lumico Life Insurance Company

*Effective June 2, 2022, Robert Burr, Maria di Pilla, Caroline Ifrah, Natalie Kelly, and Attila Kerenyi replaced Philip George Walker, Brian Scott Rosenblum, John David Novak, Julien Descombes and Rejean Besner, respectively.

*Effective November 1, 2022, Niels Jaemi Keuker replaced Carlo Bewersdorf.

Senior Officers

The officers elected and serving, as of December 31, 2021, were as follows:

<u>Name</u>	<u>Office</u>
Philip George Walker*	Chief Executive Officer & President
Elissa Beth Rueben Kenny	Senior Vice President & Secretary
Timothy DeWayne Daniels	Senior Vice President & Appointed Actuary
Kali Lau Marino	Senior Vice President & Chief Financial Officer
Niels Jaemi Keuker	Senior Vice President & Chief Marketing Officer
Jason Mark Zwanch*	Senior Vice President & Chief Pricing Officer
Ryan Chamberlain	Senior Vice President & Chief Risk Officer

*Effective June 2, 2022, Niels Jaemi Keuker replaced Philip George Walker.

*Effective September 16, 2022 Jason Mark Zwanch left the Company.

Principal Committees

The Company does not have any committees, but relies on information and strategic guidance provided by numerous board and committees at the direct or indirect parent level including, but not limited to, the following committees: Audit, Finance and Risk, Compensation, and Investment.

Corporate Records

The Company's Articles of Incorporation and Bylaws were reviewed. The Articles of Incorporation were amended on February 27, 2017, to reflect the name change from GLIC to LLIC. There were no other revisions to either document during the examination period. The minutes of the Board of Directors were reviewed for the period under examination.

Holding Company, Subsidiaries, and Affiliates

LLIC is a member of an Insurance Holding Company System, as defined by Section 382.010 RSMo (Definitions). LLIC is part of the iptiQ unit of the Swiss Re Group. The Swiss Re Group is a wholesale provider of reinsurance, insurance, and other insurance-based forms of risk transfer. Working through brokers and a network of offices around the globe, the Group serves a client base made up of insurance companies, mid-to-large-sized corporations and public sector clients. The ultimate controlling party of the Group is Swiss Re Ltd. (SRL), a corporation based in Zurich, Switzerland.

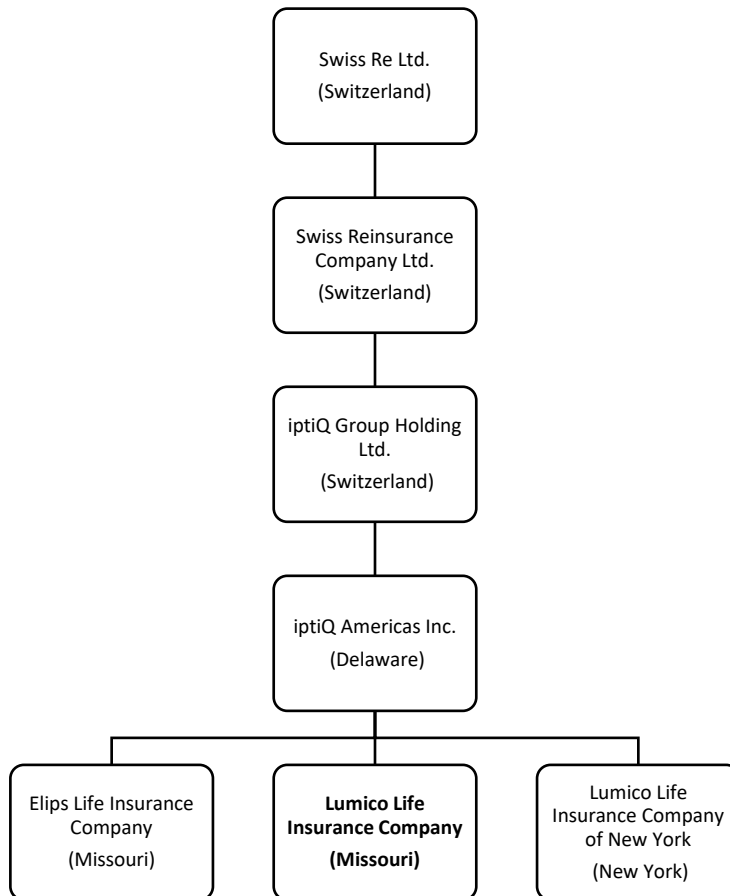
SRL is a diversified global reinsurer, offering a wide variety of reinsurance products and financial services solutions to manage capital and risk. SRL is a publicly traded company on the SIX Swiss Exchange under the symbol SREN; no single shareholder was determined to own 10% or more of its outstanding shares. Swiss Financial Market Supervisory Authority (FINMA) is the lead international regulator of the Swiss Re Group. As the lead state, Missouri represents the U.S. regulators in the Swiss Re Group Supervisory College organized by FINMA.

Following a restructuring and effective for the 2021 financial reports, the Group's operations are managed and reported through two business units and one stand-alone division that correspond to the Group's core activities, as described below:

- **Reinsurance Business Unit**
The Reinsurance Business Unit offers traditional reinsurance products, insurance-based capital market instruments, and risk management services globally through two operating segments – P&C Reinsurance and L&H Reinsurance.
- **Corporate Solutions Business Unit**
The Corporate Solutions Business Unit is the commercial arm of the Group, providing risk transfer solutions to large and mid-sized corporations around the world.
- **iptiQ Division**
iptiQ is a global Business-to-Business-to-Consumer digital insurance platform aimed at both digital and traditional affinity distribution partners.

Organizational Chart

The following organizational chart depicts the applicable portion of the holding company group as of December 31, 2021.



Intercompany Transactions

The following agreements represent significant contracts executed with affiliated entities that were in effect as of December 31, 2021. A brief description of these agreements are as follows:

Investment Management Agreement: This agreement, effective January 1, 2019, is between iptiQ (as successor to SRLCAH) and LLIC. Per the agreement, iptiQ agrees to manage LLIC's portfolio of investments, assist and advise LLIC in the preparation of quarterly and annual financial statements, provide monthly reports of purchases and sales of investments, and verify receipt of investment income. Fees are calculated as the sum of costs incurred and allocated to LLIC.

Services Agreement: This agreement, effective October 3, 2016, is between iptiQ and LLIC. Per the agreement, iptiQ agrees to make available to LLIC the use of assets and to provide certain general management and administrative services, including, but not limited to, legal, human resources, information systems, tax, actuarial and auditing, and underwriting. LLIC will reimburse iptiQ for the costs of services provided.

General Agent Agreement: This agreement, effective January 1, 2020, is between USA Family Protection Insurance Services, LLC (USA FPIS) and LLIC. Per the agreement, LLIC appointed USA FPIS to solicit applications for LLIC's insurance products using the distribution platform of USA FPIS. USA FPIS will be paid commissions for the business it directly writes. USA FPIS has no authority to collect premiums, settle claims, underwrite, or to bind LLIC.

Purchase and Sale Agreement: This agreement, effective December 18, 2020, is between Swiss Re Life & Health America, Inc. (SRLHA) and LLIC. This was a one-time transaction. Per the agreement, LLIC will purchase a list of 27 assets: 3 agency bonds, 20 corporate bonds, 2 municipal bonds, and 2 "other" type of bonds. These assets have an original face value of \$49.37 million and an estimated market value of \$51.22 million as of October 7, 2020. The specified date of this Agreement is the close of business of the New York Stock Exchange on the last business day preceding the "effective date" of on or about December 18, 2020.

TERRITORY AND PLAN OF OPERATION

LLIC is licensed in all states and the District of Columbia, with the exception of New York. LLIC has six products in the market – level term, simplified issue term, final expense, whole life, accidental death, and Medicare Supplement.

LLIC's affiliate, Elips Life Insurance Company (ELIC), launched a Medicare Supplement product in May 2021. As ELIC becomes licensed in other states, LLIC's Medicare Supplement business will transition to ELIC, and LLIC will run off existing inforce policies.

GROWTH OF COMPANY AND LOSS EXPERIENCE

LLIC was purchased with the intent of selling life and health products to middle market customers. The line item increases are explained by the growth of new business written, along with higher mortality and morbidity experience, during the examination period.

The table below summarizes the Company's growth and loss experience for the period under examination:

(\$000s omitted)

Year	Net Premiums	Benefits and Losses	Capital and Surplus	Ratio of Net Premiums to Surplus	Net Income (Loss)
2017	\$ 3,599	\$ 3,037	\$ 42,170	8.5%	\$ (1,204)
2018	5,525	206	46,147	12.0%	(140)
2019	9,472	5,358	97,536	9.7%	(12,813)
2020	16,234	10,984	97,076	16.7%	3,853
2021	21,262	18,795	85,270	24.9%	(10,693)

REINSURANCE

General

The Company's premium activity on a direct written, assumed, and ceded basis for the period under examination is detailed below:

(\$000s omitted)

Premium Type	2017	2018	2019	2020	2021
Direct Premiums Written	\$ 5,242	\$ 20,400	\$ 73,126	\$ 138,624	\$ 189,935
Reinsurance Assumed:					
Affiliates	-	-	-	20	337
Non-Affiliates	-	-	-	-	-
Reinsurance Ceded:					
Affiliates	1,643	14,875	63,654	122,410	169,010
Non-Affiliates	-	-	-	-	-
Net Premiums Written	\$ 3,599	\$ 5,525	\$ 9,472	\$ 16,234	\$ 21,262

Assumed Reinsurance

Effective December 31, 2016, Lumico does not assume any new business, but continues to service and renew business previously assumed by the Company.

Ceded Reinsurance

The Company has reinsurance agreements with affiliated companies.

LLIC is a party to two separate reinsurance agreements covering various life insurance and Medicare Supplement policies. The agreements consist of a 0.9% quota share with Wing Re IV Inc. and an 89.1% quota share with Swiss Nexus Reinsurance Company Ltd (Nexus). The agreement with Nexus was subsequently novated to SRZ effective January 1, 2022.

The Company is contingently liable for all reinsurance losses ceded to others. This contingent liability would become an actual liability in the event that an assuming reinsurer fails to perform its obligations under the reinsurance contract.

ACCOUNTS AND RECORDS

Independent Auditor

The certified public accounting (CPA) firm, KPMG LLP, in New York, New York, performed the statutory audit of the Company for the year of 2021. The certified public accounting (CPA) firm, PricewaterhouseCoopers LLP, in New York, New York, performed the statutory audit of the Company for the years of 2017 through 2020. Reliance was placed upon the CPA workpapers as deemed appropriate. Such reliance included, but was not limited to, narrative descriptions of information technology processes and controls, internal control and substantive testing relating to claim and premium activities, and fraud risk analysis.

Actuarial Opinion

Timothy Daniels, FSA, MAAA, issued the Company's actuarial opinion regarding reserves and other actuarial items for all years in the examination period. Timothy Daniels is employed by iptiQ Americas, Inc. in Plano, Texas.

Consulting Actuary

Pursuant to a contract with the Department, Andy Rarus, ASA, MAAA of Risk and Regulatory Consulting, LLC (RRC), reviewed the underlying actuarial assumptions and methodologies used by the Company to determine the adequacy of reserves and other actuarial items. Andy Rarus determined that the Company made a reasonable provision for the reserves and other actuarial items that were reported in the statutory financial statements, as of December 31, 2021.

Information Systems

The Department also engaged a third-party firm, Noble Consulting Services Inc. (Noble), to perform a review of the Group's information technology systems, policies, and procedures. Noble's work was completed under the supervision of Kimberly Dobbs, CFE, AES, CISA, Information Systems Examiner-in-Charge for the Department.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the Department and present the financial condition of LLIC for the period ending December 31, 2021. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the financial statements and should be considered an integral part of the financial statements. The failure of any column of numbers to add to its respective total is due to rounding or truncation.

There may have been additional differences found in the course of this examination, which are not shown in the "Comments on Financial Statement Items." These differences were determined to be immaterial concerning their effect on the financial statements, and therefore were only communicated to the Company and noted in the workpapers for each individual key activity.

ASSETS

As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 138,998,572	\$ -	\$ 138,998,572
Stocks:			
Common Stocks	9,265,255	-	9,265,255
Cash, Cash Equivalents, and Short- Term Investments	42,107,746	-	42,107,746
Contract Loans	251,521	102	251,419
Receivables for Securities	1,336,083	-	1,336,083
Investment Income Due and Accrued	781,456	-	781,456
Premiums and Considerations:			
Uncollected Premiums and Agents' Balance in the Course of Collection	627,198	29,955	597,243
Reinsurance:			
Amounts Recoverable from Reinsurers	268,432	-	268,432
Other Amounts Receivable Under Reinsurance Contracts	3,746,692	-	3,746,692
Current Federal and Foreign Income Tax Recoverable and Interest Thereon	469,796	-	469,796
Net Deferred Tax Asset	12,802,224	9,840,362	2,961,862
Receivables from Parent, Subsidiaries, and Affiliates	1,125,605	-	1,125,605
Aggregate Write-Ins for Other-Than- Invested Assets	57,254	57,254	-
TOTAL ASSETS	\$ 211,837,834	\$ 9,927,673	\$ 201,910,161

LIABILITIES, SURPLUS AND OTHER FUNDS

As of December 31, 2021

Aggregate Reserve for Life Contracts	\$ 15,756,474
Aggregate Reserve for Accident and Health Contracts	277,460
Contract Claims:	
Life	1,981,234
Accident and Health	1,176,953
Premiums and Annuity Considerations for Life and Accident and Health Contracts Received in Advance	8,536
Contract Liabilities Not Included Elsewhere:	
Other Amounts Payable on Reinsurance	9,458,608
Commissions and Expense Allowances Payable on Reinsurance Assumed	368,426
General Expenses Due or Accrued	2,353,576
Taxes, Licenses, and Fees Due or Accrued, Excluding Federal Income	
Taxes	167,183
Remittances and Items Not Allocated	(2,515,613)
Miscellaneous Liabilities:	
Asset Valuation Reserve	1,473,193
Funds Held Under Reinsurance Treaties with Unauthorized and Certified Reinsurers	78,103,254
Payable to Parent, Subsidiaries, and Affiliates	7,525,251
Aggregate Write-Ins for Liabilities	505,996
TOTAL LIABILITIES	\$ 116,640,532
Common Capital Stock	2,500,000
Gross Paid In and Contributed Surplus	113,337,361
Unassigned Funds (Surplus)	(30,567,732)
TOTAL CAPITAL AND SURPLUS	\$ 85,269,629
TOTAL LIABILITIES AND SURPLUS	\$ 201,910,161

SUMMARY OF OPERATIONS

For the Year Ended December 31, 2021

Premiums and Annuity Considerations for Life and Accident and Health Contracts	\$ 21,261,888
Net Investment Income	2,569,859
Amortization of Interest Maintenance Reserve	(37,075)
Commissions and Expense Allowances on Reinsurance Ceded	110,755,030
Total Revenue	\$ 134,549,703
Death Benefits	7,437,637
Disability Benefits and Benefits Under Accident and Health Contracts	5,985,350
Surrender Benefits and Withdrawals for Life Contracts	172,726
Interest and Adjustments on Contract or Deposit-Type Contract Funds	111,441
Increase in Aggregate Reserves for Life and Accident and Health Contracts	5,087,511
Commissions on Premiums, Annuity Considerations, and Deposit-Type Contract Funds	81,647,719
Commissions and Expense Allowances on Reinsurance Assumed	78,511
General Insurance Expenses	41,191,547
Insurance Taxes, License, and Fees, Excluding Federal Income Taxes	3,498,961
Increase in Loading on Deferred and Uncollected Premiums	33,471
Aggregate Write-Ins for Deductions	(295,895)
Total Underwriting Deductions	\$ 144,948,979
Net Gain (Loss) From Operations Before Dividends to Policyholders and Federal Income Taxes	\$ (10,399,276)
Federal and Foreign Income Taxes Incurred	285,390
Net Realized Capital Gains (Losses)	(8,810)
NET INCOME (LOSS)	\$ (10,693,476)

RECONCILIATION OF CAPITAL AND SURPLUS
Changes from January 2, 2017 to December 31, 2021

(\$000's omitted)

	2017	2018	2019	2020	2021
Capital and Surplus, Beginning of Year	\$ 43,284	\$ 42,170	\$ 46,147	\$ 97,536	\$ 97,076
Net Income (Loss)	(1,204)	(140)	(12,813)	3,853	(10,693)
Change in Net Unrealized Capital Gains (Losses)					
Less Capital Gains Tax	-	-	-	-	983
Change in Net Deferred Income Tax	1,603	(1,622)	3,801	123	2,853
Change in Nonadmitted Assets	(1,489)	5,749	350	(4,342)	(3,635)
Change in Reserve on Account of Change in Valuation Basis (Increase) or Decrease	-	-	-	-	(103)
Change in Asset Valuation Reserve	(24)	(9)	51	(94)	(1,210)
Change in Treasury Stock Capital Changes: Paid In	-	-	60,000	-	-
Net Change in Capital and Surplus	(1,114)	3,977	51,388	(460)	(11,806)
Capital and Surplus, End of Year	\$ 42,170	\$ 46,147	\$ 97,536	\$ 97,076	\$ 85,270

COMMENTS ON FINANCIAL STATEMENT ITEMS

None.

FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION

None.

SUMMARY OF RECOMMENDATIONS

None.

SUBSEQUENT EVENTS

In 2023, Swiss Re streamlined its organizational structure. The Reinsurance Business Unit was split into P&C Reinsurance and L&H Reinsurance, with each having full authority over the respective underwriting and claims management processes. Additionally, as part of this reorganization, the iptiQ Division became part of the new Global Clients and Solutions Business Unit. The reorganization, which aims to simplify structures, improve efficiency and client experience, was effective April 3, 2023.

The COVID-19 pandemic has continued to develop, with significant uncertainty remaining regarding the full effect of COVID-19 on the U.S. and global insurance and reinsurance industry. The Department has been in communication with the Company regarding the impact of COVID-19 on its business operations and financial position. The Department continues to closely monitor the impact of the pandemic on the Company and will take necessary action if a solvency concern arises.

ACKNOWLEDGMENT

The assistance and cooperation extended by the officers and the employees of Lumico Life Insurance Company during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned, Laura Church – CFE, CPA, Kim Waller – CFE, Lisa Li – CFE, CPA, ARe, Emily Pennington – CFE, Adrienne Lewis, James Le – CFE, CPA, ARe, Josh Nash – CFE, CPA, and Kimberly Dobbs - CFE, AES, CISA, examiners for the Missouri Department of Commerce and Insurance, also participated in this examination.

VERIFICATION


State of Missouri)
) ss
County of Cole)

I, Marc Peterson, CFE, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records, or other documents of Lumico Life Insurance Company, its agents or other persons examined, or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs, and such conclusions and recommendations as the examiners find reasonably warranted from the facts.



Marc Peterson, CFE
Examiner-In-Charge
Missouri Department of Commerce and
Insurance

Sworn to and subscribed before me this 2nd day of June, 2023.

My commission expires: May 18, 2024 

Notary Public



KIMBERLY LANDERS
My Commission Expires
May 18, 2024
Callaway County
Commission #12558402

SUPERVISION

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the *Financial Condition Examiners Handbook* has been confirmed, except where practices, procedures, and applicable regulations of the Missouri Department of Commerce and Insurance and statutes of the state of Missouri prevailed.



Sara McNeely, CFE
Assistant Chief Financial Examiner
Missouri Department of Commerce and
Insurance