EXAMINATION REPORT

OF

SCOR GLOBAL LIFE AMERICAS REINSURANCE COMPANY

AS OF

DECEMBER 31, 2020

TRINIDAD NAVARRO
COMMISSIONER

STATE OF DELAWARE
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION

OF

SCOR GLOBAL LIFE AMERICAS REINSURANCE COMPANY

AS OF

DECEMBER 31, 2020

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

Trinidad Navarro
Insurance Commissioner

Dated this 25th day of May, 2022

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March 14, 2022

Honorable Trinidad Navarro
Commissioner
Delaware Department of Insurance
1351 W. North St., Suite 101
Dover, Delaware 19904

Commissioner:

In compliance with instructions and pursuant to statutory provisions contained in Examination Certification No. 21.023, dated February 19, 2021, an examination has been made of the affairs, financial condition and management of

SCOR GLOBAL LIFE AMERICAS REINSURANCE COMPANY

hereinafter sometimes referred to as the Company or SGLA. The Company was incorporated under the laws of the State of Delaware as a stock company with its statutory home office located at 251 Little Falls Drive, Wilmington, Delaware 19808. The examination was conducted at the main administrative office of the Company, located at 101 South Tryon Street, Charlotte, North Carolina 28202. The report of this examination is submitted herewith.

SCOPE OF EXAMINATION

We have performed a single state examination of SGLA. The last examination was conducted as of December 31, 2016, by the Delaware Department of Insurance (Department). This examination covers the four-year period from January 1, 2017, through December 31, 2020.

We conducted our examination in accordance with the *National Association of Insurance Commissioners* (NAIC) *Financial Condition Examiners Handbook* (Handbook). 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 identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

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 18 *Del. C.* § 321, 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.

During the course of this examination, consideration was given to work performed by the Company's external accounting firm, KPMG LLP (KPMG). Certain auditor work papers of the 2020 audit of the Company have been incorporated into the work papers of the examiners and have been utilized in determining the scope, areas of emphasis in conducting the examination and in the area of risk mitigation and substantive testing.

SUMMARY OF SIGNIFICANT FINDINGS

There were no significant findings or material changes in financial statements as a result of this examination.

HISTORY

The Company was incorporated on February 28, 1945, under the laws of the State of Texas as the Industrial Life Insurance Company of the State of Texas.

On December 30, 1991, the Company's name was changed to Winterthur Life Re Insurance Company.

On December 31, 1997, the Company was acquired by Credit Suisse Group.

On December 18, 1998, the Company was acquired by PartnerRe Ltd, and its name was change to PartnerRe Life Insurance Company of the U.S. on April 2, 1999.

On July 18, 2000, the SCOR Group acquired the Company and changed its name to SCOR Life U.S. Re Insurance Company on September 20, 2000.

On June 15, 2007, the Company's name was changed to SCOR Global Life U.S. Re Insurance Company (SGLUS).

Prior to October 1, 2008, the Company was wholly owned by SCOR Financial Services Corporation, an Irish holding company, which in turn was wholly owned by SCOR Global Life SE (SGL SE), a French holding company, ultimately owned by SCOR SE (SCOR), a French holding company. Effective October 1, 2008, there was an internal corporate restructuring to change the Company's parent and make SCOR Global Life Re Insurance Company of Texas (SGLTX) a wholly owned subsidiary of the Company. The outstanding shares of SGLTX, which had a book value of $39 million as of June 30, 2008, were contributed to the Company. Additionally, the Company became a wholly owned subsidiary of SCOR Global Life Americas

Holding Inc. (formerly known as Revios U.S. Holdings, Inc.), a Delaware holding company (SGLAH). As of October 1, 2008, SGLAH was wholly owned by SGL SE, which in turn was wholly owned by SCOR.

Effective July 18, 2009, the Company entered into a stock purchase agreement to acquire all the issued and outstanding shares of common stock of XL Re Life America Inc. (XLRLA) from XL Life and Annuity Holding Company, a Delaware Holding Company, ultimately owned by XL Capital Ltd. Consideration for the purchase was $32.4 million with a provision for subsequent adjustments relative to the actual closing of the transaction. Upon regulatory approval by various insurance authorities, the purchase closed effective December 4, 2009. The Company paid an additional $1,102,768 on January 8, 2010, to settle realized and unrealized gains/losses related to the XLRLA's invested assets for the current year through the closing date of acquisition for a total cost of $33.5 million.

In conjunction with the statutory purchase business combination, a separate novation agreement was consummated between XLRLA, XL Life Ltd. and the Company, whereas XLRLA had a 75% quota share coinsurance agreement with XL Life Ltd. Under terms and conditions of the agreement, XLRLA transferred all rights and obligations of performance under this treaty to the Company, and the Company paid $12 million to XL Life Ltd., representing an aggregate amount equal to the ceding commission.

Effective January 5, 2010, XLRLA was renamed SCOR Global Life Reinsurance Company of America (SGLRA).

On July 14, 2011, the Company redomesticated from Texas to Delaware.

On July 18, 2011, the Company sold its subsidiary Investors Insurance Corporation (IIC), a Delaware domiciled life and health company, to Athene Holdings, Ltd (Athene) for $53.9

million. Prior to the transaction, IIC entered into an agreement to recapture all business ceded to SGLUS.

On September 27, 2011, the Company's name was changed from SCOR Global Life U.S. Re Insurance Company to SCOR Global Life Americas Reinsurance Company (SGLA).

On November 10, 2010, the Board of Directors (Board) of the Company approved a strategic plan to merge SGLRA with, and into the Company. Regulatory approval for the statutory merger was granted effective December 30, 2011.

On March 31, 2019, SGL SE and SCOR Global P&C SE were merged with and into SCOR. As a result of this merger, SGLAH became a wholly owned subsidiary of SCOR.

Capitalization

The Company's Amended Certificate of Incorporation provides that the Company has authority to issue 28,000 shares of common stock, par value $100 per share. As of December 31, 2020, 26,775 shares of common stock issued and outstanding at $100 per share par value represented the Company's common capital stock, for a total outstanding of $2,677,500. All common stock shares of the Company are owned by SGLAH.

As of December 31, 2020, the Company reported capital and surplus of $170,344,911, as well as contributed surplus of $287,453,528. During 2017, the Company reported a change in capital in the amount of $654,012 related to equity-based compensation adjustments. During 2020, the Company reported capital changes in the amount of $34,000,000, which was comprised of one capital contribution from its Parent, SGLAH.

Dividends

As of December 31, 2020, the Company had paid no dividends during the examination period.

Surplus Notes

Effective March 16, 2018, (as Amended February 1, 2019), the Company entered into a Surplus Note Agreement with SGL SE). The terms of the agreement provided for the issuance of a surplus note in the amount of $33,760,265 at 5.41% interest. Effective February 1, 2019, the Company amended the Surplus Note Agreement to increase the principal amount, by a sum of $21,224,118, to $54,984,383. All other provisions of the Surplus Note remained the same.

On February 25, 2020, the Company received approval from the Department to make a partial repayment of the $54,984,383 surplus note issued to SGL SE on March 16, 2018, (as Amended February 1, 2019). As of April 1, 2019, SGL SE merged with and into SCOR, making SCOR the holder of the Surplus Note. The partial repayment of $21,224,118 was made to SCOR on March 30, 2020. The new principal of the Surplus Note is $33,760,265.

MANAGEMENT AND CONTROL

Directors

Pursuant to the General Corporation Laws of the State of Delaware, as implemented by the Company's Amended Certificate of Incorporation and Amended bylaws, the business and affairs of the corporation shall be managed by its Board, which may exercise all such powers of the corporation. The Company's Amended bylaws state that the number of Directors constituting the Board shall be not less than five (5) or more than thirteen (13). Further, the Directors shall be elected at the annual meeting of the stockholders and each Director elected shall hold office until the next succeeding annual meeting and until his/her successor is elected and qualified or until his/her earlier death, resignation or removal.

As of December 31, 2020, the members of the Board together with their principal business affiliations were as follows:

Name and Location	Principal Occupation
Denis Jean Marie Kessler (1,2,4) Paris, France	Chairman and Chief Executive Officer SCOR SE
Jerry Michael de St. Paer Celebration, Florida	Chief Financial Officer Kairos Acquisition Corp.
Paul Edmund Rutledge III Charlotte, North Carolina	Independent Director Retired
Ingrid Elisabeth Clarisse Carlou Mexico City, Mexico	Independent Director Retired
Pierre André Chiappori New York, New York	Professor of Economics Columbia University
Kathleen Theresa McGahran Palm Beach Shores, Florida	Independent Director Retired
Paolo nmn De Martin (3,5) Zurich, Switzerland	Chief Executive Officer SCOR Global Life
Ian John Kelly (2,4) Hertfordshire, United Kingdom	Chief Financial Officer SCOR Group

(1) Effective July 1, 2021, Denis Kessler resigned from his position as a member of the Board of the Company.
(2) Effective July 13, 2021, Ian Kelly was appointed to serve as the Acting Chair of the Board, until he or another individual is designated and duly elected and qualified as Chair. Effective February 18, 2022, Mr. Kelly resigned as Acting Chair of the Board; however, remains a member of the Board.
(3) Effective September 2, 2021, Paolo De Martin resigned from his position as a member of the Board of the Company.
(4) Effective February 18, 2022, Frieder Knuepling was appointed to serve as Chairman of the Board and to serve in such role until he or another individual is designated and duly elected and qualified as Chair.
(5) Effective February 18, 2022, John Charles Brueckner was appointed to serve as a member of the Board.

Committees

Article V of the Amended bylaws states, that the Board, by resolution adopted by a majority of the full Board, may designate from among its members, an Executive and Finance Committee, to the extent provided in such resolution, that shall have all the powers of the Board in the business and affairs of the corporation, except as denied within Article V Section 5.01 of the bylaws. As of December 31, 2020, the following directors and/or officers were members of the Executive and Finance Committee:

Name and Location	Principal Occupation
Denis Jean Marie Kessler [1,2] Paris, France	Chairman and Chief Executive Officer SCOR SE
John Charles Brueckner Leawood, Kansas	President and Chief Executive Officer SGLA
Paolo nmn De Martin [1,2] Zurich, Switzerland	Chief Executive Officer SCOR Global Life

(6) Upon Mr. Kessler's and Mr. De Martin's resignations from the Board of SGLA, they were no longer members of the Executive and Finance Committee of SGLA.
(7) Effective February 18, 2022, Freider Knuepling and Ian Kelly were appointed as members of the Executive and Finance Committee of the Board of SGLA, with Mr. Knuepling serving as Chair.

Article V of the Amended bylaws, further states that the Board, by resolution adopted by a majority of the Board, shall appoint an Audit Committee, which shall consist of not less than two (2) Directors and not more than five (5) members, being all members of the Board. Further, the Audit Committee shall have such other powers as may lawfully be delegated to it by the Board, not in conflict with specific powers conferred by the Board upon any other committee appointed by it.

On February 18, 2010, in accordance with 18 *Del. Admin. Code* § 301 "Audited Financial Reports", the Board designated an Audit Committee, consisting of three (3) independent members of the Board. As of December 31, 2020, the following directors were members of the Audit Committee:

Name and Location	Principal Occupation
Jerry Michael de St. Paer (CH) Celebration, Florida	Chief Financial Officer Kairos Acquisition Corp.
Kathleen Theresa McGahran Palm Beach Shores, Florida	Independent Director Retired
Paul Edmund Rutledge III Charlotte, North Carolina	Independent Director Retired

In addition to the Executive and Finance Committee and the Audit Committee, the Board by resolution adopted by majority of the Board, may designate such other committees, as it deems appropriate. Each committee shall have and exercise only that authority of the Board delegated to it by the resolution creating such committee, except that no such committee shall have the authority of the Board in reference to matters denied to the Executive and Finance Committee in Section 5.01 of Article V.

On April 17, 2015, the Board designated a Risk Committee, consisting of three (3) independent members of the Board. As of December 31, 2020, the following directors were members of the Risk Committee:

Name and Location	Principal Occupation
Pierre André Chiappori New York, New York	Professor of Economics Columbia University
Jerry Michael de St. Paer Celebration, Florida	Chief Financial Officer Kairos Acquisition Corp.
Paul Edmund Rutledge III Charlotte, North Carolina	Independent Director Retired

Officers

Article VIII of the Amended bylaws, states that the Board, at its first meeting after each annual meeting of stockholders, shall choose one (1) of the Directors to serve as President. The Board may also elect one (1) or more Vice Presidents, a Secretary, one (1) or more Assistant Secretaries, a Treasurer and one (1) or more Assistant Treasurers. The Board may designate one (1) of its members as Chairman of the Board and another of its members as Vice Chairman of the Board, but neither of such persons shall be deemed an officer of the corporation unless the Board shall expressly specify by resolution that he/she is to be an officer of the corporation.

The officers shall hold office until their successors are chosen and qualified or until their earlier resignation or removal. Any officer elected or appointed by the Board may be removed at any time, by the affirmative vote of a majority of the whole Board. Any vacancy occurring in any office of the Company shall be filled by the Board.

As of December 31, 2020, the Company's principal officers together with their respective titles were as follows:

Name	Title
John Charles Brueckner	President & Chief Executive Officer
Brock Edward Robbins	Deputy Chief Executive Officer, Head of Inforce & Executive Vice President
Michael James Colannino	Executive Vice President, Head of New Business
Tamora Ann Kapeller (1)	Executive Vice President, Head of North American Process Optimization
Stephanie Taylor Dunn	Executive Vice President, US Inforce
David Donald Fridell	Chief Financial Officer, Treasurer & Executive Vice President
Matthew Frederick Daitch	Chief Operations Officer & Senior Vice President
Julie Ann O'Driscoll	Chief Risk Officer & Vice President
Sean Michael Hayward	Chief Actuary & Senior Vice President
Carl Spencer Alridge III	Chief Legal Counsel & Senior Vice President
Maxine Hilary Verne	Senior Vice President, Deputy General Counsel & Corporate Secretary
Lawrence Paul Moews	Senior Vice President, Head of Inforce Optimization

(1) Effective December 31, 2020, Tamora A. Kapeller resigned from her position as EVP, Head of North American Process Optimization of the Company.

In addition to the above officers, additional vice presidents, assistant vice presidents, and other officers were appointed.

The Company maintains a formal written Code of Conduct, which sets out the legal and ethical guidelines to which all directors, officers, employees, and temporary workers are expected to adhere to on a consistent basis when conducting business at and on behalf of the Company. Incorporated into the Code of Conduct is a section specifically dedicated to Conflicts of Interest. On an annual basis, directors, officers, employees, and temporary workers are required to complete an Annual Code of Conduct training, whereby employees acknowledge that they have read and are complying with the Code of Conduct.

Additionally, the Company maintains a formal written Group Conflict of Interest Policy, which provides guidance on conflicts of interest, possible scenarios of conflicts of interest, as well as how such conflicts of interest need to be handled. The policy applies to all business activities of SCOR, and must be complied with by all directors, officers, and employees, including any temporary workers or trainees. On an annual basis, directors and officers are required to complete a Conflict-of-Interest Questionnaire.

Corporate Records

The minutes of the meetings of the Stockholder and Board, which were held during the period under examination, were obtained and reviewed. The recorded minutes of the Stockholder and Board adequately documented their meetings, the election of directors and officers as well as the approval of Company transactions and events, including the authorization of investments as required by 18 *Del. C.* §1304 "Authorization; record of investments." In addition, review of the Company's files indicated that in general, written correspondence was submitted to the Department with regards to the changes in officers and directors during the period under examination in compliance with 18 *Del. C.* § 4919.

Receipt by the Board of the Report on Examination as of December 31, 2016, was noted in the minutes of the Board dated July 10, 2018.

Insurance Holding Company System

The Company is a member of an insurance holding company system as defined in 18 *Del. C.* § 5001(4) "Insurance Holding Company System". The Company's Holding Company Registration Statements were timely filed with the Department for the years under examination.

An abbreviated presentation of the holding company system as of December 31, 2020, is as follows:

Company	Domicile	% own
SCOR SE	France	
SCOR Investment Partners SE	France	100%
SCOR US Corporation United States	Delaware	100%
General Security National Insurance Company United States	New York	100%
SCOR Reinsurance Company	New York	100%

General Security Indemnity Company of America	Arizona	100%
ReMark Group BV	Netherlands	100%
Rehalto SA	France	100%
SCOR SE Representative Offices in Mexico, Taiwan & Israel		100%
SCOR Service Belux	Belgium	100%
SCOR Global Life Australia Ply Ltd.	Australia	100%
SCOR Global Life Reinsurance Ireland dac	Ireland	100%
SCOR Life Ireland dac (1)	Ireland	74%
SCOR Telemud Siu	Spain	100%
SCOR Global Life Chile Services Tecricosy y Representaciones Limitada (2)	Chile	99.99%
Revios Canada Holding Corp.	Canada (Ontario)	100%
Revios Canada Ltd.	Canada (Ontario)	100%
SCOR Global Life Americas Holding Inc.	Delaware	100%
Qualitative Data Solutions	Delaware	100%
SCOR Global Life USA Holdings, Inc.	Delaware	100%
SCOR Global Life USA Reinsurance Company	Delaware	100%
SCOR Global Life Reinsurance International (Barbados) Ltd.	Barbados	100%
SCOR Life Assurance Company	Delaware	100%
SCOR Life Reassurance Company	Delaware	100%
SCOR Global Life Americas Reinsurance Company	**Delaware**	**100%**
SCOR Global Life Americas Reinsurance Company Escritório de Representação no Brasil Ltda (3)	Brazil	99.00%
SCOR Global Life Re Insurance Company of Delaware	Delaware	100%
SCOR Financial Life Insurance Company	Delaware	100%

(1) SGLAH owns 26% of SCOR Life Ireland dac.
(2) SCOR owns 99.998% and SGLAH owns 0.002% of SCOR Global Life Chile Servicios Tecnicos y Representaciones Limitada Chile (SCOR Chile), per local regulations.
(3) SCOR owns 1.0% per local regulations.

Agreements with Affiliates

Amended and Restated Service Agreement

Effective November 15, 2017, the Company entered into a Service Agreement among SGLA, SGLDE, SGLUSA, SCOR Global Life Reinsurance International (Barbados) Ltd. (SGL Barbados), SLRC, SLAC, SFLIC, SCOR Advantage, LLC and SCOR Global Life SE (Canada Branch). The agreement was amended June 1, 2018, adding SGLAH as a party to the agreement.

Under the terms of the agreement, SGLA provides certain financial/accounting services, regulatory services and administrative services pursuant to the terms of the agreement established for the benefit of SCOR subsidiaries to conduct their business. Costs for the services are charged on a cost allocation/reimbursement basis.

Intergroup Service Level Agreement

Effective October 30, 2018, amended January 1, 2020, the Company entered into a service agreement with SCOR Life Ireland dac (SLI), whereby SLI will outsource certain processes, services, and/or activities deemed “Critical or Important Functions or Activities” within the meaning of SCOR’s Group Outsourcing Policy. The agreement was entered into for an undetermined amount of time from the effective date. The services to be provided include financial planning, legal support, cash management, external retro, tax support and any other ad-hoc services.

Short-Term Facility Agreement

Effective July 1, 2019, the Company entered into a Short-Term Facility Agreement between SCOR, SGLA, SGLDE, SLRC, SLAC, SFLIC and other affiliates. By establishing this intragroup Short-Term Facility Agreement, the SCOR Group will reduce the number of external loan providers to the Group and will create a more efficient and cost-effective mechanism to provide funding if and as treasury needs arise.

Intragroup Service Agreement

Effective January 1, 2020, amended June 30, 2020, August 30, 2020 and December 4, 2020, the Company entered into a Intragroup Service Agreement with SCOR Global Life Reinsurance Ireland, Ltd (SGLRI), covering those processes and services and activities which are not deemed “Critical or Important or Functions or Activities” within the meaning of SCOR’s Outsourcing Policy. The services to be provided include certain financial planning, legal support, cash management, external retro, tax support, and any other ad-hoc services.

For the affiliated and related party agreements noted above that were newly entered, and amendments to previously approved agreements, the Company submitted notification to, and received approval from the Department in accordance with *18 Del. C. § 5005* "Standards and management of an insurer within an insurance holding company system."

Other Intercompany Agreements

The following agreements were entered into prior to the period covered by this examination, were reviewed in connection with earlier examinations, and remained in effect as of December 31, 2020:

Description	Effective Date
Service and Expense Allocation Agreement (1)	October 1, 2000
Inter-Affiliate Agreement (2)	August 9, 2011
Capital Maintenance Agreement (3)	December 15, 2011
Amended and Restated Consulting and Admin Services Agreement (4)	March 1, 2012
Consulting and Administrative Services Agreement (3)	January 1, 2013
Share Recharge Agreement (5)	December 31, 2013
Parental Guarantee Cost Allocation Agreement (6)	January 1, 2014
Consulting and Administrative Services Agreement (7)	March 31, 2014
Compensation Agreement (8)	July 15, 2014
Exclusive License Agreement (7)	July 15, 2014
Parental Guarantee Agreement (9)	October 29, 2014
Amended and Restated Tax Allocation Agreement (10)	December 15, 2014
Service Level Agreement (11)	January 1, 2015
Master Service Agreement (12)	January 1, 2015
Intragroup Outsourcing Framework Agreement (13)	January 1, 2016

(1) Parties to this agreement included SCOR Reinsurance Company (SCOR Re), SCOR Global Life U.S. Re Insurance Company (now known as SGLA effective September 20, 2000), Investors Insurance Corporation (IIC), Investors Marketing Group, Inc., (IMG), SCOR Global Life Re Insurance Company of Texas (now known as SGLDE effective December 31, 2013), SCOR Global Life U.S. Re Insurance Company Escritorio de Representacao no Brasil Ltda. (SGLA REP), SCOR U.S. Corporation (SCOR U.S.), SCOR Chile, and SGLRA. Effective June 30, 2008, August 30, 2008 and December 4, 2009, this agreement was amended by Amendment No. 1, Amendment No. 2 and Amendment No. 3, respectively. Upon the sale of IIC to Athene on July 18, 2011, IIC was removed from the agreement per a Termination Amendment. Upon the merger of SGLRA with and into SGLA effective December 30, 2011, SGLRA as no longer a party to this agreement. Upon dissolution of IMG effective September 24, 2012, IMG was removed as party to the agreement. This agreement was again amended and restated effective October 1, 2013, adding SGLUSA as party to the agreement.

(2) Parties to this agreement include SGL SE - Singapore Branch, SGLA and SGLRI.

(3) Parties to agreement included SGLA and SGL SE. On March 31, 2019, SGL SE and SGPC SE were merged with and into SCOR. As a result, parties to the agreement at December 31, 2020, were SGLA and SCOR.

(4) Parties to this agreement include SGLA and SGLRI. This agreement was amended July 1, 2014 and December 22, 2016, whereby certain additional consulting and administrative services are provided between SGLA and

SGLRI.

(5) The original agreement was effective January 1, 2011. It was amended effective December 31, 2013, to add SGLUSA a subscribing member and January 1, 2014, to add SGLA as a subscribing member.

(6) Parties to this agreement included SCOR, SGLA, and SGLDE, pursuant to which charges are allocated to SGLA and SGLDE in consideration of certain services provided by them.

(7) Parties to this agreement included SGLA and Quantitative Data Solutions, LLC (QDS).

(8) Parties to this agreement include SGLUSA, SGLA, and QDS.

(9) Parties to this agreement include SCOR and SGLA.

(10) Parties to this Agreement include SGLA, SGLDE, SGLUSA, SLAC, SLFRC, SFLIC, SGLAH, SGLUSAH, and SGLA Barbados.

(11) Parties to this agreement included SGLA and SCOR Management Services Ireland Limited.

(12) Parties to this agreement include SCOR, SGLA, SGLDE, SGLUSA and other affiliated companies. The original effective date of this agreement was January 1, 2014. On October 20, 2016, Amendment 1 was submitted to the Department changing the effective date to January 1, 2015.

(13) Parties to the outsourcing framework agreement include SGLA and SGLRI. Effective October 30, 2018, the Company updated this agreement by entering into an Amended and Restated Intergroup Outsourcing Service Agreement with SLI. Under terms of the amended and restated outsourcing agreement, SLI will outsource certain process, services, and activities which are deemed critical within the meaning of SCOR's Outsourcing Policy. Critical process, services, and activities include actuarial, accounting, and claims management services. Effective June 1, 2019, the agreement was amended to recognize the service providers to the services they are providing.

TERRITORY AND PLAN OF OPERATION

Territory

As of December 31, 2020, the Company was licensed in the District of Columbia, as well as 49 states. In five of these states, the Company was an accredited reinsurer. The Company is also registered as a reinsurer in Brazil, Chile, Columbia, the Dominican Republic, Ecuador, Guatemala, Mexico, Paraguay, Bolivia, Honduras and Panama.

The Company is authorized as a stock insurer to transact the business of life and health insurance as defined in 18 *Del. C.* § 902 and 18 *Del. C.* § 903.

The principal office facilities of the Company are in Charlotte, North Carolina.

Plan of Operation

The Company is engaged in the business of life and health reinsurance. The Company assumes primarily life and some annuity business from affiliated and non-affiliated companies, in addition to some group life and accident and health business. As of December 31, 2020, the Company had a negligible amount of direct written premiums, all of which is in run-off.

The Company assumes risk from third party ceding companies in the United States and Latin America. The Company retrocedes business to affiliated companies within the SCOR Group and participates with affiliated companies in an excess retrocession pool to third party retrocessionairs, as well as facultative retrocession coverage for selected risks.

The Company's current assumed business includes term, permanent, and universal life reinsurance business, reinsured on a coinsurance, modified coinsurance or yearly renewable term basis. Within the risk appetite and underwriting guidelines of SCOR Group, the Company may reinsure mortality, morbidity, longevity, and other biometric risk associated with the life insurance products sold by its primary client base, life insurance enterprises. The forms of reinsurance, as described above, can be either proportional or non-proportional depending on the needs of the client.

The Company utilizes its own sales resources to distribute its reinsurance solutions to client companies in the U.S. Three sales roles (with the titles of Account Executives) cover approximately 75 life insurance companies doing business in the U.S. Their duties include building relationships with key decision-makers, understanding the client company's life insurance product portfolio and likely reinsurance needs, and getting opportunities to provide proposals for the clients Request for Proposals (RFP). The Company does not routinely utilize life reinsurance brokers, as this is not common practice in the life reinsurance markets. On occasion a client will choose to utilize an intermediary and the Company will work with the Intermediary and directly with the life insurance company to provide a reinsurance proposal. The Company's Account Executives all have 20+ years of experience in the market and are well known in the industry.

REINSURANCE

For 2020, the Company reported the following distribution of net premiums written:

Direct	$	19,952
Reinsurance assumed (from affiliates)		10,874,431
Reinsurance assumed (from non-affiliates)		2,322,295,277
Total direct and assumed	$	2,333,189,660
Reinsurance ceded (to affiliates)		(2,053,197,225)
Reinsurance ceded (to non-affiliates)		(51,619,388)
Net premium written	$	228,373,047

The Company had the following reinsurance program in effect as of December 31, 2020:

Assumed

The Company assumes risk from third party ceding companies in the United States and Latin America. The Company's current assumed business primarily includes term, permanent and universal life reinsurance business, reinsured on a coinsurance, modified coinsurance, or yearly renewable term basis. Within the risk appetite and underwriting guidelines of SCOR Group, the Company may reinsure mortality, morbidity, longevity, and other biometric risk associated with the life insurance products sold by its primary client base, life insurance enterprises. Other risks, such as lapse and asset risk, may be transferred as part of the contracts related to such biometric risk. The forms of reinsurance as described above can be either proportional or non-proportional depending on the needs of the client.

Ceded

The Company's retrocession program consisted of the following major categories.

- Affiliate Reinsurance
- Non-affiliate Reinsurance Pools with Third Party Participants and Shares
- Special Retrocession and Facultative

Affiliate Reinsurance

These programs are primarily used to optimize business flows and capital management. The following affiliate legal entities are involved with these reinsurance programs and a majority, if not all, are quota share arrangements:

Retrocession Agreements between SGLA and SGLUSA

SGLA is party to two treaties with SGLUSA, one effective September 30, 2002, and the other effective December 31, 2002, whereby SGLUSA retrocedes to SGLA specified blocks of policies.

Retrocession Agreement between SGLA and SCOR SE

Effective December 31, 2003, SGLA entered into an Automatic Retrocession Treaty with SCOR SE, whereby SCOR SE reinsures 100% of policies ceded to this treaty.

Retrocession Agreements between SGLA and SLAC

Coinsurance Agreement, effective August 9, 2011, by and between SGLA and SLAC, whereby SLAC reinsures (i) the term and universal life insurance business written by SGLA and (ii) the yearly renewable term business written by SGLA.

Retrocession Agreement between SGLA and SLRC

Amended and Restated Coinsurance Agreement, effective October 1, 2012, originally effective August 9, 2011, as amended, by and between SGLA and SLRC, whereby SLRC reinsures the liabilities arising under certain reinsurance contracts assumed by SGLA in connection with the acquisition of Transamerica Re's reinsurance business.

Retrocession Agreement between SGLA and SFLIC

Retrocession Agreement, January 1, 2015, between SGLA and SFLIC, whereby SGLA retrocedes on a coinsurance basis to SFLIC specified blocks of policies.

Retrocession Agreement between SGLA and SGLRI

SGLA and SGLRI entered into seven Retrocession Agreements effective October 2, 2013, of which five were on a coinsurance basis, and two were yearly renewable term, for specific blocks of policies. Effective January 1, 2018, SGLA recaptured the blocks of business previously retroceded to SGLRI and immediately retroceded this business to SLI under the same terms and conditions as they were originally retroceded to SLGRI. On February 5, 2020, the Department approved a treaty consolidation to merge and consolidate various treaties between SGLA and SLI into a new treaty effective January 1, 2020.

In addition to the aforementioned treaties, SGLA and SGLRI have entered into the following other retrocession agreements: (1) an Automatic Coinsurance Retrocession Treaty, effective December 31, 2003 where by SGLA cedes to SGLRI mortality risk associated with life products on a coinsurance basis; (2) a retrocession agreement effective December 31, 2006, whereby SGLA cedes to SGLRI a quota share of interest and liabilities on certain original agreements; (3) a retrocession agreement effective October 1, 2012, whereby SGLA retrocedes on a coinsurance basis specific blocks of policies; (4) a retrocession agreement effective July 1, 2014 whereby SGLA retrocedes on a coinsurance basis a specific block of policies; (5) a retrocession agreement effective October 1, 2014, as amended, whereby SGLA retrocedes on a coinsurance basis a specific block of policies; and (6), an Automatic Retrocession Treaty between SGLA and SGLRI, effective December 31, 2003, whereby SGLRI reinsures mortality risk associated with life policies. As a result of SCOR's business restructuring in 2018, these agreements were all recaptured by SGLA and immediately retroceded them to SLI under the same terms and conditions as they were originally retroceded to SGLRI.

Lastly, SGLA retrocedes specific policies to SGLRI on a coinsurance basis effective October 1, 2017, and an Automatic Yearly Renewable Term Retrocession Treaty effective December 31, 2003, whereby SGLRI cedes its retention on certain life risks to SGLA.

Retrocession Agreement between SGLA and SGLDE

Retrocession Agreement between SGLA and SGLDE, effective January 1, 1988, whereby SGLA retrocedes on a coinsurance basis to SGLDE specified blocks of policies.

Non-Affiliate Reinsurance Pools with Third Party Participants

These programs are primarily intended for the Company's enterprise risk management program to provide for risk transfer in excess of corporate retention.

Special Retrocession and Facultative

These programs were instituted to address reinsurance needs not encompassed by Affiliate or Non-Affiliate Reinsurance Pools. These programs were established for a specific purpose: generally capital management or to manage retention on a risk from a specific block of business aside from the general retention program.

The Company retrocedes its business through a diversified group of retrocessionaires and monitors collectability of retrocessionaire balances. No single unaffiliated retrocessionaire has a material obligation to the Company nor is the Company's business substantially dependent upon any reinsurance agreement. The Company is contingently liable with respect to retroceded reinsurance should any retrocessionaire be unable to meet its obligations under these agreements. The Company analyzes recent trends in arbitration and litigation outcomes in disputes, if any, with its retrocessionaires. The Company monitors ratings and evaluates the financial strength of the Company's retrocessionaires by analyzing their financial statements. Retention programs are reviewed and approved by the parent company and the Board of Directors no less often than annually.

Reinsurance Contract Review

A review was performed of the new reinsurance contracts put into place during the examination period for compliance with 18 *Del. Admin Code* §1000 and applicable Statement of Statutory Accounting Principles (SSAP). No exceptions were noted.

FINANCIAL STATEMENTS

The following financial statements, as reported and filed by the Company with the Department, are reflected in the following:

General Account:
- Statement of Assets and Liabilities as of December 31, 2020
- Statement of Income for the Year ended December 31, 2020
- Reconciliation of Capital and Surplus for the Period from the Prior Examination as of December 31, 2017 to December 31, 2020

Statement of Assets and Liabilities
As of December 31, 2020

	Assets	Nonadmitted Assets	Net Admitted Assets	Note
Bonds	$ 454,193,582	$ -	$ 454,193,582	
Stocks				
Common stocks	105,133,041		105,133,041	
Cash and cash equivalents	60,337,594		60,337,594	
Short-term investments	2,632,106		2,632,106	
Contract loans	13,029,512		13,029,512	
Other invested assets	45,300,000		45,300,000	
Subtotals, Cash and Invested Assets	$ 680,625,835	$ -	$ 680,625,835	
Investment income due and accrued	2,942,616		2,942,616	
Premiums and considerations				
Uncollected premiums and agents' balances in course of collection	106,471,305	1,193,094	105,278,211	
Reinsurance				
Amounts recoverable from reinsurers	21,474,956		21,474,956	
Funds held by or deposited with reinsured companies	3,209,459		3,209,459	
Other amounts receivable under reinsurance contracts	51,104,370		51,104,370	
Amounts receivable related uninsured plans	1,831,882		1,831,882	
Current federal and foreign income tax recoverable and interest thereon	2,675,971		2,675,971	
Net deferred tax asset	48,101,311	34,715,480	13,385,831	
Electronic data processing equipment and software	3,218,306		3,218,306	
Furniture and equipment, including health care delivery assets	3,978,139	3,978,139	-	
Receivable from parent, subsidiaries and affiliates	70,629,369		70,629,369	
Aggregate write-ins for other than invested assets	1,275,023	248,086	1,026,937	
Total assets excluding Separate Accounts	$ 997,538,542	$ 40,134,799	$ 957,403,743	
From Separate Accounts	-	-	-	
Total Assets	$ 997,538,542	$ 40,134,799	$ 957,403,743	

		Note
Aggregate reserves for life contracts	$ 321,076,990	1
Aggregate reserves for accident and health contracts	6,516,508	1
Liability for deposit type contracts	5,295,107	1
Contract claims		
Life	105,109,543	1
Accident and Health	15,185,813	1
Contract liabilities no included elsewhere		
Interest Maintenance Reserve	7,994,988	
Commissions and expense allowances payable on reinsurance assumed	47,334,428	
General expenses	30,075,422	
Remittances and items not allocated	188,771,059	
Asset valuation reserve	1,066,029	
Reinsurance in unauthorized and certified companies	825,907	
Funds held under reinsurance treaties with unauthorized and certified reinsurers	12,707,595	
Payable to parent, subsidiaries, and affiliates	16,384,950	
Funds held under coinsurance	23,390,546	
Derivatives	127,809	
Aggregate write ins for liabilities	5,196,138	
Total liabilities excluding Separate Accounts	$ 787,058,832	
From Separate Accounts Statement		
Total Liabilities	$ 787,058,832	
Common capital stock	2,677,500	
Surplus notes	33,760,265	
Gross paid in and contributed surplus	287,453,528	
Unassigned funds (surplus)	(153,546,382)	
Total Capital and Surplus	$ 170,344,911	
Totals	$ 957,403,743	

Statement of Income
For the Year Ended December 31, 2020

Premiums and annuity considerations for life and accident and health contracts	$ 228,373,047
Considerations for supplementary contracts with life contingencies	96,489
Net investment income	11,913,411
Amortization of Interest Maintenance Reserve	2,029,543
Commissions and expense allowances on reinsurance ceded	139,768,637
Aggregate write ins for miscellaneous income	(744,670)
Total	$ 381,436,456
Death benefits	$ 280,731,006
Annuity benefits	730,314
Disability benefits and benefits under accident and health contracts	1,469,682
Surrender benefits and withdrawals for life contracts	2,701,912
Interest and adjustments on contract or deposit type contract funds	405,320
Payments on supplementary contracts with life contingencies	570,327
Increase in aggregate reserves for life and accident and health contracts	(7,400,051)
Total	$ 279,208,510
Commissions on premiums, annuity considerations and deposit type contract funds	2,757
Commissions and expense allowances on reinsurance assumed	144,326,554
General insurance expenses	7,509,721
Insurance taxes, licenses and fees	4,406,068
Aggregate write ins for deductions	(3,000,935)
Total	$ 432,452,675
Net gain from operations before dividends to policyholders and federal income taxes	$ (51,016,218)
Dividends to policyholders	-
Net gain from operations after dividends to policyholders and before federal income taxes	$ (51,016,218)
Federal and foreign income taxes incurred	7,090,887
Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains/(losses)	$ (58,107,105)
Net realized capital gains/(losses)	(78,950)
Net Income	$ (58,186,055)

Reconciliation of Capital and Surplus
For the Period from the Prior Examination
As of December 31, 2016, to December 31, 2020

	Common Capital Stock	Paid In & Contributed Surplus	Unassigned Funds (Surplus)	Surplus Notes	Capital and Surplus
December 31, 2016	$ 2,677,500	$ 252,799,516	$ (51,416,125)	$ -	$ 204,060,891
Operations 2017 (1,2)	-	654,012	3,290,643		3,944,655
Operations 2018 (1,3)	-	-	(55,002,207)	54,984,383	(17,824)
Operations 2019 (1)	-		(1,216,746)		(1,216,746)
Operations 2020 (1,4,5)	-	34,000,000	(49,201,947)	(21,224,118)	(36,426,065)

(1) Operations is defined as: Net income, change in unrealized capital gain/(losses), change in net unrealized foreign exchange, change in net deferred income tax, change in non-admitted assets, change in liability for reinsurance, change in asset valuation reserve, dividends to stockholders and aggregate write-ins.

(2) In 2017, the Company made a series of entries totaling $654,012 to clear balances run through the equity account and did not represent capital contributions. The $654,012 consisted of the following entries: (1) An entry for $175,000 related to equity-based compensation adjustments between SCOR and SGLA. These true-ups represented improper statutory balances remaining in equity as part of old processes and (2)entries totaling $479,012 related to the foreign exchange (FX) FX impact of the true-ups, which resulted in an unfavorable profit and loss impact. In 2018, the Company changed the recording timing to ensure that there were no FX balances in equity going forward. Additionally, the Company records all EURO transactions in EUR and not in EURO converted to USD outside of Statutory Accounting Principles (SAP), which was part of the clean-up in 2017.

(3) On March 16, 2018, the Company issued a surplus note to its upstream Parent, SGL SE in the amount of $33,760,265, in exchange for cash. Effective February 22, 2019, the Company requested approval to amend its surplus note and treat the adjustment as a Type I Recognized Subsequent Event under SSAP No. 9. The amendment to the surplus note increased the principal amount of $33,760,265 to $54,984,383. All other provisions of the surplus note remained the same. Subsequently, on March 5, 2019, the Company received approval from the Department to amend the surplus note between SGLA and SGL SE effective February 1, 2019, as well as treat the adjustment as a Type I Recognized Subsequent Event. On March 31, 2019, SGL SE and another affiliate were merged with and into SCOR. As a result of the merger, SCOR became the owner of the surplus noted.

(4) In 2020, an adjustment was recorded on the December 31, 2017, recapture of treaties previously retroceded to SCOR. The net consideration was adjusted by $12.2 million due to SCOR, resulting in a net loss of $12.2 million which was recognized in the Company's Summary of Operations in accordance with SSAP 61R. Also, in connection with this transaction, SGLA repaid $21.2 million on an outstanding surplus note to SCOR and recorded a $34.0 million capital infusion from SCOR resulting in an overall net $0 impact on capital and surplus. The Company received Department approval on February 25, 2020, to make the partial repayment of the surplus note.

(5) Effective March 31, 2021, the Company recaptured certain blocks of business previously retroceded to an affiliate, SLAC, and immediately retroceded this business to another affiliate, SLI. The recapture and subsequent retrocession transactions are considered to have occurred contemporaneously with no impact to earnings or capital and surplus and accordingly the net result will be recognized within the 2021 Summary of Operations in accordance with SSAP 61R.

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE EXAMINATION

There were no changes made to the financial statements as a result of this examination.

COMMENTS ON FINANCIAL STATEMENT ITEMS

Note 1:

Aggregate reserves for life contracts	$321,076,990
Aggregate reserves for accident and health contracts	$6,516,508
Liability for deposit-type contracts	$5,295,107
Contract claims:	
Life	$105,109,543
Accident and health	$15,185,813

In order for the examination team to gain an adequate comfort level with the Company's reserve estimates for Aggregate reserves for life contracts, Aggregate reserves for accident and health (A&H) contracts, Liability for deposit-type contacts and Contract claims: life and A&H, the Department retained the actuarial services of INS Consultants, Inc. (INS) to perform a risk-focused review of the Company's reserving and pricing activities. Certain risks within the reserving processes required Phase 5 substantive test work.

Based on the procedures performed and results obtained by INS, the examination team obtained sufficient evidence to support the conclusion that the Company's net reserves for the aforementioned balance sheet items are reasonably stated as of December 31, 2020.

SUBSEQUENT EVENTS

The following material subsequent events occurred, requiring disclosure in this examination report. Please refer to the Summary of Recommendations section of this report for examination findings.

Capital Contributions

Subsequent to the period under examination, the Company received the following capital contributions from its parent, SGLAH:

Year	Capital Contribution	
2021	$ 20,000,000	(1)
2021	$ 18,000,000	(2)
2021	$ 29,000,000	(3)

(1) On June 30, 2021, the Company reported a receivable from its parent, in the amount of $20,000,000 for approval as a capital contribution by the Department on June 30, 2021, which was received on July 15, 2021. On August 30, 2021, the Department acknowledged this capital contribution from the Company's parent and will be treated as a Type I subsequent event, pursuant to SSAP 9 and SSAP 72, paragraph 8.
(2) On September 30, 2021, the Company reported a receivable from its parent, in the amount of $18,000,000 for approval as a capital contribution by the Department on September 29, 2021, which was received on November 4, 2021. On October 4, 2021, the Department acknowledged this capital contribution from the Company's parent and will be treated as a Type I subsequent event, pursuant to SSAP 9 and SSAP 72, paragraph 8.
(3) On December 31, 2021, the Company reported a receivable from its parent, in the amount of $29,000,000 for approval as a capital contribution by the Department on December 22, 2021, which was received on January 27, 2022. On December 27, 2021, the Department acknowledged this capital contribution from the Company's parent and will be treated as a Type I subsequent event, pursuant to SSAP 9 and SSAP 72, paragraph 8.

Intercompany Management and Service Agreements

Subsequent to the period under examination, the Company entered into the following intercompany agreement:

SCOR GIE Informatique IT Service Agreement

Effective 1, 2021, the Company entered into an IT Service Agreement with SCOR GIE Informatique (GIE), a SCOR French entity, under which GIE will provide IT services to SGLA. This arrangement is being entered into as part of a group-wide initiative to allow for more transparent and efficient budgeting, cost allocation, etc. with respect to common shared management expenses. The agreement was approved by the Department on March 11, 2021.

SCOR SE Asset Management Agreement

Effective January 1, 2021, the Company, SGLDE, SGLUSA, SLAC, SLRC and SFLIC entered into an Asset Management Services Agreement with SCOR, whereby SCOR will provide asset management support services to the Delaware life entities. This arrangement is being entered into as part of a group-wide initiative to allow for more transparent and efficient budgeting, cost allocation, etc. with respect to common shared management expenses. The agreement was approved by the Department on March 8, 2021.

Affiliate Retrocession Reinsurance Recaptures

Recapture of Affiliated Retrocession between SGLA, SLAC and SLI

Effective March 31, 2021, the Company recaptured certain blocks of business previously retroceded to an affiliate, SLAC, and immediately retroceded this business to another affiliate, SLI. The recapture and subsequent retrocession transactions are considered to have occurred contemporaneously with no impact to earnings or capital and surplus.

Recapture of Affiliated Retrocession between SGLA, SFLIC and SLI

Effective June 30, 2021, the Company recaptured certain blocks of business previously retroceded to an affiliate, SFLIC, and immediately retroceded this business to another affiliate, SLI. The recapture and subsequent retrocession transactions are considered to have occurred contemporaneously with no impact to earnings or capital and surplus.

Other - COVID-19

The spread of COVID-19 is worldwide, dislocating capital markets and affecting every industry. As of February 15, 2022, the Company has effectively responded to the pandemic by both protecting its employees and maintaining business continuity. The Company further believes that its strong capital and liquidity positions make it well-positioned to weather current market volatilities and business disruptions related to the pandemic. However, there is considerable uncertainty around both the severity and the duration of the COVID-19 outbreak, and for that reason the future financial and other impacts of the pandemic on the Company cannot reasonably be estimated at this time.

SUMMARY OF RECOMMENDATIONS

There were no examination report findings or recommendations as a result of the December 31, 2020 examination.

The assistance and cooperation of examiners representing the states on the coordinated examination is acknowledged. In addition, the assistance of the consulting actuarial firm, INS Consultants, Inc., the Company's outside audit firm, KPMG and the Company's management and staff was appreciated and is acknowledged.

Respectfully submitted,

Keith E. Misenheimer, CFE, ALMI, CFE, ARM
Examiner-In-Charge
State of Delaware

Richard Palmatary, CPA, CFE
Supervising Examiner
State of Delaware

I, Keith E. Misenheimer, hereby verify and attest, under penalty of perjury, that the above is a true and correct copy of the examination report and findings submitted to the Delaware Department of Insurance pursuant to Examination Certification No. 21.023.

Keith E. Misenheimer, CFE, ALMI, CFE, ARM